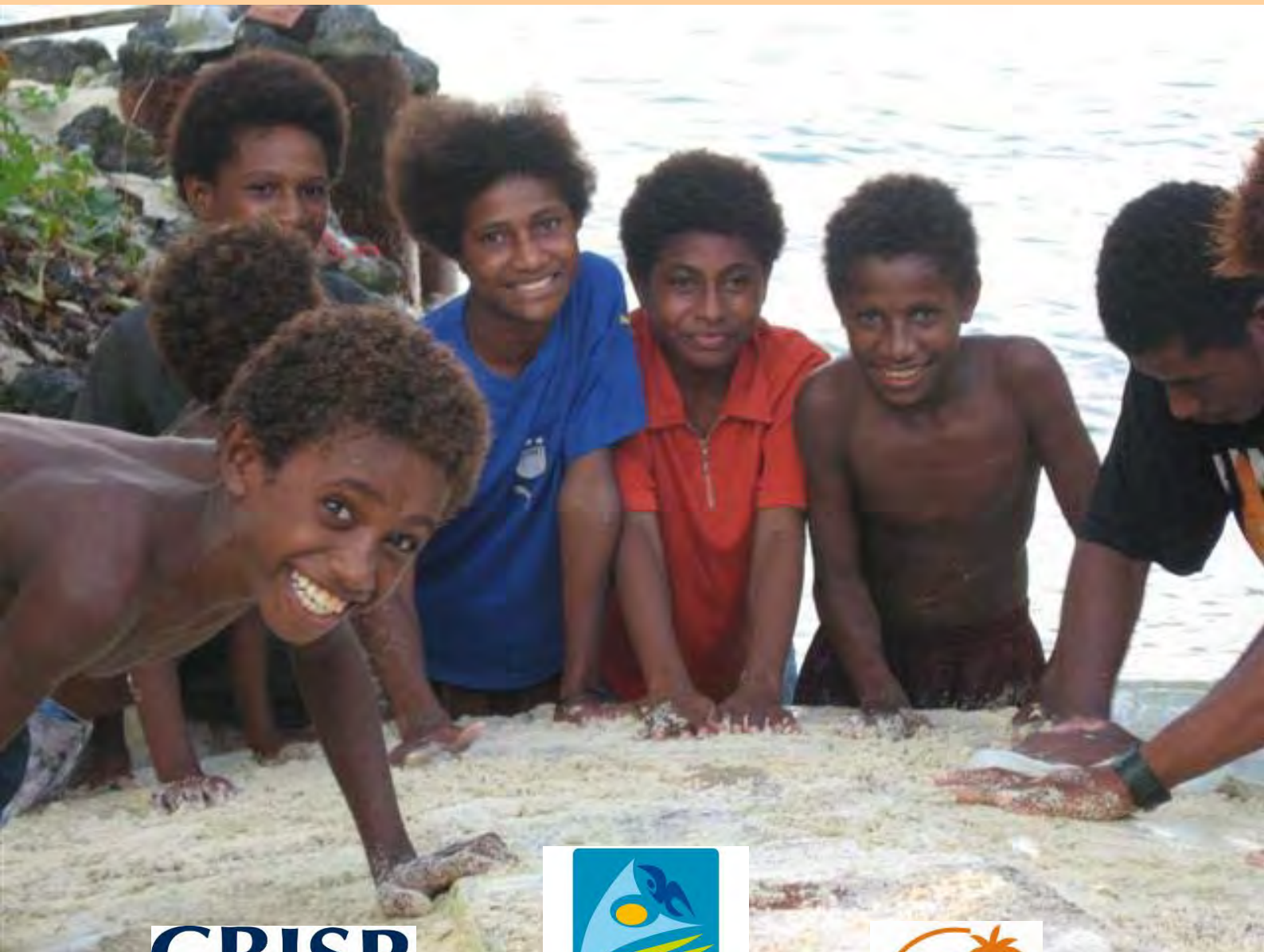


How can we support communities to build on what they have for a better life?

Supplementary livelihoods in the Pacific

Hugh Govan

Foundation for the Peoples of the South Pacific International



FSPI and community livelihoods

The Foundation of the People's of the South Pacific International is a network of Pacific island non-governmental organisations and overseas affiliates working in partnership across the South Pacific. The partners work together "to build communities in the Pacific by working with Pacific communities through people-centred programmes to foster self-reliance in a changing world". The main function of the FSPI Secretariat is to coordinate the planning and design of regional development projects, based on the needs identified by the members and their constituencies. The present publication represents the fourth in a series of studies commissioned to better equip FSPI, its affiliates and other national and regional stakeholders to support communities in their quest for sustainable livelihoods. For further information please consult the FSPI website.

<http://www.fspi.org.fj/>

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Supplementary livelihoods in the Pacific

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Summary

Pacific Island communities and governments alike consider sustainable livelihoods for rural communities a high priority but the common perception is that support for livelihoods is not achieving its potential. Sustainable livelihoods are central to current development policy including resource management and conservation but also in emerging policy to meet threats such as climate change adaptation.

This report summarizes the learning from three previous studies and the present study commissioned by FSPI to improve understanding of the performance of livelihood approaches in the region, explore some of the livelihood approaches used, design and test a tool to assist communities in assessing feasibility of options, disseminate experiences more widely and provide policy guidance to governments, donors and practitioners.

A number of key points are made including the fact supplementary livelihoods should be used as a term that more correctly describes the livelihood diversification sought by Pacific Island communities and that may be key to resilience and adaptation in the face of climate change and other emerging threats. In supporting livelihood approaches non-cash initiatives should be given careful consideration such as securing food supply through wise resource management or improved agricultural practices as these are an essential foundation and can be more easily attained especially if communities' traditional strengths are harnessed. The role of government and other support agencies needs to be improved to ensure that at least minimum services in terms of information and markets reach more communities.

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Background

National governments and communities throughout the Pacific have emphasised that achieving sustainable livelihoods is a major priority and this is reflected in strategies for conservation, fisheries management, health, climate change adaptation and others.



The common perception that sustainable livelihood approaches were not achieving their potential and that the reasons for this were poorly understood led to a preliminary study commissioned by FSPI entitled “Supplementary livelihood options for Pacific Island Communities: a review of experiences”¹.

The study suggested a number of key factors in the success of the reviewed livelihood ventures including:

- The existence of initial feasibility and cost/benefit analysis
- The provision of continuous or regular support
- Certain social and governance factors such as leadership and equitability

The first study also highlighted the lack of documentation of experiences in this region and challenges in accessing the existing information. A second phase of the “Supplementary livelihood options” project was financed by SPREP which aimed to address these issues through:

- Exploring some of the key factors and livelihood approaches used by regional practitioners
- Designing and testing a tool to assist communities assessing feasibility of options
- Disseminating the results to date on the web
- Provide policy guidance to governments, donors and practitioners



This report summarizes the outcomes of both projects and includes the tool and policy brief. The web based information and networking resource are available at <http://www.fspi.org.fj/>.

¹ O'Garra, T. 2007. http://www.sprep.org/att/irc/ecopies/pacific_region/422.pdf

Some key issues

Supplementary livelihoods

Different terms are used such as alternative livelihoods, sustainable livelihoods, and income generating alternatives amongst others. We propose that “supplementary livelihoods” reflects more accurately the reality of Pacific Island rural communities:

- The livelihoods are based on things such as natural resources, cultural and social strengths and not just simply cash.
- Households engage in diverse occupations which may vary over time depending on local factors and changing needs.
- This livelihood diversification may function as a sort of “insurance” so that households can still make a living even if one livelihood fails. In fact it may be a critical aspect of community adaptation and resilience in the face of external threats such as climate change.

What may constitute a successful livelihood?

Profitability is often considered to be the main indicator of a successful livelihood but in the Pacific a number of other factors may be just as important to communities such as the ability to fulfil cultural obligations for example. We propose that a “successful” livelihood is one that can continue into the future, coping with, and adapting to, changes and without losing the things that make the livelihood possible.



If we have rich natural resources why do we not have lots of money?

The availability of natural resources is one asset or strength that communities may have. This asset if wisely managed may at least provide food for present and future generations but this will depend on other assets that the community may have or have access to. Generating cash from natural resources sustainably will depend on these other assets which include skills, culture, access to markets, transport, finance for start-up and infrastructure. The condition of these assets needs to be taken into account.



Secure food supply may be the first and priority livelihood option

Experience to date suggests that support for the development of sustainable livelihoods, particularly those that generate cash income, faces considerable challenges. For the majority of communities such support may not be available or effective for a considerable time to come. However, it appears that using the strengths of community organization and traditional knowledge it is possible for communities to improve and secure their future livelihoods by improving their natural resource management². Some people even warn that “in

² Govan et al. 2009. http://www.sprep.org/att/publication/000646_LMMA_report.pdf

many cases, livelihood diversification could even be a distraction that deters communities from gaining an awareness of the need for, and benefits of, more effective forms of marine resource management”³.

Communities, families and leadership

Sometimes we assume that a livelihood project has to be community-wide. The strength of the relationship between community members is an important aspect of village life and it is important to count on the support of communities and in particular the leaders. However, different projects and different places may best suit different approaches and what may work community-wide in one place may be best handled at the family level or by an association somewhere else. It seems that the most appropriate group to work on the livelihood should be discussed at the outset ensuring that community and leaders are supportive.



Can you all work together?



Markets and transport

The availability of markets for produce and means of transport are very important factors and lack of these will often lead to failure. Partnering with businesses is a solution for some and working through “honest brokers”, organizations or government to ensure access to stable markets is also a common solution.

Government support

Support from government can be of various types including favourable legislation, training, technical advice as well as market access and information, grants, loans and subsidies. Government support is an important success factor for livelihood ventures but many of our countries’ governments do not yet have adequate resources or means to support many communities. Developing the capacity of government to support and integrate community livelihoods through technical advice, legislation, training and finance schemes is a vital task.

Information

One of the scarcest resources in the village is often information such as better ways to produce certain crops, market availability and prices, laws and quality regulations and so on. This information is frequently available in the capital or in organizations but not readily available to

Information on government plans

A majority of the rural populace, in Solomon Islands, don’t know many of the plans that their National or Provincial Governments have earmarked as development plans.

Appropriate information

Information appropriate to set up a simple village stay or bushwalk would not be too mind boggling. But this is one of the big obstacles as people tend to see things only through the eyes of the big and wealthy businessman

Hugo Tafea

³ Gillett et al. 2008. http://www.spc.int/coastfish/News/Fish_News/125/Newsletter_125.htm

the communities. Improving communications and ensuring that information reaches those who need it is an important challenge.

Information needs

In Efate, Vanuatu, the new sealed road provides easier access for tourist. But communities need information on tour operators, types of activities tourists are interested in, how to establish businesses, funds availability from banks and donors and support institutions.

Tevi Obed

“Livelihoods” are not just about cash...

An important first step when discussing community livelihoods is for people to be very clear about their needs. Too often it is assumed that cash may solve all problems and too often we find that not only is it hard to generate cash but that it is not the answer. We mentioned above that securing food production may be important but also issues relating to health, water supply and culture may be priorities. In this report we suggest that communities may wish to consider working to improve livelihoods under at least 3 categories:

- Improve or secure food production and other necessities such as water supply, wild harvest, cultivation or land management
- Reduce how much we are affected by natural disasters, seasonal or long term changes or changing market prices
- Generate cash or, just as important, looking at ways to reduce expenses for example through reducing excess use of bought products or making local substitutes.



Culture and traditions

A characteristic of the South Pacific of particular importance to not just sustainable livelihoods but other work is that of culture. Cultural traditions and norms, such as reciprocity and community obligations, form an integral part of everyday life for most people. These traditions have been considered constraints and obstacles to effective livelihood diversification by some; however, they constitute some of the factors favouring community resilience in the face of shocks and climate change. Furthermore, they also have the potential to enhance livelihood opportunities and to positively support small-scale enterprise development if adopted into project development appropriately. Some of the cultural characteristics of particular relevance include:



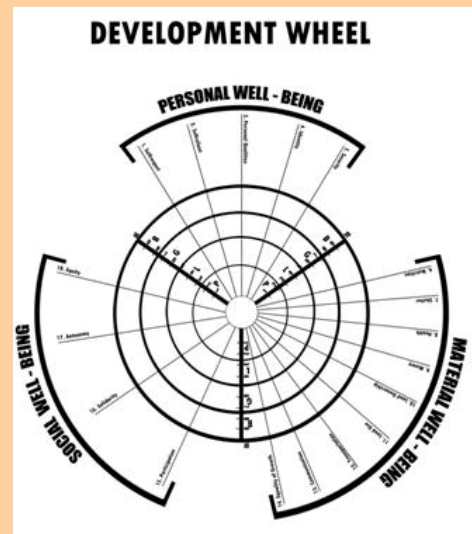
- Cultural obligations, such as *kerekere* (sharing of one's goods)
- Importance of kinship and family ties
- 'Planning ahead' is not necessarily a traditional practice
- Favouring communal decision-making over individual responsibility
- Hierarchy and the importance of strong leadership
- Customary ownership of natural resources including marine areas

Approaches to supporting community livelihoods

Governments, non-government organizations (NGOs) and others have used various approaches to supporting communities in their quest to improve their livelihoods. Some of the approaches are outlined below.

Village awareness and planning

One important approach seeks to ensure that communities and rural people have carefully considered their development needs and aspirations in order to better prioritize their activities and choose appropriate livelihood ventures. This helps place communities in the driving seat and avoid pursuing “copy-cat” (see box below) or externally driven options. An example of this approach has been pioneered by the Solomon Islands Development Trust using easily accessible participatory or open learning tools to assist communities to clarify their vision and identify their livelihood priorities. Such tools include the “Village Quality of Life Index” and the “Development Wheel”⁴. Supporting communities to produce a community development plan that integrates all aspects of village life and serves as a guide for all projects has been used effectively in Latin America by remote communities (*Plan de Vida*) and more recently in the Pacific⁵.



Natural resource management and planning

Based on the fact that the livelihoods of most rural communities depend on the health of their natural resources for day to day subsistence as well as for marketing of produce, fisheries catches, forestry and so on, a number of organizations support communities in improving their resource management. Examples of this are the Locally Managed Marine

Guidance to consider realistic livelihood approaches based on context

Some sustainable livelihood projects in the communities are not community initiated or locally appropriate. They may be externally initiated to fulfil someone else’s agenda. The community may 'want to be like' another community who hosted a similar project without understanding the real need or background. Some local communities still think that an expat expert knows everything and they will just accept what he/she says is best for them.

I think that rural people should be guided to consider realistic livelihood projects based on their context, ones that can be sustainable without much additional requirements.

William Atu

Areas in Fiji and elsewhere in the Pacific⁶. These approaches can serve as a starting point for community organizing and developing experience in planning which can be used for integrated management of land and sea resources, strengthen village organizations and lead to other village projects and ventures.

Extension and ongoing support

A common approach for government agriculture departments and some NGOs involves selecting communities and working with them to establish a livelihood venture with repeated follow up and technical advice. This process needs to be maintained for a relatively long period and requires relatively high investment of time and money per community.

⁴ Solomon Islands Development Trust <http://www.fspi.org.fj/index.php/sidt.html>

⁵ Plan de Vida <http://bit.ly/dVVFkA> Mainstreaming of Rural Development Innovation Program <http://www.fspi.org.fj/index.php/mordi.html>

⁶ Govan et al. 2008. http://www.lmmanetwork.org/Site_Page.cfm?PageID=64

Facilitation of access and interaction with markets

An important role that is played by some NGOs, government departments and businesses consists in mediating between producers and the buyers or exporters. These “middlemen” type services may be in addition to the other approaches discussed here or may limit themselves simply to securing and advertising the market and means of access. Partnering with an established business provides these advantages as well. An issue to consider is that often private or business intermediaries are not controlled by effective legislation and can abuse the confidence of local communities. An example of an NGO that facilitates access to the market for marine farmed products (for which it also provides technical advice) is the Worldfish Center⁷.

Participatory assessment and etc e.g. SLED

A number of participatory approaches have been developed to explicitly help and guide communities through a process that broadly consists of 1. Identification and understanding (their situation, resources and needs), 2. Developing plans and strategies for livelihoods, and 3. Building capacity and connections to support livelihood development.

One example is the approach employed by APHEDA in Solomon Islands which tackles livelihoods under three categories: Working livelihoods (cash, small business); Subsistence livelihoods (fishing, agriculture etc.); Saving livelihoods (healthy life, water supply etc.)⁸. Another example is that employed by the Mainstreaming of Rural



Some ideas for promoting community livelihoods

- Organize look and learn visits for the community to similar projects in another community in the Province/country/Pacific. As many Solomon Islanders do not travel outside from their islands or villages, this can be a real eye opener.
- Ensure external assessors of livelihood projects and experts have local experience and practical community expert counterparts.
- Potential livelihood projects must try to cater for all members of the community (men, women, children) for the whole community to have a sense of ownership.
- Do not accept community projects that are submitted by an individual that is living in the capital or overseas.

William Atu

Development Innovations Programme (MORDI) that supports “Community Development Plans” where these do not already exist⁹.

A highly developed participatory approach which has been developed mainly in Asia is called the Sustainable Livelihood Enhancement and Diversification (SLED) process. SLED is designed to help people to take advantage of opportunities to change the nature of their dependency on natural resources and attempt to create the conditions where all people are able to make informed choices about their livelihood options. The process requires a considerable time investment and much follow-up with the community but has potential to be highly empowering, build capacity and reinforce support networks¹⁰.

⁷ Solomon Sea Sustainable products <http://www.solomonseasustainables.com>

⁸ Union Aid Abroad-APHEDA <http://apheda.org.au/>

⁹ Mainstreaming of Rural Development Innovation Program <http://www.fsfi.org.fj/index.php/mordi.html>

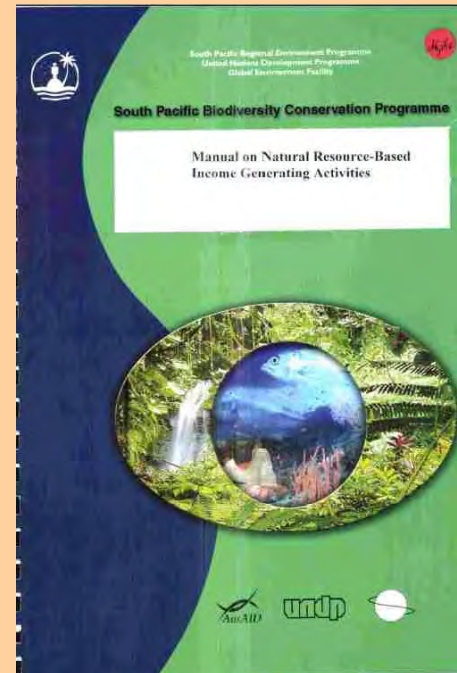
¹⁰ IMM 2008. SLED <http://www.imm.uk.com/PS/Main.aspx?projectId=22cbb689-4e26-41f2-9077-48ee89ef4de3>

Financial literacy and competency

When starting small businesses or even simply trying to handle domestic finances some organizations identify a lack of financial competency as one of the chief stumbling blocks. A number of programs exist in different Pacific Island countries that organize trainings in financial literacy for trainers and communities.

SPREP produced a manual of tools needed to build capacity for natural resource based income generating activities meant for use by officers in charge of conservation areas. It contains handy hints and worksheets to develop these income generating activities¹¹.

A number of other organizations provide basic materials for small business development and training for conservation or resource management related interests such as the Conservation and Community Investment Forum¹² and The Conservation Finance Guide¹³.



Rationale for an additional approach or tool

The wide variety of tools and approaches seem confusing at least at first glance. The approaches that focus on assisting communities to discuss and plan what vision they have for the future and their priority areas for improvement to improve livelihoods seem an essential pre-requisite. However, given the cost and labour intensity involved in such approaches this project explored another tool aiming to assist communities and practitioners to be able to better assess options available and make choices identifying and hopefully avoiding some of the common pitfalls.



¹¹ SPREP 2001. http://www.sprep.org/att/publication/000645_Manual_on_Natural_Resource-based_income_generating_activities.pdf

¹² CCIF http://www.cciforum.org/resources/ccif_tools.htm

¹³ Conservation Finance Guide <http://www.conservationfinance.org/guide/guide/index.htm>

A tool and users guide

Rationale

The study strongly supported the need for improved baseline studies, feasibility assessments and matching livelihood options to communities' needs. The tool that has been developed from regional experience and findings consists of a series of key questions relating to the main factors influencing livelihoods arranged as a short workbook to assist community groups to assess and evaluate their options, plan future actions and improve access to information. The tool – Building on what we have for a better life - is attached as Annex 1 and this section focuses on providing supplementary information as a users guide.



Objective

The aim of the guide is to help people to look at different livelihood options and assist in assessing how promising these options may be.

The outcomes may include:

- A community, group or individual more capable of assessing livelihood options that has started to assess several of the uppermost in their minds
- Better understanding of key concepts and the importance of balancing expected positive and negative impacts
- Communities or users are left with written guidance on these key concepts and any other information deemed useful that is to hand from national or other sources e.g. contact points for responsible ministries or markets.

Key concepts used for assessing livelihood options

- Natural resources or what nature can provide, how much, what are the threats and how can we mitigate
- People and skills that exist and need to be developed, how to develop and maintain these skills
- Equipment and infrastructure that we have, what we need and how to obtain and maintain it
- Markets and transport, what is the market, can we access it and what transport options are there
- Finances available for starting a venture, can we raise more and would the venture be financially viable
- Support and information available and that would be needed at different stages

Audience or users

Intended to be about a 3-4 hour exercise that could be implemented by any community facilitator (e.g. from Fisheries, other Government department or NGOs) and some literate community members. The tool serves for “making sure you ask the right questions” and could be used by leaders, NGO or government partners and community members wishing to ensure they have considered common pitfalls or issues.

The tool is also intended to be a first response when community members request advice such as “should we do ecotourism” or “can we do a seaweed farm”.

At the outset

The tool is intended specifically for instances

where little time or money is available to provide some of the more comprehensive support outlined above. This should be made clear to all users. In the case that the tool is being used as part of a wider program it could be important to prepare by visiting other stakeholders nationally, share lessons and expertise, network, compile a list of contacts and sources of information to distribute to communities with the aim of facilitating connections.



Some issues to consider

There is usually a very strong focus on cash but it is important to keep reminding people that there are other things that they can do to improve their livelihoods measurably, things that reduce cash expenditure for one example but also improving or securing food or increasing resilience to disasters and long term changes.

It is important to reduce the risk of creating community dependencies or undermining existing resilience and systems that have worked over generations. Hence the emphasis on “building on what we have” and ensuring that existing cultural institutions are properly involved or consulted. An interesting area of discussion may be what caused previous projects to fail.

The tool can be used by individuals, groups, organizations or entire communities. However, the appropriate group to take the outcomes further will very much depend on the nature of the initiative and the local context and could be additional to other approaches discussed above. This should be discussed at the outset.

The tool is meant to:

- ✓ Help leaders, staff and community members to ask the right questions relating to livelihoods
- ✓ Be used by individuals or groups to explore new options
- ✓ Be used to assess or compare options that have already been identified
- ✓ Take about 3-4 hours to complete

This tool is NOT meant to:

- x Depend on experts or facilitators
- x Serve as a list or menu from which to choose options
- x Raise expectations of more external assistance
- x Replace more complete livelihood assessments or participatory planning

Format

This tool is made up of a folder containing an introduction with short user guide and 7 guidance pages. The tool may also contain loose sheets covering:

- Information on various common livelihood opportunities in your country, these may be provided by the appropriate organizations in your country and you should ensure that they seem correct and realistic.
- List of contact people and information sources in your country which you may have compiled or may be available from government or other sources.
- Forms or templates to fill in and record notes which may avoid writing on your guide and allow for multiple use and collation of results.

Suggested steps in using this guide

1. Discuss and agree ground rules
 - Are the intentions of participants clear, is this for their own information, will there be follow-up and if so by who?
 - Is it best to do the exercise individually or in groups?
 - Will the livelihood options themselves be carried out by individuals or community groups - is this culturally appropriate?
 - Success will depend mainly on the strengths of the people and community – can we think of times that we have experienced success, come together to make something happen, can we use these strengths again?
2. Brainstorm a list of livelihood options. Remember that these can include options to do things that we already do, but better and can include:
 - Improve or secure food production such as wild harvest, cultivation, water supply or land management
 - Reduce how much we are affected by natural disasters, seasonal changes or changing market prices
 - Generate cash or, just as important, reduce expenses



3. Choose one or more priority options and assess these using the 7 guide sheets.
 - The guidance sheets each contain background information and 3 questions assessing what we have, what challenges may be faced and ways forward.
 - The final guide sheet is a summary which gives a quick idea of how promising the livelihood idea may be.
4. Final discussion, conclusions and action plan

Outcomes and next steps

The outcomes of the exercise should provide an idea of whether a livelihood option is worth looking into further. If so, there will likely be a need for more information at least. The tool is intended to be used as a one-off so very likely the distributor of the tool will not have a responsibility to provide follow-up so the users will be expected to maintain impetus themselves. Though this is possibly a big ask it may also provide some measure of their commitment to the options they have assessed.

**Annex 1 - Tool: Building on what we have for a better life:
Asking the right questions to improve livelihoods**

Building on what we have for a better life: Asking the right questions to improve livelihoods

The aim of this guide is to help people to look at different livelihood options and assist in assessing how promising these options may be.

What do we mean by livelihood?

The word livelihood means different things to different people, here it is used to mean: *how we make our living, the things we use and the choices we take to make sure our lives run well.*

Sustainable livelihoods?

A “sustainable livelihood” would be one that can continue into the future, coping with changes and disasters and without losing the things that make the livelihood possible. This may include food production or being prepared for natural disasters and it is important to remember that “income-generation” may be just one part of these livelihoods. The fact that people in the rural Pacific rely on a range of different occupations has led many to prefer to call these approaches “supplementary livelihoods”.

This guide is meant to:	This document is NOT meant to:
<ul style="list-style-type: none"> ✓ Help leaders, staff and community members to ask the right questions relating to livelihoods ✓ Be used by individuals <u>or</u> groups to explore new options ✓ Be used to assess or compare options that have already been identified ✓ Take about 3 hours to complete 	<ul style="list-style-type: none"> ✗ Serve as a list or menu from which to choose options ✗ Raise expectations of more external assistance ✗ Replace more complete livelihood assessments or participatory planning ✗ Depend on a community facilitator

This kit is made up of a folder with 7 guidance pages and may also contain loose sheets covering:

- Information on various common livelihood opportunities in your country,
- List of contact people and information sources in your country, and
- Forms or templates to fill in and record your notes.

Suggested steps in using this guide:

5. Discuss and agree ground rules
 - Are the intentions of participants clear, is this for their own information, will there be follow-up and if so by who?
 - Is it best to do the exercise individually or in groups?
 - Will the livelihood options themselves be carried out by individuals or community groups - is this culturally appropriate?
 - Success will depend mainly on the strengths of the people and community – can we think of times that we have experienced success, come together to make something happen, can we use these strengths again?
6. Brainstorm a list of livelihood options. Remember that these can include options to do things that we already do better and can include:
 - Improve or secure food production such as wild harvest, cultivation, water supply or land management
 - Reduce how much we are affected by natural disasters, seasonal changes or changing market prices
 - Generate cash or, just as important, reduce expenses
7. Choose one or more priority options and assess these using the 7 guide sheets.
 - The guidance sheets each contain background information and 3 questions assessing what we have, what challenges may be faced and ways forward. The final guide sheet is a summary which gives a quick idea of how promising the livelihood idea may be.
8. Final discussion, conclusions and action plan

Natural resources are things that nature provides us and the things we use in our daily lives. These include land, plants, fresh-water sources, animals and minerals. In the sea this includes, mangroves, sea grass areas, coral, marine animals and plants, fish, sand and gravel, clean sea water, currents, etc. These resources are often closely connected, what happens on land can affect the sea, what happens to one animal or plant in the sea can affect other plants and animals and also us.

Natural resources are usually the first place people look to for livelihood opportunities and are often already heavily used and depended on by many people. If existing use of natural resources is high then problems may soon arise that could affect many people and also any new livelihood options that are linked to these natural resources. This is a serious risk and a first priority is to ensure steps are being taken by the users, community and owners to manage existing use of natural resources.

Things to think about

What resources does the livelihood idea need or rely on?

- What place will activities happen (e.g. shallow sea, mangroves, deep sea, reef)
- What must these places be like (e.g. clean, deep, strong or weak currents, sunlight and so on)
- What plants and animals will be directly used or affected by the livelihood option and how many/much are there
- How might the use of these plants and animals affect other plants and animals that depend on them (e.g. for food or for raising young) – what are they

Natural resources and habitat that will be needed for the livelihood

1a. Note what natural resources and habitats are needed and how much will be available

What use is already made of natural resources and how will our use affect them?

- What uses are being made by community members and outsiders of different natural resources and areas
- Who is using these resources and who makes decisions about them. Will our use of resources affect other people
- Do people feel that these resources are healthy, improving or getting worse
- Are we sure that using this resource will not damage it or reduce our chances to use it in the future
- Is there a possibility that other resource uses or users could affect the resources we are interested in (e.g. logging mud covering the reef)
- How will we get to these resources (e.g. boat, diving mask, rope)
- Do we have permission or authority to use these resources now and in future

The effect that our use of natural resources could have on nature or other resource users

1b. Note what problems our use of natural resources could lead to now and in the future

Can we work with these resources in the future?

- Will our use affect other users or other resources (plants, animals or places)
- If we might damage the resources, what can we do to manage them wisely or replace them
- Are steps being taken to manage the resource use wisely e.g. management plans, conservation areas, traditional tabus. If not can we take these steps
- How will we know how much of the resources we can use
- How will we be able to tell if the resource is being badly affected

How we can use the resources over time without bad effects

1c. Note what steps, agreements or rules are needed to prevent spoiling or finishing the resource

Equipment includes the man-made things such as tools, dinghies, boats, trucks, buildings and other structures that may be needed to develop a livelihood option. These things may already exist and belong to individual people, groups, community or the government but some may have to be obtained.

Structures that may be needed can include houses or sheds for machinery, storage or living (e.g. labour or guests). Transport may depend on roads, wharves, shipping routes, air fields, trucks, boats and so on. Other structures may be needed for communications (phone, radio, internet), water supply, sanitation, fuel such as firewood or diesel, electricity or market stalls.

Equipment may be needed for certain livelihoods such as bush knives or other agricultural tools, anchors, ropes, hooks, nets and floats for farming in the sea or fishing and so on. Vehicles may be necessary such as boats, trucks and cars.

These man-made things are often considered important for livelihood options but can often be very expensive and may need to be regularly maintained, can cause conflict or disputes and are vulnerable to natural disasters. It may be wise to consider ways to avoid relying too much on expensive or delicate equipment or structures.

Things to think about

What equipment and structures do you need?

- What are the essential equipment and structures you need
- Do you know all that is required and if not who you can ask or check with
- Are there local or traditional tools or structures you could use instead

Equipment and structures needed

2a. Note the essential equipment and structures you will need

How can you get and maintain in the future the equipment and structures?

- What equipment or structures are available to you or your community already
- Can you be sure that permission will not change due to unforeseen situations
- Are the equipment and structures likely to be strong enough for local use and conditions
- Will you be able to have the money and skills to maintain them and if not who will
- Will providing the equipment or structures cause damage to natural resources or community

Challenges in meeting your equipment needs

2b. Note what problems you face to obtain the equipment and structures and whether you will be able to maintain them

How can you make sure you will always have the equipment and structures you need?

- Will you be able to get permission to use local structures and equipment now and in the future
- Do you know where to obtain the things not available locally
- What are the prices of these things and if there is more than one choice what advantages or disadvantages do they have
- Where can you get the skills and money required to maintain or replace old and broken equipment and structures
- Who will be responsible for maintaining equipment and where will it be kept
- How can you make sure using your equipment or structures will not be harmful to people or the environment

Will you be able to maintain equipment and structures

2c. Note plans AND costs for getting, maintaining and replacing equipment and structures

People, their knowledge, community and culture can be considered one of the most important resources. People involved will need to have the motivation and time to dedicate to the livelihood option as many livelihood ventures fail because people are not able to dedicate a steady amount of time over the long term.

The skill sets and knowledge required to successfully implement and sustain the initiative may lie within or outside the community and it is important that the venture does not depend on too few people with key skill sets.

Most livelihood ventures will take place within a community and will depend on how they work with these. These ventures may be run by individual people, groups, families, tribes or the whole community but in all cases it will be very important how other people support the idea and whether it is felt to be appropriate to the local culture.

Things to think about

What skilled people are available and ready to work?

- What people are needed to carry out the livelihood
- What sort of skills would each person need
- How much time would each person need to work
- What compensation, salary or other things would each person need
- Are you certain these people will always be available or replaceable
- What might cause people to lose interest and how could this be avoided

What people and skills are available and committed in the long term

3a. Note each person, the skills they have and need, the time each will have to spend and how much they will cost

What community support, people and skills will you need?

- Would people from outside the community be needed
- Are the skills available locally, if not, how would they get these skills if needed
- Have you got or can you get basic financial, accounting or budgeting skills
- Will we need to pay for training or can skills be acquired in cheaper ways
- How can we avoid relying on just a few people that have key skills
- Could the livelihood damage community or culture, will it affect other people
- Have we got community members and leaders support and permission

What people, skills and agreements will we have to get

3b. Note ideas on what skills, knowledge, agreements and permission are needed

How can you organize to get the skills and community support needed in the long term?

- Will this be an individual, company, family, tribal or community group project
- Who will make decisions and how will they be made, who will watch progress
- How will people's feelings or support change when benefits start flowing
- How can we ensure continued community support and conflicts are avoided
- Will neighbouring areas be affected and can harm be reduced
- Do people understand that for a business to work some of the income has to be put back into running the business?
- How will requests for loans or free products or benefits be handled
- Will there be any special involvement of church, women and youth
- Have any previous projects failed because of conflict, jealousy or vandalism, how can this be avoided in future

How will you organize the venture and how will it relate to the community in the long term

3c. Note what steps will need to be taken to get skills, people, permissions and community agreements

Market is more than just a place to sell something. By the word market we mean not only where things are bought and sold (such as market place, shops, passing ships, visitors, internet) but also how things are traded (transport, rules and laws, taxes) and what we need to work with the market like information (on prices or competition) or credit and loans.

Many people say that market is the most important thing affecting the possible livelihood options of communities and that this should be the aspect worked on the most. This is true for income generating options as well as managing natural resources - for example a change in price or transport availability for certain products can lead to increased fishing or poaching pressure. We need to consider markets not only for products we want to sell but also services like tourism.

One of the most useful things a development partner (such as NGO or government) can do is to work on markets, for example in providing information or studying how much product could be sold or what the likely prices will be. Some NGO partners even concentrate on developing a market suited to the kind of products their village partners are able to produce.

Things to think about

What is the market?

- Who wants to buy the product or services you want to sell
- Where are the markets or the people you want to supply
- How much of the product do they want
- What are the prices that you may be offered and how can you check these
- Do the prices vary, how much and why
- Will the buyer or market offer any help

Where is the market, how much product or service will they want and what are the prices

4a. Note prices and amounts of product that the market can take and any things you need more information about

What are the challenges to entering the market?

- Are there many other people selling the product? Is this good or bad
- What is the cost of transport and is it reliable enough
- Can you meet the quality requirements
- Can you produce or handle the right amounts for market demand
- Do you need packaging or advertising? What will it cost
- Do you need to go through another person, middleman or company
- What laws, regulations, permits, standards or rules may apply
- Do you need any other service or support? What will it cost
- Any things that could change and that would affect costs or prices

What transport, handling, packaging or other help do you need

4b. Note the main marketing and transport costs expected, other challenges and what information you still need

Ways you can work with market

- Ways you can compete with others
- Can you add value by processing or packaging so you can charge more
- Is it possible to cooperate with other producers for transport or marketing
- What are ways of reducing costs of transport
- Can you reduce time and money costs of marketing
- How can you handle changes in price, cost or market demand
- Can you reduce reliance on just one buyer or transporter
- How can you meet product quality needs

How to reduce costs of marketing and transport and improve chances of success

4c. Note ways you can work to improve or reduce costs of marketing and transport and any further information needs

Some livelihood options available to communities may not require knowledge or skills in handling money, such as improving food production from the sea or land. But many of the opportunities communities are considering are intended to increase the amounts of available cash and for this a good understanding of some key issues regarding money is essential. It is also important not to forget that reducing expenses is sometimes the easiest way of increasing the amount of cash available.

To get an idea whether your proposed business could be successful a number of money issues have to be calculated. Startup costs are the costs the business has to pay to get started (such as equipment, one-off training). Running costs are the costs the business has to pay regularly (wages, fuel, materials). Some running costs (fixed) may stay more or less the same (for example paying off a loan for a boat) while other costs may vary (variable) depending on the amount of production (for example fuel). The money your business earns will need to be used to pay off part of your startup costs and also your regular running costs before you can calculate profit or money earned.

Things to think about

Can I raise cash to start?

- Have you any wages or income you can use
- Have you any savings or can you save up enough
- How does your family, tribe or village raise money? Can you use any of these ways
- Can you get a loan from friends, relatives or bank? Could you pay them back, what is the interest
- Grants are rare but are there any you can ask for? If so what proportion of your costs could you cover yourself
- If you receive a grant, how will you fund your business when it runs out

Can you find enough money to start?

5a. Note how or from who you may get the cash or things you need for startup

What are the likely startup and running costs

- What building, equipment or tools will you need to buy
- Will you need to pay for any labour, training or advice
- Will you need to buy stock, seed, food, petrol and so on
- Will any of these costs need to be repeated soon / regular running costs

What will you need to start out – cash or other?

5b. Note the cash and other materials you may need for startup. Note the likely running costs

What are the chances of a financially sustainable business?

- Will you be able to meet all or part of the startup costs
- Do the running costs look too high compared to likely income
- Are you able to reduce startup or running costs by other means
- How will you make sure that money received is used on repayments and running costs before family or other social obligations
- Will the profit adequately compensate the time spent on the venture
- Will there be other benefits (maybe social or community benefits) of the business and how can I take this into account
- Will the business provide income or profits soon enough

*Will you be able to meet costs?
Is it possible to choose low cost options or start small?*

5c. Note possible ways to ensure that costs are covered

Information from outside the village will be important in finding out if a livelihood option is likely to be successful and also later for managing a business or project. Other things may be provided from outside the community that could be important such as technical advice or training, seed or startup equipment, experiences and lessons learned.

Some of this support and information may be available through radio, newspapers or leaflets but one of the big problems in Melanesia is that information and support is hard to get to the villages. If support and information are vital it may be that you will need to find ways of finding it for yourself either by writing, ringing, visiting or asking town based relatives to visit information and support providers. Government or provincial government agencies should be asked for information and support but consider also private businesses, non-government organizations or community and social groups or private people. The following list helps to identify the possible support and providers.

What information or support?	Who might provide it?
<ul style="list-style-type: none"> Market prices Advice on techniques or methods Equipment and materials such as seed, ice etc. 	Buyers, exporters, extension departments of government ministries, cooperatives, NGOs, Universities, Chamber of commerce, Producers Associations, hardware stores
<ul style="list-style-type: none"> Possible impact of venture on environment or community 	Ministry of Environment, Ministry of Fisheries, community elders, NGOs, Universities
<ul style="list-style-type: none"> Laws, rules or regulations, your rights and obligations 	Lawyers, government departments, church, business groups, private companies
<ul style="list-style-type: none"> Transport schedules, boats, roads, air flights 	National or provincial shipping or works department, private shipping or air companies
<ul style="list-style-type: none"> Financial advice, loans or savings 	Banks, mobile banks, cooperatives, micro-credit, small or local businesses, NGOs
<ul style="list-style-type: none"> Experience, lessons learned, examples 	Other villages, associations of villages or chiefs, networks, businesses, Universities
<ul style="list-style-type: none"> Other information sources 	Schools, community centres, information kiosks, libraries and advice centres

This list is a general guide, it often pays to seek advice or support from different places to compare and make sure that the advice or information is correct. A list of contacts for your country may be provided in a separate [Contacts List](#).

In Pacific Island countries it is often very hard for the information and support providers to reach and stay in touch with rural people – this may be something that the community could consider; how to improve the connection with providers.

Things to think about

What information do you need, where can you get it and how?

- Information on market prices and outlets
- Information on techniques and methods
- Information on managing businesses, money and labour salaries
- Information on managing or replenishing natural or other resources
- Can any of this information be gained by sharing or exchanging with other communities or projects
- What information and support has been received before and was it maintained

Plan how and where to obtain information

6a. Note down information or support that you need	6b. Where can you get the different information or support, who can get it and when?

Working through these sheets you or your group should now have a clearer idea of what livelihood options seem most promising, what might be some of their benefits and also what may be some of the problems they can cause. The following table can be used to list some of the main issues relating to the options you considered. The questions in the boxes relate to the questions on the previous sheets. The final column gives you a chance to score the option as ✓ good = promising, ✗ bad = with serious problems or ? in need of more information or support.

	What are the strong points?	What are potential problems or needs?	Can these be solved? If so, how?	Potentially good: ✓ Potentially bad: ✗ Need info / unclear: ?
Natural resources (Sheet #1)	1a	1b	1c	
Man-made resources (Sheet #2)	2a	2b	2c	
People, skills and culture (Sheet #3)	3a	3b	3c	
Markets and transport (Sheet #4)	4a	4b	4c	
Finances needed (Sheet #5)	5a	5b	5c	

If any of the rows have a cross ✗ it means that there are big problems that will be hard to solve for that aspect. In this case the livelihood option probably should not be put into action. Information is likely to be required in any case:

Support and information (Sheet #6)	Information and support that can be found	Information and support challenges

When considering livelihood options intended to generate cash profit it would be good to do a more complete financial analysis and much of the information discussed above will be useful for this. The information from the work sheets can be used to get an idea of how likely the livelihood venture is to be profitable in the following cost and benefit analysis.

1. Calculate the running costs over a time period, say a year. This includes all labour, transport, marketing costs, electricity, fuel etc.
2. Calculate the expected income over the same period of time from the different activities.
3. Calculate the startup or capital costs: do part of these have to be paid back every year? Even if not, how often will these things need to be replaced or repaired and how much would this cost. How much money should you save every year to be able to afford this.

The big question is whether any of the livelihood options are likely to produce benefits in the long term without causing harm to your environment or losing support. It is possible that none of the options are sufficiently promising or that more information is required. It is also possible that it is necessary to improve the management of existing resources upon which people depend such as natural, human or community resources before other livelihood options can be considered.

Remember: "Building on what we have for a better life" requires thought on all the aspects of our lives that are important and will include consideration of securing food production, managing wild resources, caring for the community we depend on, building people's knowledge and skills and being prepared for disasters and other changes.

GOOD LUCK

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<http://www.imm.uk.com/DS/Search.aspx?keywords=SLED>

Annex 3 - Links

FSPI Supplementary livelihoods web resources <http://www.fspi.org.fj/>

Conservation and Community Investment Forum <http://www.cciforum.org>

Conservation Finance Guide <http://www.conservationfinance.org/guide/guide/index.htm>

Foundation of the Peoples of the South Pacific International <http://www.fspi.org.fj/>

Live and Learn <http://www.livelearn.org/country/>

Secretariat of the Pacific Regional Environment Programme (SPREP) <http://www.sprep.org>

Solomon Sea Sustainable products <http://www.solomonseasustainables.com>

Sustainable Livelihood Enhancement and Diversification
<http://www.imm.uk.com/PS/Main.aspx?projectid=22cbb689-4e26-41f2-9077-48ee89ef4de3>

The Poverty and Conservation Learning Group <http://povertyandconservation.info/en/>

Union Aid Abroad-APHEDA <http://apheda.org.au/>

WorldFish Center Pacific <http://www.worldfishcenter.org/wfcms/HQ/article.aspx?ID=100>

Community-Based Training for Rural Economic Empowerment (CB TREE): A manual for planning and implementing program in Pacific Island Countries. www.ilo.org/publns

Locally Managed Marine Areas Network <http://www.lmmanetwork.org/>

Annex 4 - Policy brief



Supplementary livelihoods in the Pacific

Supporting communities to build on what they have for a better life

Foundation of the Peoples of the South Pacific International (FSPI)
February 2011

Pacific Island communities, governments and development partners alike consider sustainable livelihoods for rural communities a high priority but the common perception is that support for livelihoods is not achieving its potential. Sustainable livelihoods are key to achieving national, regional and international sustainable development plans, priorities such as the Millennium Development Goals and also in emerging resource management and climate change adaptation policy.

Attention needs to be brought to improving the performance of sustainable livelihoods approaches in the Pacific and to this end FSPI and partners in 9 Pacific Island countries are sharing the findings of work on community livelihoods carried out over more than a decade and applied research over the last 5 years.

Key findings

Supplementary livelihoods and diversification

The majority of the population in the Pacific Islands live in rural, often isolated, areas and livelihood diversification is key to their self-sufficiency, “an asset that must not be overlooked or undermined” as “it provides an important protection from the risk of vulnerability” in the words of the Hon. Derek Sikua, Prime Minister of Solomon Islands. The concept of supplementary livelihoods embodies this diversification and resilience.

Livelihoods founded on good stewardship of natural resources

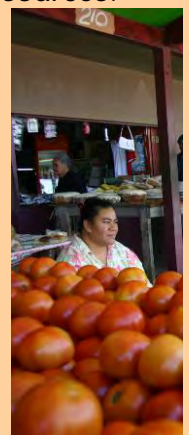
There is a tendency to focus on cash-based livelihoods. However, while cost-effective

approaches to supporting their development are still in doubt, significant progress has been made in Pacific Island countries in demonstrating how small amounts of support can assist communities to establish management of their natural resources.

Securing the natural (and cultural) assets upon which rural life is based is vital and relatively achievable as a requisite for sustainable livelihoods.

Government support to community livelihoods

In many instances communities find their





potential to develop supplementary livelihoods is reduced by lack of basic services like information,

transport and technical support and access to markets. While non-government agencies can assist in these areas to some extent the provision of such basic services is the responsibility of national governments. Market pressures all too often drive unsustainable change in our islands but there is potential for government and non-

government organizations to harness markets to better serve community livelihoods.

Vision, feasibility and follow up

The livelihood decisions being made are too often driven by outside interventions and opportunism. Many livelihood projects have been inadequately documented if at all and few have been adequately assessed either in pre-feasibility or final evaluation. It is important to employ more strategic and informed approaches at the regional, national and community level based on experiences and adequate feasibility assessments.

Recommendations

- Governments, development partners and donors are urged to take into account the concept of supplementary livelihoods which reflects the livelihood diversification which: may vary over time, is based on cultural and social strengths and serves as “insurance” in the face of external threats such as climate change.
- Governments, development partners and donors are urged to accelerate moves to take successful experiences in community based resource and ecosystem management to full-scale national implementation in order to secure the natural resource base and improve adaptive capacity to climate change and other threats.
- Governments are urged to consider improving the provision of basic services and infrastructure (for example relating to information, legal support, transport or water supply) as an integral component of the drive towards achieving sustainable livelihoods.
- Governments and other organizations should support securing and mediating access to markets for sustainable products, identifying better intermediaries or community partners and promote the enforcement of international standards of environmental and social responsibility on the activities of international companies through monitoring and certification for example.
- All development partners should encourage communities to develop integrated plans for sustainable community development which include securing health, education, culture and natural resources amongst other aspirations.
- Development partners should implement and improve processes for assessing the feasibility or appropriateness of livelihood options using (and where necessary, developing) community appropriate tools and other economic assessment and monitoring methods.
- All development partners should enhance the documentation and sharing of experiences, information and best practice relating to livelihoods approaches and options that are implemented. This could be a web based forum and resource to be supported by a regional organization. A first step in this direction is the example hosted at www.fspi.org.fj.



Please contact FSPI for further information at vikash.kumar@fspi.org.fj. The full results of this work and supporting documentation are available at:

<http://www.fspi.org.fj>

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