

LIVELIHOODS & ECONOMIC RECOVERY IN CRISIS SITUATIONS

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Men participating in cash for work after Haiti Earthquake (Photo by UNDP)

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Youth Employment Training in Guinea (Photo by UNDP)

Youth agriculture training (Photo by UNDP Kenya)

Man sewing garments for sale (Photo by Aude Rossignol/UNDP)



*Empowered lives.
Resilient nations.*

LIVELIHOODS & ECONOMIC RECOVERY IN CRISIS SITUATIONS



FOREWORD

Disasters and violent conflicts continue to claim lives and destroy livelihoods of far too many people around the world and undermine development achievements. This can both heighten social and economic insecurity, and endanger those already vulnerable in societies, including women and young people.

When crises occur, the United Nations Development Programme (UNDP) is at the ready to help communities rebuild their livelihoods. This focus on the restoration of economic strength in the aftermath of a conflict or disaster fosters long-term peace and stability, creates resilience to future crises and sets in motion an equitable and sustainable process of development.

UNDP approach to early stabilisation and inclusive growth embraces nationally-owned, crisis and gender-sensitive interventions that are responsive to market conditions and aligned with security, recovery, conflict prevention and development programming of other partners.

It is an approach that works. To highlight some achievements in 2011, UNDP worked with partners to create over 5.2 million workdays of emergency jobs; provided support to over 101,000 crisis affected people, including excombatants and internally displaced people (of whom 40% were women) to establish micro, small and medium enterprises; and rehabilitated socio-economic infrastructure for development to occur in places as diverse as Afghanistan, Burundi, the Democratic Republic of the Congo, Haiti, Honduras, Indonesia, Kenya, Myanmar, Nigeria, Nepal, Pakistan, Somalia, Sri Lanka, Sudan, South Sudan, Tajikistan and Uganda, helping to sustain livelihoods and revitalise economies in these crisis and conflict-affected countries.

This *“Guide” to Livelihoods and economic recovery programming in crisis and post-crisis countries* is the first compilation of such expertise of UNDP and the United Nations system in this important field. It is intended for practitioners, both UNDP staff and others, who design programmes that focus on livelihoods, employment and economic recovery specific settings affected by conflict or disasters.

This Guide does not offer a “one-size-fits-all” solution, as none exist for complex development problems in settings that so depend upon local context. At the same time, however, it is hoped that this Guide comes as close as possible to being a “one-stop shop” for programme design, offering a comprehensive range of lessons and good practice examples to the reader.

I hope that users will find this publication to be a valuable tool that supports their efforts to develop programmes that offer sustainable livelihoods, help create resilient communities, and provide for the meaningful participation of crisis-affected people in both local and national recovery.



Jordan Ryan

TABLE OF CONTENTS

CHAPTER 1					
READER'S GUIDE		1			
1.1	About this Guide	2			
1.2	Context for the Guide	3			
1.3	The Guide's approach to livelihoods and economic recovery in crisis and post-crisis situations	6			
CHAPTER 5					
TRACK C PROGRAMMING: LONG-TERM EMPLOYMENT CREATION AND INCLUSIVE ECONOMIC GROWTH		83			
5.1	Capacity development support	84			
5.2	Support for good governance	87			
CHAPTER 2					
LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT				13	
2.1	What information does a livelihoods and economic recovery assessment provide?			14	
2.2	How is a livelihoods and economic recovery assessment conducted?			18	
2.3	How can the assessment translate into a programme?			21	
CHAPTER 6					
EMPLOYMENT AND INCOME GENERATION FOR TARGETED GROUPS				101	
6.1	Gender equality and women's economic empowerment			102	
6.2	Youth employment			107	
6.3	Ex-combatants and those formerly associated with armed forces and groups: reintegration into civilian life and access to livelihoods			112	
6.4	Reintegration of displaced persons and their livelihoods			117	

CHAPTER 3

**TRACK A PROGRAMMING:
LIVELIHOODS STABILIZATION 25**

3.1	Emergency employment creation	26
3.2	Targeted self-employment support	38
3.3	Infrastructure rehabilitation	48

CHAPTER 7

PROGRAMMING SUPPORT 121

7.1	Coordination	122
7.2	Strategic communication	123
7.3	Resource mobilization	126
7.4	"Fast tracking" the procurement of goods and services	129
7.5	Monitoring and evaluation	129

CHAPTER 4

**TRACK B PROGRAMMING: Local
Economic Recovery for Medium- to
Long-Term Employment, Income
Generation, and Reintegration 59**

4.1	Vocational and skills training and placement	60
4.2	Inclusive private sector development	68
4.3	Conditional cash transfers	80

GUIDE ON LIVELIHOODS AND ECONOMIC RECOVERY PROGRAMMING IN CRISIS AND POST-CRISIS SITUATIONS	136
---	-----

GLOSSARY OF TERMS	139
-------------------	-----

ACKNOWLEDGEMENTS	146
------------------	-----

ACRONYMS	151
----------	-----

ANNEXES: DISCUSSION PAPERS	156
----------------------------	-----

TABLE OF CONTENTS

BOXES

1.1	Area-based development programming	6	4.6	Microfinance development in Sierra Leone: Lessons learned	74
2.1	Market analysis, conflict analysis, and disaster risk assessment	20	4.7	Entrepreneurial training and business development services in Kenya	75
3.1	Summary of timesaving actions to accelerate the delivery of an emergency employment project	33	4.8	Working as One UN to strengthen agriculture-related value chains in Syria	77
3.2	Cash-for-work in the Aceh Province of Indonesia following the 2004 Indian Ocean tsunami	36	4.9	A public-private partnership in Kenya	78
3.3	Summary of timesaving actions to accelerate the delivery of a targeted self-employment project	42	5.1	United Nations' definitions of "rule of law" and "justice"	88
3.4	Start-up assistance in Somalia	47	5.2	Strengthening governance in Guinea-Bissau	92
3.5	Summary of timesaving actions to accelerate the delivery of an infrastructure rehabilitation project	52	5.3	Governance for poverty alleviation in eastern Sudan	93
3.6	Clearance of rubble and debris	53	5.4	Access to justice in Indonesia	95
3.7	Community infrastructure rehabilitation in post-conflict Nepal	55	5.5	Trade reform in Serbia	98
3.8	UNDP Burundi's 3x6 approach: Linking interventions across Tracks A, B, and C	57	6.1	International frameworks supporting gender equality and women's empowerment in crisis situations	103
4.1	Vocational training, employment, and peace-building in Darfur, Sudan	67	6.2	Women's entrepreneurship in Turkey	107
4.2	The United Nations' vision of inclusive finance	69	6.3	Kenya National Youth Training and Development Programme	112
4.3	Examples of UNDP support for value chain development	72	6.4	Profiling for livelihoods and reintegration in Côte d'Ivoire	116
4.4	Strengthening the coffee industry in Indonesia	73	6.5	Livelihoods of women associated with armed forces and groups in the Republic of Congo	116
4.5	Inclusive market development in Madagascar	73	6.6	Durable solutions after displacement	117
			7.1	Fundamental principles of the Paris Declaration	122
			7.2	Early recovery funding in Pakistan	128

FIGURES

1.1 Sustainable livelihoods and economic recovery: Overall approach	7
1.2 Timing and intensity of the three tracks	9
3.1 Flow chart for choosing between cash-for-work and food-for-work	28
3.2 (a) Matrix for calculating a bill of quantities; (b) Matrix for calculating material costs; (c) Workload analysis matrix	32
4.1 Entry points for a proposed multi-agency value chain development approach in Uganda	77
5.1 National-local linkages for MDG achievement	92
6.1 Programme approach for youth employment and decent work	108
6.2 Military livelihoods	113

TABLES

1.1 The three-track approach	8
3.1 Example of outputs, output indicators, and activities in the results and resources framework for a cash-for-work project	29
3.2 Examples of the types of assistance that start-up grants and packages can provide	39
3.3 Example of outputs, output targets, and activities in the results and resources framework for a targeted self-employment project	40
3.4 Examples of training activities for community infrastructure rehabilitation	53
4.1 Capacity mapping for vocational and skills training	61
6.1 Example of outputs, output indicators, and activities for a programme/project to enhance women's economic empowerment in a crisis or post-crisis situation	106
6.2 Example of outputs and targets for a youth-employment initiative	111
6.3 Example of outputs and activities for an IDP reintegration initiative	119

Kenyan Women Selling Products (Photo by UNDP Kenya)



CHAPTER 1

READER'S GUIDE

Contents

1.1 ABOUT THIS GUIDE	2
1.1.1 What this Guide is about, and what it is not about?	2
1.1.2 Who will find the Guide useful, and when?	2
1.1.3 How can the Guide be used most effectively?	2
1.2 CONTEXT FOR THE GUIDE	3
1.2.1 Conflict and disaster	3
1.2.2 Key concepts	4
1.2.3 Linkages to the MDGs and poverty reduction strategies	5
1.2.4 UNDP's role in livelihoods and economic recovery in crisis and post-crisis situations	5
1.3 THE GUIDE'S APPROACH TO LIVELIHOODS AND ECONOMIC RECOVERY IN CRISIS AND POST-CRISIS SITUATIONS	6
1.3.1 Overall approach	6
1.3.2 Three-track approach to programming	8
1.3.3 Programming priorities common to all tracks	9
1.3.4 Guiding principles	11

1.1 ABOUT THIS GUIDE

1.1.1 What this Guide is about and what it is not about?

The purpose of the Guide on Livelihoods and Economic Recovery Programming in Crisis and Post-Crisis Situations is to connect UNDP Country Offices and their partners with global knowledge and experience on this subject. The Guide documents, for the first time, the accumulation of expertise that UNDP has gained in livelihoods and economic recovery programming in crisis and post-crisis situations over the years. Dozens of UNDP practitioners at the country, regional, and headquarters levels contributed to its preparation. The Guide also draws upon the documented experiences of other development partners.

The Guide is an advisory document that aims to provide practical “how-to” guidance to those who facilitate livelihoods and economic recovery programmes. This Guide does not attempt to provide a prescriptive or exclusive inventory of the options for assistance. The appropriate choice of approaches and interventions will vary with each particular crisis or post-crisis context, and the capacity, strengths and gaps at the local level.

The Guide calls for an early and sustained presence in crisis and post crisis contexts. The approach of this Guide to sustainable livelihoods and economic recovery connects UNDP’s practice areas of democratic governance, poverty reduction, crisis prevention and recovery gender as well as environment and energy. The Guide also addresses the protection of human rights, the empowerment of women, and the specific needs of youth. The approach of this Guide is preventive rather than simply reactive, encouraging practitioners to anticipate future threats and to promote resilience among crisis-affected communities. The Guide also incorporates the concepts of conflict sensitivity, which requires programme designers and implementers to acknowledge the ways that interventions can positively *and* negatively affect a situation, while also incorporating disaster-risk sensitivity and resilience.

1.1.2 Who will find the Guide useful, and when?

The Guide is expected to prove useful to managers and programme staff of UNDP Country Offices in countries facing crisis or post-crisis situations. The Guide’s intended audience also includes advisers and specialists of UNDP’s regional and headquarters offices, UNDP assessment missions, and partners in promoting livelihoods and economic recovery at the country level, including government bodies, communities, civil society organizations, U.N. agencies, donors, and private enterprises.

The Guide will be most useful at the onset of programming in crisis or post-crisis countries. More specifically, the Guide can be used in preparations for high-level discussions with national authorities; in the provision of technical, programming, and policy advice to authorities at all levels; in the provision of training to partners at all levels; as a resource mobilization tool during the preparation of funding proposals; and in the development of livelihoods, employment and economic recovery projects and programmes.

1.1.3 How can the Guide be used most effectively?

Rather than attempting to read or draw upon the Guide in its entirety, users are likely to find the Guide most useful by following these steps:

- Refer to Chapter 1 (Introduction) for an understanding of the context for the Guide, the three-track approach that underpins its programming advice, and its guiding principles.

- Refer to Chapter 2 for guidance on conducting livelihoods and economic recovery assessments, which are critical to the choice of interventions and to all subsequent stages of the programming process.
- Based on the assessment results, identify the most appropriate strategic intervention(s) for the crisis or post-crisis situation of concern, and refer to the corresponding section(s) of Chapters 3 through 5. Chapter 3 addresses interventions for livelihoods stabilization (“Track A” programming), such as emergency employment schemes, targeted self-employment support (especially livelihood start-up grants and packages), and infrastructure rehabilitation. Chapter 4 addresses interventions for medium- to long-term local economic recovery, including those that aim to boost sustainable employment, income generation, and reintegration (“Track B” programming). Chapter 5 addresses interventions for long-term employment creation and inclusive economic growth (“Track C” programming), with an emphasis on capacity development and good governance.
- When targeting vulnerable groups with specific needs—particularly women, youth, ex-combatants, and internally displaced people—refer to Chapter 6 on employment and income generation for targeted groups.
- Once assessments have been conducted and interventions and target groups identified, refer to the guidance on programming support provided in Chapter 7. Chapter 7 addresses coordination, strategic communication, resource mobilization, UNDP’s “Fast-Track” initiative for procurement of goods and services, and monitoring and evaluation.

1.2 CONTEXT FOR THE GUIDE

1.2.1 Conflict and disaster

Crises interrupt and sometimes reverse development processes. Such crises generally result from either violent conflict or disaster. Conflict and disaster tend to impact on each other, with profound human consequences: violent conflict compromises the effectiveness of both national and local mechanisms for disaster risk reduction, while disasters heighten the potential for violent conflict by aggravating social tensions. An immediate impact of crisis is the destruction of livelihoods and local economies, leading to insecurity, poverty, hunger, frustration, and idleness, which in turn contribute to greater social and economic insecurity and rights violations. Conflicts and disasters tend to have a disproportionate effect on the lives and livelihoods of the poor, women and youth in particular, and to heighten or create vulnerabilities within other groups. Severe human rights violations—including murder, sexual and gender-based violence, kidnapping and trafficking, and the forced recruitment of children and youth into combat—tend to soar in times of crisis. Access to food, health, and education usually declines in crisis-affected households.

One billion people are estimated to live in countries where the state is breaking down or is overcome by conflict.¹ The factors that contribute to violent conflict typically include poverty, unemployment, inequality, lack of democracy and freedom, and reliance on and misuse of high-value natural resources. Once conflict erupts, looting and the destruction of social and economic assets become commonplace. When livestock, businesses, roads, and bridges are destroyed, the poor and vulnerable are disproportionately affected by the exercise of power of those with control over primary commodities, such as confiscation of land, water and other natural resources. These patterns—and their impacts on livelihoods

¹ World Bank. *Fragile States: “Toughest Development Challenge of Our Era.”* 2008.

and local economies—contribute to the finding that countries that are emerging from violent conflict often relapse into conflict during the first five years of peace.²

The number of disasters in the developing world, and the number of people affected by these disasters, is rising steadily. Disasters affected three times more people in the 1990s than in the 1970s, and economic losses were five times higher during this period. The situation is expected to worsen as global warming increases the frequency and intensity of severe weather events worldwide. The main determinants of disaster risk include poverty, vulnerable livelihood systems and strategies, poor urban and local governance, and deteriorating ecosystems, all of which tend to affect more women than men in developing countries. Livelihoods that depend on agriculture and other natural resources are especially vulnerable to unusual or extreme weather patterns. Many urban and local governments lack the capacity to plan and regulate local development, to enable equitable access to safe and arable land, and to provide hazard-mitigating infrastructure and protection. Weak markets, lack of access to markets, trade barriers, and unequal land access to land and uncertainty around land ownership (particularly for women) all serve to compound these risk factors.

When a crisis occurs, national and international actors are called upon to respond quickly to alleviate suffering and to provide a foundation for the swift and sustainable recovery of livelihoods. The challenge is to maximize the positive impact of recovery efforts while avoiding unintended consequences that can worsen the situation. Such a challenge requires an understanding of the crisis context, careful planning, and knowledge that has been garnered from experiences in other crisis or post-crisis situations.

1.2.2 Key concepts

Rebuilding sustainable livelihood systems and strategies is essential for crisis recovery, for the prevention of further conflict, and for reduction of the risks associated with subsequent conflicts and disasters. For the purposes of this Guide, **livelihoods** are defined to include the capabilities, assets (both material and social), and activities required for a means of living.³ In addition to income and employment, the concept of livelihoods encompasses any reliable ways that people access food, shelter, health care, education, safe water and sanitation, security, and protection.

Economic recovery is defined to include market development, strengthening of new and existing enterprises, and job creation in both the public and private sectors. This process often involves an umbrella of economic, institutional, legal, and policy reforms and the reconstruction of infrastructure that facilitates trade and commerce.

Programming for sustainable livelihoods and economic recovery provides an opportunity to “build back better,” stimulating more rapid and more equitable growth. **Inclusive economic growth** occurs when rising economic output in a local or national economy is associated with expanded livelihood opportunities for all segments of the population and with safety nets that reduce the economic and social insecurity of vulnerable groups.

2 According to Goovaerts et al. (2005), countries emerging from violent conflict face a 44-percent chance of relapsing into conflict in the first five years of peace.

3 DFID. “The Sustainable Livelihoods Distance Learning Guide,” in DFID Sustainable Livelihoods Guidance Sheets. 1999.

The building blocks of livelihoods are referred to as **capital assets**. They include *human capital* (skills, knowledge, experience, and capacities), *natural capital* (natural resources such as water, land, forests, and minerals), *physical capital* (infrastructure, water and sanitation facilities, information and communication technology, housing, schools, health facilities, and other community and government structures), *financial capital* (such as savings, credit,

remittances, enterprise holdings, insurance, pensions, and livestock), *political capital* (access to and participation in decision making processes), and *social capital* (networks, group memberships, and social relationships). In crisis and post-crisis situations, capital assets are easily lost, destroyed, or stolen. The capacity to preserve or recoup these capital assets determines the impact of a crisis on livelihoods.

1.2.3 Linkages to the MDGs and poverty reduction strategies

Governments around the world have committed themselves to achieving a set of time-bound and quantifiable Millennium Development Goals (MDGs). The MDGs address poverty and hunger, universal education, gender equality, child health, maternal health, HIV/AIDS, environmental sustainability, and global partnership. Many national governments have established development and poverty reduction strategies that address MDG achievement within their own specific contexts. In line with the MDGs and its own Poverty Reduction Strategy, UNDP promotes inclusive and equitable growth, human rights principles, access to decent employment opportunities, private sector development, and access also to basic services for all groups and communities, without discrimination.

In crisis and post-crisis situations, livelihoods and economic recovery are vital for MDG progress. At the same time, a firm foundation for development, including effective and resilient institutions, is important for livelihoods and economic recovery. The goal of reducing poverty and hunger (MDG 1), which is essential for inclusive economic growth, calls for programming with a long-term vision and commitment, even in times of crisis. As elaborated below, the three-track approach to programming taken in this Guide promotes coherence among interventions with short-, medium-, and long-term objectives.

1.2.4 UNDP's role in livelihoods and economic recovery in crisis and post-crisis situations

Globally, as set forth in UNDP's Strategic Plan for 2008-2011, capacity development is UNDP's overarching contribution, and crisis prevention and recovery constitute one of the four focus areas in which UNDP seeks to strengthen national capacities. UNDP's resources for supporting capacity development—and the knowledge management that this requires—include a network of offices, technical personnel, programmes, and relationships in countries around the world. UNDP has the ability to convene partners and to provide effective coordination of capacity development support, enabling countries and communities to reduce their reliance on external assistance. UNDP has committed in its strategic plan to assisting countries that are prone to natural disasters, countries that face imminent conflict and have experienced severe disruptions in critical national or local capacities, and countries with priority post-conflict situations (as designated by the United Nations). As chair of the UN Cluster Working Group on Early Recovery, UNDP has a central role among international development partners in fostering economic recovery in both crisis and post-crisis settings.

Wherever possible, a preventive (proactive) approach to crisis is preferable to a curative (reactive) approach. In many countries in which UNDP is a partner, however, a crisis is already underway or has already occurred. In these countries, UNDP supports governments, civil society organizations, and communities to develop and implement livelihoods and economic recovery programmes and strategies. These are sometimes implemented within larger programmes for peace-building, disaster risk reduction, reintegration, and the prevention of sexual and gender-based violence. In situations where a particular geographical area has unique or specific problems, UNDP adopts an area-based development approach. (See Box 1.1 for further information on area-based development programming.)

UNDP's experience has shown that programmes for community livelihoods recovery can fail to create sustainable results when they are insufficiently linked to national policy and institutional development, when they start late, and when they lack a preventive component. In all of the strategic interventions it supports—even those that aim for rapid recovery in crisis and post-crisis situations—UNDP strives for long-term inclusive and sustainable economic growth, poverty reduction, and MDG achievement.

1.3 THE GUIDE'S APPROACH TO LIVELIHOODS AND ECONOMIC RECOVERY IN CRISIS AND POST-CRISIS SITUATIONS

1.3.1 Overall approach

Adapted from UNDP's Sustainable Livelihoods Approach (1996), the Guide's overall approach to livelihoods and economic recovery in crisis and post-crisis situations is illustrated in Figure 1.1. The **outcomes** to be achieved are economically and environmentally sustainable livelihoods for crisis-affected people and inclusive economic growth. When achieved, these outcomes provide a foundation for development and contribute to peace-building and stability, poverty reduction, and MDG progress.

The **entry points** are the various strategies and interventions undertaken in order to achieve the outcomes. For effectiveness, the entry points must be well coordinated, complementary to other practice areas and appropriately sequenced. The entry points must also give priority to crosscutting issues related to gender equality and women's empowerment, youth, disaster risk reduction, conflict prevention and peace-building, human rights, and the environment.

Good governance and private sector recovery are the **drivers** of sustainable livelihoods and inclusive economic growth. The governance driver includes the policy framework, the rule of law, security, macroeconomic management, local governance, and the empowerment of civil society and communities. The private-sector driver includes trade and investment, financial services, and technology. The entry points and drivers influence the roles and effectiveness of one another.

Box 1.1. Area-based development programming

In situations in which a particular geographical area has unique or specific problems, an area-based development approach is often appropriate. Area-based development is an integrated, inclusive, participatory, and flexible approach which fosters partnerships between local authorities and citizens, and builds local capacities and linkages among actors at the local level. At the same time, area-based development feeds into national processes of policy and institutional reform. Crises often create situations in which the populations of certain areas are particularly disadvantaged. Geographical isolation, the location of a disaster, and the need for reintegration of IDPs and ex-combatants are some of the factors that may lead to vulnerability in a crisis-affected area.

While area-based development programmes are always tailored to the particular local context, they do have the following features in common:

- Their main activities take place within well-defined geographical areas.
- They target the population of areas as a whole rather than targeting particular sectors or groups.
- They are driven by priorities identified by local communities; their design and implementation follow a participatory approach.
- Organizations that were already active in the area (e.g., local governments, community-based organizations, local NGOs, and/or local private entities) are involved in implementation.
- They have decentralized management systems that are designed for both flexibility and accountability
- They are coordinated with all development and humanitarian programmes that operate in the target area.

Typical components of an area-based development programme include (a) policy and institutional reform, (b) public administration and participatory governance, (c) community empowerment, (d) rehabilitation of basic infrastructure and services, and (e) local economic development.

The **conflict/disaster risk filter** is the process of ensuring that the selected entry points will have a positive impact on crisis-affected people, create resilience, and address the root causes of crises.

Successful livelihoods and economic recovery programmes can create a virtuous cycle wherein outcomes stimulate drivers or become drivers themselves. For example, when inclusive economic growth is realized, it fuels further investment and gives people a vested interest in governance and growth-sustaining policies. The revival of growth also raises expectations, creates confidence, and stimulates market participation among people previously forced to adopt highly conservative coping strategies as the result of a crisis. Such a phenomenon, in turn, stimulates inclusive economic activity.

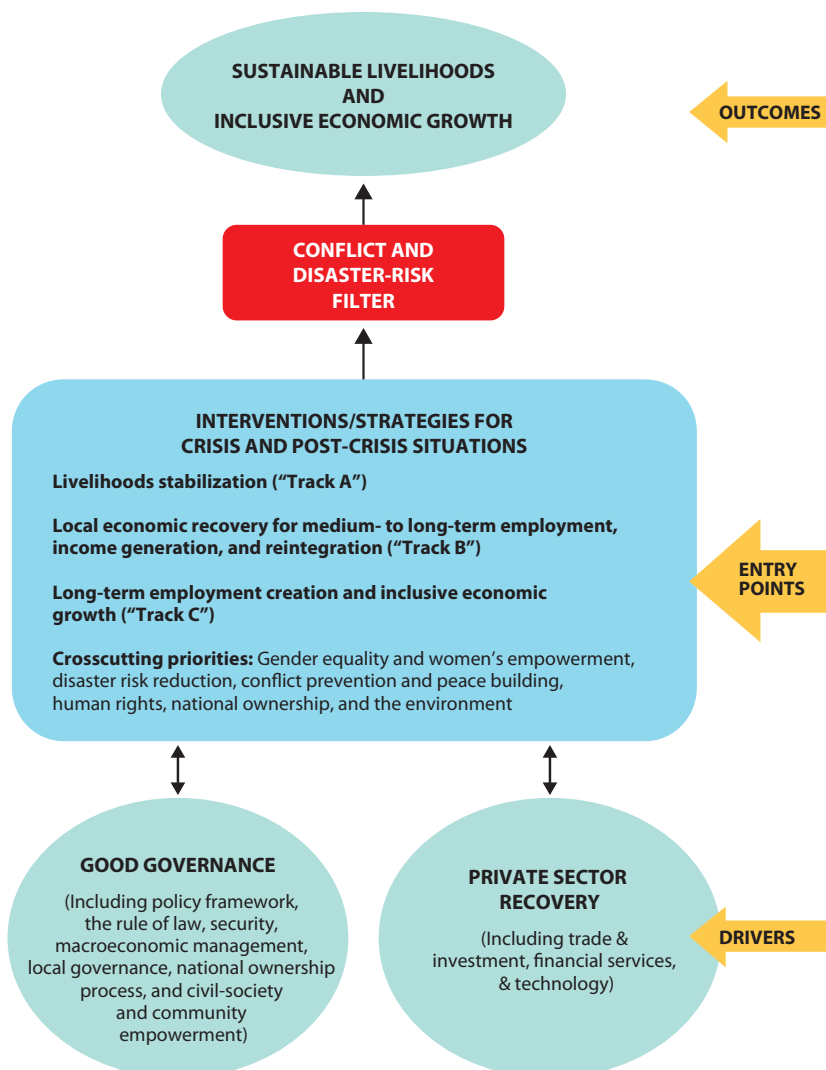


Figure 1.1 Sustainable Livelihoods and Economic Recovery: Overall Approach

1.3.2 Three-track approach to programming

UNDP has adapted the three-track approach of the UN Policy for Post-Conflict Employment Creation, Income Generation and Reintegration (2009) for its livelihoods and economic recovery programming—the entry points described above—in crisis and post-crisis situations. **Track A programming** responds to the urgent needs of crisis-affected groups with interventions to help stabilize livelihoods. **Track B programming** focuses on medium- to long-term local economic recovery, including interventions to boost sustainable employment, income generation, and reintegration (where required). **Track C programming** focuses on long-term employment creation and inclusive economic growth. Interventions in Track C help to strengthen the national systems and policies that are needed in order to sustain the progress achieved in Tracks A and B. Interventions under the three tracks are complementary, and some of the activities in Tracks A, B, and C, such as skills training, are crosscutting. The programming content varies in different countries and contexts.

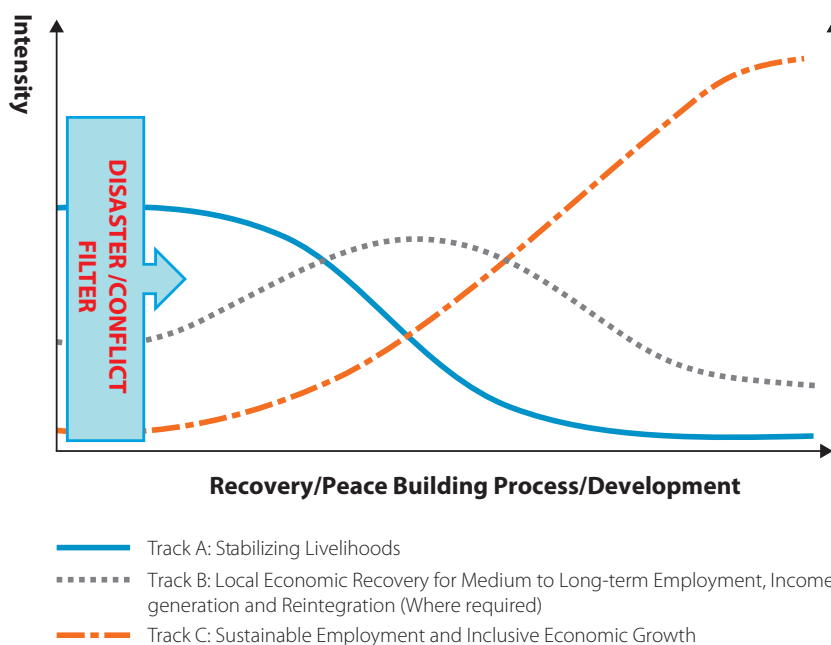
The types of intervention that are typically associated with each track are shown in Table 1.1. All UNDP-supported interventions for livelihoods and economic recovery aim to help to build the capital assets (human, natural, physical, financial, political, and social) of crisis-affected people and countries.

A tendency to focus exclusively on the short-term is almost inevitable in the early stages of a crisis or post-crisis situation. UNDP's experience, however, shows that programmes in all three tracks should start early—and ideally at the same time. Simultaneous and

Table 1.1: *The three-track approach*

Track	Types of intervention
Track A: Livelihoods stabilization	<ol style="list-style-type: none"> Emergency employment creation: Cash-for-work, food-for-work, and community contracting for local employment in short-term activities prioritized by crisis-affected communities. Targeted self-employment support: Livelihood start-up grants and packages to reestablish or jumpstart micro or small enterprises. Infrastructure rehabilitation: Building or rebuilding infrastructure, especially community infrastructure, such as roads, bridges, water and sanitation systems, shelter, telecommunications, health facilities, schools, community centres, and irrigation and drainage systems.
Track B: Local economic recovery for medium- to long-term employment, income generation, and reintegration	<ol style="list-style-type: none"> Vocational and skills training and placement: Technical and vocational training, apprenticeships, job placement services, and self-employment support. Inclusive private sector development: Support for inclusive market development, inclusive financial sector development, and business development services. Conditional cash transfers: Support for national programmes of cash transfers to targeted households on the condition that household members take measures to advance their own development, such as sending children to school and accessing maternal and child health care services.
Track C: Long-term employment creation and inclusive economic growth	<ol style="list-style-type: none"> Capacity development: Initiatives to promote staff retention in the public sector, professionalize the judiciary, strengthen the effectiveness and accountability of the police and security forces, develop the recovery planning capacities of communities and local governments, etc. Good governance: Strengthening policies, institutions (of state, civil society, the media, and the private sector), and processes (e.g., participatory assessment, participatory forums, and national-local interaction).

complementary programming for all three tracks will ease the translation of initial emergency interventions into medium to longer term economic recovery and inclusive and sustainable growth. The strengthening of capacities, policies, institutions, and processes envisioned for Track C can take a substantial amount of time, so the earlier they start, the better. The three tracks will gather pace at various stages of the recovery process, and their intensity will peak at different times, as shown in Figure 1.2. The best time to start programming depends on the particular situation in question— this may be during a conflict or disaster, after a peace accord, or at the onset of humanitarian assistance; it could be days, weeks, or months after the onset of a crisis.



1.3.3 Programming priorities common to all tracks

A number of programming priorities are common to all tracks. These priorities include national ownership, capacity development, gender equality and women's empowerment, youth, environmental sustainability, private sector involvement, participation, community empowerment, and partnerships.

National ownership and capacity development. Favorable results in crisis and post-crisis situations, as in other development contexts, are most likely when interventions involve governments, support their capacity development, and link directly, wherever possible, to national frameworks, plans, and strategies, including peace agreements. As set forth in UNDP's strategic plan, national ownership governs the selection and design of UNDP-supported programmes. To be meaningful and sustainable, the development of national capacities must be driven by and grounded in endogenous efforts. The principle that governments have the primary responsibility for the development of their countries applies in all development contexts, including post-conflict and early recovery situations.

Gender equality and women's empowerment. Women are a potentially vulnerable group in most crisis and post-crisis settings, and experience demonstrates that gender

equality and women's empowerment are essential components of development. Accordingly, in all three tracks, attention should be focused on the rights of women and to ensuring that interventions do not inadvertently increase the risks that these women face. Women's access to finance, domestic energy use, women's involvement in local service delivery, women's legal status and property rights, and cultural norms and values related to gender are among the factors that should be taken into account.

Youth (boys and girls). On average, young people face higher unemployment rates than adults, and such a phenomenon is often a source of considerable instability. At the same time, youth groups have considerable potential with regard to contributing to peace-building efforts. The focus will be on demand driven skills training, entrepreneurial development, access to markets and finance, social empowerment for youth, and working with the government and the private sector early on in both crisis and post-crisis situations in order to develop appropriate policies and strategies for youth employment.

Private sector involvement. The involvement of the private sector, at all programming stages, is necessary for the creation of sustainable jobs and inclusive economic growth. UNDP's Private Sector Strategy promotes the development of "inclusive markets," these being markets that work better for the poor. Priority interventions in regard to the private sector include policy advisory support to governments that wish to establish legal and regulatory frameworks for rule-based, non-discriminatory markets; assistance for value chain development in market sectors that offer the prospect of sustainable growth and transition to higher-value-added and better remunerated forms of employment; the development of innovative pro-poor business models and public-private partnerships; the promotion of entrepreneurship for the poor and women; and advocacy for corporate social responsibility.

"Without the energy of the private sector, without private enterprise, private initiative, private savings, private resources, we won't make it in terms of stimulating recovery and development.... The private sector is, indeed, the driving force in development [and] we need a very strong but lean state working with the private sector, not to undermine it but to strengthen it."

—Kemal Dervis, Former UNDP Administrator, speech of 3 February 2006, published in UNDP (2007), *UNDP Private Sector Strategy: Promoting Inclusive Market Development*

Participation. The meaningful participation of all crisis-affected groups in the identification of priorities for the livelihoods and economic recovery process and in the design, implementation, and monitoring of related interventions is essential for programme sustainability, gender sensitivity, conflict prevention, and peace-building. Special attention is therefore required in order to ensure that the voices of excluded, marginalized, and vulnerable groups are heard and taken into account.

Environmental sustainability. The sustainable use of natural resources and environmental sustainability of livelihoods programs are a priority. Important entry points are the creation of green jobs as well as reviving economic activity through working with **value chains e.g. based on bio trade or non-timber forest products working with partners such as UNCTAD or UNEP.** A major engagement will be undertaken vis-à-vis extractive industries and identifying opportunities for enhancing crisis-affected people's livelihoods early on both during periods of crisis and post-crisis.

Partnerships. Another priority for all tracks is coordination and cooperation in programming with other U.N. agencies, donors, NGOs, and international financial institutions, and with national government leadership. UNDP plays a leading role in convening and coordinating development partners.

1.3.4 Guiding Principles

The following six principles are intended to guide all UNDP-supported programming for livelihoods and economic recovery in crisis and post-crisis situations.⁴

- **Be coherent and comprehensive.** Effective programmes are based on sound assessments that provide a realistic understanding of the socioeconomic environment and the root causes of crisis. These programmes involve structured coordination among all stakeholders, building on the comparative advantages of each one. They are also linked to national frameworks, plans, and strategies.
- **Do no harm.** Effective programmes avoid the potential pitfall of inadvertently harming individuals, communities, society, the environment, or the economy. Such harm can occur, for example, when a surge in aid flows causes an appreciation of the real exchange rate, discouraging investment in employment-intensive exports, and when international partners compete for local staff, distorting private-sector wage levels and slowing the recovery of government institutions.
- **Be conflict-sensitive.** Effective programmes carefully avoid creating and/or reinforcing causes of conflict. The analysis and continuous monitoring of programme impact, and the root causes of conflict, are integral components of effective programming in both crisis and post-crisis situations.
- **Be disaster- and climate-risk-sensitive.** Effective programmes in disaster-prone areas will operate through a disaster risk reduction lens to ensure (1) that the programmes do not per se contribute to disasters or have negative impacts; and (2) that concerted efforts are made to safeguard recovery and development gains. Investing in disaster-risk-sensitive income generation and employment programmes has the potential to save lives and livelihoods while reducing the costs of disaster response, protecting developing economies, and safeguarding critical infrastructure.
- **Aim for sustainability.** Programming for sustainability requires national and local ownership, capacity development of stakeholders, complementarity of short-term interventions with long-term goals, and uninterrupted funding until sustainable local and national systems are in place.
- **Promote gender equality and women's empowerment.** Experience shows that crises usually have disproportionate effects on women and girls. Although some changes in gender roles during a crisis can empower women, the social foundation for gender relations tends to remain largely unchanged, and gender-based violence and discrimination can intensify. Gender disaggregation of information is essential in both assessment and monitoring. Both women's and men's efforts to build new social and economic relationships are likely to require support.

References and suggested further reading

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⁴ The first five are adapted from the *United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration*, June 2009.

Community Meeting with Future Strategy Agenda (Photo by UNDP Pakistan)



CHAPTER 2

LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT

Contents

2.1 WHAT INFORMATION DOES A LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT PROVIDE?	14
2.1.1 Livelihood assets of individuals, households, and communities	14
2.1.2 Local economy	15
2.1.3 “Macro” issues and micro-macro linkages	16
2.1.4 Conflict and disaster risk	17
2.2 HOW IS A LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT CONDUCTED?	18
2.2.1 Assessment team	18
2.2.2 Timing of the assessment	18
2.2.3 Information collection methods	19
2.2.4 Components of the assessment	19
2.2.5 Partnerships and participation	20
2.3 HOW CAN THE ASSESSMENT TRANSLATE INTO A PROGRAMME?	21

Programmes in crisis and post-crisis situations can achieve their goals—and avoid inadvertently causing harm—only when they are based on solid assessments. Livelihoods and economic recovery assessments provide information on the social and economic context of a crisis or post-crisis situation. Such assessments cover issues at both the “micro” level (individuals, households, and communities) and the “macro” level (the state of the economy, the policy framework, and the nature and quality of governance). The more practitioners know about the situations they are trying to address, the more likely they are to identify effective avenues for programme development, and the less likely they are to make mistakes. Moreover, a successful assessment process will strengthen local capacity for inclusive and participatory analysis, help vulnerable people to have an effective voice in decision-making, and create gender, conflict, and disaster-risk sensitivity.

At the individual, household, and community levels, a livelihoods and economic recovery assessment identifies the capital assets (human, natural, physical, financial, political, and social) of crisis-affected people, their livelihood strategies, and the ways in which they cope with vulnerability. At the local and national levels, such an assessment demonstrates how the economy, the system of governance, and the physical environment influence crisis-affected people and, indeed, are in turn influenced by them, as well as by socio-economic opportunities. And, additionally, the assessment reveals the power structures in place at all levels, including those that are related to gender, ethnicity, and other personal, family, or community characteristics, while also analyzing the conflict and disaster risk scenarios.

Each crisis or post-crisis situation is unique. Therefore, the most appropriate design of an assessment—the information to be sought, the methods of seeking it, and the duration of the assessment—will be different in every case. The assessment design needs to be tailored according to the nature and stage of the crisis, the timeframe for response, the size and accessibility of crisis-affected communities, the availability of local data and expertise, the security situation, the logistical support available, and other characteristics of the particular situation. It is usually the case that quick assessments are necessary, with periodic updates that enable programmes to respond to a rapidly changing environment.

This chapter provides guidance on the information a livelihoods and economic recovery assessment provides (section 2.1), how such an assessment is conducted (section 2.2), and how a visioning process can enable the translation of the assessment into a programme (section 2.3). References and suggested further reading are provided at the end of the chapter.

2.1 WHAT INFORMATION DOES A LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT PROVIDE?

This section provides an overview of the type of information that it is useful to obtain during a livelihoods and economic recovery assessment. It considers information related to the livelihood assets of individuals, households, and communities (subsection 2.2.1), the local economy (subsection 2.2.2), “macro” issues and macro-micro linkages (subsection 2.2.3), and conflict and disaster risk (subsection 2.2.4).

Again, every situation is different, and the range of information that will be available, relevant, and feasible to obtain will inevitably vary. An “appreciative inquiry” approach is suggested, wherein the assessment transcends identifying problems and needs to highlight existing strengths, local solutions, local capacities and assets. Such an approach will help to identify and support durable solutions for crisis-affected people. All information should be disaggregated to the extent possible, so that the livelihood needs and opportunities of women, children, the elderly, people with disabilities, and other vulnerable groups can be analyzed. Ideally, the information collected during the assessment will address trends in the situation before, during, and after the crisis with indications of what can be expected in the future.

2.1.1 Livelihood assets of individuals, households, and communities

Information on the livelihood assets of individuals, households, and communities (sometimes collected in a separate “livelihoods assessment”) can be classified according to the six capital assets introduced in Chapter 1: human, natural, physical, political, financial, and social assets. The collected information will enable the analysis of both inter-household (community) dynamics and intra-household (family) dynamics. A participatory process involving crisis-affected people is necessary in order to obtain a genuine profile of livelihood assets.

The following are indicative types of information to be collected for each type of capital asset:

Human capital assets

- ✓ Skill levels and educational attainment
- ✓ The extent to which local skills match the needs of existing or emerging local businesses
- ✓ Knowledge base and local use of science and technology
- ✓ Livelihood aspirations
- ✓ Access to food, education, and health care⁵

Natural capital assets

- ✓ Environmental conditions in which people live and work
- ✓ Natural resource management issues affecting livelihoods (e.g., land tenure, disputed natural resources)

Physical capital assets

- ✓ Access to adequate housing
- ✓ Access to safe water and sanitation
- ✓ Access to and use of infrastructure (roads, bridges, schools, hospitals, agriculture systems, etc.)

⁵ While other U.N. agencies have lead responsibility for programming related to food, education, and health care, these issues are relevant to human capital as a livelihood asset and need to be taken into account.

Financial capital assets

- ✓ Access to finance, including microcredit
- ✓ Coping and adaptive strategies for responding to financial shocks (e.g., drawing down savings, borrowing from friends, relatives, or money-lenders, and selling or trading assets)

Social capital assets

- ✓ Participation in social groups and networks that provide support (financial or psychosocial), e.g., community-based organizations, NGOs, faith-based organizations, women's organizations, and extended family networks.
- ✓ Perceived levels of safety and security

Political/governance capital assets

- ✓ Access to and participation in government decision-making processes
- ✓ Gender relations and power structures influencing control over decision making within households, communities, and the wider society
- ✓ Access to judicial systems and security sector institutions.

The information collected on the various livelihood indicators can be pulled together into profiles of individuals, households, and communities, revealing who and where the crisis-affected people are, their existing livelihood strategies, the factors constraining their access to livelihoods, their livelihood opportunities, and the areas where external support could be most effective in helping such individuals to rebuild and strengthen their livelihoods.

2.1.2 Local economy

Information on the local economy can be grouped into data related to the business environment, markets for goods and services, and labour markets. Some of this information may be collected in a separate "economic recovery assessment" and/or "market analysis," providing that the data collection is coordinated and complementary.⁶ The following are indicative types of information to be collected for each group of data related to the local economy:

Business environment

- ✓ Sectoral structure of the local economy
- ✓ Degree of innovation, as evidenced in firms' start-up and closure and the prevalence and growth of micro, small, and medium-sized enterprises
- ✓ Characteristics of the political economy, such as dominant and marginalized groups, rent-seeking behaviour, and the existence of cartels and other forms of market power
- ✓ Formal rules (e.g., licensing requirements) and informal rules (e.g., social norms influencing transactions) in market systems
- ✓ Land ownership structure, access to land and security (for both women, men and youth)
- ✓ Views of local business owners regarding constraints to and opportunities for investment and economic growth, including views expressed on government regulation and public service delivery
- ✓ Challenges and opportunities to move toward a green economy through involvement of local enterprises
- ✓ Suitability of local infrastructure for sustainable economic growth
- ✓ Overall economic competitiveness of geographic areas
- ✓ Linkages between the local, national and regional economies

⁶ For further information on market analysis, see Box 2.1 and Annex.

Markets for goods and services

- ✓ Markets of greatest importance to crisis-affected people as producers and consumers; whether and how well those markets are operating and accessible
- ✓ Availability and prices of essential commodities
- ✓ Competitiveness of key markets in the local economy
- ✓ How well local markets are integrated, and the horizontal and vertical linkages among key market participants; accessibility of markets, nature of supply and value chains, including bottlenecks where they exist
- ✓ Formal and informal restrictions on the movement of goods
- ✓ Goods and services, particularly those in high demand; existing and potential buyers; traders' ability and willingness to respond to increases in demand
- ✓ Economic and social barriers to participation in markets by crisis-affected and other vulnerable people
- ✓ Power dynamics of market participants (e.g., control of certain markets by armed groups)



*Woman Selling Vegetable
in a Local Market
(Photo by UNDP Kenya)*

Labor markets

- ✓ Local labour force participation and employment patterns
- ✓ Occupational structure
- ✓ New and growing labour markets; sectors with labour shortages; absorption capacity of various occupations
- ✓ Skill requirements of occupations in demand
- ✓ Occupations where female employees and those with disabilities or other special needs are accepted and not accepted
- ✓ Barriers to employment related to gender, age, ability, ethnicity, social group, religion, or other personal, family, or community characteristics
- ✓ Travel-to-work patterns and the economic and social factors behind these.

2.1.3 “Macro” issues and micro-macro linkages

Where time and resources allow, separate assessments of livelihoods, local economic recovery, and national economic recovery may be conducted, but often the same assessment team will need to assess issues at all levels. Policies, institutions, and processes at the micro and macro levels are inherently connected. Therefore, however the assessment is designed, it will need to incorporate micro-macro linkages, these being the linkages between issues that influence livelihoods and economic recovery at the individual, household, and community level (the micro level) and those issues that relate to the economy, policy framework, and systems of governance at provincial, national and, where relevant, regional levels (the macro level).

The following are indicative types of information to be collected at the macro level:

- ✓ Trends in economic growth, poverty, labour force participation, and unemployment (aggregated and disaggregated)
- ✓ Constraints/barriers to economic recovery, poverty reduction, and employment
- ✓ Policies that create or reduce vulnerability or otherwise influence livelihoods and economic recovery
- ✓ Nature and quality of governance; key areas in which the system of governance provides, and fails to provide, an enabling environment for livelihoods and economic recovery; gaps in government capacity (at both national and local levels) to enforce policies and provide public services
- ✓ Any pressures that economic growth is likely to place on environmental sustainability, and opportunities for maximizing green growth

2.1.4 Conflict and disaster risk

As described in Chapter 1, most crises result from violent conflict or disaster, and the impacts of conflicts and disasters can come to have a mutually aggravating effect. . To enable conflict- and disaster-risk sensitivity in programme development, the prevailing risks need to be identified and analyzed. This process can take place within a single livelihoods and economic recovery assessment or as a separate conflict analysis and/or disaster risk assessment.⁷ Information is needed on the root causes and consequences of the crisis, their possible contribution to further conflict and disaster risk, and ways that livelihoods and economic recovery programmes can mitigate or exacerbate the harm associated with conflict or disaster.

Conflict sensitive development aims to:

Minimize the negative impact of

- ✓ **Violent conflict on** our development intervention
- ✓ **Our development intervention on** violent conflict

Maximize the positive impact of

- ✓ **Our development intervention on** conflict prevention and peace-building
- ✓ **Opportunities within** the conflict dynamics that strengthen our development intervention.

Key components of conflict analysis:

- ✓ Analysis of long term factors underlying conflict: Security; Political; Economic and Social
- ✓ Analysis of conflict participants: Interests; Relations; Capacities; Peace agendas; and Incentives
- ✓ Analysis of: Long term trends of conflict; Triggers for increased violence; Capacities for managing conflict; Likely future conflict scenarios; root causes and triggers of conflict, including natural resources.

For disaster risk sensitivity of livelihoods and economic recovery programmes the following steps are necessary:

Step 1: Identify and characterize all major hazards (including possible environmental hazards) that may have significant impacts on the designed livelihood intervention, based on an analysis of the geophysical area, and the impacts of historical disasters on current livelihood systems.

Step 2: Analyze the vulnerability of selected livelihood interventions, using an impact tree approach to identify the root causes of the impacts of these hazards on the livelihoods of disaster-affected people.

Step 3: Identify DRR measures for the selected livelihood interventions to be supported. Develop a checklist of potential DRR options for the interventions.

Step 4: Perform a cost-effectiveness analysis to define a DRR solution for the specific intervention or strategy: 1) select DRR measures according to priority and capability, as well as technical feasibility and economic possibility; and 2) identify hazard-specific DRR solutions.

The following are indicative types of information to be collected on conflict and disaster risk:

- ✓ The impacts of earlier conflicts and/or disasters on livelihoods and the local and national economy
- ✓ The nature, location, intensity, and probability of hazards, including those associated with climate change
- ✓ The likely impacts of disasters related to the identified hazards, should they occur, on livelihoods and the local and national economy
- ✓ Immediate, underlying, and root causes of conflict (with attention to inter-ethnic

⁷ For details on conflict analysis and disaster risk assessment, see Box 2.1 and Annex.

tensions, access to resources and livelihoods, governance, the rule of law, security, and political and social dynamics, including gender relations) and how those causes interact with one another

- ✓ Key participants in previous or ongoing conflict and those in positions to influence future conflict, positively or negatively
- ✓ Factors contributing to peace and disaster risk reduction, with attention to favourable existing dynamics that can be built upon, such as mechanisms for sharing resources and participatory decision-making
- ✓ Mapping of any ongoing or previous development work related to conflict or disasters, and lessons learned from that work
- ✓ How conflict and disasters could affect livelihoods and economic recovery programmes, and in turn how those programmes could influence conflict and disaster risk.

2.2 HOW IS A LIVELIHOODS AND ECONOMIC RECOVERY ASSESSMENT CONDUCTED?

As with the *information* to be collected in a livelihoods and economic recovery assessment, the most appropriate *method of conducting* the assessment will vary according to the particular circumstances of the crisis or post-crisis situation. The guidance on methods will also continue to evolve as new technologies become available, and lessons are learned from evaluations of livelihoods and economic recovery programmes that are being implemented around the world.

This section presents guidance on the composition of the assessment team (or teams) (subsection 2.3.1), the timing of the assessment (subsection 2.3.2), information collection methods (subsection 2.3.3), the components of the assessment (subsection 2.3.4), and partnerships and participation in the assessment process (subsection 2.3.5).

2.2.1 Assessment team

Establishing an assessment team composed of specialists from various disciplines (e.g., economics, natural resources management, agriculture, peacebuilding, disaster management and risk reduction, governance, and security) is a valuable way to capture the full range of relevant technical expertise and to provide the foundation for an integrated approach. Assessment teams are most effective when their members include experts with knowledge of the local culture, norms, and language, generalists with good facilitation skills, and a mix of men, women, and people from different (and relevant) backgrounds. If time and resources allow, separate assessment teams can undertake distinct assessments (e.g., household livelihoods assessment, market analysis, disaster risk assessment, and/or conflict analysis). To ensure complementary findings and a coherent overall assessment, it is important that any separate assessment teams conduct their work concurrently and in close collaboration.

2.2.2 Timing of the assessment

Given the importance of livelihoods and economic recovery for crisis-affected people, an assessment will be most useful when it is conducted as soon as possible, when possible already during the crisis. Depending on the nature and severity of the crisis, however, an assessment may not be feasible or advisable until the immediate post-crisis period. Since assessments are a form of intervention, and the timing should take into account the necessity of ensuring that the assessment itself is conflict-sensitive and does no harm.

The duration of a livelihoods and economic recovery assessment, together with programme planning, is typically one to four weeks. It can be shorter or longer, depending on the context and urgency of the situation.

2.2.3 Information collection methods

Information collection for a livelihoods and economic recovery assessment typically involves a combination of the following methods:

- Rapid scoping exercise (an initial observation of the area and rapid assessment of the impact of a crisis)
- Key informant interviews with government officials and other stakeholders at the local, national, and international levels
- Discussions with local organizations, including local government bodies, private enterprises, and community-based organizations
- Focus group discussions with disaggregated groups of crisis-affected people, such as women, men, youth, and minority groups
- Surveys and/or questionnaires
- Community mapping exercises
- Workshops with resource persons, including UNDP colleagues and key people from other organizations
- Literature review and secondary data analysis.

The data collected during the assessment will serve as the baseline for the monitoring and evaluation system of the forthcoming livelihoods and economic recovery programme.⁸ Therefore, the data will be most useful if assembled in a manner that is suitable for regular updating at aggregated and disaggregated levels. As the situation stabilizes (or worsens), the livelihood aspirations, strategies, opportunities, and needs of those people affected by crisis will change, as will the policy and institutional environment. Baselines will be critical for monitoring these changes. The establishment of solid baselines will also provide a sound basis for strengthening local and national capacities for participatory assessment and monitoring of results, and it can also encourage ongoing local coordination and information sharing on issues of relevance to livelihoods and economic recovery. Some techniques, such as household and perception surveys, provide rich baseline data but may be more costly and time-intensive than a number of other techniques.

2.2.4 Components of the assessment

Depending on time, resources, and the crisis context, the assessment may be conducted as a single process or it may include a set of separate analyses of specific aspects of livelihoods and economic recovery. To ensure complementarity of the assessment findings, it is important that all components are well coordinated and that they are conducted concurrently. The crosscutting issues of gender and the environment are best handled by mainstreaming them throughout the assessment, though they may also constitute separate components of the assessment. Identifying linkages between the situations at the micro and macro levels is important throughout the process. It is of primary importance to address conflict and disaster risk, even if circumstances allow only for the updating of an existing analysis or the convening of a meeting during which resource persons and stakeholders will discuss these issues. Coordination of the assessment components, attention to the crosscutting issues, and ensuring coverage of conflict and disaster risk in the assessment, will enable the development of a coherent overall programme that does no harm.

⁸ Given that most assessments take place rapidly, with limited resources, and under difficult circumstances, specific areas of programming may require supplementary data collection to form complete baselines.

A livelihoods and economic recovery assessment will set forth, synthesize, and analyze the information collected for the assessment on livelihood assets, equity, the local and national economy, the policy framework, systems of governance, and conflict and disaster risk. Together with crisis-affected community members and other stakeholders, the assessment team can identify the major issues that affect the livelihood status of various categories of individuals, households, and communities. “Livelihood maps” can be developed, using the data collected on livelihood assets, and “hazard/conflict maps” can be superimposed over them in order to identify the hazards or conflict dynamics that are likely to affect certain livelihoods or related initiatives.

Box 2.1 below expands on three components of a livelihoods and economic recovery assessment that are sometimes conducted separately: market analysis, conflict analysis, and disaster risk assessment.

2.2.5 Partnerships and participation

A common understanding of the assessment’s purpose and methods among all stakeholders, from national government counterparts to crisis-affected communities, is important from the outset. It will strengthen the quality of the assessment while helping to ensure extensive participation and buy-in during the subsequent programme design and implementation processes. In line with UNDP’s commitment to ensuring national ownership of the selection and design of the programmes that it supports, the decision to pursue a livelihoods and economic recovery assessment and related interventions should be made in consultation with national and local government counterparts, wherever possible, and should be linked to national frameworks, plans, and strategies, including peace agreements where they exist. Coordination with other development partners, including other U.N. agencies, is also essential so as to avoid gaps and duplication in programming.

9 ISDR. “Risk assessment/analysis.” Terminology: Basic terms of disaster risk reduction. <http://www.unisdr.org/eng/library/lib-terminology-eng/home.htm>

Box 2.1 Market analysis, conflict analysis, and disaster risk assessment

Market analysis, conflict analysis, and disaster risk assessment are examples of three components of a livelihoods and economic recovery assessment that development practitioners in a crisis or post-crisis situation may consider incorporating into one assessment process or conducting in a separate but coordinated manner.

A **market analysis** examines markets for good and services, labour markets, and value chains. The importance placed on market analysis in livelihoods and economic recovery assessment reflects the fact that most people’s livelihoods depend on their involvement in and access to markets as producers, service providers, wholesalers, middlemen, traders, transporters, retailers, consumers, employers, and employees. Markets are vulnerable to shocks that are triggered by violent conflict or natural disaster. Crises can cut off access to markets or destroy them. In some conflict situations, market disruption is a deliberate strategy to undermine lives and livelihoods. Aid can also depress local production. Analyzing markets during the assessment will enable the development of programmes that are well integrated with markets and do not distort them. (For further information on market analysis, see Annex.)

A **conflict analysis** examines the dynamics of a conflict and its impact on communities, governments, institutions, and systems. In the context of a livelihoods and economic recovery assessment, a conflict analysis enables conflict sensitivity—it identifies the impact of conflict on related interventions and, conversely, the impact that such interventions may have on conflict, whether positive or negative. (For further information on conflict analysis, see Annex.)

A **disaster risk assessment** determines the nature and extent of risk by analyzing potential hazards and evaluating existing conditions of vulnerability that could pose a potential threat or harm to people, property, livelihoods, and the environment on which people depend.⁹ The absence of disaster risk assessment from the evaluation of traditional investment projects have resulted in the loss of project benefits when disasters have occurred, leaving debts to be serviced nonetheless. Considering natural disaster risk in livelihoods and economic recovery assessments allows for more careful selection, prioritization, and design of programmes and the development of risk management measures to protect programme benefits. (For further information on disaster risk assessment, see Annex.)

The range of partnerships will necessarily vary in every case, depending on which partners are present, interested, relevant, and reachable. Typically, an assessment should seek to engage the following:

- National and local government bodies
- International development partners (including U.N. agencies)
- NGOs and other civil society organizations
- Financial and microfinance institutions
- Training providers
- Private sector entities (including business owners, entrepreneurs, and trade and industry associations)
- Community-based organizations and local leaders
- Crisis-affected communities
- Host communities (in cases where people have been displaced).

The participation of crisis-affected people—as partners and rights holders, not just potential beneficiaries—is particularly important, especially in the assessment of livelihood assets at the individual, household, and community levels. The profile of participants should reflect the gender, ethnic, religious, and other characteristics of the crisis-affected population. The approach known as “participatory rural appraisal” may be useful for incorporating local knowledge into the assessment and, subsequently, into the development and implementation of livelihoods and economic recovery interventions. This approach uses group exercises to facilitate information sharing, analysis, and planning that is led by local people.¹⁰

Capacity assessments of key partners can be conducted during a livelihoods and economic recovery assessment, if necessary and practicable, or information can be drawn from previous capacity assessments. A literature review, even if conducted in a rapid or cursory manner, will help to ensure that the assessment incorporates the existing knowledge of the government, UNDP, and other development partners about the crisis situation, livelihoods, the local and national economy, and the results of previous or ongoing programmes that are considered to be relevant.

Livelihoods and economic recovery assessments can be undertaken in coordination with other assessment processes. This approach will enable integrated responses. The results of a livelihoods and economic recovery assessment, for example, can feed into the development of a Post-Disaster Needs Assessment or a Post-Conflict Needs Assessment. In cases in which these assessments have already been conducted, the livelihoods and economic recovery assessment can focus on any related gaps.

2.3 How can the assessment translate into a programme?

Once the preliminary assessment results are available, a process of visioning can begin. Using the assessment findings, stakeholders can determine the appropriate programme focus (the right issues and the right people), prioritize issues and strategies to address them, identify potential entry points for a livelihoods and economic recovery programme, and match agency skills and resources to the situation on the ground.

In community level discussions, conflict-affected people can begin to scrutinize their short- and long-term livelihood aspirations alongside their existing livelihood assets, strategies, and constraints, the local economic situation, and the conflict and disaster risks that they

¹⁰ For further information on participatory rural appraisal, see World Bank (1996), *The World Bank Participation Sourcebook*, pp. 191-192.

face. Communities can agree with local businesspeople, local government authorities, and other stakeholders on realistic livelihood and economic recovery objectives and develop strategies to achieve them. By taking into account the full range of information in the assessment, stakeholders and partners can ensure that the interventions that they propose are sensitive to issues of gender, inclusiveness, the environment, conflict, and disaster risk. Discussions should relate the situation and aspirations of individuals, households, and communities to the scenario for long-term recovery and development of the area. This is an opportune time to begin conceptualizing potential entry points in terms of the three-track approach introduced in Chapter 1, wherein Track A focuses on livelihoods stabilization, Track B focuses on medium- to long-term local economic recovery, and Track C focuses on long-term employment creation and inclusive economic growth. Partners can also begin to negotiate the principles of engagement and cooperation, including expected contributions, roles, and responsibilities.

Through the visioning process, the assessment can set in motion a continuous, participatory monitoring and evaluation framework. Using data from the assessment as baselines, stakeholders and partners can agree upon a set of preliminary indicators and targets for monitoring the livelihoods and economic recovery process and the success of related interventions. In this way, visioning will help to base the monitoring and evaluation framework on local perceptions of what constitutes success. Such visioning will also help to manage expectations and to ensure a common understanding of the objectives of the programme.

The following are general guidelines for using the assessment in the visioning process:

- Vet all proposed interventions through a conflict/disaster risk filter to ensure that selected interventions have a positive impact on crisis-affected people, create resilience, address the root causes of crises, and do not increase the likelihood of conflict or disaster.
- If any selected livelihood strategies do involve risk or vulnerability to conflict or disaster, build consensus on risk mitigation measures among all stakeholders. In particular, facilitate the integration of risk mitigation into business plans and area development plans; ensure that risk reduction measures are specific to the hazards that are identified in the assessment and specific to each of the proposed interventions; and prioritize risk reduction measures with consideration for their cost effectiveness, technical feasibility, and potential to build upon local knowledge and practices.
- When proposed interventions would target specific groups, consider their potential effects on social tensions, discrimination, harassment, sexual and gender-based violence, and other social dynamics.
- Seek interventions that involve governments, support their capacity development, and link to national frameworks, plans, and strategies.
- Seek ways for local interventions to be incorporated into and/or influence national policy frameworks and capacity development, and ensure that national- and local-level interventions are consistent with livelihoods aspirations at the community level.
- Seek interventions that are replicable and conducive to scaling up.
- Ensure that selected interventions are integrated with private sector activity and do not disrupt markets; in particular, consider the potential impacts of any proposed interventions to provide cash and/or essential commodities (including food) on production and prices.
- Assess the short- and long-term viability of various job opportunities, as revealed in the assessment's labour market data, as input for the development of vocational training and apprenticeship options; in particular, opportunities for "green jobs" should be identified;

- Consider how access to science and technology can complement and support local knowledge in the livelihoods and economic recovery process.

For additional information on livelihoods and economic recovery assessments, please see the following discussion papers in Annex:

1. *Livelihoods Assessment*
2. *Economic Recovery Assessment*
3. *Market analysis*
4. *Disaster Risk Assessment for Livelihoods and Economic Recovery*
5. *Conflict analysis*

For additional information on strategy development, please see the following discussion papers:

6. *Overall synthesis, visioning, and prioritizing of livelihood and economic recovery strategies*
7. *Natural Capital: supporting environmental sustainability and climate changes adaptation*

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Crop Production for food security (Photo by UNDP Kenya).



CHAPTER 3

TRACK A PROGRAMMING: LIVELIHOODS STABILIZATION

Contents

3.1 EMERGENCY EMPLOYMENT CREATION	26
3.1.1 Introduction	26
3.1.2 Developing and implementing an emergency employment project	27
(a) <i>Situation assessment</i>	27
(b) <i>Developing a project document</i>	28
(c) <i>Management arrangements</i>	29
(d) <i>Recruitment and procurement</i>	30
(e) <i>Determining wage structure and arranging wage disbursement</i>	31
(f) <i>Selection of participants and subprojects/activities</i>	33
(g) <i>Monitoring and evaluation (M&E)</i>	34
(h) <i>Partnerships</i>	35
(i) <i>Communication strategy</i>	36
(j) <i>Exit strategy</i>	36
3.1.3 Addressing crosscutting priorities	37
3.2 TARGETED SELF-EMPLOYMENT SUPPORT	38
3.2.1 Introduction	38
3.2.2 Developing and implementing a targeted self-employment project	39
(a) <i>Situation assessment</i>	39
(b) <i>Developing a project document</i>	40
(c) <i>Management arrangements</i>	40
(d) <i>Recruitment and procurement</i>	41
(e) <i>Selection of participants and enterprises to support</i>	42
(f) <i>Linking start-up participants with recovery and development interventions</i>	44
(g) <i>Monitoring and evaluation (M&E)</i>	45
(h) <i>Partnerships</i>	46
(i) <i>Communication strategy</i>	46
(j) <i>Exit strategy</i>	46
3.2.3 Addressing crosscutting priorities	47
3.3 INFRASTRUCTURE REHABILITATION	48
3.3.1 Introduction	48
3.3.2 Developing and Implementing an Infrastructure Rehabilitation Project	49
(a) <i>Situation assessment</i>	49
(b) <i>Developing a project document</i>	50
(c) <i>Management arrangements</i>	50
(d) <i>Recruitment and procurement</i>	51
(e) <i>Selection of infrastructure schemes and participants</i>	52
(f) <i>Monitoring and evaluation (M&E)</i>	54
(g) <i>Partnerships</i>	54
(h) <i>Communication strategy</i>	55
(i) <i>Exit strategy</i>	55
3.3.3 Addressing Crosscutting Priorities	56

Within the three-track approach adapted from the UN Policy for Post-Conflict Employment Creation, Income Generation and Reintegration (described in section 1.3.2 above), Track A programming responds to the urgent needs of crisis-affected groups with interventions to help stabilize livelihoods. This chapter presents the basic knowledge that UNDP has accumulated about three key approaches to Track A programming: emergency employment creation (section 3.1), targeted self-employment support (section 3.2), and infrastructure rehabilitation (section 3.3). Each section provides the key steps and methods for developing and implementing a Track A project and addresses adherence to the guiding principles of gender sensitivity, conflict and disaster sensitivity, and market sensitivity. References and suggested further reading are provided at the end of each section.

¹¹ For simplicity, the term *project* is used in this chapter, though the envisioned interventions may take place within a project, programme, or annual work plan under a Country Programme Action Plan.

3.1 EMERGENCY EMPLOYMENT CREATION

3.1.1 Introduction

Slow economic recovery accompanied by high levels of unemployment make it difficult for those populations that are suffering from the consequences of crisis—particularly youth, women, and other vulnerable or excluded groups—to find legal, safe, and sustainable livelihood opportunities. Unemployment creates idleness and fuels frustration and discontent, particularly among youth, and it can also generate social tensions that precipitate civil unrest, violence, illegal activities, and negative coping strategies. By providing an immediate source of income, even for a limited period of time, emergency employment projects can promote stability in vulnerable communities. The short-term work created under these projects aims to boost the purchasing power and consumption of crisis-affected people, enabling them to meet their immediate needs and reduce their vulnerability to additional shocks. To the extent possible, these projects also help crisis-affected people to develop or regain sustainable livelihood assets and contribute to the revival of the local economy.



*Cash for Work in Kenya
(Photo by UNDP Kenya)*

Three modalities for emergency employment creation that UNDP often supports in crisis and post-crisis situations are (a) cash-for-work, (b) food-for-work (in partnership with WFP), and (c) community contracting. **Cash-for-work** projects provide cash payments in exchange for labour through individual subprojects or public works schemes. **Food-for-work** projects provide food as compensation in lieu of cash. In some cases, a combination of food-for-work and cash-for-work is provided. Food-for-work is a mandate of WFP, so UNDP partners with WFP in any initiative it supports that involves food-for-work. **Community contracting** involves inclusive community decision-making that leads to a partnership agreement between a registered community-based organization and an external funding or support agency for the implementation of work that benefits the community, using inputs provided by the community in question.¹² Emergency employment projects are often implemented in tandem with other initiatives for crisis relief and recovery.

Examples of typical activities for emergency employment include the clearing of debris, roads, and land; the rebuilding of roads, drainage systems, and irrigation canals; the rehabilitation of community facilities or schools; the harvesting of crops; and the development of land for housing or agriculture. Emergency employment presents an opportunity to introduce or expand “green jobs”—jobs that contribute to preserving or restoring environmental quality.¹³

When successful, emergency employment projects help to mobilize the social and economic rebuilding of communities. These projects can contribute to social equity, the empowerment of women and marginalized groups, and environmental sustainability. Furthermore, such projects inject cash into the local economy through wage payments and the local procurement of materials and equipment. The work performed through these projects can provide rapid improvements to community services and infrastructure, enabling access to markets and social services while also strengthening disaster preparedness. By addressing the needs of whole communities, these projects can contribute to peace-building and can be strategically designed to address increases in illegal activities, to mitigate or prevent violence (when drivers of conflict are engaged in emergency employment), and to function as deterrents and alternatives to the recruitment of combatants.

¹² For more information, see the Annex on community contracting in this Guide.

¹³ Such jobs may, for example, help to protect and restore ecosystems and biodiversity, promote a low-carbon economy, reduce or avoid the generation of waste and pollution, and/or reduce the consumption of energy, materials, and water. See UNEP, ILO, IOE and ITUC, *Green Jobs: Towards decent work in a sustainable, low-carbon world*, 2008.

Although emergency employment projects focus on short-term support, they can create long-term employment opportunities when they are linked to the strengthening of local businesses and implemented as part of a larger local economic recovery plan. The sustainability of results is also enhanced when money earned from short-term employment is spent on long-term family investments, such as education and housing. Moreover, the involvement of local institutions in implementation can contribute to local capacity building and even state building.

3.1.2 Developing and implementing an emergency employment project

This section provides guidance on the following aspects of developing and implementing an emergency employment project: (a) situation assessment, (b) developing a project document, (c) management arrangements, (d) recruitment and procurement, (e) determining the wage structure and arranging wage disbursement, (f) selection of participants and subprojects/activities, (g) monitoring and evaluation (M&E), (h) partnerships, (i) communication strategy, and (j) exit strategy. Both the development and the implementation of the project should facilitate and encourage the active participation of local and/or national authorities and crisis-affected people, including women, youth, displaced people, people with disabilities, and ex-combatants, wherever possible. Due to the urgency of setting up emergency employment projects, these undertakings are sometimes designed without sufficient consultation; this should be avoided to the extent possible.

3.1.2 (a) Situation assessment

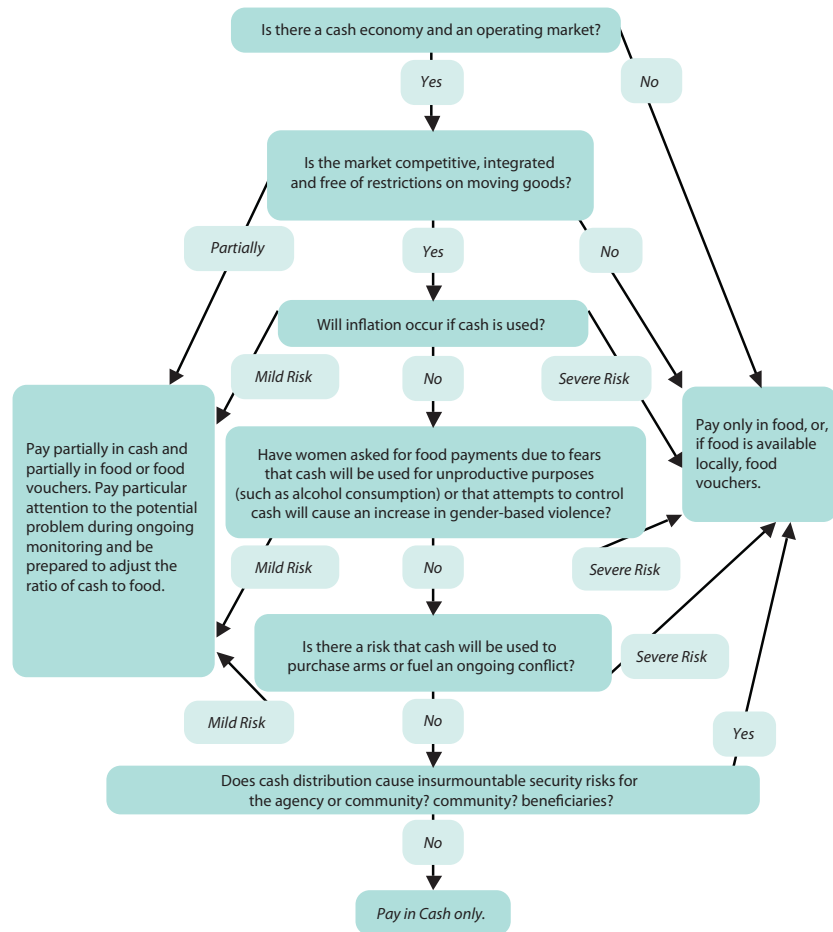
The livelihoods and economic recovery assessment (see Chapter 2) is usually the primary source for information on whether an emergency employment project is appropriate for the local context. This assessment also identifies the existing opportunities and constraints for implementing livelihoods and economic recovery interventions. A supplementary rapid survey may be needed at the local level to clarify the communities and community members who would most benefit from the emergency employment project, the most suitable implementing partners, and the most appropriate type of subprojects or schemes for the project to support. Supplementary data gathering may also be necessary in order to ensure compliance with the guiding principles for livelihoods and economic recovery programming, such as gender sensitivity, conflict and disaster sensitivity, and sustainability.¹⁴

In programming for emergency employment creation, a particular set of information is needed in order to determine whether cash-for-work, food-for-work, or a combination of the two will be most effective. Cash-for-work is often more attractive because participants tend to prefer cash, cash provides versatility, and it empowers people to make choices and to act on their own decisions. Cash-for-work can be effective, however, only in situations where markets are functioning and basic consumption goods are available. Moreover, cash-for-work is not appropriate in situations where it might contribute to inflation, exacerbate underlying social tensions, or increase vulnerability among participants (e.g., by increasing the risk of sexual and gender-based violence against women who are known to possess cash). The cost of implementing food-for-work projects is often higher because of the transaction costs associated with food delivery. The cost effectiveness of a cash-for-work project often depends on the availability of mechanisms for electronic bank transfers and security requirements for the safe distribution of cash wages.

While the precise questions to be asked and decisions to be made are context-specific, the decision tree in Figure 3.1 below, developed by the Women's Refugee Committee, can help to determine the appropriate intervention or mix of interventions. In situations

¹⁴ The guiding principles are presented in section 1.3.4 above. Key points to consider for ensuring that crosscutting priorities are effectively incorporated into emergency employment projects are presented in section 3.1.3 below.

Figure 3.1 Flow chart for choosing between cash-for-work and food-for-work¹⁵



where food-for-work is appropriate, collaboration with WFP is essential in all of the programming stages.

A risk assessment should be conducted to address (a) big risks (reputational and security-related), (b) operational risks (financial and transparency-related), and (c) project-specific risks (e.g., the risk of weak linkage to durable employment creation).

3.1.2 (b) Developing a project document¹⁶

As with all UNDP-supported projects, the launch of an emergency employment project requires an approved project document.¹⁷ The project document provides the basis for implementing and monitoring the project's activities and results. The essential components of a project document are the results and resources framework, a description of project management arrangements, a risk analysis, and a monitoring and evaluation framework. In some cases, the project document must also meet the standard requirements of a funding donor. Table 3.1 below provides an example of the intended outputs, output indicators, and indicative activities that could form part of the results and resources framework for a cash-for-work project.

15 Women's Refugee Commission, "For-Work Programming" in *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*, 2009.

16 Complete information on the required process for the development and appraisal of a project document is provided in the "Defining-a-Project" section of UNDP's Programme and Operations Policies and Procedures (POPP).

17 In countries with a Country Programme Action Plan, an annual work plan is required.

Outputs	Output indicators	Activities
Immediate temporary employment opportunities for critically affected households created	<ul style="list-style-type: none"> Number of jobs created (person/months)¹⁸ 	<ul style="list-style-type: none"> Set up of institutional arrangements for subproject selection Select implementing partners
Community-driven emergency subprojects/schemes implemented	<ul style="list-style-type: none"> Roads/canals cleared (in m) Latrines cleaned/rehabilitated Agricultural land cleaned (ha) Drainage ditches cleaned or flood mitigation structures repaired (m) 	<ul style="list-style-type: none"> Select subprojects Set up and use monitoring system to measure output and impact
Capacity of implementing partners strengthened	<ul style="list-style-type: none"> Timing and quality of monitoring and reporting data from implementing partner 	<ul style="list-style-type: none"> Assess the capacity of implementing partners Provide training for cash-for-work project management and proposal writing
Programme management capacity developed	<ul style="list-style-type: none"> Recruitment status 	<ul style="list-style-type: none"> Recruit the project team

Table 3.1 Example of outputs, output indicators, and activities in the results and resources framework for a cash-for-work project

3.1.2 (c) Management arrangements

Management arrangements for a project include project roles, responsibilities, and accountabilities. The implementing partner, “responsible parties,” and project personnel are central to the management arrangements.

In consultation with the Government Coordinating Agency, UNDP selects a single implementing partner for each project. The selection is based on an assessment of the partner’s capacity to effectively manage the project and deliver the intended outputs. The implementing partner is accountable to UNDP and the Government Coordinating Agency. The implementing partner may be a government entity (“national implementation”), UNDP (“direct implementation”), a United Nations agency, a civil society organization, or an approved inter-governmental organization that is not part of the UN system. **Direct implementation by UNDP is often the best implementation modality for livelihood stabilization (Track A) interventions.** Such direct implementation can facilitate delivery and decision-making in crisis and post-crisis situations, where national authorities are often unable to function or have severely reduced capacity. Direct implementation expedites the start-up of the project in view of the fact that such an approach avoids the complication of selecting an implementing partner and, at the same time, enables UNDP to rapidly recruit staff and initiate procurement.¹⁹

The implementing partner may enter into agreements with other organizations, known as “responsible parties,” who provide goods and services to the project, carry out project activities, and/or produce project outputs. For large-scale interventions, the most appropriate responsible parties are often national government bodies, private sector associations, or large NGOs. For small-scale interventions, local government bodies, local NGOs, or community-based organizations can be preferable. Responsible parties are accountable directly to the implementing partner. Agreements with both implementing partners and responsible parties should be developed with well-defined roles and responsibilities, including those of UNDP.

¹⁸ The criterion for cash for work is minimum 24 days employment with payment of 3 USD/day.

¹⁹ Alternatively, if UNDP is not the implementing agency, UNDP can serve as a responsible party for the provision of support services. For all the possible configurations of implementing partners and responsible parties, the necessary agreements among them, and accountabilities, see POPP, “Defining-a-Project” section.

The implementing partner recruits personnel for the project. If UNDP is not the implementing partner, UNDP can still support this process as a responsible party. The following is an example of the staffing structure for an emergency employment project:

- *Project Manager.* The Project Manager has overall responsibility for project results.
- *Site Supervisors.* A Site Supervisor may be assigned to each site, with responsibility for supervising up to five Team Leaders, reviewing work activity, and monitoring attendance and timesheet preparation. The United Nations Volunteers (UNV) programme provides a useful pool for recruiting Site Supervisors.
- *Team Leaders.* A Team Leader may be assigned responsibility for supervising up to about 30 workers. Team Leaders are responsible for day-to-day management of the work activity, maintaining attendance records, and facilitating the disbursement of payments to workers.
- *Accountant.* The Accountant has responsibility for the financial functions of the project, including reporting.
- *Paymasters.* Some projects have Paymasters to administer the distribution of payment to workers. Paymasters report directly to the Accountant.
- *Communications Officer.* A Communications Officer is valuable for large projects with substantial visibility.

3.1.2 (d) Recruitment and procurement

Recruitment of project personnel and procurement of all necessary inputs must take place in accordance with UNDP rules and regulations, and this can take considerable time and effort. Early attention to recruitment and procurement will therefore help to expedite implementation. The preparation of a quick procurement plan is useful when UNDP will directly procure materials for workers' use. Procurement plans should also take into account the facilities and supplies needed in order to ensure worker safety and wellbeing, such as first aid kits, safe drinking water supplies, childcare facilities, and secure latrines for women and children. For cash-for-work projects, the preparation of a quick cash flow plan can help to ensure that the correct amounts of cash will be available for distribution to workers on schedule. Early procurement is especially important when a financial intermediary—such as a bank, microfinance institution, or money transfer company—must be selected to handle cash payments.

UNDP Headquarters offers a variety of special services and procedures that are useful to Country Offices involved in the implementation of emergency employment projects. These include the following:

- The "SURGE" services of UNDP's Bureau of Crisis Prevention and Recovery (BCPR) offer the rapid deployment of personnel who know UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical aspects of implementing emergency employment projects.
- When requested and deemed appropriate, UNDP Headquarters authorizes the use of "Fast Track" operational procedures for recruitment, disbursements, and procurement.
- Ready-to-download templates and examples, including standardized job descriptions, will soon be available for download from the UNDP Intranet site for Signature Products.

By recruiting locally and purchasing inputs from local suppliers whenever possible, the project can support the revival of local markets. Recruitment and procurement plans

should take this priority of the project into account. At the end of the project, ownership of any remaining equipment may be transferred to community committees, and ownership of the tools used by workers may be transferred to them for their use in future livelihood activities.

3.1.2 (e) Determining wage structure and arranging wage disbursement

In a cash-for-work project, determining the appropriate wage rates and an appropriate basis on which wages will be paid (per unit, per day, or lump sum) is critical to the projects' success.

Wage rates vary between skilled and unskilled workers. They are usually set at 10-20 percent below market rates. Such a rate helps to ensure that the employment opportunities created by the project do not entice people away from their regular livelihood activities and that they do not distort the labour market by creating wage competition that discourages local businesses from hiring. In cases in which the majority of employment activities are interrupted in the immediate aftermath of a large-scale disaster or conflict, however, adopting wage rates that are comparable to or even higher than those previously in existence may be necessary in order to rapidly reintroduce economic activity. When relatively high wages are set, vigilant monitoring of the labour market is required so as to ensure that local businesses that are undergoing the process of recovery can afford to hire and retain workers.

The appropriate choice for the wage basis depends on the nature of the work, the level of effort required of workers, and their capacity to perform the work in question. The output from physical labour is likely to vary, depending on gender and physical ability, and these factors should be taken into account so as to ensure equity. The options for the wage basis and their pros and cons are as follows:

- *Payment per unit* is based on a clearly measurable output, such as the number of acres cleared, houses built, or kilometers of road rehabilitated. This approach provides a clear pay unit, but because wages are output-based, it may require substantial oversight and supervision to ensure that each worker receives the correct compensation.
- *Lump sum payment* provides a fixed payment for a pre-determined timeframe. It is based on an estimate of the amount of time that will be required to complete a particular job. A bill of quantities is used to estimate the labour and material requirements, and the related costs, for achieving an intended output. Examples of a matrix for calculating a bill of quantities, a matrix for calculating material costs, and a workload analysis matrix are provided in Figure 3.1(a)-(c). The lump sum approach avoids the possibility that workers will deliberately prolong the work. It is output-based, however, and may require substantial oversight and supervision so as to ensure that the work is completed on schedule.
- *Daily wage payment* provides flexibility and is therefore often used in initiatives of uncertain duration. The downside of daily wage payments is that they can stretch out for longer time periods than initially envisioned and they do not necessarily lead to achievement of the intended outputs (e.g., the intended extent of infrastructure rehabilitation).

Wage disbursement in a cash-for-work project must be undertaken with great caution. Security concerns tend to be significant in conflict and post-conflict situations, especially those that evidence continuing social unrest, social stratification, and extreme poverty. In

Figure 3.2(a) Matrix for calculating a bill of quantities

Item #	Item description	Unit	Quantity	Labor Cost/ unit	Materials cost/ unit	Total cost/ unit	Total cost
1							
2...							
GRAND TOTAL							

Figure 3.2(b) Matrix for calculating material costs

Item #	Item description	Specifications	Unit	Quantity	Price/ unit	Total cost
1						
2...						
GRAND TOTAL						

Figure 3.2(c) Workload analysis matrix²⁰

Item #	Item description	Unit	Quantity	Required workers					
				Average work-load/ worker/ day	# of working days	# of workers	Total work-days	Daily wage	Total wages
1									
2...									
TOTALS									

some cases, wage disbursement may require security guards, secure vehicles to transport cash, and/or insurance arrangements. The basic steps for arranging wage disbursement are as follows:

1. *Decide upon the frequency of payments.* When participants and their households have an immediate need for cash, the optimal arrangement may be for wages to be disbursed frequently (possibly daily) at first and to slowly make the transition to a less frequent basis (e.g., weekly, bi-monthly, or monthly). Workers' concerns about the risk of theft or violence when they receive large payments should be taken into account in determining the frequency of payments.
2. *Gather information on local arrangements for distributing cash.* This information includes whether, and how well, the banking system functions at the local level, whether reliable local financial institutions are available, and the nature of any informal financial transfer mechanisms that are in place.
3. Based on the information collected about local cash distribution, *choose a reliable and secure method of disbursing wages.* This could involve transferring the payments

²⁰ Separate matrices are prepared for supervisors, skilled workers, and unskilled workers.

directly into workers' bank accounts, contracting a local financial institution to deliver cash payments to work sites (with Site Supervisors or Team Leaders monitoring the process), or using an informal financial transfer mechanism. Carrying cash to work sites for wage disbursement presents security risks and should be avoided wherever possible. In cases in which the only option is for project staff to make the payments directly, the following procedures are recommended:

- The Project Manager collects and verifies attendance lists with each Site Supervisor.
- The Project Manager and finance officers prepare payment vouchers and bank transfer requests, indicating days/hours worked or units produced.
- On site on payday, all workers present identification or, for workers who do not have identification, a supervisor or community representative verifies their identities.
- Workers receive the amount due to them and sign a cash payment sheet—or place an inked thumbprint next to their name—in recognition of the received payment, and payment sheets are countersigned.
- Finance officers re-tabulate and reconcile payment vouchers and attendance lists, and all records are securely stored.

Decisions on the arrangements for wage disbursement should take into account UNDP's role and comparative advantages in promoting information technology for development and in capacity building. The wage disbursement process presents opportunities to expand the use of information technology and to strengthen local financial capacity. As breakthroughs continue in mobile banking, retail banking, debit cards, and biometric identification, UNDP is positioned to play a role at the forefront of their use for financial inclusion. UNDP can also impart training and experience with transparent wage disbursement and the maintaining of accounts.

3.1.2 (f) Selection of participants and subprojects/activities

Clearly defined, transparent criteria and procedures are needed in order to select target communities, individual participants, and the selection of appropriate subprojects to be undertaken for emergency employment creation. Emergency employment projects, like all livelihoods and economic recovery projects, are most effective when crisis-affected

Box 3.1. Summary of timesaving actions to accelerate the delivery of an emergency employment project

- Use direct implementation by UNDP as the implementation modality where possible. This makes starting the project faster because it avoids the complications of selecting an implementing partner and enables UNDP to rapidly recruit staff and initiate procurement for the project. (See subsection 3.1.2 (c).)
- Access the special services and procedures that UNDP Headquarters offers for programming in crisis and post-crisis situations. In particular, (a) request "SURGE" support from BCPR as needed for rapid deployment of staff who know UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical areas; (b) request authority from UNDP Headquarters to use "Fast Track" operational procedures for recruitment, disbursements, and procurement; and (c) access the ready-to-download templates and examples, including those providing standard job descriptions, on the forthcoming UNDP Intranet site for Signature Products. (See subsection 3.1.2 (d).)
- For projects where UNDP will directly procure materials for workers, prepare a quick procurement plan. When a financial intermediary is needed for cash payments (e.g., a bank, microfinance institution, money transfer company), start the procurement process at a very early stage. For cash-for-work projects, prepare a quick cash flow plan to ensure that the correct amounts of cash will be available for distribution to workers on schedule. (See subsection 3.1.2 (d).)
- Provide guidance and support to local NGOs and CBOs that are potential partners, e.g., by offering information and training on proposal preparation and submission, rather than simply publishing a call for proposals. Also, provide participating NGOs/CBOs with simplified operational manuals, including formats for subproject submissions, monitoring and reporting, etc. (See subsection 3.1.2 (h).)
- Whenever possible, with government leadership, set up a coordination structure with other organizations that are involved in livelihoods stabilization and related interventions, e.g., within the Early Recovery Cluster, as early as possible. (See subsection 3.1.2 (h).)

groups and local authorities agree upon the selection criteria, and are involved in the selection process. Female-headed household members, youth, internally displaced people, and ex-combatants are often key target populations.

To ensure that the activities undertaken for emergency employment creation benefit the whole target community and do not exacerbate social tensions, it is essential for the community as a whole to agree on the initiatives to be pursued. If the scope of work cannot be decided through a community meeting, a representative committee can select the subprojects on the community's behalf. Some Country Offices have a roster of pre-qualified NGOs, which can simplify the process. The allocation of resources for each community—if more than one—may vary, depending upon the need for livelihoods assistance, community commitment, and the availability of labour.

The criteria for evaluating subproject proposals and budgets should identify those with well-defined project plans that are practical and technically sound. Some basic criteria for selecting subprojects are to ensure that they are...

- Demand-driven and reflect real community needs, priorities, and aspirations
- Expected to provide a long-term benefit for the crisis-affected community as a whole, and not only for direct participants
- Unskilled-labour-intensive (generally utilizing about 60 percent unskilled labour)
- Expected to engage extensive participation within crisis-affected communities, including women, vulnerable groups, and those with special needs
- Technically viable, involving a simple project design that limits the need for technical expertise and provides explicitly for any external expertise that will be necessary
- Environmentally responsible
- Replicable and conducive to scaling up
- Relevant to policy development.

3.1.2 (g) Monitoring and evaluation (M&E)²¹

As with all UNDP-supported interventions, emergency employment projects require monitoring and evaluation (M&E) systems that are established during the design of the project and that are in operation from the time that implementation begins. During the project formulation process, UNDP should plan for M&E in close collaboration with national counterparts and other stakeholders in accordance with guidelines in the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results. Project budgets must include sufficient human and financial resources for effective M&E. The M&E framework, which forms part of the project document, provides the expected results to be monitored and/or evaluated, indicators (with baselines and indicative targets), planned M&E events and data collection methods, timing of M&E activities, responsible parties, required resources, and risks and assumptions.

Monitoring evidence indicates whether, to what extent, and how efficiently, the expected outputs are produced and the activities are implemented. In an emergency employment project, the M&E process will ascertain, for example, whether payments reach participants, how these payments are used, impacts on local markets, impacts on participants' households, and the project's overall contribution to livelihoods and economic recovery. The monitoring process captures key issues and lessons learned, and it informs the decision regarding whether or not the project will be evaluated. Using the M&E findings at the end of the project, UNDP can prepare a case study for extensive dissemination and use

²¹ See Chapter 7 for further information on M&E.

in policy advocacy. The lessons learned can contribute to the development of national social protection systems and to global knowledge on early recovery. UNDP usually conducts the M&E exercises, though monitoring can be undertaken jointly with other partners, e.g., NGOs and/or academic institutions, so long as they are not implementing partners or private sector enterprises.

The following M&E tools are often useful in emergency employment projects:

- A *social audit* of the works that are implemented through the project, eliciting the views of participants and target communities on the project's relevance, the utility of the assets created or rehabilitated, workers' experience with the project, and the use of the payments received. This qualitative monitoring tool measures the impact at both community and household levels through a simple questionnaire, an exit survey, or structured interviews.
- *Quick market surveys of wages and prices*, conducted on a regular (e.g., monthly) basis. The use of quick market surveys will provide an indication of whether the cash injection is causing inflation or market distortions.
- Periodic *surprise spot-checks* at emergency employment sites to check whether the workers who are present onsite match those who are listed on record, whether attendance sheets are filled in properly, etc.
- *Project management monitoring tools*, such as spreadsheets/databases of information on participants, field visits, monthly reports, etc.
- *Hotline* for complaints through SMS or email. Twitter is not advised for Hotline use because it is publicly accessible and can lead to unsubstantiated (and damaging) press reports.
- *Impact assessments* to measure the multiplier effects of the cash injection on the economy (including enterprise spin-offs from the emergency employment schemes), the transition to longer-term employment, market wage and price developments, impact on the private sector (especially hiring decisions), and the contribution to social and political stability.

3.1.2 (h) Partnerships

Coordination with other development partners providing support for livelihoods stabilization is essential in order to ensure complementarity and avoid duplication and gaps in programming. When many development partners are involved in livelihoods stabilization and related interventions, an effective coordination structure should be established with government leadership, wherever possible—for example within the Early Recovery Cluster. In emergency employment projects that involve public works, coordination with international financial institutions, such as the World Bank, is important. Depending on the nature of the project, partnerships with specialized U.N. agencies, such as FAO, ILO, UNCDF, UN-HABITAT, and WFP, can be advantageous. For example, partnership with WFP is essential in projects that involve food aid, and shelter interventions can benefit from partnership with UN-HABITAT. In some projects, the most appropriate choice of an implementing partner—or a responsible party accountable to the implementing partner—is a U.N. agency.

Regardless of the official role of the local government in a project's management structure, an assistance agreement with the local government is useful, whenever this is possible, so as to ensure that local authorities are aware of the project and supportive.

Emergency employment projects present an opportunity to build partnerships that strengthen local civil society while enhancing project performance. In some cases, an NGO is the best choice for an implementing partner, and UNDP and/or the implementing partner can provide guidance and support to local NGOs and CBOs that are potential partners—by, for example, offering information and training on proposal preparation and submission, rather than simply publishing a call for proposals. It is also useful for UNDP and/or the implementing partner to provide participating NGOs/CBOs with simplified operational manuals on the implementation of emergency employment schemes, including formats for subproject submissions, monitoring and reporting, etc.

3.1.2 (i) Communication strategy

Expectations management is essential in all livelihoods stabilization programming. A clear and viable communication strategy is needed from the start of project activities to ensure that the expectations of participants, community members, government officials, donors, and other partners and stakeholders are realistic. While emergency employment projects should be linked to a longer-term vision, these projects are, in fact, designed to cover only the short term. And it is the case that such projects will not run indefinitely or provide long-term sources of income; depending on the available budget and the crisis context, they usually operate for a period of six months or less. Moreover, these projects are not meant to provide employment in the traditional sense, which would imply obligations such as health benefits and security of employment. Misunderstandings that can arise in this regard can entail substantive legal implications. Also, participants require clear expectations vis-à-vis wage rates, how wages will be paid, and the nature of the facilities that will be provided at the workplace (such as drinking water, latrines, first aid, and childcare). The use of an effective communication strategy will make the temporary nature and other limitations of the project clear to everyone involved, including the government and donors.

3.1.2 (j) Exit strategy

An exit strategy that provides a realistic path to sustainable outcomes should be part of the project's framework from the start. Linkages with microfinance institutions, training institutions, private enterprises, private sector associations, business development services, and interventions for policy and institutional development supported by UNDP and other partners (Track B and C interventions) can help to improve the long-term employment and income-generation prospects of the workers and their households. For example, cash-for-work initiatives can be combined with skills and training apprenticeships, and participants can be encouraged to save and establish credit with microfinance institutions. The project's exit strategy and communication strategy should be closely linked, so that participants are encouraged to plan for the time when their emergency employment arrangement ends. For large emergency employment projects, the exit strategy should foresee a gradual phasing-out of project activities so that large numbers of workers are

Box 3.2. Cash-for-work in the Aceh Province of Indonesia following the 2004 Indian Ocean tsunami

The Indian Ocean tsunami of 2004 caused enormous livelihood losses in the Aceh Province of Indonesia. Six hundred thousand people—one quarter of the population—lost their sources of livelihood in farming, fishing, and small businesses. To help restore livelihoods and facilitate cleanup and reconstruction, UNDP supported a cash-for-work project that reached 162 villages, 20 sub-districts, five districts, and two cities in Aceh Province. Five NGOs—Project Concern Indonesia, Mercy Corps Indonesia, Matahari Foundation (a local NGO), ALISEI, and Terre des Hommes, Italy—were involved in implementation. Nearly 30,000 people gained short-term employment in schemes that involved small-scale fisheries activities, rehabilitation of paddy fields, and livelihoods initiatives designed specifically for disaster-affected women and children. The project was favourably evaluated, confirming the value of emergency employment interventions in early recovery.

not left without employment at the same time. Finally, the exit strategy should articulate how the project will contribute to progress toward the goals of national recovery and development strategies and plans.

3.1.3 Addressing crosscutting priorities

As with all livelihoods and economic recovery interventions, emergency employment projects can successfully promote gender equity and women's empowerment, reduce conflict and disaster risk, strengthen market activity, and avoid causing harm in any of these areas only if they are designed carefully with these objectives in mind. This section provides points to be considered for addressing these crosscutting priorities in emergency employment creation.

Gender sensitivity. Safe and fair working conditions support gender equity and women's economic empowerment. In some situations, women may, within their households, lack control over the cash that they earn. Possessing cash may expose these women to risks of theft or violence. Furthermore, these women may have household and childcare commitments that make their participation in some types of emergency employment unduly burdensome.

A gender-sensitive emergency employment project will take factors such as these into account. In addition to ensuring equitable wages, such a project often involves arranging for separate and secure latrines, transportation to worksites, childcare assistance, supervision by both women and men, policies on sexual harassment, monitoring for sexual and gender-based violence, and confidential reporting procedures for addressing gender-related concerns. Having safe places where women can work together and access resources can help to increase community security and reduce women's vulnerability. Accommodations may be needed so that those women who are heads of households can fulfil both their work and household commitments. It is also usually important to complement emergency employment projects with other forms of support that are particularly useful for women, such as cash grants for setting up home-based enterprises.

Conflict and disaster-risk sensitivity. Emergency employment projects are intended to bring people together and reduce vulnerability. Such projects must contain safeguards against the risks of creating social divisions or exacerbating conflict, and they should also strive to reduce disaster risk. The conflict risks of emergency employment projects include the potential for politicization, corruption, and the misuse of cash payments. Emergency employment projects can inadvertently strengthen local power structures if local or community leaders are able to channel benefits to their families or client networks, creating patronage and social exclusion. The potential for corruption and mismanagement—including practices such as inflating cost estimates, manipulating attendance sheets, and issuing fraudulent wage payments—is often cited as an argument against cash-for-work projects, though it is usually the case that mechanisms can be established to prevent these practices. Especially in projects involving young ex-combatants in post-conflict situations, substance abuse and a lack of education and skills can compromise participants' ability to make constructive use of the cash payments they receive, which can then dissipate into negative channels that do not support longer-term economic security in the target communities.

Decisions on the type and design of interventions need to take these risks into account. For example, such interventions must ensure that all groups in a target community are

References and suggested further reading

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included, that mechanisms are in place to ensure security and integrity in the disbursement of wages, and that any infrastructure built or rehabilitated under an emergency employment scheme is disaster-resistant. Expertise in conflict prevention and disaster risk reduction may be required.

Market sensitivity. To avoid the market distortions that emergency employment interventions can create, such as wage and price inflation, the project design should take into account all available information about local markets. This design will include information on the markets for skilled and unskilled labour and the markets for the other inputs (equipment, tools, materials, and supplies) to be procured for the emergency employment activities.

For additional information on emergency employment creation, please see discussion paper 7. Cash for Work Programs in Annex.

3.2 TARGETED SELF-EMPLOYMENT SUPPORT

A micro-enterprise involved in making plum jam has been thriving in Tukucha village of Kavrepalchowk district. Supported by a grant and technical assistance from the UNDP Micro-Enterprise Development Programme (MEDEP), the enterprise has been involved in producing fresh jam from the plentiful plum that grow in the area during the summer.

3.2.1 Introduction

Targeted self-employment support is intended to help crisis-affected people to address the immediate obstacles they face in rebuilding their livelihoods and to tap into immediate and emerging livelihood opportunities. This support usually includes livelihood start-up grants or packages. **Start-up grants** provide seed money or capital to reestablish or jumpstart income-generating or entrepreneurial endeavors. **Start-up packages**—also known as start-up packs or kits—can include tools, small-scale equipment, inputs (such as seeds), and training and technical assistance. The recipients of start-up grants and packages have lost some or all of their livelihood assets but usually have work experience or some remaining assets that can be used or reactivated in livelihood activities with short production and sales cycles. The support is usually provided only once to each recipient and is designed to phase out once markets begin to revive and to stop once markets are functioning normally.

In targeted self-employment projects, selected participants typically receive training on business orientation, business management, and market development. With support from project facilitators, these participants then develop and submit simple proposals for support to their businesses (usually just 1-2 pages) and receive their start-up grants and/or packages. Furthermore, these participants implement an agreed work plan and then receive follow-up support and training. Throughout the process, participants are linked with longer-term opportunities (e.g., microfinance, training, and business development services) and monitoring and evaluation exercises are conducted. Box 3.3 provides a summary of timesaving actions to accelerate the delivery of a targeted self-employment project.

Table 3.2 provides examples of the types of assistance that livelihood start-up grants and packages can provide under each of the main categories of livelihood assets.

Livelihood asset(s)	Example(s) of types of assistance
Financial capital	<ul style="list-style-type: none"> • Asset replacement, including equipment (e.g., sewing machines and small food processing equipment), inputs for agricultural production and environmental management (e.g., fishing equipment, seeds, fertilizer, and land tillers), livestock, and inventory • Debt cancellation • Micro-grants for self-employment in micro, small and medium enterprises
Human capital	<ul style="list-style-type: none"> • Short-cycle skills training • Access to business development services • Technical assistance to communities and local/national government bodies
Physical and social capital	<ul style="list-style-type: none"> • Construction or rehabilitation—and/or provision of the materials and equipment needed for construction or rehabilitation—of key infrastructure (e.g., community access roads, small drainage and water supply systems, housing, marketplaces, schools, clinics, community resource/recreation centres, childcare centres, religious centres, community cemeteries, playgrounds) • Development of nonconventional energy plants and home energy systems (e.g., biogas and solar) • Establishment or rehabilitation of community-managed micro and small enterprises (e.g., handloom and cottage industries, pottery, fish processing, and rice husking)
Natural capital	<ul style="list-style-type: none"> • Provision of tree seedlings and equipment for ecosystem management; establishment of tree nurseries; and reforestation
Political capital	<ul style="list-style-type: none"> • Participatory planning for recovery • Community contracting • Local government capacity development for recovery and development

Table 3.2 *Examples of the types of assistance that start-up grants and packages can provide*

3.2.2 Developing and implementing a targeted self-employment project

This section provides guidance on the following aspects of developing and implementing a targeted self-employment project: (a) situation assessment, (b) developing a project document, (c) management arrangements, (d) recruitment and procurement, (e) selection of participants and enterprises to support, (f) linking start-up participants with recovery and development interventions, (g) monitoring and evaluation (M&E), (h) partnerships, (i) communication strategy, and (j) exit strategy. Both the development and the implementation of the project should facilitate and encourage the active participation of local and/or national authorities and crisis-affected people, including women, youth, displaced people, people with disabilities, and ex-combatants, whenever possible. Due to the urgency of setting up livelihood stabilization projects, the projects in question are sometimes designed without sufficient consultation; this should be avoided to the extent possible.

3.2.2 (a) Situation assessment

The livelihoods and economic recovery assessment (see Chapter 2) is usually the primary source for information on whether a targeted self-employment project is appropriate for the local context. The assessment also identifies the existing opportunities and constraints for implementing livelihoods and economic recovery interventions. A supplementary rapid survey may be needed at the local level to clarify the communities and community members who would most benefit from the project, the most suitable implementing partners, and the most appropriate livelihood activities to be supported. Supplementary data gathering may also be necessary in order to ensure compliance with the guiding principles for livelihoods and economic recovery programming, such as gender sensitivity, conflict and disaster sensitivity, and sustainability.²² A risk assessment should be conducted to address (a)



Incense Making
(Photo by UNDP Nepal)

²² The guiding principles are presented in section 1.3.4 above. Key points to consider for ensuring that crosscutting priorities are effectively incorporated into targeted self-employment projects are presented in section 3.2.3 below.

big risks (reputational and security-related), (b) operational risks (financial and transparency-related), and (c) project-specific risks (e.g., the risk of weak linkage to durable employment creation). The risk assessment is annexed to the project document, along with the risk log.

3.2.2 (b) Developing a project document²³

As with all UNDP-supported projects, the launch of a targeted self-employment project requires an approved project document.²⁴ The project document provides the basis for implementing and monitoring the project's activities and results. The essential components of a project document are the results and resources framework, a description of project management arrangements, a risk analysis, and a monitoring and evaluation framework. In some cases, the project document must also meet the standard requirements of a funding donor. Table 3.3 below provides an example of the intended outputs, output indicators, and indicative activities that could form part of the results and resources framework for a targeted self-employment project.

3.2.2 (c) Management arrangements

Management arrangements for a project include project roles, responsibilities, and accountabilities. The implementing partner, "responsible parties," and project personnel are central to the management arrangements.

23 Complete information on the required process for the development and appraisal of a project document is provided in the "Defining-a-Project" section of UNDP's Programme and Operations Policies and Procedures (POPP).

24 In countries with a Country Programme Action Plan, an annual work plan is required.

25 Output targets may serve as proxy indicators.

Table 3.3 Example of outputs, output targets, and activities in the results and resources framework for a targeted self-employment project

Outputs	Output targets/indicators ²⁵	Activities
Livelihoods and local economic recovery assessments identify opportunities for MSE recovery	<ul style="list-style-type: none"> Numbers and types of micro and small enterprises (MSEs) to participate identified; target groups, households, and entrepreneurs identified Assessment reports shared with micro finance institutions and other agencies Communications package developed 	<ul style="list-style-type: none"> Assess household and community livelihoods and identify key livelihoods strategies Assess pre- and post-crisis business environment for formal and informal businesses
Households and community livelihoods improved and local economy revived	<ul style="list-style-type: none"> Grant management system established and operational; committee established to vet and identify promising businesses within X days after project start Households, communities, special groups (women, youths, disabled), and enterprises established/operational Business development services provided to X% of grant recipients within X months of project start date Markets rehabilitated/established 	<ul style="list-style-type: none"> Enable participatory development of criteria for selection of businesses/ enterprises to be supported, for conflict and disaster-risk sensitivity, for ensuring that business start-ups procure locally, etc. Facilitate establishment of household and community enterprises Monitor markets for labour, goods, and services
Households and communities have the capacity to develop and operate viable enterprises	<ul style="list-style-type: none"> Business development services (BDS) established and providing support to grant recipients Training needs report completed Recipients of business training Enterprises benefitting from microfinance Increase in incomes documented Jobs created 	<ul style="list-style-type: none"> Establish a BDS facility that is accessible to crisis-affected people (possibly within an NGO/CBO) and provides services to formal and informal micro and small businesses Deliver an integrated system of skills, business, and conflict prevention training Link households and communities with micro-finance services
Government and CSO capacity to create an enabling environment and support for MSEs enhanced	<ul style="list-style-type: none"> Government strategy for support to enterprise recovery in place Agriculture advisory/extension outreach capacity developed Business registration and permitting processes eased within X months of project start date CSOs have capacity and strategies to support MSEs 	<ul style="list-style-type: none"> Support government capacity to facilitate enterprise recovery Support civil society capacity to implement micro grants
Project management capacity developed	<ul style="list-style-type: none"> Project is adequately staffed Enterprise development capacity of project staff enhanced M&E system designed, implemented, and used for decision making; impact evaluation completed one year after project start date 	<ul style="list-style-type: none"> Recruit project staff Provide training to project staff Support development of M&E system and use

In consultation with the Government Coordinating Agency, UNDP selects a single implementing partner for each project. The selection is based on an assessment of the partner's capacity to effectively manage the project and deliver the intended outputs. The implementing partner is accountable to UNDP and the Government Coordinating Agency. The implementing partner may be a government entity ("national implementation"), UNDP ("direct implementation"), a United Nations agency, a civil society organization, or an approved inter-governmental organization that is not part of the UN system. **Direct implementation by UNDP is often the best implementation modality for livelihood stabilization (Track A) interventions.** This can facilitate delivery and decision-making in crisis and post-crisis situations, where national authorities are often unable to function or have severely reduced capacity. Direct implementation makes starting the project faster because such implementation avoids the complications of selecting an implementing partner and enables UNDP to rapidly recruit staff and initiate procurement for the project.²⁶

The implementing partner may enter into agreements with other organizations, known as "responsible parties," which provide goods and services to the project, carry out project activities, and/or produce project outputs. Responsible parties are accountable to the implementing partner. Agreements with both implementing partners and responsible parties should be developed with well-defined roles and responsibilities, including those of UNDP. Experience demonstrates that engaging existing organizations (e.g., government ministries, financial institutions, and NGOs/CBOs) as responsible parties and building their capacity, wherever possible, yields more sustainable results than establishing new institutions. Partnerships with organizations providing both grants and loans are not advised. At the very least, a microfinance institution providing both grants and loans (e.g., when a relief partner is not available to manage the grants) should ensure that it has separate staff and offices for these two functions.

The implementing partner recruits personnel for the project. If UNDP is not the implementing partner, UNDP can still support this process as a responsible party. The staffing structure for a self-employment project typically includes a Project Manager; Team Leaders responsible for day-to-day management; specialists in business development, market development, and livelihoods; project facilitators to help participants to prepare proposals for start-up grants or packages; an accountant; and administrative personnel. Generic staff terms of reference for projects providing start-up assistance will soon be available on UNDP's Intranet portal for Signature Products.

To encourage a sense of ownership and commitment among the recipients of start-up grants or packages, it is often useful to require these recipients to make small contributions in the form of labour, cash, or in-kind inputs, depending on the local context. Community-based organizations are often best placed to mobilize such contributions.

3.2.2 (d) Recruitment and procurement

Recruitment of staff and procurement of all necessary inputs must take place in accordance with UNDP rules and regulations, and this can take considerable time and effort. Early attention to recruitment and procurement will therefore help to expedite implementation. The preparation of a quick procurement plan is useful in cases in which UNDP will directly procure materials for start-up packages. When the start-up assistance includes grants, the preparation of a quick cash flow plan can help to ensure that the correct amounts of cash will be available for distribution to grant recipients on schedule. Early procurement is espe-

²⁶ Alternatively, if UNDP is not the implementing agency, UNDP can serve as a responsible party for the provision of support services. For all the possible configurations of implementing partners and responsible parties, the necessary agreements among them, and accountabilities, see POPP, "Defining-a-Project" section.

cially important when a financial intermediary—such as a bank, microfinance institution, or money transfer company—must be selected for the disbursement of start-up grants.

UNDP Headquarters offers a variety of special services and procedures that are useful to those Country Offices that are involved in the implementation of targeted self-employment projects. These include the following:

- The “SURGE” services of BCPR offer the rapid deployment of staff who are acquainted with UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical aspects of implementing targeted self-employment projects.
- When requested and deemed appropriate, UNDP Headquarters authorizes the use of “Fast Track” operational procedures for recruitment, disbursements, and procurement.
- Ready-to-download templates and examples, including standardized job descriptions, will soon be available for download from the UNDP Intranet site for Signature Products.

By recruiting locally and purchasing inputs from local suppliers whenever possible, the project can support the revival of local markets. Recruitment and procurement plans should take this priority of the project into account.

Box 3.3. Summary of timesaving actions to accelerate the delivery of a targeted self-employment project

- Use direct implementation by UNDP as the implementation modality where possible. This makes starting the project faster because it avoids the complications of selecting an implementing partner and enables UNDP to rapidly recruit staff and initiate procurement for the project. (See section 3.2.2 (c).)
- Access the special services and procedures that UNDP Headquarters offers for programming in crisis and post-crisis situations. In particular, (a) request “SURGE” support from BCPR as needed for rapid deployment of staff who are acquainted with UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical areas; (b) request authority from UNDP Headquarters to use “Fast Track” operational procedures for recruitment, disbursements, and procurement; and (c) access the ready-to-download templates and examples, including those that provide standard job descriptions on the forthcoming UNDP Intranet site for Signature Products. (See section 3.2.2 (d).)
- For projects in which UNDP will directly procure the contents of start-up packages, prepare a quick procurement plan. When a financial intermediary is needed for the disbursement of start-up grants (e.g., a bank, microfinance institution, money transfer company), start the procurement process at a very early stage. To ensure that the correct amounts of cash will be available for distribution to grant recipients on schedule, prepare a quick cash flow plan. (See section 3.2.2 (d).)
- Provide guidance and support to local NGOs and CBOs that are potential responsible parties, e.g., by offering information and training on proposal preparation and submission, rather than simply publishing a call for proposals. Also, provide participating NGOs/CBOs with simplified operational manuals, including formats for subproject submissions, monitoring and reporting, etc.
- With government leadership wherever possible, set up a coordination structure with other organizations that are involved in livelihoods stabilization and related interventions, e.g., within the Early Recovery Cluster, as early as possible. (See section 3.2.2 (h).)

3.2.2 (e) Selection of participants and enterprises to support

Clearly defined, transparent criteria and procedures are needed for selecting target communities, recipients of start-up assistance, and the livelihood activities to be supported. Targeted self-employment projects, like all livelihoods and economic recovery projects, are most effective when crisis-affected groups and local authorities agree upon the selection criteria, and are involved in the selection process.

In most cases, start-up assistance targets households, individuals, and enterprise groups. A local authority, such as a village council, is often best placed to identify potential participants, though some local authorities are insufficiently impartial and inclusive, and this consideration should be taken into account. Candidates for support may have

enterprises that were destroyed or weakened by the crisis, or they may intend to start up new enterprises in the post-crisis context. The selection process may include quotas, as appropriate to the local context, to ensure the inclusion of women, youth, refugees and internally displaced people, ex-combatants, and other vulnerable or excluded groups. This process may also prioritize applicants with clear entrepreneurial knowledge, skills, experience, and motivation. UNDP supports pro-poor programming, so the project may target community members with the lowest income, as identified, for example, through a participatory wealth ranking exercise. When targeted at youth, livelihood start-up projects can be a cost-effective way to enhance security (especially in areas where some youth are potential or ex-combatants) and to empower young people.

Once participants are selected, project facilitators should assist them in preparing proposals for start-up grants and packages. The format for business proposals, as with other project documentation, needs to be tailored to the specific context. The proposals should follow a simple format, constituting just one or two pages, to allow for the rapid delivery of support. The format could include, for example, business product(s), market opportunities, operating procedures, labour and materials required, a plan for the use of the start-up grant or package, potential profits on a daily or monthly basis, expected impact on the environment, and a strategy for sustainability. Even participants who are illiterate are expected to submit a simple business proposal. Making this possible is the role of project facilitators.

A committee is usually established, consisting of key stakeholders from the government, civil society, crisis-affected communities, and the international community, to assess the proposals. The criteria should ensure that successful proposals have business plans that are well defined, clear, practical, and environmentally responsible. As an example, the selected enterprises could be required to meet a designated number of the following criteria:

- The goods they produce or services they provide are likely to have a robust market in the aftermath of the crisis
- The equipment, inputs, technology, and access to finance needed for their continued operation after the start-up period are expected to be available
- They are expected to have a positive impact on the lives and livelihoods of a large number of crisis-affected people, including those they employ
- They are expected to have a role in informing policy development
- Their development is replicable in similar settings
- Their operations are environmentally friendly
- A critical mass of women and youth participate in decision-making on their operation and the use of their profits
- They are part of a “product-centric cluster” (a concentration of enterprises engaged in similar or complementary activities).²⁷

It is often the case that start-up grants and packages can help to support green jobs. Green jobs contribute to preserving or restoring environmental quality by, for example, helping to protect and restore ecosystems and biodiversity, promoting a low-carbon economy, reducing or avoiding the generation of waste and pollution, and/or reducing the consumption of energy, materials, and water.

Payment methods and transfer mechanisms (e.g., mobile money transfer) need to be discussed and agreed upon with the government, communities, and the entrepreneurs

²⁷ Experience has shown that a large number of small enterprises can develop commercial strengths that are similar to those of large companies.

whose enterprises are to be supported. Breakthroughs in mobile banking, retail banking, debit cards, and biometric identification are altering the traditional relationship between social protection and financial inclusion goals. The project should explore opportunities for using these new delivery mechanisms in order to reduce transaction costs and to enable greater decision-making on the use of funds by the recipients themselves (in accordance with their approved business plans).

Grants and loans should not be provided to crisis-affected people in the same area at the same time. Such an approach can send mixed signals to clients and result in low repayment rates, low client satisfaction, and the loss of credit. Similarly, the provision of grants and loans through the same organization is not advised.

3.2.2 (f) Linking start-up participants to recovery and development interventions

Livelihoods start-up grants and packages must not be stand-alone interventions. From the time participants are selected, through the end of the project, linking participants to opportunities for microfinance, training, business development, and government-led recovery and development programmes, including those supported by UNDP and other development partners, will strengthen project results.

Microfinance. Livelihoods start-up support can include innovative approaches to microfinance, involving microcredit, savings, and/or micro-insurance. Coordination between the provision of start-up grants and local microfinance initiatives, where they exist, is essential to ensure a positive contribution to restoring livelihoods—one that does not create dependency or undermine efforts to provide long-term, market-based financial services.

Training. Training, education, and apprenticeships are key elements of targeted self-employment projects, especially for projects targeting youth. Start-up grants and packages offered without training—or training provided without enhanced employment opportunities—can easily discourage young or inexperienced workers. Often local vocational training institutions can provide refresher training and other opportunities that will enhance the long-term income-generation and employment prospects of project participants. A useful resource for enterprise recovery training is ILO's Start and Improve Your Business (SIYB) Programme. SIYB is a management-training programme that focuses on starting and improving small businesses as a strategy for creating more and better employment. This resource can be adapted to both specific crisis and post-crisis contexts.

Business development services.²⁸ Some targeted self-employment projects have successfully established or worked with business development services. These services include training, consultancy and advisory services, marketing assistance, the provision of information on new trends and opportunities, technology development and transfer, business linkage promotion, and advocacy for business-friendly regulations. These services are often *transacted services* (e.g., management consulting, advertising services, and market research), *embedded services* (e.g., design advice to a manufacturer from a buyer or knowledge on input use from an input supplier), or *public benefit services* (e.g., services provided by chambers of commerce or associations whose influence extends beyond a single enterprise).

Recovery and development programmes. Wherever possible, start-up assistance should link to the government's recovery and development strategies and plans at the national

28 See Chapter 4 for further information on business development services.

and/or local levels. Useful linkages can often be established with recovery and development interventions supported by UNDP and/or other partners in line with national goals and priorities. These linkages will help to scale up the targeted self-employment interventions.

3.2.2 (g) Monitoring and evaluation (M&E)²⁹

As with all UNDP-supported interventions, targeted self-employment projects require monitoring and evaluation (M&E) systems that are established during the design of the project and in operation from the time implementation begins. During the project formulation process, UNDP, in close collaboration with national counterparts and other stakeholders, should plan for M&E in accordance with the guidelines in the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results. Project budgets must include adequate human and financial resources for effective M&E. The M&E framework, which forms part of the project document, sets forth the expected results to be monitored and/or evaluated, indicators (with baselines and indicative targets), planned M&E events and data collection methods, timing of M&E activities, responsible parties, required resources, and risks and assumptions.

Monitoring evidence indicates whether, to what extent, and how efficiently the expected outputs are produced and the activities are implemented. In a targeted self-employment project, the M&E process will ascertain, for example, whether start-up packages and grants reach participants, how they are used, impacts on local markets, impacts on participants' households, and the project's overall contribution to livelihoods and economic recovery. The monitoring process captures key issues and lessons learned, and it informs the decision on whether the project will be evaluated. Using the M&E findings at the end of the project, UNDP can prepare a case study for wide dissemination and use in policy advocacy. The lessons learned can contribute to the development of national social protection systems and to global knowledge on early recovery. UNDP usually conducts the M&E exercises, though monitoring can be undertaken jointly with other partners, e.g., NGOs and/or academic institutions, as long as these are not implementing partners or private sector enterprises.

Some of the key elements in an M&E system for a livelihood start-up project are as follows:

- *Database for start-up proposals and activities.* A database should be developed for monitoring the progress of the project. Each submitted proposal should be entered into the database. Throughout the phase of collection and approval of proposals, and the distribution of the start-up grants and packages, the database can be updated (e.g., on a weekly basis). This way the status of each proposal can be easily tracked.
- *Support to implementing partners.* UNDP field officers can work with implementing partners to support them in carrying out the project in the field and to monitor implementation.
- *Progress monitoring.* Progress monitoring exercises should take place at specified intervals after the provision of start-up grants and packages. This process will involve interviewing all recipients with a short questionnaire in order to verify receipt of the start-up assistance, confirm how the assistance is used, and also to assess initial impacts.
- *Impact monitoring.* A combination of ongoing and specific impact monitoring exercises provides insight into the project's impacts on participants' lives and livelihoods. A random sample of recipients of start-up grants and packages can be selected for

²⁹ See Chapter 7 for further information on M&E.

monitoring the number of enterprises established, the number of people employed, nominal/real income changes, etc.

3.2.2 (h) Partnerships

Projects for targeted self-employment can benefit significantly from coordination and partnerships with U.N. agencies, other international organizations, the Donor Committee of Enterprise Development, national and international NGOs, labour market institutions (such as employment service providers and training institutions), private enterprises, and associations of entrepreneurs. Inter-agency coordination enhances the complementarity and efficiency of support for livelihood stabilization, reducing duplication and gaps in programming. When many development partners are involved in livelihoods stabilization and related interventions, an effective coordination structure should be established with government leadership, wherever possible—for example within the Early Recovery Cluster. Collaboration among recipients of start-up grants and packages who are engaged in similar business activities should also be encouraged.

A number of U.N. agencies have mandates and technical expertise that are relevant to self-employment and enterprise recovery. ILO is a particularly important partner on all employment-related issues. Cooperation with FAO and WFP is essential when enterprise activities related to agricultural production and food security are involved. UNEP's ecosystem management approaches could be adapted in the creation of green jobs. UNCDF provides investment capital, capacity building, and technical advisory services so as to promote microfinance and local development in the world's least developed countries, including those countries that are experiencing crisis. UNIFEM and UNFPA can help to ensure gender sensitivity in programming, and UNHCR is the key partner for supporting the rights of refugees and internally displaced people. There are often opportunities to enhance self-employment opportunities through humanitarian initiatives that are led by U.N. agencies and inter-agency humanitarian clusters, especially in the rehabilitation of infrastructure. For example, UNICEF possesses expertise on the rehabilitation of water and sanitation facilities, schools, and health infrastructure.

3.2.2 (i) Communication strategy

Expectations management is essential in support for livelihoods stabilization. A clear and viable communication strategy is needed from the start of project activities in order to ensure that the expectations of participants, community members, government officials, and other partners and stakeholders are realistic. While livelihood start-up grants and packages should be linked to a longer-term vision, they are designed to cover the short term only, and their provision to any individual recipient is usually a one-time occurrence. The communication strategy must enable project implementers to make the temporary nature of the project clear to everyone involved while promoting linkages with other programmes and institutions that offer longer-term support and can contribute to the sustainable outcomes of the start-up assistance. For example, start-up grants and packages can be promoted as an induction to microfinance tools, and microfinance strategies can be developed for implementation after the grants and packages are provided. The timing and methods for transferring start-up grants and packages to participants also need to be clearly communicated.

3.2.2 (j) Exit strategy

An exit strategy that provides a realistic path to sustainable outcomes should be part of the project's framework from the start. In targeted self-employment projects, suc-

Successful exit strategies include mechanisms to support participants' evolution to reliance on market-based mechanisms. The project's exit strategy and communication strategy should be closely linked, so that from the start participants are encouraged to plan for the long term. The exit strategy should clearly articulate how the project is expected to contribute to progress toward the goals of national recovery and development strategies and plans. By emphasizing linkages with microfinance institutions, training institutions, business development services, and government-led recovery and development programmes, the exit strategy can facilitate the sustainability of livelihoods after the end of the project. Exit strategies should also link start-up assistance to interventions for policy and institutional development that is supported by UNDP and other partners (Track B and C interventions) within national frameworks.

Box 3.4. Start-up assistance in Somalia

Somalia's Berdale District has borne the brunt of the country's civil war. In response, UNDP Somalia and the Somali Association for Rehabilitation and Development (SARD) have established the Area-Based Early Recovery (ABER) project, which targets five villages and the town of Berdale. The project assists 281 economically and/or socially vulnerable households, which were identified and selected by a Village Project Implementation Committee. The livelihood interventions in the ABER project consist of agricultural development, the establishment of small businesses, and infrastructure rehabilitation.

Start-up assistance has made a real impact on the lives and livelihoods of participating households. The following are some examples:

- A farmer, Ibrahim, received a start-up package of seeds, poultry, and the use of a tractor to revive his farm. He has grown a number of small-scale crops, which he sells, along with eggs. The income he earns has enabled him to feed his family more nutritious food and to purchase essential commodities, such as medicine and clothing.
- Fadumo, a widow with three children, received a start-up package of eight goats. Two more goats were born, increasing the number to ten. The goats provide ten litres of milk per day. Fadumo's family consumes half of this milk, and she sells the other half to members of her community. As a result of the start-up support, Fadumo has diversified her family's food intake to include meat and some fruit, and her children now have improved health and clean clothes.
- Hassan, a young man who had been unemployed for more than a year and was contemplating joining a militia group, perceived an unmet demand in Berdale for baked goods. He established a small bakery with two colleagues. The bakery had a limited production capacity of 400 rolls of bread per day. It was not hygienically sound, and the ovens, tables, and other materials were dirty and broken. Hassan and his colleagues received start-up materials to rehabilitate the bakery and to sell healthy bread to the public. With this assistance, the bakery's production capacity increased to 1,200 rolls, the quality of the bread improved, and the bakery started to generate a profit. The project has dissuaded Hassan from joining a militia group and has also enabled two of Hassan's children to attend school while also providing a vital service to the community.
- Hamida, a mother of four with inadequate shelter for her family, had gained experience as a milling machine operator. She and two other women received a start-up package including a milling machine, various materials, and a two-day training session on business management. With this assistance, these started a milling and grinding business. Hamida's family now lives in suitable housing, and the community in Berdale benefits from the services that she provides.

3.2.3 Addressing crosscutting priorities

As with all livelihoods and economic recovery programmes, those programmes that offer targeted self-employment support can successfully promote gender equity and women's empowerment, reduce conflict and disaster risk, strengthen market activity, and avoid causing harm in any of these areas only if they are designed carefully, and with these objectives in mind. This section provides points to consider vis-à-vis addressing these crosscutting priorities in start-up assistance programming.

Gendersensitivity. Gender-sensitive programming for targeted self-employment takes into account the needs, concerns, and priorities of both women and men in project design, and it promotes selection criteria that enable the distribution of start-up grants and packages to both women and men. Projects often are designed to support home-

References and suggested further reading

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and community-based enterprises that enable participants to fulfil both work and family commitments. The project design and monitoring processes should ensure that women are consistently part of decision making. UNIFEM and UNFPA are often valuable partners in ensuring gender sensitivity.

Conflict and disaster-risk sensitivity. For targeted self-employment projects for promoting social cohesion and reducing vulnerability, the processes of selecting, providing, and monitoring start-up grants and packages must be conflict and disaster-risk sensitive. These projects can inadvertently strengthen local power structures if local or community leaders are able to channel benefits to their families or client networks, thereby creating patronage and social exclusion. Especially in projects where young ex-combatants are recipients of start-up grants and packages, substance abuse and a lack of education and skills can compromise the ability of these individuals to make constructive use of the assistance they receive, and the benefits of the project can then quickly dissipate into negative channels. Decisions on the type and design of interventions need to take these conflict and disaster risks into account. For example, these interventions should ensure that all groups in a target community are included and that any structures that are built or rehabilitated with start-up assistance are disaster-resistant. Expertise in conflict prevention and disaster risk reduction may be required.

Market sensitivity. The project design should take into account all available information about the local labour market, the local market for goods and services that the recipients of start-up assistance will provide, and the local market for the inputs the project will procure, especially the contents of the start-up packages. Effective start-up grants and packages help to create space and an enabling environment for private sector recovery.. Start-up packages including microcredit instruments may help to revive local social and economic networks, for example, but care is needed to ensure that start-up assistance does not undermine existing microfinance potential or the understanding of crisis-affected people with regard to the value of financial resources. Continual monitoring of market conditions during project implementation will enable appropriate decisions on phasing-out the start-up assistance once markets begin to revive.

For additional information on targeted self-employment support, please see discussion paper 8. *Livelihoods Start-up packages and Grants* in Annex.

3.3 INFRASTRUCTURE REHABILITATION

3.3.1 Introduction

UNDP's strategic plan identifies assistance with infrastructure rehabilitation as an important contribution to restoring security and ensuring sustainable recovery in post-crisis situations. The concept of **infrastructure** encompasses roads, bridges, transportation systems, ports, water and sanitation systems, shelter, energy supplies and distribution, telecommunications, health facilities, schools, government buildings, community centres, irrigation and drainage systems, and other structures. UNDP is often particularly involved in the rehabilitation of **community infrastructure**, which refers to relatively low-cost,

small-scale structures and systems that are built through community-led initiatives and according to the needs and aspirations of community members.

In crisis and post-crisis situations, rehabilitating community infrastructure provides a sound basis for livelihoods and economic recovery and ultimately for poverty reduction and development. Such rehabilitation is important for the functioning of markets and for restoring access by communities to both markets and essential services. This rehabilitation can produce tangible results in a short timeframe, creating hope in crisis-affected communities, which in turn strengthens mechanisms for coping with adversity. Furthermore, this rehabilitation provides an entry point for mobilizing communities, strengthening social relationships, building partnerships between citizens and local authorities, and reducing social tensions while creating the opportunity to “build back better” with infrastructure that is more useful to the community, more resistant to natural disasters, more accommodating of new technologies, and more environmentally friendly than before. Finally, the process of rehabilitating community infrastructure creates short-term opportunities for employment and income generation.

Cash-for-work interventions, community contracting, and public-private partnerships are examples of the modalities that can be used for infrastructure rehabilitation. As described in section 3.1 above, cash-for-work interventions create emergency employment for crisis-affected people, enable the rapid infusion of cash into the local economy, and mobilize initiatives (such as community infrastructure rehabilitation) that benefit the community as a whole. Community contracting involves inclusive community decision-making that leads to a partnership agreement between a community group and an external funding or support agency for the implementation of work that benefits the community.³⁰ Public-private partnerships enable contributions from government agencies, the private sector, and civil society organizations according to the comparative advantages of each of these sources of funding.

3.3.2 Developing and implementing an infrastructure rehabilitation project

This section provides guidance on the following aspects of developing and implementing an infrastructure rehabilitation project: (a) situation assessment, (b) developing a project document, (c) management arrangements, (d) recruitment and procurement, (e) selection of infrastructure schemes and participants, (f) monitoring and evaluation (M&E), (g) partnerships, (h) communication strategy, and (i) exit strategy.

Both the development and the implementation of the project should facilitate and encourage the active participation of local and/or national authorities and crisis-affected people, including women, youth, displaced people, people with disabilities, and ex-combatants, wherever possible. Due to the urgency of setting up livelihoods stabilization projects, such undertakings are sometimes designed without sufficient consultation; this should be avoided to the greatest possible extent.

3.3.2 (A) Situation assessment

The livelihoods and economic recovery assessment (see Chapter 2) is usually the primary source for information on whether an infrastructure rehabilitation project is appropriate for the local context. This assessment also identifies the existing opportunities and constraints vis-à-vis implementing livelihoods and economic recovery interventions. Relevant information can also be found in Post-Disaster Needs Assessment or Post-Conflict Needs



*Paved Road as Part of Rehabilitation Project in Haiti
(Photo by UNDP)*

³⁰ For more information, see discussion paper 12. Community Contracting in Annex.

Assessment reports, where these are available. A supplementary infrastructure damage needs assessment is often required at the local level, with the participation of crisis-affected communities and the support of experienced implementing partners and certified engineers. An infrastructure damage needs assessment identifies the most appropriate activities for the project to support. Such an assessment also develops bills of quantities, which itemize the equipment, materials, and labour required for each infrastructure scheme. Additional data gathering may be necessary in order to ensure compliance with the guiding principles for livelihoods and economic recovery programming, such as gender sensitivity, conflict and disaster sensitivity, and sustainability.³¹

3.3.2 (b) Developing a project document³²

As with all UNDP-supported projects, the launch of an infrastructure rehabilitation project requires an approved project document.³³ The project document provides the basis for implementing and monitoring the project's activities and results. The essential components of a project document are the results and resources framework, a description of project management arrangements, a risk analysis, and a monitoring and evaluation framework. In some cases, the project document must also meet the standard requirements of a funding donor.

3.3.2 (c) Management arrangements

Management arrangements for a project include project roles, responsibilities, and accountabilities. The implementing partner, "responsible parties," and project personnel are central to the management arrangements.

In consultation with the Government Coordinating Agency, UNDP selects a single implementing partner for each project. The selection is based on an assessment of the partner's capacity to effectively manage the project and deliver the intended outputs. The implementing partner is accountable to UNDP and the Government Coordinating Agency. The implementing partner may be a government entity ("national implementation"), UNDP ("direct implementation"), a United Nations agency, a civil society organization, or an approved inter-governmental organization that is not part of the UN system. **Direct implementation by UNDP is often the best implementation modality for livelihood stabilization (Track A) interventions.** Such a procedure can facilitate delivery and decision-making in crisis and post-crisis situations, where national authorities are often unable to function or have severely reduced capacity. Direct implementation makes starting the project faster because it avoids the complications of selecting an implementing partner and also enables UNDP to recruit staff rapidly and initiate procurement for the project.³⁴

31 The guiding principles are presented in section 1.3.4 above. Key points to consider for ensuring that crosscutting priorities are effectively incorporated into infrastructure rehabilitation projects are presented in section 3.3.3 below.

32 Complete information on the required process for the development and appraisal of a project document is provided in the "Defining-a-Project" section of UNDP's Programme and Operations Policies and Procedures (POPP).

33 In countries with a Country Programme Action Plan, an annual work plan is required.

34 Alternatively, if UNDP is not the implementing agency, UNDP can serve as a responsible party for the provision of support services. For all the possible configurations of implementing partners and responsible parties, the necessary agreements among them, and accountabilities, see POPP, "Defining-a-Project" section.

The implementing partner may enter into agreements with other organizations, known as "responsible parties," who provide goods and services to the project, carry out project activities, and/or produce project outputs. Responsible parties are accountable to the implementing partner. Agreements with both implementing partners and responsible parties should be developed with well-defined roles and responsibilities, including those of UNDP. Experience shows that engaging existing organizations (e.g., government ministries, financial institutions, and NGOs/CBOs) as responsible parties and building their capacity, wherever possible, yields more sustainable results than establishing new institutions.

The implementing partner recruits personnel for the project. If UNDP is not the implementing partner, UNDP can still support this process as a responsible party. The staffing

structure for an infrastructure rehabilitation project typically includes a Project Manager, Team Leaders, technical experts, an accountant, a communications officer, and administrative personnel. Infrastructure rehabilitation projects require experts with specialised skills, technical knowledge, and experience in a range of disciplines, including civil engineering, community development, participatory planning and monitoring, disaster risk reduction, gender and diversity, and livelihoods. Generic staff terms of reference for infrastructure rehabilitation projects will soon be available on UNDP's Intranet portal for Signature Products.

To encourage a sense of community ownership and commitment, it is often useful for an infrastructure rehabilitation project to require community contributions. These contributions can take the form of labour or cash, or they can be in-kind contributions, such as inputs drawn (in a sustainable way) from local natural resources. Community-based organizations are often best placed to mobilize such contributions.

3.3.2 (d) Recruitment and procurement

Recruitment of staff and the procurement of all necessary inputs must take place in accordance with UNDP rules and regulations, and this can take considerable time and effort. Early attention to recruitment and procurement will therefore help to expedite implementation. Procurement plans should accompany work plans, and work plans should allow sufficient time for procurement. Accurate bills of quantities—itemizing the quantities of materials, parts, and labour required to construct or rehabilitate each specific structure and the related costs—will be needed. Depending on the amount to be disbursed, UNDP rules and regulations might require that Headquarters engineers are involved in assessing the bills of quantities. When the rehabilitation work is performed on a cash basis, the preparation of a quick cash flow plan can help to ensure that the correct amounts of cash will be available for distribution to workers on schedule.

UNDP Headquarters offers a variety of special services and procedures that are useful to those Country Offices that are involved in the implementation of infrastructure rehabilitation projects. These projects include the following:

- The “SURGE” services of UNDP's Bureau of Crisis Prevention and Recovery (BCPR) offer the rapid deployment of staff who are acquainted with UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical aspects of implementing infrastructure rehabilitation projects.
- When requested and deemed appropriate, UNDP Headquarters authorizes the use of “Fast Track” operational procedures for recruitment, disbursements, and procurement.
- Ready-to-download templates and examples, including standardized job descriptions, will soon be available for download from the UNDP Intranet site for Signature Products.

By recruiting locally and purchasing inputs from local suppliers whenever possible, the project can support the revival of local markets. Recruitment and procurement plans should take this priority of the project into account.

Box 3.5. Summary of timesaving actions to accelerate the delivery of an infrastructure rehabilitation project

- Use direct implementation by UNDP as the implementation modality where possible. This direct implementation makes starting the project faster because it avoids the complications of selecting an implementing partner and enables UNDP to recruit rapidly staff and initiate procurement for the project. (See section 3.3.2 (c).)
- Access the special services and procedures that UNDP Headquarters offers for programming in crisis and post-crisis situations. In particular, (a) request “SURGE” support from BCPR as needed for rapid deployment of staff who are acquainted with UNDP procedures and practices, are experienced with crisis situations, and have expertise in UN coordination, aid coordination, resource mobilization, communications, finance, human resources, field security, procurement, and other critical areas; (b) request authority from UNDP Headquarters to use “Fast Track” operational procedures for recruitment, disbursements, and procurement; and (c) access the ready-to-download templates and examples, including those providing standard job descriptions, on the forthcoming UNDP Intranet site for Signature Products. (See section 3.3.2 (d).)
- For projects where UNDP will directly procure materials for the rehabilitation work, prepare a quick procurement plan. When a financial intermediary is needed for the disbursement of cash wages (e.g., a bank, microfinance institution, money transfer company), start the procurement process at a very early stage. To ensure that the correct amounts of cash will be available for distribution to workers, , prepare a quick cash flow plan. (See section 3.3.2 (d).)
- Provide guidance and support to local NGOs and CBOs that are potential responsible parties, e.g., by offering information and training on proposal preparation and submission, rather than simply publishing a call for proposals. Also, provide participating NGOs/CBOs with simplified operational manuals, including formats for subproject submissions, monitoring and reporting, etc.
- With government leadership wherever possible, set up a coordination structure with other organizations that are involved in livelihoods stabilization and related interventions, e.g., within the Early Recovery Cluster, as early as possible.

3.3.2 (e) Selection of infrastructure schemes and participants

Clearly defined, transparent criteria and procedures are needed for selecting the infrastructure to be built or rehabilitated, the crisis-affected people to undertake the work, and the modalities to use (e.g., cash-for-work or community contracting). Infrastructure rehabilitation projects, like other livelihoods and economic recovery projects, are most effective when crisis-affected groups and local authorities agree upon the selection criteria and are involved in the selection process.

To promote a sense of community ownership and ensure that the infrastructure interventions benefit the whole target community and do not exacerbate social tensions, participatory meetings should enable the community as a whole to agree on the schemes to be pursued. These meetings require technical assistance from experienced engineers—including local engineers who understand local conditions, constraints, and preferences—who can ensure quality and adherence to relevant engineering standards. An inclusive process of selecting schemes and preparing an implementation plan can bring affected people together in the pursuit of a common goal, thereby strengthening social harmony and community cohesion. The social capital gained through a community-led process can thereby strengthen social networks and reduce vulnerabilities over the long term.

The appropriate selection of schemes for community infrastructure rehabilitation is different in every context. Examples of typical schemes include the restoration and upgrading of community roads, drainage and small-scale water infrastructure, information and communication technology (ICT) installations, community early warning systems, and other infrastructures of socioeconomic and cultural importance for bringing community life back to normality. The clearance of debris is often important for infrastructure rehabilitation (see Box 3.6). Capacity building for community and local government institutions is also often needed (see Table 3.4).

The criteria for selecting infrastructure rehabilitation schemes should ensure that these schemes have well defined plans and are practical and technically sound. Some recommended criteria and considerations for the selection process are as follows:

Box 3.6. Clearance of rubble and debris

Conflicts and disasters usually leave rubble and debris that shut off community access networks and make community structures unusable. The clearance of rubble and debris is therefore an important aspect of infrastructure rehabilitation. Support for the clearance of rubble and debris can facilitate relief and rescue operations while generating short-term employment for crisis-affected people. It can also represent an important step toward psychological recovery, enabling community members to turn their attention toward the future and leave the horror of the crisis behind them. The clearance of rubble and debris should comply with relevant environmental standards, and recovered building materials should be preserved for reuse during recovery and reconstruction.

Table 3.4 Examples of training activities for community infrastructure rehabilitation

Theme	Target groups	Type of training
Local planning and capacity building	Local authorities, community leaders, NGOs/CBOs, and other stakeholders	<ul style="list-style-type: none"> Managerial skills Local infrastructure planning and development Participatory monitoring Gender sensitivity in infrastructure rehabilitation Resource mobilization
Labour-intensive construction	Local authorities, community leaders, NGOs/CBOs, and other stakeholders, including local artisans, masons, and technicians	<ul style="list-style-type: none"> Labor-intensive construction techniques Workplace safety and labour rights Labour-intensive, community-based infrastructure maintenance
Disaster risk reduction	Local authorities, community leaders, NGOs/CBOs, and other stakeholders	<ul style="list-style-type: none"> Disaster risk reduction planning, including risk mapping, risk mitigation, and community-based early warning systems Disaster-resilient technologies and safety standards
	Local artisans, masons, technicians	<ul style="list-style-type: none"> Disaster-resilient construction techniques
	Micro-entrepreneurs and business community	<ul style="list-style-type: none"> Disaster risks and safety standards in the private sector Contingency planning for micro-enterprises

- *Community involvement.* Selected schemes should be grounded in community needs, priorities, and aspirations, and they should contain a vision for community participation in implementation, monitoring, and follow-up maintenance, including the utilization of local, unskilled labour.
- *Inclusiveness.* Selected schemes should enable women, people with disabilities, and other vulnerable groups to participate in implementation, and they should provide for accessibility and inclusive use of the resulting infrastructure.
- *Technical viability.* Selected schemes should have simple designs that limit the need for technical expertise and provide explicitly for any external expertise that will be necessary.
- *Maintenance plan.* Maintenance is an integral part of the lifecycle of infrastructure. The design of infrastructure schemes should include labour-intensive maintenance systems that utilize locally available resources and skills. Over-designed systems that require expensive repairs, replacement equipment, or external technical expertise should be avoided.
- *Debris management.* When the debris remaining after a disaster or conflict contains materials that can be extracted and recycled as construction materials, short-cycle training on this process can improve the quality of infrastructure rehabilitation and should be included in the implementation plan.
- *Environmental responsibility.* The selection of infrastructure rehabilitation schemes must be informed by the risks and opportunities that local ecosystems and natural resources present. Priority should be given to initiatives that utilize green materials, promote green jobs, and minimize waste, pollution, and energy consumption. Local procurement of materials will often help in this regard. Also, the rehabilitation of irriga-

tion and transportation infrastructure can facilitate agricultural livelihoods involving sustainable small-scale farming.

To identify crisis-affected individuals to undertake the rehabilitation work, a local committee can be set up. UNDP staff or implementing partners can assist the committee in developing and following transparent criteria for participant identification. Some schemes will require workers with specific skills (e.g., plastering, flooring, plumbing, carpentry, sorting debris, or recycling). To the extent possible, local community members should be given priority vis-à-vis employment before consideration is given to recruiting workers from outside the community.

3.3.2 (f) Monitoring and evaluation (M&E)³⁵

As with all UNDP-supported interventions, infrastructure rehabilitation projects require monitoring and evaluation (M&E) systems that are established during the design of the project and in operational with effect the time implementation begins. During the project formulation process, UNDP, in close collaboration with national counterparts and other stakeholders, should plan for M&E in accordance with the guidelines in the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results. Project budgets must include adequate human and financial resources for effective M&E. The M&E framework, which forms part of the project document, provides the expected results to be monitored and/or evaluated, indicators (with baselines and indicative targets), planned M&E events and data collection methods, timing of M&E activities, responsible parties, required resources, and risks and assumptions.

Monitoring evidence indicates whether, to what extent, and how efficiently the expected outputs are produced and the activities are implemented. The monitoring process captures key issues and lessons learned, and it informs the decision on whether the project will be evaluated. Using the M&E findings at the end of the project, UNDP can prepare and disseminate a case study to enable lessons learned from the project to contribute to policy advocacy and local and national knowledge on early recovery. UNDP usually conducts the M&E exercises, though monitoring can be undertaken jointly with other partners, e.g., NGOs and/or academic institutions, as long as they are not implementing partners or private sector enterprises.

Technical expertise is essential for effective M&E for infrastructure rehabilitation projects. In some cases, a project will need to engage an engineering company to monitor and advise on the quality of rehabilitation. Public auditing can be an effective tool for ensuring broad stakeholder participation in monitoring the planning and budgeting process, the utilization of funds, technical progress, and the utility of rehabilitated infrastructure.

3.3.2 (g) Partnerships

Public-private partnerships can be especially useful in infrastructure rehabilitation projects because of the need for a variety of expertise. The roles and comparative advantages of the government's technical line agencies, local government bodies, NGOs, community-based organizations, U.N. agencies, and private businesses should be considered. Often technical expertise in areas such as infrastructure design, planning and budgeting, needs assessment, data collection and analysis, and environmentally sound practices, can be drawn from multiple partners. For example, community groups are likely to be the most effective in mobilizing labour from the community, and local authorities may be

³⁵ See chapter 7 for further information on M&E.

especially useful in mobilizing local resources. ILO, UN-HABITAT, UNICEF, and WFP have extensive experience with regard to infrastructure rehabilitation and can often serve as implementing partners and/or as sources of valuable information.

3.3.2 (h) Communication strategy

Expectations management is essential in support for livelihoods stabilization. A clear and viable communication strategy is needed from the start of project activities to ensure that the expectations of participants, community members, government officials, and other partners and stakeholders are realistic. This strategy includes an understanding that the benefits to be realized by the crisis-affected community from the new or rehabilitated infrastructure will depend on that community's ability to maintain the infrastructure and its commitment to carrying out a maintenance plan. Everyone involved should also understand that infrastructure rehabilitation is not meant to provide employment in the traditional sense, which would imply obligations such as health benefits and security of employment. Participants need clear expectations about how they will be compensated for working on infrastructure rehabilitation schemes and about the facilities that will be provided at the worksites (such as drinking water, latrines, first aid, and childcare). In addition, the communication strategy should include efforts to raise participants' awareness about other programmes and institutions that offer longer-term support and can contribute to the sustainable outcomes of the project.

3.3.2 (i) Exit strategy

The exit strategy should encompass a long-term vision for sustainable and equitable access to the new or rehabilitated infrastructure and for sustainable livelihoods. Planning for medium and long-term maintenance and repairs is essential, and the continuous presence of implementing partners is needed until each scheme is complete or self-sustaining. The exit strategy should link the community members who work on infrastructure rehabilitation to longer-term livelihoods and economic recovery programmes and partnerships, including those involving training and microfinance. The project's exit strategy and communication strategy should be closely linked, so that participants are encouraged from the beginning to plan for the long term. Linkages between infrastructure rehabilitation and interventions for policy and institutional development that improve the long-term employment and income-generation prospects of the crisis-affected communities (Track

Box 3.7. Community infrastructure rehabilitation in post-conflict Nepal

The UNDP-supported Quick Impact Peace Support Initiative (QIPSI) in Nepal enabled the construction of more than 500 units of community infrastructure, benefiting more than 38,000 poor and previously excluded households in ten districts in the Terai region between October 2007 and June 2008. The Terai region, in the southern plains, was historically excluded from the country's development process and had experienced the brunt of the decade-long armed civil conflict. QIPSI enabled the rehabilitation of drinking water facilities, schools, community buildings, micro-irrigation systems, health posts, roads, and culverts.

Key stakeholders, including local communities and political parties, were involved in all stages of decision making, including the identification of the needs of communities, prioritization, the selection of project sites, planning and budgeting, and implementation. Using participatory rural appraisal (PRA) tools, community members collected information on development status and needs for villages. Community user committees controlled the implementation process, including financial transactions and procurement, which helped to contain costs. Communities themselves did much of the work and consequently benefited from short-term employment. Public audits of each infrastructure scheme ensured participatory monitoring. In mass meetings, the public audits informed community members about the infrastructure to be built, the budget, funding gaps (if any), payment schedules, contributions expected from the community, the implementation process, responsibilities of the user committees, and the timeline for completion. For transparency, installments of the project funds were handed over to the user committees in public meetings. Civil engineers and overseers of the local government prepared the technical designs and bills of quantities, and they provided technical monitoring in order to ensure good quality of the resulting infrastructure.

These arrangements enhanced community ownership at all stages, brought communities together, increased communities' access to essential services, and contributed to the sustainability of the infrastructure that was constructed.

References and suggested further reading

1. UNDP. *Guidance for Community Infrastructure Sector*. PDNA Annex: 7 Template. May 2009.
2. UNDP Nepal. *Quick Impact and Peace Support Initiative First Phase (QIPSI-I) Completion Report*. November 2008.
3. UNEP. *Background Paper on Green Jobs*. 2008, p.7.

B and C interventions) are also important. Accordingly, the exit strategy should articulate how the project is expected to contribute to progress toward the goals of national recovery and development strategies and plans.

3.3.3 Addressing crosscutting priorities

Like all livelihoods and economic recovery projects, those involving infrastructure rehabilitation can successfully promote gender equity and women's empowerment, reduce conflict and disaster risk, strengthen market activity, and avoid causing harm in any of these areas only if they are designed carefully with these objectives in mind. This section provides points to consider for addressing these crosscutting priorities in programming for infrastructure rehabilitation.

Gender sensitivity. Gender-sensitive work on infrastructure rehabilitation promotes gender equality and women's economic and social empowerment. It is gender-responsive in both design and process. The needs, concerns, and priorities of both women and men are taken into account in designing the project. Women are consistently part of the decision-making process and hold leadership positions in the organizations that carry out the rehabilitation work. In this way, the infrastructure rehabilitation process can set precedents for expanding women's roles and influence in the public domain. Rehabilitation efforts also offer important opportunities for providing short-term employment for women and girls. The key points on gender sensitivity in emergency employment projects (see section 3.1.3 above) are also relevant to employment for infrastructure rehabilitation.

Conflict and disaster-risk sensitivity. For infrastructure rehabilitation to promote social cohesion and reduce vulnerability, the process must be conflict and disaster-risk sensitive. The new infrastructure—and the rehabilitation process itself—should create space for more frequent and constructive interaction within the community. Any potential for exacerbating social tensions should be identified and mitigated prior to project implementation. Disaster risk reduction and conflict prevention expertise may be required to ensure that the resulting infrastructure is disaster-resilient and that local conflict management systems are set up and strengthened to avoid conflicts stemming from the rebuilding process.

Market sensitivity. The project design should take into account all available information about the local market. Information on the market for goods and services will help to identify and prioritize the infrastructure rehabilitation schemes that are most important in terms of for reviving market activity. Information on the labour market will help to determine the availability of labour for infrastructure rehabilitation work and the appropriate wage rates for skilled and unskilled workers. Information on the local market for the inputs the project will procure (equipment, tools, construction materials, project, supplies, etc.) is essential for a smooth procurement process and for avoiding any market distortions that the project may create. Ongoing monitoring of market conditions is necessary throughout implementation in order to ensure that the project has a positive impact on local economic recovery.

For additional information, please see discussion papers in Annex:

9. *Infrastructure Rehabilitation*.
10. *New Approaches to Livelihoods Stabilization: from Emergency Employment to Long Term Employment*
12. *Community Contracting*

Box 3.8. UNDP Burundi's 3x6 approach: Linking interventions across Tracks A, B, and C

UNDP Burundi has developed an innovative approach to the socioeconomic reintegration of returnees, internally displaced persons (IDPs), and ex-combatants. The "3x6 approach" is creating conditions for conflict-affected people to participate in emergency employment and take control of their own development processes and outcomes. Participants are encouraged and enabled to save part of their income, form associations, invest in the local economy, and access a range of markets. This approach links interventions across Tracks A, B, and C by building upon livelihoods stabilization to a longer-term vision for sustainable employment, market development, capacity development, local economic recovery, and inclusive economic growth. Such an approach is innovative because of its promotion of savings rather than credit and its use of mechanisms to share risk and make choices about economic development. Ongoing monitoring and evaluation is expected to lead to lessons for application in other crisis and post-crisis situations.

The 3x6 approach consists of three principles and six steps, as follows:

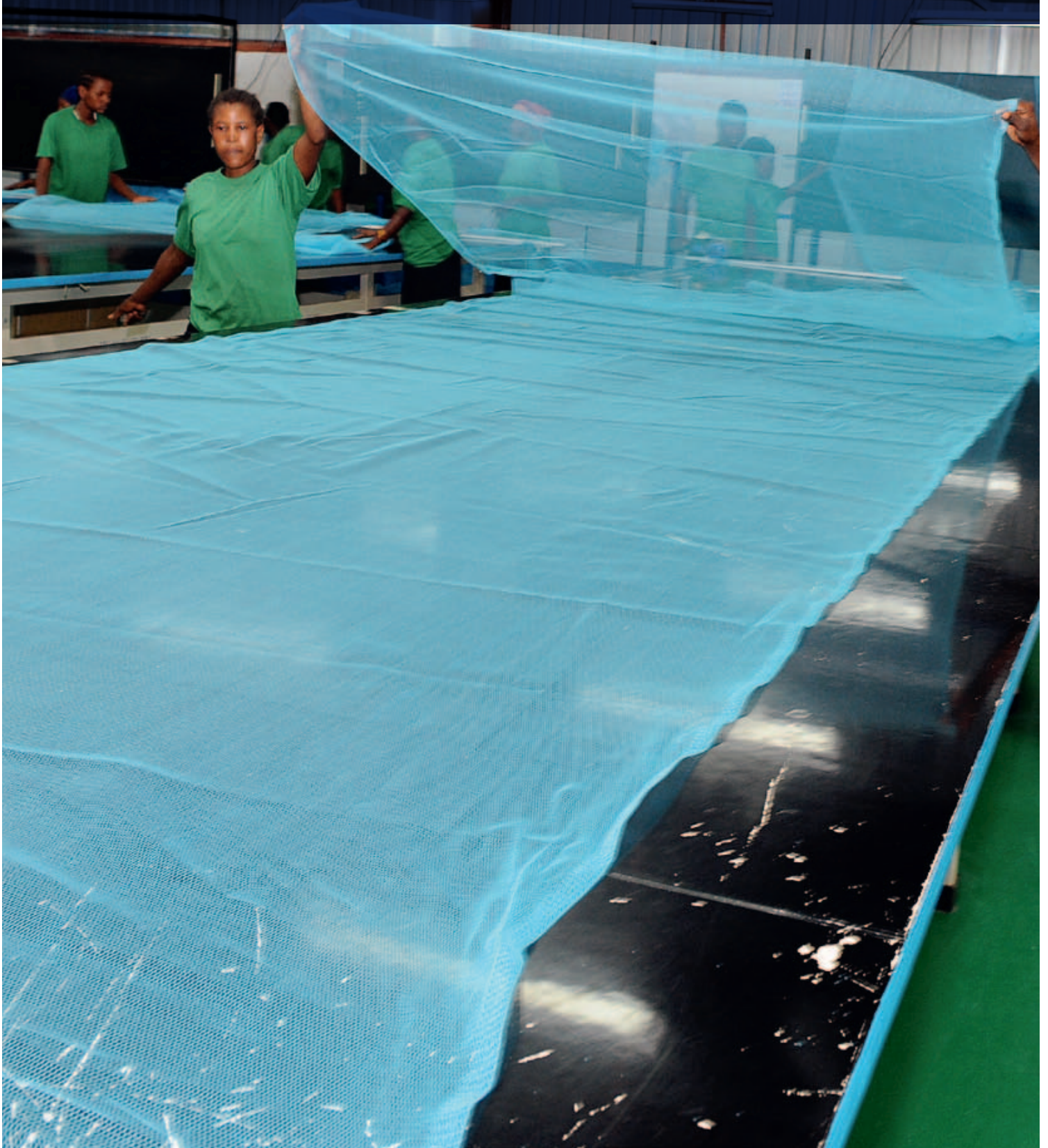
Principle 1: Inclusiveness	Step 1: Engaging and enrolling participants Step 2: Generating income
Principle 2: Ownership	Step 3: Promoting savings by participants Step 4: Joint venturing
Principle 3: Sustainability	Step 5: Investing Step 6: Expanding and accessing markets

Principle 1: Inclusiveness. A Community Reconstruction Service invites returnees, IDPs, ex-combatants, and host/crisis-affected community members to participate in temporary employment on micro-projects. The micro-projects are based on community-defined needs and priorities, and they lead to results for the community. Local administrators and members of communal committees select and monitor the micro-projects. These projects involve building or rebuilding community infrastructure, brick making for school buildings, reforestation and cleanup efforts, and the construction of homes for vulnerable households. So far, UNDP has funded 85 micro-projects in areas of Burundi with high concentrations of returnees, IDPs, and ex-combatants. These micro-projects have created three months of employment for more than 6,000 people and injected US\$ 2.2 million into the communities. Seventy percent of the participants are returnees, IDPs, or ex-combatants, and 30 percent are members of the host/crisis-affected communities. The participatory and inclusive process pursued by the Community Reconstruction Service has positively affected the behaviour of conflict-affected people, helped to build trust within their communities, and contributed to the revival of the local production and service sectors.

Principle 2: Ownership. Participants in the Community Reconstruction Service are required to save US\$ 1 of their daily salary of US\$ 3, enabling each worker to save about US\$ 75 in total. The savings are deposited into an account at a financial institution. Throughout their period of temporary employment, participants are encouraged to form associations, each of which will use part of its members' savings to invest in a collective economic activity. UNDP has committed to contributing US\$ 3 to the economic activity for each dollar invested by an association. One hundred and twenty associations are currently receiving technical support for the development of their economic activities. This support is designed to improve the management skills of association members and to ensure that their economic activities will perform well in the local economy. The associations have created a dynamic process of social accountability and risk sharing.

Principle 3: Sustainability. The underpinnings for the final phase of the 3x6 approach—the creation of sustainable jobs through market access—are currently in the planning stages. These underpinnings include value chain analysis, policy mapping and analysis, strategy development, market research, and an assessment of existing market services. The final phase is intended to enable the associations to evaluate potential market opportunities and make investment decisions based on objective criteria. UNDP is supporting the negotiation of a guarantee fund with a financial institution for the benefit of returnees, IDPs, ex-combatants, and host/crisis-affected community members. Fundraising is also underway for an in-depth analysis of subsectors that could be developed. The analysis will be a collaborative effort with government ministries, other development partners, the private sector, and civil society organizations.

Mosquito net production in Tanzania (Photo by UNDP/TICAD)



CHAPTER 4

TRACK B PROGRAMMING: LOCAL ECONOMIC RECOVERY FOR MEDIUM- TO LONG-TERM EMPLOYMENT, INCOME GENERATION, AND REINTEGRATION

Contents

4.1 VOCATIONAL AND SKILLS TRAINING AND PLACEMENT	60
4.1.1 Introduction	60
4.1.2 Developing and implementing VST initiatives	60
(a) <i>Situation assessment</i>	60
(b) <i>Identification of target groups and their skills and interests</i>	62
(c) <i>Selection and capacity development of VST providers and trainers</i>	62
(d) <i>Training programmes</i>	62
(e) <i>Apprenticeships</i>	63
(f) <i>Career guidance and mentoring</i>	64
(g) <i>Job placement and self-employment support</i>	64
(h) <i>Linkages with related programmes and policy development</i>	65
(i) <i>Monitoring and evaluation (M&E)</i>	65
(j) <i>Partnerships</i>	66
4.2 INCLUSIVE PRIVATE SECTOR DEVELOPMENT	68
4.2.1 Introduction	68
4.2.2 Inclusive markets, inclusive finance, and business development services	68
4.2.3 Programming for inclusive private sector development in crisis and post-crisis situations	70
(a) <i>Situation assessment</i>	70
(b) <i>Suggested interventions</i>	72
(c) <i>Monitoring and evaluation (M&E)</i>	76
(d) <i>Partnerships</i>	76
4.3 CONDITIONAL CASH TRANSFERS	80

Within the three-track approach to programming in crisis and post-crisis situations (see section 1.3.2 above), Track B programming focuses on medium- to long-term local economic recovery with interventions to boost sustainable employment, income generation, and, where required, reintegration. The three-track approach envisions that Track B interventions will accelerate once Track A interventions—such as emergency employment creation, targeted self-employment support, and infrastructure rehabilitation—are underway and have started to have an impact. This chapter presents the basic knowledge that UNDP has accumulated with regard to three main areas of Track B programming: vocational and skills training and placement (section 4.1), inclusive private sector development (section 4.2), and conditional cash transfers (section 4.3). References and suggested further reading are provided at the end of each section.

All interventions to promote employment, income generation, and reintegration require a careful balance between stimulating local economic growth and ensuring that growth is inclusive. Overall growth is a precondition for economic benefits among crisis-affected and vulnerable groups, and excessive targeting may appear to favour some groups over others, leading to resentment or unrest. At the same time, insufficient attention to crisis-affected and vulnerable groups could result in their exclusion from the benefits of growth.

4.1 VOCATIONAL AND SKILLS TRAINING AND PLACEMENT

4.1.1 Introduction

Vocational and skills training and placement services are key features of many strategies for livelihoods and economic recovery in both crisis and post-crisis situations. These services can be undertaken in standalone projects or as components of larger, integrated peace-building and/or recovery programmes. Investment in the training of crisis-affected people can prevent the deterioration and obsolescence of skills and qualifications, expand opportunities for employment and income generation, increase competition, and raise enterprise productivity. When vocational and skills training and placement services are market-based and implemented effectively, with gender, crisis, and disaster-risk sensitivity, they can contribute to peace, stability, and disaster resilience.

Vocational and skills training (VST) prepares people for productive participation in the labour market by providing them with the knowledge and skills that are required for particular occupations. VST providers may offer both classroom-based and hands-on training. **Apprenticeships**, which fall within the rubric of VST, provide on-the-job training and job shadowing between an apprentice and a skilled artisan or tradesperson, usually in a one-on-one capacity. Apprentices gain an understanding of the work environment, develop their skills, and usually receive a salary or stipend. Private businesses often welcome apprenticeships, which contribute to their own productivity and to local economic recovery. The salary or stipend of an apprentice can be funded by the employer, the government, a development partner, or an NGO. Apprenticeships are the sole method of training for some occupations, and they accompany or follow vocational training for other occupations. **Placement services** link trainees and apprentices to potential employers and self-employment opportunities.

4.1.2 Developing and implementing VST initiatives

Both the development and the implementation of a VST initiative should facilitate and encourage the active participation of national and local government bodies, the private sector, and crisis-affected people, including women, youth, displaced people, people with disabilities, and ex-combatants, wherever possible and relevant. This section provides guidance on the following aspects of developing and implementing a VST initiative: (a) situation assessment, (b) identification of target groups and their skills and interests, (c) selection and capacity development of VST providers and trainers, (d) training programmes, (e) apprenticeships, (f) career guidance and mentoring, (g) job placement and self-employment support, (h) linkages with related programmes and policy development, (i) monitoring and evaluation (M&E), and (j) partnerships.

4.1.2 (a) Situation assessment

The livelihoods and economic recovery assessment (see Chapter 2) is usually the primary source for information on whether VST interventions are appropriate for the local context, the opportunities and constraints that their implementation is likely to face, and the conflict and disaster-risk scenario. Of particular relevance for VST interventions, the livelihoods and economic recovery assessment should provide information on the labour market, markets for goods and services, and the business environment. Supplementary data gathering is often required for the development of a VST intervention. Such a process requires, in particular, a full market analysis and capacity assessment.

A **market analysis** examines markets for goods and services, labour markets, and value chains. Markets are vulnerable to shocks that are triggered by conflict or natural disaster,

which can cut off access to markets or destroy them. In some conflict situations, market disruption is a deliberate strategy that is aimed at undermining lives and livelihoods. Aid can also depress local production. Analyzing markets enables the development of interventions that are well integrated with markets, and that do not distort them.³⁶

The market analysis enables a VST programme to match training with the demand for skills in the labour market, so that trainees and apprentices will be able to gain sustainable employment or successfully pursue their own businesses. The analysis should include an extensive range of sectors, including agriculture, industry, trade, transportation and other infrastructure, education, health, and environmental management. It should take into account government priorities for economic recovery, the demand for labour in both the public and private sectors, the nature of value chains, investment trends, and existing VST services, policies, and plans. It is also important to identify the access of female workers to opportunities in different occupations and sectors.

The **capacity assessment** for a VST project should address the capacity of UNDP, potential implementing partners, relevant national and local government bodies, vocational training institutions, employers' associations, trade associations, microfinance institutions, and other stakeholders who are involved, both directly or indirectly, with VST programming. A sample format for a capacity mapping exercise that addresses various dimensions of capacity is provided in Table 4.1. Based on the capacity mapping, the capacity assessment can identify priorities for institutional capacity development.

Table 4.1. *Capacity mapping for vocational and skills training*

Name of organization	Mission and strategy	Organizational culture, structure, and competency	Human resources		Physical resources (infra-structure)	Information resources	Financial resources
			Skills	Personnel			

UNDP is increasingly conducting **livelihoods and economic opportunities mapping** that collect valuable information for planning livelihoods programmes and include specific sections on vocational and skills training as well as on private sector development. These studies can be carried out in post-conflict context, for example in view of the reintegration of ex-combatants or in a post-disaster context as far as restoring livelihoods and promoting sustainable economic recovery options. As with all livelihoods and economic recovery interventions, those in support of VST require **conflict analysis and disaster-risk assessment** in order to ensure that they do not contribute to conflict or disasters and to safeguard results. The development of effective VST interventions requires an understanding of how crisis-affected people, private sector participants, and perpetrators of conflict might be involved either positively or negatively in VST, how local power systems and networks are likely to influence VST processes and results, and how VST can assist in building peace and disaster resilience.³⁷

³⁶ For further information on market analysis, see Annex.

³⁷ For details on conflict analysis and disaster risk assessment, see Annex.

4.1.2 (b) Identification of target groups and their skills and interests

The appropriate selection of target groups will depend on the particular crisis or post-crisis situation and the assessment findings. Criteria should be developed with crisis-affected communities and other stakeholders, placing a priority on women, youth and vulnerable groups. Once the target groups are selected, a profile of their existing knowledge, skills, experience, and interests should be developed. Existing skills, knowledge, and experience are usually valuable assets for livelihoods development, community rebuilding, and economic recovery, and VST interventions should build upon these assets to the greatest extent possible. Even in cases where market demand is not aligned with individuals' past vocations, it is the case that the existing knowledge, skills, and experience that are possessed by these individuals often provide a strong base upon which to upgrade or develop new skills in line with market demand.

For sustainability of results, participants should be encouraged to undertake training only in trades and subject areas that genuinely interest them and only if they have the ability and time to complete training. Special attention is needed to identify vocations of interest to women and girls through an economic empowerment approach that is focused on women, without explicitly or implicitly directing these women toward traditional vocations, such as sewing or baking. Youth should also be supported with additional services such as coaching and mentoring. Crisis-affected communities should be involved in identifying the interests and expectations of potential participants and the constraints that may undermine their ability to participate.

4.1.2 (c) Selection and capacity development of VST providers and trainers

VST providers may be government-run institutions, NGOs, CBOs, or private institutions. The capacity assessment will provide useful information for identifying the key VST providers and formulating a roadmap for developing their capacity to deliver services in a sustainable and high-quality manner. The role of UNDP is typically to coordinate with other agencies in supporting this capacity development. Support may include the provision of equipment, training of personnel, and incentives for the inclusion of vulnerable groups. VST providers should be encouraged to create an environment for training that is conducive to women's participation. This may require, for example, hiring more female instructors, setting up child-care services, providing transportation, and/or offering time-flexible programmes. Refresher training is often necessary for the staff of VST providers, especially when crises have been protracted. Linkages with relevant government bodies, universities, private enterprises, business and professional associations, civil society organizations, and donors can enable an exchange of instructors and address shortages of qualified and experienced trainers.

VST trainers should possess appropriate skills and qualifications in their subject areas, diverse backgrounds, and solid understanding of the crisis or post-crisis context. Awareness of the concepts of economic recovery, local business protocol, psychosocial care, sexual and gender-based violence prevention and response, or peace-building, may be important to the particular situation. Women and men should be given equal opportunities to serve as trainers.

4.1.2 (d) Training programmes

The training curriculum that is most appropriate in a crisis or post-crisis situation depends on the assessment findings, the interests of target group members, and national and local economic recovery plans. The findings of the market analysis and the profile of target

group interests are particularly important. National standards should be integrated into training courses, and the curriculum should be flexible enough to respond to changes in the labour market. Curriculum decisions should not be based on the availability of donor funds, existing training materials, and short-term trends and interests. The engagement of crisis-affected communities, the government, civil society, and the private sector will strengthen the curriculum development process.

Training programmes typically include “core skills” in areas such as teaching, agriculture, nursing, business management, information and communication technology (ICT), plumbing, roof tiling, electrical repairs, bricklaying, carpentry, sewing, joinery, baking, hairdressing, motor mechanics, and driving. Substantial and increasing demand is often found for ICT skills and for skills that are relevant to the service sector. Skills in home-based health care are important in some crisis and post-crisis situations. Courses should be designed to enable and encourage women to develop skills for use in viable occupations, including those that are not traditionally pursued by women.

Complementary training on employment readiness and life skills can enhance trainees’ ability to participate in society and to succeed in the labour market, and this is particularly important if the programme is targeting youth. Complementary training may be useful, for example, in financial literacy and business management. Such training can serve to raise awareness on issues such as reproductive health and family planning, human rights, sexual and gender-based violence, environmental sustainability, and landmine hazards. Furthermore, this training can also incorporate essential topics for post-crisis rebuilding, such as disaster risk reduction, reconciliation, conflict resolution, peace education, and social reintegration. Language training is often important for those individuals engaging in trade and for displaced persons in a new language environment.

The location and duration of training must be determined. Training in core skills areas for vocations with recognized national standards is often largely classroom-based. The training facilities where these core skills were previously offered may have been damaged or destroyed during the crisis, necessitating the identification or establishment of alternative training venues. The appropriate duration of a VST programme reflects the time that is needed for comprehensive training in the selected skills. Some skills will require shorter training, while others demand a longer training period.

Training providers should be encouraged to provide certificates for their graduates, reflecting government and industry standards, and graduates should be encouraged to use their certificates in their search for jobs or applications for business loans. Certification serves a dual purpose. Firstly, such certification verifies the training, skills, and competency of training graduates in a recognized document that may improve their chances of finding employment or qualifying for business loans. Secondly, when high-quality training is provided, certification also builds the credibility of the training institutions that provide such a service.

4.1.2 (e) Apprenticeships

Apprenticeships may be a suitable alternative or supplement to classroom-based or institutional vocational training. The main steps for arranging apprenticeships are (a) to identify occupations that are appropriate for apprenticeships, (b) to select apprenticeship mentors, and (c) to match candidate apprentices from target groups with suitable apprenticeship mentors and arrangements.

Apprenticeship opportunities should be sought with local artisans and tradespersons in occupations with substantial market demand, as confirmed in the assessment. Apprenticeships that are not market-based will set apprentices up for failure when they seek employment or loans to start a business. Apprenticeships are most appropriate in local enterprises where skilled workers produce goods and/or provide services on a regular and sustained basis. Apprenticeships, like training courses, should be designed to enable and encourage women to develop skills for use in viable occupations, including those that are not traditionally pursued by women. The criteria for selecting mentors should take into account their knowledge, skills, and expertise, their willingness to commit to training an apprentice for a sufficient period of time so as to improve the apprentice's marketability, and their sensitivity to the crisis situation. Arrangements can be made for mentors to receive compensation for their services in the form of financial payment, in-kind donations of inputs, or training to upgrade their own skills.

The duration of an apprenticeship should be determined in advance and agreed between the apprentice and the mentor. The appropriate length of an apprenticeship depends on the vocation and on-the-job training needs of the apprentice. Some apprenticeships are only a couple of months in duration, while others continue for a year or more. When graduates of VST programmes are placed in apprenticeships—as a supplement to their training—their apprenticeships are typically shorter than those for apprentices who have not received vocational training.

4.1.2 (f) Career guidance and mentoring

Career guidance and mentoring services—provided before, during, and after training and apprenticeships—help to ensure that graduates will be able to use their new skills and knowledge to enhance the stability of their livelihoods and their economic security. Effective career guidance and mentoring services provide trainees, apprentices, and graduates with insights and information regarding opportunities and challenges in their chosen vocations, instilling the confidence that they need in order to succeed. It is often useful to develop a strategy for providing career guidance and mentoring at the design stage and to follow up during implementation, with adjustments as necessary so as to reflect the evolving labour market. A business development service provider can be contracted to provide career guidance. Mentorships should be arranged with skilled workers and successful entrepreneurs who could also act as role models for specific target groups such as youth and ex-combatants. Apprentices will already receive mentorship through their apprenticeships, but additional mentoring is often helpful.

4.1.2 (g) Job placement and self-employment support

Throughout the training process, VST providers should identify and negotiate employment and apprenticeship opportunities so that graduates can access such opportunities rapidly upon completion of their training. Placements can be sought with private enterprises, government bodies, local and international NGOs, community based organizations, donors, U.N. agencies, training institutions, health centres, schools, and other establishments related to the graduates' newly developed skills. Sometimes it is the case that apprentices are hired to work in the establishments where they were apprenticed, and sometimes they use their apprenticeship experience to seek employment elsewhere.

Since business loans will be critical for many trainees and apprentices who intend to pursue self-employment, VST providers should ascertain the trades and types of enterprises that are eligible for loans and most successful in obtaining such loans. These VST providers can

then link trainees, apprentices, and graduates to microfinance institutions and provide them with assistance in the preparation of business plans and loan applications. VST programmes can also provide start-up grants or packages to help graduates start their businesses.³⁸ Examples of areas in which promising opportunities for self-employment may be likely are recycling, ecotourism and other “green jobs”; product development and marketing; value chain development; public-private partnerships for recovery and development; and vocational training. As graduates establish businesses, expand their businesses, and/or apply for loans or grants, the VST providers can usefully link these graduates to business development service providers. In some cases, assistance may be appropriate in order for graduates to become business development service providers themselves. (See Box 4.7 for an example of entrepreneurial training that is linked to training with regard to business development services.)

4.1.2 (h) Linkages with related programmes and policy development

Building linkages between VST interventions and other related programmes that are supported by the government and/or development partners can enhance prospects for success and sustainability. Programmes for value chain development, for example, can support the self-employment pursuits of trainees and apprentices by acquainting these individuals with opportunities and participants throughout the commodity value chain. Programmes for micro, small, and medium enterprise recovery, including those that are directed at inclusive financial sector development, will provide opportunities for VST participants who pursue employment or entrepreneurship in this sector. To facilitate the transition to employment and income generation, the building of linkages with related programmes should continue after participants complete their training or apprenticeships.

Employment policies will influence the livelihood opportunities of VST participants, and in turn can provide critical input for the development of these policies, including those that focus specifically on the employment of women and youth.

4.1.2 (i) Monitoring and evaluation (M&E)³⁹

As with all UNDP-supported interventions, VST projects require monitoring and evaluation (M&E) systems. Before training begins, an M&E framework should set forth the expected results, indicators (with baselines and indicative targets), planned M&E events and data collection methods, timing of M&E activities, responsible parties, required resources, and risks and assumptions. The following are examples of targets for VST interventions:

- 90 percent of graduates are employed or are self-employed six months after training
- 50 percent have increased income three months after leaving training
- 50 percent are actively involved in peace-building activities

Monitoring is essential throughout the VST process so that adjustments can be made as needed and lessons can be learned. The monitoring process will show whether, to what extent, and how efficiently the expected results are achieved. Monitoring of a VST project determines the quality of the training provided, whether participants are attending their training and making progress with the curriculum, whether training, job placement, and referrals are effectively leading to employment, and whether graduates achieve sustained employment and income generation using the skills they obtained. UNDP usually conducts the M&E exercises for interventions that it supports, though monitoring can be undertaken jointly with other partners, e.g., government bodies, NGOs, and/or academic institutions, as long as they are not implementing partners or private sector participants that may

³⁸ Start-up grants and packages are discussed in detail in the context of livelihoods stabilization in section 3.2.

³⁹ See Chapter 7 for further information on M&E.

have a conflict of interest with UNDP-supported interventions. Additionally, project and programme data (baselines, monitoring data, etc.) should feed information management systems that can generate reports using both quantitative and qualitative data.

Using the findings of the monitoring and evaluation process, UNDP and/or VST providers can prepare case studies for extensive dissemination and use in policy advocacy. The lessons learned can contribute to the development of national employment policy and to global knowledge on the role of VST in livelihoods and economic recovery.

4.1.2 (j) Partnerships

The development of partnerships is essential for the success of a VST initiative. An implementing partner must be identified for any UNDP-supported project or annual work plan, and the implementing partner may enter into agreements with other organizations as “responsible parties.” Beyond the formal arrangements, coordination, cooperation, and information sharing with an extensive range of partners is useful. Many local, national, and international public and private participants are typically involved in VST policy and programming. Coordination is essential in order to ensure complementarity, avoid duplication and gaps in programming, and to support the development and implementation of national standards. UNDP often plays a pivotal role in VST coordination.

Partnerships with the following groups are important for VST in most crisis and post-crisis situations:

- **Government.** The government’s role in VST policy development, regulation, and service provision is central to the success of VST interventions. Support should be provided to the government for policy development, the registration of VST providers, and the establishment and enforcement of standards.
- **U.N. agencies and other international development partners.** A number of specialized U.N. agencies—such as ILO, UNCTAD, and UNIDO— possess expertise in VST. These agencies can provide critical leadership, information, and connections for any VST intervention. Coordination of the support provided by international development partners, with government leadership, is essential.
- **Local authorities.** Local authorities play a leading role in facilitating the registration of VST providers and the coordination of VST activities and are key partners in the selection of target groups, VST providers, and participants.
- **Civil society organizations.** NGOs, often faith based organizations, play an important role in sponsoring students and apprentices, providing VST services, and designing programmes. Community-based organizations are important partners in designing such programmes, selecting target groups and participants, and ensuring that VST interventions benefit crisis-affected communities.
- **Private sector.** Private enterprises, employers’ associations, microfinance institutions, and business development service providers are key partners vis-à-vis identifying the skills in greatest demand in the local labour market, providing opportunities for employment and business loans, and mentoring trainees and apprentices.

Box 4.1. Vocational training, employment, and peace-building in Darfur, Sudan

Youth represent the largest population group in the internally displaced person (IDP) camps in Darfur, Sudan. Many of these young people have become militant and hostile toward the government as a result of the human rights violations that they and their families have experienced. The lack of productive opportunities and access to meaningful education in the camps has exacerbated the situation, fueling tensions, frustration, and aggressive attitudes.

In a partnership between UNDP and Nyala Technical College—formerly an ILO-supported vocational training centre—216 internally displaced youth (186 males and 30 females) from Kalma Camp received vocational training in 13 locally marketable trades in mid-2010. The training programme was designed to provide young IDPs with skills that would enable them to earn income in the camp while also preparing them reintegration into the urban economy. The access to a government training centre created a new sense of trust and confidence in the government among these young IDPs. At the end of the training, all graduates gained employment or received start-up grants or packages for use in starting their own small businesses inside or outside of the camp. The IDPs' new skills have translated into income generation.

The success of interventions for vocational and skills training has made these interventions a popular means of support for IDPs in Darfur. The local government, U.N. agencies, and NGOs are involved in providing these services.

For additional information, please see discussion papers in Annex:

11. *Strengthening Social Capital*
15. *Social Funds*
16. *Market and demand driven vocational and skills training and placement*

References and suggested further reading: Vocational and skills training and placement

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- Women's Commission for Refugee Women and Children and the School for International and Public Affairs, Columbia University. *Market Assessment Toolkit for Vocational Training Providers and Youth: Linking Vocational Training Programs to Market Opportunities*. October 2008.
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4.2 INCLUSIVE PRIVATE SECTOR DEVELOPMENT

4.2.1 Introduction

In crisis and post-crisis situations, the underpinnings of private sector activities—including a business-friendly policy environment, access to finance and markets, value chain linkages, capacity, and infrastructure—are usually damaged, destroyed, or in an early stage of development. As a result, markets tend to favour existing elites and to reinforce established patterns of inequality and social exclusion. When obstacles can be overcome, the micro, small, and medium enterprise sector is typically the most resilient part of the economy, with the potential to generate broad-based employment and income generation.

This section addresses UNDP's role in supporting the development of an inclusive private sector in crisis and post-crisis situations. It focuses on (a) inclusive market development, (b) inclusive financial sector development, and (c) the establishment of business development services. Each of these processes has the potential to create employment and income generation among crisis-affected people, enabling these individuals to contribute to economic recovery. These processes are complementary, and they are all relevant to livelihoods and economic recovery programming. Depending on the context, such processes can contribute to poverty reduction, food security, peace-building, and disaster resilience. While these processes are sometimes pursued as standalone projects, they can be—and often should be—incorporated into broader projects and programmes. And it is certainly the case that all of these processes call for interventions at multiple levels, from the macro level of removing policy and regulatory constraints to the micro level of strengthening capacity among targeted entrepreneurs and enterprises.

Interventions in support of inclusive private sector development aim both to strengthen local market systems and to improve the position of those individuals and communities that are adversely affected by crisis scenarios. Improved access to markets, finance, and information among the population as a whole can indirectly benefit target groups. Focusing exclusively on target groups can strain community relations and limit the development of effective markets. At the same time, measures are usually necessary in the early recovery period so as to ensure that vulnerable groups are not excluded from the growth process, i.e., that growth is inclusive, with targeted populations able to both participate in and benefit from economic recovery. A delicate balance is therefore required.

The appropriate timing for initiating interventions to promote these processes is typically about four to six months after stability has been achieved. Given the time normally required to finalize programming arrangements, however, some quick-start, quick-win activities may begin immediately. Such activities may include, for example, the training of key policy makers and funding for financial service providers that meet minimum conditions.

4.2.2 Inclusive markets, inclusive finance, and business development services

Inclusive markets are markets that extend choice and opportunity to poor and marginalized people as producers, consumers, and wage earners. The concept of inclusive market development—making markets work better for the poor—is central to UNDP's private sector strategy.⁴⁰ This concept builds on the premises that accessible and competitive markets facilitate poverty reduction and that market-based economic engagement with the poor is essential for sustainable development. Programming for inclusive market development can be especially important for crisis-affected women, who typically expe-

40 UNDP's inclusive market development framework has similarities with the Making Markets Work for the Poor (M4P) approach of DFID and SDC, the Opportunities for the Majority approach of the Inter-American Development Bank, and the Next Four Billion approach of the IFC.

rience greater vulnerability, fewer economic opportunities, less marketable knowledge and skills, and reduced access to financial products.

The development of value chains is an important aspect of inclusive market development. A **value chain**, as defined by ILO, is the process of creating value from the conception of a product through to its final consumption. Such a process includes input supply, design, production, distribution, retailing, and support services. Value chain development for livelihoods and economic recovery in crisis or post-crisis situations focuses on value chains in which market demand is substantial and crisis-affected people are—or could be—strongly represented as entrepreneurs or employees. Interventions are then designed to strengthen the competitiveness of the value chain while expanding the share of value added that reaches target groups. Such interventions connect micro and small enterprises to larger companies with access to wider markets, creating forward and backward linkages where crisis-affected people can participate.

In the United Nations' vision of **inclusive finance**, all segments of a country's population have access to appropriate financial products and services. (See Box 4.2.) Savings plans, credit, leasing and factoring, mortgages, insurance, pensions, and local and international transfers are examples of financial products and services that can enable poor and crisis-affected people to protect, diversify, and increase their income while empowering these individuals to make their own economic decisions. Global experience has demonstrated that microfinance can successfully enable poor and crisis-affected people to generate income in post-crisis situations in which a reasonable degree of political stability prevails, economic opportunities and demand for financial services are sufficient, and the client population is relatively stable. Financial services that reduce the need to carry cash (e.g., electronic transfers) can contribute to improved security. An **inclusive financial sector** is an enabling environment for a variety of financial service providers and a wide range of financial products and services are available to vulnerable groups.

Box 4.2. The United Nations' vision of inclusive finance

"The vision of inclusive finance begins with this general goal: supported by a sound policy, legal and regulatory framework, each developing country should have a continuum of financial institutions that, together, offer appropriate products and services to all segments of the population. This scenario would be characterized by:

- (a) access at a reasonable cost of all households and enterprises to the range of financial services for which they are 'bankable,' including savings, credit, leasing and factoring, mortgages, insurance, pensions, payments and local and international transfers;
- (b) sound institutions, guided by appropriate internal management systems, industry performance standards and performance monitoring by the market, as well as by sound prudential regulation where required;
- (c) financial and institutional sustainability as a means of providing access to financial services over time; and
- (d) multiple providers of financial services, so as to bring cost-effective and a wide variety of alternatives to customers."

—Excerpt from United Nations, *Building Inclusive Financial Sectors for Development*, 2006

UNDP has a comparative advantage in supporting inclusive finance because of (a) its presence or early entry in crisis and post-crisis settings, (b) its focus and expertise in capacity development, and (c) its partnership with the U.N. Capital Development Fund (UNCDF). UNCDF provides investment capital, capacity building, and technical advisory services to promote microfinance and local development in the least developed countries. UNCDF's flexible, high-risk, and innovative investment capital is especially important in crisis and post-crisis settings, in which the development of inclusive finance often requires external

grant sources. UNCDF and UNDP have supported Joint Programmes in nine post-conflict countries.⁴¹

Many crisis-affected people, including women, youth, and other marginalized or vulnerable groups, would like to become entrepreneurs and could make valuable contributions to economic recovery in such a role. Often, however, these individuals lack the information, connections, and confidence that they would need in order to succeed in business and are therefore inclined to seek low-wage employment instead. In these situations, UNDP can usefully support the establishment of business development services that are relevant and affordable for crisis-affected people. As defined by the Committee of Donor Agencies for Small Enterprise Development, **business development services** are “services that improve the performance of the enterprise, its access to markets, and its ability to compete. The definition ... includes a wide array of business services, both strategic and operational. Business development services are designed to serve individual businesses, as opposed to the larger business community.”⁴² Such services support the improvement of both the day-to-day management of businesses and their performance over the medium- to long-term.

Business development services include training, consulting, mentoring, the provision of information, linkages to financial services, and platforms for dialogue. Providers of business development services support marketing, communications, and technology development and transfer and facilitate networking among firms and with the government, development partners, NGOs and community-based organizations, business associations, and training institutions. These providers of business development services also often help to establish associations of micro and small businesses. Business development services can provide an entry point for promoting green initiatives—such as recycling, pollution control, garbage reduction, alternative energy, reforestation, or ecosystem restoration—when adequate market demand exists or can be created.

4.2.3 Programming for inclusive private sector development in crisis and post-crisis situations

In crisis and post-crisis situations, the private sector is often hampered both by failures of markets and by failures of government. Ideally, private sector development programming will address both of these concerns, though donors tend to prioritize programming to address one or the other, adopting either a top-down or a bottom-up approach.⁴³ Effective programming for inclusive private sector development requires continual assessment of local markets, responsive and flexible implementation, systematic monitoring and evaluation, and strong partnerships.

4.2.3 (a) Situation assessment

The livelihoods and economic recovery assessment (see Chapter 2) will provide information on the extent to which private sector development support is appropriate for the local context and the opportunities and constraints that are likely to be encountered during implementation. Supplementary information is generally necessary before commencing related interventions.

Inclusive market development. The design of interventions for inclusive market development requires a market analysis that identifies the markets, sectors, and value chains where (a) crisis-affected people are or could be strongly represented as entrepreneurs and employees, (b) potential linkages to wider markets exist, and (c) market demand and

41 Examples of Joint Programme documents are available at www.uncdf.org/english/microfinance/sectorDev/index.php#prog_docs.

42 Committee of Donor Agencies for Small Enterprise Development. *Business Development Services for Small Enterprises: Guiding Principles for Donor Intervention*. 2001.

43 Donor Committee for Enterprise Development. *Report on Expert Meeting on Private Sector Development in Post-Conflict Situations*. 2008.

growth potential are substantial. Hence, the selection of a value chain for development should take into account not only the number of vulnerable individuals that it reaches but also the prospects for significant income increases along the value chain. Some other factors that may be important for selecting a sector for intervention are:

- The nature of the policy environment
- The potential for increasing the market participation of crisis-affected women
- The presence and interest of leading firms
- The availability of start-up assistance and microfinance
- Potential linkages with other development projects and programmes
- Environmental impacts of economic activity in the sector
- Issues of crisis and disaster-risk sensitivity
- Opportunities created by increased cash flow and purchasing power in households and communities that have received livelihoods stabilization support (e.g., cash-for-work programmes).

When value chain development is the objective, a crisis-sensitive value chain analysis follows the selection of the sector.⁴⁴ In the value chain analysis, the key participants, policies, regulations, governance issues, market trends, constraints, and opportunities within the value chain are analyzed in consultation with stakeholders. The interests, motivations, and power of various participants, their access to and control over key resources, the positioning of crisis-affected people, and decision-making processes within the value chain are considered. Programme entry points—areas in which improvements in efficiency, competitiveness, quality, and product differentiation are feasible and would expand employment and entrepreneurial opportunities within the chain—are identified. This process provides an opportunity to bring together conflicting parties and establish a common vision for sector development. A value chain analysis provides information about a specific moment in time, whereas value chains themselves continuously shift as communities and economies adjust to post-crisis circumstances. Continuing assessment of market conditions is therefore necessary throughout the implementation of crisis-sensitive value chain development initiatives.

Inclusive financial sector development. To design interventions for inclusive financial sector development, information is needed on the policy and regulatory environment, support infrastructure, the retail capacity of financial service providers, the potential demand for various financial products and services, and the opportunities and constraints to access for crisis-affected people. UNCDF has expertise in conducting diagnostics of the financial sector in consultation with all the development partners that are involved.

Business development services. Market analysis, crisis-sensitive value chain analysis, and diagnostics of the financial sector will all provide information on the types of services that would benefit enterprises in sectors in which crisis-affected people are, or could be, strongly represented. Information is also needed on the nature of any existing business development services, the barriers to the establishment and expansion of these services, and the demand for such services. Livelihoods and economic opportunities mapping or other local socioeconomic surveys, carried out with community participation, can help to identify economic opportunities of varying sizes, which business development service providers can promote and use as models. Such opportunities may include an extensive range, e.g., from informal roadside vending in the informal sector to manufacturing ventures in the formal sector.

⁴⁴ USAID (2008), *Conflict-Sensitive Approaches to Value Chain Development*, provides a full explanation of the conflict-sensitive value chain analysis. The website of the Donor Committee for Enterprise Development (<http://www.enterprise-development.org/page/recent-documents>) provides a list of recent documents on private sector development in conflict-affected environments.

4.2.3 (b) Suggested interventions

This subsection provides suggested interventions based on UNDP's experience with inclusive private sector development in both crisis and post-crisis situations. These suggestions may be useful in the development of project or programme proposals. The appropriate selection of interventions will depend on the particular market or sector of concern and the evolving crisis or post-crisis situation. Developing national capacity to monitor, register, and evaluate employment—for all sectors and population groups—will be important in order for interventions to promote inclusive private sector development. All such interventions will benefit from a communication strategy that provides market information to a wide range of stakeholders and simultaneously ensures realistic expectations among this group. These interventions will also benefit from an exit strategy that ensures a smooth and timely conclusion to the intervention, and the sustainability of its results.

Inclusive market development. Interventions to develop inclusive markets are designed based on the information collected in the assessment stage and the identification and analysis of sectors and value chains. These interventions address constraints to the participation of crisis-affected people and enable strategic upgrades that have ripple effects across the chain. Interventions to develop inclusive markets must continually adapt to changes in the market and the crisis or post-crisis situation. The implementation process should continuously avoid creating market distortions. Some common areas of support are as follows:

- Development of a competitiveness strategy for moving the sector toward sustained growth and expanding the value added that accrues to crisis-affected people and enterprises
- Development of policy and regulatory reforms to facilitate competition in the sector and the participation of crisis-affected people and enterprises
- Capacity development and coordination among relevant government bodies; capacity development of local governments for sector-related local economic planning
- Infrastructure and technology upgrades at the sector and firm levels; development of niche products and services with substantial market demand
- Improved working conditions
- Relationships among firms in the sector; development of forward and backward linkages; strengthening of business associations and cooperatives
- Integration of the sector into larger value chains
- Training of entrepreneurs in areas such as quality standards/certification and sustainable agricultural practices.

Box 4.3. Examples of UNDP support for value chain development

- Development of the cassava value chain in Zambia involved forming and strengthening farmers' associations, policy advocacy for improving specialized business development services, and strengthening business membership organizations.
- Development of the tourism value chain in Nepal involved the establishment of a multi-stakeholder Sustainable Tourism Network and capacity development support for the Ministry of Tourism and Culture, the National Tourism Board, and district authorities.
- Development of the value chains for oranges, ginger, and cloth in Nepal involved the development of a micro-enterprise policy and capacity development support for the Ministry of Commerce and Industries and industry associations.
- Support to the fruit-processing sector in Afghanistan enabled the Chamber of Commerce to establish a public-private food quality assurance and technology centre.
- Development of the honey value chain in Sudan involved improving production, grading, certification, and marketing with cooperation among the Ministry of Agriculture, Ministry of Environment, local NGOs, business associations, and vocational training institutions.

Box 4.4. Strengthening the coffee industry in Indonesia

A s distinctive coffee known for its unique taste, Indonesian Arabica coffee has achieved substantial global demand. In Aceh Tengah and Bener Meriah districts, Arabica coffee production accounts for 90 percent of the average annual household income, and is an important factor with regard to the livelihoods of the poor, who have been affected by the Indian Ocean tsunami of 2004 and many years of conflict.

In 2007-2008, UNDP supported a project of technical and financial assistance to the KSU-Gayo Mountain Cooperative of nearly 3,000 small Arabica coffee growers. Previously, these farmers and other participants along the value chain were unaware of the potential returns to them from improvements in quality. Through a mix of educational, technical, and organizational interventions, the project raised the coffee growers' awareness of the opportunities for higher profits that quality improvements, quality control, and certification provide. The project improved the farmers' capacity to achieve fair-trade and organic certification by increasing their knowledge of quality control practices and by supporting improvements in the cooperative's organizational structure. The project in question also provided farmers with access to new technologies and facilities for quality control.

As a result of the project, (a) the buyer (roaster) is linked directly to suppliers (the cooperative and farmer groups); (b) the buyer has greater assurance of steady supplies of quality produce; (c) the cooperative and processor have more secure sales contracts at premium prices; (d) the bank is more willing to advance loans to the cooperative; and (e) the farmers' better quality product fetches a higher price.

Box 4.5. Inclusive market development in Madagascar

The plant *Artemisia annua* is the key ingredient in the recommended treatment for a particular type of malaria.⁴⁵ To support agricultural livelihoods and expanded production of *Artemisia annua* in Madagascar, UNDP has partnered with Bionexx, the country's sole Artemisia producer. The project works with local farmers so as to develop their capacities for plant cultivation, and aims to strengthen the value chain while increasing market opportunities for previously isolated rural communities. The project started with a feasibility study. A donor roundtable in 2006 raised funds for technical assistance and equipment, and an international NGO was engaged in order to help Bionexx with its first harvest. Bionexx has invested in farming and industrial equipment for this initiative. Today, more than 3,000 small growers partner with Bionexx as Artemisia suppliers.

Inclusive financial sector development. Interventions for inclusive financial sector development usually focus on policy, legal, and regulatory reform, coordination of funds, the establishment or upgrading of infrastructure (such as cellular networks and training facilities), capacity development at multiple levels, and strengthening of networks among financial service providers. These interventions help to develop a shared vision for inclusive finance based on broad consultations with all stakeholders. Some of the important lessons learned with regard to inclusive finance are as follows (see also Box 4.6):

- (a) To avoid mixed signals to clients, low repayment rates, and loss of credit, grants and loans should not be provided to people in the same area at the same time or from the same organization.
- (b) Loan conditions should be clearly communicated.
- (c) To avoid undermining the credit culture, only institutions with the capacity to ensure repayment should provide loans.
- (d) The potential for resistance from existing financial service providers to the entry of new providers should be factored into the design of interventions.
- (e) Microfinance has the greatest impact when broadly available to low-income people rather than specifically provided to targeted groups, especially young people with insufficient experience to manage debt.

Depending on the size of the country and the crisis or post-crisis situation, funding in the amount of US\$ 5-10 million is typically needed to enable inclusive finance interventions to achieve sustainability. This magnitude of funding usually requires international support, including pooled funding from development partners. To ensure that this funding is utilized in a coherent, effective, and harmonized manner, resources can be consolidated

⁴⁵ *Artemisia annua* is the key ingredient in artemisinin-based combination therapies (ACTs), which WHO recommends for the treatment of *Plasmodium falciparum* malaria.

into a “fund for inclusive finance” that manages the resources with oversight from the Central Bank and assistance from UNCDF advisers. Within such a fund, development partners can jointly...

- (a) Tailor investment packages to draw upon their comparative advantages;
- (b) Issue and review requests for proposals from financial service providers;
- (c) Utilize standard performance-based agreements and reporting formats with financial service providers;
- (d) Supervise the technical assistance provided; and
- (e) Conduct M&E exercises.

UNCDF has developed a global mechanism to support UN Joint Programmes for the development of inclusive financial sectors, and its MicroLead Facility promotes South-South cooperation. The MicroLead Facility has a special post-conflict window, and most of its approved proposals are in post-conflict countries.

Capacity development support is central to livelihoods and economic recovery programming for the financial sector. Central Banks may need strengthened regulatory and supervisory capacity. Support for institutional capacity development of the local audit industry can enhance transparency and help to attract commercial sources of funds. Development of the capacity of credit bureaux can help to reduce transaction costs. Capacity at the retail level is especially important for reaching crisis-affected communities and businesses. Financial service providers—commercial banks, non-bank financial institutions, microfinance institutions, credit unions, and village savings and loans—often

Box 4.6. Microfinance development in Sierra Leone: Lessons learned

UNCDF and UNDP, with complementary funding from KfW and Cordaid, supported a project to build an inclusive financial sector in Sierra Leone between 2004 and 2009. With initial funding of US\$ 15 million, the Microfinance Investment and Technical Assistance Facility (MITAF) focused on building an inclusive financial sector. A National Micro-Finance Policy, developed through a participatory process, represented a shared vision that provided a solid foundation for the project. Microfinance training at the Boulder Institute of Microfinance in the U.S. was a useful investment in terms of developing the capacity of industry leaders. The final evaluation found that MITAF was instrumental in building an inclusive financial sector in Sierra Leone and that it successfully improved institutional capacity at the micro, meso, and macro levels. At the time of the evaluation, the lending institutions financed by MITAF were serving nearly 120,000 clients and had achieved broad geographic coverage, which was “particularly impressive considering the difficulty of reaching rural areas.”

The project had limitations, however, and yielded many important lessons. The sustainability of project results was challenged by weaknesses in the operating environment and internal capacity. Only one of the lending institutions covered a major part of the country itself. The principal lessons learned included the following:

1. Microfinance activities can be effective when introduced soon after stability is achieved as long as separate institutions deliver grants and loans and the grant or loan conditions are communicated clearly.
2. Only institutions with the capacity to ensure repayment should provide loans; otherwise, the credit culture can be undermined.
3. The potential for resistance to the entry of new financial service providers into the market by existing local providers should be factored into the programme design.
4. Lengthy conflicts deplete in-country human capacities and limit the ability to rebuild with local talent. To ensure that poor and conflict-affected individuals receive financial services as quickly as possible, external management support for financial service providers may be required, using South-South cooperation, while local capacity is developed.
5. The external capacity of microfinance institutions (measured by outreach to clients) and their internal capacity (measured by internal systems) are equally important. A project’s targets should not focus excessively on outreach.
6. Microfinance is not for everyone, especially in its early stages, and has the greatest effect when available broadly to low-income people. Targeting specific groups can slow down the process. In particular, many young people have insufficient experience to manage debt, and credit officers may fear following up on loan collections when the borrower is an ex-combatant. Grants and training may provide more effective livelihood assistance options for youth and ex-combatants.

require support to broaden their variety of products and services and to expand into underserved areas. Capacity development support may take the form of training, technical assistance, international visits, and South-South cooperation.

Business development services.⁴⁶ Based on the needs of enterprises and entrepreneurs identified during the assessment stage, interventions can be designed (a) to directly provide business development services, where necessary, and (b) to strengthen private sector entry and engagement in the provision of business development services. Interventions may include, for example, support for business registration, market analysis, branding, quality assurance, and pooling of risk. Business development services can contribute to local economic development most effectively when they support a range of enterprises in various sectors. Awareness-raising efforts are likely to be needed at the community level vis-à-vis the nature and benefits of these services.

UNDP has supported a variety of entities for the delivery of business development services. These organizations include business support centers, business incubators, information and communication technology (ICT) centres, and youth enterprise centres. When appropriately managed, these delivery mechanisms can help to build a sense of community ownership and can lead to sustainable community management of business development services. Experience indicates that the following features are important for delivery:

Box 4.7. Entrepreneurial training and business development services in Kenya

UNDP and the Government of Kenya have developed two complementary programmes to empower crisis-affected and unemployed youth to start businesses and/or provide business advisory services in all districts of the country. The Business Skills and Entrepreneurship Development (BSED) programme aims to transform young people from job seekers to job creators, to create a new range of enterprises operated by new entrepreneurs, to stimulate micro, small, and medium enterprise development, and to generate new employment. BSED provides training that builds upon participants' existing skills in accordance with market demand. BSED participants conduct feasibility studies to identify and profile business opportunities, and they prepare business plans. The training sessions are provided over periods of 1-6 weeks.

While BSED training focuses on entrepreneurship and microenterprise development, the Business Advisory and Training Services (BATS) programme trains young people to become trainers and business consultants themselves. In this way, BATS aims to meet the demand for business development services that BSED helps to create. BATS methods are based on learning by doing, participatory exercises, and interactions with markets, enterprises, business associations, local government officials, and successful business consultants. Participants are expected to complete an apprenticeship, to prepare at least five business profiles to be assessed by a panel of professionals, and to conduct a BSED training session. Upon satisfactory completion of this process, trainees are accredited as trainer-consultants.

- (a) Clearly defined mandates, operational procedures, partnership agreements, and approaches to resource mobilization;
- (b) A dedicated team with well defined roles and areas of expertise;
- (c) A resource centre with reference materials, business profiles, and communications facilities;
- (d) A forum or platform for small business owners to exchange information, form connections, and express their policy views; and
- (e) Where possible, a pool of certified, community-based trainers and advisers who are strategically attached to vocational training institutions.

⁴⁶ For business development services, UNDP uses the guidelines of the Donor Committee for Enterprise Development, *Business Development Services for Small Enterprises: Guiding Principles for Donor Intervention*, 2001.

4.2.3 (c) Monitoring and evaluation (M&E)

As with all UNDP-supported interventions, those interventions that promote inclusive private sector development require monitoring and evaluation (M&E) systems.⁴⁷ From the start of implementation, clarity is needed vis-à-vis the expected results, indicators (with baselines and targets), planned M&E events and data collection methods, responsible parties, and required resources. Monitoring evidence will indicate whether, to what extent, and how efficiently, results are achieved and activities are implemented, and it will also capture key issues and lessons learned. Continuous monitoring enables adjustments to ensure that interventions remain valid and appropriate as markets and the crisis or post-crisis situation evolve. The involvement of multiple stakeholders, and especially crisis-affected individuals themselves, helps to ensure local ownership, transparency, and sustainability of results.

4.2.3 (d) Partnerships

The management of partnerships is central to effective support for inclusive private sector development. National and local government bodies, central banks, U.N. agencies and other development partners, NGOs, community-based organizations, businesses and business associations, academia, financial service providers, and providers of business development services all play key roles in private sector development. The design and sustainability of interventions, and their contribution to peace-building and disaster resilience, require the meaningful engagement of crisis-affected people, including conflicting parties where these exist. The identification and engagement of lead firms in developing forward and backward linkages, mentoring of crisis-affected, micro and small enterprise owners, and promoting inclusiveness in the development of their sectors, are all important for the success of sector development initiatives. UNDP has recently updated its guidelines for engaging with the private sector in a constructive and responsible manner, and is placing an increasing emphasis on partnerships with the private sector.⁴⁸

Stakeholder dialogue and coordination is needed in all programming stages—including the assessment of market opportunities and the needs of crisis-affected people and enterprises, the design of interventions, technology transfer, the development of forward and backward linkages, resource mobilization, policy advocacy, and monitoring and evaluation. Coordination among development partners enables complementarity and the prevention of duplication and gaps in programming. UNDP's convening power is often instrumental in bringing together and coordinating key participants.

A number of U.N. agencies have mandates and expertise that are relevant to private sector development. Examples of coordination among U.N. agencies in promoting inclusive market development are provided in Box 4.8 (on strengthening agriculture-related value chains in Syria) and in Figure 4.1 (on a proposed value chain development approach in Uganda). As described above, for inclusive financial sector development, UNCDF's mechanism to support UN Joint Programmes and its MicroLead Facility for South-South cooperation are important resources.

Public-private partnerships can be especially useful in promoting inclusive private sector development, and such partnerships have been successfully implemented in both crisis and post-crisis situations. These partnerships are formal arrangements between entities of the public and private sectors, often with the involvement of U.N. agencies, NGOs, community-based organizations, and/or informal groups of stakeholders, such as small and family businesses and women's and youth groups. Ideally, each party contributes to

47 UNDP recommends using the M&E standards of the Donor Committee for Enterprise Development (<http://www.enterprise-development.org/page/measuring-and-reporting-results>) for inclusive market development interventions.

48 As defined in the United Nations General Assembly Resolution 62/211 (2007), a partnership with the private sector is "a voluntary and collaborative agreement or arrangement between one or more parts of the United Nations system and the private sector, in which all participants agree to work together to achieve a common purpose or undertake a specific task and to share risks, responsibilities, resources, and benefits."

Box 4.8. Working as One UN to strengthen agriculture-related value chains in Syria

In Syria, a new UN Joint Programme is underway to strengthen agriculture-related value chains, including dairy and meat industries, in the Al-Ghab region of northern Syria. Al-Ghab is a low-income region with substantial natural resources. The Joint Programme aims to support Al-Ghab's development into an employment-generating Centre of Excellence for Export and Investments. Different U.N. agencies are responsible for supporting each of the programme's five pillars: agriculture (FAO), agro-industry (UNIDO), tourism (UNDP and WTO), environment (UNDP), and housing (UNDP and UN-Habitat). UNDP will support socioeconomic assessments and business and investment mapping. FAO will support the development of new, competitive agricultural products and value chains. UNIDO will support the development of value chains in agro-industry and dairy products. ILO's International Training Centre will support the development of pro-poor contractual modalities and export promotion mechanisms. FAO and IFAD will provide capacity development support to expand farmers' skills and production capacities, while UNDP and UNIDO support the strengthening of managerial and technical competencies of small and medium enterprises. Partnerships will be sought with other U.N. agencies and donors during the implementation phase.

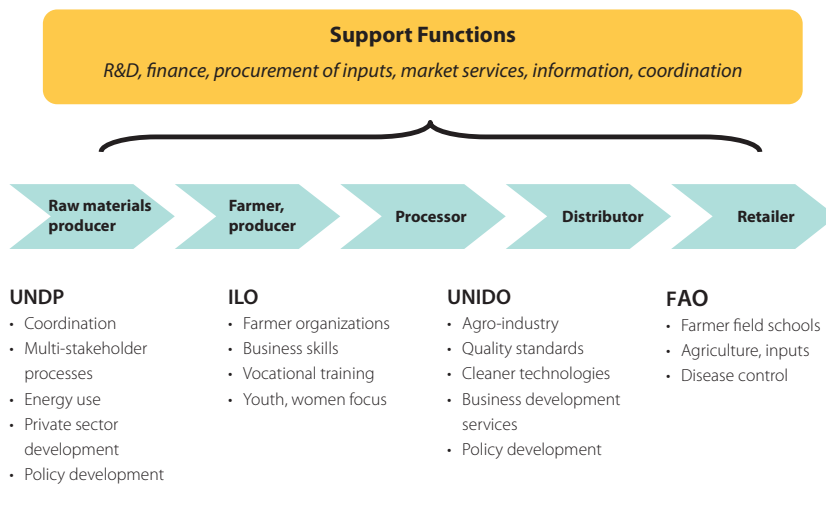


Figure 4.1. Entry points for a proposed multi-agency value chain development approach in Uganda

planning, resources, and activities in pursuit of a mutually agreed set of objectives while sharing in the associated risks and benefits. These benefits include the diverse expertise that the partners bring to an initiative and the potential to build trust—which has often broken down in crisis and post-crisis situations—among communities, the private sector, and government authorities. In this connection, opportunities can also be provided for green sector development by bringing together the public and private sectors in initiatives that link environmental conservation to local economic benefits, particularly in the rebuilding of infrastructure and the provision of public utilities.

Before a public-private partnership begins, an assessment of the capacities and appropriateness of potential partners should be conducted, including their roles in conflict and peace-building. Capacity development support may be needed in order to enable the meaningful participation of all partners, especially crisis-affected groups. Since existing data may have been collected and analyzed without the involvement of all partners, consultations on baseline data—and mutual validation of the data to be used—will enable the agreement to be forged, bolstered by the fact that all of the partners subscribe to it comprehensively. Given the disparate interests of the parties concerned, public-private partnerships require the establishment of strong coordination mechanisms that are independent or at least fully representative of all parties. Such partnerships also require

legally binding agreements that set forth the expected contributions of each party, expected results, a monitoring and evaluation plan, and mechanisms for accountability and arbitration. Accordingly, these kinds of partnership are appropriate only in situations where legal frameworks are adequate. The communication strategy may need to promote social acceptance of private sector involvement in service delivery.

Box 4.9. A public-private partnership in Kenya

UNDP Kenya and UNDP's Bureau for Crisis Prevention and Recovery are supporting a project to create alternative livelihoods for youth engaged in violence in Kenya. The project is developing a public-private partnership to strengthen a value chain for agricultural products. The project's Steering Committee consists of 20 Members of Parliament from crisis-affected communities. The Steering Committee members have facilitated the formation of Constituency Development Associations. The project is (a) mobilizing youth to form producer groups, (b) providing technical assistance with value chain analysis of selected agricultural products, (c) guiding youth to focus the activities of their producer groups within the value chain, and (d) providing them with technical and entrepreneurial training. The private sector is expected to participate by providing processing facilities and marketing outlets. The Constituency Development Associations (public-sector partners) and the youth producer-groups (private-sector partners) will co-own the processing facilities. In memoranda of understanding, participating young people have agreed to carry out project activities with adherence to minimum standards, and communities and public veterinary departments have committed to providing related services.

For additional information, please see the following discussion papers in Annex:

18. *Inclusive Market Development: making markets work better for the poor*
19. *Integrated value chain development*
20. *Micro finance, financial service and building inclusive financial sectors*
21. *Business development services*
22. *Public Private Partnerships for service delivery and inclusive livelihoods and economic recovery*
23. *Corporate social responsibility: supporting private sector engagement*
24. *Market assessment and analysis*

References and suggested further reading: Inclusive private sector development

For UNDP frameworks, tools, and resources on **developing inclusive markets**, see the UNDP Intranet: <https://intranet.undp.org/unit/pb/PSD/IMD/default.aspx>; <https://intranet.undp.org/unit/pb/PSD/IMD>; and <https://intranet.undp.org/unit/pb/PSD/GIM>

For tools and resources on **value chain development**, see the inter-agency database operated by the Donor Committee for Enterprise Development: <http://www.value-chains.org/dyn/bds/bdssearch.home>.

For resources on **public-private partnerships**, see <http://www.enterprise-development.org/page/public-private-partnerships>

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4.3 CONDITIONAL CASH TRANSFERS

Conditional cash transfer (CCT) programmes are central to the poverty reduction strategies of many countries. Such transfers provide cash transfers to targeted poor households on the condition that household members take certain measures to advance their own development. The conditions may include, for example, sending children to school, accessing maternal and child health care services, or attending hygiene promotion events. CCT programmes require considerable time and resources to initiate, and usually take several years to show results, but these programmes can be highly cost-effective, especially when they substitute for less efficient subsidies.

In both crisis and post-crisis situations, CCT programmes can support livelihoods and economic recovery by injecting cash into local economies, promoting human capital development, smoothing consumption when households experience shocks, and providing the economic and social space that some poor families need in order to pursue decent work and income generation. In situations in which such programmes are not already in place, they are best suited to the recovery and development phases, rather than the immediate emergency phase, because of the time they require to plan and yield results.

Circumstances in which CCT is appropriate. A number of factors determine whether a CCT programme is appropriate in a particular context. Once such a programme is underway, these factors should be continually monitored so that adjustments can be made as needed. These factors include the following:

- a) The CCT programme is truly redistributive without negatively affecting labour supply or the risk-coping strategies of households.
- b) The causes of underinvestment in human capital are better addressed with CCT than with unconditional and universal cash transfers, cash-for-work, or greater investment in social services. For example, in situations where gender norms prevent girls from attending school, social pressures cause boys to drop out, or families perceive that the returns to education are insufficient, establishing conditions may prove to successfully encourage positive behavior change.
- c) The targeted population has access to the services on which the conditions are based, and the services are provided with adequate quality and cultural sensitivity.
- d) Receiving cash does not increase participants' vulnerability to sexual or gender-based violence or other rights violations, and it does not exacerbate social tensions.
- e) The authorities implementing the programme have the capacity to establish, monitor, and enforce eligibility requirements. These authorities also have the capacity to monitor households' compliance with conditions, without imposing undue burdens on service providers, and to remedy problems when they arise.
- f) Funding for the programme is available for a sufficient period of time in order to achieve results.

Scope. Many recent CCT programmes have been initiated at the national level, but some early programmes stemmed from with municipal initiatives. In Brazil, for example, a set of successful municipal initiatives have been integrated into a single federal programme, which is operated by national and local authorities in a decentralized manner.

Targeting. The initial targeting effort can be lengthy and data-intensive. Some CCT programmes target all households in geographical areas with high rates of extreme poverty,

while others target by household characteristics. Some of these programmes engage communities in identifying the households that would most benefit from participation. This process requires particular care so as to ensure sensitivity to the potential pitfall of exacerbating ethnic, social, and political tensions.

Payments. Some CCT programmes pay a flat amount to each participating household, while others differentiate payments—for example, by the number of children in the household or the number of girls who attend school. The amount of the cash transfer must be high enough to motivate positive behavior change but not so high that it discourages work on the part of adult household members. The appropriate amount also depends on the administrative capacities of the government. The issues surrounding the secure disbursement of cash transfers are similar to those for wage disbursements in cash-for-work schemes. (See section 3.1.2 (e).)

For additional information on Conditional Cash Transfers, please see discussion paper 13. *Conditional Cash Transfer Programs in Annex.*

References and suggested further reading: Conditional cash transfer programmes

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Rehabilitation programme (photo by UNDP BCPR)



CHAPTER 5

TRACK C PROGRAMMING: LONG-TERM EMPLOYMENT CREATION AND INCLUSIVE ECONOMIC GROWTH

Contents

5.1 CAPACITY DEVELOPMENT SUPPORT	84
5.1.1 Introduction	84
5.1.2 Capacity development in the early recovery stage	84
5.1.3 Capacity development in the medium term	85
5.1.4 Capacity development in the long term	85
5.1.5 Addressing common pitfalls in capacity development programming	86
5.2 SUPPORT FOR GOOD GOVERNANCE	87
5.2.1 Introduction	87
5.2.2 Importance of governance for livelihoods and economic recovery	87
5.2.3 Impact of crises on governance	88
5.2.4 UNDP's role in supporting governance in crisis and post-crisis situations	90
5.2.5 Governance programming in the assessment and early recovery stage	90
5.2.6 Programming for inclusive and participatory governance processes	91
5.2.7 Programming for institutional development	93
5.2.8 Programming for responsive, pro-poor policy development	95
(a) Priority areas for policy reform	95
(b) Fiscal policy development	96
(c) Monetary policy development	97
(d) Trade policy development	97

Within the three-track approach to programming in crisis and post-crisis situations (see section 1.3.2 above), Track C programming focuses on long-term employment creation and inclusive economic growth. A tendency to focus exclusively on the short-term is almost inevitable in the early stages of a crisis or post-crisis situation, but UNDP's experience demonstrates that programmes in all three tracks should start early. Simultaneous and complementary programming for all three tracks will ease the translation of initial emergency interventions into economic recovery and inclusive growth. Track C interventions will typically pick up pace and become more prevalent at a relatively late stage in the recovery process. Such interventions help to strengthen the capacities, processes, institutions, and policies that are needed in order to sustain the progress achieved in Tracks A and B. Track C interventions usually entail substantial preparation and consensus building before results are realized, so the earlier they start, the better.

This chapter presents the basic knowledge that UNDP has accumulated with regard to two main areas of Track C programming: capacity development support (section 5.1) and support for good governance (section 5.2). The section on capacity development considers staff retention in the public sector, professionalizing the judiciary, effectiveness and accountability of the police and security forces, recovery planning capacities of communities and local governments, the research and advocacy roles of local universities and think tanks, and other areas in which capacity development is often central to employment creation and inclusive economic growth.

The governance section focuses on processes, institutions, and policies where support for reforms is often appropriate. Key governance processes include participatory assessment, the activities of participatory forums, and national-local interaction. Institutional development is considered for state institutions (including government bodies, justice sector institutions, Parliament, police and security forces, and local government bodies), civil society organizations (including NGOs, community-based organizations, and academia), the media, and the private sector. Finally, the chapter presents the areas in which policy reform is often needed, with a focus on macroeconomic policies.

References and suggested further reading are provided at the end of each section.

5.1 CAPACITY DEVELOPMENT SUPPORT

5.1.1 Introduction

Crises take a toll on individual and institutional capacities. Such crises often result in the death, injury, or displacement of people with important skills vis-à-vis recovery and development. Skilled people may choose to migrate or emigrate, resulting in a “brain drain” from the crisis-affected country or area. Corrosion of social relations often makes it difficult for people to work together constructively. Public, private, and civil society institutions are often incapacitated or destroyed. These organizations are unlikely to have in place the particular capacities that are needed for facilitating livelihoods and economic recovery; for example, service delivery to displaced populations, for which guidance and resources were not previously in place, may be required during the recovery stage.

Globally, as set forth in the UNDP Strategic Plan for 2008-2011, capacity development is UNDP’s overarching contribution, and crisis prevention and recovery constitute one of the four focus areas in which UNDP seeks to strengthen national capacities. UNDP defines **capacity development** as the process through which individuals, organizations, and societies obtain, strengthen, and maintain capabilities in order to establish and achieve their own development objectives over time.⁴⁹ Effective support for capacity development places nationals at the forefront of recovery and development processes, addresses locally identified priorities, and promotes local ownership. Such support also acknowledges and builds upon existing capacity assets. UNDP’s presence at the country level and its expertise in capacity development and coordination, make it well suited to mobilize, support, and coordinate capacity development in crisis and post-crisis situations.

This section outlines some of the common priorities for capacity development programming in the early recovery stage, in the medium term, and in the long term. The specific timing that is most appropriate for any intervention, however, will depend on the particular crisis or post-crisis situation.

5.1.2 Capacity development in the early recovery stage

The following are areas in which capacity development may be particularly important as early in the recovery process as possible:

- (i) **Capacity assessment.** As described in Chapter 2, a livelihoods and economic recovery assessment is normally conducted before related programming begins in a crisis or post-crisis situation. This assessment will contain information on the areas in which capacity development is most needed. Assessment should continue, however, throughout programming. National leadership of the assessment process will ensure national ownership of the findings and improve the prospects of sustainability for the interventions that follow. Supporting the development of national assessment capacity is therefore an important entry point.
- (ii) **Immediate measures to strengthen justice and security institutions.** Immediate capacity strengthening of justice and security institutions may be required to enable a crisis-affected country to achieve the minimum conditions for livelihoods and economic recovery and to create a climate that is conducive to legitimate private sector activity.
- (iii) **Filling urgent capacity gaps.** In some cases, the recruitment of external human resources, including nonresident nationals, is necessary to fill urgent gaps in national capacity (e.g., for the delivery of critical services to crisis-affected populations). Careful

49 UNDP. *Practice Note on Capacity Development*. 2008.

planning for capacity transfer is necessary so as to avoid long-term or unsustainable substitution of local capacities with external capacities.

- (iv) **Short-cycle training of crisis-affected groups.** If assessments provide sufficient information to align the training with market demand and participants' needs and interests, short-cycle training may be appropriate to help vulnerable, crisis-affected groups to revive their livelihoods.

5.1.3 Capacity development in the medium term

Especially at the local level, the medium term presents substantial opportunities for the development of capacities. As elaborated in Chapter 4 on Track B programming, examples of capacity development support for the medium term include (i) vocational training and apprenticeship programmes aligned with labour market demand; (ii) support for the identification of potential new local and external markets through market analysis and crisis-sensitive value chain analysis, (iii) support for the delivery of financial services to crisis-affected people, (iv) support for the provision of market-oriented business development services to micro and small entrepreneurs.

Within vocational training programmes or as separate community-based initiatives, support is often needed in order to facilitate social cohesion and consolidate peace by building local skills for reconciliation, mediation, and leadership. These elements are often considered "soft" capacities, as opposed to the "hard" capacities covered in the core curriculum of vocational training programmes. Capacity development programmes often emphasize hard capacities, but soft skills are as important—if not more important—in crisis and post-crisis situations, where trust is likely to have been severed and relationships uprooted.

5.1.4 Capacity development in the long term

Long-term livelihoods and economic recovery calls for the integration of capacity development measures into a national strategy. UNDP and its partners can provide valuable support for the development of such a strategy. Engaging the Ministry of Finance and linking the strategy to the national budget and the multi-year expenditure framework are essential for ensuring that the government is financially committed to implementing the strategy. In consultation with the private sector and communities, national and local governments should lead the process of prioritizing the institutions for capacity development. The strategy should provide explicitly for the phasing out of external capacity support.

The following are examples of the key elements that may be relevant for a capacity development strategy:

- (a) The design of market-based education and training curricula with collaboration between the public and private sectors.
- (b) A system for continuous monitoring and assessment of changes in the capacities of key institutions.
- (c) Initiatives aimed at retaining staff and increasing professionalism in the public sector at all levels of management and service delivery. These initiatives may include incentives for productivity and integrity (such as public recognition for excellence), improved working conditions, and mechanisms for the public to rate the client orientation of public services.
- (d) Strengthening national capacities for public financial management, domestic resource mobilization, aid coordination, and monitoring and evaluation.
- (e) Professionalizing the judiciary so that it becomes more independent, impartial, transparent, and accountable. Such an approach may involve the training of judges,

lawyers, prosecutors, and/or government officials in ministries with key responsibilities for protecting human rights.

- (f) Creating an enabling environment for economic activity by strengthening the service delivery capacity—and efficiency, effectiveness, responsiveness, and transparency—of the police and security forces.⁵⁰
- (g) Strengthening the capacities of local governments for public administration, participatory planning and budgeting, and effective relations with communities and the private sector.
- (h) Strengthening the capacities of crisis-affected communities so as to design, implement, and monitor livelihoods and economic recovery programmes.
- (i) Strengthening the capacities of local universities or think tanks to review existing policies, identify policy options to accelerate inclusive economic growth, analyze the political, legislative, financial, and management implications of the various policy options, and advocate for evidence-based policy change.
- (j) Strengthening the capacities of financial service providers to facilitate the transfer of remittances, e.g., through mobile banking.

Developing individual and institutional capacity in the wake of a crisis often requires structural changes—changes in the legal, policy, and regulatory environment and in cultural attitudes and practices. These changes are best mobilized and supported in tandem with multiple national and international partners and in coordination with other relevant recovery and development programmes.

5.1.5 Addressing common pitfalls in capacity development programming

The experience of UNDP and other development partners with capacity development support in crisis and post-crisis situations has revealed several common pitfalls. These pitfalls are summarized as follows.

- The urgent need for capacity in crisis and post-crisis situations can lead development partners to substitute external capacities for local capacities in ways that become entrenched. Parallel systems then emerge, lacking national or local ownership. These often cannot be financially sustained when donor assistance ends.
- When international agencies recruit local staff by offering salaries exceeding those available in the local market, they draw skilled human resources away from local institutions and contribute to high turnover within these structures. Local skills, experience, and knowledge are then underutilized as nationals accept positions in international agencies for which they are overqualified in order to obtain higher salaries.
- To enable public institutions to recruit and retain skilled personnel, development partners sometimes fund attractive salary packages. This procedure can create significant wage disparities within the same organization, causing resentment and antagonism among staff members. In some cases, development partners have attempted to address the disparity by supporting allowances for public employees on regular salaries to attend workshops or retreats, but this tends to create an incentive for employees and managers to structure their work excessively around these events.
- Development partners have often focused capacity development support on senior-level management, leaving significant capacity gaps at the middle and lower levels. Especially in the public sector, such capacity gaps are an important shortcoming because middle- and lower-level staff members often have the greatest interaction with the public, and their interpretation and application of policies and regulations largely determines the impact of reforms on lives and livelihoods.

⁵⁰ As further discussed below, support for training of police and security forces should be accompanied by reforms so as to align policies and practices with international standards and codes of conduct and the enhancement of civilian oversight mechanisms.

The design of new projects or programmes that aim at capacity development should acknowledge, and seek to avoid, these potential pitfalls. This, however, can be a substantial and sometimes vexing challenge. Every situation is different, and no universally applicable solution is available. In Afghanistan, for example, international agencies attempted to comply with a code of conduct for pay scales, but this did not prevent salary inflation.⁵¹ An approach that has witnessed more success is to **pair international experts** with local staff and make “capacity transfer,” with measurable indicators, a key deliverable for international experts. **Continuous monitoring** of capacity profiles and turnover in national and local institutions can enable targeted responses. The transition from external capacities to domestic capacities is faster when resources are allocated and reforms are undertaken so as to **improve the conditions of service** in national and local institutions. Advocating and supporting progress in this area is therefore important. A plan for **integrating externally funded national staff into the national system** over the long term can help with sustainability. Such sustainability was achieved successfully in a capacity development programme in Afghanistan, during the course of which the Treasury hired university graduates as interns with World Bank funding and later hired them as civil servants.⁵²

For additional information on Capacity Development, please see discussion paper 24. Capacity Development for Strategic Management of Post Crisis Recovery and Development Assistance in Annex.

5.2 SUPPORT FOR GOOD GOVERNANCE

5.2.1 Introduction

The concept of **governance** encompasses the exercise of political, economic, and administrative authority in the management of a country's affairs at all levels. This section starts with a discussion of the importance of governance for livelihoods and economic recovery, the impact of crises on governance, and UNDP's role in supporting governance in crisis and post-crisis situations (subsections 5.2.2 through 5.2.4). This section then explores priorities for governance programming in the assessment and early recovery stage (subsection 5.2.5). With a focus on governance interventions that make processes, institutions, and policies more conducive to long-term employment creation and inclusive economic growth, the section concludes with a discussion of programming priorities and options for inclusive and participatory **processes**, the development of governance **institutions**, and responsive, pro-poor **policy development** (subsections 5.2.6 through 5.2.8).

5.2.2 Relevance of governance to livelihoods and economic recovery

Effective systems of governance support livelihoods and economic recovery *directly*, through investments in security, infrastructure, and basic service delivery, and *indirectly* by creating an enabling environment for private investment. An enabling environment requires policy and regulatory frameworks that minimize barriers to the start-up and operation of businesses. Such an environment also requires legal frameworks and institutions to uphold *justice* and the *rule of law*. (See Box 5.1 for the United Nations' definitions of justice and the rule of law.) Livelihood assets can translate into sustainable livelihoods and economic recovery only if access to these by individuals is protected by law and

References and suggested further reading: Capacity development

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⁵¹ See Ammitzboell, Katarina. “The Host Economy,” *Unintended Consequences of Peacekeeping Operations*. A. Chiyuki, C. Cedric and T. Ramesh, Eds. United Nations Press. 2007.

⁵² Sailendra Pattanayak. “Sustainability in PFM Capacity-Building in Post-Conflict Countries: Afghanistan's Experience.” IMF Public Financial Management Blog. August 21, 2009. <http://blog-pfm.imf.org/pfmblog/2009/08/sustainability-in-pfm-capacitybuilding-in-postconflict-countries-afghanistans-experience.html>

enabled by a secure environment. Reliable enforcement of contracts is necessary for the expansion of investment, business activity, and employment.

Local governance and the quality of the linkages between local and national levels in the system of governance are important vis-à-vis livelihoods and economic recovery. A country's particular governance structure determines the nature and number of the levels of government and their respective functions and responsibilities.⁵³ Regardless of the structure in place or adopted after a crisis, an integrated approach to governance—one that draws together policies, planning, and implementation at all levels and ensures continuous feedback in both directions—is both possible and desirable. Effective systems of governance ensure the “top-down” realization of national policy reforms at the local level while also fostering “bottom-up,” participatory processes that enable priorities and needs that are expressed at the local level to drive changes in national policies and legislation. The importance of local governance and national-local linkages is underscored by the finding that underinvestment in the implementation of policies and programmes at the local level is often a major obstacle to MDG progress in developing countries.⁵⁴

Box 5.1. United Nations' definitions of “rule of law” and “justice”

“The ‘rule of law’ is a concept at the very heart of the Organization’s mission. This concept refers to a principle of governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards....

“For the United Nations, ‘justice’ is an ideal of accountability and fairness in the protection and vindication of rights and the prevention and punishment of wrongs. Justice implies regard for the rights of the accused, for the interests of victims and for the well-being of society at large.”

—Excerpt from United Nations Security Council. *The rule of law and transitional justice in conflict and post-conflict societies*. Report of the Secretary-General. S/2004/616. August 23, 2004.

5.2.3 Impact of crises on governance

Security, justice, and rule of law. Crises place a substantial additional burdens on governments with regard to providing services and infrastructure—and to creating a favourable environment for recovery—while damaging the capacities of these governments to undertake such tasks. As a result, security, justice, and the rule of law are often severely compromised. In some cases, police and security forces themselves become perpetrators of violence, harassment, and displacement. The arbitrary application of laws can lead to the loss of land and other livelihood assets. Especially in countries that already have inequitable inheritance laws and inadequate civil and land registries, protection of the property rights of crisis-affected people is likely to become weakened, particularly for women, thereby restricting their livelihood prospects. When crisis-affected individuals are excluded from access to legitimate livelihoods, they have little choice but to adopt coping strategies that are unsafe and/or socially harmful. These individuals may be subjected to intimidation or theft, extortion, forced labour, and sexual and gender-based violence. Simply traveling to a market, farm, workplace, or source of water or fuel can present security risks. Crisis-affected individuals, and especially those individuals who are young, may be drawn into criminal activities or recruited into combat. A weak security environment also prevents the safe return of internally displaced persons and refugees.

Corruption and public trust. In crisis and post-crisis countries, low and unreliably paid salaries in the public sector—while the cost of living increases and individuals face new

53 Systems of governance may be highly *centralized*, *decentralized* (with certain public services and responsibilities delegated to local government bodies), *deconcentrated* (with local departments of the central government carrying out central directives), or *devolved* (with autonomous sub-national bodies). The various levels of governance are sometimes classified into three groups—the “macro” or national level, the “meso” or sub-national level, and the “micro” or local level.

54 UNDP and UNCDF. *Scaling Up Support for the MDGs at Local Level: Joint Global Programme Framework and Funding Mechanism*. Project Document. 2009.

costs associated with the crisis—often create low morale in public service institutions. At the same time, systems of public accountability are often weak. As incentives for patronage and rent-seeking rise in this environment, work ethics tend to slide, and public offices may be used for private gain. The bypassing of the public interest in favour of special interests and the exclusion of certain social groups can hinder the recovery of sustainable livelihoods and fuel conflict. Perceptions among citizens and the international community of a high level of corruption discourage private investment and donor support. When state participants are perceived to be corrupt, to have failed to protect communities, or to have themselves perpetrated violence, citizens are likely to distrust the state's legitimacy and capacity as an agent for recovery. Restoring public trust in the competence and integrity of national institutions of governance is a central challenge vis-à-vis livelihoods and economic recovery.

Macroeconomic management. Macroeconomic policies—including fiscal, monetary, and trade policies—largely determine the environment for private sector investment and economic activity, yet essential capacity for macroeconomic management is often lacking in crisis and post-crisis countries. While the imperatives of consolidating peace and ensuring access to basic services often take centre stage, the macroeconomic environment is also critical. In terms of fiscal policy, peace and economic recovery require that public revenue mobilization and expenditure processes are equitable, efficient, and crisis and disaster-risk sensitive. Effective fiscal management is a significant challenge in most crisis and post-crisis countries because low incomes result in low tax collection and a largely informal economy makes tax avoidance easy. At the same time, public expenditure is often constrained by weak budget execution mechanisms and inadequate administrative capacity to design and implement programmes and projects. Public financial management systems are often inadequate with regard to prioritizing recovery programmes and ensuring transparency, accountability, and efficiency.

Domestic financing of programmes to support peace and economic recovery can increase the deficit, the domestic debt stock, and the inflation rate. Moreover, crises often motivate governments to finance military and other expenditures by printing money at a time when output levels are falling. While some level of well-managed deficit spending can benefit society, beyond a threshold it becomes destabilizing and undermines the recovery process. Rapid increases in prices erode the real incomes of wage earners, generate uncertainty among investors, and can lead to political instability. The value of domestic currencies and their credibility as a medium of exchange then declines, and markets may be restricted to those with access to alternative currencies, such as the U.S. dollar and/or the Euro. These individuals are likely to be the wealthy and powerful members of society, including warlords and other beneficiaries of the crisis economy. Livelihoods are then adversely affected among poor and vulnerable populations and inequality rises, sowing the seeds for social unrest.

Integration into the global economy is essential for post-crisis countries in order to gain access to markets and investments, especially during early recovery when a scarcity of commodities often raises the cost of living. These countries often suffer, however, from weak international competitiveness. If the government fixes the exchange rate rather than allowing market forces to determine it, high levels of inflation lead to real exchange rate appreciation and currency overvaluation. Large influxes of aid can also contribute to nominal currency appreciation. In either case, or treated as two aspects of the same problem, exports then become less competitive because they are more expensive in

terms of foreign exchange; at the same time, imports become less expensive in domestic currency and undermine incentives for local production, including in agriculture. Countries with weak systems for regulating international trade—those with a lack of transparency in customs procedures; gaps in communication among customs, the tax administration, inspection agencies, and the private sector; weak trade infrastructure; and porous or unsecured borders—are also likely to experience corruption and predatory trade practices that undermine international competitiveness. The foregoing phenomena are characteristics of many crisis and post-crisis countries.

Natural resource management. Crisis and post-crisis countries with substantial natural resources face particular governance challenges. The income generated from natural resource exploitation can contribute significantly to livelihoods and economic recovery if channeled toward the public interest, but the combination of easily exploitable natural resources and a lack of security and rule of law tends to foster corruption and mismanagement. Inequity in the distribution of gains and benefits from natural resource exploitation can create social tensions and contribute to conflict.

5.2.4 UNDP's role in supporting governance in crisis and post-crisis situations

UNDP's governance interventions support participatory processes for governments, civil society, and the private sector to create or contribute to policy, legal, and regulatory environments that are conducive to inclusive economic growth. In crisis and post-crisis countries, governance interventions are designed to promote crisis-sensitive reforms of **processes, institutions, and policies** to reduce vulnerability, strengthen the asset base, and develop local capacity to expand livelihood opportunities. These interventions include capacity development support for the provision of public services to vulnerable, crisis-affected communities in an effective, equitable, and accountable manner (see section 5.1). Political capital—the ability of individuals to engage with and influence government policies and processes—is a key asset for livelihoods and economic recovery, as described in Chapter 1. UNDP aims to help both crisis and post-crisis countries to develop formal, legitimate, and transparent channels for this influence, which may need to replace existing informal mechanisms.

UNDP's long-term presence in many countries and its close working relationship with governments have created a degree of confidence and trust that often enables UNDP to support sensitive work on governance. UNDP can leverage its convening role to support policy advocacy and the development and implementation of national recovery strategies in cooperation with the government and other partners. UNDP Headquarters offers an extensive variety of special services that can strengthen the capacity of Country Offices to contribute to good governance in both crisis and post-crisis environments, including assistance with programme design and resource mobilization, conflict and disaster-risk analysis, capacity development assessments and strategies, and the rapid deployment of international experts.

5.2.5 Governance programming in the assessment and early recovery stage

The livelihoods and economic recovery assessment conducted prior to the start of programming should provide considerable information on the governance situation. Ideally, this information will be expanded and regularly updated through participatory processes in which national participants play an increasingly prevalent and independent role. Analysis

of labour-related institutions and policies is an important aspect of the assessment process, wherein UNDP can support ILO and national partners. Political economy analysis is also important for programming that is effective, conflict-sensitive, and politically feasible. By exploring power dynamics, the influence and incentives of political participants, and their interest in reform, political economy analysis enables projects and programmes to anticipate the resistance that efforts to promote an inclusive, responsive, and legitimate state may provoke among vested interests in fragile contexts.

While building confidence for more politically or technically difficult programming at a later stage, governance interventions may be appropriate during early recovery to ensure the delivery of vital public services to crisis-affected communities or to stabilize critical public administration functions. The recruitment of international experts or the temporary funding of civil service salaries are examples of such interventions.

5.2.6 Programming for inclusive and participatory governance processes

Participatory assessment processes. A commitment to inclusive and participatory processes—on the part of governments and their development partners—is important from the assessment stage onward. Extensive participation in assessments provides the government and its partners with information on livelihood needs, opportunities, and challenges faced on the ground, and it enables communities to convey their perspectives on the need for policy and institutional reforms. Support for participatory assessments, including assessments of the quality of governance itself, is an important component of UNDP’s efforts to help strengthen governance in crisis and post-crisis situations.

Participatory forums. A variety of participatory forums can promote inclusive governance in the recovery process. Examples include government-civil society forums, public hearings or audits to assess and provide feedback on service delivery, dialogues between the public and private sectors and between Members of Parliament and their constituents, district and village development committees, community radio programmes, and cyber networks for information sharing and debate. UNDP can support the development of these forums as vehicles for public input on policy, regulatory, and institutional reform. Such support can serve a variety of purposes:

- Helping the government to develop and pursue reforms that respond to local priorities, needs, and opportunities
- Providing mechanisms for citizens to hold the government accountable for delivering on its policy commitments
- Enabling the development of relevant recovery projects and their adjustment in response to rapidly changing circumstances
- Creating opportunities for peacebuilding, conflict resolution, and the development of social capital by bringing together people from various (and possibly conflicting) groups
- Helping to reconcile the divide between the state and society, which often inhibits recovery in both crisis and post-crisis situations, by bringing representatives of the government and civil society together on a regular basis.

Participatory decision-making requires substantial preparatory activities and lead-time. Initiatives to promote participatory governance processes are likely to require components to build the skills and confidence of crisis-affected people, especially women, to express their views in public forums and to demand responsiveness and integrity from

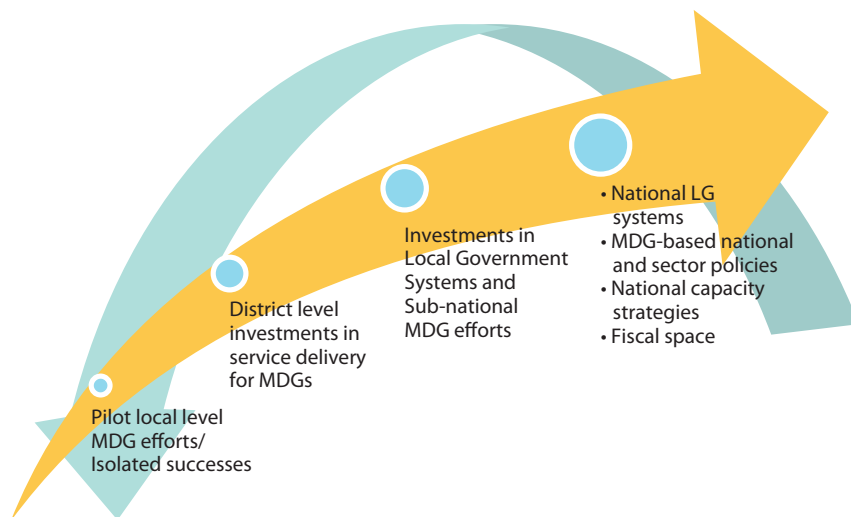
government officials. Such decision-making also requires communications strategies to publicize opportunities to participate in governance and to raise public awareness about policy issues, public services, and the right to be heard.

National-local linkages. UNDP, UNCDF, and other development partners can contribute substantially to the development of systems and processes that link the national and local levels of governance. As mentioned above, the quality of these linkages have significant implications for livelihoods and economic recovery. Most direct interaction between citizens and public service providers takes place at the local level. Local governments and service providers have more direct influence on behavioural patterns and cultural attitudes than do policy makers and other national stakeholders, are also more accessible to citizens, and can more easily stay in tune with their priorities and needs. UNDP and UNCDF have developed a model, as shown in Figure 5.1, of a feedback loop across the levels of government, wherein lessons learned from pilot initiatives at the local level inform national processes for achieving the MDGs, which in turn inform investments at sub-national and local levels.

Figure 5.1 National-local linkages for MDG achievement

Source: UNDP and UNCDF. *Scaling Up Support for the MDGs at Local Level: Joint Global Programme Framework and Funding Mechanism*. Project Document, 2009.

Scaling Up at Local Level: Local Lessons/Pilots informing national processes



Box 5.2. Strengthening governance in Guinea-Bissau

The Republic of Guinea-Bissau is one of the poorest countries of the world and has experienced periods of instability since it gained independence in 1973, including a civil war in 1998-1999. The system of governance is highly centralized. To help Guinea-Bissau to create good governance and accelerate its MDG progress, SNV Netherlands Development Organisation and UNDP have supported decentralization and democratic governance through participatory approaches at the local level. As a result of this support, each district produced its own development plan linked to a regional plan. The Ministry of Economy uses the regional plans to determine regional development priorities in the national investment plan. The regional plans have enabled coordinated support from several national and international agencies in the areas of health, education, infrastructure, and local development funds. Community and civil society engagement in governance processes has increased. The regional government bodies have gained a higher profile in the governance structure, and they have reoriented their priorities toward youth, gender equality, security, and essential public services. The importance of involving community leaders and developing a sustainable resource mobilization strategy from the outset of such a programme are among the lessons learned.

Source: SNV and UNDP (2010). *Going Local to Achieve the Millennium Development Goals: Stories from Eight Countries*

Box 5.3. Governance for poverty alleviation in eastern Sudan

In eastern Sudan, weaknesses in governance contributed to high unemployment, malnutrition, inadequate access to healthcare and education, land degradation, diminishing access to pasture, and low-level conflict. After rebels on the Eastern Front signed a peace agreement with the Government of Sudan in 2006, UNDP Sudan began supporting a governance project in the Red Sea State, the poorest state in the region, to promote peace and alleviate poverty. Developed in consultation with the Ministry of Finance and National Economy, local authorities, and civil society organizations, the project strengthened the capacity of civil society and the private sector to demand good governance. The project also strengthened the capacity of state institutions to design and implement responsive, pro-poor policies.

Increasing the demand for good governance involved...

- (a) Development of the capacity of the media to raise awareness of the links between poverty and governance and to encourage citizens to engage in governance processes;
- (b) Community dialogues enabling women, in particular, to participate in recovery planning;
- (c) Establishment of community development committees to monitor the implementation of recovery plans and to manage and maintain infrastructure projects; and
- (d) Provision of skills training and micro-enterprise start-up packages containing livestock, seeds, and tools to women.

Strengthening the capacity of government institutions for responsive, pro-poor policy development and service delivery involved...

- (a) Provision of training to officials at the national level on inclusive, participatory planning processes, gender-sensitive performance budgeting, budget execution, and financial management;
- (b) Development of Planning and Information Units in ten localities throughout the state to collect and provide data for pro-poor planning; and
- (c) Clarification of the mandates of government institutions at various levels, which enabled the transfer of funds from line ministries to local governments and empowered the local governments to utilize these funds.

The project brought together all stakeholders—national and local authorities, civil society, the private sector, and communities. The project also helped the stakeholders to build the trust and confidence that they needed to work together to realize livelihoods opportunities, build peace, and accelerate local development.

5.2.7 Programming for institutional development

From a variety of angles, UNDP programming can help countries to address the damage that crises cause to state, private-sector, and civil-society institutions, the effectiveness of which is essential for livelihoods and economic recovery.

State institutions. To protect the rights of crisis-affected populations and create an enabling environment for economic activity, state institutions are likely to need support to effectively and equitably implement policies, manage public resources, and administer justice. Depending on the particular context, this support may involve public administration reform, decentralization processes, the establishment of anti-corruption committees, or the capacity development of particular government bodies. The following are examples of institutional support that is often appropriate in crisis and post-crisis situations:

- **Ministries of Finance and tax and customs authorities** often need assistance with developing and instituting systems for public financial management, including budget preparation and planning, budget execution, procurement, accounting and fiscal reporting, debt management, and audit.
- **Ministries of Labour** may require support for protecting workers' rights and creating favourable dialogue between labour unions and employers' associations. (Here, ILO takes the lead among U.N. agencies, and UNDP can provide a supporting role.)
- **Agencies involved in business registration** may require support to simplify procedures so that more businesses can start up and operate legitimately.

- Support to ***national justice sector institutions*** can help such institutions to maintain institutional independence while effectively protecting property rights and countering corruption.
- To strengthen relations between ***Parliament*** and constituencies, support may be appropriate for public outreach, the development of a gender caucus, and research and drafting of legislation by parliamentary committees on issues of importance to vulnerable people.
- Initiatives to enhance policing practices, capabilities, and infrastructure can make the ***police and security forces*** more effective in combating crime and securing access to markets, farms, workplaces, and natural resources and more responsive to the needs of citizens and small businesses. Support is often required to align police policies and practices with international standards and codes of conduct and to strengthen civilian oversight mechanisms. Community policing approaches may help to improve security and enhance community relations with the police. Training programmes for police and security forces are invariably needed in post-crisis situations.
- ***Local government bodies*** often need support to strengthen their institutional capacities to organize inclusive, participatory processes for recovery planning, budgeting, service provision, and auditing in collaboration with communities—and to interact effectively with higher levels of government to promote livelihoods, economic recovery, and MDG progress. Partnership with UNCDF, which has expertise in local governance, is important for programming in this area.

Civil society organizations. UNDP programming can help to mobilize the institutional development of civil society organizations—including NGOs, community-based organizations, academia, and organizations promoting the rights of both consumers and workers—through training, funding, and technical and logistical support.⁵⁵ Often this support will focus on empowering communities and civil society organizations to engage in inclusive, participatory governance processes, especially at the local level, and to play an active role in the local implementation of policies for livelihoods and economic recovery. Effective community-based and other civil society organizations can enable citizens to demand services related to livelihoods and economic recovery, access those services, and monitor their delivery. Particular areas in which training and other institutional support can strengthen the capacity of these organizations are as follows:

- The capacity to raise awareness and build confidence among vulnerable, crisis-affected individuals who may otherwise hesitate to claim their rights.
- The capacity for advocacy, coalition building, coordination, and organizational skills so as to overcome political and other sources of division among vulnerable, crisis-affected individuals and send strong, collective messages to the government.
- The capacity to provide legal assistance to crisis-affected and other vulnerable individuals with civil issues, such as those related to land rights and access to economic entitlements.⁵⁶ Legal assistance can especially help to address the vulnerabilities that women face in both crisis and post-crisis situations.

55 Examples of organizations that promote consumers' or workers' rights include citizens' information bureaux, trade unions, and labour commissions with community-based complaints procedures that promote decent work.

56 For example, in Iraq, UNDP supports the Bar Association in setting up legal aid clinics in conflict-affected communities. These clinics focus on providing legal advice and representation to women and vulnerable groups on civil matters covering a range of issues, including access to land.

The media. UNDP programming can play an important role in strengthening the media. UNDP has a wealth of experience in developing media capacity, and has produced a number of tools to support work in this area. Interventions can promote professionalism in the media; the development of the media's role in raising public awareness about rights, policies, and the government's performance; and media communication in the context of national reconciliation efforts (where relevant). Media training can sensitize journalists

to the effects of exclusive and ineffective policies vis-à-vis livelihoods and economic recovery and empower media outlets to publicize these issues effectively. Developing the capacity of a free media is one of the most effective, and least expensive, means of countering corruption. Media outlets that effectively expose corruption can help to generate national debate on the issue, to dislodge social norms that permit such corruption, and to pressurize the state to address this problem.

The private sector. UNDP's support for private sector development—including the development of businesses, business associations, financial service providers, and business development service providers—is elaborated in Chapter 4 on Track B programming.

Box 5.4. Access to justice in Indonesia

Following a comprehensive assessment of access to justice for the most disadvantaged populations in six post-conflict provinces of Indonesia in 2009, UNDP and Indonesia's National Development Planning Agency developed a joint project to promote access to justice at the community level. The project offers legal assistance and access to information. The project also helps to develop the capacity of civil society and communities to understand and demand their rights, and it opens channels of constructive engagement between them and the government.

UNDP and other U.N. agencies, the World Bank, and civil society organizations collaborated with the National Development Planning Agency to draft Indonesia's National Strategy on Access to Justice. This strategy, which focuses on society's most disadvantaged and marginalized groups, recognizes access to justice as a critical means of eradicating poverty and recommends that government policies across all sectors explicitly target the most vulnerable individuals and communities.

5.2.8 Programming for responsive, pro-poor policy development

Based on participatory assessments, dialogue, and policy research, UNDP and its partners can help to inform policy makers about the need for reforms as perceived in crisis-affected communities. Much of the support for governance processes and institutional development described above—such as strengthening national assessment capacity and developing the capacity of the media, research institutions, participatory forums, and civil society coalitions—will contribute to the foundations for policy advocacy. Effective policy advocacy will take into account national priorities and sensitivities, including those related to GDP growth, income distribution, employment, taxation, and land rights. Sensitivities may also surround international rankings on human development, government transparency, and the ease of doing business. Policy advocacy may include encouragement by government partners to participate in global or regional initiatives to improve governance.⁵⁷

5.2.8 (a) Priority areas for policy reform

The set of policy reforms needed in each crisis and post-crisis situation is different. Some of the policy issues that are typically important for livelihoods and economic recovery include those discussed in Chapter 4 on Track B programming, such as the development of market-oriented vocational training curricula and access to financial services. Procedures for registering and licensing businesses may require simplification. Highly sensitive policy issues often surround land policy, with reforms requiring substantial time, technical expertise, and consultation. Policies for decentralization are often necessary in order to enable local government bodies and national-local linkages to function effectively. Policies for conditional and/or unconditional transfers to poor households—of cash, food, and other essential commodities—may require development or refining. Policies can be designed to facilitate and reduce the costs of the legitimate transfer of remittances and to help channel remittances toward local economic recovery. Other potentially important

57 For example, the African Peer Review Mechanism encourages participating governments to conform to the aims of the African Union's 2002 Declaration on Democracy, Political, Economic and Corporate Governance. Participating governments are subject to review on the basis of agreed objectives, standards, criteria, and indicators. The Extractive Industries Transparency Initiative (EITI) supports improved governance in resource-rich countries by improving transparency and accountability in the management of natural resources, including verification and full publication of the receipt and spending of natural resource revenues.

policy issues involve the protection of labour and consumer rights, the movement of labour, currency, and capital, and the development of the physical infrastructure needed for robust economic activity.

Many of these policy issues are discussed in other sections or chapters of this Guide. The remainder of this subsection will elaborate potential areas of support for macroeconomic policy development for inclusive economic growth. UNDP can coordinate forums for dialogue on macroeconomic policy that bring together representatives of relevant government bodies and the Central Bank, crisis-affected communities, civil society organizations, the private sector, international financial institutions, and other development partners. Through such forums, partners who are directly involved in the development of macroeconomic policies can share their objectives and intentions, while representatives from communities, civil society, and the micro, small, and medium enterprise sector explain the situation and impact of policies on livelihoods and local economic recovery.

5.2.8 (b) Fiscal policy development

In collaboration with other development partners, especially the international financial institutions, UNDP can provide support for a number of aspects of fiscal policy development. The following are areas for consideration:

- **Anchoring programmes and projects in national frameworks and budgets.** An essential first step for promoting national ownership and sustainability of livelihood and economic recovery initiatives is to ensure that such initiatives are anchored in national planning frameworks and budgets, including those for national economic recovery or poverty reduction, those of related line ministries, and those pursued jointly by the government and the United Nations, such as the UNDAF and the country programmes.
- **Public financial management.** As discussed in the subsection on institutional development above, support may be required for strengthening systems of public financial management, including budget preparation and planning, budget execution, procurement, accounting and fiscal reporting, debt management, and audit. In countries with easily exploitable natural resources, this support may include support for inclusive, participatory processes for determining expenditure priorities for natural resource revenues and the establishment of trust funds and other management arrangements in order to secure financial transparency and accountability.
- **Expenditure ceilings.** UNDP can support the development of national capacity to identify the optimal inflationary range and can advocate for expenditure ceilings accordingly.⁵⁸ As described above, in crisis and post-crisis countries, where expenditure commitments often dramatically exceed revenues, a trade-off can emerge between price stability and ensuring sufficient public investment to enable recovery and forestall social unrest. An intermediate range exists within which deficit financing can benefit society without causing a destabilizing level of inflation.
- **Revenue mobilization.** UNDP and its partners can advocate for tax policies that promote a culture of tax compliance, and they can support initiatives to strengthen domestic revenue mobilization. In Liberia, the establishment of a large-taxpayer unit improved the rate of compliance by large taxpayers. Some countries allow revenue collection agencies to retain a percentage of revenues for capacity development and logistical support if they exceed their revenue target.
- **Community tax initiatives.** UNDP can support community-level tax initiatives that create employment by reinvesting tax revenue in community projects. These initiatives

⁵⁸ The IMF has undertaken work in the context of the Gleneagles Scenarios, which evaluate the macroeconomic impact of increased aid flows that may arise from the commitments made by the 2005 G8 Summit in Gleneagles, Scotland.

can help to instill a tax-paying culture and to restore the credibility of local government bodies and fiscal institutions. The characteristics of an effective community tax initiative include (a) broad taxation (covering a significant proportion of households in the community), (b) a low tax rate, (c) direct and visible linkage between revenues and employment-generating projects, (d) continuous analysis of the incidence of the tax burden so that adjustments can be made to prevent social tensions that are associated with perceived unfairness, and (e) capacity development support on revenue and project management for local-level fiscal institutions. As jobs and taxable income are generated, the tax base will broaden and strengthen. Cash-for-work and other temporary employment programmes can provide leverage for community tax initiatives by infusing taxable income into the local economy.

- **Procurement policies.** Procurement policies can be structured so as to ensure that a progressively larger share of procurement by government and foreign entities—including peacekeeping missions—are oriented within the local economy and benefit crisis-affected or otherwise deprived areas. Training programmes can develop local capacities in order to obtain and fulfil public contracts. In addition, natural resource-rich countries can promulgate local content laws to ensure that firms exploiting such resources procure a portion of their inputs locally.
- **Data management.** A solid, regularly updated database on the local economy is essential for revenue collection and for the targeting of public expenditures so as to address inequalities and the specific needs of vulnerable groups. Cash-for-work and other short-term employment programmes can contribute to the development of such a database by making participation conditional on participants' provision of basic demographic information about themselves and their households.

5.2.8 (c) Monetary policy development

In collaboration with other development partners, UNDP can support monetary policy development in a number of ways. To help crisis-affected countries to avoid inflationary impacts of aid, UNDP can advocate for aid coordination and the prioritization of programmes that facilitate private sector investment and productivity. UNDP can help to strengthen national capacity to monitor trends in the real exchange rate, to assess their impact on livelihoods, and to develop policies and programmes to ensure competitive exchange rates or to offset the adverse effects of currency overvaluation. In situations of hyperinflation (inflation rates of 50 percent or more per month), countries may need support in evaluating possible responses. Such support may include switching to an alternative currency (as was recently done in Zimbabwe) and/or strengthening the independence of the Central Bank and its capacity to resist the government's tendency to monetize the deficit (i.e., to print money to finance the deficit).

5.2.8 (d) Trade policy development

Integration into the global economy is essential for post-crisis countries to gain access to markets and investments, but trade liberalization can increase the vulnerability of crisis-affected populations if it is not well managed. Managing integration into the global economy in ways that strengthen the hands of peace builders and poor and crisis-affected communities is therefore an important challenge for crisis and post-crisis countries. Areas in which UNDP and its partners can provide useful support in this process may include the following:

- Developing policies and programmes to encourage the diversification of export sectors and smallholder participation in export production

- Strengthening the capacity of institutions that service exporters
- Simplifying the domestic rules and administrative procedures that govern trade and promote transparency
- Strengthening the capacity of exporters to meet market demand and international standards
- Forging trade alliances with neighbouring countries so as to facilitate the cross-border flow of goods and services
- Negotiating international trade agreements and ensuring their crisis sensitivity
- Developing national capacity to monitor exchange rate trends and to assess their impacts on trade and livelihoods.

Box 5.5. Trade reform in Serbia

Traders in Serbia faced a number of administrative obstacles in the early 2000s. The customs administration lacked modern computer systems and required hand delivery of customs declaration forms. Customs officers physically inspected all cargo items at the border. Customs procedures and agencies lacked transparency, and communication among them was weak. Corruption, documentation backlogs, and delays and difficulties at the border were common. Beginning in 2003, a reform process introduced selective screening of cargo, reduced the number of documents required for customs declaration, enabled electronic customs clearance, and improved inter-agency collaboration. The reforms successfully expedited the processes for customs declaration and clearance. Whereas previously a trader would spend an entire day clearing goods at customs, electronic customs clearance enabled the process to take place in less than one hour. Between 2003 and 2006, the total time required to export goods was reduced from 32 to 11 days, and the total time required to import goods was reduced from 44 to 12 days.

Source: den Otter, Jacqueline (2009). "Cross-border trading reforms in post-war Serbia" in IFC and World Bank, *Celebrating Reforms 2009*.

For additional information, please see discussion papers in Annex:

14. *Facilitating Remittances to support livelihoods and economic recovery*
25. *Transitional Governance*
26. *Rule of Law Justice and Security*
27. *Inclusive Economic Growth and Sustainable Employment: macro-micro considerations and support*

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Women Entrepreneurship in DRC (Photo by UNDP)



CHAPTER 6

EMPLOYMENT AND INCOME GENERATION FOR TARGETED GROUPS

Contents

6.1 GENDER EQUALITY AND WOMEN'S ECONOMIC EMPOWERMENT	102
6.1.1 Introduction	102
6.1.2 Gender-responsive programming	103
6.2 YOUTH EMPLOYMENT	107
6.2.1 Introduction	107
6.2.2 Programming in support of youth employment	108
6.3 EX-COMBATANTS AND THOSE FORMERLY ASSOCIATED WITH ARMED FORCES AND GROUPS: REINTEGRATION INTO CIVILIAN LIFE AND ACCESS TO LIVELIHOODS	112
6.3.1 Introduction	112
6.3.2 Programming livelihoods for ex-combatants and those formerly associated with armed forces and groups	114
6.4 REINTEGRATION OF DISPLACED PERSONS AND THEIR LIVELIHOODS	117
6.4.1 Introduction	117
6.4.2 Programming in support of the reintegration of displaced persons and their livelihoods	117

Inclusiveness in livelihoods and economic recovery programming requires specific attention to vulnerable groups and those who may face exceptional difficulties in realizing the benefits of recovery. At the same time, a careful balance is always necessary so as to ensure that targeted interventions do not appear to favour some groups over others, which can cause resentment and contribute to social tensions. Women, youth, ex-combatants and those formerly associated with armed forces and groups, and displaced persons are among the groups that often experience exceptional barriers to employment and income generation in both crisis and post-crisis situations. This chapter presents the basic knowledge that UNDP has accumulated vis-à-vis targeting interventions for employment and income generation toward these groups. This chapter addresses programming for gender equality and women's economic empowerment (section 6.1), youth employment (section 6.2), ex-combatants reintegration into civilian life and access to livelihoods (section 6.3), and durable solutions for displaced persons (section 6.4). References and suggested further reading are provided at the end of each section.

6.1 GENDER EQUALITY AND WOMEN'S ECONOMIC EMPOWERMENT

6.1.1 Introduction

Women, men, girls, and boys experience the impacts of natural disaster and conflict in different ways. A gender-sensitive approach to livelihoods and economic recovery programming in crisis and post-crisis situations acknowledges the ways that gender influences the challenges that people face. The needs, concerns, and voices of women and girls—and those of men and boys—may not be taken into account properly unless a gender-responsive approach is applied to programme design, implementation, and monitoring.

In many, but not all, respects, women and girls are disadvantaged relative to men and boys in accessing livelihood assets. Crises tend to exacerbate these disadvantages. The following are some of the challenges that commonly affect males and females in different ways:

- **Social and cultural norms and values** may limit women's and girls' mobility, their access to information, and their ability to participate in society. In turn, this can limit access by these women and girls to economic opportunities and their ability to register for and benefit from programmes for social protection, rehabilitation/reintegration, and livelihoods and economic recovery.
- Women tend to have lower levels of **skills and formal education** than men. This places these women at a disadvantage in competing for scarce employment opportunities.
- **Gendered divisions of labour** can restrict economic opportunities. Both women and men contribute to their household and national economies in many ways, but their contributions are often not equally recognized and valued. In addition to their contributions through employment and income generation, women and girls typically contribute through unpaid household work, the care economy, and "reproductive work," in which they reproduce and nurture the future labour force. These women and girls are often engaged in labour-intensive and time-consuming activities that are critical for their households, such as fetching fuel and water, gathering fodder for livestock, and preparing food. These responsibilities, which often increase in crisis and post-crisis situations, can leave women and girls with little time for other productive activities, including training, education, and participation in livelihood programmes. Fetching water and fuel also place these women and girls at a heightened risk of sexual and gender-based violence.
- **Gender role reversals**, creating new opportunities and/or risks, are common in both crisis and post-crisis situations, especially when people experience displacement, family separation, or the death or injury of family members. For example, boys and men who are widowed may have to engage in household and care-giving responsibilities that are unfamiliar to them. Women and girls may also take on roles that were traditionally carried out by men before the crisis occurred.
- Vulnerability to **sexual and gender-based violence** tends to increase dramatically for women and children in crisis and post-crisis situations. The threat of violence can prevent these women and children from participating in economic activities and in relief, rehabilitation, and livelihoods programmes.
- Women are often disadvantaged in terms of **land, property, and inheritance rights**. When crises result in the displacement or death of male family or household members to whom land titles and property are formally ascribed, women may face

barriers to the transference of ownership.. Women often have limited access to loans from financial institutions, in part because of their lack of ownership of assets such as land.

- **Recruitment into armed groups**—by force or voluntarily as a means of gaining social and economic security—may take place in various ways and to a varying extent between males and females.
- Displaced men and boys—and women and girls also—may be expected to send **remittances** to their family members even when they are themselves in dire circumstances..

UNDP has adopted a two-pronged approach to gender-responsive programming. Gender is mainstreamed in all areas of programming *and* a focus is placed on gender equality and women's empowerment. This dual approach is encompassed in UNDP's Strategic Plan for 2008-2011 and its Gender Equality Strategy for 2008-2011. Similarly, this Guide prioritizes both gender mainstreaming and specific initiatives so as to promote gender equality and women's economic empowerment in livelihoods and economic development programming.⁵⁹

Box 6.1. International frameworks supporting gender equality and women's empowerment in crisis situations

The 1979 U.N. *Convention on the Elimination of All Forms of Discrimination against Women* (CEDAW) provides a comprehensive framework for rights-based action, calling for equality of outcomes rather than simply equality of opportunity.

The 1995 *Beijing Platform for Action* provides an agenda for women's empowerment and clear standards of action to be implemented by the U.N., states, and civil society.

In 2000, the *Millennium Development Goals* (MDGs) consolidated previous global agreements and commitments into a single set of core goals and targets for achievement in 2015. One of the goals (Goal 3) is to promote gender equality and empower women.

In 2000, *U.N. Security Council Resolution 1325* provided additional specificity to the U.N.'s promotion of women's empowerment, gender equality, and peace, emphasizing women's participation in conflict prevention and resolution, peacekeeping, and peacebuilding processes as well as women's protection in conflict zones, camps, and reintegration processes. This resolution also highlighted the need for gender-sensitive recovery mechanisms early in post-crisis situations, so that long-term recovery work becomes sustainable.

The *Millennium+5 Summit* of 2005 reiterated the thrust of U.N. Security Council Resolution 1325. The Outcome Report of the High-level Plenary Meeting of the General Assembly of September 2005 emphasizes the importance of applying a gender perspective when addressing issues of violence and conflict.

The *Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters* provides a tool for integrating a gender perspective into disaster-risk management, including risk assessments and early warning mechanisms.

U.N. Security Council Resolution 1820 of 2008 demands that all parties to armed conflict cease all acts of sexual violence against civilians and take appropriate measures to protect civilians, including women and girls, from all forms of sexual violence.

6.1.2 Gender-responsive programming

Attention to issues of gender equality and women's economic empowerment is essential in all stages of programming for livelihoods and economic recovery. This section addresses gender considerations in +the assessment process and the design and implementation of interventions. This section then discusses approaches to promoting women's economic empowerment and addressing the security issues that women and children face. Finally, an overview of partnerships for gender responsiveness in livelihoods and economic recovery is provided.

⁵⁹ In 2006, UNDP endorsed an Eight-Point Agenda for Women's Empowerment and Gender Equality in Crisis Prevention and Recovery, which provides a blueprint for gender-responsive action and advocacy in crisis and post-crisis situations.

Gender and the assessment process. Gender sensitivity is essential in the design and implementation of the livelihoods and economic recovery assessment (see Chapter 2). Depending on the time and resources available at the time of the initial, overall assessment, gender issues may be mainstreamed within the assessment and/or a specific gender analysis may be undertaken. Updated gender-related information will be needed throughout programming so adjustments can be made in order to respond appropriately to gender dynamics in the crisis or post-crisis environment. All assessment data and updates should be disaggregated by sex, social group, age, and ability so that special needs and the potential for social exclusion can be identified. To ensure that women are available, safe, and comfortable to participate in the assessment, care is needed in the selection of the time of day and location for surveys and interviews. Also, since women are hesitant to speak in public (particularly with men) in many cultures, the use of trained women facilitators is often important for gaining access to women and engaging them in discussion.

To enable gender-sensitive programming, the assessment needs to capture the livelihood issues, opportunities, barriers, strategies, and aspirations of women, men, boys, and girls. The various ways that these individuals experience and cope with the crisis or post-crisis situation will be relevant for the assessment. Some of the key areas for gender analysis are as follows:

- Gender roles and responsibilities in the household
- Gender relations at the community level
- Female and male participation in the labour force and their contributions to the economy (local and national)
- The policy, legal, and regulatory framework and bureaucratic procedures that impact on access by women and men to livelihood assets
- Social and cultural norms and practices that affect gender rights, including those restricting women's engagement in the public domain, their ability to travel, their interactions with men, and their participation in livelihood programmes
- The prevalence of sexual and gender-based violence, local measures in place to address such violence, and coping strategies that are in place
- Goods and services where women and men are involved, or could be involved, in various parts of the value chain.

Gender considerations in the design and implementation of interventions. The design and implementation of interventions should always take into account the nature of gender roles and relationships in the particular context. Interventions that were effective in other countries or crisis or post-crisis situations may not be suitable in others. The following are some lessons learned about the process of designing and implementing gender-sensitive interventions:

- Focus group discussions with women and girls—including those from marginalized groups—are a useful tool for obtaining their input on the design of interventions and the mechanisms for implementation. Trained women facilitators are often most effective in facilitating these discussions.
- Women should be equally represented in planning committees, and they should hold decision-making positions in the implementation of projects and programmes. Even women with limited literacy or numeracy skills can be effective leaders in development work.

- Engaging men and boys is important both so that programming can address their particular needs and concerns and so that these men and boys can become champions of gender equality.

Promoting women's economic empowerment. Post-crisis situations create opportunities for social transformation, including the empowerment of women. Ensuring that women have better access to and control over livelihood assets is central to progress in this direction. Key livelihood assets for women's empowerment include skills and education, health and nutrition, information, technology, basic infrastructure, natural resources, and financial services. Focusing on three core dimensions of women's economic empowerment can enhance the effectiveness of livelihoods and economic recovery programming in this area:⁶⁰

- 1) **Economic opportunity** (e.g., expanding employment and entrepreneurship, prioritizing domestic energy recovery and development, promoting decent and productive work, and improving access to finance and markets)
- 2) **Legal status and rights** (e.g., enabling women to claim their rights to property, inheritance, and land and to have improved conditions of employment)
- 3) **Voice, inclusion and participation** (e.g., developing mechanisms to enhance women's involvement in decision-making bodies).

Improving women's access to the labour market is especially important. Women's participation in the labour market contributes to pro-poor growth,⁶¹ and earning an income can increase a woman's role in household decision-making. Interventions that aim to promote the economic empowerment of women should draw upon the existing knowledge, skills, and economic activities of both women and men. Areas of intervention that have been successful in this regard in crisis and post-crisis situations include the following:

- Value chain analysis with a gender lens to illuminate the goods and services where women are already involved or could be involved
- Support for childcare services and security mechanisms in crisis-affected communities and at vocational training facilities or workplaces
- Facilitation of women's access to microfinance
- Promotion of women's groups and support for the development of their organizational and advocacy skills
- Awareness-raising activities that promote positive female role models and dispel negative stereotypes.

The table below provides indicative outputs, indicators, and activities for a hypothetical programme or project to enhance women's economic empowerment in a crisis or post-crisis situation. Intended outputs and activities are always tailored to the particular context. Annual targets also need to be defined.

60 See UNDP. *Innovative Approaches to Promoting Women's Economic Empowerment*. Paper for the partnership event on September 25, 2008: MDG3 – Gender Equality and Empowerment of Women – A Prerequisite for Achieving all MDGs by 2015. 2008.

61 Costa, J & Silva E. (2008). *Eliminating gender inequalities reduces poverty*. International Poverty Centre, Brasilia DF, Brazil.

Table 6.1. Example of outputs, output indicators, and activities for a programme/project to enhance women's economic empowerment in a crisis or post-crisis situation

Outputs	Output indicators	Activities
Women's employability in crisis and post crisis situation enhanced	<ul style="list-style-type: none"> Number of women benefitting from immediate job creation initiatives Number of women with established small, micro and medium enterprises Number of women and men involved in domestic energy enterprises and/or promotion 	<ul style="list-style-type: none"> Design cash-for-work, start-up grants/packages, or cash transfer projects for women in areas such as domestic energy, infrastructure, agriculture, and child care Provide business and vocational skills training to women, including training of trainers so women entrepreneurs can provide counseling and skills training in their communities; provide functional literacy and numeracy training to women entrepreneurs. Establish linkages with credit and savings groups that can help to stabilize newly created and existing enterprises; promote public-private microfinance partnerships led by women; encourage marginalized and poor women to save for income-generating investments and unforeseen expenses. Promote market access for women entrepreneurs, e.g., opportunities to participate in trade fairs. Provide alternative domestic energy sources that enhance access.
Capacity of institutions that support women's economic empowerment strengthened	<ul style="list-style-type: none"> Number of service providers effectively enhancing women's economic empowerment Number of women with registered businesses Time required to register a business 	<ul style="list-style-type: none"> Provide capacity development support for service providers (women entrepreneurs' associations, microfinance institutions, local government, training institutions, business development services, etc.), including management training, training of trainers, market research, and "learning by doing" opportunities. Assist the implementing partner and responsible parties to mainstream gender into their activities. Provide capacity development support for local and national government bodies involved in registration, licensing, and regulation of businesses.
Women's participation in the development of policies for their economic empowerment expanded.	<ul style="list-style-type: none"> Number of women entrepreneurs participating in groups Number of women actively engaged in advocacy for an enabling policy environment for women entrepreneurs Policy changes towards women's economic empowerment 	<ul style="list-style-type: none"> Assist women entrepreneurs to organize themselves into groups (e.g. self-help groups, associations, cooperatives) that facilitate their access to resources and service providers. Support "Start and Improve Your Business" (SIYB) projects that enable informal networks of women entrepreneurs to evolve into business associations that effectively represent their interests. Advocate for improvements in the legal and policy environment for women entrepreneurs. Raise awareness about women's rights and gender roles and help to build self-confidence among women, including women with disabilities; this may include training women with disabilities to become members of the project management committee.

Addressing security issues. The vulnerability of women and children to sexual and gender-based violence and other security threats usually increases sharply in crisis and post-crisis situations. In some cases, when relief operations and rehabilitation support services are designed without adequate attention to security concerns, such support services can create security problems. The following are some of the areas in which livelihoods and economic recovery programming can be designed to enhance security and avoid creating security risks:

- Strengthening the role of women's groups and networks vis-à-vis providing financial, physical, and psychosocial support to victims of violence and to women and children who are particularly vulnerable to violence.
- Engaging men and boys regarding issues of violence against women and children.
- Providing training and otherwise raising awareness of women's groups, police and security forces, and other stakeholders vis-à-vis women's security issues and concerns and related human rights instruments and U.N. Security Council Resolutions. (See Box 6.1 for a summary of international frameworks supporting gender equality and women's empowerment in crisis situations.)

Partnerships. Key partners for working effectively to support gender equality and women's economic empowerment through programmes for livelihoods and economic

Box 6.2. Women's entrepreneurship in Turkey

In the Southeast Anatolia region of Turkey, women's role in economic development has been limited. Women face socio-cultural barriers, such as patriarchal attitudes and low self-confidence in the business arena. These women have also had insufficient technical, managerial, and capacity development support. To address these constraints while also promoting economic activity in the region, the Women's Entrepreneurship Programme has assisted women with the start-up of new businesses and the expansion of business development services since 2008. The programme has successfully boosted women's involvement in economic activity in the region.

The programme's activities have included outreach to raise gender awareness, mentoring, training, regional study tours, and research on the needs of female entrepreneurs. The programme has enabled the provision of business development services related to marketing, sales, finance, quality standards, foreign trade, and the development of business plans and project grant proposals. More than 1,200 women entrepreneurs have received critical information regarding access to finance, state incentives, legislation, project finance, and feasibility studies. The programme has fostered public-private partnerships in providing enterprise training and internships to women entrepreneurs; the partners include public institutions and universities, private businesses, business associations, and women's NGOs.

recovery include crisis-affected communities, community-based organizations, civil society organizations, local government bodies, government line ministries and agencies that are responsible for livelihoods and economic development, businesses, and private sector associations. The effectiveness and sustainability of interventions depends on ownership by participants. With sufficient support for developing the capacities and confidence of participating individuals and communities, such interventions can play important roles in implementation, e.g., through community contracting, participatory monitoring, resource mobilization, and advocacy with local authorities. Government ownership helps to increase accountability and raises possibilities for cost sharing. Coordination with other projects and programmes that have a bearing on gender equality and women's empowerment in the context of livelihoods and economic recovery are crucial. The private sector can contribute importantly through corporate social responsibilities initiatives and the leadership of an inclusive, gender-sensitive business development process.

For additional information, please see discussion paper 29. *Gender Equality and Women's Economic Empowerment* in Annex.

6.2 YOUTH EMPLOYMENT

6.2.1 Introduction

In many countries, youth comprise the majority of the population and the largest number of job seekers. These young individuals have enormous potential vis-à-vis contributing to social and economic recovery. In settings of high unemployment, however, these individuals are especially vulnerable. A lack of productive work for youth creates idleness and frustration, potentially leading to their involvement in activities that place them and their communities at risk.

Training gaps, regulatory and policy obstacles, or poor access to livelihood assets are factors that contribute to youth unemployment and underemployment. Some academic and technical institutions prepare graduates for employment in the formal sector only, with little attention to self-employment, and some institutions are poorly linked to labour market demand. Lengthy procedures and high fees for registration and licenses, excessive reporting requirements, and heavy taxation may deter youth from pursuing business opportunities. The access by these young people to essential inputs—such as start-up capital, raw materials, machinery, equipment, and information—may be limited.

References and suggested further reading: Gender equality and women's economic empowerment

- Alexander, Patricia. 2008. *Investing in Gender Equality: Global Evidence and the Asia-Pacific Setting*. UNDP Regional Centre in Colombo. Discussion Paper.
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- Women's Commission for Refugee Women and Children. *Beyond Firewood: Fuel Alternatives and Protection Strategies for Displaced Women and Girls*. March 2006.
- Women's Refugee Commission. *Peril or Protection: The Link between Livelihoods and Gender-based Violence in Displacement Settings*. November 2009.



*Youths Planting Seeds
(Photo by UNDP Kenya)*

Conflict and disaster tend to worsen this situation. Decent work opportunities decline as local economies contract. Vocational training institutions and their materials may be damaged or destroyed, and qualified teaching staff and tutors are often in short supply. Moreover, like others in the population, youth often become displaced and may face linguistic and other barriers to employment in an unfamiliar environment. The economic empowerment of youth is fundamental to successful programming for livelihoods and economic recovery.

6.2.2 Programming in support of youth employment

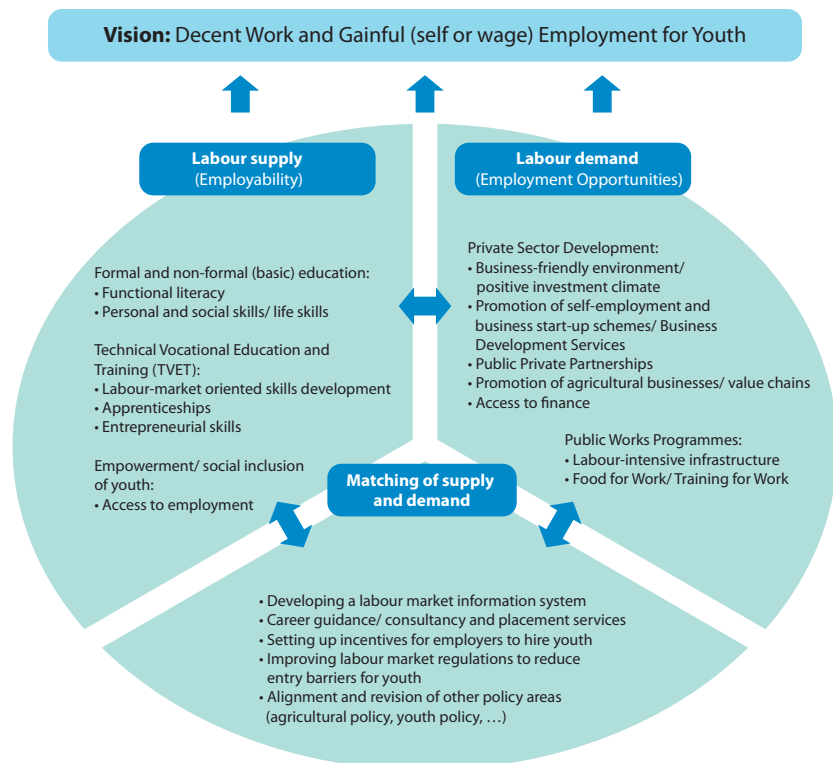
Programming for youth employment seeks to enhance the productivity, innovation, and resourcefulness of youth and to help young individuals to understand the central role they play in rebuilding their societies and reviving their local economies. Effectiveness requires integrating interventions that serve several purposes:

- Enhancing the market-oriented skills of youth (addressing labour supply)
- Facilitating the creation of employment opportunities for youth (addressing labour demand)
- Facilitating job placement and successful business start-ups (matching labour supply and demand)
- Promoting improvements in working conditions.

Figure 6.1 depicts a youth employment strategy that captures these priorities. This strategy was recently developed in Sierra Leone, where previous employment strategies were predominantly supply-focused. As a result, many trained young people were unable

Figure 6.1. Programme approach for youth employment and decent work

(Drawn from the Draft Youth Employment Program Proposal for Sierra Leone. ILO, October 2009.)



to find employment or to start their own livelihood activities. The new strategy aims to create over 100,000 jobs per year.⁶²

Crosscutting priorities in promoting youth employment. Gender sensitivity, inclusiveness, and conflict and disaster-risk sensitivity are essential in programming for youth employment. Female and male youth are likely to face different requirements and concerns. Gender equality in the workplace requires attention to provisions for equal pay, protections from sexual and gender-based violence and harassment, and childcare and other support for young heads of households. Special consideration is needed to ensure that youth in marginalized communities or groups, such as those with disabilities and those from minority ethnic groups, have equal employment opportunities. Supporting the transition from military to civilian livelihoods is a particular concern for youth; this issue is addressed in section 6.3 below.

Youth employment and the assessment process. The livelihoods and economic recovery assessment (see Chapter 2) is usually the initial source for information on how the crisis has affected youth. Supplementary data gathering may be needed in order to provide a clear profile of the youth employment situation, the underlying causes of youth unemployment and underemployment, and the opportunities, constraints, and aspirations of youth in the recovery process. Ideally, the following information on youth—disaggregated by sex, age, geographical location, education level, and ethnicity—will be collected and regularly updated during programme implementation:

- Unemployment and underemployment
- Income and expenditures
- Sectors of employment or income generation
- Access to resources for enhancing employment and income-generating opportunities, including credit, technology, vocational and skills training, and advisory support
- Policy and/or regulatory barriers to self-employment
- Factors influencing labour force participation and the type of employment or income generation activities pursued, including actual or anticipated income levels; family or peer pressure; seasonality of activities; and special gender-related needs or risks.

Creating an enabling policy, regulatory, and socio-cultural environment for youth employment. Policy and regulatory reforms can contribute to an expansion of youth employment and income generation. The following are examples of the types of reform that may be needed:

- Relaxing the tax regime for youth start-ups
- Facilitating access to financial services for youth
- Facilitating access to markets and linkages with large enterprises (e.g., through subcontracting)
- Strengthening the vocational training curriculum and investing in training capacity
- Investment in technology, infrastructure, and services that enhance youth learning and knowledge exchange, such as youth ICT centers
- Investment in improved health and safety conditions in workplaces, with sensitivity to gender equality, HIV/AIDS, and disability.

Some socio-cultural environments perpetuate beliefs and associations that discourage youth from potentially important avenues of employment and income generation. An

62 Sierra Leone Ministry of Education, Youth and Sports. Youth Employment Scheme (YES). Mid-Term Review of 2009 Projects: Commonalities, Innovation and Employment Potential. 2009.



*Youth Employment Training
Project in Guinea
(Photo by UNDP)*

example is the belief in some societies that working in the informal or micro or small enterprise sectors is for those who either did not “make it” in the formal system of education or were forced into self-employment by unfortunate circumstances. Policies and programmes can be designed to promote attitudinal changes by raising awareness of the potential value of self-employment and work in the informal sector both for individual advancement and for local economic recovery. Wherever possible, a coherent and harmonized coordination mechanism for youth-supportive activities is useful.

UNDP can help to consolidate stakeholder commitment to youth employment. This process may include reviewing existing policies and regulations affecting youth, advocating for needed policy changes and the prioritization of youth employment in national budgets and recovery and development plans, and assessing and promoting youth participation in governance processes.

Developing vocational and entrepreneurial training systems and capacity. As elaborated in section 4.1 of this Guide, UNDP can play an important role in supporting the development of systems and capacity for vocational and skills training and placement. Engagement with educational support institutions—such as curriculum development institutions, polytechnics, vocational training institutions, colleges and universities—can facilitate the review of existing training approaches and the adoption of a holistic, market-oriented training model that incorporates new trades while building entrepreneurship and business skills. Enterprise development training can help to mobilize a socioeconomic transformation of youth to a greater appreciation of, and capacity for, entrepreneurship and innovation. Effective training of this sort will build the confidence of young people to take charge of their own futures and contribute to local economic recovery. Career guidance and job referral services are key complements to training.

Facilitating the exposure of youth to a wide range of sectors. Youth can benefit from exposure to employment and income-generation opportunities in an extensive range of promising sectors, both governmental and non-governmental. A single-sector approach to youth employment should be avoided. Information on sectors with substantial market demand will be available in the livelihoods and economic recovery assessment and/or subsequent market analyses. These sectors may include agriculture, livestock, fisheries, trading, maintenance/repair services, manufacturing, business services, transportation, public utilities, information and communication technology, and environmental management. Social sector opportunities may be present in education, health care, and community services. NGOs and community-based organizations may also present opportunities.

UNDP can help to extend the exposure of youth to the range of opportunities that are available to them by coordinating visits to successful youth projects and initiatives, trade shows, technology commercialization centres, and markets. An assessment of youth opportunities, its documentation in a user-friendly manner, and its wide dissemination among youth may be useful. Developing the capacity of young people so as to conduct market analyses and feasibility studies themselves is also important.

Green jobs and green market development. UNDP and other development partners are supporting a number of successful youth initiatives for green jobs in both crisis and post-crisis situations. These initiatives involve, for example, tree planting and reforestation, waste management, and investment in non-timber forest products. Public-private partnerships where youth come together with municipalities have provided an effective

modality for these initiatives, generating considerable enthusiasm among youth. This is an area in which UNDP can support the generation of quality, sustainable, labour-demand-driven employment for youth in crisis and post-crisis settings.

Youth environment corps, clubs, and groups provide another entry point for enhancing “green” youth employment and income generation, even in remote areas. Through these organizations, UNDP can support start-up grants or packages and encourage diversification into alternative energy systems, such as solar or hydropower, where possible. Such initiatives have been successful in a number of countries.

Outputs	Targets (proxy indicators)
Evidence-based policies on youth employment developed	<ul style="list-style-type: none"> National and district-level youth employment statistics collected and published annually Local and national lessons learned regarding youth employment creation identified, published, and disseminated among policy makers Relevant national youth employment policy and strategy developed
Institutional capacity for youth employment creation developed	<ul style="list-style-type: none"> Relevant government bodies develop and implement strategies to support youth employment creation Universities produce quality research on youth employment NGOs provide business development services, career guidance, and placement services to crisis-affected youth
Emergency employment created for crisis-affected youth	<ul style="list-style-type: none"> 100 youth-managed community infrastructure rehabilitation schemes implemented 15,000 crisis-affected youth employed in community infrastructure rehabilitation schemes
Medium- and long-term employment opportunities of crisis-affected youth expanded	<ul style="list-style-type: none"> Business development services established in all districts and providing market-relevant services to 2,500 crisis-affected young entrepreneurs annually Career guidance and placement services at 4 university campuses and 9 technical and vocational colleges established and offering mobile services to secondary schools Apprenticeship programme established and serving 300 crisis-affected youth annually National and district-level mapping of youth employment opportunities conducted, updated annually, and disseminated widely among youth 1,400 crisis-affected youth trained in leadership, peacebuilding, and environmental stewardship

Table 6.2. *Example of outputs and targets for a youth-employment initiative*⁶³

Partnerships. Key partners for working effectively to support youth employment through programmes for livelihoods and economic recovery include youth in crisis-affected communities, government bodies, the private sector, and development partners. Market-related service providers—such as export promotion agencies, national chambers of commerce and industries, investment authorities, and sector-specific associations—can play an important role in promoting youth employment when encouraged to work with youth organizations and youth-run enterprises. These providers can facilitate business networking for youth, enabling them to learn about and exchange information on suppliers, buyers, markets, sources of machinery and equipment, and laws governing business transactions. Private-sector partnerships can be geared toward improving training opportunities and access by young entrepreneurs to domestic and export markets where they can acquire inputs and market their products.

⁶³ Adapted from the results framework for the UNDP-supported Youth Employment and Empowerment Programme of the Government of Sierra Leone.

Box 6.3. Kenya National Youth Training and Development Programme

In response to the post-election violence that engulfed Kenya in 2007, a multi-stakeholder working group on youth employment recommended the development of the Kenya National Youth Training and Development Programme. UNDP coordinates the programme among development partners, and the Ministry of Youth Affairs and Sports is the implementing partner. The programme supports a project to create immediate employment for youth in the planting of trees, provides training for youth in business skills and entrepreneurial development, and supports the integration of entrepreneurship into the technical and vocational training curriculum. The programme contributed to the development of the National Youth Policy and the Kenya National Youth Polytechnic and Vocational Training Policy.

For additional information Youth Empowerment and Employment, please see discussion paper 30. Youth Empowerment and Employment in Annex.

References and suggested further reading: Youth employment

- Goovaerts, Piet, Martin Gasser, and Aliza Belman Inbal. *Demand Driven Approaches to Livelihood Support in Post-War Contexts*. World Bank – A Joint ILO-World Bank Study. Social Development Papers: Conflict Prevention & Reconstruction, Community-Driven Development. Paper No. 29, October 2005.
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- United Nations. "Check Box 2.2: Targeting youth in employment and reintegration programming," in *UN Operational Guidance Note on Post-Conflict Employment Creation, Income Generation and Reintegration*. Draft version: November 4, 2009, pp.10-11.
- USAID, MicroLINKS. Youth Livelihoods. www.microLINKS.org/youth
- Women's Refugee Commission and School for International and Public Affairs (SIPA), Columbia University. *Market Assessment Toolkit for Vocational Training Providers and Youth: Linking Vocational Training Programs to Market Opportunities*. October 2008.

6.3 EX-COMBATANTS AND THOSE FORMERLY ASSOCIATED WITH ARMED FORCES AND GROUPS: REINTEGRATION INTO CIVILIAN LIFE AND ACCESS TO LIVELIHOODS

6.3.1 Introduction

In many conflict settings, membership and association with armed forces and groups often constitute a source of income for large numbers of male and female combatants, as well as men women and children associated with armed forces and groups.. Some individuals are forcibly recruited into armed forces or groups, while others joined by choice, motivated by a sense of security, source of income and social capital. Other individuals may have ancillary or support roles with armed forces or groups—providing them, for example, with intelligence, food, or supplies.

In the aftermath of conflict, combatants and those associated with armed forces and groups usually undergo a formal disarmament, demobilization and reintegration (DDR) process. This process aims to deal with the post-conflict security problem that arises when combatants are left without livelihoods and support networks for returning to civilian life.⁶⁴ In some situations where conflict is still on-going or where a formal DDR process has not

⁶⁴ United Nations, Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards, 2006, p.24.

been established, combatants and those associated with armed forces and groups may also self-demobilize and face the challenge of finding alternative forms of income when returning to civilian life. Women, youth, children, elderly, and people with disabilities who are part of this group, may also have specific needs that need to be addressed.

Many ex-combatants and those formerly associated with armed forces and groups have missed out on years of formal schooling and other opportunities to develop livelihood skills that will serve them in peacetime. These individuals often lack the social, human, physical, political, and financial capital that are necessary to sustain livelihoods, and natural capital may be limited or inaccessible to them (See Figure 6.2 below.) As a result of the conflict, access to natural resources, social networks, and other assets may no longer exist in their places of origin. Those from rural areas may perceive that urban environments hold more opportunities for them.

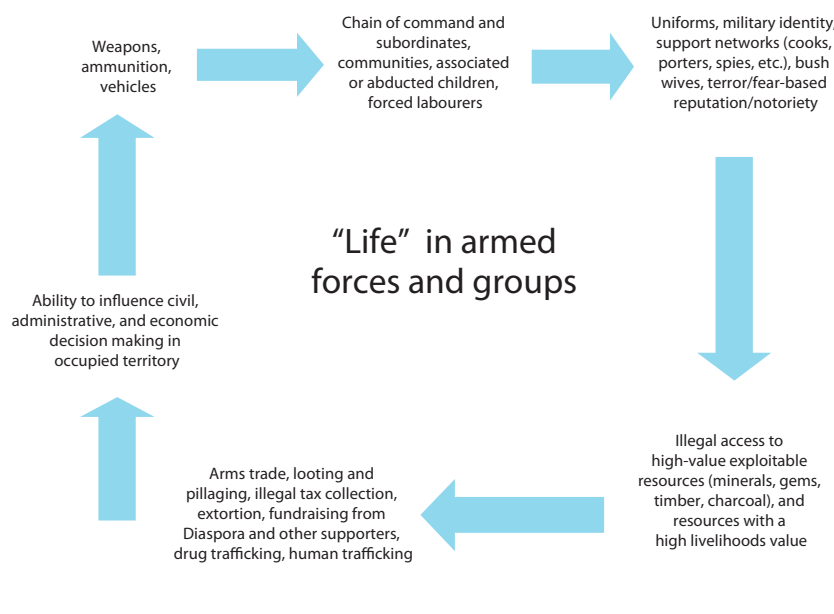


Figure 6.2. Social, human, physical, political and financial capital for combatants and those associated with Armed Forces and Groups

Although accessing livelihoods and new sources of income is essential for ex-combatants and those formerly associated with armed forces and groups, their reintegration into civilian life is a complex process, which involves not only economic, but also social, psychological and political challenges at individual, family, community and national levels.⁶⁵

UNDP has carried out and supported DDR programmes in more than 40 countries over the past 30 years. The agency is well placed to help to design DDR processes within the context of its other recovery and development strategies, and to support national capacity to lead DDR programmes, which is critical for sustainability.⁶⁶

⁶⁵ United Nations Integrated DDR Standards 4.30 on Reintegration provides detailed guidance for planning, implementing, monitoring and evaluating reintegration programmes. Module 4.30 of the Operational Guide to the IDDRS summarizes IDDRS 4.30 on Reintegration. The full IDDRS and Operation Guide can be found at www.unndr.org.

⁶⁶ As of January 2010, UNDP's Bureau for Crisis Prevention and Recovery (BCPR) and Country Offices support national DDR programmes in 19 countries.

6.3.2 Programming livelihoods for ex-combatants and those formerly associated with armed forces and groups

While recognizing the multi-faceted nature of reintegration, this subsection focuses on the livelihoods aspects. In this respect, DDR programmes help ex-combatants and those associated with armed forces and groups to meet the challenge of reorienting to new, productive sources of income that are civilian in character. Successful and sustainable reintegration efforts lead to viable livelihoods that are realistic, appropriate, informed by labour market assessments, and conducive to peace and social cohesion.

Crosscutting priorities. Conflict sensitivity, gender sensitivity, and national ownership are crosscutting priorities in programming that support the transition to civilian life and access to livelihoods.

An important aspect of **conflict sensitivity** is the balancing of support between ex-combatants and the communities to which they return. In the past, DDR programmes were perceived to reward ex-combatants for their involvement in armed conflict by offering them individual benefits without ever transitioning into community-based reintegration assistance. Reintegrating ex-combatants jointly with other returnees and vulnerable groups, and ensuring that income generation opportunities benefit communities, are important elements contributing to peacebuilding, reconciliation and social cohesion.

Gender sensitivity requires efforts to ensure that female ex-combatants and women and girls formerly associated with armed forces and groups have access to reintegration programmes and that their distinct socioeconomic, psycho-social and security needs are met. Programmes should also take into account that many ex-combatants need to be supported in order to overcome violent identities acquired during wartime. Access to jobs and livelihoods may play an important role in helping men fulfill traditional income-earning roles and overcome frustrations related to inability to provide for their families, which can easily be translated into domestic or inter-personal violence and substance abuse.⁶⁷

National ownership involves political will and commitment from all parties to the conflict. Programming that prioritizes national capacity development and ensures participatory decision-making will be most effective.

Assessment. Assistance to facilitate access to livelihoods for ex-combatants and those formerly associated with armed forces and groups must begin with a thorough assessment. Data collection and analysis of the perceptions, skills, and aspirations of the ex-combatants and those associated with armed forces and groups, the socio-economic opportunities in areas of return and resettlement, the capacity of service providers and key institutions, and the legal and policy framework for economic development will be instrumental in terms of planning and designing programmes. The assessment should also identify the geographic areas that anticipate the highest rates of return of ex-combatants so that reintegration and broader livelihoods and economic recovery programmes can target these areas and complement each other.

⁶⁷ United Nations Inter-Agency Working Group on Disarmament, Demobilization and Reintegration, *Blame it on the War? The Gender Dimensions of Violence in Disarmament, Demobilization and Reintegration*, 2012.

Guidance on assessments is available in Chapter 2 of this Guide. In addition to that, more information on livelihoods and economic recovery assessments, can also be found in ID-DRS Module 4.30 on Reintegration. Regular updating of the assessment data will enable programmes to respond to changes in local circumstances. All data should be disaggre-

gated by sex, age, and other demographic characteristics that are relevant in the local context. The choice of assessment team members should take into account requirements for gender and conflict sensitivity.

Depending on the local context, the following may be important elements of the assessment:⁶⁸

- Conflict analysis
- Gender analysis
- Market analysis (including information on local businesses, training and apprenticeship opportunities, financial services as well as specific livelihood opportunities related to natural resources)
- Risk assessment (including possible risks related to availability or scarcity of natural resources)

Effective assessments will enable the identification of opportunities to develop and support livelihoods. The information that these assessments provide will inform the timing, sequencing, and resource mobilization for related programming and will also enable the formulation of appropriate risk management and mitigation measures. Assessments should also identify areas in which support is needed for the alignment of national policies to the DDR effort.

Enhancing marketable skills and creating livelihood opportunities. Reintegration programmes seek to enhance the marketable skills of participants, to match participants with livelihood opportunities, and to facilitate the creation of those opportunities. Such reintegration programmes entail a strategy similar to that depicted in Figure 6.1 above for youth employment. Key, interrelated elements in this process include many of the types of programming elaborated earlier in this Guide.

Emergency employment initiatives, start-up grants and packages for entrepreneurs, and infrastructure rehabilitation (discussed in Chapter 3) can be important starting points for ex-combatants to gain access to immediate income. DDR programmes can also build upon income-generating opportunities that stem from infrastructure rehabilitation, such as access to markets, clean water, waste management, and energy.

Programming for medium- and long-term employment and income generation (discussed in Chapter 4) is crucial for successful reintegration. Such programming includes vocational and skills training, job placement services, support for the development of business plans and loan applications, value chain development, and support for access to financial services and business development services.

Partnerships. Partnership building is a continuous process in DDR programs. An inclusive approach to designing, implementing, and monitoring DDR programmes—involving ex-combatants and those associated with armed forces and groups, host communities, local and national authorities, civil society, the private sector, and the international community—is key to success. Securing timely and adequate resources for reintegration requires engagement with partnersearly includign with main donors.

Effective, results-based programming requires agreement among all relevant parties on a monitoring and evaluation (M&E) framework that reflects a shared understanding of the

68 IDDRS 4.30 Reintegration.

Box 6.4. Profiling for Livelihoods and Reintegration in Côte d'Ivoire

An extensive profiling campaign of ex-combatants took place in Côte d'Ivoire in 2008-2009 with the involvement of multiple stakeholders, including civil society. Extensive media coverage added credibility to the process. With support from UNDP, the profiling campaign identified all ex-combatants who were eligible to participate in reintegration programmes and enabled these ex-combatants to express their aspirations on their return to civilian life. Unfortunately, post-election violence has interrupted progress toward implementing a DDR programme. The profiling exercise has provided critical information, however, for the reintegration of ex-combatants into sustainable, productive activities once implementation becomes possible.

Box 6.5. Livelihoods of women associated with armed forces and groups in the Republic of Congo

In the Republic of Congo, women who were associated with armed groups were often also victims of sexual assault and other kinds of violation. Many of these women were reluctant to come forward for fear of further stigmatization in Congolese society. On the margins of the official DDR programme, UNDP is providing technical and financial support for interventions so as to address this problem. These interventions support the creation of new livelihood opportunities jointly for vulnerable women, including women formerly associated with armed groups. Female program beneficiaries are not required to reveal details of their past lives.

References and suggested further reading: Employment and income generation for ex-combatants and those formerly associated with armed forces and groups

- Boyer, Glauca and Adrienne Stork. *The Interface between Natural Resources and Disarmament, Demobilization and Reintegration: Enhancing Human Security in Post-Conflict Settings*. Volume 4: Livelihoods and Natural Resources in Post-conflict Peacebuilding, in Strengthening Post-conflict Peacebuilding through Natural Resource Management. Published in partnership by the Environmental Law Institute, UNEP, IUCN, and the University of Tokyo. 2012.
- ILO. *Guidelines for the Socio-Economic Reintegration of Ex-Combatants*. 2009.
- ILO. *Local Economic Recovery in Post-Conflict*. 2010.
- Ministry for Foreign Affairs, Sweden. *Stockholm Initiative on Disarmament Demobilisation Reintegration: Final Report and Background Studies*. 2006.
- United Nations Inter-Agency Working Group (IAWG) on Disarmament, Demobilization and Reintegration (DDR). *Integrated Disarmament, Demobilization and Reintegration Standards*. 2006.
- United Nations Inter-Agency Working Group (IAWG) on Disarmament, Demobilization and Reintegration (DDR). *Operational Guide to the Integrated Disarmament, Demobilization and Reintegration Standards*. 2006.
- UNDP. *Disarmament, Demobilization and Reintegration of Ex-Combatants*. Practice Note. 2006.
- UNDP. *How to Guide – Monitoring and Evaluation for Disarmament, Demobilization and Reintegration Programmes*. 2009.

programme's objectives. Coordination and regular information sharing among stakeholders enables the avoidance of duplication and/or gaps in programming.

National governments are ultimately responsible for the establishment and oversight of DDR programmes, and consequently their capacity, commitment, and sense of ownership are critical factors for successful program delivery. National and international NGOs often serve as effective implementing partners or responsible parties in DDR programmes. These NGOs can provide vocational and skills training and help to create employment opportunities. The involvement of the private sector will help to ensure the success and sustainability of training programmes and placement services. Participants in the private sector will ultimately drive the creation of employment and income during the recovery process.

Coordinated programme planning and implementation among U.N. agencies at both headquarters and the country level are essential for resource mobilization and programme effectiveness. UNDP and the U.N. Department of Peacekeeping Operations co-chair the Inter-Agency Working Group on DDR, and UNDP and ILO co-chair its sub-working group on reintegration.

In mission environments with a United Nations DDR mandate, the lead responsibility for DDR falls to the Special Representative of the Secretary-General (SRSG) with the support of the Resident Coordinator/Humanitarian Coordinator. The SRSG convenes an in-country DDR task force with the participation of all relevant U.N. and non-U.N. agencies. In non-mission contexts, the Resident Coordinator/Humanitarian Coordinator has the responsibility for DDR coordination within the U.N. system, and is expected to establish a U.N. Country Team DDR task force, drawing on U.N. and non-U.N. agencies with relevant experience and capacity.

For additional information on reintegration and livelihoods for ex-combatants and members associated with armed forces and groups, please see discussion paper 31. "Employment and Income Generation for Ex-combatants and those formerly associated with armed forces and groups: Reintegration into civilian life and access to livelihoods in Annex.

6.4 REINTEGRATION OF DISPLACED PERSONS AND THEIR LIVELIHOODS

6.4.1 Introduction

Box 6.6. Durable solutions after displacement

In post-crisis situations, displaced persons (Refugees and Internally Displaced Persons—IDPs) often account for a large proportion of the individuals affected by the crisis. Durable solutions for displaced persons require the establishment or re-establishment of livelihoods. Regardless of whether the displaced persons return to their areas of origin, integrate in the communities where they have spent their displacement, or relocate to a third location, generating sufficient income to provide for themselves and their families is necessary in terms of their long-term stability and security. Access to land, natural resources, markets, and basic services are common challenges for displaced persons, and these persons may face discrimination, social and economic exclusion, and targeted violence.

Protracted and post-conflict displacement poses both humanitarian and development challenges. Resolving such challenges requires a more coherent, predictable and effective approach by virtue of which humanitarian and development participants capitalize on their different areas of institutional expertise. UNDP and UNHCR are working with host governments, the World Bank and other partners in order to achieve durable solutions for returning refugees, IDPs and host communities through: i) the Transitional Solutions Initiative, which as of June 2012 is being piloted in East Sudan and Colombia; and ii) the Durable Solutions Framework adopted by the United Nations Secretary-General's Decision in October 2011, which calls upon UNDP and UNHCR, in consultation with the Cluster Working Group on Early Recovery, the Global Protection Cluster, the RC/HCs and national authorities, to support the development of durable solutions strategies in selected pilot countries.

The U.N. Policy for Post-Conflict Employment Creation, Income Generation and Reintegration envisions the convergence of poverty reduction and sustainable development with the reintegration of displaced persons and other returnees at the local level. UNDP's mandate on poverty reduction and sustainable development relates specifically to long-term solutions for displaced persons, and its work on livelihoods is situated within its local-level interventions. UNDP is thus well placed to support reintegration programmes and works closely with UNHCR, ILO, the World Bank, and other members of the Inter-Agency Standing Committee (IASC) Cluster Working Group on Early Recovery (CWGER) to ensure a holistic response to the specific needs of displaced persons in immediate post-crisis situations while facilitating the establishment of frameworks for longer-term recovery and development.

6.4.2 Programming in support of the reintegration of displaced persons and their livelihoods

UNDP's experience indicates that an area-based approach to thereintegration of displaced persons and their livelihoods is most effective, with local governments and communities at the heart of the process. Within a specific geographical area, inclusive and participatory processes of assessment, programme development, implementation, and monitoring can ensure local ownership and leadership. UNDP can provide valuable support for the coordination of partners at the local level while facilitating linkages that enable a range of perspectives and experiences aimed at influencing policy and institutional reform at the national level. Reintegration and livelihood interventions are most effective when they take place within larger peacebuilding and recovery processes. Where possible, UNDP supports these interventions within a multi-faceted response that also addresses local governance capacity, the rule of law and access to justice, the development of civil society, and social cohesion.

Crosscutting priorities. As with all livelihoods and economic recovery programming, support for the reintegration of displaced persons requires conflict and disaster-risk sensitivity, gender sensitivity, and market sensitivity. Conflict sensitivity—recognizing the causes of displacement and addressing the challenges that displaced persons face



*Man Repairing Shoes in Georgia
(Photo by UNDP in Europe
and Central Asia)*

in ways that do no harm—bears particular mention. A scarcity of livelihood assets and opportunities typically affects the communities in which displaced persons wish to reintegrate as well as the displaced persons themselves. Social tensions can result, as people seek to pursue livelihoods in these settings. Adhering to the principle of conflict sensitivity therefore requires that the reintegration of displaced persons and appropriate livelihood interventions address the needs and priorities of the community as a whole, while also taking into account both the government's primary responsibility for the reintegration of displaced persons and the political sensitivity that reintegration may pose, especially when the government has been a party to conflict or is otherwise implicated in the causes of displacement. Programming for local-level early recovery must take every opportunity to reduce future risk and strengthen the potential for long-term resilience.

The reintegration of displaced persons and the assessment process. The overall livelihoods and economic recovery assessment (see Chapter 2) will provide information that is relevant to the development of interventions for the reintegration of displaced persons and their livelihoods. Supplementary data gathering may be needed in order to ensure an adequate profile of the needs, priorities, skills, and aspirations of displaced persons and host community members, to identify viable livelihood opportunities in the areas where displaced persons reintegrate, and to assess the capacities of potential implementing partners. Regular updating of the assessment data will enable programme implementation so as to respond to changes in the local context.

Developing interventions for the reintegration of displaced persons and their livelihoods. Once agreement on needs and priorities is reached among the key stakeholders, a participatory process of designing interventions can begin. This process requires building consensus on a long-term vision and strategic focus, with a defined timeframe upon which all stakeholders agree. Livelihood interventions should contribute to a blueprint for long-term recovery and development in line with national plans and strategies. Responsiveness and flexibility in the design of such a blueprint will enable adaptation to local changes, ensuring that interventions remain appropriate, relevant, and effective. Interventions typically involve marketable skills development, the creation of livelihood opportunities, and the matching of displaced persons and host community members to those opportunities. The skills appropriate to the area in which displaced persons reintegrate may differ substantially from those that were acquired during displacement or those suitable to their places of origin and the pre-crisis environment. Figure 6.1 above illustrates an employment strategy that links the development of marketable skills, the development of livelihood opportunities, and the matching of participants with those opportunities. (See Chapter 4 of this Guide for information on vocational and skills training, job placement, and inclusive private sector development.)

Coordination structure and management arrangements. While overall coordination of interventions for the reintegration of displaced persons and their livelihoods should be led by the national government, local coordination is critical. A local coordination structure, with the participation of all local stakeholders, should be set up as early as possible. This structure can be new, or it can build upon existing structures that are effective and acceptable to all stakeholders. The establishment of management arrangements should take into account the limited capacities that potential implementing partners and responsible parties are likely to have in areas of return and reintegration, from which many individuals have migrated or, indeed, where many have been killed. Provisions for capacity development and external capacity support are particularly important in these settings.

Outputs	Activities
Output 1: Livelihoods and economic opportunities of returnees and host community members, especially women and youth, improved	<ul style="list-style-type: none"> • Undertake livelihoods and economic recovery assessments • Facilitate community participatory mobilization processes • Provide short-cycle skills training and placement • Rehabilitate community roads, bridges, markets and other key infrastructure using community contracting, cash for work, and start-up grants and packages; provide training on infrastructure maintenance • Provide start-up grants and packages for cash crop production and small agricultural processing • Facilitate formation of “business for peace” forums • Introduce alternative energy technology in areas of return
Output 2: Capacity of returnee and host communities and local authorities for recovery, peace-building, and risk reduction strengthened	<ul style="list-style-type: none"> • Mobilize and train community members to actively participate in peace-building and recovery; provide life skills training • Support community organizations to form local networks for recovery planning; establish community peace committees where possible • Undertake a capacity needs assessment for support to reintegration and recovery in target areas; facilitate development of a multi-stakeholder capacity development strategy; provide related capacity development services • Provide community-based disaster-risk management training; provide training and emergency equipment to the national disaster management authority • Support e-governance initiatives linking IDPs, returnees, and host communities to state information via mobile phones
Output 3: Peace-building and social cohesion in areas of return improved	<ul style="list-style-type: none"> • Assess recreational interests and opportunities among youth; map coaching and mentoring opportunities; identify partners to organize art/athletic competitions; provide equipment and rehabilitate recreational facilities • Facilitate the formation of youth environmental corps for environmental management initiatives, including “green jobs for peace” • Undertake participatory analysis of conflict dynamics and local peace capacities; initiate awareness raising, sensitization, and training of stakeholders accordingly • Strengthen or establish agreed platforms for dispute resolution • Provide seed funding for community-based peace and gender empowerment initiatives

For additional information on the reintegration of displaced persons and their livelihoods, please see discussion paper 32. *The reintegration of displaced persons and livelihoods in Annex.*

Table 6.3. Example of outputs and activities for a reintegration initiative for displaced persons⁶⁹

**References and suggested further reading:
Reintegration of displaced persons and their livelihoods**

- Castles, Stephen and Nicholas Van Hear, et al. “Developing DFID’s Policy Approach to Refugees and Internally Displaced Persons.” Volume 1: Consultancy Report and Policy Recommendations. Refugee Studies Centre, University of Oxford. February 2005.
- IASC. *Guidelines for Field Staff for Promoting Reintegration in Transition Situations*. 2003.
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- UNDP. “Mandate and Strategies Regarding Internal Displacement—United Nations Development Programme.” 2003.
- UNDP Evaluation Office. *Sharing New Ground in Post-Conflict Situations: The Role of UNDP in Support of Reintegration Programmes*. 2000.
- UNHCR. *Framework for Durable Solutions for Refugees and Persons of Concern*. May 2003.
- World Bank. *Forced Displacement – The Development Challenge*. Social Development Department. December 2009.

⁶⁹ Adapted from the section of UNDP’s Annual Work Plan 2011 on interventions for recovery, peace, and development in Pakistan’s Federally Administered Tribal Areas.

*Ex-Combatant running a successful retailing and clothing business
(Photo by UNDP Sudan)*



CHAPTER 7

PROGRAMMING SUPPORT

Contents

7.1 COORDINATION	122
7.2 STRATEGIC COMMUNICATION	123
7.2.1 Dimensions of strategic communication	124
7.2.2 Formulating and executing a communication strategy	125
7.3 RESOURCE MOBILIZATION	126
7.3.1 Characteristics of an effective resource mobilization strategy	126
7.3.2 Funding instruments	127
7.4 “FAST TRACKING” THE PROCUREMENT OF GOODS AND SERVICES	129
7.5 MONITORING AND EVALUATION	129
7.5.1 Introduction	129
7.5.2 Definitions	130
7.5.3 Main steps for M&E	131
7.5.4 Partnerships for M&E	133

In the dynamic environment of a crisis or post-crisis situation, the implementation of livelihoods and economic recovery interventions requires a great deal of flexibility and innovation. Apart from the technical capacities that are required to support programming in each of the three tracks, a number of other capacities are necessary, including financial, human, physical, and information resources for effective implementation. Practitioners working on livelihoods and economic recovery interventions at the national, sub-national and field levels have identified the following key areas for programmatic support:

- Coordination
- Strategic communication
- Resource mobilization
- “Fast tracking” the procurement of goods and services
- Monitoring and evaluation

This chapter provides guidance and/or basic information regarding each of these types of programmatic support. Programmatic support can strengthen the adherence of UNDP’s on-the-ground interventions with the fundamental principles of the Paris Declaration: ownership, alignment, harmonization, results, and mutual accountability. (See Box 7.1.)

Box 7.1. Fundamental principles of the Paris Declaration

Based on decades of international experience with what works and does not work for development, the Paris Declaration of 2005 sets forth five fundamental principles for making aid more effective:

1. **Ownership:** Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption.
2. **Alignment:** Donor countries align themselves with these objectives and use local systems.
3. **Harmonisation:** Donor countries coordinate, simplify procedures and share information so as to avoid duplication.
4. **Results:** Developing countries and donors shift focus to development results and such results get measured.
5. **Mutual accountability:** Donors and partners are accountable for development results.

The Paris Declaration has more than 100 participating countries and organizations. The United Nations Development Group is among the participating organizations.

7.1 COORDINATION

As with all early recovery and development programming, coordination among all involved partners is essential for the timely achievement of intended results. Coordination is also central to resource mobilization, given the priority that donor countries place on aid harmonisation and alignment with national priorities.

Within the U.N. system, the Humanitarian Coordinator (HC)/Resident Coordinator (RC) has the lead responsibility for coordinating early recovery programming in cooperation with both national and international participants. UNDP usually plays the lead role within the U.N. system in the coordination of early recovery programming, both through its support to the RC/HC and through interventions to fulfill its mandate for early recovery and development programming. At the headquarters level, UNDP is the lead agency for the global Inter-Agency Standing Committee (IASC) Cluster Working Group on Early Recovery (CWGER), and ILO currently chairs the CWGER Subgroup on Livelihoods and Economic Recovery. While the United Nations coordinate humanitarian operations, national participants should lead the economic recovery process. Sustainability requires national ownership and the alignment of all programming with national priorities and development plans.

The coordination roles of UNDP Country Offices with regard to livelihoods and economic recovery include facilitating the following, in collaboration with the RC/HC Office:

- Prioritization of livelihoods and economic recovery issues in early recovery coordination mechanisms, strategies, and programming;
- Establishment of a coordination platform for livelihoods and economic recovery, with agreement on the lead agency, the Terms of Reference, and a work plan;
- Stakeholder agreement on livelihoods and economic recovery assessment, interventions, implementation, and monitoring and evaluation;
- Periodic consolidated reporting to the RC/HC and sharing of reports with Headquarters inter-agency mechanisms (e.g., the CWGER Subgroup on Livelihoods and Economic Recovery).

In some crisis and post-crisis situations, coordination platforms for livelihoods and economic recovery already exist. To increase their effectiveness, these coordination platforms may simply require strengthening, reorientation, or expansion. In other situations, coordination platforms must be established from scratch. The identification or establishment of

a coordination platform should take place as early as possible in the programme cycle. Depending on the context and local capacities, a relevant line ministry can chair the platform, or a ministry can co-chair it with another organization—national or international.⁷⁰

A wide range of partners should be invited to participate in the coordination platform, including government bodies that are responsible for early recovery, the U.N. agencies (e.g., ILO, UNIDO, FAO, UN-Habitat, UN Women, UNFPA, and UNEP), UN Mission representatives (in peacekeeping contexts), donors, international financial institutions, national and international NGOs, and private sector entities. Criteria for participation could include having a mandate and the authority to influence decision making regarding livelihoods and economic recovery; expertise and/or information concerning employment, income generation, reintegration, and livelihoods in general; operational capacities on the ground and knowledge of the local context; and access to the crisis-affected area. The selection of participants should ensure that the platform has expertise on conflict sensitivity and disaster risk reduction.

Various structures are possible for the coordination platform. In crisis and post-crisis countries where the HC/RC launches the IASC “cluster approach,” UNDP Country Offices can facilitate the establishment of an early recovery cluster on livelihoods and economic recovery. Alternatively, when a more broadly defined early recovery cluster already exists, a subgroup within the cluster can focus on livelihoods and economic recovery. Countries where the UN Policy for Post-Conflict Employment Creation, Income Generation and Reintegration is rolled out (e.g., in Burundi, Côte d’Ivoire, Nepal and Sierra Leone in 2010-2011) can have a cluster/subgroup on employment creation, income generation and reintegration—or the cluster/subgroup on livelihoods and economic recovery can specifically focus on employment, income, and reintegration issues. In countries without the cluster system, the coordination platform could take the form of a working group or task force for supporting government-led livelihoods and economic recovery processes. In some cases, like-minded members of the cluster may pursue joint assessments, joint programmes, and/or joint monitoring and evaluation.

UNDP Country Offices can facilitate the formation of the resource mobilization task force within the coordination platform in order to engage with donors on the funding of livelihoods and economic recovery initiatives. These Country Offices can also support resource mobilization by seeking funding from UNDP’s TRAC 3 resources (category I, II and III) and/or the Thematic Trust Fund for Crisis Prevention and Recovery (CPR TTF).⁷¹

7.2 STRATEGIC COMMUNICATION

The effective use of strategic communication is critical to the success of any effort to promote sustainable livelihoods and economic recovery. Experience and evidence have demonstrated that strategic communication enhances development effectiveness, country ownership, partnership building, and results management. **Strategic communication** is communication that is conceived, targeted, and executed to achieve a specific goal or result. For UNDP, the intended results of strategic communication often relate to resource mobilization, partnership building, policy and behaviour changes that are conducive to MDG achievement, public support for good governance, and knowledge transfer and retention. In a crisis or post-crisis situation, strategic communication helps to build momentum for recovery by rallying crisis-affected people, local leaders, and national

References and suggested further reading: Coordination mechanisms

- IASC Cluster Working Group on Early Recovery. *Guidance Note on Early Recovery*. Prepared in cooperation with the UNDG/ECHA Working Group on Transition, April 2008.
- UNDP. *Early Recovery White Paper*. 2008.
- UNDP. *UNDP Policy on Early Recovery*. UNDP Geneva, August, 2008.
- United Nations. *UN Operational Guidance Note on Post-Conflict Employment Creation, Income Generation and Reintegration*. Draft: November 4, 2009.

⁷⁰ This has been done successfully in Iraq and Sri Lanka. In Zimbabwe, an Economic Livelihoods, Infrastructure and Institutional Capacity Building Cluster was established. Key participating/co-chairing ministries include the Ministry of Labour and Social Welfare and the Ministry of Small and Medium Enterprises; UNDP and IOM are the lead U.N. agencies.

⁷¹ For more information, see section 7.3 below on resource mobilization.

policymakers to support programmes and policies that create opportunities for employment and income generation. Adequate resource allocation for strategic communication should be planned from the start.

7.2.1 Dimensions of strategic communication

Strategic communication has three dimensions: (1) external communication and organizational advocacy, (2) communication for development (C4D), and (3) internal communication and knowledge management.

External communication and organizational advocacy. In crisis and post-crisis situations, UNDP’s external communication and organizational advocacy involves media outreach and donor relations, with the intended result of raising funds and building partnerships to support the recovery effort. By managing perceptions and rapidly responding to partners’ concerns with the use of solid information, this type of communication enables UNDP to maintain its credibility and strength as a key partner in crisis recovery. Primary audiences are usually the decision makers among donors and other partners, and secondary audiences are those who influence them (e.g., constituents, opinion leaders, lobbying groups, chambers of commerce, or academic associations). Key messages include the results of existing programming and plans for scaling up. Openness and honesty about the recovery challenges and the limitations of UNDP’s influence are critical for managing expectations and demonstrating that UNDP is realistic. Emphasizing the roles of other partners is also important so as to avoid the perception that UNDP is “going it alone.”

Communication for development. In crisis and post-crisis situations where social relations are fractured and the public lacks confidence in the government’s capacity and integrity, communication for development (C4D) can build understanding around recovery issues and enable crisis-affected people to influence public debate. C4D can help crisis-affected individuals to participate meaningfully in governance processes by providing them with the information they need to participate, raising their awareness of their right to participate, and creating opportunities for them to do so.

Support for community radio stations is an example of a community-level C4D intervention that can contribute to recovery. Community radio stations can communicate health information and announce the re-opening of schools and other public services. Furthermore, these radio stations can provide a platform for dialogue between local authorities and community leaders, and they can serve as a channel for community members to express their views and make demands (e.g., through call-in programmes). In post-conflict situations, these radio stations can create confidence in the peace process by airing dialogue among former parties to the conflict.

Since media coverage reflects and influences every aspect of social, cultural, political, and economic life, media capacity building is an important part of C4D in most crisis and post-crisis situations. The shift by many donors towards direct budget support heightens the need for the media to have sufficient capacity to serve its “watchdog” function.

Internal communication and knowledge management. Internal communication and knowledge management involve (a) information and communication technology (ICT) that enables storage and transfer of knowledge within an organization and (b) strategies to ensure that knowledge storage and transfer take place. The Inter-Agency Standing Committee (IASC) has established the cluster system—with eleven clusters,

reflecting the global humanitarian structure, led by both U.N. agencies and international NGOs—partly to facilitate knowledge management.

7.2.2 Formulating and executing a communication strategy

Formulating and executing a communication strategy can be viewed as a two-part process, each part containing five steps. The first part is the formulation of the strategy:

1. Identify the **intended result(s)** (e.g., restoration of trust in the government, reduction of anxiety among a target population, rehabilitation of basic community infrastructure, or widespread participation in local elections).
2. Identify the **audience** that can bring about the intended result.
3. Create **message(s)** that can influence the identified audience to bring about the intended result. The messages should be simple, accurate, and consistent, using language that people can easily understand (without jargon or excessive acronyms, taking into account local literacy levels, etc.).
4. Identify the **communication channel(s)** (e.g., television, radio, billboards, print media, mobile cinemas, workshops, village meetings, religious services, or one-to-one communication) that are best suited to convey the messages so as to influence the intended audience and to bring about the intended result.
5. Create the **communication tool(s)** (e.g., produce brochures, posters, videos, websites, or press releases; arrange workshops, meetings, or speaking engagements; and/or engage local leaders, celebrities, and other well-known personalities) that are best suited to the intended channel, message, audience, message, and result.

The second part of the process is executing the strategy. The five steps for execution use the same concepts as those for formulating the strategy, but in the reverse order:

Put the **communication tool** into play...
 ...through the selected **channels**...
 ... to carry the **messages**...
 ...to the target **audience**...
 ...which is expected to bring about the **intended result**.

The intended result—where the process starts and ends—should be kept in mind throughout. Careful selection of the timing and frequency of message delivery will enable message retention and “top of mind” association. Concerted effort is needed in the selection of channels and use of communication tools in order to ensure that messages reach intended audiences who are hard to reach, such as crisis-affected people in remote areas. Collaboration with crisis-affected communities, the government, and other development partners, will strengthen effectiveness and synergy in communication strategies.

Risk assessment, sensitivity to the context, and familiarity with the audience’s priorities, concerns, and social norms and values are important when developing and implementing a communication strategy. This background knowledge will make conflict and gender sensitivity possible. Pilot messages can be tested using focus groups or feedback from local colleagues. Risk assessment will bring to light the potential for communication messages and tools to backfire. For example, T-shirts to identify participants in a cash-for-work project, with the logos of the government (or local government) and UNDP, can facilitate internal communication, build team spirit, enhance public confidence in the government, and highlight UNDP’s involvement for donors. If things go wrong with the project, however,

References and suggested further reading: Strategic communication

- Bessette G., *Involving the community, a guide to participatory development communication*. International Development Research Centre, 2004.
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- United Nations. Focus on sustainable development: Ninth United Nations Roundtable on Communication for Development Report. 2004.
- United Nations Information Centres. <http://unic.un.org/aroundworld/unic/en/index.asp>

this exposure can lead to bad publicity. Moreover, the use of UNDP's logo, in this or other contexts, should be carefully assessed for the potential to undermine public confidence in the government by appearing to claim successes that are the preserve of government.

Monitoring and evaluation (M&E) is as important for communication as for any other programme component. The M&E framework for a livelihoods and economic recovery project or programme should include baselines and indicators against which to track progress toward the intended results of the communication strategy, thereby enabling adjustment of the strategy as needed, so as to ensure sound implementation.

7.3 RESOURCE MOBILIZATION

In crisis and post-crisis situations, livelihoods and economic recovery interventions need to start quickly and to have both immediate and sustained impact. In order for this to happen, these interventions not only need to be well designed, but they also require rapid initial funding and predictable sustained funding. Mobilizing resources for livelihoods and economic recovery programming can be especially challenging. Most donors divide official development aid between humanitarian and development funding lines. Recovery programmes lie outside of these two categories. When using their humanitarian funding lines, donors prioritize life-saving interventions over those with a longer-term vision. Development funding can take a long time to disburse, and donors often have risk-averse policies for using their development funds, making them difficult to access in crisis and post-crisis situations.

7.3.1 Characteristics of an effective resource mobilization strategy

Experience has shown that resource mobilization for livelihoods and economic recovery programming is most effective when pursued within the overall recovery effort and in collaboration with other partners. This approach enables donors to see how funding fits into the overall priorities for recovery in the crisis or post-crisis situation, and it may encourage these donors to move from project-based funding to multi-year partnerships. Such an approach also demonstrates that the mobilization of resources is for the crisis-affected country, and not for any particular agency.

Some of the key characteristics of an effective resource mobilization strategy are as follows:

- **Genuine partnerships with donors.** Resource mobilization is increasingly viewed as long-term partnerships with donors rather than simply as the pursuit of project funding. Engaging donors in the development of country strategies and in the entire programme cycle leads to genuine partnerships.
- **Knowing donors.** An awareness of donor priorities, policies, and procedures is essential. A clear resource mobilization strategy will align an analysis of donor preferences with funding needs. It is important to know which donors have a particular interest in livelihood issues, which department(s) within a donor organization the livelihoods and economic recovery portfolio belongs to, and whether decision-making is decentralized or takes place in donor capitals. While bilateral and multilateral donors continue to be the primary donors to livelihoods and economic recovery programmes, the private sector and Diaspora communities are playing an increasing role. Among bilateral donors, even those without a local presence should be considered in the resource mobilization strategy. These donors may be open to cost-sharing as an initial entry

point in a crisis or post-crisis situation, and/or they may be useful partners in future programming.

- **Strong M&E and reporting.** High-quality and timely monitoring, evaluation, and reporting—demonstrating the effective use of funds for the achievement of results—are necessary for maintaining donor partnerships. Regular formal and informal consultations with donors are also important. Maintaining partnerships through regular reporting and consultations makes follow-up programming and programme readjustments, when needed, relatively easy to arrange.
- **Host government involvement in resource mobilization.** UNDP has much to offer to host governments in pursuing national objectives for livelihoods and economic recovery, including substantial resource reach, delivery capacity, quick response capacity, decentralized organizational structure, and relatively low overhead for a development agency. When host governments have a clear understanding of why UNDP is mobilizing resources, and what the advantages are for the country, they can play an important role in the process (e.g., through their interactions with embassy staff and visiting donor representatives).
- **Effective communication.** Strategic communication is important for resource mobilization. Documentation of UNDP's track record in implementing similar programmes, including success stories in the country or region where the crisis has occurred, enables UNDP and its partners to demonstrate the expertise that either exists in the Country Office or can be rapidly sourced from other parts of the organization. Based on this documentation, UNDP can develop communication guidelines and supporting products to share with all relevant UNDP staff and partners in order to ensure a coherent message and to facilitate engagement with donors.

7.3.2 Funding instruments

A variety of funding instruments can be considered for resource mobilization for livelihoods and economic recovery programming. Alignment with larger processes, including the Flash Appeal and the Consolidated Appeals Process, is important. The following are funding instruments that should be considered in this connection:

- **Seed funding within UNDP.** Seed funding can be used to start interventions rapidly while additional resources are mobilized for scaling up. Seed funding is mobilized either through internal reprogramming of existing resources (e.g., when another programme or project is unable to deliver due to the crisis) or through one of the two resource pools managed by UNDP's Bureau for Crisis Prevention and Recovery (BCPR) for preparatory work and the initiation of recovery programmes. These are TRAC 1.1.3 resources, which are part of UNDP's core resources, and the Thematic Trust Fund for Crisis Prevention and Recovery, which is non-core (funded with direct donor contributions). These funding sources are relatively small, necessitating additional resource mobilization for the full rollout of livelihoods and economic recovery programmes.
- **Flash Appeal.** The Flash Appeal is a tool for structuring a coordinated humanitarian response for the first three to six months of an emergency. It is based on early estimates and focuses on urgent humanitarian needs. Current guidelines for Flash Appeals allow the inclusion of early recovery needs in a phased manner, which may facilitate funding for initiatives to address them.
- **Consolidated Appeals Process (CAP).** Humanitarian organizations use the CAP to plan, coordinate, fund, implement, and monitor their activities for a particular crisis. CAPs are launched annually for projects of one year's duration and cannot include recovery activities that go beyond the humanitarian mandate.

References and suggested further reading: Resource mobilization

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- UNDP Resource Mobilization Toolkit. <http://resourcemobilization.brsp.undp.org/>
- UNDP TRAC 3 Guidelines. <http://content.undp.org/go/userguide/finance/rsrc-plan-budget/resources-for-special-development-situations/?lang=en#top>
- UNDP. UNDP Thematic Trust Fund for Crisis Prevention and Recovery. http://www.undp.org/cpr/whats_new/framework.shtml

- **Central Emergency Response Fund (CERF)**. A standby fund linked to Flash Appeals and CAPs, the CERF is designed to enable predictable, timely, and equitable responses to humanitarian emergencies. Early recovery proposals have been packaged in the contexts of "time-critical" and/or "protection" interventions within the CERF mechanism; in rare instances, this has led to limited financing of early recovery projects.
- **Common Humanitarian Fund (CHF)**. Managed by the Humanitarian Coordinator, CHFs provide early and predictable funding for response to critical humanitarian needs, as identified in a CAP. CHFs also maintain an emergency reserve for responding to unplanned emergency needs outside the CAP. CHFs have served to scale up resources in difficult operating environments. In situations where donors cannot work through government systems, for example, CHFs allow donors to "shadow align" with them. In all existing CHFs, UNDP is the financial fund manager and is also tasked with subcontracting NGOs on behalf of the CHF.
- **Multi-Donor Trust Funds (MDTF)**. MDTFs can be designed and established so as to finance specific interventions, including those for recovery. MDTFs typically allocate funding on the basis of needs included in national strategies. Furthermore, MDTFs often rely on government structures for administration and implementation and are therefore useful in terms of developing government capacity. A disadvantage of MDTFs is the time lag that typically occurs between the establishment of a fund and disbursement to implementing agencies (8-18 months).
- **The Peacebuilding Fund (PBF)**. The PBF is designed to address crucial funding gaps between conflict and recovery for post-conflict countries, through the disbursement of emergency grants for activities that support peace processes in post-conflict settings. The PBF provides funding only to countries that are before the Peacebuilding Commission or countries in similar circumstances as designated by the Secretary-General. The PBF is a good source for seed funding for livelihoods and economic recovery. In most cases, it has funded youth employment programmes, for example in countries such as Guinea Bissau, Liberia, and Sierra Leone.

Box 7.2. Early recovery funding in Pakistan⁷²

Resource mobilization for early recovery following the 2005 earthquake in Pakistan was highly successful, at 87 percent of the proposed budget for the Early Recovery Plan. Donors gave the following reasons for their substantial contributions: (1) donors were genuine partners in the assessment and planning processes, so early recovery remained on their minds even months after the disaster; (2) the U.N. team highlighted early recovery at the early stage and kept it on the agenda until donors were ready to address it; (3) a respected, high-level government official recognized the importance of early recovery and became a champion; and (4) coordination among U.N. agencies and with the government during the relief phase created donor confidence.

The importance of making sure that donors are genuine partners in the entire relief and recovery process and ensuring effective coordination were therefore among the key lessons learned. Openness about past shortcomings can help to build trust. Donor participation in decision-making makes such donors unlikely to deny or forget the need for funding. When all partners—including the government, donors, and NGOs, as well as the U.N. agencies—work together as a team, donors are less inclined to leave the funding of early recovery to "someone else."

72 Based on a contribution from Andrew MacLeod, RC Office, to an internal UNDP e-discussion on early recovery.

7.4 “FAST TRACKING” THE PROCUREMENT OF GOODS AND SERVICES

To enable rapid and flexible response in special development situations (including crises), UNDP’s Bureau of Management and Bureau for Crisis Prevention and Recovery (BCPR) developed a Fast Track Strategy, which was endorsed in 2009 and formally announced to UNDP offices in 2010. The Fast Track Strategy has helped to improve the speed and timeliness of UNDP’s response to crisis and other special situations. The Fast Track Strategy outlines a set of Fast Track Policies and Procedures (FTP), recommendations on fast tracking through preparedness, and recommendations for related changes in “across-the-board” policies and procedures.

The Resident Representative may activate the FTP online if at least one of the following three events has taken place: (1) OCHA or the U.N. Country Team has declared a crisis, (2) BCPR has approved an emergency grant (defined as TRAC 3, Category II), or (3) BCPR has activated the rapid deployment of personnel through its “SURGE” facility. The FTP may also be formally activated by the Resident Representative outside the context of an acute crisis, e.g., when a strategic and/or time-critical response is needed to maintain UNDP’s credibility and relevance (see definitions of “strategic” and “time-critical” in *page 2 of the Fast Track Strategy*). Once the FTP is activated, the Resident Representative automatically has additional authority for procurement, authority to use the direct implementation modality, and limited temporary authority to waive the competitive recruitment process. A number of operational procedures are also modified, including the SURGE standard operating procedures, and specific turn-around times are guaranteed from Headquarters and Regional Support Centres.

UNDP Headquarters has developed prescriptive content for the application of the Fast Track initiative and it can be found at <https://intranet.undp.org/global/popp/ft/Pages/Fast-Track.aspx>. Also, in order to apply for the use of the Fast Track Policies and Procedures, an activation form can be downloaded at <https://intranet.undp.org/decision/fast-track/SitePages/Fast%20Track.aspx>. All Fast Track Country Offices are listed in the summary table. For any support required on FTP, please contact Hye Ran Kim, Management and Programme Specialist, Directorate/BoM (hyeran.kim@undp.org) or Nazim Khizar, Operations Manager, BCPR (nazim.khizar@undp.org).

7.5 MONITORING AND EVALUATION

7.5.1 Introduction

Monitoring and evaluation (M&E) are central to results-based management. Results-based management is a strategy aimed at achieving improved performance and demonstrable results. UNDP adopted results-based management more than ten years ago and is committed to ensuring that strategic results in support of MDG achievement guide all of its programming. This approach involves the setting of clear programme objectives, systematically tracking their achievement, and using lessons learned to improve future programming and increase accountability to all key stakeholders.

M&E are often under-prioritized in crisis prevention and recovery settings, where pressure for rapid delivery is greater than in normal development contexts. In fact, M&E are integral to all phases and aspects of successful recovery programming, including resource

mobilization. When formulating a project or programme, UNDP should develop an M&E system in close collaboration with national counterparts and other stakeholders in accordance with the UNDP Handbook on Planning, Monitoring and Evaluating for Development Results. Effective M&E requires that budgets and staffing plans reflect adequate human and financial resources for this purpose. UNDP can conduct the M&E exercises, or t such exercises can be undertaken jointly with other partners.

Like all other aspects of programming in crisis and post-crisis situations, M&E must be conflict, disaster-risk, and gender sensitive, and t must also contribute to national ownership and capacity development. Conflict sensitivity in M&E requires (a) ensuring that a conflict analysis and/or other relevant assessments are regularly updated so that changes in the context can be reflected in programme implementation; (b) regularly assessing how interventions, including M&E, interact with the context (e.g., their effect on social tensions); and (c) making adjustments as needed to maximize positive impacts and avoid negative impacts. The security of both staff and stakeholders must be constantly factored into all decisions, including timing and methods of data collection, based on careful risk analysis. Maintaining a *big picture perspective* is necessary to avoid a situation in which livelihood interventions are successful in their own terms but fail to contribute positively to overall conflict prevention and disaster risk reduction.

This section provides definitions of key terms, outlines the main steps, and addresses partnerships in the M&E process for livelihoods and economic recovery programming in crisis and post-crisis settings. References to prescriptive content, guidance, and additional resources on M&E are provided at the end of the section.

7.5.2 Definitions

Planning is the process of setting goals, developing strategies, outlining implementation arrangements, and allocating resources to achieve the established goals. Effective programme planning starts with higher-level results (e.g., those envisioned in national development plans, Poverty Reduction Strategy Papers (PRSPs), U.N. Development Assistance Frameworks (UNDAFs), and the UNDP Strategic Plan). The intended outcomes and outputs of a programme or project should contribute to these higher-level objectives. In crisis settings, good planning is critical to ensure that programming supports peace-building and disaster risk reduction as well as livelihood-specific objectives.

Results are the describable or measurable development changes resulting from a cause-and-effect relationship. UNDP interventions address different levels of results, as follows:

- a) **Impacts** are actual or intended *changes in human development* (e.g., poverty levels of women reduced). Impacts are the highest level of results.
- b) **Outcomes** are actual or intended *short- to medium-term changes in development conditions* to which a number of stakeholders, including UNDP, seek to contribute (e.g., inclusive economic policies to promote enhanced economic opportunities for women business owners drafted and implemented).
- c) **Outputs** are *short-term development results* (e.g., local authorities in districts A, B, and C supported to rehabilitate local markets and promote business opportunities for women). Outputs are products and services produced by project activities, using resources provided by UNDP.

Monitoring is the ongoing process by which stakeholders obtain regular feedback on progress towards their intended results. For UNDP, the monitoring focus is on tracking progress towards development results rather than tracking activities. Monitoring is an essential part of programme implementation; as such, it is usually conducted by project or programme staff or by trained monitors who are involved with the project or programme (e.g., implementing partners or target beneficiaries).

Evaluation is a rigorous and independent assessment of ongoing or completed activities to determine the extent to which such activities are achieving, or have achieved, the stated objectives. Most evaluations are conducted using at least one external consultant to ensure independence. In the area of livelihoods and economic recovery, evaluations often focus on Track C programming with consideration for the effectiveness of Track A and B interventions in contributing to the long-term goals of employment and inclusive economic growth. Typically, evaluations will consider the relevance, appropriateness, efficiency, effectiveness, sustainability, and impact of a project or programme, taking into account conflict, disaster-risk, and gender sensitivity, national ownership, and capacity development.

7.5.3 Main steps for M&E

The main steps for M&E in livelihoods and economic recovery programming are outlined below. For effectiveness, and to ensure that neutrality is maintained (and seen to be maintained), all steps should be highly participatory. Training on M&E and other awareness raising initiatives can help crisis-affected individuals, policy makers, and other stakeholders to fully understand the issues and to participate meaningfully. While integrating effective M&E from the earliest stages of programming is ideal, retrospective monitoring should be introduced in cases in which this is not possible. This retrospective monitoring involves reconstructing baselines through interviews and document reviews and introducing monitoring mechanisms after programme implementation begins. Evaluations can be conducted even where monitoring has been erratic, but this makes strong, evidence-based findings much more difficult to obtain.

The following are suggested steps to take in preparation for M&E:

- 1) **Identify the main problems and agree with stakeholders on the desired results.** Livelihoods and economic recovery assessments (see Chapter 2) and participatory processes involving all key stakeholders are essential in this step. Results statements should be clear, and these statements should focus on desired programme results, not on activities. In crisis and post-crisis situations, this step is not a one-time exercise. Since the situation is inherently dynamic, flexibility is needed, and programme objectives may need to be revisited periodically so as to ensure that they remain feasible and desirable.
- 2) **Develop indicators of progress toward the desired results.** Indicators should be specific, measurable, achievable, relevant, and time-bound (SMART). The number of indicators should be as few as possible, bearing in mind the availability of data and the feasibility of data collection, the information needed for project/programme management, and the measures of progress that are most meaningful and important to stakeholders. All indicators should be disaggregated according to sex, age, ethnicity, and other background characteristics of importance in the local context. Wherever possible, indicators should draw on national data sources to ensure national ownership and capacity building.

For outputs, including both process indicators and result indicators is useful. Process indicators reflect whether the product or service foreseen in the output statement was completed or delivered. Result indicators reflect whether the product or service is bringing about intended changes (e.g., the level of usage or user satisfaction).

- 3) **Establish baselines and targets against which progress will be measured.** Baseline information can be taken from assessments and other reliable sources. If necessary, this baseline information can be gathered at the start of the implementation. Each indicator and result should have at least one time-bound and realistic target.
- 4) **Identify risks and assumptions.** Identifying risks that may delay or derail progress toward the intended results—and clarifying the underlying assumptions in the programme design—enables precautionary actions to prevent problems. The need for flexibility in M&E may have budget/resource implications, which can be addressed in the risks and assumptions.
- 5) **Develop an M&E framework and strategy.** In a simple, accessible format (usually a matrix), the M&E framework provides the intended results, indicators (with baselines and indicative targets), planned M&E events and data collection methods, timing of M&E activities, responsible parties, required resources, and risks, assumptions, and mitigation measures. The M&E strategy should identify the required financial and human resources for M&E, which issues will be addressed through ongoing monitoring, and which issues, if any, require in-depth evaluations. If evaluations are conducted, the M&E strategy will include an evaluation plan that indicates the timing and objectives. The strategy also indicates how data will be analyzed and how findings will be presented and to whom. The strategy should provide for the selection of monitors with conflict and gender sensitivity, using national capacity to the extent possible, and identify any training that the monitors may need.

The monitoring process generally includes the following steps:

- 1) **Collect monitoring data.** Ensure regular collection of data to monitor progress throughout the programme cycle in accordance with the results framework and M&E strategy.
- 2) **Compile the data.** Compile the monitoring data at regular, planned time intervals in an accessible format for use in programme decision making and sharing of lessons learned.
- 3) **Disseminate the data.** Regularly disseminate monitoring data to programme decision makers (e.g., the project manager) and other stakeholders.
- 4) **Update the risks and assumptions.**

The evaluation process generally includes the following steps:

- 1) **Before the evaluation,** define the evaluation objectives, calculate the costs, identify the intended audience, and determine the timeframe for the evaluation. Prepare the Terms of Reference accordingly, and recruit the evaluation team.
- 2) **During the evaluation,** provide logistical and administrative support to the evaluation team (e.g., relevant documents and the identification of key interviewees).
- 3) **After the evaluation,** oversee the quality of the evaluation report, ensure its dissemination to key stakeholders (which may require translation), ensure that the findings are used to inform ongoing and planned programme development and policy advocacy, and ensure that findings are available to inform global knowledge on livelihoods and economic recovery programming.

7.5.4 Partnerships for M&E

The key partners for effective M&E are local and national government authorities, representatives of stakeholder groups, national statistical offices or observatories that collect data for use in national planning (where they exist), donors, other agencies working on livelihoods and economic recovery, and civil society organizations (often including universities). Involving representatives of all key stakeholders, including target communities, in all stages of the M&E process can help to reduce tensions, and is crucial to the perceived neutrality of UNDP and the programme or project in question. Engagement with the U.N. agencies and other humanitarian or development partners in joint assessments, data sharing, and joint M&E, is often valuable.

References and suggested further reading: Participatory planning, monitoring, and evaluation

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*Men and Women Cleaning the Rubble as Part of Cash for Work Programme in Haiti
(Photo by UNDP)*



GUIDE ON LIVELIHOODS AND ECONOMIC RECOVERY PROGRAMMING IN CRISIS AND POST-CRISIS SITUATIONS	136
GLOSSARY OF TERMS	139
ACKNOWLEDGEMENTS	146
ACRONYMS	151
ANNEX: Discussion Paper	156

GUIDE ON LIVELIHOODS AND ECONOMIC RECOVERY PROGRAMMING IN CRISIS AND POST-CRISIS SITUATIONS

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GLOSSARY OF TERMS

Adaptive strategies are long-term shifts in livelihood strategies that are in response to changes in the crisis or post-crisis environment.

Apprenticeships provide on-the-job training and job shadowing between an apprentice and a skilled artisan or tradesperson, usually in a one-on-one capacity.

Area-based development is an approach designed to help countries address the needs of crisis-affected populations by enabling or reinforcing communities' capacities.⁷³ ABD programmes seek to address the root causes of the problems that put an area in a disadvantaged position vis-à-vis the rest of the country, while at the same time trying to mitigate its effects.

The term **armed forces** refers to regular armies, while **armed groups** refers to irregular groups or militias.

Business development services (BDS) are defined as "services that improve the performance of the enterprise, its access to markets, and its ability to compete," including "training, consultancy, marketing, information, technology development and transfer, business linkage promotion" and strategic and operational guidance.⁷⁴ The aim of BDS for livelihoods and economic recovery is to provide human and institutional capacity development through skills development, support services, and integrating target groups into the formal micro, small and medium enterprise (MSME) sector through strengthening enterprises' capacities.

Capacity development is the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time.⁷⁵

Cash-for-work (CFW) interventions provide cash payment for work in public works schemes or other projects in order to: rapidly infuse cash into communities, generate rapid employment and stabilize income, increase purchasing power and consumption, and provide immediate support to those individuals who are affected by crises.

Collective remittances are pooled funds sent by a diaspora group, or a hometown association, to their home community for development projects and investment.

Community refers to all participants, groups and institutions within a geographic area, including civil society organizations (CSOs), informal institutions, local authorities responsible for delivering services, and security providers. In addition to being defined geographically, communities can also be defined by the shared interests, values and needs of their members.

Community contracting (CC) is a partnership agreement between a community-based organization (CBO) and an external funding or support agency for the implementation of local infrastructure or improvements for the benefit of the community, with inputs (e.g., labour, materials and cash) provided by the community in rural or semi-rural areas.

⁷³ UNDP. *UNDP and Area-Based Development Programmes: An Overview*. (nd), p.2.

⁷⁴ Committee of Donor Agencies for Small Enterprise Development, 2001, p.11. Cited in: UNDP. *Business Development Services How-To Guide*. UNDP Bratislava Regional Centre. July 2004, p.5. <http://europeandcis.undp.org/poverty/show/FA14BD48-F203-1EE9-BFE68960B3314C1D>

⁷⁵ UNDP. *Capacity Development Practice Note*. October 2008.

Community infrastructure consists of “low-cost small scale infrastructures built over time through community-led initiatives according to the needs and aspirations of the population in the community. These micro infrastructures are socially, economically and operationally linked to community lives and livelihood options, ensure basic services to its population and are thus conceived as critical lifelines for survival of the populations in the community.”⁷⁶

Community security refers to the condition in which communities and their members are ‘free from fear’ and ‘free from want.’ It encompasses both group security (i.e., protection against the breakdown of communities/groups that provide members with a shared identity and value system) and personal security (e.g., including threats from the state, other states, other non-state groups, gangs, or individuals, including threats to women, children or self).

Community security and social cohesion was developed by UNDP as “a programmatic approach that integrates security and development interventions. It brings together a wide range of state and civil society actors to identify the causes of insecurity and to develop a coordinated response to them at the community level, and an enabling environment at the national level. It emphasizes participatory assessments, planning and accountability and seeks to improve service delivery, reduce social exclusion, enhance relations between social groups and strengthen democratic governance.”⁷⁷

Conditional cash transfer programmes provide direct cash transfers, and at times, certain in-kind transfers (e.g., goods and services) to carefully targeted populations living in extreme poverty, in exchange for certain conditions, or behaviours. Such behaviours help to contribute to human development, including: sending their children to school and ensuring that they receive health checkups and vaccinations, as well as attendance by heads of households at health and hygiene talks, and the use of maternal care services.

A **conflict analysis** is a mechanism that is designed to view a range of relevant factors in a comprehensive and structured way to better understand the dynamics of a conflict, and its varying degrees of impact on communities, governments, institutions and systems.

A **Conflict-Related Development Analysis** (CDA) is a tool used to provide conflict-sensitive guidance for development programming. The CDA identifies the key structural causes of conflict through a participatory, consensus-building, geographically disaggregated and development-focused methodology.

Corporate social responsibility (CSR) is defined in this Guide as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.”⁷⁸

A **damage needs assessment** is the process of identifying infrastructure that needs to be rehabilitated and/or built following a crisis.

A **disaster risk assessment** (DRA) is an analysis of potential hazards and the damage caused by natural and man-made disasters, and the likelihood of that damage being faced by target communities and ecosystems. A DRA is a starting point of disaster risk management.

76 UNDP. Guidance for Community Infrastructure Sector. 2009.

77 UNDP BCPR. *Community Security and Social Cohesion: Towards a UNDP Approach*. December 2009.

78 European Commission. “Corporate Social Responsibility.” EC Enterprise and Industry: Sustainable and Responsible Business. http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.htm

Economic recovery “is the process of stimulating the growth of an area’s local economy through market development, strengthening new and existing enterprises, and job creation in the private sector and public institutions, including reconstructing needed infrastructure that will allow for trade and commerce to take place in local, national, regional and international markets.”⁷⁹ Economic recovery involves post-crisis sustained growth “at significantly higher than historical rates, and should be accompanied by significant employment creation and by action to reduce severe horizontal inequalities.”⁸⁰ Economic recovery following conflict or disaster should be a transformative process of building back both better and differently, which requires “a mix of far-reaching economic, institutional, legal and policy reforms” upon which to build self-sustaining development.⁸¹

An **economic recovery assessment** (ERA) assesses key indicators covering a broad range of issues relating to post-crisis economic recovery and economic growth, and identifies major constraints, trends and opportunities for strengthening growth and reducing poverty in such environments. An ERA is based on an examination of key economic, conflict and social indicators.

Employment is defined here as a decent work situation that enables an individual to earn enough to maintain their own and/or their household’s needs above a reasonable poverty line.

Entrepreneurial development comprises any private activity conducted with the purpose of generating income and maximizing profits through innovation and with a positive impact on—or at the very least, no negative consequences for—the socioeconomic well-being of the community.

Evaluation is a rigorous and independent assessment of ongoing or completed activities to determine the extent to which such activities are achieving, or have achieved, stated objectives.

Food-for-work (FFW) interventions provide food in lieu of cash as compensation for work recovery programmes. Food-for-work programmes are sometimes more appropriate than cash-for-work programmes in cases where markets may not be functional, cash might contribute to inflation, cash may fuel social unrest or conflict, or where women may be at increased risk of gender-based violence or other harm due to the possession of cash.

Governance is “the exercise of political, economic and administrative authority in the management of a country’s affairs at all levels.”⁸²

Green jobs are those that contribute to environmental and ecological preservation and sustainability, and are defined as work that contributes “substantially to preserving or restoring environmental quality... This includes jobs that help to protect and restore ecosystems and biodiversity; reduce energy, materials and water consumption through high-efficiency and avoidance strategies; de-carbonize the economy; and minimize or altogether avoid generation of all forms of waste and pollution.”⁸³

Green sector development involves efforts by the public and private sectors, the government, NGOs, UN partners, community-based organizations (CBOs), local communities and other stakeholders to link development (e.g., infrastructure, provision of social services and public utilities, and natural capital interventions) to environmental and biodiversity conservation for tangible social and economic benefits to communities.

79 Women’s Refugee Commission. *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*. May 2009, p.342.

80 UNDP Bureau for Crisis Prevention and Recovery. *Post-Conflict Economic Recovery: Enabling Local Ingenuity*. 2008, p.5. www.undp.org/cpr/we_do/eco_recovery.shtml

81 Ibid.

82 UNDP. *Governance for Sustainable Human Development: A UNDP Policy Document*. Glossary of key terms, <http://mirror.undp.org/magnet/policy/glossary.htm>

83 UNEP, ILO, IOE and ITUC. *Green Jobs: Towards decent work in a sustainable, low-carbon world*. September 2008, pp.35-36. http://www.ilo.org/global/What_we_do/Publications/Newreleases/lang--en/docName--WCMS_098503/index.htm

Inclusive economic growth aims to promote a rapid increase in the pace of economic output in a local or national economy while at the same time generating productive livelihood opportunities for all segments of the population. Economic growth is inclusive when it is derived from equitable market access (of entrepreneurs, workers and consumers), inter-regional and inter-sectoral market linkages, remunerative employment opportunities, and income creation. Inclusive economic growth supports the inclusion and participation of crisis-affected, vulnerable, marginalized or impoverished groups in market activities, the labour market and economic development. Inclusive economic growth strategies can result in tangible economic benefits for crisis-affected and vulnerable households and communities, providing a safety net, and contributing to greater security.

Inclusive markets are markets that extend choice and opportunity to poor and marginalized populations as producers, consumers and wage earners. Inclusive markets should be environmentally, socially and commercially sustainable.

Inclusive market development (IMD) connects the micro and small enterprises (MSEs) of economically disadvantaged populations to large companies that have regular and secure access to global markets, thereby creating forward and backward linkages where poor and crisis-affected people can participate as distributors, service providers, producers, aggregators and suppliers. The IMD framework not only aims to develop markets that are transparent and growth-oriented, but to also ensure that in changing circumstances and while systems for service markets are being developed, poor and crisis-affected populations are able to effectively engage in and benefit from developing markets for poverty reduction, livelihoods stability and economic recovery.

Infrastructure rehabilitation is an intervention meant to help rebuild communities and restore necessary community infrastructure and services post-crisis. Infrastructure may include roads, bridges, transportation systems, ports, water and sanitation systems, shelter, energy sources and electrical grids, telecommunications, health facilities, schools, government buildings, community centres, irrigation and drainage systems for agriculture, and other structures.

Job placement involves assistance given to individuals, who are referred to employers as occupational candidates, or hired directly.

A **labour market assessment (LMA)** provides key information on the short and long-term viability of employment opportunities, and new occupational and market growth areas for crisis-affected populations and target groups. An LMA identifies labour market demand that is dependent upon market needs and opportunities.

Livelihoods comprise the “the capabilities, assets (including both material and social resources) and activities required for a means of living.”⁸⁴

A **livelihoods assessment** is an analysis that seeks to evaluate the assets and liabilities, capabilities, livelihood activities and livelihood access of those individuals who are affected by crisis, and the influence of the broader governance and economic environment on individuals, households and communities. The assessment identifies local livelihood and economic recovery strategies and the various ways that people are coping, or have coped, with vulnerability within a broader context of enabling policies, institutions and processes (PIPs).

84 DFID. “The Sustainable Livelihoods Distance Learning Guide.” In DFID Sustainable Livelihoods Guidance Sheets. April 1999. www.eldis.org/vfile/upload/1/document/0901/section1.pdf

Macro-economic policies comprise monetary and fiscal policy, as well as policies related to trade.

The **Making Markets Work for the Poor** (M4P) approach develops business models that are more inclusive of the poor, and strengthens markets so as to be more beneficial for the poor.

A **market analysis** is defined here as a market profiling exercise that utilizes the results from a market assessment, a labour market assessment (LMA) and a value chain analysis (VCA) to inform livelihood and economic recovery interventions.

A **market assessment** is a diagnostic tool that identifies current, recent and pre-crisis market conditions and trends; supply and demand for goods and services; the characteristics and bottlenecks of supply and value chains; the impacts of crisis on markets; the viability of various income-generating opportunities, occupations and business development; and the extent of access and barriers for crisis-affected populations.

A **market profile** is a composite of the results from a market assessment, which analyses four key characteristics: 1) market structure and key supply and value chains, along with labour market assessment data; 2) market competitiveness; 3) market accessibility and spatial integration; and 4) the institutional environment and processes, including government policies and regulations.

Markets are complex systems that include institutions, infrastructure, social relations and networks, and involve processes whereby goods and services are exchanged.

Microfinance is the provision of microcredit, savings, remittances and other financial services for poor or crisis-affected individuals that can enable them to engage in self-employment and livelihood activities.

The term **military livelihood** is used in this Guide to describe access to assets and income generation activities by combatants while in armed forces (e.g., regular armies) and armed groups (e.g., irregular groups or militias).

Monitoring can be defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving their goals and objectives. For UNDP, the focus of monitoring is on tracking progress towards development results rather than activities or deliverables.

Natural capital comprises the goods and services gathered or produced by nature and ecosystems, including wood, soil, minerals, water, harvested and farmed food. Livelihoods can be derived directly from natural capital through agriculture, fisheries, agroforestry, forestry, non-timber forest products (NTFPs), mining, water and waste management, and other income generation activities.

Participatory rural appraisal (PRA) is an approach and method that emphasizes “local knowledge and enable[s] local people to make their own appraisal, analysis, and plans. PRA uses group animation and exercises to facilitate information sharing, analysis, and action among stakeholders.”⁸⁵

85 World Bank. *The World Bank Participation Sourcebook: Appendix 1: Methods and Tools*. Cited in Women’s Refugee Commission. *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*. May 2009, p.31.

Payments for ecosystem services (PES) is a market scheme in which communities and individuals can earn revenue through preserving the aspects of ecosystems that ensure healthy services, such as rivers, wetlands, waterways, stable slopes and forests.

Planning is the process of setting goals, developing strategies, outlining implementation arrangements, and allocating resources to achieve the desired goals.

A **political economy analysis** “aims to situate development interventions within an understanding of the prevailing political and economic processes in society—specifically, the incentives, relationships, distribution and contestation of power between different groups and individuals—all of which greatly impact on development outcomes. Such an analysis can support more effective and politically feasible donor strategies, as well as more realistic expectations of what can be achieved, over what timescales, and the risks involved.”⁸⁶

Public-private partnerships (PPPs) are formal collaborative arrangements between public institutions, private sector entities, UN agencies, non-governmental organizations (NGOs), civil society organizations (CSOs), community-based organizations (CBOs) and less formal stakeholder groups.

Remittances are defined as “income or goods received by individuals or households from other parties who live elsewhere,”⁸⁷ and typically consist of money that migrants earn abroad and send to their families at home, through formal transfers (i.e., banks and transfer operators) or informal transfers (i.e., sent through social or unofficial channels).

The **rule of law** “refers to a principle of governance in which all persons, institutions and entities, public and private, including the state itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. The rule of law also requires measures to ensure adherence to the principle of supremacy of law, equality before the law, accountability to the law, fairness in the application of the law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness, and procedural and legal transparency.”⁸⁸

Social capital comprises the social resources—in the form of networks, membership and social relations—that function as means through which to coordinate action, and as assets that people draw upon for their livelihood outcomes.

Social cohesion refers to the reduction of disparities, inequalities and social exclusion within or between communities, as well as the strengthening of social relations, interactions and ties. There is a strong link between social cohesion and community security as social exclusion and inequalities often provide a motivation for violent mobilization or for victimization of vulnerable groups, or are associated with crime and other forms of interpersonal violence.

Social funds are defined as “agencies that finance projects in several sectors targeted to benefit a country’s poor and vulnerable groups based on a participatory manner of demand generated by local groups and screened against a set of eligibility criteria.”⁸⁹ Social funds have their own staff, governance structure and financing policies.

86 Governance and Social Development Resource Centre (GSDRC). “Political economy analysis.” www.gsdr.org/go/topic-guides/political-economy-analysis

87 Women’s Refugee Commission. “Leveraging Remittances.” Chapter in *Building Livelihoods: A Field Manual for Practitioners in Humanitarian Settings*. May 2009, pp.256.

88 UNDP BCPR. *Strengthening the Rule of Law in Conflict- and Post-Conflict Situations*. A Global UNDP Programme for Justice and Security 2008-2011. 2008, p.30. http://www.undp.org/cpr/documents/jssr/rol_final_apr09.pdf See also, UN Security Council. *The rule of law and transitional justice in conflict and post-conflict societies*. Report of the Secretary-General. S/2004/616. August 23, 2004, p.4. www.un.org/en/ruleoflaw/

89 Jørgensen, Steen Lau and Julie Van Domelen. *Helping the Poor Manage Risk Better: The Role of Social Funds*. Social Protection Discussion Paper Series. Social Protection Unit, Human Development Network. World Bank. 1999, p.1.

Start-up grants are seed grants or capital that help to reestablish or jump-start an income generation activity or entrepreneurial endeavour.

Start-up packages are the provision of tools and small-scale equipment, and inputs such as seeds and materials, training and technical assistance needed to engage in a livelihoods activity. Start-up packages are also known as start-up packs, or start-up kits.

Sustainable livelihoods recovery is the process of building and developing strategies, assets and capabilities required for recovery and development.

Underemployment refers to a situation in which a person may be working full-time but earning income that is insufficient to support their own and/or their household's needs above the poverty line. This kind of employment is often characterized by involuntary employment; low productivity due to technology constraints or limited skills and knowledge; inconvenient venues; engagement in a sector/product line declining in market importance; and lack of production inputs.

Unemployment is the lack of any wage-earning work.

A **value chain** is a full cycle of business activities and relationships involved in creating and selling a final product or service, from raw materials to a final market.⁹⁰

Value chain analysis (VCA) is the analysis of various participants along the value chain, their activities, and existing policies, institutions and processes (PIPs) affecting value chain development. VCA includes the analysis of: value chain mapping; governance; global benchmarking and competition; inter-firm relationships; conflict sensitivity and risk assessment; and constraints and opportunities.

Value chain development (VCD) is a tool and an approach that addresses the ways in which products can have added value by upgrading strategic sub-sectors so that they can be integrated into larger value chains.⁹¹ Value chain development offers opportunities to create new end markets at multiple entry points.

Value chain selection is a decision-making process that should be undertaken to “determine and rank the competitiveness potential of a select group of value chains”⁹² that will maximize positive impact for crisis-affected people and target groups.

Vocational and skills training (VST) aims to prepare individuals for productive participation in the labour market by providing them with useful skills and the knowledge required for particular occupations. VST providers and institutions may offer both classroom-based and hands-on training.

The **vulnerability/crisis context** represents forces in the external and internal crisis environments that involve shocks, stresses and other trends that increase vulnerability and heighten risk. These conditions can limit an individual, a household, a community, a city, a country or even an ecosystem's capacity to anticipate, manage, resist or recover from the impact of a crisis, other threats, stress and/or trends.

90 ITC/ILO. “Enterprise Development Through Value Chains and Business Service Markets.” <http://marketdev.itcilo.org/>

91 Value chain analysis. http://www.capacity.org/en/journal/practice_reports/value_chain_analysis

92 USAID microLINKS Value Chain Development Wiki. “Value Chain Selection.” http://apps.develebridge.net/amap/index.php/Value_Chain_Selection

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⁹³ The views expressed in this Guide are those of its authors, and not necessarily those of UNDP.

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- ***Conditional Cash Transfer Programmes:*** by **Claudia Vinay** (Policy Specialist, Inclusive Development Cluster, BDP Poverty Practice, UNDP New York)
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- ***Natural Capital: Supporting Environmental Sustainability and Climate Change Adaptation:*** by **Adrienne Stork**
- ***Inclusive Market Development: Making Markets Work Better for the Poor:*** by **Srijana Rana** (Policy Specialist, Integrated Value Chain, Partnerships Bureau, Private Sector Division (PSD), UNDP New York)
- ***Integrated Value Chain Development:*** by **Srijana Rana** and **Owen Shumba**
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- ***Establishing National/Local Linkages***: by **Tuya Altangerel**, with assistance from **Fernando Henao**
- ***Gender Equality and Women's Economic Empowerment***: by **Lazima Onta-Bhatta**
- ***Youth Employment and Empowerment***: by **Lawrence Oematum**
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- ***Participatory Planning, Monitoring and Evaluation***: by **Janey Lawry-White** (Monitoring and Evaluation Specialist, Central Strategy and Policy Cluster, BCPR, UNDP Geneva)
- ***Annex: The Sustainable Livelihoods and Economic Recovery Framework***: by **Owen Shumba**
- ***Annex: Disasters and the Loss of Livelihood Assets***: by **Krishna S. Vatsa**
- ***Annex: Supplement to the Market Analysis Chapter***: by **Fabrizio Andreuzzi**

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ACRONYMS

8PA	Eight-Point Agenda (UNDP)
A2I	Access to Information (UNDP)
ABD	Area-based development
ACBF	Africa Capacity Building Foundation
ACP	Advisory Committee on Procurement
ADB	Asian Development Bank
AfDB	African Development Bank
APT	Asia and the Pacific Regional Team (UNDP)
ASCA	Accumulating Savings and Credit Association
BCPR	Bureau for Crisis Prevention and Recovery (UNDP)
BDP	Bureau for Development Policy (UNDP)
BDS	Business Development Services
BI	Business Incubator
BMO	Business Membership Organization
BMZ	Germany Federal Ministry for Economic Cooperation and Development
BoM	Bureau of Management (UNDP)
BPAC	Bureau Project Appraisal Committee
BSC	Business support centre
BWTP	Banking With The Poor Network
C4D	Communication for Development
CAP	Consolidated Appeals Process
CAP	Contracts, Asset and Procurement
CBMS	Community-Based Monitoring System(s)
CBO	Community-based organization
CC	Community contracting
CCA	Climate change adaptation
CCA	Common Country Assessment (UN)
CCCD	Communal Committees for Community Development
CCT	Conditional cash transfer
CDA	Conflict-Related Development Analysis
CDAC	Communicating with Disaster Affected Communities Initiative
CDC	Community Development Council
CDR	Community-driven recovery
CEDAW	UN Convention on the Elimination of All Forms of Discrimination against Women
CERF	Central Emergency Response Fund
CFW	Cash-for-work
CGAP	Consultative Group to Assist the Poor
CHF	Common Humanitarian Fund
CIFOR	Center for International Forestry Research
CO	Country Office
CPAP	Country Programme Action Plan
CPCD	Communal Plans for Community Development
CPR	Crisis Prevention and Recovery
CPR TTF	Thematic Trust Fund for Crisis Prevention and Recovery
CRB	Corporate Review Board (UNDP)
CSO	Civil society organization
CSR	Corporate social responsibility
CSSC	Community security and social cohesion
CWGER	Cluster Working Group on Early Recovery

DAC	Development Assistance Committee (OECD)
DCED	Donor Committee for Enterprise Development
DDR	Disarmament, demobilization and reintegration
DEX	Direct Execution
DFID	UK Department for International Development
DIM	Direct implementation
DPA	UN Department of Political Affairs
DPKO	UN Department of Peacekeeping Operations
DRA	Disaster risk assessment
DRR	Disaster risk reduction
EC	European Commission
ER	Early recovery
ERA	Economic recovery assessment
ESF	Emergency Social Fund
ExpRes	Experts Roster for Rapid Response (BCPR)
EWS	Early warning system
FAO	Food and Agriculture Organization
FDI	Foreign direct investment
FFW	Food-for-work
FSP	Financial service provider
FTA	Fixed Term Appointment
FTP	Fast-Track Policies and Procedures
GBV	Gender-based violence
GDP	Gross domestic product
GEF	Global Environment Facility (UNDP)
GIM	Growing Inclusive Markets (UNDP)
GIS	Geographic information system
GIVCA	Gender Inclusive Value Chain Analysis
GRIP	Global Risk Identification Programme (BCPR)
GSB	Growing Sustainable Business (UNDP)
HC	Humanitarian Coordinator
HTA	Hometown association
IADB	Inter-American Development Bank
IASC	Inter-Agency Standing Committee
IAWG	Inter-Agency Working Group
ICRS	Information, Counseling and Referral Services
ICT	Information and communication technology
IDP	Internally displaced person
IDDRS	Integrated Disarmament, Demobilization and Reintegration Standards
IEC	Information, education and communication
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFI	International financial institution
IGAC	International Group on Anti-Corruption Coordination
ILO	International Labour Organization
IMD	Inclusive market(s) development
IMF	International Monetary Fund
INGO	International non-governmental organization
IOE	International Organisation of Employers
IOM	International Organization for Migration

IPCC	Intergovernmental Panel on Climate Change
IRA	Initial rapid assessment
IRIN	IRIN Radio (UN OCHA)
ISDR	International Strategy for Disaster Reduction
ISS	Institute for Security Studies
ITB	Invitation to Bid
ITC	International Training Centre (ILO)
ITUC	International Trade Union Confederation
IUCN	International Union for Conservation of Nature
JP	Joint Programme
LDC	Least Developed Country
LED	Local economic development
LER	Local economic recovery
LLER	Local level early recovery
LMA	Labour market assessment
LTA	Long Term Agreement
M&E	Monitoring and evaluation
M4P	Making markets work for the poor
MDGs	Millennium Development Goals
MDTF	Multi-Donor Trust Funds
MfDR	Managing for development results
MFI	Microfinance institution
MG	Management Group (UNDP)
MOU	Memorandum/memoranda of understanding
MSE	Micro and small enterprise(s)
MSME	Micro, small and medium enterprise(s)
NAPA	National Adaptation Programme of Action
NEX	National Execution
NGO	Non-governmental organization
NRM	Natural resource management
NTFP	Non-timber forest product
O&M	Operations and maintenance
OBLP	Output-based labour payment
OCHA	UN Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-Operation and Development
OFA	Office of Finance and Administration (UNDP BoM)
OPB	Office of Planning and Budgeting (UNDP BoM)
PBF	Peacebuilding Fund
PCNA	Post-Conflict Needs Assessment
PDNA	Post-Disaster Needs Assessment
PES	Payment for ecosystem services
PFM	Public financial management
PIPs	Policies, institutions and processes
PKF	UN Peacekeeping Force
PLWHA	People Living with HIV and AIDS
PME	Planning, monitoring and evaluation
PMU	Project Management Unit
POPP	Programme and Operations Policies and Procedures (UNDP)

POSC	Programme Support and Operations Cluster (UNDP)
PPP	Public-private partnership
PRA	Participatory rural appraisal
PRS	Poverty Reduction Strategy/Strategies
PRSP	Poverty Reduction Strategy Paper
PSD	Private Sector Division (UNDP)
PSD	Private sector development
PSE	Private sector engagement
PSO	Procurement Support Office (UNDP BoM)
R&D	Research and development
RB	Regional Bureau (UNDP)
RBLAC	Regional Bureau for Latin America and the Caribbean (UNDP)
RBM	Results-based management
RC	Resident Coordinator
RDEx	Returns, displaced people and ex-combatants
RFP	Request for proposal
ROSCA	Rotating Savings and Credit Association
RSC	Regional Service Centre (UNDP)
RTE	Real time evaluations
SALW	Small arms and light weapons
SAP	Social Action Programme
SDC	Swiss Agency for Development and Cooperation
SEEP	Small Enterprise Education and Promotion Network
SGBV	Sexual and gender-based violence
SIDA	Swedish International Development Agency
SIDDR	Stockholm Initiative on Disarmament Demobilization Reintegration
SLA	Sustainable Livelihoods Approach
SMART	Specific, Measurable, Achievable, Results-oriented and Timebound indicators
SME	Small and medium enterprise
SOPs	Standard operating procedures
SRSG	Special Representative of the Secretary-General
SWOT	Strengths, Weaknesses, Opportunities and Threats
TA	Temporary Appointment
TOR	Terms of Reference
TRF	Transitional Results Framework
UN	United Nations
UN-REDD	UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
UNAMI	UN Mission in Iraq
UNCDF	UN Capital Development Fund
UNCT	UN Country Team
UNCTAD	UN Conference and Trade and Development
UNDAF	UN Development Assistance Framework
UNDG	UN Development Group
UNDMT	UN Disaster Management Team
UNDP	UN Development Programme
UNDSS	UN Department of Safety and Security
UNEG	UN Evaluation Group
UNEP	UN Environment Programme

UNFPA	UN Population Fund
UNGA	UN General Assembly
UNHCR	UN High Commissioner for Refugees
UNHRD	UN Humanitarian Response Depot
UNICEF	UN Children's Fund
UNIDO	UN Industrial Development Organization
UNIFEM	UN Development Fund for Women
UNISDR	UN Inter-Agency Secretariat of the International Strategy for Disaster Reduction
UNMIK	UN Interim Administration in Kosovo
UNODC	UN Office for Drugs and Crime
UNSCR	UN Security Council Resolution
UNTFHS	UN Trust Fund for Human Security
UNU	United Nations University
UNV	UN Volunteer
USAID	US Agency for International Development
USD	US dollars
VAM	Vulnerability Analysis Mapping
VCA	Value chain analysis
VCD	Value chain development
VSLA	Village Savings and Loan Association
VST	Vocational and skills training
WHO	World Health Organization
WTO	World Trade Organization
WWF	World Wildlife Fund

ANNEX: Discussion Papers on Livelihoods and Economic Recovery

The discussion papers can be accessed via Teamworks "Livelihoods and Economic Recovery in Crisis and Post-Crisis Situations" : <https://undp.unteamworks.org/node/17324>

1. LIVELIHOODS ASSESSMENT By Owen Shumba
2. ECONOMIC RECOVERY ASSESSMENT By James Wakiaga with contributions from Owen Shumba
3. MARKET ANALYSIS By Fabrizio Andreuzzi
4. DISASTER RISK ASSESSMENT FOR LIVELIHOODS AND ECONOMIC RECOVERY PROGRAMMING By Owen Shumba With contributions from Jianping Yan and Seth Vordzorgbe
5. CONFLICT ANALYSIS By Jos de la Haye and Lawrence Lachmansingh
6. OVERALL SYNTHESIS, VISIONING AND PRIORITIZING OF LIVELIHOOD AND ECONOMIC RECOVERY STRATEGIES by Owen Shumba
7. CASH-FOR-WORK PROGRAMMES By Krishna S. Vatsa, Owen Shumba and Abdallah Allaham
8. LIVELIHOODS START-UP PACKAGES AND GRANTS By Owen Shumba
9. INFRASTRUCTURE REHABILITATION By Lazima Onta-Bhatta With contributions from Adrienne Stork
10. NEW APPROACHES TO LIVELIHOODS STABILIZATION: FROM EMERGENCY EMPLOYMENT TO LONG-TERM EMPLOYMENT By Andrea Tamagnini. Case study written by UNDP Burundi's Innovative 3x6 Approach: by Afke Bootsman, Craig Castro and Gerard Gravel
11. STRENGTHENING SOCIAL CAPITAL By Craig Castro, with contributions from Lazima Onta-Bhatta and assistance from Kym Leggett
12. COMMUNITY CONTRACTING By Nika Saeedi, With contributions from Jan Harfst
13. CONDITIONAL CASH TRANSFER PROGRAMMES By Claudia Vinay
14. FACILITATING REMITTANCES TO SUPPORT LIVELIHOODS AND ECONOMIC RECOVERY By Angeles Arenas and Ana Rodriguez-Allen
15. SOCIAL FUNDS by Krishna S. Vatsa
16. MARKET AND DEMAND-DRIVEN VOCATIONAL AND SKILLS TRAINING AND PLACEMENT By Owen Shumba, with contributions from Constance LeBihan
17. NATURAL CAPITAL: SUPPORTING ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE ADAPTATION By Adrienne Stork
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20. MICROFINANCE, FINANCIAL SERVICES, AND BUILDING INCLUSIVE FINANCIAL SECTORS By John Tucker
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22. PUBLIC-PRIVATE PARTNERSHIPS FOR SERVICE DELIVERY AND INCLUSIVE LIVELIHOODS AND ECONOMIC RECOVERY By Lawrence Oematum
23. CORPORATE SOCIAL RESPONSIBILITY: SUPPORTING PRIVATE SECTOR ENGAGEMENT By Heidi Eterovic With contributions from Balázs Horvath
24. CAPACITY DEVELOPMENT FOR STRATEGIC MANAGEMENT OF POST-CRISIS RECOVERY AND DEVELOPMENT ASSISTANCE By Bartholomew Armah
25. TRANSITIONAL GOVERNANCE By Lucy Turner With contributions from Jago Salmon, Annette Idler and Adrienne Stork
26. RULE OF LAW, JUSTICE AND SECURITY by Shibani Malhotra, Nika Saeedi and Katharina Hild

27. INCLUSIVE ECONOMIC GROWTH AND SUSTAINABLE EMPLOYMENT: MACRO-MICRO CONSIDERATIONS AND SUPPORT By Bartholomew Armah
28. ESTABLISHING NATIONAL/LOCAL LINKAGES By Tuya Altangerel, with assistance from Fernando Henao
29. GENDER EQUALITY AND WOMEN'S ECONOMIC EMPOWERMENT By Lazima Onta-Bhatta
30. YOUTH EMPLOYMENT AND EMPOWERMENT By Lawrence Oematum
31. EMPLOYMENT AND INCOME GENERATION FOR EX-COMBATANTS AND THOSE FORMERLY ASSOCIATED IN ARMED FORCES AND GROUPS: REINTEGRATION INTO CIVILIAN LIFE AND ACCESS TO LIVELIHOODS By Adrienne Stork, Yuko Otsuki and Glauca Boyer With contributions from Dean Piedmont, Leontine Specker, Michelle Glasser and Andrea Davila
32. THE REINTEGRATION OF DISPLACED PERSONS AND LIVELIHOODS By Awa Dabo with contribution from Owen Shumba and Glauca Boyer

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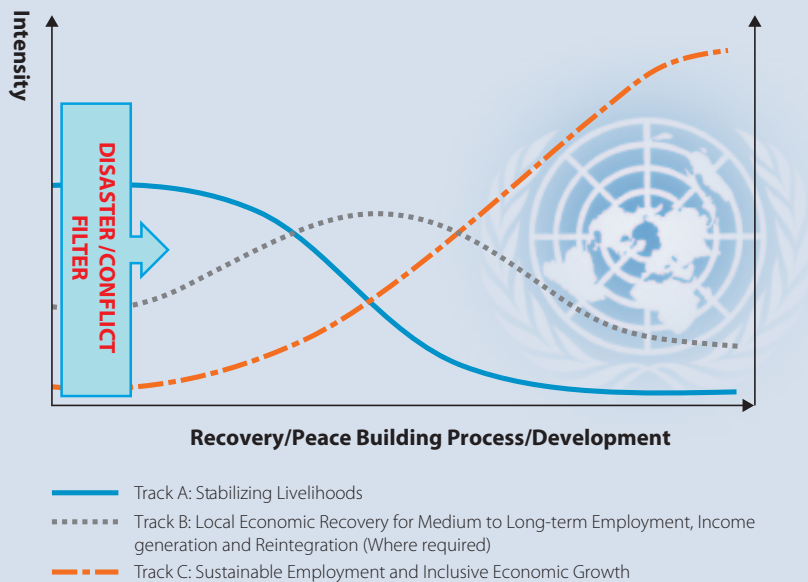
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