

Policy Studies Institute

Impact of BIG Funding of Community Enterprise Overseas

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**Policy Studies Institute and
School of Oriental and African Studies**

**Deborah Smeaton
Maria Hudson
Sonali Deraniyagala**

**Francesca Francavilla
Matthew Ng
Joan Phillips
Sergio Salis**

Contents	Page
Executive Summary	5
1. Introduction	9
1.1 BIG international grant programmes	9
1.2 Evaluation aims	9
1.3 Methodology	9
1.4 Report structure	10
2. Background	10
3. Project aims and characteristics	11
3.1 Aims	12
Increased incomes and improved nutrition	13
Livelihoods Diversification	14
Improved food security	15
Advocacy	15
The climate change challenge	15
3.2 Project characteristics	16
Key descriptive statistics	16
3.3 Project business models	17
3.4 Relationships with partners	18
Challenges in getting the right frontline staff in place	18
3.5 Project design and development	19
4. Models of support	20
4.1 Training	21
4.2 Community Building	21
4.3 Group formation	23
Micro-credit groups	23
Producer groups	24
Community or social groups	25
Political action groups	25
Overlapping groups	26
Group formation challenges	26
4.4 The role of finance	27
Microfinance – a central role in BIG projects	27
The Effects of Microfinance	28
Microfinance and Self-help groups	28
Concessional credit to small and medium enterprises	29
Microfinance – challenges	30
4.5 Marketing	30
5. Project Impacts - economic	32

5.1 Community/individual benefits	32
Increased incomes	32
Creation of jobs	33
Diversified livelihoods	34
5.2 Business impacts – income, employment and productivity	35
6. Project impacts - social and infrastructural	37
6.1 Social impacts	37
Education	38
Improved health	38
Confidence and optimism	40
Keeping families together	40
6.2 Infrastructural development	41
6.3 Equalities/empowerment	42
7. Sustainability	43
Empowering local organisations	44
Group and community empowerment	46
Getting children and schools involved in environmental issues	46
Developing tools to engage with environmental risk	46
Expanding contracts and making additional investments	46
Creation of demand for project services	46
Replication	47
8. Conclusion	48
References	50
Appendices	
Appendix 1 Location and types of business	51
Appendix 2 Charts	53
Appendix 3 Scale of beneficiaries	55
Appendix 4 Project profiles	56
Appendix 5 Country profiles	59

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Executive Summary

Introduction

The Big Lottery Fund (BIG) and its predecessor organisation (the Community Fund) have funded numerous projects aimed at improving the lives of the poorest and most marginalised people around the world. Many of these projects work to achieve outcomes consistent with the Millennium Development Goals, including the eradication of hunger, reduction of poverty and promotion of environmental sustainability.

The aim of this study is to assess the social and economic outcomes of 30 BIG funded projects which support microenterprise and small scale business development in order to tackle the causes of poverty. It examines economic outcomes such as income, food security and skill development and the effect of interventions on social welfare indicators such as health and education.

Background

Development policy has become increasingly focused on pro-poor economic growth. To that end, experts in the field assert the need for a greater focus on private sector development, infrastructural reach and, given that 75 per cent of the world's poor live in rural areas, enhanced agricultural investment. Agricultural development was a central component of most of the BIG funded projects under review.

BIG project aims

The BIG projects were designed to achieve multiple aims, including sustainable livelihoods, increased incomes, diversification of opportunities and improved food security. In addition to economic aims, most projects had additional social aims, such as the promotion of educational opportunities, improved access to health resources, advocacy and the empowerment of marginalised groups. A key over-riding objective of the diverse projects was to support communities in a sustainable manner, moving away from the 'relief' route (which has been linked to the creation of a dependency culture) towards community self sufficiency and economic independence.

As the majority of projects were in rural settings, with a focus on agricultural methods, many drew on technological advances and business skills sharing to promote environmental sustainability, commercial viability and climate change resilience. A family-oriented approach was also evident as the productivity of entire households was targeted by diversifying livelihoods to also include non-farm income generation activities.

In addition, some projects either provided or were lobbying governments and other agencies to promote an 'enabling' infrastructure in response to an entrenched 'infrastructure gap' – with more than 1 billion people around the world without access to roads, 1.2 billion without safe drinking water and 2.3 billion without reliable energy (Manning, 2007).

Challenges

Typically, the target communities in the BIG projects faced a range of inter-related challenges at individual, community and environmental levels. These included extreme

environments, soil erosion, deforestation, under-developed skills (craft, business and/or marketing), limited education, poorly developed markets for outputs, a lack of access to credit, infrastructural weaknesses, corruption and poor links to local and national governments. Additional problems included HIV/AIDS among the target populations. Combined, these factors represented a significant constraint on growth within the micro and small business sector.

In addition to these structural obstacles, the projects also encountered other difficulties on the ground. These included slow bureaucratic hurdles when dealing with local governments, misaligned expectations relating to project delivery between UK grant holders and overseas partners, the challenge of communicating with remote communities with poorly developed communication services, overseas staff turnover and unexpected events. Some were unfortunate in having to confront several such challenges. One project based in Madagascar, for example, lost a key member of staff in the first year, by the second year it was apparent that their cashew crop had failed due to ineffective irrigation plans and low ground water levels, and in the third year a forest fire meant they could only harvest 180 metres the 3,200 metres of crops planted.

Supportive Solutions

Despite considerable diversity in terms of geographical location, socio-economic context, available resources and cultural frames of reference, the processes for change and methods deployed by the projects were similar in many respects. In order to move communities along the path toward sustained economic progress, the projects targeted three key areas for development; human capital, social capital and financial capital. Improved marketing strategies were also emphasised in many projects as were environmental conservation solutions.

Human capital was developed within all projects by means of comprehensive training programmes related to either: business and marketing skills, literacy, craft expertise or agricultural know how. Social capital was enhanced by means of community mobilisation and group formation to formulate strategies for change, implement varied project goals and promote community 'buy-in' to ensure project sustainability. Finally, financial capital was delivered through equipment, livestock gifts, grants, loans and/or facilitated access to financial institutions for savings and credit.

The importance of getting marketing right is recognised as a central element in very many of the projects. Some projects place the onus on the new businesses and provide them with training on marketing skills. Other projects are actively seeking out marketing opportunities and helping the businesses to form groups to improve their marketing potential. Cutting out intermediaries and selling direct to consumers is one goal. Other projects are building storage units to bring together produce from highly dispersed areas and a few are taking steps to achieve Fairtrade status (which earns higher income for the producers and gives better access to larger foreign markets). The importance of enabling communities to reach markets was highlighted by one UK manager of a project based in Malawi: *"if a group grows its crops, the middle man will come along and buy it at a cut down price and sell it very expensively in the market, so we're..making links with the*

groups, so they can sell their crops directly in the main market. They're even selling, their tomatoes for instance, directly to supermarkets so we're cutting out the middle man"

In response to climate change and environmental challenges, a conservationist philosophy was adopted by most projects. Agricultural innovation and technology was deployed including irrigation systems, both simple and highly complex, green manuring, crop rotation, drought resistant crops and crops that are resilient to flooding. Training was often very comprehensive and support was specific to local needs and constraints. One staff member in an Ethiopian village, for example, stated: *"some we'll give the traditional dairy cow but it's not suitable in all regions, so we might give goats, chickens, we've done fish, we've done bees, sheep in Ethiopia"* (Send A Cow).

Economic impacts

Economic outcomes associated with the businesses which were established or strengthened have included: increased incomes, creation of employment, increased yields, improved food security, improved sustainability of crops or livestock, improved agricultural methods, better nutrition and more meals eaten. The potential for microenterprises to transform the lives of those on or below the poverty line is highlighted below:

"these enterprises are [not] their only sources of livelihoods or incomes within their family ... But what we hope is that it's the extra income that can get them through the uncertainties of climate drought and food insecurity, that can keep their kids in school, that keep things from falling into poverty". (Tree Aid: Mali)

The effective diversification of livelihoods was also a key impact of the BIG projects, such as introducing beekeeping in Kenya as an alternative to cattle rearing in drought conditions, pig farming in Cambodia in response to low crop yields, or the introduction of smaller scale, family based projects such as garden farming, poultry rearing and non-agricultural business activities in the Andaman and Nicobar islands in the aftermath of the tsunami and due to saline land problems.

Economically diversified communities are better able to withstand environmental disasters and reduce pressure on land resources, more able to smooth incomes over the year, and able to enjoy improved nutrition and food security. Benefits are evident from the following project based in Sri Lanka:

"Diversifying away from monocrop agriculture has boosted a war torn economy in Eastern Sri Lanka. In this region there are two cultivation seasons for rice but during the shorter season each farmer sows only 30 per cent of his/her land. The BIG funded project taught farmers to grow cashew on the remaining 70 per cent during the shorter season. This land was previously unutilised so now the farmers have much higher incomes, especially as the price for cashew is always strong".

Women were a particular focus for many projects and, for this group, economic independence was a key economic outcome. In many of the countries targeted women have few rights, little access to economic resources and no democratic voice. Supporting them to improve their lives, earn a living and acquire more skills was

therefore a priority for some of the BIG funded projects. The establishment of businesses among HIV positive women in Guatemala and Honduras, for example, was the only viable means to earn a living in the face of stigma and discrimination, it was also a better long term solution for the sex workers who were also targeted by Trocaire.

Social and infrastructural impacts

By taking a holistic approach, many projects have been designed to not only enhance income and productivity, or improve livelihoods but have also included empowerment aims and the provision of water supplies, sanitation, health and education. A number of social benefits have therefore materialised for the project beneficiaries, either as a direct consequence of specific activities or as a by-product of economic benefits such as increased income. Raising the income of poor families can improve health, nutrition and access to education due to increased purchasing power. Developing livelihoods also carry benefits for self-esteem, hope for the future and can keep families together. The advocacy and group formation elements of many projects were also associated with the empowerment of marginalised social groups such as women, remote tribes and people with HIV/AIDS.

Furthermore, the scope for a single action to produce multiple or larger than anticipated impacts (i.e. a 'butterfly effect') should not be underestimated. Taking one example, a project focused on the establishment of micro-enterprises among poor women in the Upper West Region (UWR) of Ghana also introduced 19 bore holes in their remote villages. This led to a range of benefits for 2000 households for whom water collection (which was taking a few hours each day) is no longer a constraint on income-generating activities. Additional benefits, which included improved health, ranged from better school attendance by children who no longer truant in order to return home to drink, to improved safety of livestock which is no longer stolen when straying in search of water.

Conclusion

The projects have all set out to introduce, improve or diversify the livelihoods of some of the most impoverished communities around the world, with a particular focus on women and rural areas. They are facing similar environmental challenges, most notably extremes of weather, soil erosion, deforestation or post disaster reconstruction. Many individuals face additional trials associated with discrimination on the basis of ethnicity, gender, health status or age.

Approaches taken and models of support deployed by these diverse projects also exhibit common characteristics, with training, micro-credit support, group formation, community development, detailed marketing strategies and agricultural innovation key among them. Each of these elements play an important role in ensuring that projects are moving toward sustainability so that, as one grant holder stated, UK charities are eventually 'out of a job'. The livelihoods approaches were designed to empower poor communities to build on opportunities, support their access to land, equipment or finance, promote technical know-how, and develop their institutional environment.

Impacts arising from the projects are varied and significant. Not all projects have met all of their initial aims in full but most projects are achieving or have achieved most of their aims. As a result, large numbers of people now have higher incomes and better nutrition; eat more, have higher, more resilient and more diverse agricultural yields, taking them beyond subsistence farming. The development of non-agricultural businesses has also increased income, better protected families from the risk of over-reliance on farming and has created employment for other community members with the potential for further growth. Additional outcomes from some of the projects include improved awareness of rights, increased attendance at school and better access to health care and medicines.

1. Introduction

1.1 BIG International Development Programme

BIG (and its predecessor organisation the Community Fund) has funded hundreds of projects aimed at improving the lives of the poorest and the most marginalised people around the world. Grants are made to UK based organisations who work with partner organisations overseas to deliver projects on the ground.

These projects currently work to achieve outcomes consistent with the Millennium Development Goals which aim, by 2015, to cut world poverty by half. Under its International Communities programme, BIG provides grants of between £50,000 and £500,000 for projects lasting from two to five years that improve access to primary education, health care and natural resources, build sustainable livelihoods and support disadvantaged people to exercise their basic human rights. A number of these projects focus on promoting the growth and success of micro, small and medium sized enterprises as a route to achieving these economic and social objectives.

1.2 Research Aims

This study seeks to assess the impact of BIG funded projects dealing with micro and small enterprise development on poverty, individual and community welfare and the creation of sustainable livelihoods. It examines whether these projects have increased incomes, created decent jobs and promoted skill development and empowered women in the targeted communities. It also investigates the effects of these interventions on social welfare indicators such as health, education and community cohesion. Many of the BIG projects studied had been implemented in contexts of climatic extremes or after the Asian tsunami of 2004. This research also examines therefore the extent to which communities have been successful in adapting to climatic challenges and recovering from disaster losses as a result of BIG funded interventions. The research is designed to explore the experiences of individual projects, map their characteristics and approaches to business development and explore key challenges and opportunities faced.

The research questions revolve around four key themes: identification of the range and characteristics of projects, models of support overseas, the economic and social impact of projects and challenges and their solutions.

1.3 Methodology

Overall, the study takes a multi-methods approach and is based on a literature review, a review of project documentation, a short survey of and qualitative interviews with UK grant holders and some of their overseas delivery partners, and two in depth case studies of successful projects. Case Study 1 was a Traidcraft Exchange project, a study of livelihood diversification from cattle to beekeeping in Kenya. Case Study 2 was an APT Enterprise Development project set in Sri Lanka, designed to rebuild livelihoods in a post disaster and post war context.

The study lasted two months, from January to March 2011. From a sample of 40 BIG funded projects delivering business development activities currently or within the past two years, 30 projects (led by 21 organisations) were selected for the review, chosen to ensure variation in terms of project aims and geographical spread. 19 of the projects were still active, 11 had closed and 1 ended prematurely due to delivery problems.

In assessing impacts from the projects the study is reliant on self-reported outcomes only, whether cited in monitoring documents, reported during interviews or indicated by means of the survey. The survey provided general information about economic outcomes over time but could not be used to quantify increased productivity, income and other economic impact measures per business as most projects had helped to initiate many hundreds of businesses.

1.4 Report structure

The report provides a brief discussion of pro-poor growth and the role of micro businesses and small and medium enterprises (SMEs) in economic regeneration (chapter 2), sets out the aims and characteristics of the projects funded by BIG (chapter 3) and highlights the most prevalent models of support used by delivery organisations in the funded projects (chapter 4). In chapters 5 and 6, a range of economic and social impacts arising from the project activities are explored. Chapter 7 considers issues of sustainability.

Throughout the report quotations are used and referenced with the name of the UK grant holder organisation. A list of organisations and project names can be found in Table 1 'Project Profiles' in **Appendix 4**. A list of the countries in which the projects operate are provided in **Appendix 1**, and for further contextual socio-economic and political details relating to each of these countries see **Appendix 5** 'Country profiles'.

2. Background

In recent years development policy has become increasingly focused on pro-poor economic growth¹. Earlier assertions and observations that economic growth alone always leads to a significant reduction in poverty (as in, for instance, Dollar and Kraay 2000) have been questioned and attention has turned to the need to specifically target poverty reduction². There is no one unique policy solution for promoting pro-poor growth and the country context is significant. As many comprehensive studies have shown (UNDP 2004, UNDESA 2010), a poverty-reducing growth process calls for a host of

¹ The definition of pro-poor growth is debated - some analysts favour a relative measure, which states that growth is only pro-poor when the incomes of the poor rise faster than those of the better-off. Others argue for an absolute measure, considering only whether the economic conditions of the poor are improving.

² In Uganda, for example, economic growth since 2000, as measured by per capita expenditure, has not reduced poverty. Instead, the poor are getting poorer and wages have declined. Causes are attributed to a slow-down of agricultural growth and a fall in food prices which disproportionately affects the poor, most of whom are net food producers (ODI, 2008)

appropriate monetary, fiscal, financial and structural policies. This research has also drawn attention to the role of a vibrant small enterprise sector in both promoting economic growth and in ensuring that growth translates into poverty reduction.

Micro, small and medium enterprises are an integral element of the informal sector³ in most developing countries. In some cases, these enterprises are initially informal but gradually become formal businesses, thereby providing the foundation of modern private companies (Mkandawire, 1999; Cook and Nixon, 2005). Others remain in the informal sector and provide livelihoods for the poor who lack access to formal sector employment. In the poorest developing countries, on average, almost two thirds of workers are employed in enterprises with less than 5 employees (micro enterprises) while the majority work for small and medium-sized enterprises with less than 100 employees (Cull et al., 2004).

Micro, small and medium enterprises can contribute to pro-poor economic growth by means of:

- Employment creation and income generation
- Rural-Urban migration and remittances to the rural economy
- Income diversification
- Increasing women's economic activity and incomes
- Small enterprises as a seedbed for modernisation
- Linkages with other businesses which either provide supplies or purchase from the enterprise to make other products or services

3. Project aims and characteristics

The majority of BIG projects were designed to achieve multiple outcomes or changes, of which sustainable livelihoods and small business development was either a primary or a component part. Some businesses were being set up while others were being supported to grow. Typically, the communities served faced a range of inter-related socio-economic challenges, including extreme environments, under-developed skills (craft, business and/or marketing), limited education, poorly developed markets for output as well as key inputs such as credit, the lack of access to public services such as transport infrastructure and weak links to local and national governments. Additional problems included HIV/AIDS among the target populations.

Under these circumstances, in addition to economic aims, most projects had additional, social aims such as the promotion of educational opportunities, improved access to health resources, advocacy and the empowerment of marginalised groups. Social aims were often core aims of the projects in addition to the business development goals.

³ The informal sector provides jobs and self employment opportunities that are not taxed or subject to government regulations, in many cases jobs are low-paid and job security is poor.

A key over-riding objective the diverse projects had in common was to support communities in a sustainable manner, moving away from the ‘relief’ route (which has been identified with the creation of a dependency culture) towards community self sufficiency and economic independence. One project, for example, summarised their overall aims as ‘rehabilitation’:

“after the Tsunami they were quite dependent on the government but that is not sustainable, how long can that money be with them, after some time it will be gone and after a certain point all the charities also pull out ... So there is a difference between relief and rehabilitation. What we are doing is mainly rehabilitation isn't it, through livelihood support.....to make them self-dependent” (Lead, Andaman and Nicobar islands)

Table 1 in Appendix 4 provides a summary of the activities associated with each of the projects. Project locations around the world are indicated with a red dot on the map below.



3.1 Aims

In summary, the following primary objectives were sought by the BIG projects in the study:

- Increased incomes
- Livelihood diversification
- Improved food security (through agricultural innovation and conservation),
- Improved rights among marginalised groups such as those with HIV/AIDS, disabilities, discriminated tribal groups

Increased incomes

Many of the BIG funded projects set out to boost family incomes or smooth incomes over the year. Some sought to improve agricultural yields. Others promoted additional business activity to supplement agricultural incomes or to raise urban incomes. Women were a key target group with four projects focussing specifically on the needs of women.

Self employment and work in micro enterprises is an important enabler of female labour force participation in developing countries. Women from poor households often rely on the small scale sector for income which boosts household income, which in turn has a positive impact on child health indicators as well as school attendance (UNDESA 2010). Access to an income source also provides these women with greater autonomy over their lives. Informal sector employment which is home based allows women to engage in paid economic activity while managing household work. A recent study for India using National Sample Survey (NSS) data found that around 80 per cent of self employed female workers were home based (Srivastara and Srivastara 2009).

Livelihoods Diversification

Around two thirds of the projects funded by BIG set out to establish alternative livelihoods in the face of precarious environments - associated with flood or drought, high altitudes, extreme temperatures or large natural disasters. Natural disasters in coastal areas, such as tsunamis, can cause severe salinisation problems with several years of low fertility of the affected soil before recovery. In diversifying livelihood options communities can reduce the risks associated with exposure to disaster.

The promotion of alternative or diversified livelihoods was a common objective. In Kenya, for example, beekeeping was nurtured as an alternative to cattle rearing. In the face of low crop yields, communities in NE Cambodia were piloting pig farming, fruit trees and mushroom growth. With saline land problems, some projects in Sri Lanka and India have introduced, in addition to larger scale innovative agricultural technology, smaller scale, family based projects such as garden farming (to grow vegetables and herbal medicines), poultry rearing and non-agricultural business activities

Income diversification can keep households out of poverty in developing countries. Research has shown that the non-poor in rural areas are more likely to combine farm work with non-farm work (see for instance Sender 2010 for Uganda). This enables them

to maintain incomes during the agricultural cycle and reduces risk, especially from weather-related factors. Much of this diversification into non-farm work involves self-employment or wage employment in micro and small enterprises. Earnings from non-farm activities have been estimated to account for between 30 and 50 percent of rural households' incomes in Africa, reaching as much as 80-90 percent in Southern Africa and, about 60 percent in Asia (UNFPA 2009). Enterprises supported by BIG often, therefore, represented an additional income that could supplement subsistence agriculture. The extra income can *“get them through the uncertainties of climate drought and food insecurity, that can keep their kids in school, that keep things from falling into poverty”*. (Tree Aid, Mali)

There is also recent evidence of communities seeking to diversify income sources in the face of climate change (World Bank 2010). A NEPAD report (NEPAD/COMESA 2009) notes how pastoralists in Kenya are increasingly taking up wage work in informal small enterprises to deal with income fluctuations due to prolonged drought. There has also been much discussion of climate-change related migration into urban areas (with migrants finding livelihood support in the micro and small scale sector) in a range of African and Asian countries.

Improved food security

Around three quarters of the projects funded by BIG are implementing food security objectives by means of improved sustainability of land use, better management of resources, agricultural innovation, increased yields and improved quality and variety of food sources.

Food security remains a key concern as it relates to sufficient access to food for a healthy diet without anxiety about where the next meal is coming from. Today, over a billion people are chronically under nourished and while food demand is set to double by the year 2050⁴ using more land is not a viable option. This is due to the shortage of arable land and climatic risks of measures such as deforestation. Increasing productivity on a per hectare basis is therefore recognised as a more sustainable solution. Resource degradation and extreme climates can be acute problems in rural areas. Projects that help farmers grow crops resistant to drought or crops that are resilient to flooding can significantly improve agricultural growth and food security. Many BIG projects therefore sought to improve productivity and adopt new agricultural methods and technologies that are consistent with environmental sustainability. Boosting food security in a sustainable way requires the sustainable use of natural resources.

Advocacy

Many BIG projects set out to create, promote and nurture groups that would represent impoverished communities, recognising that much 'poverty is political', often borne of exclusionary practices and systems. Several projects aimed, as an additional strand to their activities, to establish lines of communication between local, often remote, communities and decision making bodies, promote awareness of the needs of local communities and improve access to various social services.

⁴ <http://www.foodsecurity.ac.uk/food-security-challenge-transcript.html>

About 70 per cent of the world's poor live in rural areas. Rural poverty is not only associated with isolation from economic opportunities but also reduced access to social services such as health, sanitation and education. Knowledge of rights and information about the way governments function is also not widespread in rural areas which can prevent communities from being able to exert pressure for change and demand their rights in terms of access to resources or fair treatment in terms of pricing policies for their produce for example.

The climate change challenge

BIG projects have been established in locations of environmental stress and this has helped shape project goals and activities. Projects frequently reported the ongoing impact of climate change generating extreme weather conditions such as more severe flooding and damage to family homes and more severe droughts. Projects emphasised that the way in which they rise to the challenges brought by these environmental shocks was to undertake work at the regional level, developing risk assessments and contingency plans. For example, Concern Universal's partners in its Gambia project sit on a humanitarian country team and at a national level Concern Universal sits on a Disaster Management Committee. Floods and droughts were identified as the main disaster risk factor in of all the five project sites for Practical Action's work in Sri Lanka. Project staff noted that the dry season is now expected to spread over 8-10 months of the year while a short intense rain spell is experienced the rest of the year. This will certainly increase both drought and flood incidents in the area. The precise causes of floods and droughts varied in different sites. Practical Action has now developed a set of new tools - Participatory Climate Risk Vulnerability and Capacity Assessment – to assess the disasters and climate risk in Sri Lanka and to ensure sustainability. Traidcraft in Kenya have also started to develop infrastructural solutions to long term climate challenges – see Box 1.

Box 1: Responding to environmental challenges in the B.E.L.I.E.V.E project (Traidcraft Exchange)

The activity of the B.E.L.I.E.V.E project became even more important due to climate change and the seasonal volatility that this has brought. In 2009 Kenya experienced the worst drought in decades. There were few places that cattle could be moved to in order to graze as drought was so widespread. Beekeepers focused on their cattle, bees left the hive as no rain meant that there were no flowers of the type that would attract them. The colonisation rate of hives dropped significantly. This was a major problem in the first year of the project.

The solution to this problem has been for Honey Producer Groups to lobby for the building of dams to improve the water supply during periods of drought and sustain the flora that attracted the bees and supported honey production. So far, 2 new dams and 4 water pans have been built across the Honey Producer Groups though not as many as they would like. The dams have been constructed in three out of 12 Honey Producer Group clusters that the project is working in. Two old dams have also been rehabilitated.

3.2 Project characteristics

Project target beneficiaries are fairly evenly split between individuals, households/families and communities. In terms of the individuals targeted as beneficiaries, women were the most often singled out in terms of project support activities – by three quarters of the projects (see chart 2, **Appendix 2**). Two fifths of projects were also oriented toward the needs of younger people. Less frequently targeted were the needs of disabled people, older members of the community or ethnic minorities (around one in six projects in each case). Two fifths of the projects aimed to achieve community wide benefits, whether in terms of increased incomes, improved food security or better group working structures for example.

All the projects under consideration were concerned with rural development, either exclusively, or in combination with more urban activities. As a consequence, nearly all project activities related to agricultural or livestock production (see Chart 1, Appendix 2). Around one quarter also included manufacturing activities (such as clothing and crafts) and one third supported service sector activities (such as sewing, baking, hairdressing). Nearly one fifth of projects also included fishing businesses.

Key descriptive statistics

- Projects ranged from 2 to 5 years in duration, 4 years on average
- The selected projects started between Jan 2005 and April 2009. Projects ended between May 2008 and April 2014
- Grant values ranged from £125,240 to £727,278; the average grant was £461,057
- Projects were supported in a number of countries across Africa, Asia and South America (see Appendix 1 for a full list and Appendix 5 for brief profiles of each country)
- 65 per cent were new projects rather than continuations from a previous project or a pilot
- In 57 per cent of cases BIG was the only funder of the project
- 42 per cent of grant holders stated that they would have benefited from more help in delivering the project, whether from BIG or other agencies overseas
- All but 1 felt they had applied for the right sum of money from BIG. There were no problems overall with the value of the grant
- All projects were set in rural areas with about one quarter in both rural and more urban areas.

3.3 Project business models

Within the framework of self-sufficiency, different models of self employment/ business activity were supported. The overwhelming majority of projects were focussed on livelihood support, typically associated with integrated or diversified food production technologies and methods. These schemes aimed to provide for the nutritional needs of

individuals, families or communities, often with sufficient surplus to attract a small income.

While most projects were supporting family level farming business development or micro-enterprises, a few projects set out to create small (1-5 employees) or medium (6-100 employees) businesses in urban areas. One project manager observed, however, that there is a gap in funding for the SME sector as opposed to micro-enterprise while another acknowledged the need, in the near future, to embrace larger scale business support;

“we’re trying to develop women beyond, trying to develop their business beyond the petty business, so in farming rather than do a bit of maize each year, why don’t we do more crops throughout the year using irrigation? We’re trying to do that, look at what other businesses could be...could we work with groups of women who want to develop slightly more advanced businesses” (MicroLoan, Malawi)

Some projects established co-operatives but there were no examples of social enterprises being formed as all business activity was designed to achieve either self sufficiency or a profit, however modest, of benefit to families and communities.

The majority of projects are supporting agricultural, horticultural or livestock enterprises but some of these have, in addition, helped individuals or groups to set up businesses in the service or manufacturing sectors. Examples of non-agricultural and agricultural businesses set up by the projects are listed in Appendix 1.

3.4 Relationships with partners

UK grant holders had two broad types of partnership profile. The first involved having one main delivery partner and making additional links with other agencies and local government representatives around the delivery site. For example one of the Sri Lankan based projects has partnered with a microfinance/business support organisation based in the Sri Lankan capital Colombo. Additional links have been made with local government and the Ministry of Labour and an organisation called Start & Improve Your Business Sri Lanka. The second broad type of partnership profile involved UK grant holders having multiple partners (the number ranging from 2 to 12) as well as links with other agencies and local government. Multiple partnerships are often formed in order to tap into the expertise necessary for holistic project delivery, bringing together partners with different strengths in order to meet project goals.

From the perspective of UK grant holders, a positive partnership experience centred on having good partners. At the heart of this seemed to be:

- Having the opportunity to build on a pre-existing relationship
- An overseas partner with relevant expertise and capacity
- A community based partner with local knowledge
- Community trust in the delivery partner/s
- Partner (and UK grant holder) willingness to learn and adapt.

Finding the right partner, embodying these characteristics, provides projects with credibility on the ground and lowers the risk of partnership failure. Interviewees also discussed the importance of good communication and information sharing between partners and UK grant holders. Regular reviews and meetings were important, as were making the time and having the mechanisms to forge understanding of different expectations. The geographical distance between the partner and the UK could be testing and amongst the factors that helped to limit problems of communication and information was regular use of phone, email and skype as well as grant holder visits.

Challenges in getting the right frontline staffing in place

The importance of getting the right partner skills and expertise in place was a recurring theme in UK grant holder discussions of the challenges involved in effective partnership working. Research participants outlined the value of carefully screening partners at the outset to ensure that they had the right presence in the area and right skills. Finding specific skills vital to a project's goals could be a challenge. For example the project "Empowering Tibetan herders to manage rangelands" commented: ".[it is a] bit of a challenge whenever we wish to recruit conservation development minded Tibetans that have good English and an ability to travel round the region but it's not an undue challenge that we can't meet". (Fauna and Flora International, Tibet)

A related issue was the difficulty in staffing projects in remote areas as was the case for an Ethiopian based project cut off by weather for part of the year due to an extended rainy season making the main route impassable. The remoteness of areas, and sometimes environmental volatility (for example the Nicobar Islands experiencing frequent earthquakes), fuelled high staff turnover. Turnover in the Traidcraft project working on the Andaman and Nicobar Islands was also fuelled by the NGO partner being Indian and not locally based on the islands and having staff who wanted to earn more money but not to put in the work. Again, careful screening of potential staff, and attention to the value of a locally based partner, could help to minimise this.

The recruitment of peer trainers helped to overcome these staffing challenges for SITE Enterprise Promotions (Traidcraft Exchange's overseas partner on the B.E.L.I.E.V.E project) (see Box 2).

Box 2: Peer trainers

William is a peer trainer on the B.E.L.I.E.V.E project in Koriema Honey Producer Group (HPG). He was recruited and trained by SITE Enterprise Promotions, the Kenyan partner delivering Honey Producer support to pastoralists in Kenya's fragile lands. Prior to working for SITE, William had worked on a number of environmental conservation projects. At the time that SITE recruited William to work as a peer trainer, he was a beekeeper and he has continued to work as a beekeeper whilst providing on-going training and support to the pastoralists. He grew up in the community, knows it well, is committed to it and is well-respected by members of the HPG. Each of the Honey Producer Groups supported by SITE has a peer trainer like William who speaks the local language, is part of the local tribe and has cultural understanding. SITE has produced a beekeeping programme field guide to support the peer trainers alongside training workshops.

3.5 Project design and development

All projects undertook initial needs assessment as part of the process of preparing their BIG applications. Several projects were modifications of earlier initiatives which contributed to organisations' confidence that they had done their homework. For example, Help Age International drew on aspects of a pre-tsunami project with Help Age Sri Lanka. In other instances, BIG funding enabled continuity of pre-existing activities, expanding into new geographical areas. The Trocaire project in Honduras, for example, existed prior to BIG funding, so when applying to BIG they already had three years of working with their partners. The projects' themes, focussed on HIV issues, were therefore well established as were the partnership relationships prior to application. BIG funding was one part of a bigger programme which had 29 partners, of which 11 were funded by BIG. Other financial support came from the Irish Government, and Trocaire's own funds but BIG was perceived as crucial in the sense that it allowed them to strengthen the existing programme and expand it, and also enabled continuity of support for the target communities.

The Andrew Lees Trust emphasised the importance of involving partners and key people right from the beginning of the design of a project, in that way all partners are equally committed and have a sense of ownership. Overseas staff can also be in a stronger position to foresee at the planning stage, and therefore overcome, potential obstacles. When asked for examples of good practice to have emerged from the projects, Shared Interest Foundation pointed to their approach at the development stage, raising issues related to preliminary comprehensive research, target community involvement and adequate needs assessment;

“I think the main one for us is certainly doing a huge amount of baseline research and making sure that....there's definitely a need there and that the producers are bought into it, it's not a project that you're kind of sitting in the UK developing .. it's something that's developed in country. It's been really useful because then you have the buy-in from the start” (Shared Interest Foundation, Rwanda).

A number of grant-holders also identified BIG as playing an important role prior to project start up. The value of the comments and questions received at the application stage were emphasised as constructive and clarifying - *“lots of really good challenging, constructive dialogue, that was a very good process”* (Harvest Help). BIG's questions were perceived as insightful and helped the applicants to think very clearly about the relationship between project aims and expected outcomes and the series of stages needed to implement the project in full.

4. Models of support

Growth within the micro and small business sector can be constrained by: a lack of access to finance, limited skills, inadequately developed markets and weak infrastructures. Among the projects reviewed for the research, objectives in relation to

each of these obstacles are in evidence, with a broad range of activities undertaken and designed to improve: credit access, craft skills, business and marketing skills, agricultural technology knowledge, development of markets and advocacy to promote the rights of marginalised groups and ensure their access to land and resources. An additional common theme is the creation of self help or federated groups which promote: productive capacity, access to credit, sustainable structures of support, a forum within and from which voices are heard, connections to local government and confidence building.

A wide range of activities were therefore evident among the projects under review, reflecting the diverse community contexts and the key aims of the projects. Various means deployed to achieve the wide range of objectives included:

- Training or workshops (in business or marketing skills for example)
- Training in practical skills such as new agricultural methods or craft skills
- Micro finance provision (loans, grants, capital and facilitating access to banks)
- Lobbying local government for water/land/representation issues
- Introduction of irrigation systems or improved access to clean water
- Provision of equipment or transport (irrigation pumps, manufacturing equipment)
- Livestock gifts (such as goats, donkeys, cows, chickens)
- Formation of self help groups or other self governance structures. These included: Co-operatives, Credit unions, savings and credit self help groups, Industry groups (Farmers Unions, Herders groups), Social groups (women's groups, HIV/AIDS victim groups), Village groups (to draw up plans and objectives) and NGOs

Chart 2 (**Appendix 2**) highlights which activities were the more prevalent among the projects, and therefore which models of support were most favoured. The training route was used by nearly all projects, as was the formation of self help groups. Business development was also a defining feature of the projects. Other fairly common activities included the introduction of new farming methods, provision of equipment or farming inputs and microfinance in the form of loans or grants. Microfinance provision was probably more common than suggested in this graph as, where it was not provided, project staff would often set up access to banks or self help savings groups.

The more common models of support are discussed in a little more detail below, in particular: training, community development, group formation, microfinance provision and marketing.

4.1 Training

Training was central to all the projects, taking a wide variety of forms and durations, from 1 day workshops to intensive courses of several months. The training provision related to the following skills: business; management and marketing; craft skills; animal husbandry or agricultural technology; conservation techniques and water management. The following quote captures some of the diversity of training aims, all of which were pursued by this particular project;

“Yes, it’s right from entrepreneurship development to marketing, to also working with banks to raise working capital but also in some cases it was technical training in areas that women may not know fully ...developing the product with the market .. matching the skills with the market demand, that level of training but also in terms of financial accounting etc., and more important the whole group management and running a self help group, working with the different stakeholders and also working internally in a more efficient manner. With the young people it is very much technical... whether it was masonry or carpentry, making handicraft or there was beauty, working in beauty salon” (Traidcraft Exchange, India)

4.2 Community Building

An additional strategy informing the majority of projects was community building in the sense of forming connections and networks by means of regular meetings, group activities and/or group training/workshops. Organisational structures were formed, leaders trained and representatives often elected to participate in higher level group structures. These practices conform to community building definitions set out in Auspos (2005) which state that community building involves “democratic or participatory efforts to enhance the capacities of individuals and organizations in communities and the connections between them”

Community building is a potentially critical precursor to community development because, when effective, community members can be mobilised to act collectively to achieve change. Typically, community members, whether residents in the UK or villagers in rural overseas communities, will be engaged in a process that involves; “analysis of a problem, assessment of community strengths and weaknesses, exploration of possible solutions, articulation of what the community wants or does not want, and development of an agenda for change” (Auspos, 2005). This process engenders trust, legitimacy, and can promote organisational networks which together can achieve sustainable methods of delivery.

Community development objectives are critical for sustainability. Group formation is a part of this aim but community activism is broader in perspective. Focussing on community development equips key players with the leadership and management skills needed and promotes participatory ‘buy in’ among all community members whether elders, men, women or different ethnic groups, as highlighted in the following quote;

“we work with what they call self-help groups, which is small groups of farming families but then the whole premise of the programme is to impact the whole community so encourage them to go out and then there’s other community activities to make sure that the communities are empowered and make the changes for themselves. So obviously we need to put in some inputs and obviously a massive amount of training but the idea is that the community themselves learn how to do it for themselves” (Send A Cow, Ethiopia)

The formation of networks and alliances are therefore often a key element of project delivery mechanisms. By facilitating communities to identify, develop and manage their own needs, community members are “*engaged, empowered and have ownership of the project from the early days, which should permit the impact of the project to continue and grow ... beyond the life of the project itself*” (Concern Universal).

This approach to community development as practised overseas can be applied within the UK context. The emphasis on building capacity and social capital is similar to BIG’s Fair Share Trust (FST) programme which, as a ‘process’ programme, also prioritises mechanisms to bring community members together, to collectively identify projects to fund and the best means to achieve agreed goals. Consistent with the international development projects, the FST also funds projects which are run by and for disadvantaged people. Community involvement in planning and delivery becomes key to the promotion of community cohesion. In the words of one UK project manager, when asked which aspects of the overseas project had worked particularly well;

“Well the biggest point is to bring the ‘we’ feeling... that together we can do okay...there is more community harmony because they are working together, they are reaching a mutual decision, so everybody gets a chance and .. it promotes equality by doing this.”(Lead International, Andaman and Nicobar islands)

4.3 Group Formation

Group formation was an explicit strategy or business model in around two thirds of the BIG funded projects, whether co-operatives, self-help groups or social groups. Groups were formed for four key purposes; to attract micro-credit; to form producer groups; to promote community cohesion and self confidence and to perform an advocacy role and fight for rights. These are each described separately in some detail below.

Micro-credit groups

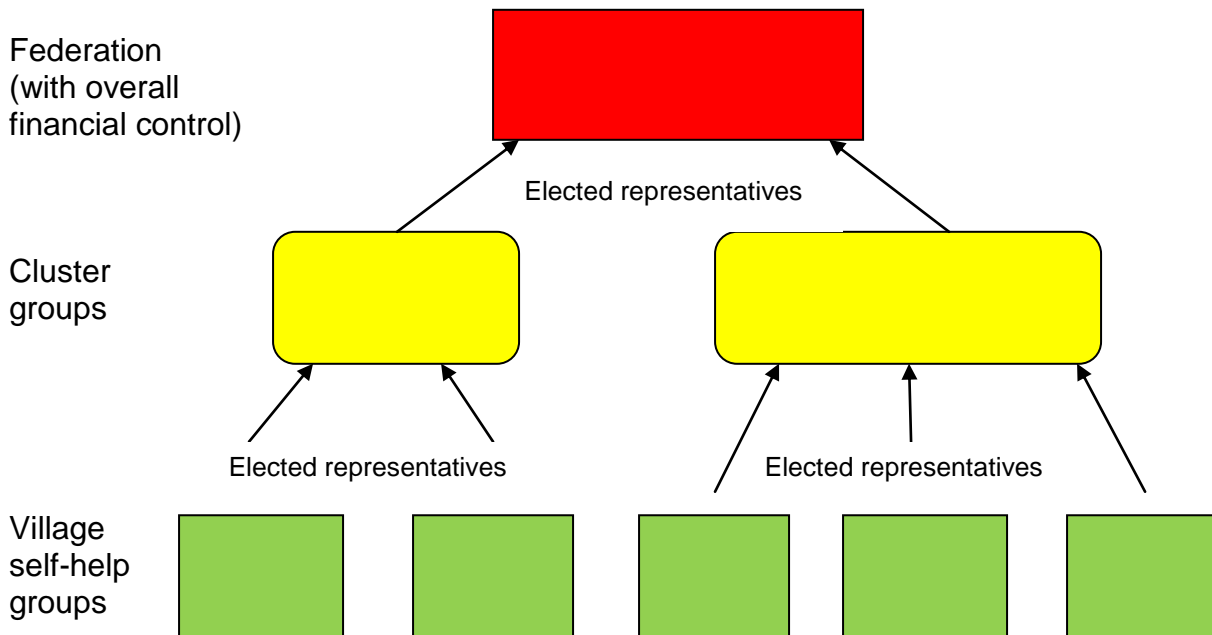
These groups are formed as a means to attract external microcredit. Poor families with few collateral assets find it hard to secure small loans from reputable sources. Credit unions or ‘savings and credit self help groups’ represent one solution:

“It tends to be the group, so there tends to be a group of 10-15 women, they would agree to save amongst themselves whatever it might be, a few pence a week, that pot grows and then the women lend that to each other so within the group you’ll have a chair, a treasurer and then they kind of decide amongst themselves who’s going to get the next loans (Harvest Help, Milawi)

Group approaches involve the activation and capacity building of local communities, involving them, training up professionals and working hand-in-hand on specific projects. Actively establishing a working organisation is also important for sustainability, to maintain the momentum of projects and move forward with new ideas into the future. One example of this approach, set up by Find Your Feet for this project and others, included the formation of a federated organisation for the purpose of (a) becoming

sustainable (b) providing a means to secure credit and (c) ensuring their voices could be heard more strategically. Project overseas partners would mobilise women at village level to form self-help groups. At the meetings each woman contributes a small sum of money so the group builds up a savings pot. From these groups elected representatives are chosen to join groups based on clusters of villages. And then at the final level, elected representatives of the cluster groups form a federation which oversees finances, provides training and plays an advocacy role. In this project the federated group has become a registered NGO. The organisational structure is depicted in Figure 1;

Figure 1: Find Your Feet Self-help organisational structure



Producer groups

Producer groups were formed to achieve economies of scale in terms of marketing benefits and access to lower cost inputs. This approach was beneficial to small scale producers in particular who were able to combine to sell their wares through one centralised processing and marketing outlet. Shared training or learning activities were also included in some instances with grant holders and their partners facilitating this form of training for project beneficiaries. Examples from the projects include Herder groups, Farmer Groups, Coir fibre and rope making groups and Beekeeper groups, with aims highlighted in the following quotes:

“working with beekeepers, organising them into groups.. to try and make this marketing more efficient, if you’ve got a ton of honey all in one place, it’s worth a lot more than a ton of honey spread over a large area because someone will come

along and collect it and the transaction costs of doing business are reduced significantly. So part of the value of the groups is that they do actually add value to that honey by having it all in the same place, at the same time".(Traidcraft, Kenya)

These groups were also referred to as 'enterprise groups', developed on the basis of similar business activities. Collectively they develop business plans and strategies for extending their market share.

Community or social groups

Some community groups were formed to provide social benefits such as improved confidence, where individuals can come together to share experiences and collectively make decisions about the future direction of their community. Examples from the projects include HIV positive groups, village groups and women's groups and environmental action groups (the latter formed by the Shared Interest Foundation in Rwanda to promote community participation and decision making about environmental matters). The quotes below indicate the value of social group formation:

"bringing groups together and forming a federation like you talk about co-operatives but federation is a different thing. A co-operative is just business, but federation includes business and social issues. So the federation will be running after this.. when we exit they are there and this is our exit strategy so that they can manage their own development (Lead International: Andaman and Nicobar islands)

"For example they are organised to be part of the national forum of people living with AIDS ,they are more empowerment and more capable to talk about their own situation ...as self help groups and that's a very positive impact. (Trocaire: Honduras)

These groups are distinct from the enterprise groupings and function to promote social cohesion and broader community development by identifying collective needs such as health services, access to water or access to land upon which a community may be dependent for livelihood purposes.

Political action groups

These groups function as a platform for action and from which representatives could be elected to then connect to local government to demand rights for example. They are distinct from the enterprise or producer groups. These groups promote 'civic capacity' (Saegert, 2006) and connections with external institutions and decision makers. In the example below, the focus is on empowering younger members of the community:

" the advocacy work is very much around support to young people or youth as a group within the community but also ..advocacy work, working with local government, ward councillors, project steering groups which are made up of representatives from NGOs, government, the beneficiaries and working with the parents as well.. the advocacy component is much more strategic, looking to build

the capacity of the youth to be a recognised force for change within their community. (Y Care International: Gambia)

The Hand in Hand (South India) project which developed after the 2004 tsunami, built IT centres equipped with computers and internet access. *“This encouraged women to both acquire IT skills and to use the centres for political activism, for instance lobbying members of parliament about the building of better roads”.* (case study 2)

Tree Aid (Mali) has been assisting communities to gain access and control of forest resources upon which they are developing enterprises (and on which they depend for many aspects of their livelihoods) but observe in their final monitoring report that *“the rights of villagers over the forest resources are compromised by ambiguities within statutory law and in the mandates of government agencies and by contradictions between these and customary law administered by traditional authorities. Tree Aid has been supporting communities to seize the opportunities presented by decentralization policy initiatives to strengthen local governance of forest resources”.*

Overlapping groups

While in many instances the four different group ‘types’ were distinct in terms of objectives, in other instances there was evidence of overlap, with groups performing several functions as in the following example of Sustainable Livelihood Committees, established by APT in Sri Lanka:

“The project has established and strengthened 31 Sustainable Livelihood Committees in 24 divisions with the active participation of village communities. These are successfully operating with savings, record keeping, regular meetings and other village activities including shramadana campaigns, poya day events, monitoring beneficiarries and welfare activities. Capacity building training was conducted on conflict mitigation, leadership, team bulding and record keeping for SLC leaders & treasurers”.

Group Formation Challenges

Illiteracy presents a challenge to many of the projects and can represent an obstacle in the development of business plans, accounting and training opportunities. Find Your Feet (India) found a local solution by deploying local volunteers:

“Literacy is another one in all of our projects because obviously for the groups to run efficiently, they have to maintain records and that kind of thing so ... and a lot of the women in the project area are illiterate or have very basic literacy skill..., it’s a problem we’ve encountered in lots of our projects in India but one of the things they’ve done is they’ve identified local youths who are educated, who on a voluntary basis come and support the women with the groups”.

Tree Aid (Mali) encountered similar problems in attempting to establish Village Tree Enterprise Groups. Given that the majority of villagers are illiterate it was difficult to

ensure that group members were fully engaged in the development of enterprise plans and were taking full collective ownership of the plans once complete.

The end of grant project report for Tree Aid (Mali) also indicated that villagers are risk averse in their decision making and inclined to focus on activities at family level before considering working together to develop external markets. The report also notes; “when developing markets their first preference is to target local clients even though traders from other regions are interested in expanding their supply base. Group ambitions are limited by their own restricted contact with more distant markets. To empower these enterprise groups one-to-one mentoring and expert advice is essential, but this close support itself brings the risk of dependence on advice of facilitators to make key decisions”.

4.4 The role of Finance

Access to finance can have a highly significant impact on the performance of small and micro enterprises. However the poor can be excluded from formal financial markets (eg. banking systems) due to factors such as poor information, the lack of credit records and the lack of collateral for loans. This pushes them to the informal financial sector (dominated by moneylenders) or to the extreme case of financial exclusion.

In recent years, two key factors have impacted upon poor people’s access to finance. Firstly, there has been widespread financial reform in developing countries which should, in theory, have increased commercial bank activity and lending, especially to previously excluded rural communities. Instead, the rural poor in many countries have lost access to finance as state development banks ceased to function and commercial banks did not find it profitable to enter remote rural areas.

However, at the same time there has been a microfinance revolution with a phenomenal increase in the creation of microfinance institutions and the provision of microfinance loans to enterprises that do not qualify for lending from commercial banks.

Microfinance grants from a range of institutions including NGOs, credit unions, cooperatives, banks, non-bank financial institutions and government organisations allow individuals to launch small-scale economic ventures. Grants are also given for consumption. Around 30 million households in India have received £4bn in such loans over the past 15 years⁵.

Households that participate in these programmes are better able to meet basic needs in crises, such as times of ill health of adult members. Women have considerably increased their autonomy within households as a result of increased incomes through labour force participation and there are improved health and welfare indicators for children in participating families. Positive spillover effects into non-participating members of the community are also evident, for instance through higher local demand for consumption and production goods. Thus, Khandekar (2003) found that microfinance

⁵ <http://www.guardian.co.uk/world/2011/jan/31/india-microfinance-debt-struggle-suicide>

programmes in Bangladesh reduced 'modest poverty' among female participants by 9 per cent and extreme poverty by 18 per cent over a seven year period

Despite this growth in availability of micro-finance, access can still be difficult in remote areas, and for poor people. In addition, repayment terms are often a challenge in terms of interest rates, speed of repayment and debt collection techniques. Some BIG projects therefore included microfinance as an integral part of their projects, providing grants or credit with decent terms and accompanied by mentoring, business advice and close scrutiny to assess viability of business ideas.

Microfinance – a central role in BIG projects

Finance, and in particular micro finance is a central component of around twenty per cent of BIG projects in the sample. The scale of financial support in terms of loans varied, but, to take one example, Y Care International, over a period of two years, approved 60 loans. In the second year, 22 people were loaned a total amount of £7,200 between them. As one local partner organisation noted, financial support is "*crucially important, you can't expect people to start something up when they don't have anything to invest*" (Trocaire: Honduras).

Even where projects did not provide loans, seed capital or grants, they often arranged to ensure that communities had the information they needed to approach financial institutions to serve this need, with a number of projects setting up meetings with banks and arranging reasonable terms:

"we don't ourselves provide micro finance loans but we do a lot of facilitation, ...we've managed to negotiate a deal with a bank based there, that they'll consider enterprises that are part of the project... because forest products are a difficult thing to get credit for often because the investment is over a period of years and you can't necessarily pay back a small loan in the first year when you're waiting for a tree to grow, so it's a challenging area to get credit but we have had success, especially in Bakino Faso with that but it is one of the challenges that the enterprises report. (Tree Aid: Mali)

Efforts by some project managers to engage microfinance providers have proven more difficult than expected, leading them to turn toward the self help route. Many projects established self-help savings groups to provide a credit resource within the community "*mobilising the savings, the resources that communities have themselves and then on lending it and revolving it amongst those groups* (Concern Universal). For some groups, the aim is to re-approach the microfinance providers and banks in the future, once the self help groups have been operating for some time and can be presented as creditworthy with a track record.

The benefits of self-help groups as a savings and credit institution include: lower rates of interest, democratic assessment of need and non-aggressive collection methods:

".. [we] found that a large percentage of them ..rely on private moneylenders who are really exploitative and had really horrendous rates of interest..so the groups

have a very low rate of interest so they've got access to credit that they didn't have before, so they're less dependent on these private money lenders...it can make a really big impact for the women because they're not living under the pressure of, I mean these moneylenders come and abuse them in the streets and stuff, make their life a misery" (Find Your Feet: India)

Certainly BIG funded projects spoke highly of the potential of microfinance to improve quality of life:

"This project was well received and meets a vital need for the communities we are serving. Having access to loans and providing support for entrepreneurs enables them to further develop their businesses and increase their income, consequently improve their quality of life. According to similar implemented projects, the impact reaches beyond the economic aspect to positive impact on health, education, food, clothing and all aspects of the family well being and quality of life"(Welfare Association: Lebanon)

Credit to small and medium enterprises

Occasionally BIG funded projects provided grants and credit to enterprises that were larger than the conventional 'micro enterprises'. The 2004 tsunami resulted in severe economic losses for huge numbers of small and medium sized enterprises along the south western coast of Sri Lanka. Businesses engaged in activities such as tourism, toy making and lace making lost capital assets such as buildings and machinery. With little collateral to raise bank loans as a result, many businessmen and businesswomen were economically inactive for a few years after the disaster. While there was a huge reconstruction effort in this part of the country by international donors and the government, there were few projects that targeted the livelihood regeneration for these small and medium enterprises. This gap was partially filled in 2007 when BIG funded APT to deliver the Rebuilding Lives project which provided concessionary credit, asset replacement and loans to a selection of these businesses and a highly visible economic revival has resulted. BIG was the sole funder of this project. Two examples of the impacts for business owners and the wider community are provided in Box 3.

Box 3: Impact of loans in Sri Lanka

Indika, a toy manufacturer who fled the tsunami waves leaving his workshop to be destroyed, now exports monkeys and chameleons made from handloom fabric of dazzling colours to the UK. Kanthi, a highly skilled craftswoman who makes intricate hand woven lace has won several national awards for her art and for her success in export markets. The grants and loans they were given by BIG were conditional upon generating additional jobs. Both Indika and Kanthi now employ around 15 workers, mainly women from poor communities. The business success of these enterprises therefore spills over to poverty reduction and improved welfare.

Microfinance - challenges

The MicroLoan Foundation specialises in microfinance and described how micro finance could be very tough. In a BIG funded project operating in Malawi, local women are organised into self-supporting groups and receive loans. Women who struggle to pay their way or don't pull their weight are forced out of the group:

"It's quite a hard concept because clearly if there's a weak woman in the group, you find the groups basically push that woman out, so in the end the groups that last from cycle to cycle are the groups who are quite good and ... develop their skills, so it's a slightly tougher concept than sometimes [others] talk about"
(MicroLoan Foundation: Malawi).

Several projects emphasised the importance of taking a careful and holistic approach to microfinance in order to avoid pitfalls. For Concern Universal's Gambia project, the repayment rate for women is 96 per cent but they have come across projects with a repayment rate as low as 34 per cent on non BIG funded projects. There was concern that poor groups needing loans at interest rates of 5 per cent, and not 25 per cent, were having their enterprise development opportunities limited. One comment was: *"why aren't the banks just replacing the microfinance agencies? It should be the government/ commercial banks should go out there and lend at 5-10 per cent and give lots of direct help and that would really get the economy going"*.

Beneficiaries of the Mali and Burkino Faso Tree Aid project were finding it difficult to repay loans to local microfinance institutions due to high interest rates. In other projects, for example Find Your Feet it is too early to say if there are repayment issues. However, one way in which projects were trying to achieve high repayment rates was by acknowledging that engagement in microfinance involves a cultural change and training beneficiaries on the role of microfinance in business development. Y Care International's project on Skills Training and Enterprise Development for Disadvantaged Young People in the Gambia was seeing the benefits of doing peer to peer work with young people and their parents to facilitate greater take-up of loans.

Project accounts of experiences in trying to access micro finance suggested that the main providers seemed risk averse to agriculture linked lending and micro finance transaction costs could be very high with dispersed populations. In this context, it was important for projects to try to demonstrate the credit worthiness of groups and this could be supported through ongoing dialogue with institutions to prove the track record of groups to encourage institutions to lend to them so that they can scale up what they do. There were also examples of projects looking into mobile phone banking or already engaging in it in order to lower transaction and transport costs.

4.5 Marketing

The importance of getting marketing right is recognised as a central element in very many of the projects. Some projects place the onus on the new businesses and provide them with training on marketing skills. Other projects are actively seeking out marketing

opportunities and helping the businesses to form groups to improve their marketing potential. Cutting out middle men and selling direct to consumers is one goal, other projects are building storage units to bring together produce from highly dispersed areas and a few are taking steps to achieve Fair-trade status (which earns higher income for the producers). Shared Interest Foundation (Rwanda) has helped several producer become members of the Cooperation of Fair Trade in Africa (COFTA) – these have been invited to participate in a Market Access Programme (MAP) implemented in Kenya, Rwanda, Tanzania and Uganda. The programme seeks to link producers with fair trade buyers from Europe and North America.

Adequate analysis of markets and promotion of access to them can assist small farming businesses move beyond the local to national and international markets. Formal analysis systems such as the Market Analysis Development Model⁶ or similar market chain analyses have been implemented by some projects. Whichever approach is used, the projects tend to start with a community based exploration of local produce and resources, match these to local and wider demand, identify challenges (such as seasonal interruption of product flow), opportunities (unfilled niche markets) and blockages (for example transportation or refrigeration limitations). The analysis will also identify how many hands a product will pass through before reaching the final consumer, with shorter chains usually conferring greater financial benefits to the source producers. The system analysis is designed to ensure that producers get a fair deal from their labour to maximise income potential.

Marketing plans and processes are described in the following two quotes from UK managers of projects in Mali and Malawi respectively:

“..we also have Phase 2 enterprise plans under development and those will involve working more further along in the value chain, to try to either create associations of enterprises so they can maybe in a regional association, start to market the shay butter in more mass quantity or produce certain qualities and tap into other markets that maybe there, there’s Fairtrade markets and there’s markets for export, that currently these products aren’t accessing” (TreeAid: Mali).

“though we were helping them increase the productivity of what they were doing, particularly with irrigation and helping them to go all year round, what we hadn’t cracked yet was ...reaching market because what happens if a group grows its crops, the middle man will come along and buy it at a cut down price and sell it very expensively in the market, so we’re..making links with the groups, so they can sell their crops directly in the main market. They’re even selling, their tomatoes for instance, directly to supermarkets so we’re cutting out the middle man” (MicroLoan Foundation: Malawi).

⁶ See: <http://www.fao.org/forestry/enterprises/25492/en/>

5. Project impacts - economic

In assessing the diverse range of impacts to have arisen from the projects funded by BIG, this chapter is divided to consider the economic benefits accruing to individuals and their communities under the following headings; increased incomes, creation of jobs and diversified livelihoods. The chapter also looks at progress among the businesses which have been set up or assisted to develop further. The next chapter considers some of the broader, social and infrastructural, impacts of the projects.

5.1 Community/Individual benefits

Chart 3 (**Appendix 2**) shows some of the concrete individual benefits attributable to the projects. All of the UK project grant holders state that the beneficiaries are more confident, have higher incomes and a broader range of skills as a direct consequence of the project's activities. Nearly all state that the beneficiaries have become economically independent. Many of the marketing aims and activities also appear to have been effective with two thirds of the projects claiming their beneficiaries are now less dependent on middle men or traders which creates an automatic increase in income from produce sold.

In terms of the scale of impact for individuals and groups, Box 4 (**Appendix 3**) provides examples of the numbers of individuals/groups or families that have been supported in the formation, improvement or increased sustainability of particular businesses and livelihoods. These 27 projects for which we have clear 'numbers' of beneficiaries are not presented in any particular order and merely provide a broad sense of the reach of the projects. The range spans at one end from 15 co-operatives or, in another project, 50 businesses right up to 8000 families trained by another project in sustainable agricultural techniques.

Increased Incomes

Increased income is an impact associated with all the projects (see chart 4, Appendix 2). This was achieved in a variety of ways including;

- Improved marketing strategies (such as cutting out middle men or forming industry groups to collaborate, increase scale and share costs)
- Higher yields (from superior crops or improved agricultural methods)
- Greater variety of businesses (for example diversified farming)
- Supplementary incomes from additional businesses

In individual or family micro-enterprises, increased income is usually devoted to essential family needs including: clothes, additional food, school materials and health care resources. Where young people were helped to establish businesses, expenditure patterns differed slightly as they were still living with their parents. Increased incomes were therefore often used *"to be buying jewellery, mobile phones, motorbikes or better*

clothes or they were using it for schooling or healthcare, those kind of improvements... and improved food as well” (Y Care: Gambia)

In the following example, a woman living in a village in Ghana was helped to set up a small enterprise with a loan. The difference that a single bag of maize can make to her family’s income and lifestyle is described:

“[she was supported] to start a business in grain banking, selling beans and guinea corn in neighbouring markets – Babile and Lawra - and to pito brewers within the community. After paying back the loan, she still had a bag of maize left, of which she bought an iron pot and a cloth, after sale. She is now able to pay school fees for the children and provide books and pencils”. (Concern Universal: Ghana)

This next quote highlights the potential impact of supplementary microenterprise activities on family well being:

“these enterprises are [not] their only sources of livelihoods or incomes within their family but it’s ... an additional income that can supplement subsistence agriculture or ..if it’s the case of one family member, most likely the woman participating in the enterprise, maybe the male in the family is earning income in another way. But what we hope is that it’s the extra income that can get them through the uncertainties of climate drought and food insecurity, that can keep their kids in school, that keep things from falling into poverty”. (Tree Aid: Mali)

Concern Universal (Ghana) indicated that around 1000 very poor women have achieved independent incomes ‘of an unprecedented size’ from livelihood activities, giving them some level of food security during the dry season. Weekly profits for the women ranged from £1 to £10. Taking one example, to highlight the level of improvement these figures represent, a widower with 6 children achieved a weekly profit of around £1 in 2008 increasing, by 2010, to around £7.

There are, in addition, many examples of families with improved nutrition, eating more meals, larger meals and more higher cost fish or meat as a result of increased incomes and more varied sources of food.

Creation of jobs

In terms extending benefits beyond the individual and immediate family, community outcomes were also evident in some projects where employment opportunities were created. These quotes provide concrete examples from the projects of how the business development activities can lead to job creation. The first 2 projects were not explicitly designed to promote employment while the third one was.

“A number of the young people who had taken out a loan, had already employed other young people so you're seeing a multiplier effect in that as well” (Y Care: Gambia).

“You get clearly some people who grow and grow and some women are doing five or six businesses, they employ staff, so natural leaders do emerge” (MicroLoan: Malawi)

“The aims of the project was to revive, mainly to revive 200 tsunami affected businesses, either revive or improve those businesses and in the process, create or support 2000 jobs... I went in a garment factory that was making clothes for Next and they probably got about 70 employees that we supported” (APT: Sri Lanka)

In Malawi, one project manager was impressed at the degree of entrepreneurialism evident among the group of women they were supporting with loans. They were setting up successful businesses for themselves, sometimes multiple businesses, paying off loans in full and many were also creating employment for others. Indeed the main concern expressed was that the scale of the funded project was not more ambitious and could not offer longer term loans, more seed capital and more capital investment to enable to women to expand their businesses further.

Diversified Livelihoods

Diversified livelihoods were a key impact from the projects studied and an important strategy in the prevention of poverty. Economically diversified communities were described as better able to withstand environmental disasters, able to smooth incomes over the year, improve nutrition and food security, and take pressure off scarce land resources. The following quote highlights how diversified livelihoods have improved economic prospects into the future:

“Rwanda has very high unemployment rates and a huge amount of pressure on the land so they're moving more and more away from agriculture activities so I think the craft sector is brilliant in that respect because it .. doesn't rely as heavily on so much land and, you know, it's kind of a gap and certainly supporting people with income” (Shared Interest Foundation: Rwanda)

Box 5, taken from case study 2 (the “Rebuilding Lives” project), highlights the benefits of diversified livelihoods for groups and individuals in the Eastern Province of Sri Lanka, devastated by the 2004 tsunami and by a long civil war.

Box 5: Diversification in a Post War, Post-Disaster Economy

“ Diversifying away from monocrop agriculture has boosted a war torn economy in Eastern Sri Lanka. In this region there are 2 cultivation seasons for rice but during the shorter season each farmer sows only 30 per cent of his/her land. The BIG funded project taught farmers to grow cashew on the remaining 70 per cent during the shorter season. This land was previously unutilised so now the farmers have much higher incomes, especially because the market price for cashew is always strong”. Mr.Gnanasooriyam, Project Manager, Berendina

Javahir is a fisherman who survived the tsunami but lost his boat and fishing equipment. For years he did not have a boat and did casual work as crew on other fishing boats. Wages from this were low. A grant and loan from BIG enabled Javahir to buy an engine for a new boat of his own. His income rose. However, until 2009 restrictions on fishing (especially night fishing) off the eastern coast due to war-related security issues meant that profitability from fishing was limited for Javahir. To increase his income further, Javahir bought a small truck that could be used to transport fish to nearby markets. Javahir now has two sources of income, from fishing and from transporting the catch of other fishermen. Diversification has been an adaptive strategy used to maintain his livelihood during the last years of the civil war.

About 50 per cent of the 2000 beneficiaries in Concern Universal (Ghana) project now have breeding stock of poultry and small ruminants (sheep and goats). Before the project, keeping animals at home was for men only. The women have therefore been helped to become more independent economically. According to the women this has increased their resilience to emergencies and improved family security. The women’s families now also eat more and better quality meals each day. From a survey of 158 women in the project area, between 2008 and 2010, 73 per cent ate more meals, 65 per cent ate larger meals and 54 per cent increased the incidence of fish or meat in their meals.

Economic independence

Several projects funded by BIG targeted women as a key beneficiary group. The focus on women reflected strategic aims to improve their rights and treatment. As observed in documentation from Send A Cow (Ethiopia) “cultural and religious customs put women and girls at a disadvantage in the home and in the community. Women are precluded from owning assets or taking part in decision making [and] have very heavy workloads in the household; daily water collection alone can take 2-3 hours per day.” Many projects therefore set out to equip women with economic resources, engage them in democratic processes, free them from the burden of water collection and help them establish more productive farming systems.

Trocaire (Guatemala and Honduras) targeted women sex workers in order to establish alternative income generating activities. Training and seed capital allowed them to learn new skills and achieve economic independence which was described in Trocaire's end of grant report as 'highly valued especially by women'.

5.2 Business outcomes – income, employment and productivity

Chart 4 (**Appendix 2**) indicates what has happened to the supported businesses over time, since the start of the project. Generally positive outcomes are in evidence. Either some or all of the businesses have become more profitable. For example, among the 35 producer groups (with a total membership of 2074), participating in the Shared Interest Foundation (Rwanda) project, the average income overall increased from £414,201 in year one, to £560,180 in year two, representing an increase of 26%. These improvements were attributed to enhanced skills and support of the local market as well as participation at the annual international trade fair in Kigali. Tree Aid in Mali has established 266 Village Tree Enterprises with 2,751 members. Total annual turnover for all operational enterprises is over £360,000 with an annual average profit of £27 to each member.

Two thirds of the projects set up businesses which were designed to have customers, half claim that all those businesses have increased their customer base, while the other half claim that some of their businesses have increased their customer numbers.

Virtually all the projects claim that either all or some of their businesses have become more productive. For example, in a Northern Togo project, the beneficiary farmers have increased their staple crop yields and production, the average increase is 30 per cent in the sorghum yield and 32 per cent in the maize yield over a three year period. Improvements are attributed to the training of farmers in appropriate techniques to improve soil fertility and improved access to clean water through new wells.

Marketing efforts have proven successful for some projects. For example, although most producers participating in the Shared Interest Foundation (Rwanda) project continued to sell their products locally, 29% had developed direct links with international markets for and, as observed by the grant holder: "this is commendable given that none of the producers had links with the external market at the previous review period". Access to markets nevertheless remained a challenge for the producers, necessitating the need for more innovative approaches including: product development for improved quality, access to regular market information for trends and growth of membership as fair trade organisations.

Creating employment is not such a strong outcome being sought by the BIG funded projects in the study – half the projects were not designed with this aim in mind and among the rest, the numbers are evenly split between none, some and all now employing more staff.

Partnership formation seems quite common. In around 80 per cent of the projects either all or some of the businesses have collaborated with other businesses or organisations or have formed trading groups which may decrease input costs, broaden markets or form the basis of skills sharing.

In terms of indicators that might suggest problems in business development, very few businesses have closed (some businesses have in around 3 projects) and very few projects claim businesses are struggling to repay loans (some businesses are struggling in 4 projects). Two of the projects with evidence of people having problems repaying loans are from Gambia and two have a focus on helping young people in business. With small sample sizes though, no trends can be established.

One potential problem the businesses may have encountered is adverse competition and market share challenges. There is no evidence however that market squeezing has been an issue for the projects in the study. To the contrary, many of the projects conducted comprehensive research to identify market gaps so as not to cause a displacement effect and to be sure there was a market for their products. Many of the businesses were very locally based anyway and therefore encountered little competition, especially as most projects were more focussed on agricultural livelihoods. In other projects, where loans were offered, rigorous screening was undertaken to ensure that plans were viable and not exposed to levels of competition likely to undermine long term success or simply displace other businesses.

A few projects have facilitated attendance at Trade Fairs to promote marketing opportunities. Box 4 presents a successful example from case study 2

Box 4: Impact of effective marketing in Rebuilding Lives project

Sunil has a workshop that makes wood carvings in the coastal area of Mirissa, in south western Sri Lanka. When he began work as an apprentice 15 years ago, he earned 500 rupees (less than 5 dollars) a month, a low wage even by the standards of the day. Over the years he built up a viable business that was boosted by tourism but his workshop and machinery was lost in the tsunami. A loan from BIG has enabled him to build a new workshop and keep his business going. In order to expand contacts with new buyers Sunil has participated in several trade fairs organised by the Industrial Development Board and the Export Development Board, which are both state- run organisations in Sri Lanka. A flamboyant entrepreneur and highly skilled craftsman, Sunil impressed several European buyers at these events and secured export contracts. Exporting has been hugely important for the economic sustainability of Sunil's wood carving business.

6. Project Impacts – social and infrastructural

According to many of the grant holders interviewed, BIG funding has been vital in terms of the scale and ambitions of their projects. Most have implemented a long-term, multi-stranded approach to resolving the more acute issues facing poor communities, recognising that the causes of poverty and vulnerability are often multiple and inter-related. The vision of BIG's international programmes, supported by adequate funding of longer duration, have enabled these projects to address some of the deep rooted causes and correlates of poverty. Taking a holistic approach, many projects have therefore been designed to not only enhance income and productivity, or improve livelihoods but have also included empowerment aims, provision of water supplies, sanitation, other infrastructural needs, health and education.

The chapter divides these additional impacts into 'social impacts', 'infrastructural impacts' and 'empowerment'.

6.1. Social impacts

A number of social benefits have materialised for the project beneficiaries, either as a direct consequence of specific activities or as a by-product of economic benefits such as increased income. Raising the income of poor individuals, families or communities can improve health, nutrition and access to education due to increased purchasing power. Developing livelihoods also carry benefits for self-esteem, hope for the future and can keep families together.

Education

When asked what people spent their income on, time and again meeting the costs of their children's schooling was identified. Even where schooling is free, school supplies represent a significant challenge for those in poverty. A small increase in income can therefore permit families to make the investment in clothes, books, school utensils, pens and paper as is evident from the following quotes:

“So it might not seem like a huge amount of money to us but, you know, making a pound a day rather than fifty pence a day is making a huge impact on their life so that they can send their children to school and afford health care..... the majority are women and we've seen in the last three years... a thirty-six percent increase in their income on average”(Shared Interest Foundation, Rwanda)

“The women in this village who spin coir rope have increased their incomes by at least 50 per cent since our women's collective bought a small mill to extract coir fibre. There is no shortage of fibre now, our mill produces a lot and the rope makers have a constant supply of raw material. And now because we have more money our children are prospering. The son of one of our members – she spins coir rope - is now doing the entrance exams to medical school.” (Case study 2-The

chairwoman of the women's collective Sobha Kantha Samithiya in the Matara District Sri Lanka)

Improved health

The means by which projects improved the health of community members were quite diverse. Many projects which led to increased incomes also enabled access to potentially expensive health resources (see Box 6). The Concern Universal (Ghana) project improved income levels among poor women by means of microenterprises which allowed them to pay their children's school fees and to register of more of their dependents in a National Health Insurance Scheme (NHIS).

Other projects, with an advocacy component, set out to ensure that health services came to villages on a more regular basis or actively pursued an improvement in the quality of care and availability of treatment in local health centres. The Trocaire (Honduras and Guatamala) project, which was designed to support individuals with HIV/AIDS, found that the establishment of self-help groups improved members' adherence to treatment. In addition, the project was able to, through their lobbying efforts, secure the opening of an 'integral attention centre' in a nearby city which meant that for the first time, people could have access to anti-retrovirals locally rather than enduring a long and expensive journey to the capital. With more time and better health these individuals were then in a better position to pursue income generating activities.

Box 6: Fatimata Lankoandé, 49, mother of 7 children, Nagré, Burkina Faso

(A case study from Tree Aid, Mali and Burkina Faso, end of grant report)

Fatimata is president of a shea nut enterprise group as well as a farmer and a breeder of sheep. Before joining the project, Fatimata planned to increase her animal rearing but worried about theft and insecurity. She joined the project because she was interested in learning how to plant trees, maintain a compost pit and to learn about the possibilities of increasing her income through selling shea products. Now she has decided to concentrate on rearing trees rather than animals, since this is more profitable and safe. She will plant baobab, shea and dawadawa trees and hopes to use the profit from tree products to pay for children's school fees and to help pay for family healthcare.

"At the end of the project, every family will have an orchard and plenty of tree products. The income we will make from the sale of these products will help us improve our family welfare." Fatimata Lankoandé

One project (Concern Universal, Ghana) created a number of bore holes for the community, generating both economic and health benefits for the villagers including the near eradication of diarrhoea, stomach ache, eye problems and schistosomiasis, all

attributed to water-borne infections. In this instance, the health status of 1,500 women was improved, in keeping with the initial project objectives.

Successful implementation of integrated farming, with the use of multiple crops, kitchen farming and herbal medicines was also associated with better health outcomes. Lead International (Andaman and Nicobar islands), highlighted the nutrition and health benefits associated with the diversification of crops, introduction of vegetable garden farms, poultry and growth of medicinal plants. The village communities were also provided with training on nutrition.

BIG funding has also improved the health of beneficiaries by enabling investment in production technology which transforms daily working conditions, as highlighted in the following quote from Indrawathie, age 54, who works at a BIG funded coir mill in Galle District, Sri Lanka (funded under the Rebuilding Lives through Sustainable Employment project):

“Before we began to work at the coir mill, we extracted the fibre from coconut husks by beating the husks with our hands. But first, we had to soak the husks in stagnant water for about 6 months to soften them. Because of this stagnant water, the village was infested by mosquitos that spread filaria⁷. Now there is no stagnant water and our health is much improved”

Confidence & optimism

The individuals involved in the projects, are proud to be developing skills or making and producing things and are increasing in self-confidence and self-esteem. These benefits of hope and optimism are hard to quantify but make an enormous difference to lives on the ground. Being confident and hopeful are also essential to the motivation of community members to actually take the initial steps necessary to transform their lives. Successful projects can therefore inspire a forward looking momentum among participants, critical for the projects' aims to be maintained, developed and diversified. Project managers frequently spoke of increased well being and the more psycho-social developments.

When experiencing devastating environmental catastrophes (such as tsunamis), or discovering that you are HIV positive, the effect on communities and individuals can be very damaging psychologically. It is easy to give up, especially if no support is evident from the outside world or from stretched local government resources. So having a project that can re-ignite hope or internal psychological and social resources can have a profound effect in relatively short periods of time. Combined with some basic resources such as equipment, animals or small seed funding and training in craft skills, a small amount of money can go a long way. In the end it is about people rather than money and rallying communities to help themselves over the long term. The first quote below highlights the project's impact on community spirit while the second quote is more individually oriented:

⁷ a mosquito borne tropical disease, elephantitis being among the symptoms

“they acknowledge our achievement, okay, they say that here people were ignoring about the future, okay, but now because of your presence, because of your initiatives, LEADS initiatives, they are now like aware of what the future will be if they don’t start doing this and that’s why they are more involved and they have owned this problem”. (Lead, Andaman and Nicobar islands)

“Establishment of ‘peer support groups’ “allows recently diagnosed HIV positive persons to diminish the period of depression and hopelessness that often follows a positive test result. It can eliminate feelings of revenge, provide crucial social and psychological support and give back a sense of ‘life project’ “(Trocaire, Honduras and Guatemala)

Keeping families together

For those who are HIV positive, severe discrimination in the job market can be encountered. For these groups, self employment is often the only means by which they can earn an income. The Trocaire project has made a real impact on the lives of these people – forming self help groups to improve esteem and a sense of community and effectively securing resources from local government. Through a 4 month training scheme, large numbers of mainly women were helped to identify business opportunities, draw up business plans, train in accounting and marketing skills and provided with loans. As a result, many businesses have been formed. Some of the women had concerns that their children would be abandoned if they could not take care of them. But, to take one example, a single HIV positive mother in Honduras with 4 children, is now able to provide for her family by selling hammocks – on average one every two days at a cost of £7 each. As a consequence she has been able to keep her family together.

6.2 Infrastructural development

Around one third of projects have secured infrastructural investment into the area they are operating in, whether roads, water or energy supplies. Several projects included infrastructural development as one of their core aims, in particular irrigation systems, bore holes and other water access schemes. Around one fifth have also experienced an increase in local private investment in business activities linked to the project, for example, suppliers of materials or onward sales activities. These infrastructural developments represent critical long term benefits for communities that improve sanitation, transport and communication networks and health.

UK grant holders claimed that their role was, in part, facilitative. In some instances overseas partners were able to bring pressure to bear on government to *“bring more funds and more people to work on roads and structures and the reconstruction basically”* (proj 1). Some grant holders were able to benefit target communities through their network of contacts in central and local government departments. Elsewhere, projects assisted the formation of groups which, collectively, were able to make progress on their

local infrastructural needs, in one example coming together to build a bridge allowing them to access other communities for trading purposes.

Several projects aimed to improve access to water for communities. Creating bore holes for easy access to clean water not only improved the health of the village community but also gave rise to direct economic benefits. The Concern Universal (Ghana) project, for example, described how 2000 households reported that time spent on water collection (which could be up to five hours a day) was no longer seen as a constraint on other income-generating activities or schooling. Improved access to safe water has therefore given rise to multiple positive effects including labour productivity, school attendance, health, livestock productivity and reduction in quarrels at borehole points.

A further example, a project set up by CAFOD in Ethiopia, initiated an ambitious and complex irrigation scheme - the Rubaksa river diversion. This was completed by the end of the project's third year with expected significant impacts on 120 households (600 individuals). The construction, funded by BIG, was well supported by experts from the government including the Regional Water Office and is designed to irrigate around 60 hectares.

Infrastructural impacts were also in evidence from the Traidcraft Kenya beekeepers project. Five of the beekeeper groups have managed to secure additional funding from local government for water reservoirs around which trees are being planted. The area is now becoming increasingly aware of the need for reforestation and effective management of water and forestry resources. In Box 7, an example from case study 2 highlights the extent to which private investments in new irrigation technologies can cascade throughout local communities.

Box 7: Private investment in irrigation technology

Kuberan has a small plot on which he grows cash crops such as chillies and aubergines near Batticaloa on the Eastern coast of Sri Lanka. The region is recovering from the devastation of long civil war. Productivity on Kuberan's land was low until recently because cultivation was mainly rain-fed and therefore weather dependent. In 2009 Kuberan installed a new sprinkler irrigation system with a grant and loan received through BIG. This technology was new to the region which had been isolated from the development process in the rest of Sri Lanka due to the war. The technological know-how about the sprinkler system and its operation was provided to Kuberan by the NGO that made the loan. This NGO brought in experts from the Faculty of Agriculture of the Eastern University of Sri Lanka to test the suitability of the technology for Kuberan's land and to explain its workings. Kuberan's income has increased by around 75 per cent since 2009 due to the higher productivity of his land. And now around 25 other farmers have copied Kuberan in installing sprinkler irrigation. He has helped them master the new technology and they seek his advice when troubleshooting problems arise. This diffusion of sprinkler irrigation has been very important in regenerating small-scale agriculture in a post-war economy.

6.3 Empowerment / equalities

A recurring theme across many BIG funded projects was the low status of women in the societies in which projects and their partner organisations were trying to make a difference. Many projects targeted women as key beneficiaries. Women experienced time and resource pressures in balancing household and childcare commitments with business and income generation activities. Not all husbands were understanding and some projects reported initial hostility from husbands towards their wives' participation and the need to handle this with care. As seen above, several projects focused solely on working with women drawing on self help and group working approaches.

There were signs of progress in empowering women. Women were participating in group structures, for example one woman being elected to the role of secretary in a honey producer group due to her literacy and numeracy skills. Partners had a role in explaining to the whole community the value of the producer or self help groups and gradually women joined, one project noting: "*their husbands tend to see the benefits reasonably quickly because they've got this access to credit and they're learning new things through the training. So there are various examples of 'my husband didn't want me to join but when he saw how much money I was making, he was happy.'*" (Find Your Feet, India)

In one honey producer group visited for the research, women spoke of their desire to access seed money to buy some of the honey and sell it. They were keen to generate their own incomes and were becoming more confident in being vocal about this. Women were also keeping bees. One spoke of how she had started to keep a couple of hives and from the proceeds of selling the honey had been able to buy a goat and send one of her children to school. She felt that as a result her husband was showing her more respect in the home.

Advocacy was a central aim for many of the projects and, to take one example, Concern Universal's project based in Ghana has seen significant results from their educational programme. Around 150 women stood for 'Unit Committees' and 16 for 'District Assemblies' in the 2010 elections, with members of women's groups reporting that they are more able to hold government to account.

Women were not the only marginalised social groups to be helped by the projects. A few projects also included disabled people among their target beneficiaries, although the issue was not a key focus during the interviews and there is no evidence of specific measures taken in support of those with disabilities in the monitoring reports. Where disability was discussed it was not encountered as a strategic objective, instead, disabled people simply participated in some programmes, groups and training events alongside others:

"We do have a number of young people with disabilities who have gone through the training programme, a number have taken out loans so.. we certainly have been able to include."(Y Care, Gambia)

“Now we don't stipulate any rules about age ..there are no upper age limits so it's pretty inclusive and there are those who have some kind of, several of them have some kind of other problem or disability and they're encouraged to be members of the group”(Transrural Trust, Sri Lanka)

Comparing their livelihood development project in Sri Lanka with other work in Kenya, APT expressed surprise at how few disabled people were involved but did not speculate as to why that might be the case.

For Fauna and Flora, marginalised tribal women (Adivasi Women In Jharkhand, India) were the focus of support, with empowerment representing a key aim. Trocaire designed their project around the needs of those with HIV/AIDS who continued to face high levels of discrimination and stigma, threatening the viability of some of the businesses they have set up because there are still people who won't go and buy a product sold by someone who is living with HIV and AIDS. Trocaire used a number of approaches to support people with HIV/AIDS including the establishment of self help groups which were described as offering “more empowerment”, allowing people “to talk about their own situation...and that's a very positive impact”. Other innovative methods deployed to try and tackle stigma and raise awareness were local radio soap operas, street theatre groups, using schools and cultural activities.

7. Sustainability

Nineteen of the projects reviewed were still active while eleven had reached the end of BIG funding. Among the latter, the projects were sustainable insofar as most of the businesses that had been established were still operating as far as the grant holders were aware and new conservationist agricultural practices were maintained. This section explores some of factors that projects perceived to be contributing to enterprise sustainability. These can generally be grouped under the following headings:

- Empowering local organisations, groups and communities
- Getting children and schools involved in environmental issues
- Developing tools to engage with environmental risk
- Expanding contracts and making additional investments
- Creation of demand for project services
- Replication

Empowering local organisations

A key sign of sustainability was UK grant holders having transferred ‘ownership’ or activity oversight to local organisations. Projects frequently referred to capacity building

activity. Self Help Africa for example, was going beyond their project delivery remit in order to strategically invest in their partners for the future, including putting money into their organisational development.

Also, the proximity of the front line project workers to overseas coordinators could help to facilitate the embedding of the project for the long-term, as was explained by the Shared Interest Foundation:

'we also work with the Rwanda Private Sector Federation which is part of the government representing private organisations and we've worked really closely with them and again I think that's been part of the success of the project that they host our project co-ordinator so they provide us with free office and desk and things and I think being embedded in their organisation it's been really usefulso we work very closely with them and again looking at sustainability of the project, you know. This is the last year of the project and so we wanted to make sure that it was something that was embedded into another organisation that could then carry on that work once we've left' (Shared Interest Foundation, Rwanda)

Another project had sought to capacity build the partner organisations through the development and implementation of organisational development plans, investing beyond the resources of their BIG funded activity. It was felt that if these were implemented successfully they *'should see the partner organisations strengthened and able to operate with greater independence in the future, as well as to build their own alliances and networks to continue delivering outcomes to their beneficiaries'*. (Concern Universal)

Projects were keen not to replicate work that was being done by other agencies, but rather to complement it. Part of the role of networking with organisations was to achieve this. For example, Lead International working in the Andaman and Nicobar Islands functioned as coordinators and mentors of several partners and agencies. This is a model that seemed to work effectively and which is sustainable once the project ends. Acting as a conduit to put key people and groups in touch with each other, supporting the development of formal networks, means that project grant holders can then leave networks to function independently once the project ends.

Group and community empowerment

Another recurring theme was that training of trainers could take time and be costly but contributed to a sense of creating a sustainable legacy through the cascading of skills and sharing of knowledge in the community. As implied earlier in this report, group organisation and self-help approaches can be an inherently sustainable approach to achieving outcomes. They do so by using a delivery method that supports communities to develop and implement their own structures to respond to their needs. For example, project 13 explained that the marketing kafos, credit unions and women's gardens are owned and run by the communities that they serve and, therefore, *'should last well beyond the life of the project and continue to grow and adapt to deliver benefits within*

their communities'. Similarly, project 1 had developed what it described as its 'exit strategy' in the form of a federation structure that had a remit of both business and social issues allowing communities to manage their own development.

Getting children and schools involved in environmental issues

Two projects had been working with schools to get children involved in environmental issues, bringing about a greater understanding of their livelihoods and the environment. In one of these, the SITE community development worker has helped honey producer groups make links with local schools. Activities include setting up apiaries and tree nurseries, involving parents, the children and teachers in the production of more honey. The project started with a pilot of five schools and plans to expand this to fifteen by the end of the year

Developing tools to engage with environmental risk

As briefly noted in chapter 2, a new sustainability tool was developed by a Practical Action project in Sri Lanka. The Participatory Climate Risk Vulnerability and Capacity Assessment⁸ (PCR-VCA) was adopted to assess disasters and climate risk and to ensure sustainability. The tools enabled the project team, communities and village level government officers to assess the current hazard risks, trends and changes in seasonal patterns in the localities, as well as how:

- different livelihood groups will be affected by disasters and climate risks
- the roles and responsibilities of men and women will be affected and
- the vulnerability of livelihood resources base to current and future disaster trends.

The village development priorities were identified with the available resource profiles in the village and by understanding the causes and effects from floods and droughts. The PCR-VCA also highlighted that the increased length of the dry season was adversely affecting the cultivation season and practices, such as switching early maturing varieties. Within the village development plans there are sector specific plans that identify sectoral needs in detail for each village.

In terms of sustainability, it should also be emphasised that virtually all of the projects oriented toward rural development were introducing new, more sustainable methods, sustainable crops and emphasising the importance of conservation. Sustainability was therefore inbuilt from the outset.

Expanding contracts and making additional investments

Small enterprises can often co-exist with a large scale modern sector because they supply 'niche' products and services that large enterprises do not due to the lack of scale economies (Kirkpatrick 2006). For instance, there are often specific local markets that large firms do not find profitable to access. Processed food production in the inaccessible mountain regions of Nepal is done by local micro enterprises and few of the national producers enter this market (UNDP 2004).

⁸ Further information on the PCR-VCA tool is provided at http://duryognivaran.org/documents/Tools_for_the_ALF.pdf

Signs of small businesses becoming sustainable in the longer term included additional investments being made in the business, maintaining the numbers of employees and employing more people now than at the beginning of the project.

Creation of demand for project services

In many of the projects the demand for training, creation of groups and microfinance provision all outstripped supply. The work of many projects therefore continues with trainers and peer support continuing to operate, returns from loan interest rates are being re-invested in businesses with plans to continue on a revolving basis. The success of business development in Malawi (proj 5) was tied to the availability of micro-finance and in areas which struggled to secure credit, business growth was stifled or business formation reduced

Several projects were developing a 'phase 2' to build on livelihoods and enterprise development in the future. For example, and despite credit obstacles to growth, proj 12 had developed 'internal sustainability plans' to support the longevity of the enterprises. The UK grant holder conveyed the multiple options that were being considered in conjunction with partners for phase 2 which includes plans for associations of enterprises and market development:

"we also have Phase 2 enterprise plans under development here ..and those will involve working more further along in the value chain, to try to either create associations of enterprises so that these small businesses that have been formed through the project, can maybe in a regional association, start to market in more mass quantity or produce certain qualities and tap into other markets that maybe there, there's Fairtrade markets and markets for export, that currently these products aren't accessing". (Tree Aid, Mali)

Replication

Projects also described how their approaches were already starting to be adopted within country. The membership of HIV self help groups in Honduras continues to expand and the model is being spread across the country with partners providing help and advice. UK grant holding organisations also referred to how the benefits of approaches adopted could be seen from their initiatives in other countries that had been engaging with them for a longer period of time. For example, Send a Cow discussed how peer farmers in Kenya had come together 'of their own volition' and formed a Peer Farmer Association. The peer farmers were also pursuing accreditation of their skills. These developments indicated the potential for peer farming practice to blossom in the longer term.

8. Conclusion

Despite considerable diversity in geographical location, socio-economic /political context, and cultural frames of reference, the projects which form the focus of this study are similar in many respects. They have all set out to introduce, improve or diversify the livelihoods of some of the most impoverished communities around the world. They are facing similar environmental challenges, most notably extremes of weather, soil erosion, deforestation or post disaster reconstruction, all of which are bringing extraordinary pressures to bear on the lives of often remote communities. Many individuals face additional trials associated with discrimination on the basis of ethnicity, gender, health status or age. Yet despite these seemingly insurmountable challenges, dedicated individuals and organisations, both in the UK and overseas, have come together with local communities to find solutions, to offer hope and to provide much needed resources to help these communities help themselves to become economically independent.

Approaches taken and models of support deployed by these diverse projects also exhibit common characteristics, with training, micro-credit support, group formation, community development, detailed marketing strategies and agricultural innovation key among them. Each of these elements plays an important role in ensuring that projects are moving toward sustainability and that UK grant holders are eventually 'out of a job'. The livelihoods approaches were designed to empower poor communities to build on their own opportunities, support their access to land, equipment or financial resources, promote technical know-how, and develop their institutional environment to ensure future sustainability and access to government level decision makers.

Impacts arising from the projects are varied and significant. Not all projects have met all of their initial aims in full but most projects are achieving or have achieved most of their aims. As a result, large numbers of individuals, families and communities now have better nutrition, eat more and larger meals each day, and have higher, more resilient and more diverse agricultural yields, taking them beyond subsistence farming to earn an income. The development of non-agricultural businesses has also increased income, better protected families from the risk of over-reliance on farming and has created employment for other community members with the potential for further growth.

Additional outcomes from some of the projects include improved rights of minority or discriminated groups, infrastructural developments, increased attendance at school and better access to health care and medicines.

Summarising key learning points from the study, it is recommended that UK grant holders in the future:

- Recognise the importance of a holistic approach given that poverty has multiple causes and impacts. Tackling inter-related challenges can be more effective in the long term

- Recognise the key steps involved in promoting enterprise. These include need assessments, mapping local opportunities and resources, identifying appropriate business development models, skills and training needs (including literacy and numeracy) assessing potential marketing strategies and arranging or providing access to credit
- Consider the benefits of industrial diversity. BIG funded projects demonstrate the benefit of bringing small scale industry into rural areas so that they have a more mixed economy better equipped to manage potential risks to livelihoods
- Continue to operate at the grass roots community level where the need is most urgent. Some fear was expressed that donors will be lured away by high value, high profile projects that are targeted at the systemic, perhaps government policy level, but grant holders warn that it would be wrong to assume that benefits will 'trickle down'.
- Scaling up rural farms and better integrating them within national markets is a key goal to pursue. It requires recognising the importance of marketing strategies and moving beyond subsistence farming toward cash crop models in order to help families move beyond the poverty line.
- Work with partners who know and understand and are trusted by the community they are seeking to support; and have the right skills and expertise.
- Recognise the importance of nurturing relationships with overseas partners, not only to ensure that there are no clashes of aims or personalities, but also to capacity build for local sustainability.
- Recognise the importance of nurturing relationships with overseas partners, not only to ensure that there are no clashes of aims or personalities but also to capacity build for local sustainability.
- Appreciate the benefits of group working for a wide variety of aims - they function to provide social, psychological and economic support, promote sustainability, provide opportunities for saving and borrowing where alternatives are absent and can provide a voice for those who often remain unheard.
- Design projects with long term outcomes in mind. Sustainability considerations need to be embedded in planning and design processes. Good practices include community participation from the initial planning stages, skills sharing by means of training trainers and peer training and ongoing 'demonstration schemes' such as organised visits to highly effective farms and agricultural conservation.

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Appendix 1: Location and types of business

Project locations

- Cambodia
- Cameroon
- Ethiopia
- The Gambia
- Ghana
- Himalayas
- Honduras
- Guatemala
- India
- Indonesia
- Kenya
- Lebanon
- Madagascar
- Malawi
- Mali
- Namibia
- Northern Togo
- Peru
- Rwanda
- Sri Lanka
- Tibet
- Zambia
- Uganda

Types of business established

Microenterprises

- Small shops
- Craft businesses (using wood and other non perishable materials)
- Honey production
- Soap manufacturing
- Jewellery making
- Baking, cake making,
- Making piñatas
- Making hammocks
- Hairdressing salons
- Tailors, sewing clothes, garment manufacture
- Tree growers - make baskets and wooden carvings
- Plates and rope for nuts and husks

- Within community - development of non-timber products such as fresh or processed fruits, seeds, leaves, flowers, oils, forest honey and traditional remedies.

SMEs

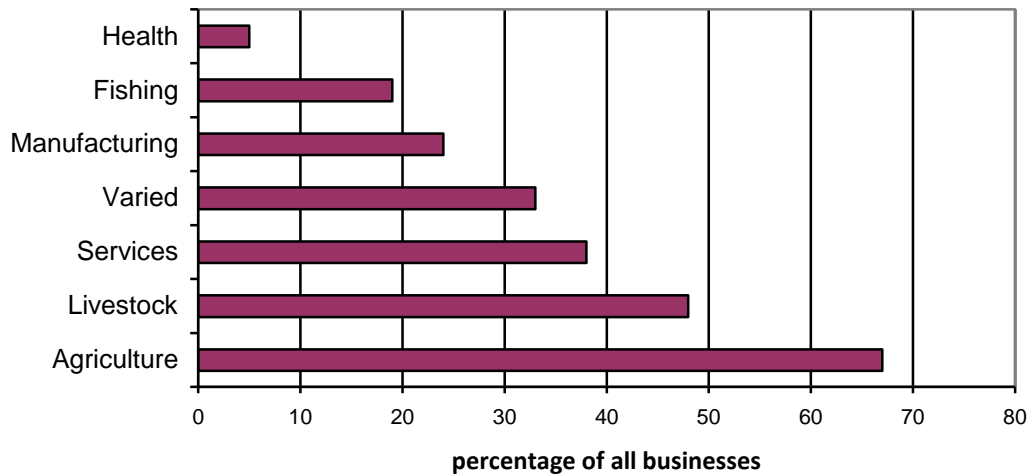
- Construction
- Wine production
- Retail
- Hospitality
- Repairs and maintenance
- Manufacturing

Types of agricultural, horticultural and livestock businesses that have been set up or made more sustainable or productive;

- Organic paddy production
- Vegetable processing
- Seaweed farming
- Mushrooms
- Fruit trees
- Garden farms (vegetables, herbs, herbal medicines)
- Grain
- Trees (different varieties, removal of eucalyptus)
- Potatoes
- Reintroduction of sorghum (drought resistant)
- Cashew plantation
- Fishing
- Alpaca (alpaca fibre business)
- Poultry
- Cattle
- Pig farming
- Goats
- Bee keeping
- Banana plantation
- A buffalo bank (a supported breeding programme for the community which ensures that the offspring are passed on to different families)

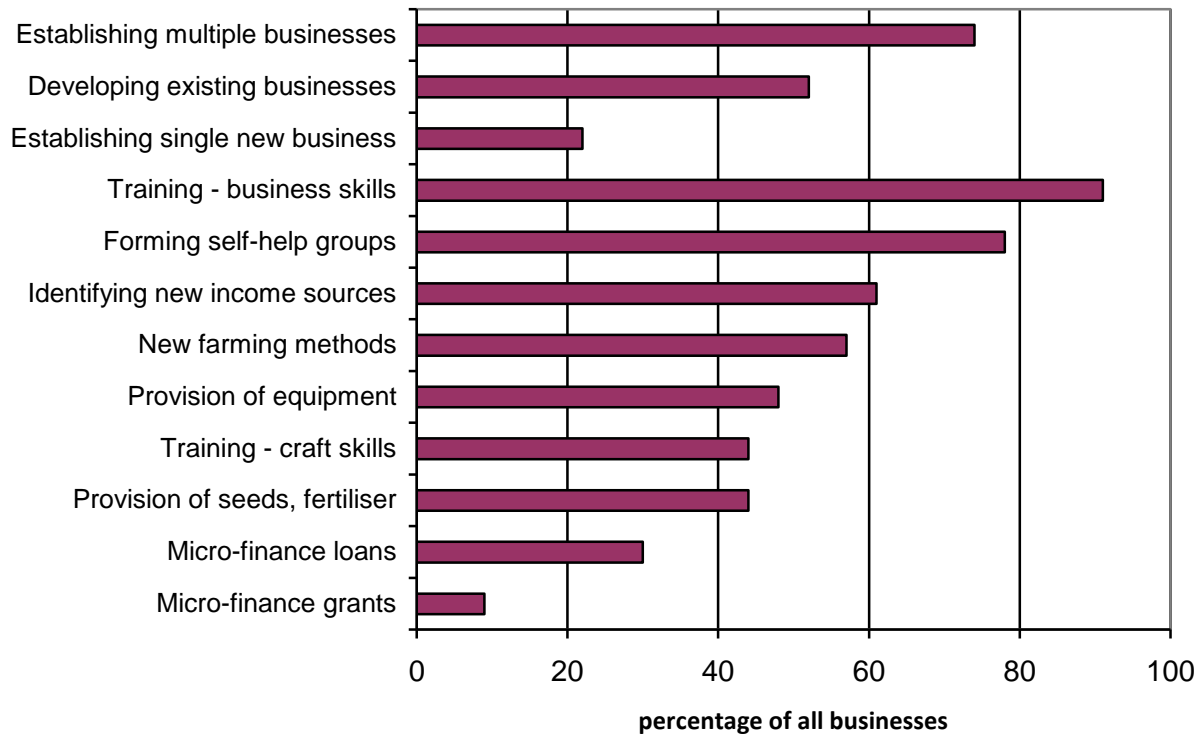
Appendix 2: Charts

Chart 1: Sectors in which businesses established



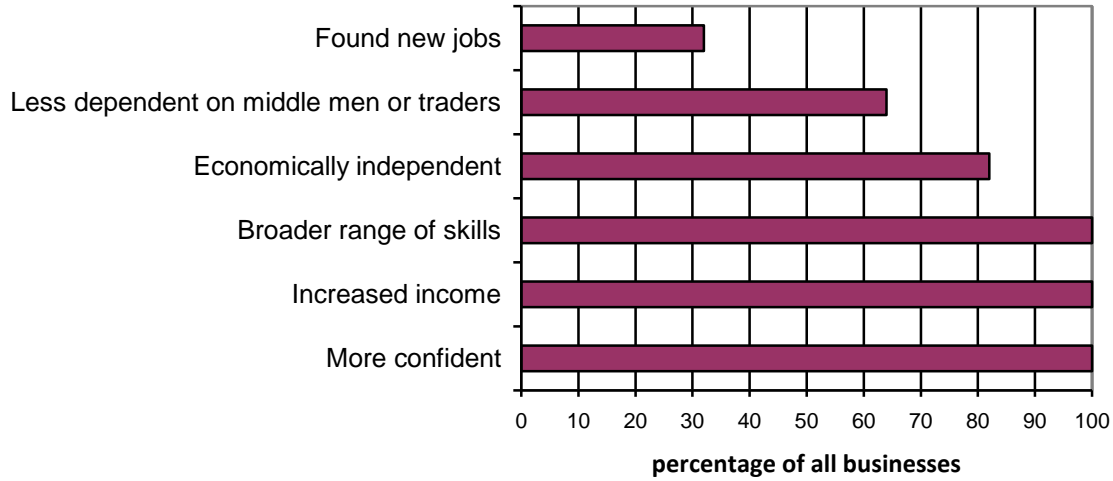
Base: 24 projects

Chart 2: Type of project / activities



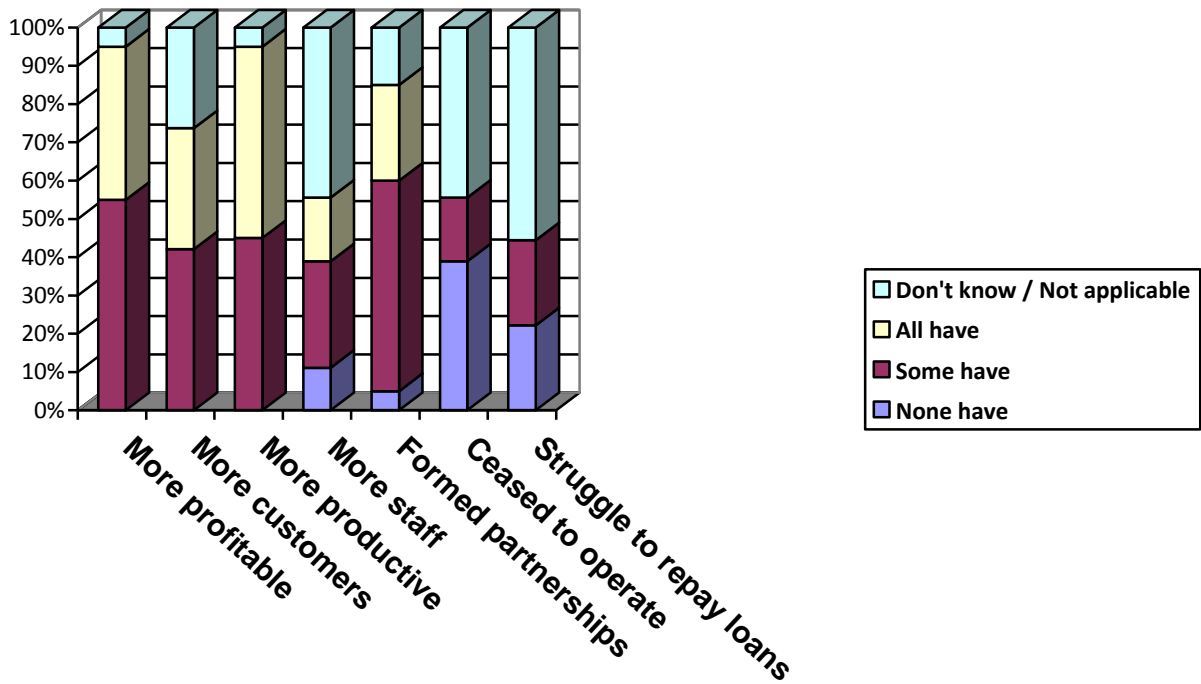
Note: multiple response option. Base: 24 projects

Chart 3: Benefits experienced by supported individuals or groups



Base: 24 projects

Chart 4: Since the project started what has happened to the businesses



Base: 24 projects

Appendix 3: Scale of beneficiaries

Box 4 provides a snapshot of the reach of the projects. Based on interviews and documentary analysis, the data present a picture of the diversity of the projects in terms of target beneficiary numbers and indicate the scale and broad nature of support.

Box 4 – Key achievement of 27 projects (project by project)

200	businesses created 2000 jobs
15	cooperatives formed
2200	families received training in managing micro-enterprises
1000	families with improved livelihoods and agricultural enterprise
2,000	women given micro loans with 104% recovered by the project in repayments plus 72 peer educators trained.
200	households helped to improve agricultural/livestock practice
6000	tribal women with improved livelihoods and small business formation
26	co-operative groups formed
1150	farmers, 24 villages established small mainly agricultural enterprises
2000	farming households gained sustainable farming methods
700	families formed microenterprises
250	families enjoyed livelihood diversification
150	groups formed and supported
1,040	families increased their income.
1,035	alpaca-raising women trained in alpaca management
1,271	families trained to manage Andean highland pastures
6385	families with improved livelihoods
6600	families increased their income and productivity in agriculture, fisheries and other sectors
8000	families benefitted from group formation (20 groups of 400 families each)
50	craft businesses of varying sizes re-established and supported
335	women received training in ways to prepare and cook sorghum
1500	beneficiary families planted 'value adding' trees to their land
2000	businesses helped
1050	individuals received training and set up businesses
300	enterprises established
1030	people living with HIV and AIDS trained, most started microenterprises

Appendix 4: Table 1- Project profiles

Applicant name	Proj Number	Country	Project name	Activities
A P T	4	Sri Lanka	Family Health and Sustainable Livelihoods	
A P T	4	Kenya	Reducing the vulnerability of communities living on fragile land	Microenterprise
AP T	4	Sri Lanka	Rebuilding Lives through Sustainable Employment	Grants, loans, asset replacement
CAFOD*	24	Cambodia	Sustainable natural resource management for rural poor	Land rights, technical livelihood support eg tree resin tapping, agricultural crop diversification and new livestock provision
CAFOD*	15	Ethiopia	Natural resources conservation and livelihoods innovation	Alternative businesses to increase income
Concern Universal	13	Malawi	Food security improvement project	Training on advanced agricultural methods and financial issues such as savings and agri-business methods. Credit Unions and micro-enterprises.
Concern Universal	13	Gambia	Livelihood Improved & Food Security through Agro-enterprise & Market Development	Vocational education and training
Concern Universal	13	Ghana	Women of the Upper West - Ending Poverty, Upholding Rights	Bore holes, loans, political awareness training
Fauna and Flora	21	Tibet	Empowering Tibetan herders to manage rangelands	Advocacy, campaigning and awareness raising
Find Your Feet	9	India	Sowing The Seeds Of Change - Empowering Adivasi Women In Jharkhand, India	Form self help groups training on the more sustainable agriculture techniques, composting or rain water harvesting small businesses, like local shops, livestock, buffalo milk milk sweet things, tailoring
	25	Cameroon	Eucalyptus Replacement Project phase 2	Soil/Water Conservation/Management/group

Future in our Hands				formation for credit/new techniques for growing food
Self Help Africa	18	Malawi	Simlemba Community Initiative for Sustainable Rural Livelihoods	Sustainable small businesses - Agricultural & other – increasing income and assets derived from sustainable small business enterprises
Self Help Africa	18	N. Togo	Programme for the Reduction of Poverty	Agricultural/Rural Development
Self Help Africa	18	Zambia	Local Initiative: Training for Enterprise, Transformation & Agriculture Project	Agricultural, the promotion of sustainable farming methods, compost production, green manuring, crop rotation, pip planting, conservation. Seeds. Training
Helpage International	23	Sri Lanka	Tsunami Affected Older People Rebuilding Their Lives and Communities	Microenterprise
Lead International	1	India (Andaman & Nicobar)	Building Sustainable Livelihoods On the Tsunami Affected Nicobar Islands	Advice, nutrition education/Federation formation / Training/Agricultural innovation, integrated farming, garden farms, poultry, equipment. Farmers groups and community enterprises, womens groups
Microloan Foundation	5	Malawi	Developing sustainable small businesses in Malawi	Microenterprise
Practical Action	16	Peru	Integrated Natural Resource Management, poverty reduction and improved livelihoods	Improved techniques for animal rearing and food growth
Practical Action	16	Sri Lanka	Rebuilding Safe & Sustainable Livelihoods for Tsunami affected communities	Economic and social development Improved soil/irrigation/ improved fishing management, promotion of non farm enterprises, training on traditional paddy farming technologies, dairy management and animal husbandry
Practical Action	16	Sri Lanka	Socioeconomic Empowerment of Tsunami Affected Communities	
Send a Cow	10	Ethiopia	Kotoba sustainable food security and livelihoods	Agricultural/Rural Development
Shared Interest Foundation	2	Rwanda	Building sustainable livelihoods through fairtrade	Re-establish and improve sustainability and marketing of businesses, also to promote FairTrade

The Andrew Lees Trust	11	Madagascar	Drought Mitigation Programme for South Madagascar	Diversifying crops and re-introducing crops better able to withstand drought
The Welfare Association	22	Lebanon	Empower Nahl el Bared returnees/displaced to transition from crisis to recovery	Business Training and 1 to 1 advice and counselling
Traidcraft Exchange	6	Kenya	Beekeeping Enterprise for Livelihood Improvement In Vulnerable Environments	Vocational education and training, establishing markets
Traidcraft Exchange	7	India	Sustainable Livelihoods for young people and women in Tamil Nadu	Training, marketing assistance, bank links for credit, group formation for some loans
Transrural Trust	19	Sri Lanka	Women's livelihood diversification and empowerment	Training (business more than craft), advocacy, equipment and development
Tree Aid	12	Mali	Making Tree Products Work for the Rural Disadvantaged	Enterprise groups formed and business plans and marketing strategies developed
Trocaire (NI)	20	Honduras & Guatemala	Prevention and Mitigation of HIV/ AIDS in Honduras and Guatemala	Training, Advocacy, campaigning, emotional support
Y Care International	3	Gambia	Skills Training and Enterprise Development for Disadvantaged Young People	Training, business awareness & skills, microfinance, vocational skills

*CAFOD – Catholic Agency for Overseas development

Appendix 5: Country profiles (alphabetical)

The following profiles relate to the countries in which the projects under review are operating

Cambodia

In 1975, Pol Pot and the Khmer Rouge seized Phnom Penh and subsequently took control of Cambodia until they were ousted in 1979 by invading Vietnamese troops. Over the Khmer Rouge's four year reign, an estimated two million people were killed, especially those who were considered educated and intellectual. The Khmer Rouge's rule caused a wave of instability that is still felt today throughout the government and its public services which are rife with corruption and bribery.

This makes it especially difficult for the rural population to survive as the corruption prevents the enforcement of laws against illegal logging and land grabbing and also limits the development of infrastructure. To counteract this, the Catholic Agency for Overseas Development aims to educate rural communities on land law legislation in addition to working with the government to establish and implement land titles in order to prevent illegal logging and land grabbing. Additionally, agricultural training is being provided to improve productivity and subsequently improve crop yields and income.

Cameroon

Compared to other African countries, Cameroon has a relatively high GDP per capita of USD \$1136. However, Cameroon is still fraught with political instability and with that comes political corruption such as embezzlement of national funds and foreign aid. Since Paul Biya became President in 1982, he has amended the constitution to alter the presidential term limits and to extend the length of the terms themselves. This political instability only exacerbates the lack of agricultural development and contributes to the fact that 40% of Cameroon's 19,521,645 citizens live under the national poverty line.

In particular, Cameroon faces considerable agricultural problems because of the eucalyptus plant. Historically, the plant was introduced by missionaries to counteract a shortage of wood and fuel. However, it is now criticized for disseminating quickly, encroaching upon farmlands as well as depleting the soil of water and nutrients. Eucalyptus plants are now viewed as detrimental to agricultural development, and thus, agencies such as Future in our Hands Education and Development Fund aim to replace eucalyptus plants with tree seedlings suitable for sustainable development.

Ethiopia

Ethiopia is one of the poorest countries in Africa with a GDP per capita of \$344 as of 2009. In recent history, it has been plagued by political instability and

border conflicts with Eritrea. The large population of 82,824,732 relies heavily on the agriculture sector which contributes 45% of its GDP, comprises 80% of its exports, and provides 85% of employment. This reliance on agriculture makes Ethiopia especially susceptible to environmental issues such as drought and deforestation. Because of routine droughts, Ethiopia receives a considerable amount of foreign aid, mainly in the form of food relief.

Ethiopia is currently the largest benefactor of World Bank assistance and international assistance on the African continent. However, there are concerns relating to corruption and misuse of funds from organisations such as the Human Rights Watch. The concerns range from embezzlement of funds to suppression of political dissent by means of withholding aid. Despite these fears, aid continues to pour into Ethiopia with agencies such as the Catholic Agency for Overseas Development and Send a Cow attempting to increase food security and promote agricultural development.

The Gambia

While the Gambia has enjoyed relative political stability under President Jammeh, it still remains one of the least developed countries with a GDP per capita of \$430 and over three-fifths of its population living under the national poverty line. One of the major reasons for this is the Gambia's reliance on agriculture, despite their lack of agricultural development. Agriculture accounts for over two-thirds of the Gambia's employment and over 25% of its GDP.

While reliance on agriculture is not negative in itself, greater sustainable development and agricultural training is necessary for economic growth. To that end, agencies such as Concern Universal and Y Care International attempt to provide agricultural training and education with a focus on youth empowerment. They aim to provide environmental sustainability, more beneficial farming techniques, and support to youth entrepreneurs.

Ghana

Compared to other African nations, Ghana has enjoyed healthy economic growth and political stability. Ghana possesses a per capita GDP of \$1,098 while 29% of its population of 23,837,261 lives under the national poverty line which is a relatively low percentage compared to the rest of sub-Saharan Africa. However, that is not to say Ghana is without problems, as corruption and gender inequality still exist.

Although women are equal under the 1992 Constitution, in reality, inequality is widespread. Organisations such as Concern Universal are therefore implementing projects designed to empower women and encourage them to exercise their political, social, and economic rights.

Guatemala

In 1996, Guatemala's thirty-six year civil war finally ended after the Guatemalan National Revolutionary Unity signed peace accords with the government. The conflict itself disrupted development, caused over 200,000 deaths, and involved countless human rights violations. Despite the end of the civil war, Guatemala is anything but stable as it is plagued with corruption and organised crime. To compound issues, Guatemala is one of the poorer Central American nations with roughly one quarter of their population living below the national poverty line. Poor infrastructure and inadequate access to health care are key problems.

In relation to inadequate access to health care, about 1% of Guatemalans have HIV/AIDS which amounts to roughly 60,000. While the HIV/AIDS problem is not as severe as in some African nations, it is a concentrated epidemic that is spreading in Guatemala. In order to limit the effects of HIV/AIDS, agencies such as Trocaire aim to educate people about HIV/AIDS in addition to helping effectively administer anti-retrovirals to those already living with it. Additionally, the project will also provide nutritional support, micro-finance, and training in order to allow people living with HIV/AIDS to lead normal lives.

Honduras

Honduras is one of the poorest countries in the Western Hemisphere with the majority of its population of 7,465,998 living below the poverty line. Additionally, Honduras is plagued by malnutrition and poor housing as well as economic and gender inequality. To combat gender discrimination in Honduras, organisations such as the Central America Women's Network have initiated projects to establish self help groups that will provide practical skills, microloans, counselling and emotional support to women living HIV & AIDS in order to mitigate their effects.

India

With 1,155,347,678 people, India ranks as the second most populous nation in the world. With such a large population, India has issues with food security and distribution, especially to the 70% of its population that is considered rural. Poor distribution systems, rising unemployment, and the high inflation rates pose additional problems for the Indian economy.

Exacerbating these difficulties, in 2004, India was struck by a massive tsunami and also suffered the effects of the resulting earthquakes. In total, the tsunami killed around 15,000 Indians and injured a further 7,000. The true extent of the damage caused by the tsunami is immeasurable, and the rebuilding process continues to the present day. Organisations such as Lead International, Traidcraft Exchange, Action Aid, Village Service Trust, Find Your Feet, Helpage International, and Transrural Trust have made it their mission to assist in the rebuilding efforts with a particular focus on marginalised populations such as women and youth. They aim to reduce poverty and provide the means to a

sustainable livelihood by promoting agricultural development and providing microloans, education, business, finance, and management training.

Kenya

Despite Kenya's promising economic growth, it is a nation known for corruption and political instability following the disputed 2008 election between Kibaki and Odinga. The conflict caused 1,500 fatalities, displaced 300,000 Kenyans, and ultimately resulted in a coalition government with Kibaki as the President and Odinga as his Prime Minister. To exacerbate matters, roughly half of Kenya's 39,802,015 are impoverished while unemployment hovers around 10%.

Additionally, areas of Kenya suffer from periodic drought which adversely affects the 78% of the population that is considered rural. Organisations such as A P T Enterprise Development and Traidcraft Exchange aim to promote security in Kenya while also encouraging alternative forms of income such as honey production. Similarly, VETAID aim to increase agricultural development through more efficient production methods, in addition to raising awareness about HIV/AIDS and its impact.

Lebanon

In recent decades, Lebanon has been plagued by frequent conflicts with its neighbouring nations, notably Syria and Israel, as well as internal terrorist groups. These tensions have been exacerbated by the political instability sparked by the assassination of former Prime Minister Rafic Hariri on February 14, 2005. Additionally, internal conflicts with terrorists groups such as Hezbollah and Fatah al-Islam, a radical Sunni Islamist group, have caused further structural instability. On May 20, 2007, the Fatah al-Islam terrorist group attacked Nahr el-Bared, a UNRWA Palestinian refugee camp in the Tripoli region, displacing over 30,000 refugees.

With funding from the BIG Lottery Fund, The Welfare Association hopes to assist these 30,000 refugees through improved health and economic development including microloans. However, the lack of developed infrastructure, political instability, and threat of terrorist attacks pose significant problems to the delivery and implementation of aid programs.

Madagascar

During the past decade, Madagascar has experienced considerable political instability with disputed elections in 2002 and a coup in March 2009 by Andry Rajoelina, then the mayor of Antananarivo. This instability, coupled with frequent droughts and deforestation, has led to widespread malnutrition and significant food shortages. Aside from direct causes such as lack of rainfall and food, malnutrition is also caused by lack of agricultural infrastructure and inadequate access to safe drinking water, sanitation, and medical facilities resulting in a

relatively low life expectancy of 60 years. Furthermore, 70% of Madagascar's population is rural which makes it more susceptible to the aforementioned issues. The cumulative effect of these issues has contributed to impoverishment, with 69% of its population of 19,625,030 living below the national poverty line.

In particular, southern Madagascar suffers from isolation and a lack of infrastructure, which is exacerbated by the droughts and tropical cyclones that plague the island nation. These issues, largely environmental, have necessitated calls for aid which have been answered by UN World Food Programme and the EU, among others. While some relief comes directly in the form of thousands of tons of food, other assistance, such as that provided by the Andrew Lees Trust, involves a Drought Mitigation Programme. This programme aims to increase food security by promoting agricultural development which will re-introduce sorghum seed that will prove to be more drought resistant than other crops such as rice.

Malawi

Malawi ranks as one of the poorest countries in the world with a GDP per capita of \$326. The majority (52%) of its 15,263,417 citizens are considered impoverished based on the national poverty line. Additionally, Malawi suffers from a growing HIV & AIDS problem which affects roughly 7% of its population. However, under President Mutharika, overall living conditions have improved and corruption has been stymied although the issue of food security still remains. The issue of food security is exacerbated by the variable climate, from droughts to heavy rainfall, as well as the high dependence on a single crop: maize.

Despite its recent economic growth, Malawi still requires foreign assistance, and as such, international agencies such as Concern Universal, Harvest Help, and Microloan Foundation continue to provide support. Both Concern Universal and Harvest Help are attempting to promote sustainable, agricultural development, whereas the Microloan Foundation aims to empower women by providing microloans and entrepreneurial training. Additionally, all three agencies aim to prevent the spread of HIV & AIDS by raising awareness.

Mali

Mali is one of the poorest nations in the world with a heavy reliance on gold mining and agricultural exports such as cotton and cereals which accounts for roughly 40% of its GDP. However, this dependence on agricultural exports makes Mali especially susceptible to the recurring droughts and lack of rainfall it experiences. These fluctuations significantly affect the 67% of the population that is rural and often causes them to experience food insecurity and has contributed to low life expectancy of just 48 years. Due to these food insecurity problems, agencies such as Tree Aid have conducted projects aiming to diversify agricultural outputs and promote sustainable development.

Northern Togo

Togo is one of the poorer countries in sub-Saharan Africa with a GDP per capita of \$431. Since 2005, Togo has been ruled by President Faure Gnassingbé who assumed power after his father passed away and subsequently won disputed elections. Despite the conflict, Togo now has a relatively stable government. Togo's however is an undeveloped country with a high dependence on cotton and phosphates. To remedy problems from market fluctuations, organisations like Harvest Help aim to provide relevant training and to encourage sustainable development, to increase the availability of clean water, and to promote women's rights and HIV & AIDS awareness.

Peru

In 2004, according to the World Development Indicators, the majority of Peru's 29,164,883 citizens were impoverished. The majority of this poverty is concentrated in the rural population in the mountain regions wherein the farmers rely upon alpaca husbandry and potatoes to survive. Furthermore, achieving consistent yields and a stable livelihood is nearly impossible due to extreme cold, droughts, and floods. To exacerbate matters, many rural populations lack adequate infrastructure and access to clean water and health services. In fact, farmers are sometimes forced to choose between the well-being of their children or their alpaca herds. In order to assist these high mountain peasant communities, Practical Action has pledged to help develop irrigation systems and improve the drinking water supply. Additionally, they intend to help peasants adapt their traditional husbandry techniques so that they can better withstand the variable mountain weather.

Rwanda

Since the middle of the 20th century, Rwanda has been embroiled in ethnic tension between the majority Hutus and minority Tutsis. This ethnic tension exploded with the assassination of President Habyarimana, a Hutu, on 6 April, 1994 when his plane was destroyed above Kigali airport. His death led to the Rwandan Genocide in which the majority Hutus attempted to eliminate the minority Tutsis and their allies including moderate Hutus and sympathetic Twa people. The genocide resulted in the deaths of roughly 800,000 Tutsis, moderate Hutus, and 10,000 Twa.

This ethnic instability makes it difficult to focus on economic growth which negatively affects the Rwandan population, especially the 81% live in rural communities characterised by inadequate infrastructure. In order to encourage economic growth, agencies such as Forest Peoples Programme and Shared Interest Foundation are promoting a variety of fair trade enterprises to reduce the dependency on agriculture which accounts for 39% of Rwanda's GDP. Specifically, these projects aim to provide market access training, financial training, and micro-loans for aspiring entrepreneurs.

Sri Lanka

Since July 1983, the Sri Lankan government has been engulfed in a civil war against the Liberation Tigers of Tamil Eelam, a separatist group that feels oppressed by the majority Sinhalese. The conflict ended in 2009 with a declaration by the government that they had killed the Tamil leader and finally cornered the rebel forces. 70,000 plus were killed and 250,000 more displaced. To exacerbate matters, in 2004, Sri Lanka was struck by a tsunami that killed over 35,000 Sri Lankans and displaced another 443,000. In addition to nearly \$3 billion of aid that has been pledged by the international community, agencies such as A P T Enterprise Development, Helpage International, Practical Action, and Transrural Trust aim to rebuild livelihoods by providing training and skills for sustainable employment to facilitate Sri Lanka's transition towards pre-Tsunami normalcy.

Tibet

Tibet is a region embroiled in political turmoil, maintaining its stance of independence while resisting Chinese claims that Tibet is an autonomous region under the jurisdiction of the Chinese government. This debate has extended to encompass nomadic Tibetan herders whom the Chinese are calling to settle in towns in order to reduce environment degradation and improve health and education. To this end, China has allocated over five billion yuan to build houses and public services for Tibetans in order to cease their nomadic lifestyle. In order to counteract this forced resettlement, Fauna and Flora International are attempting to empower Tibetan herders by providing training and management skills to allow them to manage their grassland resources sustainably and secure their land rights.

Zambia

Zambia is a resource-abundant, underdeveloped country that is heavily dependent on the agricultural sector with 64% of its 12,935,368 people considered rural. The country is affected by a severe lack of infrastructure, foreign direct investment, and high HIV/AIDS prevalence of roughly 15%. Despite the need for foreign aid, the poor investment climate, exacerbated by accusations of corruption, have made nations wary of providing the necessary funds. This lack of assistance has contributed to a lack of growth within the Zambian economy, with 68% of its population under the national poverty line and unemployment well over 10%. To make matters worse, the low quality of life is directly reflected in the life expectancy of forty-five years along with an under-five mortality rate of 141 (per 1000 births).

Harvest Help's project in Zambia aims to assist 2,000 farming households in the Chibombo district of Zambia with agricultural development and HIV/AIDS awareness. While lack of infrastructure and the prevalence of HIV/AIDS, TB, and malaria present challenges for project delivery, Harvest Help is determined to

promote high productivity technologies, introduce improved seed, and raise HIV/AIDS awareness.

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