

QUANG NGAI RURAL DEVELOPMENT PROGRAM (RUDEP) - PHASE 2

Guidelines on the Identification, Preparation and Implementation of Livelihood Projects



VIETNAM-AUSTRALIA

Prepared for

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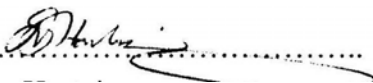
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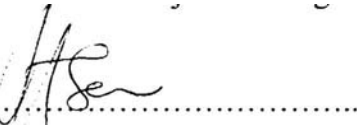
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Annex 1: Livelihood Project Proposal Format

Acronyms

ATL	Australian Team Leader
CCG	Commune Contact Group
CPC	Commune People's Committee
DCG	District Contact Group
DDO	District Development Officer
PC/PA/PS	Problem Census/Problem Analysis/Problem Solving
PDA	Participatory Development Adviser (Australian)
PMU	Program Management Unit
PRA	Participatory Rural Appraisal
RUDEP	Quang Ngai Rural Development Program
VPDA	Vietnamese Participatory Development Adviser
VTL	Vietnamese Team Leader

1 Background

The Quang Ngai Rural Development Program (RUDEP) is a 10-year rural development and poverty reduction initiative jointly funded by the Australian Government and the Vietnamese Government. The Program aims to provide income generating opportunities for poor households in the Province and improve their livelihoods through mainstreaming participatory planning processes. The Program will contribute to reducing poverty in the Province and empower poor households in Program Communes. RUDEP initially conducts problem census, analysis and solving meetings in all Program Communes as a foundation for identifying the main problems, needs and constraints faced by poor households. These meetings allow the Program to support future activities that can be implemented and will ultimately benefit poor households in the Communes to overcome priority problems.

Through participatory planning processes and wealth ranking exercises, a number of general livelihood issues are identified that cause significant problems and restrict the capacity of households to generate income. These livelihood problems are found to be most prevalent in the poorest households in the community. In response, the Program has allocated 20 percent of the Component 1 (Income Generation) budget to support livelihoods projects that respond to general livelihoods problems. It is planned that these livelihood activities will indirectly support households to generate income through implementing activities that address contributing causes of poverty or restrict households from generating income.

The Program has therefore composed this set of guidelines on the identification, formulation and implementation of livelihood activities as a tool for RUDEP staff, Commune People's Committees and Mass Movement Representatives. The process of identifying, formulating and implementing livelihood activities largely focuses on three main elements that are central to RUDEP and the Central Government's objectives: full participation of households throughout all stages of the activities; the promotion of participatory planning processes; and, the reduction of rural poverty and vulnerability of poor households in rural areas in Quang Ngai Province.

2 Recognising Livelihood Issues Directly Related to Income Generation Activities in Quang Ngai

RUDEP has implemented a number of participatory activities with groups of poor households, Commune People's Committees and Commune Mass Movement organisations in Program Communes. As a result, a number of livelihoods issues were raised that restrict the capacity of households to generate income. The Program's focus is on income generation for poor communities, and livelihoods problems are raised more frequently by the poorest households. RUDEP can partially respond to this demand by implementing projects to address such livelihoods problems that will increase the capacity of these households to generate income.

A review of PC/PA/PS results (in Cycle 1 and Cycle 2 Communes) and PRA/PLA exercises conducted by the Program identified the main livelihood issues concerning poor households to be:

- Poor health, frequent illness and disabled family members were frequent problems raised and are considered a key characteristic of the poorest households and likely to be a major constraint to generating income (and thus, a contributing factor to poverty);
- Inability to apply technologies, adopt income generating activities, identify market opportunities, make business plans or apply for credit were frequently raised as problems during the problem census meetings (particularly by women) and are related to low education levels; and
- Vulnerability or susceptibility to natural calamities (floods, typhoons and droughts) were commonly raised by households as problems that cause significant production problems, use up available household resources and ultimately push households back into poverty.

Some other issues: poor agricultural conditions, poor land, lack of stream water, lack of land for cultivation etc. all contribute to slowing down improvements to poor households' lives.

These 3 livelihood problems are recognised as strongly contributing factors to poverty and difficulties in generating income. A brief description on each of these livelihood issues, their affect on household income generation and the scope of livelihoods projects is provided below.

Frequent Illness and Health Problems

Frequent illness and poor health was considered an urgent problem of many households. Problems related to health (frequent household illness, poor health services, inability to afford health services, etc.) accounted on average for 10 - 20% of all problems raised by households in Communes that participated in the meetings. The wealth ranking exercises conducted by the Program reinforced the high prevalence of poor health and frequent illness in poor households. In addition to these health problems, the presence of disabled or handicapped members placed a heavy burden on households.

Some households may be able to generate income whilst having a frequently ill, disabled or handicapped household member; however a much higher proportion of this income must be spent on medical bills and treatment. In addition, households with frequently ill members often face labour shortages affecting agricultural production. Health and frequent illness are strongly contributing factors to poverty and lead to household labour shortages, of which all of these inter-related factors contribute to limit the ability of poor households to generate income.

Low Education Levels and Inability to Apply and Understand Commercial Agricultural Technologies

Many of the poorest households face difficulties in applying agricultural technologies and practices due to educational constraints. Technologies and services extended to the poor may be beyond their level of understanding and consequently make it difficult for them to apply improved production practices. This is the case for the poorest households which have limited experience in agricultural production or have limited ability to afford inputs necessary to adopt such technologies. This particular issue is often significant for women from all well-being classes.

Vulnerability to Natural Disasters and Annual Calamities

Analysis conducted throughout Viet Nam has revealed the link between household vulnerability to annual weather calamities (e.g. floods, typhoons, etc.) and poverty. Many households that are vulnerable to natural disasters, particularly flooding, face considerable difficulties in generating income during the flood seasons or frequently suffer crop damage when flooding occurs, and had restricted road or river access during flood periods. A natural disaster causes loss of crops and livestock that a household possess. This loss reduces the annual income and often forces households into debt as poor households typically have no disposable income.

2.1 Scope of Livelihood Projects

RUDEP will support the implementation of appropriate livelihood projects to assist poor households to improve their living conditions. The focus of these livelihoods projects will be to implement activities that will directly or indirectly support households to adopt appropriate income generating activities as outlined below.

Frequent Illness and Health Problems

RUDEP will try to ensure that health related livelihood projects are targeted at the poorest households, address their expressed health problems and promote income generating activities for households. Livelihoods projects will be designed to implement health improvement programs in combination with income generating activities appropriate for the needs of the poorest households. Based on this, the following will be considered as livelihoods projects:

- Health improvement programs and health promotion programs targeted towards segments of the community known to suffer health problems (e.g. women, malnourished children, elderly);
- Production activities that provide nutritional education and promote home gardens or small livestock raising designed to take into account health problems, labour shortages or work abilities;

- Support to Provincial, District, or Commune resourced health or food security programs to improve the implementation of health related programs in the Communes and specifically improve their targeting towards the poorest households; and
- Other specific health related programs supported by income generating activities for disabled members of the community.

Low Education Levels and Limited Ability to Apply Technologies

RUDEP will try to ensure that educational related livelihood improvement projects target the poorest households, address their expressed income generation problems and promote income generating activities that are appropriate to the needs and constraints of the poorest households in combination with income generating activities appropriate to their educational levels and constraints. . Based on this, the following would be considered as livelihoods activities:

- Promotion of agricultural technologies that are appropriate to the educational levels and constraints of the poorest households and will increase their overall educational ability (e.g. off-farm income generating activities);
- Implementation of capacity building activities that will increase the ability of households to understand and adopt income generating activities (e.g. financial management skills training, etc.); and
- Promotion of appropriate income generating activities or technologies for specific segments of the community (e.g. poor women, single mothers, youths) that face difficulties in accessing or adopting more traditional production practices (e.g. livestock).

Vulnerability to Natural Disasters

RUDEP will try to ensure that vulnerability related livelihood improvement projects target the poorest and most vulnerable households, address their expressed income generation problems and promote income generating activities that are appropriate to the needs and constraints of the poorest households and specific targeted segments of the community. Livelihoods projects can be implemented to reduce the vulnerability of households to natural disasters in combination with income generating activities appropriate to the constraints of these disaster prone and poorest households. Based on this, the following would be considered as livelihoods activities:

- Activities that identify and promote income generating activities that can be implemented during flood or drought periods for poor and vulnerable households in disaster prone Communes, Villages and Hamlets;
- Targeted income generation activities specifically focused towards agricultural production activities that reduce the vulnerability of households to production problems and vulnerability caused by natural disasters; and
- Support programs and activities that allow households to have access to information and credit during floods periods and therefore allow them to afford basic household necessities during flood and drought periods.

2.2 Identification of Livelihood Projects

Livelihood project proposals concerning health improvement, education, or vulnerability livelihood projects will need to demonstrate how the particular livelihood problem was identified. In this sense, livelihoods projects will need to respond and address a problem in a Commune or particularly prevalent in specific segments of the community (e.g.

individual Villages or Hamlets) or the demographic population (e.g. poor women). Therefore, livelihoods projects must be identified through the following:

- Review of the PC/PA/PS meeting data and a particular livelihoods problem (or problems) being raised in the meetings and given high priority by specific segments of the Commune;
- Review of PRA/PLA exercises (e.g. wealth ranking) conducted in a Commune that reveal a particular livelihood problem being prevalent in poorer segments of the community;
- Income generating activities that are being implemented and are constrained by the educational levels and constraints of participating households;
- Meetings with Village, CPC, or Mass Movement organisations that reveal a particular problem expressed by the households and the willingness of the Village, CPC or Mass Movement to implement livelihoods projects to support the income generation activities; and
- Meetings with CPC, Mass Movement officials or Commune level committees that reveal livelihood issues or on-going activities that could be supported and improved with support from RUDEP.

An essential component of the identification of livelihood projects will be the need to have consulted with poor households, possible target beneficiaries and communities.

2.3 Formulation of Livelihoods Projects

There are three critical components of this process that are fundamental to the identification and formulation of livelihoods projects:

- Consultation with poor households on the extent of the problem and possible activities that could be implemented;
- The relationship of the problem to income generating activities and how the livelihoods project will assist target beneficiaries to generate income; and
- The targeting of the livelihoods projects to poor households.

The livelihood proposals must be formulated by the beneficiary households with assistance from the DDOs. The exception will be when livelihoods activities will be implemented by a Mass Movement or a Commune level committee; however these proposals must be discussed with beneficiary households to ensure that the project will respond to a prevalent livelihood issues affecting poorest segments of the community. In the formulation of all proposals, the DDOs will play a key facilitation role and be largely responsible for assisting beneficiary households to outline a project and its activities.

2.4 Budget of Livelihood Projects

The budget will depend on the activities to be implemented and the number of target beneficiaries. However, the Program has budgeted 20,000,000 VND for each livelihood activity; with 6 projects in each Commune for the 2003-2004 financial year. This budget is indicative. All proposals must contain a detailed budget and this will be reviewed by the PMU prior to funding.

2.5 Identification, Preparation and Approval Process for Livelihood Projects

10 Steps

1. Activity groups and commune community associations state the name and some main information about the project proposed by the group or organisation.
2. The groups and organisations send their project idea to the CCG.
3. The CCG collates the ideas and sends a letter to the DCG and PMU.
4. The PMU considers the project ideas and sends a letter of approval to the CCG and DCG asking for appropriate proposals to be prepared.
5. The groups prepare the complete proposals for each approved project.
6. The groups and organisations submit their proposals to the CCG. The CCG submits them to the DCG and PMU. The CPC approves the activity.
7. The PMU appraises the proposals and either sends an approval notice to the DCG, CCG and Livelihood activity group or requests the DDO to work with the group to improve the proposal for resubmission.
8. The PMU allocates funds for the approved project. Expenditure of these funds will usually take three forms: (i) where the project involves a contract for consultancy and technical guidance from a government agency or the purchase of goods or services valued at over VND 5 million dong, the PMU will transfer funds to the agency's account at a bank or the State Treasury (ii) the PMU may provide amounts of cash up to VND 5 million to the Livelihood Activity Group for the purchase of equipment, materials, supplies etc. (with guidance from the DDO); (iii) the PMU may directly purchase services or goods itself for the project in emergencies (such as droughts, floods etc.) or when the equipment, materials, supplies etc. are not available locally.
9. The Livelihood Activity Groups implement the project.
10. The DDO and Activity Group conduct monitoring and evaluation of the project.

2.6 Appraisal and Approval of Livelihoods Proposals

All livelihoods proposals will be appraised by the PMU prior to DPC approval. This is likely to involve a meeting in which the PDAs/VPDAs, ATL/VTL and DDO will discuss the proposal and planned activities. The proposals will largely be evaluated against the following criteria:

- Relationship of the project to RUDEP objectives and to income generation and the effect that the project will have on improving the ability of beneficiary households to generate income;
- Identification of the problem and how the project beneficiaries will be identified;
- Targeting of the project towards poor households;
- Objectives of the project and its feasibility (appraised against the planned activities (including monitoring and evaluation), number of beneficiaries and budget); and
- Potential sustainability of the project and the planned activities to be implemented.

Annex 1

Livelihood Project Proposal Format

Annex 1: Livelihood Project Proposal Format

NAME OF PROPOSAL

Name of Program Commune

Date proposal submitted

1. Location and Background

A short description of the location and socio-economic situation of the Hamlet, Village or Commune;

2. The Problem

How the problem that this livelihood project will address was identified and information on the prevalence of the problem in poor households (e.g. relevant baseline data, wealth ranking results, PC/PA/PS results, PRA/PLA activities, etc.);

3. Objectives

Objectives of the project, including indicators and targets for the expected outputs of the project;

4. Rationale

Rationale for the project and its relationship to income generation;

5. Beneficiaries

Project authority: state the name of the activity group or commune association and the person primarily responsible. Details of target beneficiaries (number and level of well being) of the livelihoods project (a list of beneficiaries that will benefit from the activity - if possible).

6. Implementation Plan

Implementation process and a proposed implementation schedule showing activities, timing and people responsible;

7. Budget

Budget using the following activities: equipment; materials; training; and other expenses (all costs must be submitted in tables).

8. Gender

Gender and how gender issues will be incorporated into the project;

9. Environment

Potential environmental impact of the project and how any concerns, if any, will be addressed;

10. Sustainability

The sustainability of the livelihoods project (operation and maintenance);

11. Monitoring and evaluation

Monitoring and evaluation of the project including an M & E schedule and methods;

Signatures

Signed

.....

Activity Group/Mass Movement

.....

DDO

Date:

The Proposal must be generated from the Activity group, Mass Movement or Commune level Committee and have the signatures of key members of the Activity Group (e.g. activity group representative) or Mass Movement official in charge of implementation. The proposal must be countersigned by the DDO.

Letter of Support

The proposal must be accompanied by a letter of support from the Commune Peoples Committee (CPC)/ Commune Contact Group (CCG).

Limitations

URS Australia Pty Ltd (URS) has prepared this report in accordance with the usual care and thoroughness of the consulting profession for the use of the AusAID Quang Ngai Rural Development Program and only those third parties who have been authorised in writing by URS to rely on the report. It is based on generally accepted practices and standards at the time it was prepared. No other warranty, expressed or implied, is made as to the professional advice included in this report. It is prepared in accordance with the scope of work and for the purpose outlined in the Program Design Document.

The methodology adopted and sources of information used by URS are outlined in this report. URS has made no independent verification of this information beyond the agreed scope of works and URS assumes no responsibility for any inaccuracies or omissions. No indications were found during our investigations that information contained in this report as provided to URS was false.

This report was prepared during November 2005 and is based on the conditions encountered and information reviewed at the time of preparation. URS disclaims responsibility for any changes that may have occurred after this time.

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