

# The Coral Reefs and Livelihoods Initiative (CORALI) - Building an Improved Approach to Livelihood Enhancement and Diversification with Coral Reef Users in South Asia and the Andaman Sea

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## INTRODUCTION

Diversification of economic activities, at the household and community levels, away from a high dependence on the exploitation of natural resources, is gradually being recognised by many governments and development specialists as a path leading to greater economic growth, as well as an indicator of it. In terms of poverty reduction, diversification is seen both as a coping strategy of the poor to deal with increasing uncertainty in rural areas as a result of natural resource degradation, increasing competition and the encroachment of global influences; and as a development strategy for enabling the poor to graduate out of poverty (IMM *et al.* 2005).

In addition, government agencies and NGOs concerned with the conservation of natural resources are beginning to recognise the potential of livelihood diversification as a mechanism to encourage people to move away from the harmful exploitation and

degradation of those resources. Indeed, ensuring adequate and effective support to livelihoods development remains one of the main challenges to coral reef conservation. The process of generating viable and sustainable livelihood strategies – for whatever reason - is not straightforward for the people whose livelihoods may need to change, nor for agencies that try to assist them. It is a challenge that requires both an understanding of the complexity of livelihood change and also an approach that can address this complexity in a systematic way.

This paper provides a brief overview of the Coral Reef and Livelihoods Initiative (CORALI) and then describes the evolution of knowledge about the complexity of livelihood change that has underpinned the development of an approach to supporting Sustainable Livelihood Enhancement and Diversification (SLED). The paper then describes the research process that has been designed to further develop a SLED approach and presents some of the

*Obura, D.O., Tamelander, J., & Linden, O. (Eds) (2008). Ten years after bleaching - facing the consequences of climate change in the Indian Ocean. CORDIO Status Report 2008. Coastal Oceans Research and Development in the Indian Ocean/Sida-SAREC. Mombasa. <http://www.cordioea.org>*

**Box 1: Principles for Identifying Opportunities for Sustainable Livelihood Enhancement and Diversification (SLED)**

Opportunities for Sustainable Livelihood Enhancement and Diversification should:

- Relate to the needs and aspirations of the poor;
- Build on strengths;
- Be viable (from economic, institutional and cultural perspective);
- Be appropriate for the number of people concerned;
- Have acceptable (to the poor) levels of risk;
- Not increase vulnerability;

- Be in harmony with existing household livelihood strategies;
- Be complementary to the strategies of other people in the community;
- Conform with national policies and legislation;
- Enhance the independence of the poor;
- Ensure the rights of the poor;
- Ideally enhance the innovative capacity, vision and adaptability of the poor.

early findings from this process. Finally, a working draft of the SLED approach is illustrated and described.

**Coral Reefs and Livelihoods Initiative (CORALI)**

CORALI<sup>1</sup> has been designed to address the challenge of “*how to better support livelihood development as a key part of a more holistic approach to coral reef conservation*”. CORALI is funded to operate between 2006 and 2007. It incorporates three elements: a) the development of a regional skills and knowledge network; b) the development of an improved approach to socio-economic monitoring; and c) the further development of a participatory approach to SLED in coral reef dependent communities.

**Understanding Livelihoods and Livelihood Change**

Over the past two decades a significant body of research knowledge relating to poverty and people’s livelihoods has been produced. The research leading to this knowledge has important implications for the challenge of supporting livelihood change in coral reef

dependent communities. Four key areas of research are outlined below:

**1. Understanding the relationships between coastal policies and poor people’s livelihoods:**

Research in coastal communities of India, Sri Lanka and Bangladesh<sup>2</sup> analysed changes in the livelihoods of the poor and how the poor and development agencies have responded to those changes (IMM 2003a). This research in particular emphasised how the ability of poor people to respond to change was restricted, because:

- Poor people often do not have a *voice* in policy and management decision-making processes, they are therefore not able to shape the “enabling” environment to support their own needs. Development agencies often find it difficult, time consuming and expensive to talk with poor people and in many cases the poor people themselves lack the confidence, ability or opportunities to participate in detailed planning processes.
- Poor people are often restricted in the options that they have for changing their livelihoods. This lack of *choice* can be a result of: the lack of livelihood assets at their disposal; weak or limited service provision from governments, civil society or the

<sup>1</sup>CORALI is a collaborative initiative between IUCN – The World Conservation Union, Coastal Ocean Research and Development in the Indian Ocean (CORDIO), United Nations Environment Programme (UNEP) South Asia Cooperative Environment Programme (SACEP), International Coral Reef Action Network (ICRAN) and IMM Ltd., as well as national and local organizations in South Asia and the Andaman Sea.

<sup>2</sup>The Sustainable Coastal Livelihoods (SCL) research project was implemented by IMM Ltd. between 2000 and 2003 and was funded by the Department for International Development (DFID).

private sector; the social trends and influences that affect the environment in which they live and work; and their vulnerability to new changes. As a result the livelihood strategies that poor people adopt will often be largely pre-determined by their circumstances.

- The impacts on poverty of service delivery initiatives is highly dependent on the *capacity* of different groups of people to take up those services. Those able to access new services, or take advantage of the changing circumstances they create, can benefit from them; but those who, for whatever reason, lack the capacity to adapt often either miss out on potential benefits or, in some cases, actually become worse off.

An important output of this research was the development of an initial framework for supporting Sustainable Livelihood Enhancement and Diversification (SLED) that started to systematically address the complexity of livelihood change. A key part of this framework was a series of principles for identifying opportunities for helping poor people to enhance or diversify their livelihoods (shown in Box 1).

## ***2 Learning about the impacts of change in the post-harvest fisheries sector on poor people.***

Research into changes affecting poor people in the post-harvest fisheries sector in India<sup>3</sup> documented the consequences that the changes had for different stakeholder groups (IMM 2003b). The research found that:

- The changes in the sector (fish supply, distribution of fish, processing, marketing and consumption), while driven by similar forces across the country, affected different groups of people in different ways. Understanding how different groups are able to cope with change is a key part in helping them to deal with change positively.

## ***3 Understanding the complex relationships between people and reefs:***

Research designed to assess the wider value of coral reefs to vulnerable coastal communities in South Asia and East Africa<sup>4</sup> - using a livelihoods approach - generated important insights into the complexity of the relationships between poor people and reefs (see Whittingham *et al.* 2003), these included:

- The ecosystem services provided by coral reefs are diverse and include: supporting services to wider ecosystems (e.g. fish breeding grounds); provisioning services (e.g. nutrition and building materials); regulating services (e.g. coastal protection); and cultural services (e.g. recreation, spiritual and education).
- The stakeholders who affect and benefit from the ecosystem services from coral reefs are diverse. They include both groups who have a direct relationship with coral reefs (such as reef fishers, fish processors, reef managers, fish consumers, hoteliers, international tourists, and people living in coastal communities who receive shoreline protection) and those who indirectly affect the reef (such as coastal industries, farmers, foresters). Together with the sheer diversity of stakeholder groups the heterogeneity that exists within each sub-group of stakeholders (e.g. income status, race, gender, education, access to information, culture and beliefs) adds to the complexity of any coral reef management challenge.
- Coral reef ecosystems can be a keystone resource that is available at times when land-based opportunities are few (e.g. in the agricultural low season). When calculated in financial terms this benefit may not amount to much, however at a local-level, reefs may be of vital importance in terms of local livelihood strategies, reducing vulnerability to change and enhancing food security.
- Well-meaning policies and management strategies aimed at conserving threatened reefs and halting

<sup>3</sup>The research project "Changing Fish Utilisation and its Impact on Poverty in India" was implemented by IMM Ltd. between 2000 and 2002 and was funded by DFID.

<sup>4</sup>The Reef Livelihoods Assessment (RLA) project was implemented by IMM Ltd between 2001 and 2002 and was funded by DFID.

### Box 2: Characteristics of a SLED approach

<p>-Needs a systematic approach that recognises and responds to complexity of people’s lives rather than using predetermined strategies.</p> <p>-Should help people to consider livelihood enhancement, diversification and alternatives.</p> <p>-Needs to be addressed at macro, micro and meso-levels simultaneously – linking into wider development efforts.</p> <p>-Requires a multi-disciplinary approach.</p>	<p>-Should build on the strengths of the poor.</p> <p>-Needs to address the different factors that affect the ability of people to take up livelihood change.</p> <p>-Needs to be mainstreamed and appropriate institutions need to be built and supported over a long period of time.</p> <p>-Needs to be done in a participatory way if the needs of all different stakeholders are to be catered for.</p>
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reef degradation are often having an adverse impact on poor people, particularly where the poor have been excluded from decision-making processes.

#### 4. Understanding the factors that help or inhibit livelihood change:

In research which studied livelihood diversification in coastal communities in Cambodia (IMM *et al.* 2005) the Sustainable Livelihoods Framework was used to categorise and describe the factors which support or inhibit livelihood change<sup>5</sup>. These included:

- Factors relating to income diversification, for example: access to credit, improving market linkages, vocational skills, and identifying new income generating opportunities.
- Factors relating to wider livelihood strategies, for example; access to health care, informal networks, confidence, social and cultural norms, and property rights.

Livelihood research in general, has confirmed the need to “incorporate all the different factors which affect the ability of people to identify, take up and sustain livelihood changes. These factors need to be understood and responded to systematically in ways that recognise and respond to the complexities of poor people’s lives rather than using predetermined strategies” (Campbell *et al.* 2006). An approach is required that can provide both people and service providers with the opportunities to develop their capacity, build confidence and ultimately to forge

better relationships that will facilitate sustainable livelihoods for the people. Some of the key characteristics of such an approach are described in Box 2.

#### Constructing a Basic Approach for Supporting Sustainable Livelihood Enhancement and Diversification

In bringing the lessons of past livelihoods research projects together a basic approach was built to provide guidance for development practitioners whose task it is to assist people to enhance and diversify their livelihoods. The approach is designed to identify the key elements of best practice that should be addressed in the process of assisting livelihood change and includes three broad sets of activities:

1. *Discovery* – Learning with reef-dependent people and service providers about where they are now and how they got there. Understanding the changing relationships that people have with natural resources. Helping people to appreciate their strengths and potential for development.
2. *Direction* – Helping reef-dependent people and service providers to analyse themselves and the opportunities in the world around them, in order to make informed choices about the desirability, feasibility and profitability of livelihood change. Working with people to build visions for livelihood change and developing strategies with people to achieve those visions.

<sup>5</sup>The research aimed at “Understanding the Factors that Support or Inhibit Livelihood Diversification in Coastal Cambodia” was implemented by IMM Ltd in 2005 and funded by DFID.

3. *Doing* – Working with reef-dependent people to develop their capacity to change and to develop the relationships, provide the information and support to help them make that change.

While this basic approach for SLED has a firm footing in research and global experience, in order to develop it into an accepted approach for facilitating livelihood change, it needs to be fully tested at a local level, to: a) provide more detailed field-level processes and tools; b) generate evidence to confirm the validity and generalizability of the approach; and c) provide evidence to inform and influence managers and policy makers concerning its effectiveness as a management approach.

## METHODS

CORALI has adopted a people-centred and poverty-focused approach to working with people who depend on coral reef resources for a key part of their livelihoods. An objective of CORALI is to provide the evidence and tools that can take the SLED approach from its research base into an effective and accepted field-level approach. To do this an action research<sup>6</sup> process has been designed to take lessons from past experiences (global and regional) and use the local knowledge and field-experiences of partners in the region to further develop and field-test the SLED approach. The two central components of the research process are outlined below:

### 1. Reviews of Experiences with Livelihood Diversification:

A wealth of experience with livelihood development initiatives exists globally and within South Asia. In many cases that experience lies in a multitude of initiatives across many sectors. The reviews focused on the lessons learnt from those initiatives that were united by their challenge to answer the basic question of “*how to understand and respond successfully to the need for livelihood change*”. Understanding the factors

that have contributed to the success or failure of these initiatives is a key part of the SLED development process. This activity consisted of two complementary parts:

- a. *A Review of Global Experiences with Livelihood Diversification* (Campbell in press). The review of global experiences with livelihood diversification considered the challenge from four perspectives: rural community development; livelihood change as a tool to address conflicts between livelihoods and aquatic resource sustainability; promoting entrepreneurship and success in enterprise formation; and corporate enterprise staff development and growth. Drawing from these experiences the review, distilled the key lessons for the process of supporting livelihood change, described a number of key stages for a SLED approach and developed a series of principles for SLED.
- b. *South Asia Regional Overview of Experiences with Livelihood Diversification* (Sriskanthan in press). The review of livelihood enhancement and diversification interventions in coastal communities in South Asia (with supplementary examples from South East Asia) examined the successes and failures experienced by these initiatives. The review used analytical methods based on the Sustainable Livelihoods Framework, focusing on common themes, problems and lessons learned, and provided a discussion of their implications for livelihood enhancement and diversification in reef dependent communities in South Asia.

The findings from the reviews were fed into the process of further developing the SLED approach at the SLED development workshops (see below).

### 2. Pilot Testing the SLED Approach in the Field:

The process of pilot-testing the SLED approach is

<sup>6</sup>Action research has been defined as activities or interventions intended to achieve tangible development goals while at the same time increasing our understanding of how those goals can be achieved (Moris and Copestake 1993).

**Table 1.** SLED development - Field-sites and Research Partners.

Country	Pilot Site	Research Partner	Pilot Site Communities
India	Andaman Islands	The Andaman and Nicobar Environmental Team (ANET)	Karen tribal communities in eight villages.
		Karen Youth Association	
	Gulf of Mannar	Suganthi Devadason Marine Research Institute (SDMRI)	Five villages in the Gulf of Mannar area.
		People's Action for Development (PAD)	
	Lakshadweep Islands	Centre for Action Research on Environment, Science and Society (CARESS)	Integrating the activity into livelihoods work being carried out with communities in Minicoy and reef related socioeconomic monitoring work being carried out in Agatti.
	Sri Lanka	Bar Reef	Coastal Resource Management Project (CRMP), Ministry of Fisheries and Aquatic Resources
Maldives	Baa Atoll	Atoll Ecosystem-Based Conservation of Globally Significant Biological Diversity In the Maldives' Baa Atoll Project (AEC Project) / Ministry Of Environment, Energy And Water, Maldives	Community in Eydhafushi, who are the major resource users of Dhi-galiha MPA.
		Foundation of Eydhafushi Youth Linkage (FEYLI)	
Indonesia	Weh Island, Aceh	Wildlife Conservation Society - Indonesia	Communities around the no-take MPA Taman Wisata Pulau Weh Sabang.
		Yayasan PUGAR (Centre for People's Movement and Advocacy)	

being undertaken at six sites across South Asia and the Andaman Sea (table 1 gives a list of sites and project partners).

Over the course of ten months the field-teams will meet for a series of three SLED development workshops during which the teams reflect on past experiences and then define their activities for the pilot fieldwork. This process is summarised as follows:

Completed Research Elements (January 2007 – July 2007)

- SLED Development Workshop 1 – Introducing

the SLED approach and building the framework and activity plan for site level implementation.

- Fieldwork Phase 1 – Raising awareness about the SLED approach; understanding the distribution of ecosystem services; building relationships with the community; gaining an understanding of livelihoods and livelihood diversity; and identifying community representative groups and service providers in communities.
- SLED Development Workshop 2 – Reviewing the fieldwork process and outputs; considering the

findings of the global overview of experiences; and developing the activity plan for the second phase of field testing.

Ongoing and Future Research Elements (August 2007 – January 2008)

- Fieldwork Phase 2 – The field-teams will implement the second phase of the SLED Approach which will include: scoping opportunities; building visions with groups and communities; community mobilisation; identifying opportunities for supporting sustainable livelihood improvement activities; and building linkages.
- SLED Development Workshop 3 – The final of the SLED development workshops will allow the field-teams to reflect on the overall SLED approach; develop training and guidance materials for the first two phases and plan micro projects aimed at facilitating livelihood change in the communities.
- Implement SLED Initiatives – Pilot teams will be funded to: implement micro-projects that will support livelihood change in the communities where they are working; and link into broader development processes that can provide continued support.

To support the development and implementation of the SLED approach, CORALI is building a regional network of development practitioners who are working with people in coastal communities to enable them to adopt more sustainable and beneficial livelihood strategies. The exchange of information, experiences, and best practice between organisations is facilitated by project staff and supported by a web site ([www.coralweb.org](http://www.coralweb.org)). As the SLED approach further develops, evidence to inform and influence policy and facilitate the linkages between the development practitioners and the environmental managers and policy makers will be produced.

## RESULTS

This section synthesizes some of the lessons learnt

from the two key research components of the SLED development process: the literature reviews of practical experiences with facilitating livelihood change, and the first phase of pilot fieldwork. A working draft of the SLED approach is also presented to illustrate how these experiences and lessons are being forged into a field-level approach.

### **Approaches to Livelihood Diversification: A Review of Global Experiences**

A desk review of global experiences with implementing livelihood diversification processes (Campbell *in press*) demonstrated that in many communities livelihood diversification is a common strategy (Gordon, 1999 and IMM *et al.*, 2005) and some might even say it is the norm (Barrett and Reardon, 2000). However, there are many situations in society where people's livelihoods need to change and there have been many different initiatives designed to facilitate this. Whilst different approaches have been developed under different circumstances, most of them are fundamentally trying to achieve the same thing. They are helping to understand livelihood change needs, defining potential change options and facilitating the change process. Some of the key elements of best-practice, for the process of supporting livelihood change, include:

#### *Understanding how people's livelihoods have evolved:*

People and their livelihoods are not a static situation that has come from nowhere, they and their livelihoods have evolved over time and those life experiences can be strong predictors of their vocational preference (Smart 1989). For example, many young people follow their parents or their communities traditional values systems and strategies for living. It is therefore important to understand why people have developed to where they are if we are to understand where they are likely to end up and how we can facilitate change.

### Box 3: Key Stages in Supporting Livelihood Enhancement and Diversification

1. Understanding the stakeholder groups and individuals.
2. Understanding peoples livelihoods and how they connect with wider society and the reef system.
3. Understanding which facets of these livelihoods mean the most to different people.
4. Developing a shared understanding of external change and its likely effect on livelihoods.
5. Understanding peoples aspirations and visions.
6. Understanding the opportunities for change.
7. Understanding the viability of potential options especially the market demand for the goods and services from opportunities.
8. Defining the obstacles to achieving visions.
9. Defining the principles and process of livelihood change.
10. Planning the livelihood change process.
11. Fostering a sense of community leadership, ownership and partnership for change.
12. Facilitating an enabling environment for livelihood change.
13. Facilitating the livelihood change.
14. Continuing livelihood development.
15. Monitoring and consolidating the livelihood change process.

#### ***Understanding what helps people to decide to change:***

The motivation to decide to change a livelihood strategy, for example away from one which is damaging the reef to one which is more sustainable, is a complex process. Some people see an opportunity to change their livelihoods and are drawn by it, others are pushed by circumstances. In the case of the *Jamba Kiwa*<sup>7</sup> initiative in Ecuador, it was a combination of the push of marginalisation and the pull of market opportunity that drove the women to establish a cooperative for medicinal and aromatic plants.

#### ***Building a consensus for change:***

Whilst managers of MPAs or other coastal management areas may have identified the need to reduce pressure on the resources the aim to conserve may not be recognised by the resource users. For example, intensive and unsustainable aquatic resource use in the short-term to fund children's education may be seen, by fishermen, as a perfectly rational long-term livelihood strategy. Therefore, a key part of any

change process must be to have identified a shared understanding of the need for change.

#### ***Sharing a vision of the future:***

As important as recognising the need for change is the need to define where the change process will be heading. Corporate change processes are very much concerned with defining clear change goals. In an Asia Development Bank (ADB) livelihoods development project on the Tonle Sap, Cambodia, designed to reduce fishing and other environmental pressures on the lake, Appreciative Inquiry was used as a tool to develop visions, based on strengths and past success, of where livelihood change might lead. Developing and sharing a vision of where a community wants to evolve to helps provide community cohesion in the change process.

#### ***Understanding the options for change:***

Often people do not change because they see no prospects for change. Even when their livelihoods are criminalised they may find it difficult to find

<sup>7</sup>For more information on the Jamba Kiwa initiative see: [www.jambikiwa.org](http://www.jambikiwa.org)



alternatives. Part of the motivation for using “menu approaches” is to provide lists of options for people and this can be useful as one part of a more systematic approach. Good examples of tools which help people to vision ideas beyond their normal scope of operations include the book “Save Na Mekim” (The Melanesian Council of Churches, 1982) which illustrated different rural livelihood activities, gave instructions on how to take them up, illustrated key stages or outputs, and discussed the benefits.

#### ***Building innovative capacity and continuing livelihood development:***

Research into coastal livelihoods in Cambodia (IMM 2005) demonstrated that providing people with a new livelihood opportunity overcomes an existing problem but does not necessarily give them the capacity to innovate to face future challenges. Building skills to help individuals and communities to innovate in the face of future changes in their environment is key to long-term survival and growth.

#### ***Raising awareness in government and NGOs and facilitating support:***

Livelihood change requires both short-term support for the change process but also long-term support for continuing livelihood development. Civil society organisations often play a key role in this process but they cannot work alone. Haggblade *et al.* (2002) recognised both the importance of the role of government and NGOs in supporting livelihood diversification and the weaknesses in the support. In many cases support for enterprise development falls between ministries and departments and gets missed out of programmes. Specialist agencies, such as those dealing with the coast or with reefs, rarely have the skills to address livelihood issues. Raising awareness amongst government and NGO workers about the needs for livelihood change and the roles that they can play is an important facet of success.

#### ***Building a stronger enabling environment:***

In the absence of a supportive institutional environment emerging livelihood strategies will find it difficult to survive and thrive. The Arab Regional Centre for Entrepreneurship and Investment Training (ARCEIT)<sup>8</sup> project recognised the complexity of factors which support or inhibit livelihood change which affect different stakeholder groups in different ways. ARCEIT has taken a multi-pronged approach: supporting schools, providing counselling, conducting research, running technical training, providing credit and promoting the debate about entrepreneurship. Helping to build this enabling environment is essential to both the early survival of new enterprises and livelihood change, and to their long-term growth and profitability.

While none of the individual experiences analysed by the review demonstrated a clear way forward, collectively they began to provide a roadmap which may be adapted for the purpose of facilitating livelihood change in reef dependent communities. In summary form, Box 3 sets out a series of key stages for supporting livelihood enhancement and diversification.

### **South Asia Regional Overview of Experiences with Livelihood Diversification**

Rural development responses to issues of coastal livelihood security in South Asia have typically focused on income generation and livelihood diversification initiatives targeted at poor, resource dependent communities. The challenge for development practitioners is to develop an understanding of the underlying factors at the local level that contribute to the success and failure of these initiatives, and how these lessons can be incorporated into future project design and process management.

The South Asia review (Sriskanthan in press) analysed a range of livelihood enhancement and diversification project reports and reviews from across the region in order to pinpoint the factors that

<sup>8</sup>For further information on ARCEIT see <http://www.arceit.org>

contributed to their successes and failures. It was found that these could be expressed under three broad categories: (1) Project feasibility, design and process; (2) Necessary livelihood assets; and (3) Influencing factors. The key findings from the review are discussed in more detail below.

### **1. Project feasibility, design and process**

This refers to the basic principles and thinking underpinning the design and implementation of livelihood enhancement and diversification interventions. This stage of project development contains some crucial steps that can be separated into three thematic areas:

(i) *Project feasibility* – Ensuring the basic economic, cultural and social feasibility of an activity through market analysis and community consultation is a basic necessity for any proposed project. Many projects still fail to invest in this, opting to take the "menu of options" approach to selecting livelihoods activities, which often leads to inappropriate or untenable activities being promoted.

(ii) *Project design* – The recurring themes related to project design included ensuring full community participation in the design process to foster ownership, as well as to fully understand and reflect community priorities; the development of strong monitoring systems to track and understand progress; and the need to build in project features that support the future sustainability of actions beyond limited project-budget lifetimes. Projects that embraced these principles of project design were more successful in the long run and experienced sustained results.

(iii) *Project process* – Some of the main tenets of a good process were found to be ensuring a participatory approach and emphasising community mobilisation. Many projects expressed the need to link into broader development and government processes, which feeds into the concern of improving future sustainability. Managing community expectations in order to

maintain interest and motivation was also seen as important.

### **2. Necessary livelihood assets**

The success of an activity is related to how well the intervention recognises and incorporates the development of important livelihood assets. This includes investing in human and social assets such as building relevant skills, as well as recognising existing assets (such as current education and experience) in order to introduce activities that are appropriate to these. The development of social networks was seen to be crucial and the role of community groups, such as self-help groups and CBOs, was highlighted as one of the key factors that fostered success. The need to provide adequate and accessible credit facilities was expressed by many of the projects reviewed. Sometimes, even if a project provides credit facilities these may not be appropriate for the needs of poorer stakeholders. For example, an ADB micro-credit project targeting fishing communities in the south and west of Sri Lanka opted to use existing credit institutes to disburse larger-scale loans which many of the project participants had insufficient collateral to qualify for. The project would have been more successful if it had invested in supporting smaller-scale, grassroots credit facilities that would have been more accessible to poorer members of the community (Perera, 2004). In addition to this, supporting the development of or access to more general physical assets, such as schools and health clinics, appeared to be very influential in a number of cases.

### **3. Influencing factors**

There are a wide range of external influencing factors that have a significant effect on the livelihoods of coastal communities. Numerous examples from the literature surveyed cited the strong impact of social, cultural and political factors, and projects have to incorporate these realities into their approach. In many of the prevailing cultures across South Asia, social divisions are strictly observed and this has huge ramifications in terms of livelihood options. One

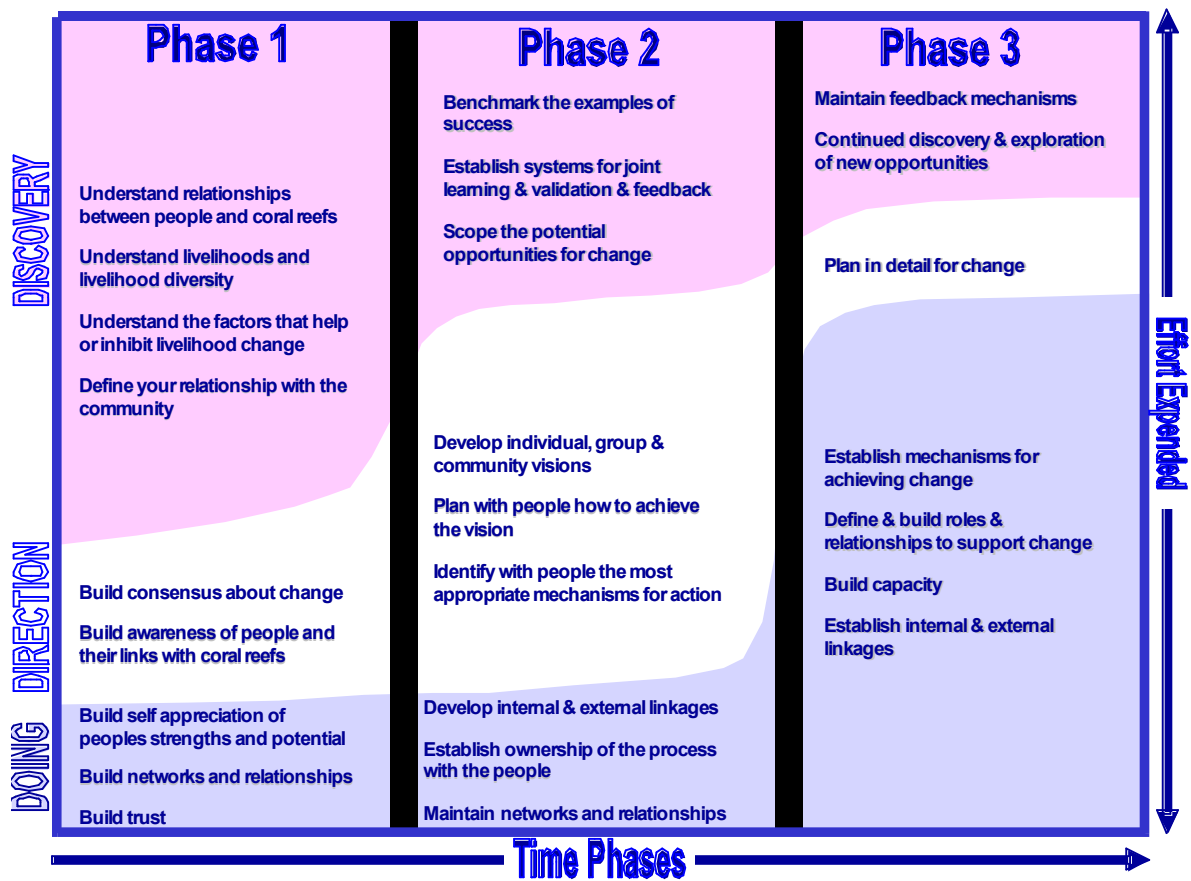


Figure 1. A working draft of the SLED approach.

study of livelihood diversification in Andhra Pradesh found that caste and political patronage were the two most influential factors that determined an individual's opportunities for diversification and improved material well-being (Farrington *et al.* 2002). Cases surveyed under this review reflected elements of this. For example, the perception that certain livelihood activities are appropriate only to individuals of a low social status was seen to hinder the uptake of supported activities in a coir rope making project in Sri Lanka (Perera, 2004). Cultural barriers to assuming non-traditional livelihood activities were also evident, and there is a need to recognise the links between livelihoods and identity. Political interference was found to be responsible for inappropriate

participant selection in a number of the cases studied under this review, supporting the notion that patronage from influential groups can have a huge bearing on people's options. Positive influences included the involvement of the private sector, the presence of strong, well functioning NGOs and CBOs, strong government support, and access to markets. Inadequate or poorly enforced legislation and policies that fail to create disincentives to abandon destructive or unsustainable activities can undermine efforts to encourage alternatives. Other issues to consider are natural, political or economic shocks that can have a far reaching impact on social and economic systems.

#### Box 4: Understanding factors that help or inhibit livelihood change – the stigma of communicable disease

Minicoy island has a history of segregating people with incurable illnesses. In the past people who had small pox were housed in Viringlii island (also known as small pox island on old maps), while people with leprosy were made to live on the northern end of the island which is even today known as Kodi – leper. Discussions with self-help group members on Minicoy revealed that communicable illness still is a common cause for dismissing a member from a group. Today HIV/AIDS affected people in Minicoy feel restricted because no one wants them on their team or to use their services.

An interview with an HIV positive man revealed that he faces discrimination. He is well educated and wants to pursue a career, but no one will employ him. He still hasn't lost heart and is seeking help from the island administration to support him and others like him with some livelihood options. He is currently planning to set up an internet café – a venture that he can pursue alone. In his case, while the illness inhibits him from working for other people, his family connections and social status ensure that he can get the best help available, both in terms of ongoing health treatment and support to establish a business alone.

*(CARESS 2007)*

#### SLED Fieldwork Experiences

Findings from the first phase of fieldwork were presented at the second SLED workshop in June 2007. During this phase the field-teams undertook the activities for the first phase of the SLED process (Fig. 1), which included using a range of qualitative investigative methods to build up their understanding of people's livelihoods and the diversity of livelihoods in the pilot communities. Once such method, involved the collection of stories from members of the community as a way of exploring the evolution of people's livelihoods and the factors that had helped or inhibited them in the process of change. An example of a story is given in Box 4, and a series of pictures from the fieldwork are shown in plates 1-4. (Full fieldwork reports are available on [www.coralweb.org](http://www.coralweb.org)). Some of the broad conclusions and lessons learned from the fieldwork are outlined below:

- The common point of reference for communities when they are providing information on the nature of their livelihoods to development agencies has traditionally been to emphasise what they don't have, what they don't do and what they need. The field-teams noted that the approach of focusing on people's strengths and potential – as advocated in SLED

– is a far more proactive and inspiring starting point for initiating livelihood change;

- Working with and communicating with the very poor poses difficult challenges and the field teams emphasised the need to invest time in engaging with very poor groups. The field-teams recognised the need to use innovative facilitation methods and show patience and understanding if they are to support very poor people to appreciate their strengths and potential and build their confidence to engage in the SLED process;
- Income should not be the sole consideration when identifying opportunities for income generation. Although it is a useful indicator that can assist the field teams to understand people's economic incentives for change on a limited level, it can also detract from the fact that people's decision making and livelihood strategies are based on far broader considerations;
- Individuals who have the potential to lead the SLED process in the community may not be those who hold the formal positions of authority or power. Development initiatives have traditionally focused on strengthening the



**Plates**, clockwise from top left: " Laaji, building his own house: Appreciating what people have and what people can do is a key part of the first phase of SLED. *Credit: Saw John (Karen Youth Association);* " Cultural activities can be a great way of building confidence and relationships. *Credit: Rajendra Prasad (PAD);* " Using participatory tools can be an effective way of working with groups of people. *Credit: Rajendra Prasad (PAD);* " Rebuilding a Livelihoods framework with the field-team in preparation for the SLED fieldwork is an effective way of preparing the field workers for their task of learning about livelihoods. *Credit: Abdulla Mohamed Didi.*

formal institutions and positions within communities. However, the field-teams recognised that people who have had success in their lives or who are very motivated and enthusiastic for change may also be very powerful advocates for the SLED process;

- By working with individuals, groups and then, ultimately, the broader community, the field-teams found that it was possible to achieve consensus between groups and the community

as a whole. This type of consensus over the need for change and the direction of that change will be a key driving force behind people's ownership and commitment to the SLED process.

A full analysis of the fieldwork experiences and their implications for the SLED approach is included in the report of the CORALI-SLED development workshop 2 (Cattermoul *et al.* 2007).

## **A Working SLED Approach**

The SLED approach that has emerged from the past livelihoods research experiences and the CORALI process is people-centred. This may sound obvious, but many development activities in the past have tended to focus on technologies, resources, sectors, institutions, production, markets or particular sets of issues in such a way that the “people” involved have often been forgotten. By contrast, the SLED approach places people firmly at the centre of attention. It insists that all development must begin by: a) looking at people – as individuals, households, groups and communities; b) by understanding their capacities and potential (and not just their problems); and c) by working as partners to achieve common goals.

The approach builds on the three areas of SLED activities (Discovery, Direction and Doing), each of which has been broken down into a series of fieldwork components. The components are placed in a framework that demonstrates the stage of a project where they would be initiated (Fig. 1).

The three main SLED activity groups (Discovery, Direction and Doing) feature throughout the SLED process. For example, at the early stages of SLED the field teams will focus mostly on discovery activities such as building up their understanding of the relationships that different groups of people have with the coral reef. However, the process of doing this should help those people to analyse how changes in the reef have affected their livelihoods – and so may contribute to their appreciation of the need for change in their livelihoods. Likewise, fieldwork that is conducted effectively should help the team to build up their relationships with the community and involving other service providers and government authorities will begin to build the lines of communication and support that will be required to enable the process of livelihood change.

The process of building this framework is iterative and as lessons emerge from the second stage of SLED fieldwork (implemented between July and October 2007) the framework will be amended. A set of principles for implementing SLED and a series of

guidance documents for development practitioners will also be developed as part of CORALI.

## **RECOMMENDATIONS**

The process of implementing SLED involves a long-term commitment to community development. The first two phases of the process constitute the work that is required to initiate livelihood change in the short-term. Under CORALI it has been feasible to work with certain groups in the communities through these two phases, and this process is producing supportive evidence and valuable lessons relating to the positive impacts of the SLED approach. The third phase of the SLED approach is concerned with providing the services that will support livelihood change in the long-term. While the field-teams will have an opportunity to initiate a series of micro-projects to support livelihood change these will clearly not be sufficient either in scale or longevity to provide the scope of support services that will be required to facilitate long-term livelihood change. Throughout the second phase of field-testing the teams are working to develop linkages with wider development processes so that they may be able to extend their work on SLED both within the communities where they have been established and beyond the ten months of CORALI funding. For example, the SLED work that has been undertaken in Sri Lanka will be linked into the work programme of the ongoing ADB Coastal Resource Management Project.

The SLED approach has evolved over the course of the last five years and will continue to evolve as the experiences with implementing it build up. It is important that this process is supported by a long-term initiative, such as CORALI, that can both: facilitate the transfer of skills and knowledge relating to the application of the approach; and continue to inform and influence policy-makers on the value and potential of the SLED approach as a tool for supporting livelihood development as key part of a more holistic approach to coral reef conservation.

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