

<u>Liv</u>elihoods

GLOBAL TECHNICAL CAPACITY STATEMENT

BACKGROUND

Global extreme poverty rose in 2020 for the first time in over 20 years. This was due to a number of reasons including COVID-19 disruptions, conflict and climate change. By the end of 2021, about 150 million additional people will be living in poverty. This number is expected to grow further in the coming years. Researchers predict that over the next 10 years the impacts of climate change will push an estimated 325 million poor people further into extreme poverty in some of the poorest and most fragile contexts in the world.¹ One in four people living in poverty live in rural areas and more than half of all people living in poverty are children. Children who grow up in poverty often lack the food, sanitation, shelter, health care and education they need to survive and thrive. The impact of extreme poverty on children's development is devastating and contributes to the cycle of poverty. Sustainable economic development is essential to addressing the root causes of poverty and breaking the cycle.

OUR APPROACH

World Vision works to address the root causes of poverty by building sustainable livelihoods by building sustainable income, assets, access to finance and markets, so that parents and caregivers can provide well for their children now and in the future. We do this by:

• Strengthening food production, resilience and access to markets and financial services – so that farmers can produce more, better and more sustainable nutritious food for household consumption and marketing purposes.



- Graduating the most vulnerable families out of extreme poverty so that very poor families become economically self-reliant and have the dignity and means to provide for their own children.
- Empowering families to adapt and mitigate the impacts of climate change by supporting them and their communities to protect ecosystems and natural resources and adopt farming and livelihoods practices that not only protects their livelihoods but also prevent further environmental degradation.
- Promoting sustainable employment opportunities and market systems so that communities have access to goods, services and employment opportunities through private sector partnerships.

Central to World Vision's Livelihoods approach is social empowerment and addressing harmful social norms that contribute to the perpetuation of the poverty cycle such as harmful gender norms and dependency. World Vision works to affirms people's sense of self-worth, identity and aspirations and challenges the harmful norms at household and community levels.

In contexts that are both politically and environmentally fragile and exposed to significant disaster and climate risk, World Vision's Livelihoods interventions place much greater focus on building social, economic, and environmental resilience and adaptive capacity, providing temporary food and cash safety nets and ensuring vulnerable households can manage and mitigate disaster risk effectively to avoid them slipping further into extreme poverty.

PROGRAMMING MODELS

Our <u>approaches</u> are encapsulated in World Vision's four Livelihoods Core Project Models (CPM):

Core Project Model: Ultra-Poor Graduation

This intensive two-year programme equips the most vulnerable families to be self-reliant. We provide access to temporary food and cash assistance, financial services, financial literacy, livelihoods training, and marketing

expertise to help families' start a small business or access employment. We link families to social safety nets and ensure that families also learn about health, nutrition, and hygiene practices to ensure that economic gains are translated into better care for their children. During the programme period, families can access coaches who work with them develop goals and a plan to achieve those goals so that they can "graduate" from the programme with food security and sustainable sources of income.

Core Project Model: Building Secure Livelihoods

World Vision recognises that the vast majority (approx. 80%) of vulnerable children where WV works live in households that rely on agriculture for their livelihoods. In many cases farming households are both small holders (e.g., they produce food on their own land) and agricultural labourers for other farmers and may also have other income generating avenues. We focus on strengthening families' ability to <u>build a secure livelihood</u> both on and off farm business enterprises in order to gain more nutritious food and a regular income to meet their children's basic needs. Disasters often push families backward so we encourage them to

Forthcoming Core Project Model: Regreening Communities

Regreening Communities will be World Vision's approach to addressing climate change through a whole-of-landscape approach to ecosystem restoration. The Model starts by working with communities to set the restoration outcomes they want for their families and children (e.g., increased firewood, revival of natural springs, improved soil quality, greater crops or food security). The model then builds on World Vision's experience in Natural Resource Management (NRM), Climate Smart Agriculture (CSA), Farmer Managed Natural Regeneration (FMNR) and other restoration and mitigation approaches and guides offices on how they can be applied sequentially and holistically to support ecosystem restoration.



build resilience by saving, diversifying their income and ensuring that that they are linked to their local and regional markets. Central to the approach is also climate change adaptation and mitigation so that household and their communities are managing water and natural resources more effectively for themselves and future generations. This project model is an integrated livelihoods approach targeted at poor rural households with dependent children living on less than \$1.90 per day.

Core Project Model: Savings for Transformation

World Vision's approach to savings groups works with participants, many of whom are women, to facilitate savings and credit in a small-scale and sustainable way. This project model instils hope and contributes to child well-being by enabling participants and their households to plan, cope with household emergencies, and develop their livelihoods so they can invest in the health and education of their children. Savings groups are owned, managed and operated by the members, using a simple, transparent method whereby groups accumulate and convert small amounts of cash into savings. They are community led and therefore, highly sustainable.

Adolescent and Youth Livelihoods

According to the UN, globally in 2020, more than one in five young people aged 15-24 were neither in employment, education or training. In response, World Vision focuses on empowering out-ofschool, unemployed and illiterate youth for work and life. We use evidence-based, cross-sectoral approaches to youth development. These approaches prepare adolescents and youth for economic opportunities and empowers them to contribute to the common good and the protection of others as active and engaged citizens. We not only provide youth friendly job skills and entrepreneurship training, but also provide training in life skills and establish linkages with and build social connection with other youth and their communities. Adolescents and youth are supported to build livelihoods through jobs or entrepreneurship that are linked with the markets so that they are sustainable and have the potential to grow with their needs.

Core Project Model: Microfinance

By providing access to financial services, including loans, insurance and savings, and knowledge to effectively utilize these services, our Microfinance model helps families strengthen their productivity and increase resources, with the goal to benefit their children. Our <u>microfinance</u> arm, <u>VisionFund</u>, provides financial solutions through 28 microfinance institutions located throughout Africa, Asia, Eastern Europe and Latin America. In 2018, 1.37 million loans were provided to over 1.1 million clients (70% were women) to help them improve their businesses and increase their income and impact over 3.5 million children globally.

Cross-Cutting Elements

Market-Based Approaches

All our Livelihoods interventions take a market-based approach. This means that results for extremely poor households are derived through generating viable and sustainable business solutions. To do this, we take a facilitative approach that looks to identify the systemic constraints in a market hindering inclusive growth. We work on building commercial partnerships with private market actors, and directly with poor households to improve their productive capacity, to ensure that both market and food systems enable inclusive markets access and technical services that benefit poor households, especially producers. In the cases where regulatory reform or enabling environments are needed, we may also work directly with government bodies or an industry associations.



Gender and Social Inclusion

Inclusive economic empowerment is a pre-requisite for all parents and caregivers to be able to build sustainable livelihoods and provide well for their children. Our programs seek to promote women and other marginalised groups to access opportunities and resources, as well as increased agency, including decision-making ability and more manageable workloads. We utilise an integrated whole of program approach to Gender and Social Inclusion outcomes across design, strategy development, intervention development, implementation, monitoring and evaluation.

Child Protection

Our livelihoods programming is designed so that parents, caregivers and working-age children have access to adequate support to strengthen their livelihoods. This contributes to the prevention of negative coping strategies, such as child marriage, and ensures that children are not only surviving but also thriving. Interventions are also designed to reduce the risks faced by children. We not only mainstream child safeguarding across all our programming, we also integrate broader child protection programming. This means that we partner with child protection actors to set up appropriate monitoring and



response system for incidences of violence and exploitation and ensure that households and communities have knowledge and skills to protect and nurture all children.

GRANT EXPERIENCE

Between 2017 and 2021, World Vision was awarded over \$1.67 billion through grants and contracts to undertake Livelihoods work. This includes work in disaster risk management, climate change mitigation and adaptation, economic development, women's economic empowerment and youth livelihoods. Our major donors included the US, British, European, Canadian, and Australian governments as well UN agencies and other international organizations such as the World Food Programme (WFP) and UN Food and Agriculture Organization (FAO).

ILLUSTRATIVE RECENT PROJECTS

Strengthen PSNP4 Institutions and Resilience (SPIR) Development Food Security Activity (DFSA)

The Strengthen PSNP4 Institutions and Resilience (SPIR) project in Ethiopia is a five-year (2016-2021) supporting the implementation of Phase 4 of Ethiopia's Productive Safety Net Programme (PSNP4) as well as delivering complementary livelihood, nutrition, gender and natural resource management. The project is expected to reach 526,444 participants in seven districts (or *woredas*) in Amhara, six in Oromia, and two in Southern Nations, Nationalities, and Peoples' Region (SNNPR). As of 2020, the project had facilitated approximately 16,500 savings groups members to access \$316,000 in loans and opened approximately 90 hectares of land for irrigation for hundreds of households to cultivate crops to feed themselves and others.



This project also trained farmers in feed preparation to cut feeding time in half and supported over 1,000 people to purchase poultry to improve income and nutrition.

The Most Missing Mile Project

Since 2018, the Most Missing Middle (MMM) project has offered larger (USD \$3,000 and above) Small and Growing Business (SGB) loans, business coaching and in some cases, targeted technical support in Ghana and Myanmar. So far, the project has assisted 1,398 clients to create larger-scale businesses with long-reaching livelihoods impacts in their communities. In 2020, VisionFund completed the second year of the programme with a disbursal of over US\$6 million, 56% of which has been disbursed to female clients. VisionFund conservatively estimated 8,469 jobs had been created from its supported MSMEs. In Myanmar, MSME clients employed on average 6.6 employees according to the sampled clients, whereas in Ghana the average reported number of employees sustained was 3.2 employees.

More Income Generated for Poor Families in Indonesia (MORINGA)

World Vision's MORINGA (2018-2022) project is an inclusive market systems project, funded by the Australian Government. The project is working to increase the income of farming households in Indonesia by facilitating commercial partnerships with private market actors within the maize, moringa and pili nuts value chains, while simultaneously building household productive capacity. So far, through the project, 987 farmers have been linked with the market through private sector partnerships and trained on business models and improved agricultural practices. Most farmers have increased their income. The highest percentage (of total adopters) being moringa seeds producers (90%). However, in terms of value, the maize intervention resulted in the largest increase in income per family (490 USD per HH).

EXPERTISE AND CAPACITY WITHIN WORLD VISION

In 2021, World Vision has over 622 global staff members dedicated to Livelihood's programming across 55 countries.^{II} The most recent personnel analysis report shows that 444 work in roles classified as Agriculture, Food Security and Livelihoods, 122 have roles specific to economic development, and 56 experts focus on natural environment and climate issues.

These staff members have completed almost 800 individual courses to become trained and competent to implement one or more of the core projects models. The on-line cohort courses are supervised and facilitated by World Vision's <u>Technical Academy</u>.

The Livelihoods Global Sector Team is led by the Global Sector Lead and supported by a team of four advisors who support design, monitoring, evaluation and research, external engagement and advocacy, knowledge management and capability, policy and strategy guidance, programme quality and innovation. To provide field support, the Livelihoods Technical Service Organisation Team consists of seven Livelihoods technical experts that deliver services spanning the breadth of WV's Livelihoods-related work

ODI 2013: The Geography of Poverty, Disasters and Climate Extremes in 2030, ODI, Met Office, RMS Report, London. p. vii

¹¹ From World Vision's OurPeople quarterly data analysis report of personnel registered under the Food Security & Livelihoods job family, 26 February 2021. Note that this report does not include Livelihoods personnel data for WV China or WV India or other offices not using OurPeople.