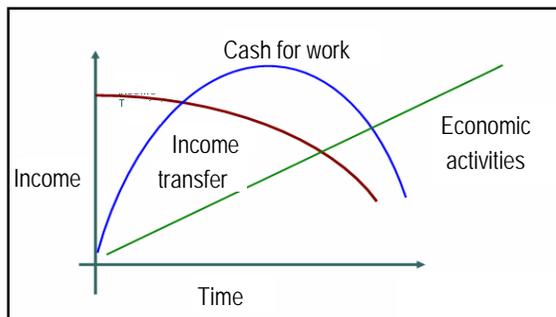


# Livelihood development in post disaster situations

It is estimated that almost 60,000 micro enterprises, employing approximately 275,000 people were totally destroyed by the tsunami disaster. How to approach by many development organizations livelihood development interventions typically adopted in post disaster context. These can be broadly grouped as follows.

- Immediate cash transfers to the affected communities
  - Cash for work programmes
  - Rebuild the economic activities



## Immediate cash transfers to the affected communities

This is considered as the preliminary tool in post disaster livelihoods development, where the affected communities have totally lost their ability to earn or have lost their breadwinners. Therefore, this would be the immediate recovery tool to be applied. This cash grant or transfer has to be clearly differentiated

from the immediate distribution of wet and dry food, clothes, medicine and shelter. However if this carried out for a



prolonged period, there is a danger of creating a dependency mentality among affected communities.

## Cash for work programmes

This is recognised as a mode of immediate income generation for affected communities, through active participation of public and community work. Such programme create livelihood opportunities for people who are willing and able to work within the affected communities. However it is advisable to use cash for work programmes only as a temporary mechanism, due to inherent weaknesses such as limiting the community's capacities to the role of labour force, the danger of commencing different types of work only for the sake of cash for work programmes, and losing of the sense of ownership & responsibility toward reconstructing their community infrastructure.

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## Rebuild the economic activities

This has been considered as the most sustainable approach in post disaster livelihoods development. Economic development in post disaster context differs to the “normal” context in that communities are vulnerable & living in a dilapidated environment & many suffer from states of mental depression. However while being empathetic to their situation, it is important that practitioners don't violate accepted business development concepts.

## Initiatives taken by implementing organisations

Govt.cash grants amounting to

- A total of 234,000 – An allocation of Rs. 5,000 per month for each household.

Through the RBC mechanisms the following benefits may be facilitated

- Creating business service and market linkages these services can be accessed as a ground which would increase the bargaining power of small producers.
- Resource mobilization – this include access to pooled resource including financial as well as physical such as equipment & Machinery.
- Computer capacity building – Networking providers to enable sharing of experiences and increase bargaining power with buyers & service providers, training e.g. entrepreneurship including generating business plans, applying for loans book keeping & marketing skills. In addition training for specific enterprise requirement sasy recycled paper products may be facilitated through the RBC.
- Village level livelihood coordination the RBC can be a central point for coordination of livelihood interventions within a particular village so as to avoid duplication and maximize the utility of resources.
- Rs. 375 per week (Rs.200 in case plus Rs.175) in rations to 881,000 persons.
- Susahana loan scheme of Rs.5 billion for micro, small and medium scale industries.
- A total of 1010 million rupees distributed to 2, 450 applicants.

- Rs.700 million loan scheme for micro industries via NGOs registered with the National Development Trust Fund.



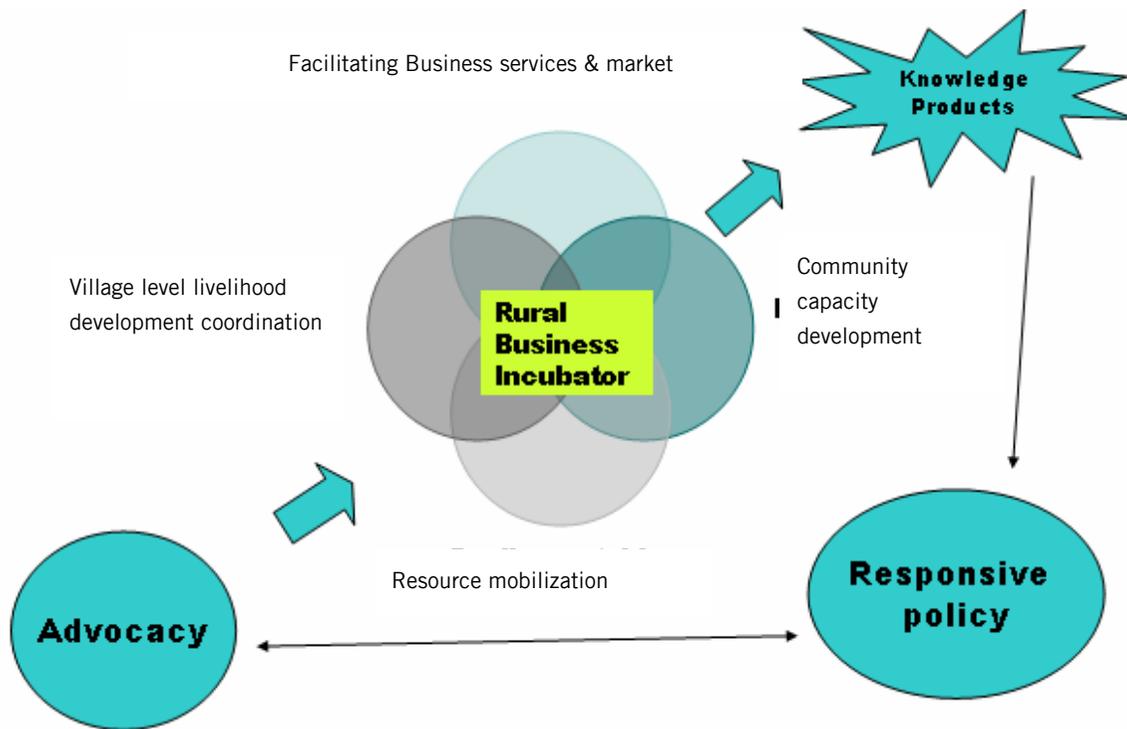
## Issues related to current rebuilding process

- Low awareness of the disaster resistance sustainable livelihood approaches.
- Confusion with regard to the three board post disaster livelihood development interventions & appropriateness for different stage in livelihood development of the three instruments mentioned above, that are used in livelihood development and their use in different time frames.
- Less attention on knowledge transferring, more focus on donation of physical assets.
- Less attention on value chain development, rather more concentrating on emphasis on isolated, production improvement aspects.
- Less consideration on inclusion of disabled, gender sensitivity, conflict sensitivity, etc.
- Duplications of efforts by various agencies.
- Lack of experiences and know-how of agencies engaged in rebuilding livelihood.
- Lack of consideration on participatory technology development.

## Practical Action’s approach includes

Practical Action proposes a post-disaster livelihood development programme that focuses long term economic development of the affected communities. Practical Action has been involved in designing and promoting a model of disaster resistant sustainable livelihood (DRSL) approach to development of post disaster livelihood. Community owned rural business collective model has been suggested to as a way of increasing access to asset bases that have been lost

also different in the sense that its purpose is not to provide a protective environment (through subsidies etc) businesses of rural MSE entrepreneurs could develop. Another key difference between the traditional business incubation centre and RBC is that it is managed by a management. Committee consisting of representative from within the community by the community. The RBC is more light touch approach deigned to provide necessary capacity building & support for potential rural business start ups.



by the disaster. According to the conceptual framework of Disaster Resistant Sustainable Livelihoods Development (DRSL) that has been developed by Practical Action, the community has to be mobilized to develop disaster resistant social and physical infrastructure within their locality. The RBC concept in a certain sense may be seen as an adaptation of the conventional business incubation models in way which is suitable the post disaster local context . Unlike traditional business incubation centre however RBC does not focus on providing a physical location within which rural entrepreneurs are provided with necessary infrastructure & services, although a building may be used for the main purpose of having a centrally accessible location to hold meeting, training & other related activity. It is

## What Practical Action can offer?

### Our Experience

- Developing community based collective marketing programmes.
- Participatory technology development with communities.
- Conducting participatory market chain analysis.

## Knowledge and information

- Marketing support that includes market research, branding and quality assurance assistance.
- Provide market linkages through the existing Rural Enterprise Network.
- Provision of information related to technology, marketing, business management and quality systems and product promotion activities.

## Training and capacity building

- Training on business idea generation, accompanied with positive thinking.
- Technology provision on food based enterprises and other enterprises.

- Business development training and business counselling.



# Statement of principles

An outline of Practical Action's core values and aspirations guiding reconstruction

## Introduction

All human activity is guided by a set of values and beliefs. Practical Action respects the diversity of human belief systems – social and religious – but has a set of principles underpinning all of its work. This section outlines the values and basic principles underlying the approaches and practices Practical Action adopts and encourages others to replicate.

## Putting people at the heart of reconstruction

Technology options adopted in reconstruction should be people-centred.

Technologies should concentrate on;

- what matters most to the people with whom we work,
- respect their rights, and
- Support their own efforts to improve the quality of their lives.

## Building in partnership

Poor people work hard to find their own solutions to poverty. In the aftermath of the tsunami it is evident that all sectors of society have suffered from the loss of life and possessions yet the economically disadvantaged are perhaps most vulnerable. Reconstruction efforts should;

Aim to give them access to information, knowledge and options - to identify their priorities and makes choices for themselves.

## Respecting diversity

Reconstruction efforts should respect basic human rights, regardless of differences in gender, ethnicity, caste, livelihood, religion or physical ability. The practical expression of this respect should be evident in the dialogue that takes place to inform planning and resource allocation, in designing and delivering the services that will contribute to rebuilding lives and livelihoods.

## Showing concern for future generations

Reconstruction efforts and the related technology choices should aim to be sustainable - economically, environmentally, socially and institutionally.