

Sustainable Livelihoods and Poverty Reduction

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Kamal Banskota

Typical household in the Daro hills, North East India

Adapting to a rapidly changing world is a challenge for people worldwide, but particularly for the people living in the marginalised mountain areas of the Hindu Kush-Himalayas (HKH). Mountain people, with their highly diversified livelihoods, are well placed to face these changes, but they are also exposed to additional challenges due to the inherent fragility and inaccessibility of mountain areas.

People who have secure livelihoods and enough options and opportunities to cope with changes are obviously better prepared to adapt to global climatic and socioeconomic change. Poverty is simply the absence of such (livelihood) opportunities, be they constraints on an economic or a social level. Generating options for sustainable livelihoods and reducing poverty is, therefore, the most effective way to adapt to the emerging changes triggered by global change.

ICIMOD's programme

ICIMOD, with its Sustainable Livelihoods and Poverty Reduction (SLPR) programme, will concentrate on developing and promoting options for the improved and sustainable livelihoods of mountain people in the HKH; options that do not threaten the environment in the mountains or the adjoining lowlands. Within the broader

framework of sustainable mountain development and poverty reduction, the SLPR strategic programme focuses on supporting the development of sustainable livelihood options through innovative rural income generation strategies and equitable stakeholder arrangements in order to promote the increased resilience that mountain people will need to face the challenges posed by global change.

ICIMOD's regional member countries have all developed strategies for poverty reduction under the framework of the MDGs (Millennium Development Goals) and various other plans for developing sustainable livelihoods. However, ICIMOD's extensive experience with mountain-related issues has shown that these policies need to be fine-tuned and placed within the specific context of mountain perspectives and imperatives to be

Drivers of Change for Livelihoods in the Himalayas

Mountain people in the HKH are increasingly exposed to growing physical, social, and economic threats. In the short to medium-term, three main and closely interrelated drivers of change can be identified which affect future livelihoods and must be considered when planning strategic interventions:

1. **Globalisation:** Increasing economic and social globalisation has implications for growing societal and cultural interdependence and connectivity, including an increasingly integrated market for products, services, and the workforce, which impacts on the livelihood options of mountain people and their expectations for livelihood outcomes.
2. **Population growth and migration:** Shifting regional population dynamics show slightly reduced population growth rates and strong rural-urban migration (both permanent and seasonal), leading to labour scarcity in mountain areas and a pronounced feminisation of labour in rural areas.
3. **Environmental change:** Environmental change induced by climate change is causing weather extremes, such as longer droughts, more frequent floods, erratic rainfall, higher temperatures, and milder winters, all of which affect the availability of natural resources and impact on agricultural systems.

relevant and to contribute effectively to sustainable development in mountain areas. Such mountain specific pro-poor strategies should be aimed at empowering mountain people to meet the various challenges and temptations posed by globalisation and to be able to profit from them without compromising their own local livelihoods and values, or the environment.

ICIMOD will promote strategies, options, and opportunities specifically aimed at the rural poor in the HKH by closely monitoring the poverty situation and its drivers, conducting in-depth analyses of potentials, and promoting concrete solutions aimed at reducing poverty and vulnerability in an equitable manner. The promotion of niche products, value-added services, and the innovative and equitable use of emerging potentials are at the centre of our planned activities. These activities will result in the promotion of tested technologies, sustainable and equitable institutional arrangements, and improved policy options.

Mountain opportunities

The SLPR programme will concentrate on opportunities arising from mountain-specific conditions and based on the high diversity of mountains, such as on-farm and off-farm niche products and options for value addition, as well as on the outcomes of ecotourism and migration. Particular attention will be given to the interdependence between upstream and downstream livelihoods, rural-

Sustainable Livelihoods and Poverty Reduction Programme

The SLPR programme will pursue the following four outcomes:

1. Empowered mountain communities, especially poor people and women, through enhanced livelihood options and the support of equitable institutional arrangements
2. Enhanced and diversified income opportunities for mountain people created by tested technical and institutional innovations
3. Improved well-being of mountain people through the establishment of efficient and equitable market linkages for mountain niche products and services
4. Improved sustainable livelihoods, increased equity, and reduced poverty for mountain people facilitated by the promotion of evidence-based mountain policies

urban linkages, value chains, and market dimensions. Strong emphasis will be placed on the unique livelihood opportunities afforded by the region's rich natural and cultural diversity and associated traditional knowledge. Impediments that stand in the way of mountain people reaping the full benefit of their unique environment will be addressed. This may include making the medicinal plant market more transparent, supporting the use of social and ecological branding for niche products, and making the best use of resources to improve livelihoods, including the validation of equitable sharing of environmental services generated by the (non) use of resources. Overall, aspects of equity will be considered in all suggested interventions to avoid the further feminisation of agriculture-based labour and the increased marginalisation of minority groups.

Special focus areas

Women and men both play essential roles in sustainable mountain development. However, the contribution of women is not fully acknowledged and they are still marginalised in overall development initiatives. This lack of recognition translates into unequal access to resources, financial services, assets, rights, legal protection, information, health services, and other social services, and ultimately prevents them from participating effectively in the decision making that shapes economic and social development initiatives and from benefiting equally from these initiatives. Through its Gender Mainstreaming and Governance Unit, SLPR will work in close collaboration with ICIMOD's other major programmes to ensure that all interventions and activities are sensitive to gender issues and support good governance practices from the local to national level.

The World Bank development indicators show that in 2006 between 47 and 83 per cent of the population in

Multiple Livelihoods in the Himalayas

Nima Limbu is 26 years old and living in a mid-altitude village in the central Himalayas. She has been married for nine years and has two children aged seven and five. For the last seven years, her husband has worked as a construction worker in Abu Dhabi. During this time she has seen him only twice, when he came home for holidays. He is able to send some money home at irregular intervals and calls her at least once a month as their neighbour has a telephone line. She is member of a women's group that provides micro-credit, which is supported by a national NGO. She also represents the household at community forest user group meetings to ensure access to firewood, fetches water from the nearby well, pays the children's school fees, and maintains social obligations with relatives and neighbours. Maintaining their farm's agricultural production is very difficult. Besides her household chores, she works a lot on their farm. As agricultural labour is hard to find and expensive, she decided to leave the distant and less productive fields fallow. However, distant family members and neighbours still have to help her during the planting and cropping season. With some savings and a loan from her women's group, she was able to buy another cow and she sells the milk to the nearby collection centre. This small but stable income is used to pay the additional schooling costs of her children. She is dreaming of her husband coming back with enough money to build a new house and of having enough money to send their children to a good school in the capital.

HKH countries lived in poverty (and between 17 and 36 per cent lived in absolute poverty). However, specific documentation and analysis of the poverty dimensions in the mountains, where the problem is even more pronounced, is missing. Through its Economic Analysis Unit, ICIMOD will monitor and analyse the poverty situation and its main drivers, and develop data that is

relevant to designing policies that will improve the livelihoods of mountain people. The Economic Analysis Unit will also serve as a focal point for economic competence in relation to a variety of crosscutting issues related to the valuation of environmental services, value chain analysis, poverty analysis, policies, and others.