

# Participatory Livelihoods Monitoring

Linking Programmes and Poor People's Interests to Policies

Experiences from Cambodia



Martin Strele, Kristin Höltge, Markus Fiebiger, Jacqueline Were, Anke Schulmeister  
with contributions from  
Lioba Weingärtner

March 2006



**FOOD AND AGRICULTURE ORGANISATION OF THE UNITED NATIONS**

**Livelihood Support Programme (LSP)**

An inter-departmental programme for improving support for enhancing livelihoods of the rural poor.



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This paper was prepared under contract with the Food and Agriculture Organisation of the United Nations (FAO). The positions and opinions presented are those of the authors alone, and are not intended to represent the views of FAO.

## **The Livelihood Support Programme**

The Livelihood Support Programme (LSP) evolved from the belief that FAO could have a greater impact on reducing poverty and food insecurity, if its wealth of talent and experience were integrated into a more flexible and demand-responsive team approach.

The LSP, which is executed by FAO with funding provided by DfID, works through teams of FAO staff members who are attracted to specific themes being worked on in a sustainable livelihoods context. These cross- departmental and cross-disciplinary teams act to integrate sustainable livelihoods principles in FAO's work, at headquarters and in the field. These approaches build on experiences within FAO and other development agencies.

The programme is functioning as a testing ground for both team approaches and sustainable livelihoods principles.

**Email:** [lsp@fao.org](mailto:lsp@fao.org)

## **Participation, Policy & Local Governance sub-programme**

The main goal of the participatory policy reform sub-programme is to identify ways to enhance the participation of the poor in policy making processes. It is trying to improve methods to develop trust among multiple stakeholders and broaden the participation of local government, private sector and civil society organizations representing the interests of the rural poor in policy making.

Local people, especially poor and marginalised groups, often have very weak or only indirect influence on the policies that affect their livelihoods. Policies that are developed at central level are often not responsive to local needs and do not provide the rural poor with the access to assets and services that they need to improve their livelihoods.

**Email:** [lsp-pplg@fao.org](mailto:lsp-pplg@fao.org)

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## Executive Summary

In development cooperation the challenge of monitoring and evaluation of outcomes and impacts of project interventions gains more and more importance as the shortcomings of observing the output-level become obvious. The major problem of assessing the outcomes and impacts of development cooperation is the difficult attribution of project interventions to the changes of the actual situation.

Focussing on outcomes and impacts of project interventions at the household level, the Sustainable Livelihood Approach provides a suitable set of principles. Observing human, natural, physical, financial and social assets at the same time, enables the description of the complex nature of cause-effect-relationships that shape the quality and sustainability of people's livelihoods.

### Two different approaches of monitoring and evaluating impacts

Different approaches on overcoming the so-called attribution gap between projects' interventions and their impact on the livelihoods are applied in project planning, management and evaluation.

One approach follows the planning logic of projects, attributing inputs to activities, activities to outputs, outputs to outcomes, and outcomes to impacts: the so-called impact-chain (or results-chain) approach. This approach fits perfectly well into the traditional planning logic of projects but has limitations of attributing effects from outcome level upwards.

Another approach starts at assessing the situation and its trends and changes in a participatory manner and later strives to attribute the observed changes to the effects of project interventions. This approach takes the opposite direction and follows the impact chains from top to bottom. Its advantage is the more reliable attribution of project outcomes to impacts. Limitations arise out of the precondition of relying on already surfaced actual changes of the situation, which can be attributed to project activities. This approach is therefore more suitable for evaluation exercises and can hardly be applied for monitoring purposes.

### A systemic approach for livelihood monitoring

On the basis of the second approach, a new methodology was developed to allow for participatory impact monitoring. This new methodology also starts with participatory assessment of the livelihood situation. In a second step not only the livelihood situation but also the livelihood system is analysed. Participatory methods and methods of Systems Thinking are combined. The most important factors, which determine the livelihood situation are assessed, their interrelations analysed and the most critical factors for the livelihood system identified. In a third step the methodology assesses the effects, certain projects or project interventions have on the changes of the livelihood situation. A special focus lies on the crucial factors and how they are influenced by the project intervention.

A simple tool for aggregation of the results is included in the methodological sequence, allowing for the comparison of different project interventions and their effectiveness and efficiency in triggering positive changes of the most critical factors of the complex rural livelihood systems.

The method was tested in eight villages in Cambodia and the results have the potential to help steer project interventions towards achieving the desirable results and impacts. The methodology can be used for project monitoring and also for strengthening policy dialogue and decision-making. The application for policy dialogue and decision-making is described in this working paper on the example of Cambodia and its decentralisation process.

# 1. Introduction and Context

## How to Use this Document

This Livelihood Support Programme (LSP) Working Paper is the result of a follow-up on an extensive research study undertaken in Cambodia. Results of the study were the development of a participatory and results-oriented monitoring methodology and suggestions to overcome basic communication gaps between the rural population and decision makers on different administrative levels.

The aim of this LSP Working Paper is to provide a **simple** and **hands-on** insight into the developed methodology and the suggested strategies to overcome the identified communication gaps. It should therefore serve as a **guideline for practitioners** who wish to apply a participatory and results-oriented monitoring methodology in their various project contexts.

The general framework and results described in this LSP Working Paper reflect the unique situation of coastal Cambodia. Nevertheless, the described methodology can easily be adapted to other circumstances. The specific focus of the Cambodian research study was on agricultural activities and on poverty and food security. Adaptations for other contexts will need some amendments of the methodology and procedure. Anybody with experience in participatory monitoring and evaluation will find it easy to adjust the process for other circumstances. For a more detailed insight, the full study report can be ordered at <http://www.berlinerseminar.de>

Chapter 2 of this paper gives a brief overview on the background and growing demand for results-orientation of development activities. It concludes with the description of the approach chosen for the development of the presented methodology.

Chapter 3 describes the sequence and the different steps of the developed methodology in detail. Example sheets from a Cambodian village serve as sample and should provide a more lively insight into the application of the methodology. A special focus is laid on the aggregation of the village level data. A simple Excel Spreadsheet tool, which is also described in chapter 3, was developed for this purpose. The file itself will be available for download soon. Everybody interested is invited to use it.

Chapter 4 highlights the matter of communicating the findings from the use of the methodology at village level for policy and decision-making.

A summary of conclusions and recommendations rounds up this paper in chapter 5.

## The Context: The PFSM Study and the Case of Cambodia

Together with Cambodian partners, the FAO Livelihood Support Programme, Sub-programme on Participation, Policy and Local Governance (PPLG) through the National Programme for Food Security and Poverty Reduction (NPFSPR), supported by FAO and GTZ Rural Development Programme (RDP), as an integral part of the Community Based Rural Development Project (CBRDP) jointly commissioned a study on "Poverty and Food Security Monitoring – Linking Poor People's Interests to Policies" (PFSM). The GTZ supported Food Security and Nutrition Policy Support Project (FSNPSP) was a collaborating partner in the research study. The study was conducted by a team of five junior professionals and a team leader from the Centre for Advanced Training in Rural Development (SLE) at the Humboldt University of Berlin, Germany, called the PFSM team hereafter. A Cambodian team of five graduates led by a Cambodian team leader supported the PFSM team.

The focus of this applied research study was the development of a methodology that enables the assessment of outcomes and impacts of project/programme activities within the areas of poverty reduction and food security at an early stage of implementation.

The PFSM study was conducted in Kampot Province in the South of Cambodia. This province was chosen because both commissioners have been implementing projects in the province. NPFSPR has been active in the area since 1998 and CBRDP since 2001. Kampot Province has a size of approx. 4,900 km<sup>2</sup> and a population of approx. 590,000 people with an annual population growth of 1.27%. The poverty level ranges between 25-75 % in the province (www.nis.gov.kh). The province is predominantly rural and agricultural activities are dominated by fish-rice systems on the coastal belt and rice cultivation in the rest of the lowland areas.

## Poverty, Food Security and the Sustainable Livelihoods Approach

In the context of the PFSM study, poverty was defined in the broader context of the sustainable livelihoods approach to describe the living conditions of the rural population, including poor people. According to Amartya Sen, poverty is a complex, multifaceted world that requires a clear analysis in all of its many dimensions. The poor generally lack a number of elements, such as education, access to land, health and longevity, justice, family and community support, credit and other productive resources, a voice in institutions, and access to opportunities (Sen 1982).

Based on a thorough analysis of socio-economic developments since the beginning of the 1990's (World Bank 2000), including poor people's understanding of poverty, the World Bank describe poverty as a multidimensional phenomenon with many faces, changing from place to place and across time. It is not just about consumption patterns, but an integral concept of human development.

This complex nature of poverty is often operationalised through the Sustainable Livelihoods approach. In this context, poverty can be considered as a "poor" livelihood outcome, based on an unbalanced set of livelihood assets, unable to sustain shocks, changes or trends. A livelihood can be defined as "*capabilities, assets and activities required for a means of living*" (DFID 2004).

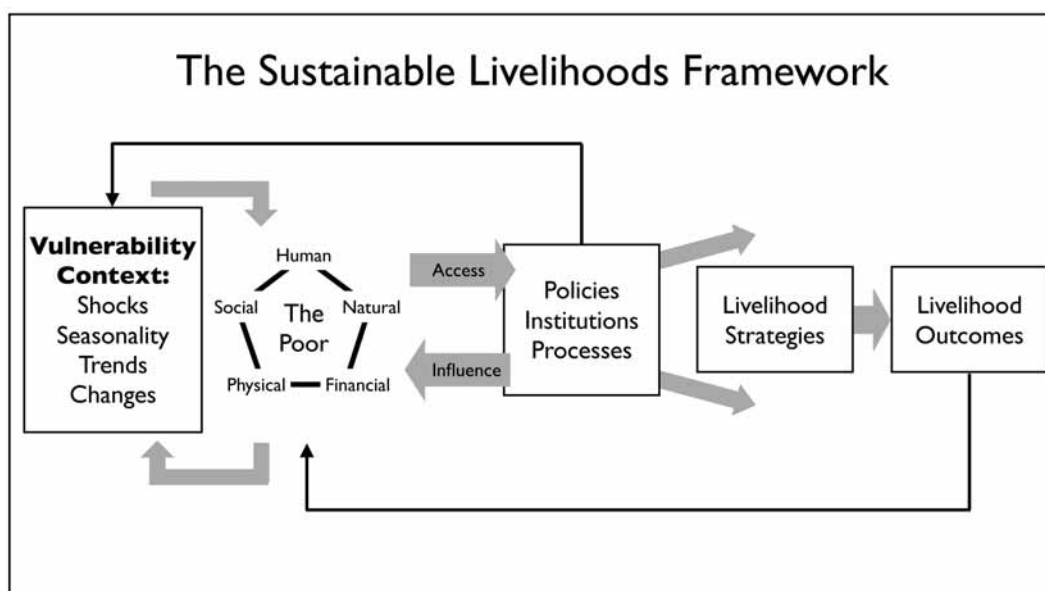


Figure 1: The Sustainable Livelihoods Framework (DFiD 2004)

## 2. A Participatory and Systemic Approach to Results-Oriented Monitoring

### Results Based Management and the Problem of Attributing Project Interventions to Results

Projects - and especially development projects - are financed and implemented to achieve measurable changes of the situation, e.g., a reduction of poverty or better food security for the target population. Within the logic of project management the achievement of outputs is usually the level of achievement which is targeted and monitored. In recent years, there are growing, multiple and high demands for a new way of management focusing on outcomes and impacts rather than on outputs: an approach called Results Based Management (RBM) or Managing for Development Results (MfDR).

*"[RBM is] ...an approach aimed at achieving important changes in the way that organizations operate, with improving performance in terms of results as the central orientation. It provides the management framework and tools for strategic planning, risk management, performance monitoring, and evaluation. Its main purposes are to improve organizational learning and to fulfill accountability obligations through performance reporting."*  
(OECD-DAC 2006:8).

Within the broad field of management strategies this paper centres its interest on the issue of monitoring, which is

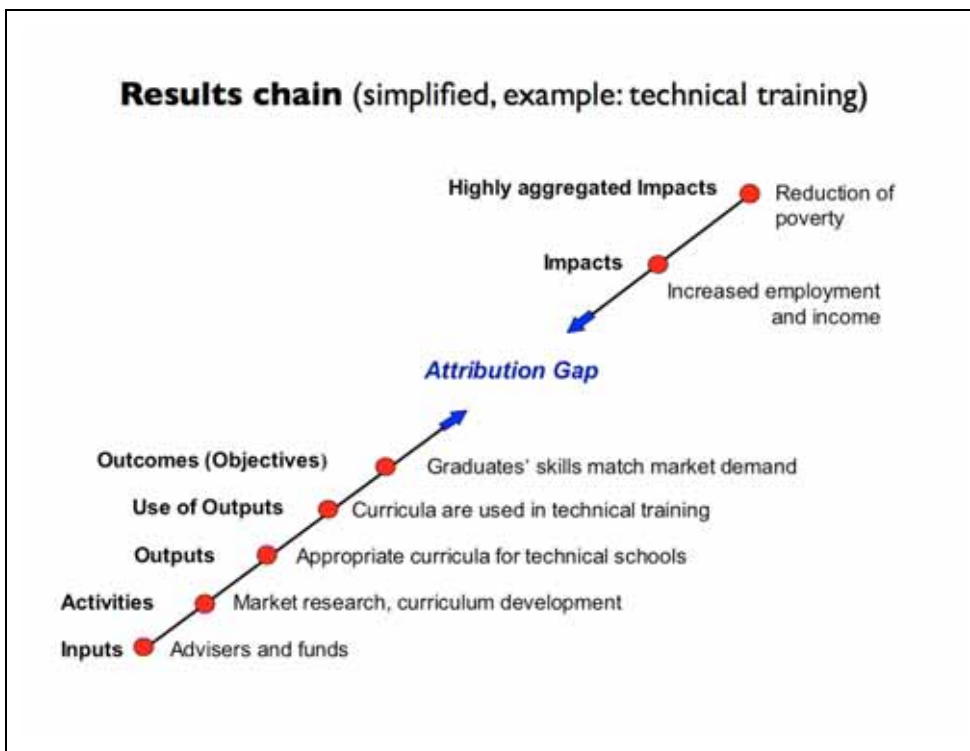
*"A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds."*  
(OECD-DAC 2002:27f).

In the following sub-chapters two different approaches for results-oriented monitoring will be introduced and the approach of this paper will be elaborated. The first approach is based on so-called **results chains** and is being widely discussed and introduced in development cooperation these days. The other approach is a **systemic approach** to better cope with the complex nature of the problems, which development programmes intend to address.

#### The Logframe Based Approach of Results Chains

Results chains describe the necessary causal sequence of a development intervention to achieve desired objectives beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts and feedback." (According to DAC 2002 and GTZ 2004).

The following figure gives an example of the results chains logic and the challenging gap between the actual project intervention and the achieved impacts.



**Figure 2: Simplified logic of a results chain (GTZ 2004)**

*“The design and planning of any project/programme are usually based on results hypotheses, i.e. assumptions concerning the links between interventions and results. The results model (= logframe) also contains such assumptions, in that it shows how the project/programme outputs will be used, and which beneficial results are expected.” (GTZ 2004:11).*

As the quotation implies, project planning is usually based on hypotheses and relations that seem to be plausible. Therefore it is important for results based management constantly to screen the project progress in order to find out whether the hypotheses of the logframe were correct and whether the results will be achieved or need adjustment. Such a screening is the task of “results based” or “results-oriented monitoring and evaluation”.

An important element of almost all M&E systems is a set of indicators which try to describe and/or measure the condition or change of specific facts or issues. By combining a results chain (which displays the logic of a project to reach outputs, outcomes and impacts) with indicators (by assigning defined indicators to every element of the results chain) a widely recognised method for results-oriented M&E is created. At present, results chains in the combination with indicators are a widely promoted instrument in results-oriented M&E of development projects.

The chains provide a good overview of the complexity of the project logic. With a precisely formulated results chain, in combination with accurate indicators, it is also relatively easy for project management to find out whether the logic is correct or which points need rethinking or adjusting. Sound indicators also have the advantage of providing qualitative as well as quantitative data. Up to the level of “use of outputs” (see figure above), attribution is relatively easy in most cases. However, as we climb up to the levels of “outcomes” and “impacts”, **external factors** that cannot be (or are not) influenced by projects become increasingly important. The **attribution gap** widens to an extent where the observed changes cannot be directly related to project outputs any more (GTZ 2004:8).

For this reason projects usually put their system boundary below the attribution gap at the level of direct benefit where observed development change can still more or less be directly related to interventions. However, projects are initially established to generate impact above the level of direct benefit and very often are asked to prove their contribution to reach such overarching goals (e.g., the Millennium Development Goals).

This is where the dog might start chasing its own tail: Plausibility hypotheses are used to show that a project design, based on logical hypotheses, creates impact. But even if a project was able to identify a set of indicators which, apart from measuring impact, also allows one to exactly identify the exclusive contribution of a specific intervention, there still might be another problem: **"Data collection is expensive**, so select only those indicators that represent the most important and basic dimensions of the results sought" (WFP 2003:17).

To look at impacts like increased incomes or reduced poverty, one may be able to draw on national statistics or census data. But to relate them clearly to a project intervention they have to be very detailed and representative all the way down to the actual regions where the project is implemented. In many developing countries this kind of **data is not available**. In addition, it is often collected in great intervals only, so that it could only be used for evaluation purposes, but not for continuous monitoring.

Another problem of creating a monitoring system based on results chains and indicators is that results chains only provide a **limited view into the complex cause and effect relations** of (rural) livelihoods.

Taking into account these limitations of the results chain and indicator based monitoring approach, the PFSM study has developed a new methodology complementing the results chains with a systemic approach in order to bridge the attribution gap and make project intervention related monitoring possible at all results levels in an open and participatory manner.

## **The Participatory Approach of Assessing the Situation and Later Relating Project Interventions' Effects**

A different approach to results-oriented monitoring is applied by a method called "MAPP - Method for Impact Assessment of Programmes and Projects" (Neubert 1998 and 2004). This approach uses a participatory process and turns the results chain logic described above upside-down. It starts by **assessing the livelihood situation** of the poor and its trends and changes. It is this situation that a project intervention wants to have an impact on. In a second step the method strives to **assign effects** of certain interventions or activities to the observed changes in the livelihood situation.

This approach seems to be more suitable for assessing outcome and impact level effects of project activities. Nevertheless, it has one limitation. The application of this methodology relies on **already surfaced actual changes** of the situation, i.e., on actual impacts. Because these kinds of impacts are usually achieved on a mid- or long-term basis, the approach is not suitable for monitoring of project effects. MAPP needs actual changes of the situation that can be attributed to the respective project activities. Yet, monitoring is meant to provide immediate and up-to-date information on whether or not an activity is on track to achieve actual changes to assist management in project steering. It should be applicable from the moment the implementation of a project activity starts.

## The Challenge of a Participatory and Results-Oriented Monitoring Approach

With respect to these facts, the PFSM study applied a methodological approach that goes one step further. It uses the participatory mindset of MAPP and basics of “Network Thinking” (Vester 1976) or “Systems Thinking” (Forrester 1960) to develop a monitoring tool that addresses the outcome and impact level. This approach also enables the estimation of timely – and therefore monitoring relevant – information on the effects, interventions (may) have on the livelihood system and therefore most likely later on the livelihood situation of the poor.

“Network Thinking” or “Systems Thinking” provides the necessary tools to establish a web of factors which influences a system and describes their interrelations. It helps identify those factors within this web, which play a crucial role in triggering changes within the system. These **crucial factors** have to be considered in all interventions in order to initiate actual changes of the system.

In the PFSM study the two approaches of MAPP and systems thinking are merged into a results-oriented methodological concept, which also includes a tool for aggregation of the information, collected at village level. This concept was tested in eight villages and is described in the next chapter.



Figure 3: Group of participants in one of the PFSM villages in Kampot Province

### 3. The Methodology for Results-Oriented Monitoring

#### Methodological Sequence

The core of the PFSM study was the development of a simple, down-to-earth, fast, and reliable methodology for results-oriented monitoring of project activities. The participatory approach of the methodology implies that data collection is done at village level, where the actual changes on the livelihoods of the target group can be observed. A specially designed aggregation tool, which can be applied at the end of data collection, (and after the analysis of individual village situations) provides monitoring results for higher administrative levels. The four different phases of the methodological sequence are described in detail in the following sub-chapters.

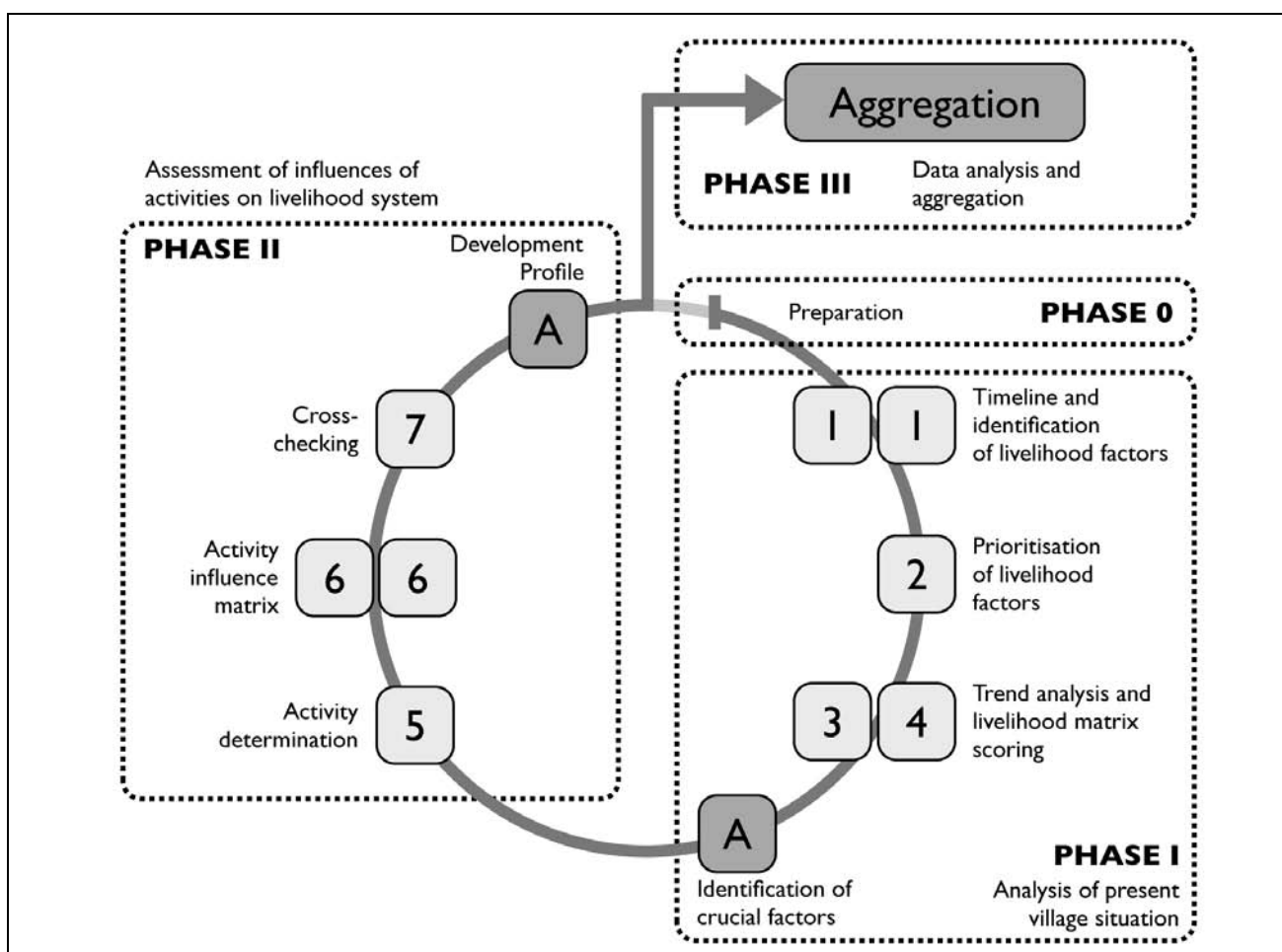


Figure 4: The methodological sequence

#### Phase 0: Basics, Preconditions and Preparation

The initial Phase 0 covers all preparatory steps required before the field application of the methodology. A first step includes the **sampling** of an appropriate number of villages (or communities). The villages should be chosen according to the objectives and the available resources of the monitoring exercise.

Another preparatory step is the **selection and training of the survey team**. Parts of the methodology require strong facilitation and group moderation skills. Therefore, it is essential to set up a survey team with



experience in the application of PRA tools in rural areas. Each village session needs a team of at least two facilitators, with at least one of them being a native speaker of the lingua franca of the population.

At this point it is necessary to take care of **organisational aspects of the field survey**. Representatives of each village need to be informed about the objectives and requirements of the monitoring exercise, **two focus groups** need to be set up in each village and the logistic schedule for the survey needs to be elaborated.

The most critical part for the success of the data collection in the villages is the **setting up of focus groups**. Generally, the composition of these groups can be organised according to the specific objectives of the survey (e.g. poverty reduction with one group of poor households, gender issues with one group of women representatives, etc.). In the case of PFSM a special reference on poverty reduction could be tackled by setting up one group with members of “most vulnerable households- lists” which are available in Kampot Province on commune level. The other focus group was chosen among major village stakeholders. Each focus group consists of seven to ten participants. Together the group of participants should reflect a typical cross-section of the population. The total number of participants in each village ranges from 14 to 20 people.

Another important fact is the **suitable timing** of data collection in the villages. The sessions should not be conducted during times of the year when the work load of the villagers is very high (e.g. rice transplanting during rainy season). Each session in a village should not exceed half a day, as the sessions need the concentration and full attendance of all participants. The daytime schedule of villagers should be taken into account when choosing the time for focus group discussions.

Before discussions in the villages are conducted, a **pre-test** in a typical village is advisable to train the survey team on a real-life example, as well as to test the applicability and adjust the methodological steps to the local situation.

The focus group discussions start by introducing the team and the objective of the exercise. It is important to make clear to the participants, that the monitoring exercise will not end up in additional projects but help improve the ongoing activities. Materials needed for all methodological steps are paper, pens, stones for scoring exercises and other typical materials needed for facilitation of focus group discussions. According to the specific circumstances, suitable refreshments for breaks have to be organised.

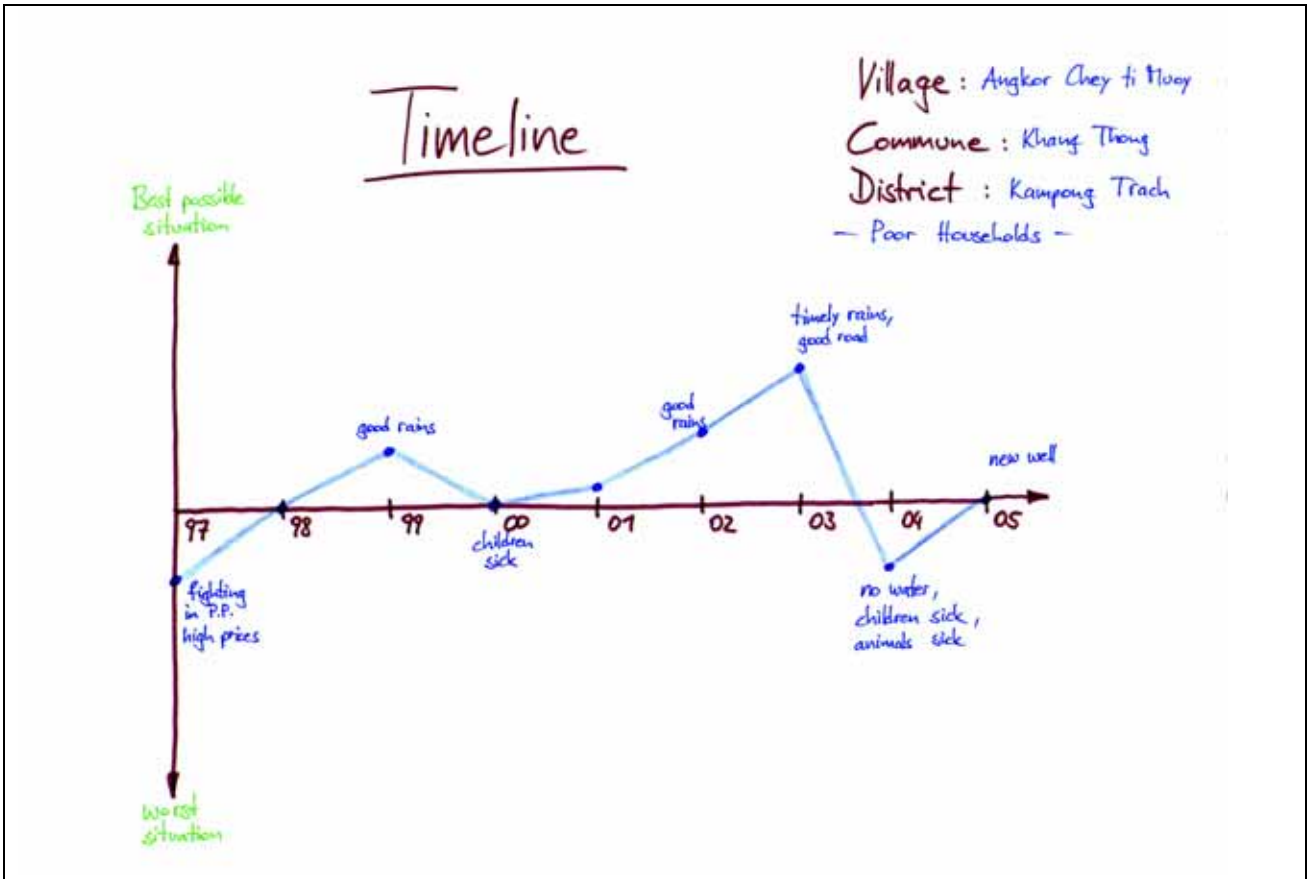


Figure 5: Timeline Exercise with group of poor households between 1997 and 2005

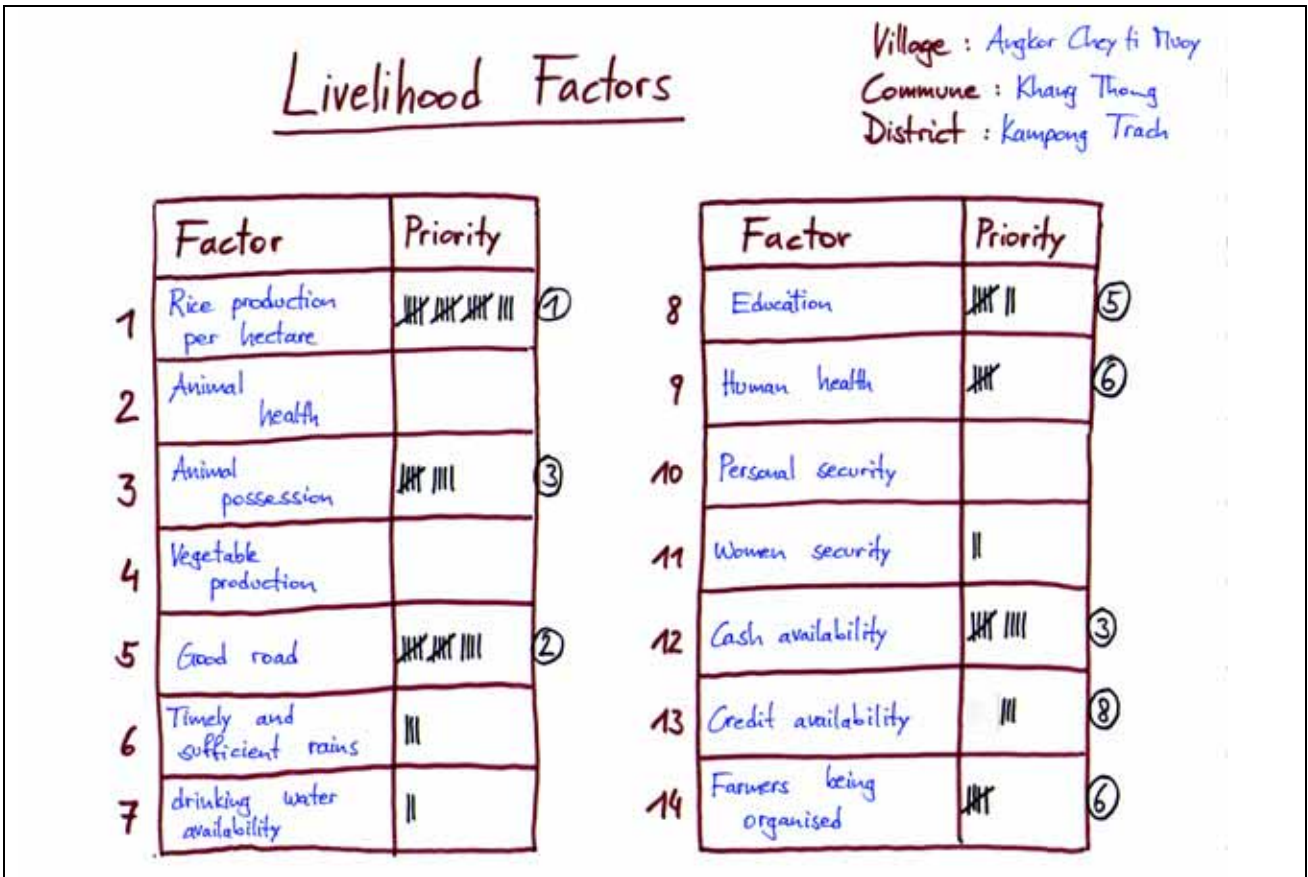


Figure 6: Collection of livelihood factors and prioritisation

## Phase I: Analysis of the Present Situation

### Step 1: Timeline and Identification of Livelihood Factors

**Procedure** (for two parallel working groups):

The facilitators explain the idea of a timeline with a prepared example timeline. The prepared sheet for the timeline exercise consists of a horizontal time scale including major events of recent years and a vertical scale ranging from the worst possible situation to the best possible situation (see example on the left page). The exercise starts with identifying the present situation on the scale from the best to worst situation. Villagers are asked to place a stone at the level they assess the present situation. Reasons for the position are noted in the chart, discussion among the participants is facilitated. After agreement on the position the level of the year before is assessed in the same way. Was last year better than now, or was it worse? What are the reasons? What made the general situation better or worse? The focus always has to be drawn to the general village situation and not to the fate of one individual. In doing so, the timeline is filled with stones and reasons back to the beginning of the study period. At the end of the exercise the positions of the stones are connected with a line and the result finally discussed in plenary.

What	How
Objective	To introduce the methodology to villagers and to identify major changes in the village situation over the past years
Materials	two prepared sample-timelines, two empty timelines
Group	1 group of major village stakeholders; 1 group of members of "most vulnerable household lists"
Time	45 minutes

### Step 2: Collection and Prioritisation of Livelihood Factors

**Procedure** (plenary session)

After comparing the two timelines of step 1 and discussing the differences, a plenary session is undertaken to identify the "livelihood factors" which shape the village situation. Starting with the reasons given in the timelines (e.g., good rains, bad road, etc.) positive formulated factors that "make the village situation desirable" are collected (e.g., timely and sufficient rain, good road, etc.). There are no limits in the collection of factors. Everybody is encouraged to come up with important factors. One of the facilitators moderates the discussion and takes notes on flip-charts while the other makes sure that all five livelihood assets (human, physical, financial, social, natural) are covered by the factors being mentioned. The livelihood factors have to be formulated precisely and clearly together with the participants. After the list of livelihood factors has been completed, the factors are prioritised by the villagers: each participant has four marks which can be placed to those livelihood factors which are important for the village situation from his or her individual point of view. Finally, all marks are counted and the eight most important factors are presented to the villagers. In a final discussion agreement about the eight most important factors is sought.

What	How
Objective	To determine the most important livelihood factors for the village
Materials	timelines of step one, empty table
Group	Plenary session
Group size	14-20 people
Time	50 minutes

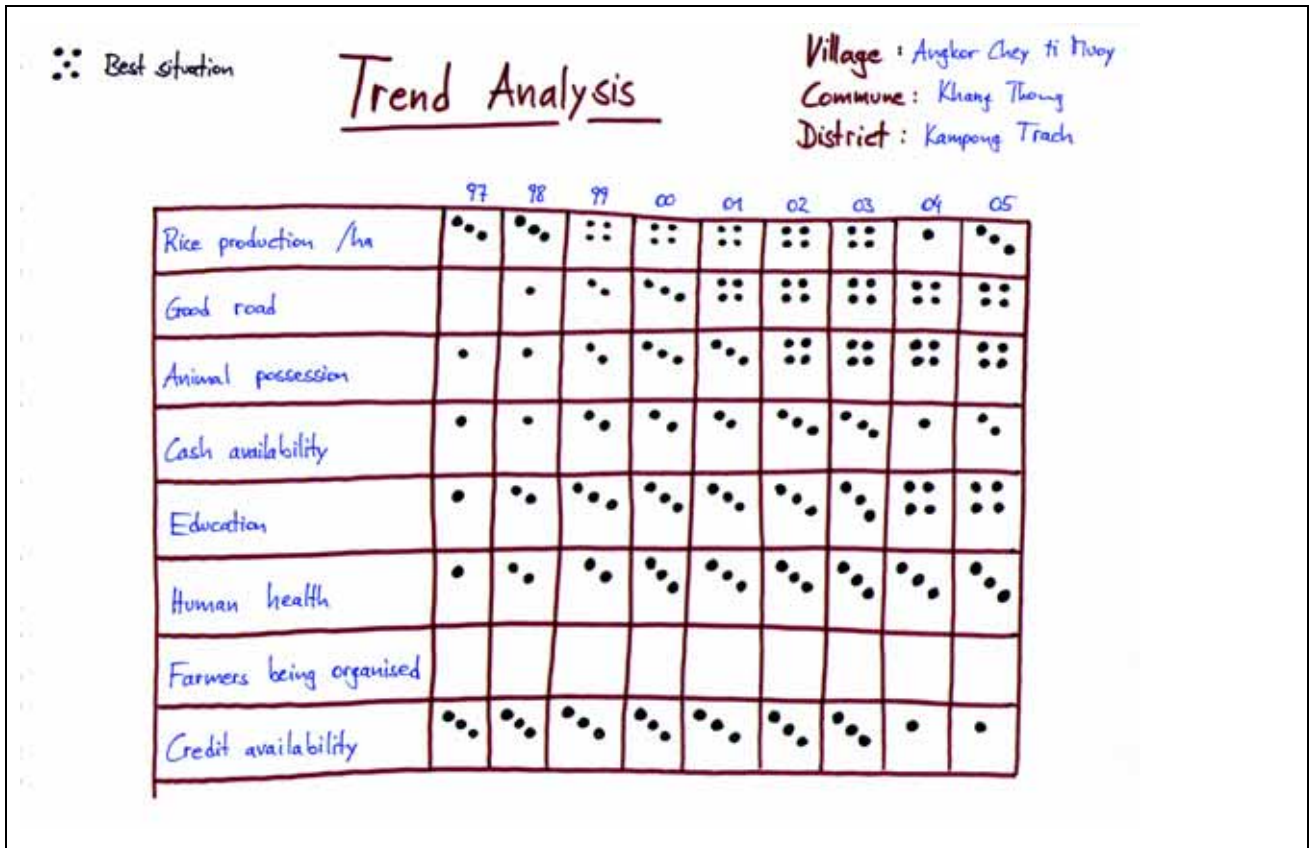


Figure 7: Trend analysis for the eight most important livelihood factors

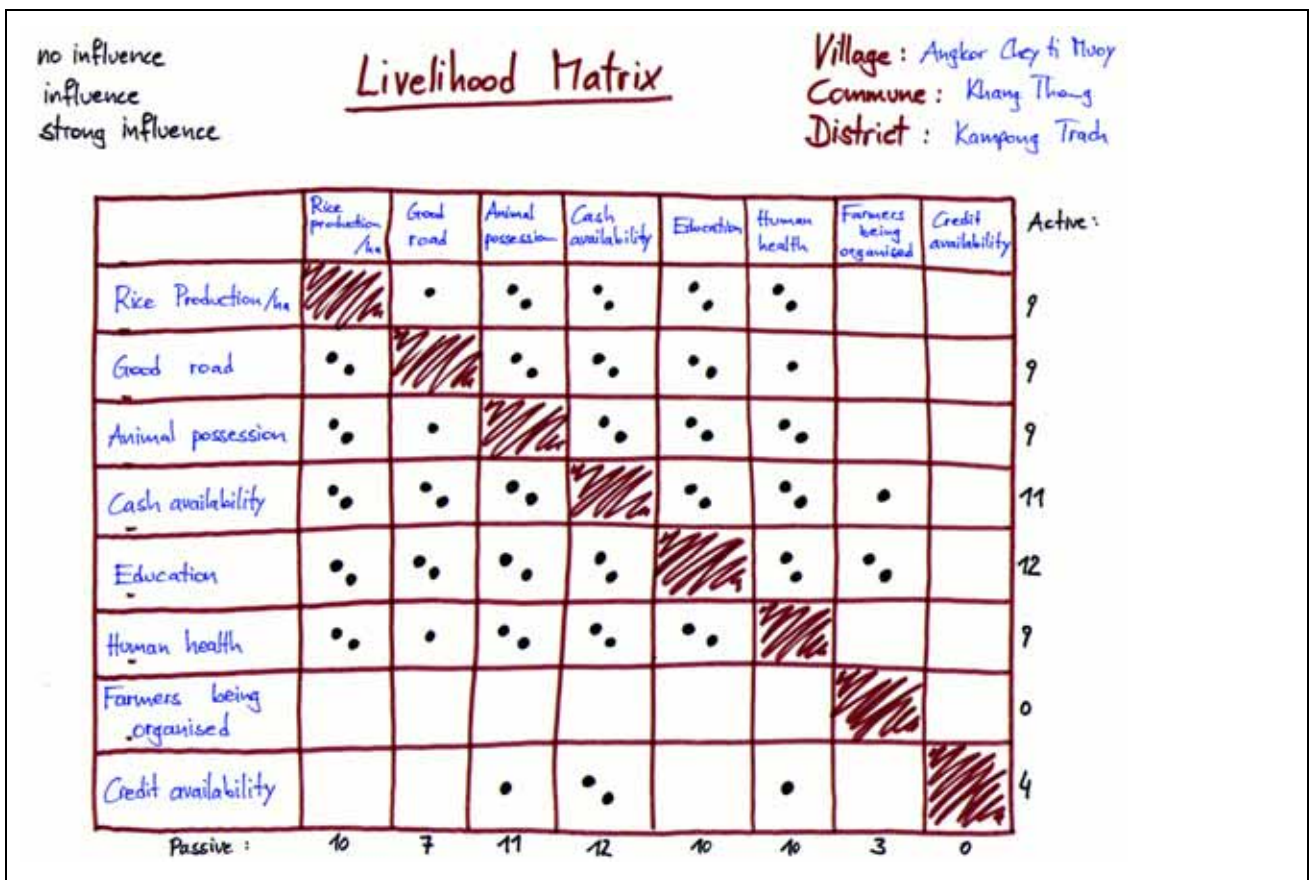


Figure 7: Livelihood matrix scoring exercise

### Step 3: Trend Analysis

#### Procedure:

After a short break to give the facilitators time to fill the eight most important livelihood factors into the prepared tables for the next steps, step 3 aims at assessing the trend of each of the livelihood factors during the selected time period. Scoring is again done by placing stones (or beans, seeds, etc.) in boxes for each livelihood factor and each year respectively. No stone describes the worst possible situation. Five stones represent the best possible situation. Reasons for and comments about the scoring of the group are noted in the respective box. The exercise is undertaken one row at a time. After finishing with all eight livelihood factors the number of stones can be marked with pens to document the results. See example trend analysis on the left side of the page.

What	How
Objective	To analyse the trends of all livelihood factors during the selected time period
Materials	Prepared table where the eight livelihood factors are inserted ranked according to priority
Group composition	One mixed group (half of major village stakeholder and half of "most vulnerable households" group), the other group is working on step 4
Group size	7-10 people
Time	60 minutes

### Step 4: Livelihood Matrix Scoring

#### Procedure

Parallel to step 3, the other group of participants identifies the interrelation of the eight most important livelihood factors. Beginning with the first row the question in the example on the left is: What influence has the rice production on the quality of the road? If there is no influence, no stone is placed in the respective box of the table. In case of a moderate influence, one stone. In case of a strong influence, two stones shall be placed by the group of participants. The facilitators note the reasons given for the influences into the respective boxes and moderate the group discussion. After finishing one row (assessing what influences the rice production has on all other livelihood factors), the next rows are evaluated until the influences of all factors on all others are assessed. This exercise requires good moderation skills and is very demanding for the participants. Keeping the group discussion lively and making sure that all group members participate in the exercise are the challenges for the facilitators.

What	How
Objective	To identify the interrelations between the different livelihood factors
Materials	Prepared table where the eight livelihood factors are inserted ranked according to priority
Group composition	One mixed group (half of major village stakeholder and half of "most vulnerable household" group)
Group size	7-10 people
Time	60 minutes

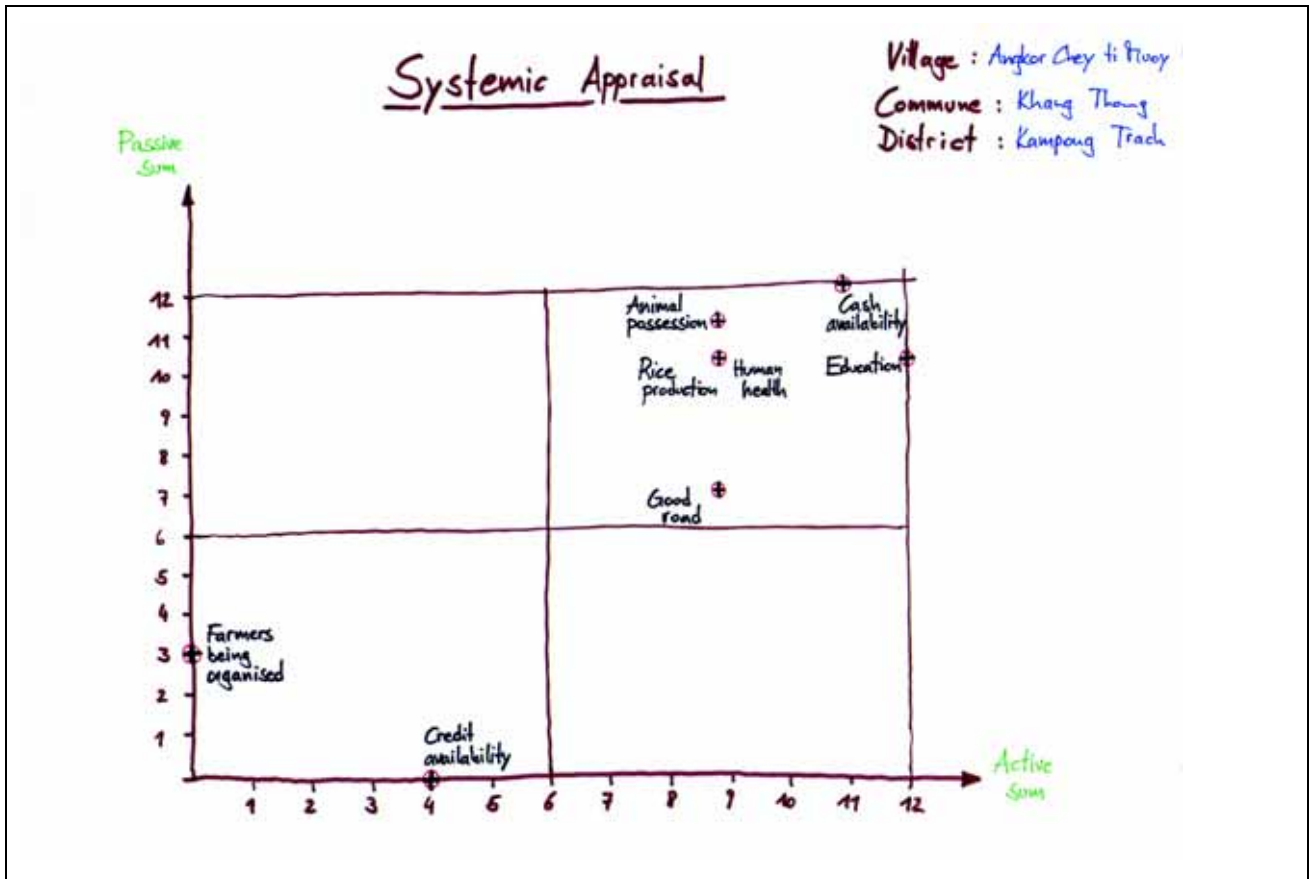


Figure 9: Systemic Analysis of eight most important livelihood factors

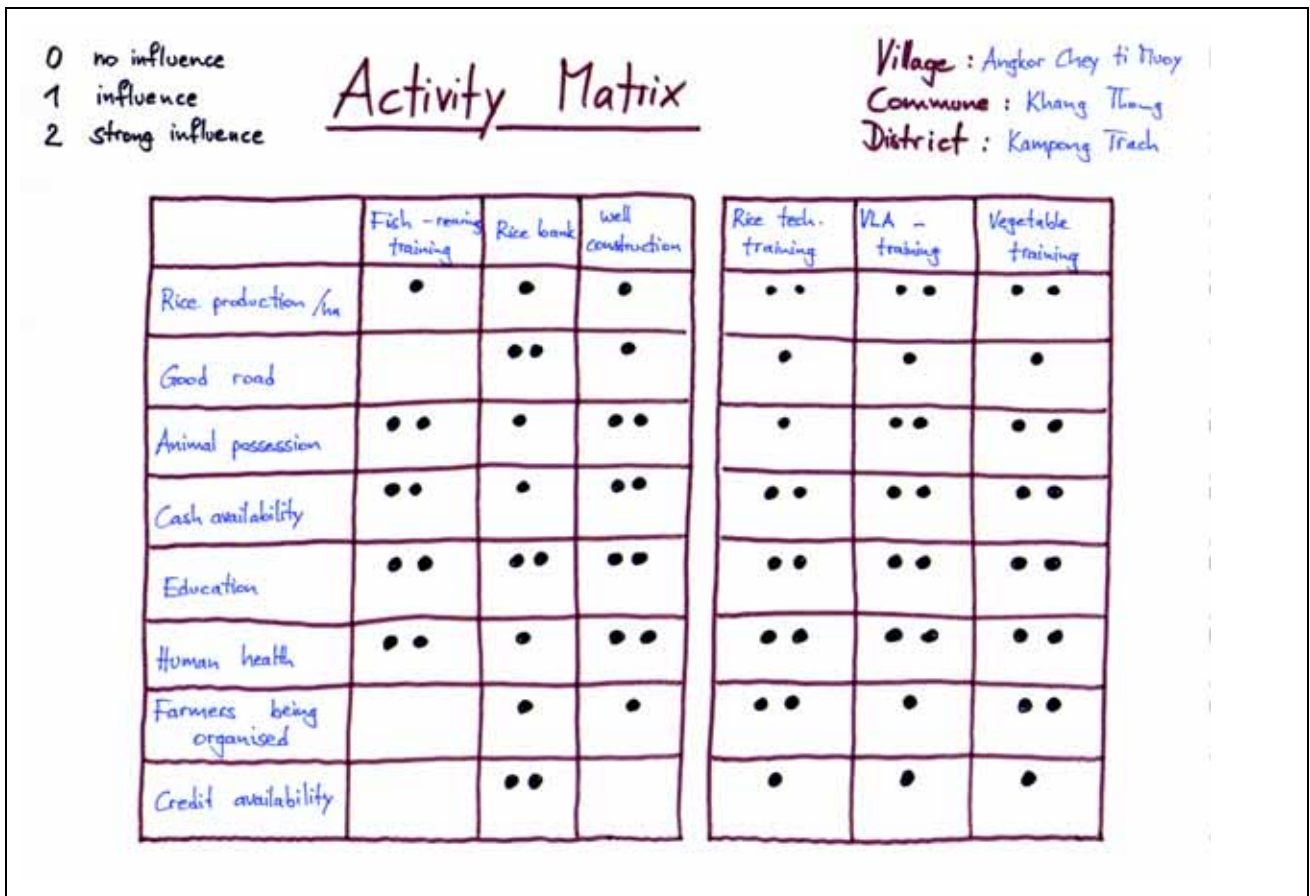


Figure 10: Scoring of Activity Influence on eight most important livelihood factors

## Analysis I: Systemic Appraisal

Procedure:

The end of phase I is an analytical step undertaken by the survey team without villagers' participation. Using the result of the livelihood matrix scoring (see step 4) the sum of influences of the livelihood factors are calculated. Summing up the number of stones in each row provides the number of "active influences" - how much the respective livelihood factor influenced all others. The sum of stones in each column provides the "passive sum" - how much the respective factor has been influenced by the others. The systemic appraisal is a step which aims at identifying the livelihood factors which greatly influence all others and at the same time are highly influenced by the other factors: the **crucial factors** of the livelihood system. As pictured in the figure on the left, all livelihood factors can be placed in a chart with the active and passive sums being the scales. The factors in the top right field of the chart can be identified as the factors which strongly influence the system and can at the same time easily be influenced by others (In this case: Animal Possession/Ownership, Cash Availability, Education). As preparation for the phase II, activities have to be chosen whose impacts on the livelihood situation have to be monitored. A maximum number of six to eight activities to be monitored at a time is advisable.

What	How
Objective	To analyse data obtained, to identify crucial livelihood factors and to plan the second phase of the data collection
Materials	Timelines, all results of phase I, computer with aggregation sheet
Group composition	Survey team
Time	60 minutes

## Phase II: Analysis of Project Activity Effects

### Steps 5 and 6: Activity Introduction and Activity Matrix Scoring

Procedure:

According to the activities to be monitored, the facilitators assess the number of participants in the respective projects among the group members. With this information two sub-groups are formed with a maximum participation of beneficiaries of the projects to be assessed. The assessment itself is undertaken in a way similar to the livelihood matrix scoring. The question is: What influence does a certain activity have on each of the livelihood factors? The scoring is again no stone for no influence, one stone for a medium influence and two stones for a strong influence on the eight most important livelihood factors. The villagers place stones for the influences into the respective boxes after discussing the reasons. The facilitators take care of group discussion and take note of the reasons. In addition to the influences of the activities on the eight most important livelihood factors, other influences can also be documented (see left page for an example of six activities undertaken in two parallel working groups of three activities each).

What	How
Objective	To identify effects of project activities on the livelihood factors (esp. the crucial factors)
Materials	Two sheets of activity matrix
Group composition	Two parallel mixed groups according to a maximum number of project beneficiaries
Group size	7-10 people each in parallel groups
Time	80 minutes



Figure 11: Village wall for cross-checking of data

Development Profile																																																																																									
Village / Date:		Angkor Chey ti Muoy																																																																																							
Commune / District:		Kampong Trach																																																																																							
Population etc.:		2020																																																																																							
<p>Notes: rice training is successful but does not address water problems in the village, even though the knowledge is spread, farmer organisations were not set up</p>																																																																																									
Activity 1: Rice Training																																																																																									
No	C?	Livelihood Factor	Trend			Avg.	Remarks																																																																																		
			--	-	0	+	++																																																																																		
1		Rice production						3.33																																																																																	
2		Good Road						2.89																																																																																	
3	c	Animal Ownership						2.89																																																																																	
4	c	Cash Availability						1.89																																																																																	
5	c	Education						2.78																																																																																	
6		Human Health						2.56																																																																																	
7		Farmers being organised						0.00																																																																																	
8		Credit availability						2.56																																																																																	
Total Trend (-2 to 2)			0.88			Other factors influenced:																																																																																			
No. of Participants:																																																																																									
<table border="1"> <thead> <tr> <th>Influence</th> <th>Lev</th> <th>AvAc</th> <th>Remarks</th> <th>Conclusions</th> </tr> <tr> <th>0</th> <th>1</th> <th>2</th> <th>1998</th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>3</td> <td>3.38</td> <td>rice yield increased due to training but the drought had a highly negative influence on the yield</td> </tr> <tr> <td></td> <td></td> <td></td> <td>1</td> <td>3.25</td> <td>some additional money gained through increased yield is contributed to road repair</td> </tr> <tr> <td></td> <td></td> <td></td> <td>1</td> <td>3.13</td> <td>more animals can be bought because more money is available</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>2.00</td> <td>rice training influences ownership of animals</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>3.00</td> <td>educational level in the village increases regarding general knowledge and technical skills</td> </tr> <tr> <td></td> <td></td> <td></td> <td>2</td> <td>2.75</td> <td>note: relation health-chem. fertilizer can not be proved; chemical fertilizer is still used</td> </tr> <tr> <td></td> <td></td> <td></td> <td>0</td> <td>0.00</td> <td>participants in technical rice training inform other villagers about results and techniques.</td> </tr> <tr> <td></td> <td></td> <td></td> <td>3</td> <td>2.50</td> <td>due to increasing yield, people can make a larger security deposit to borrow money</td> </tr> <tr> <td colspan="5">a lower amount of seed is necessary for planting</td> </tr> <tr> <td colspan="5">Beneficiaries</td> </tr> <tr> <td colspan="5">14</td> </tr> <tr> <td colspan="5">Know about</td> </tr> <tr> <td colspan="5">Others</td> </tr> </tbody> </table>							Influence	Lev	AvAc	Remarks	Conclusions	0	1	2	1998					3	3.38	rice yield increased due to training but the drought had a highly negative influence on the yield				1	3.25	some additional money gained through increased yield is contributed to road repair				1	3.13	more animals can be bought because more money is available					2.00	rice training influences ownership of animals					3.00	educational level in the village increases regarding general knowledge and technical skills				2	2.75	note: relation health-chem. fertilizer can not be proved; chemical fertilizer is still used				0	0.00	participants in technical rice training inform other villagers about results and techniques.				3	2.50	due to increasing yield, people can make a larger security deposit to borrow money	a lower amount of seed is necessary for planting					Beneficiaries					14					Know about					Others				
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Figure 12: Screenshot of Development Profile for one village and one activity (see also Phase III)



## Step 7: Crosschecking with Village Walk

Procedure:

At the end of the data collection in the villages, a cross-checking exercise is suggested. In the PFSM example a short “village walk” is conducted with a cross-section of the participants, including men and women. Facts and locations related to livelihood factors and activities assessed are visited briefly and questions for triangulation are asked (e.g., an irrigation scheme that is not working, a well which has been repaired, a newly constructed road, etc.). Villagers are asked about the importance of the respective activities and about experiences and their acquired knowledge after the implementation of the respective projects.

What	How
Objective	To cross-check (triangulation) and complement information received during previous steps
Materials	Checklist with questions related to experiences of phase I
Group composition	7-10 or more people
Time	45-60 minutes

## Analysis II: Documentation in Form of Development Profiles

Procedure:

The Development Profile is a comprehensive format for documenting all results of phase I and II of the data collection. Based on the villagers’ trend analysis, the judgement about the **trend** for each livelihood factor is visualised. It can either be negative, neutral or positive. The respective box in the development profile is filled with the respective data. In the **remarks** column important facts collected during timeline, trend analysis, livelihood matrix and village walk can be included. **Activity influence** includes the results of the Activity Matrix Scoring. Comments of villagers are further described in the **remarks** section. **Conclusions** include an analysis of the activities implemented regarding the different livelihood factors. If a trend is negative but the influence of a livelihood factor is very positive, the reason for this can be noted here.

**Note** cells refer to additional observations and conclusions which were made in context with the activities.

The example on the left side gives an overview of a development profile for one village with only one activity assessed. The three Livelihood Factors marked red (Animal Ownership, Cash Availability, Education) are the most critical ones (see also Analysis I: Systemic Appraisal).

This description of the methodology, including the time frame, special references to setting up the survey teams, etc. was chosen according to the Cambodian example. Other regions of the world may need more or less extensive adjustment of the sequence and the process of facilitating the respective steps.

What	How
Objective	To analyse and document all data collected during the data collection in a comprehensive way
Materials	Computer with aggregation spread sheet (if not available: paper, pens, cards), timeline, systemic appraisal, livelihood matrix, trend analysis, activity matrix
Group	Survey team
Time	120 minutes

### Phase III: Aggregation with a Simple Spreadsheet Tool

The above described documentation format of development profiles summarises the findings for each village. These profiles are a short and comprehensive way of displaying the livelihood factors, their trends and how different activities influenced the livelihood system.

For the purposes described in chapter 2 (monitoring the results-orientation of development interventions), the development profiles need to be aggregated to gain data relevant to the steering of projects and programmes targeting a larger area than the area of an individual village.

For this purpose, a simple Excel-Spreadsheet has been developed to collect all obtained data and at the same time automatically aggregate results for specific activities. The Spreadsheet developed allows aggregation of data for a maximum of 10 villages and a maximum of 8 activities to be monitored with a maximum time span of 10 years of observation. Screenshots of the Spreadsheet tool are used below to describe the handling. The file itself can soon be downloaded from FAOs webpage.

### Verifying Network Pattern

Before aggregation is done the observed network pattern needs to be verified. Aggregation is only possible for relatively homogenous livelihood situations. All livelihood factors identified by the villagers are collected, and ranked according to the priority which the villagers had given them, i.e., how often they were mentioned and how often they were identified as being crucial. Out of this collection of livelihood factors for all observed villages, it has to be judged whether or not the livelihood systems are comparable and whether the livelihood factors identified as being crucial overlap in most of the villages. The more these crucial livelihood factors overlap, the better and more reliable results are produced from the aggregation.

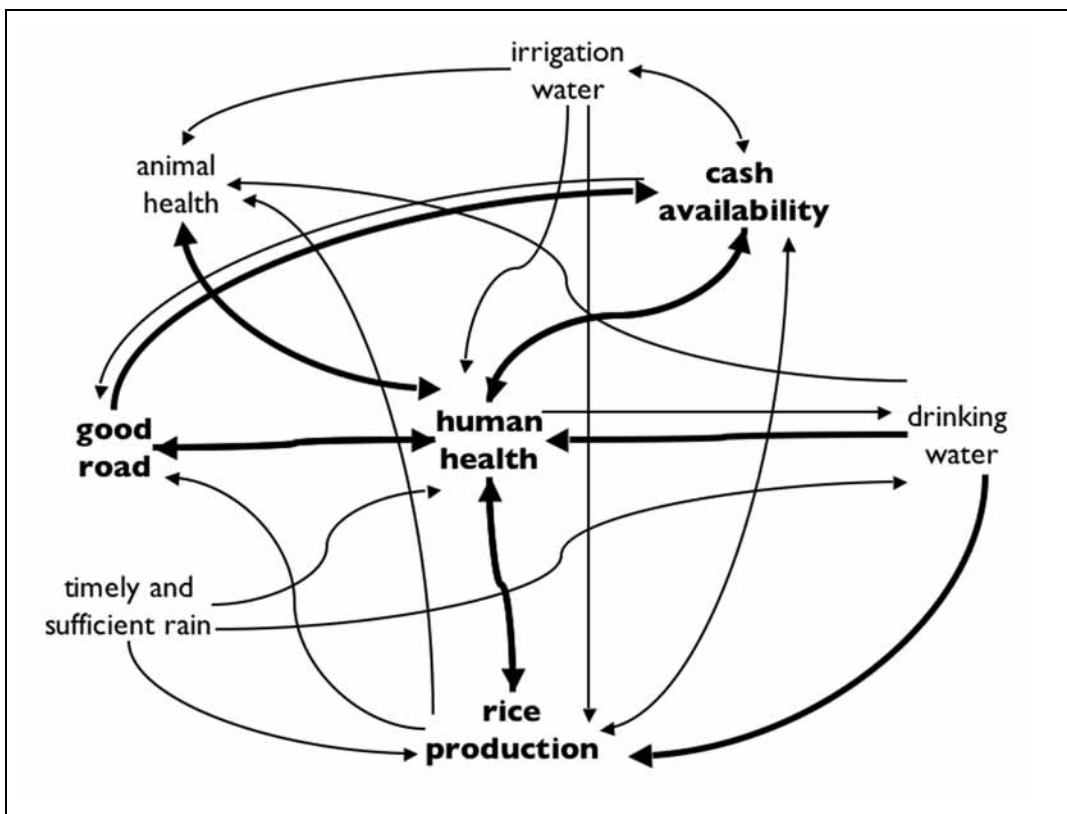


Figure 13: Aggregated network of crucial livelihood factors and their interrelations

### Aggregation of Activity Influences

The aggregation of results for the selected project interventions is carried out in four steps:

**Step A** involves transferring all data collected in the villages to the Excel-Spreadsheets. In the “preinformation” sheet all villages, all observed activities and the years in which the activities have been started in the respective villages are entered.

Timeframe of interest (year)									
Start	1997								
End	2005								
	Activities								
		Rice Training	Vegetable Training	Cow Bank	Activity 4	Activity 5	Activity 6	Activity 7	Activity 8
	Act.No	A 1	A 2	A 3	A 4	A 5	A 6	A 7	A 8
Vill.No	Villages								
V 1	Angkor Chey ti Muoy	1998	1999						
V 2	Testvillage 1	2000	2000	2000					
V 3	Testvillage 2	1997		1998					
V 4	Village 4								
V 5	Village 5								
V 6	Village 6								
V 7	Village 7								
V 8	Village 8								
V 9	Village 9								
V 10	Village 10								

**Figure 14: Screenshot of sheet “Preinformation” of Excel Spreadsheet (Example with three villages, three activities and a time span between 1997 and 2005)**

The data from the village data collection is entered into the first village sheet (V 1). Beginning with entering the livelihood factors in order of their priority rank and marking the crucial livelihood factors with “c”, the table for the trend analysis can be entered (results from step 3, page 12, 13). The averages of the trend analysis are calculated automatically. According to the observed trends throughout the years, the trend table (left part of Figure 15) is filled by entering the trend numbers into the respective boxes.

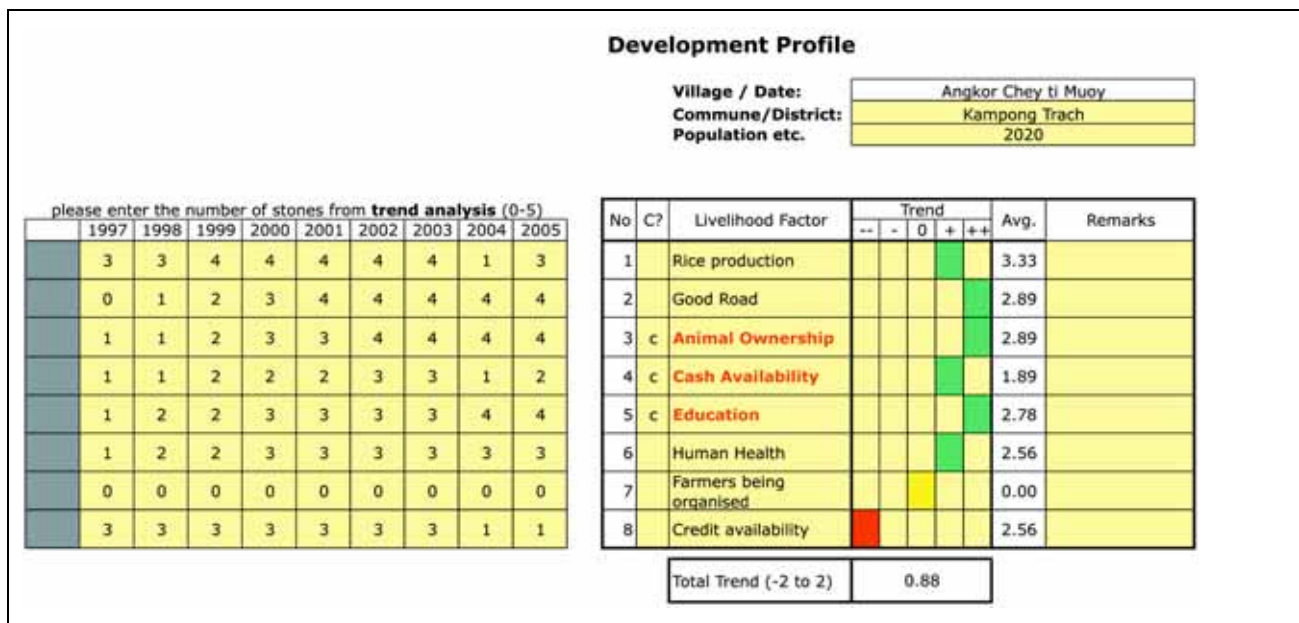


Figure 15: Screenshot of sheet “V 1” with results from trend analysis and livelihood factors

After entering the data for phase I the effects of project activities are entered in the same sheet. The assessed influence of the respective activity on the livelihood factors (results from step 6) is entered by pressing any key in the respective box “Influence”. The level of the livelihood factor for the year in which the activity was started is automatically drawn from the trend table (Lev) and the average trend after beginning of the activity is calculated (AvAc). Columns for remarks, conclusions and notes offer space to enter the qualitative information gained during the data collection to guarantee traceability of the aggregated results.

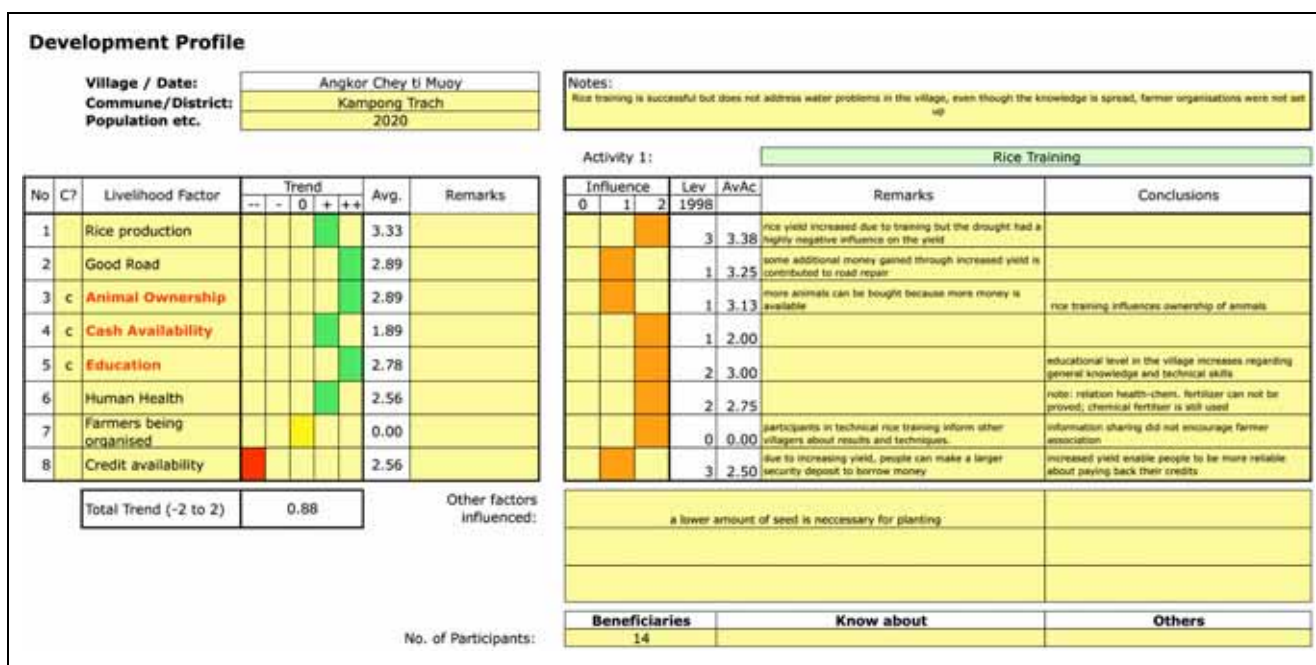


Figure 16: Screenshot of sheet “V 1” with results of phase II of data collection for one activity “Rice Training”

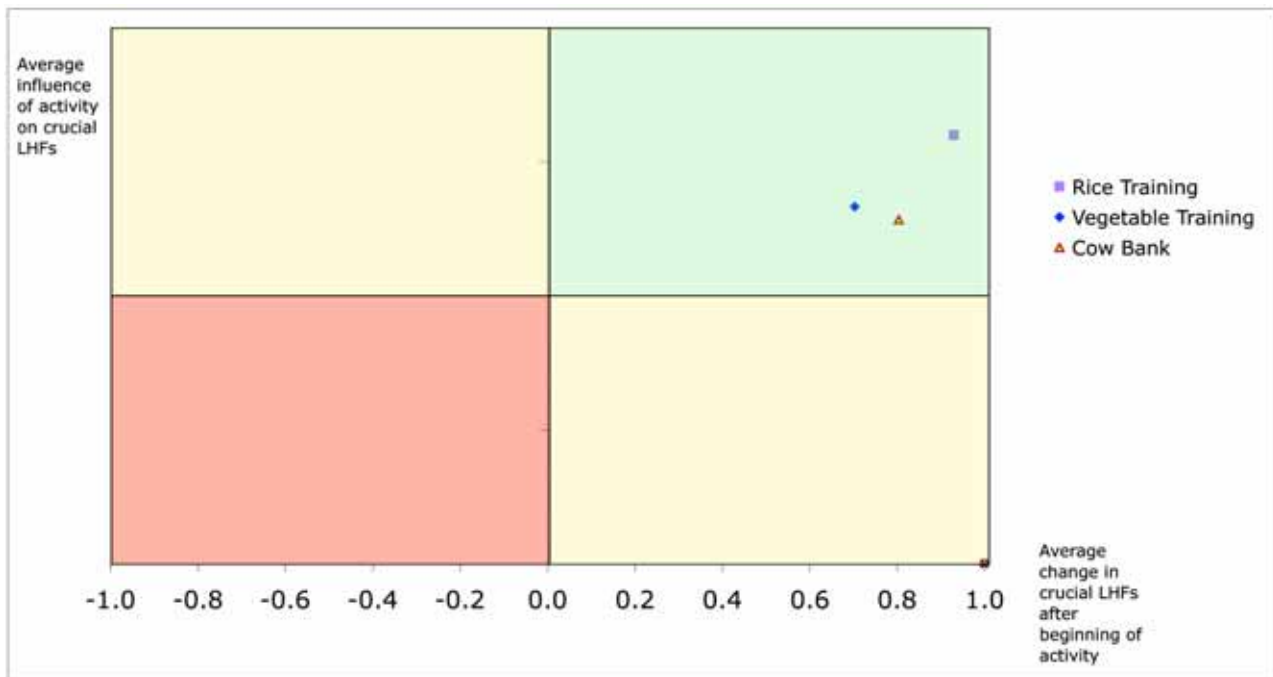
**Step B** is the automatic transfer of aggregated data into a special sheet within the spreadsheet. In this sheet, the initial level for each livelihood factor is subtracted from the calculated average level (“AvAc”). A positive result or value indicates a positive influence of a project intervention and a negative result or value indicates a negative influence. In case of a positive trend, the next step is to compare this trend with the respective result from the activity matrix scoring (step 6). Only in the case of an identified influence (one or two stones) can the final conclusion be drawn that the intervention influenced the trend in the given way. Otherwise the result points to other causes (out of the scope of the project interventions), which influenced the respective livelihood factor.

Activity 1:		Rice Training				
Village:		Testvillage 1				
C?	Livelihood Factor	Influence	Lev 1998	AvAc	Change of Trend	
0	Rice production	2	3	3.38	0.38	positive
0	Good Road	1	1	3.25	2.25	positive
c	Animal Ownership	1	1	3.13	2.13	positive
c	Cash Availability	2	1	2.00	1.00	positive
c	Education	2	2	3.00	1.00	positive
0	Human Health	2	2	2.75	0.75	positive
0	Farmers being organised	2	0	0.00	0.00	neutral
0	Credit availability	1	3	2.50	-0.50	negative
Village:		Testvillage 2				
C?	Livelihood Factor	Influence	Lev 2000	AvAc	Change of Trend	
0	Rice production	2	3	3.67	0.67	positive
0	Good Road	1	1	2.50	1.50	positive
c	Animal possession	1	3	3.50	0.50	positive
c	Cash Availability	2	2	2.50	0.50	positive
c	Education	2	2	2.50	0.50	positive
0	Human Health	2	2	2.50	0.50	positive
0	Farmers being organised	2	3	2.67	-0.33	negative
0	Credit availability	1	3	3.17	0.17	positive
Village:		Testvillage 3				
C?	Livelihood Factor	Influence	Lev 1997	AvAc	Change of Trend	
c	Human Health	0	2	3.22	1.22	positive
0	Good Road	2	1	2.00	1.00	positive
0	Draught Animal	1	2	3.11	1.11	positive
c	Cash Availability	2	1	2.11	1.11	positive
0	Sanitation	1	1	2.00	1.00	positive
0	Animal Health	2	1	2.00	1.00	positive
c	Irrigation Water Availability	2	2	2.44	0.44	positive
c	Education	2	2	2.89	0.89	positive

**Figure 17: Screenshot of sheet “A 1”, aggregation of activity 1 (Rice Training). This table is just an intermediary information.**

**Step C:** The above computerised findings need to be crosschecked with the qualitative information presented in the individual Development Profiles. The reasons for influences of activities on each livelihood factor are critically screened and crosschecked with the village level qualitative data. In this way unexpected results can be cleared up. For example, the computerised finding that rice training does not influence rice production is collated with the profile’s information and one finds that there were drought conditions for two years after the training which prevented any potential positive influence of the training intervention.

**Step D** is the automatically positioning of each monitored activity according to what extent it influences the crucial livelihood factors and the observed trend of the crucial livelihood factors after implementation of the respective activity. The result is a so-called **portfolio chart** providing relative results about the effectiveness of project interventions concerning the achievement of results (i.e. ability to change the crucial factors within village livelihood systems).



**Figure 18: Screenshot of portfolio chart with relative effectiveness of three example activities**

The portfolio chart provides programme/project management staff a quick overview of the relative performance (regarding efficiency and effectiveness) of all surveyed activities since their implementation. This information makes the Portfolio Analysis a valuable tool for results-oriented project monitoring.

Activities situated in the top right field have a comparably high influence (efficiency) and effect on the system of crucial livelihood factors that determine the livelihood situation. For these reasons these activities should be continued.

Activities situated in the area at the bottom left show comparably low efficiency and effect. Therefore, the reasons for their weak performance should be analysed by the project staff as soon as possible. This can be done by consulting the development profiles because they contain the necessary remarks to explain the situation.

## Applicability and Adaptation of the Methodology

The above described methodology was developed specifically for the situation of rural Cambodia but is easily adaptable for other cases and project contexts and flexible in the application of its sequence. Other projects intending to adopt the methodology should take into consideration the following aspects:

- The nature of the systemic approach is closely related to a people-centred approach in applying the methodology. A high degree of **participation** and an open atmosphere are the necessary basis to achieve reliable information about the livelihood system.
- In other cases (e.g. a special focus on aspects such as gender, HIV/AIDS, etc.) exercises of collecting livelihood factors can be **focused by the facilitators** (e.g., by asking specific questions such as "Is livelihood factor XY (HIV/AIDS, gender, etc.) important?" in the methodological step where important livelihood factors are identified by the villagers). Nevertheless, it must be assured that the final decision about which livelihood factors are the most important ones is left **up to the people**. The prioritisation exercise should therefore remain with the target group and must not be sidelined by predetermining livelihood factors.
- The number of livelihood factors, interventions to be assessed, people present at the group discussions, years to be covered by trend analysis, etc. are **flexible**. The numbers described in chapter 3 are suggestions that have been tested in the field and proved to fit to rural Cambodia. Eight livelihood factors and an approximate ten year time span are generally maximum numbers which should not be exceeded in order not to endanger the quality of results.
- The rural population involved in the assessment at village level does neither directly gain anything from the monitoring exercise, nor is it directly related to their well being. Therefore, a **suitable feedback process** of the results gained through the exercise should be taken into consideration.
- The last suggestion addresses the question of when to apply the methodology in the course of a **project cycle**. The only rule is that phase I is always applied prior to phase II with at least half a day break in between. It is not advisable to directly connect the two phases because the analytic step "systemic appraisal" – which is a precondition for phase II – needs some time and the focus of both phases is very different. **Phase I** could instead also be applied at a **very early stage** of project implementation to provide reliable baseline information. The methodology can be used as frequently as desired: annually or at a specific point in time or when need arises. In contrast to other methods, the presented methodology can even be used before actual impacts of activities have surfaced. In this case it can help to assess how the activity will most likely influence the livelihood system and therefore stimulate positive changes to a given livelihood situation.

The most important fact to be taken into consideration whenever applying the methodology is that the results are by no means exact quantitative data. They always remain **qualitative estimations** of how certain activities influence the complex livelihoods (and their interrelation) of the rural population.

Therefore this methodology cannot supersede quantitative tools and methods of M&E in project management. Instead, it has to be seen as a **complementary** tool to amplify the quantitative hard facts which usually provide better results up to the level of outputs or use of outputs.

Any assessments above these levels are bound to be uncertain and fuzzy. It is this peculiarity of complex systems that the described methodology strives to overcome.

## Potentials and Limitations of the Methodology

After testing the methodology in eight Cambodian villages, an analysis of strengths, challenges, opportunities and threats of applying the methodology was undertaken by the international and national team.

### Strengths

- Method is simple in its application at field level
- Documentation format (Development Profile and aggregation sheet) is simple and transparent
- Method is oriented towards open results
- Chosen tools allow active participation of villagers (appropriate tools)
- Method is appropriate to integrate poor people into the process
- Method opens up the view beyond project focus (broad approach)
- Method is suitable for complex situations
- Method has a strong capacity-building aspect (villagers and facilitators learn more about the livelihood systems)
- Results are not 100% accurate but give a good picture about how villagers see their reality and allow for estimation of likely effects of project interventions

### Challenges

- Timing for field-testing is crucial (for farming communities the transplanting season is usually very busy)
- The objective of the data collection in the village has to be made very clear to prevent the raising of expectations, e.g., new projects to be established after the monitoring exercise
- Method needs good facilitation skills, e.g., ensuring participation throughout the process and avoiding possible domination by some stakeholders
- The set-up of groups in the villages is crucial for reliability of results: factors like power, gender, age etc. play a role (emphasis on set-up of groups)
- Method is partly difficult for illiterates (good facilitation is necessary, especially sufficient time for explanation)
- Livelihood matrix scoring is challenging
- Method relies on villagers perception (possible bias is buffered by the results of phase I)

### Opportunities

- Method can flexibly be adapted to other project contexts (e.g., special targeting strategies could be represented by set-up of groups)
- Method is suitable to be adapted for special gender focus of group discussions
- Method is suitable for special poverty focus (specific group composition)

### Threats

- Qualitative methods are often considered less reliable than quantitative methods

As mentioned in chapter 1, the second task of this LSP working paper is to present strategies to feed the results of the described methodology into policy dialogue. The following chapter defines the theoretical framework of communication for policy dialogue and presents specific findings for the Cambodian situation. The results of the following chapter are therefore specific for Cambodia and cannot be transferred to other country cases.



## 4. Communicating the Results: Horizontal and Vertical Policy Dialogue

### Why Communication Matters

Despite decades of development cooperation, extreme poverty remains a daily reality for more than one billion people who subsist on less than \$1 a day. More than 800 million people suffer from hunger and malnutrition. Most of them live in rural areas and depend on the consumption and sale of natural products for both their income and their food. (UN 2005). The following obstacles to overcoming rural poverty are discussed as major causes as to why development efforts are not having enough impact, especially in rural areas (FAO and SADC 2004: 7–10):

- Lack of beneficiaries' participation in the planning and programme formulation
- Perception of low power on the part of beneficiaries
- Inappropriate methods
- Low promotion of communication as a means to enforce development.

Based on the assumptions that horizontal and vertical policy dialogue enhances poor people's participation and leads to reduced poverty through better service delivery to local people<sup>1</sup>, donors have started to focus on the field of communication to overcome obstacles in the planning procedure and implementation phase of development activities. FAO Headquarters, for example, has set up a Communication for Development Group<sup>2</sup> that focuses on human development as a means of "enlarging the capabilities, choices and opportunities of people, especially the rural and the poor, to gain access to and control over factors that affect the basic needs essential to their lives" (FAO and SADC 2004: 6). This approach assumes that poverty not only results from a lack of resource but from misallocation as well. Therefore, empowerment of beneficiaries and enabling them to participate in the planning and allocation process through communication is seen as a fruitful strategy for strengthening local democracy and for contributing to poverty reduction.

As depicted in the figure below, this chapter analyses relevant state and non-state actors, the institutional framework for planning and decision making process, and key messages and information channels as elements of the current communication process. It presents potentials and obstacles to conclude on recommendations for future communication procedures.

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<sup>1</sup> See CDRI (2004: 23 f) for a brief summary of the debate on impacts of decentralised decision making on poverty reduction.

<sup>2</sup> See [http://www.fao.org/sd/knl\\_en.htm](http://www.fao.org/sd/knl_en.htm) or [http://www.fao.org/sd/knpub\\_en.htm](http://www.fao.org/sd/knpub_en.htm) for publications.

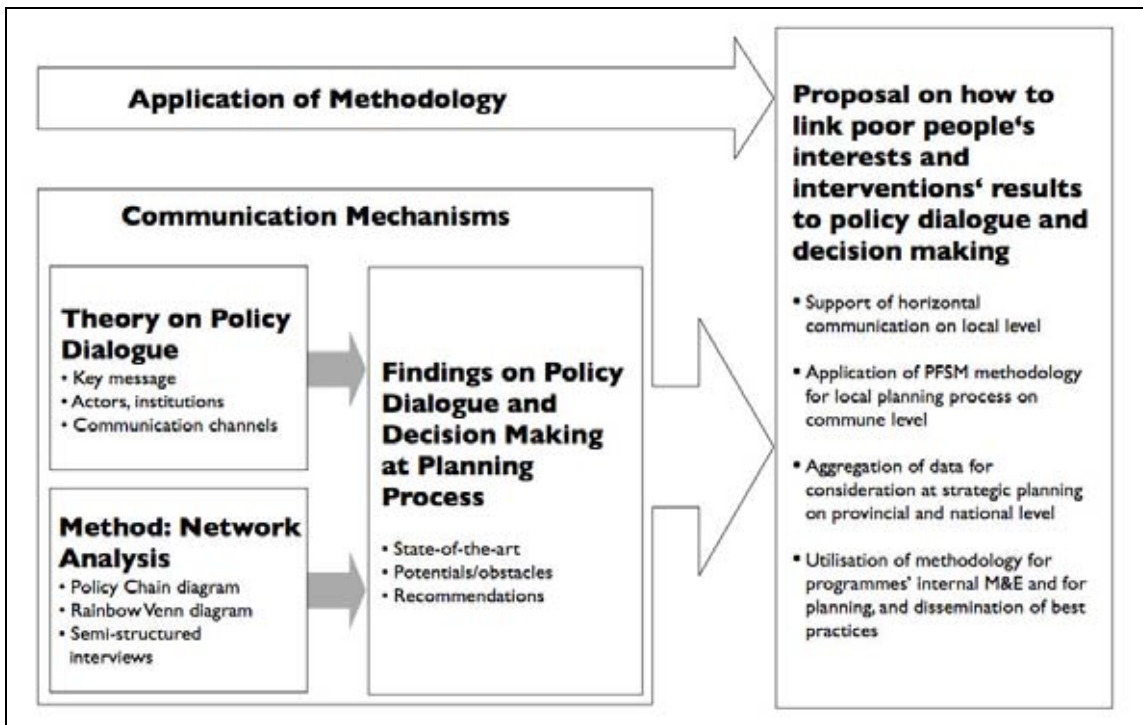


Figure 19: Transfer of Results

Concerning the methodology, deskwork as well as fieldwork was undertaken. Academic literature and donors' project documents were reviewed, and interviews were undertaken with representatives of international donor organisations, state agencies and NGOs active on national and provincial level as well as with state authorities at national, provincial and district level. Additional interviews with elected authorities at commune level were conducted. Two workshops with international and local participants at national and provincial level were organised to verify the collected information. At village level, group discussions within the "poor" and within the "authorities" were undertaken, as well as mixed group discussions. Thereby Rainbow diagrams were elaborated which present villagers' opinions on who at all administrative levels is relevant if a villager requires certain assets such as goods, advice/information, service or finance.

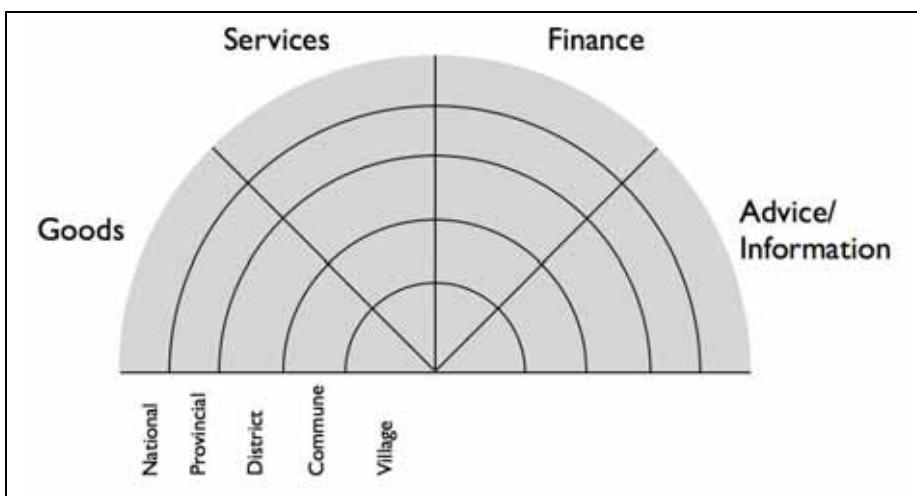


Figure 20: Rainbow-Venn Diagram (Source: PFSM 2005)

## Findings on Current Policy Dialogue in Planning Processes

The current procedure of policy dialogue and decision making results from recent decentralisation measures assisted by UNDP and other donors. The UNDP-supported Seila programme started in 1996 and the first Commune Council (CC) elections took place in 2002. The CC is now in charge of the local planning process which involves the village level as participants and district staff as facilitators. As a positive result, it can be mentioned that in the meantime all communes manage their local planning process. As depicted in the figure below, a 5-year Commune Development Plan (CDP) and a 3-year rolling Commune Investment Plan (CIP) are elaborated at commune level with the assistance of the villagers who are members of the Planning and Budget Committee (PBC). A District Integration Workshop (DIW) facilitated by district facilitators takes place once a year where representatives of the communes and line departments of the ministries meet with donors and NGOs to reach agreements on what projects are to be realised the following year. The data are aggregated into a Commune Development Plan Database (CDPD) and a District Priority Activity Matrix (DPAM) at province level and forwarded to the Ministry of Planning at national level.

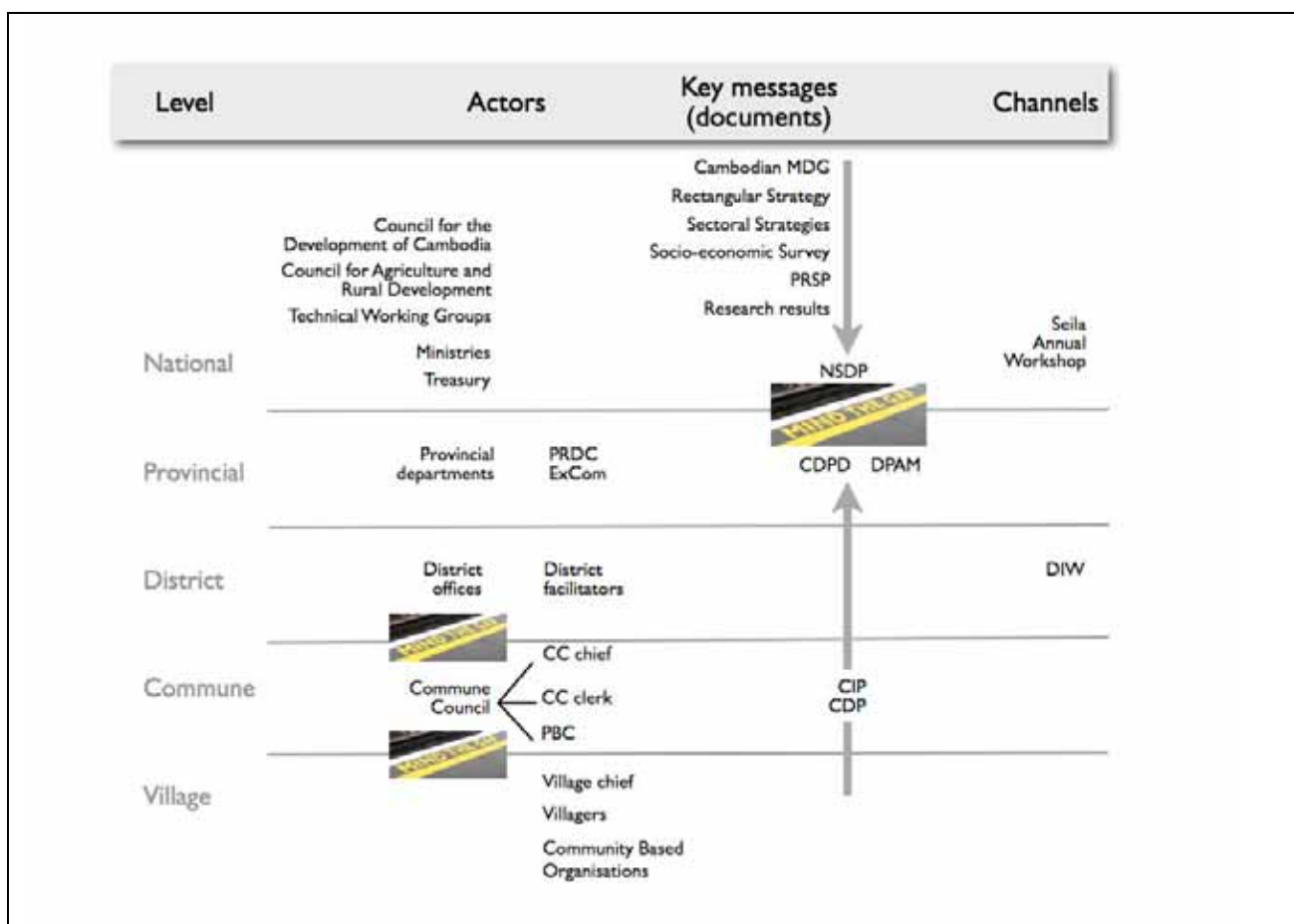


Figure 21: Actors, Messages and Channels of Policy Dialogue (Source: PFSM 2005)

Still, the policy dialogue is confronted with strong limits both during the planning procedure as well as in the implementation phase. Looking at the vertical communication links in policy dialogue and decision making in the planning process currently in place, three communication gaps can be identified within the planning process.

## Village – Commune Gap

Due to historical legacy<sup>3</sup> villagers still tend to perceive the CC as part of the state structure rather than as an elected representative of their interests. The more powerful the CC is, the bigger the gap might be, if villagers, and especially the poor, have not been empowered to participate in planning and decision making processes going on at village and commune level. Additionally, the CC clerk is indeed appointed by the Ministry of Interior, usually young and highly qualified in terms of administration, which leads to conflicts over competences between the chief and the clerk within the CC in some communes.



**Figure 22: Villagers prioritising factors which determine their livelihoods**

## Commune – District Gap

The commune – district gap marks the border between semi-state (elected CC chief, appointed CC clerk) and purely state structure. District facilitators are trained to assist CCs during the planning process because knowledge and experience on the lower level are still lacking. Sometimes district staff does not provide assistance as frequently as might be needed, and in some cases the district facilitators actually take over CC's responsibilities without consulting between the levels. When this happens, the priorities of the Executive Committee (ExCom) of the Provincial Rural Development Committee (PRDC) may be projected downwards and make them like communal priorities in appearance only.

<sup>3</sup> The commune level consisted of appointed state officials before the decentralisation process started in 2002, and was not perceived as very efficient by the villagers.

## Provincial – National Gap

Development data gathered at commune level and transferred up to the province are often ignored when making policy decisions at the national level. The Ministries' contribution to the National Strategic Development Plan 2006 – 2010 (NSDP) did not adequately take the planning data into consideration. The national planning process is foremost related to the Cambodian MDG, the Rectangular Strategy and sectoral requirements, and uses data out of the Socio-Economic Survey conducted at national level.

## Proposal to Improve the Link between Poor People's Interests and Programmes Results: Policy Dialogue and Decision Making

1. While the planning process focuses on vertical policy dialogue, **horizontal communication** is rather neglected. In this context the following activities are highly recommended to strengthen local actors' voice and enhance their participation and ownership in the planning process:

- Community based organisations (CBOs) could play a considerable role representing their members' interests. Members are already organised for a specific purpose (rice production and saving groups, water usage committees etc.).<sup>4</sup> The established groups could be encouraged to expand their interests beyond this initial purpose to be included to a greater degree in the local planning procedure.
- Commune council (CC) chiefs and members need to be further trained in activities relevant to the planning procedure. Additionally, horizontal dialogue among CCs of one district is suggested to align interests concerning cross-commune issues like water irrigation systems or roads.
- Planning and budget committees (PBCs) would also profit from further training on issues such as planning and budgeting as well as on aspects of organisational development and lobbying.
- Mechanisms to follow up on commitments made by government departments to CC are required to strengthen the non-government actors.

2. We furthermore believe that the application of the above described methodology contributes to a great extent to more capacity building and participation for the rural population. In this sense, we recommend the usage of **such a methodology for the local planning process at commune level**. Compared to conventional ways of data assessment, the described methodology's big advantage is the inclusion of the poor people in the assessment of interests and priorities, and asks about their perceptions concerning the development of certain livelihood factors in the village. Thus the poor become involved along with the major village stakeholders as active players in the planning process. Additionally, the process itself becomes more open, transparent, participatory and is well documented and visualised.

The advantage of the methodology is that it can be quickly applied a year later to follow-up on an already assessed situation. Furthermore, impacts of activities recently undertaken in the village are assessed, which allows an evaluation of projects, and facilitates a continuous planning process and enables continuous improvement. In this way, the communes could annually collect Development Profiles of each village and make them available to interested NGOs. The Development Profile should also be used during the annual DIW as a tool for making decisions on projects for the coming year.

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<sup>4</sup> See Aschmoneit (1998).

3 . To ensure that data collected during the local planning procedures are considered in national strategic planning, the **aggregation of the data** would be useful. At present, the provincial level has the DPAM and the CDPD available as database of requirements collected at local level. Although the two documents are transferred to the Ministry of Planning at national level, the data are not considered for national decision-making. Thus officials at provincial and national level are to be addressed using the PFSM Village Development Profiles in aggregated version. Compared to the district priority activity matrix (DPAM) and the commune development plan database (CDPD), the Village Development Profile provides more detailed information. It not only collects requirements by the villagers but adds information on interdependences of the important livelihood factors.

## 5. Conclusions and Recommendations

This chapter concludes on major findings concerning the methodology and communication mechanisms for policy dialogue and decision-making, and provides recommendations for the users of this LSP Working Paper.

### Conclusions

1. The developed methodology is simple and down to earth. It provides detailed and reliable qualitative data on relevant livelihood factors, which are ranked according to villagers' priorities. The documentation format (Development Profile) is transparent. The methodology is able to assess certain effects of project interventions at outcome and impact level. It can be applied in different project contexts and also in other sectors and regions. The application is fast.
2. The methodology is oriented towards open results and when implemented provides villagers' perspectives of their livelihood situation. This people-centred, participatory approach empowers villagers to play an active role in influencing the development of their villages, and offers strong capacity building for the participants.
3. The methodology is based on the concept of systemic appraisal. It can identify the livelihood factors that determine the poverty and food security situation of the target group and assess how they influence each other in a dynamic system. Furthermore, it enables one to identify the most influential livelihood factors as well as those being strongly influenced by others. In this way, conclusions not only address impacts which project activities have on one livelihood factor but also consider effects on the others. Therefore indirect changes in the poverty situation of the rural population are also described. Apart from applying the methodology for **results-oriented M&E**, it can also be used for initial as well as mid-term **planning**, and for **developing overall development strategies**.
4. The methodology makes qualitative outcome and impact monitoring of defined project activities possible as well as qualitative evaluations regarding interventions in the field of poverty reduction and food security.
5. At present, vertical policy dialogue exists but faces certain limits due to imbalanced power arrangement, a lack of training and experiences on the side of the elected bodies on the commune level and due to villagers' misperception of the CC as state body.
6. Horizontal communication is still weak. There is no cross-commune dialogue. Existing CBO are hardly interconnected. Their lobbying and advocacy function has potentials for improvement.
7. The bottom-up flow of data collected on the commune level functions but locally assessed and later aggregated information are not used at national level for the design of policy strategies.

## Recommendations

The conclusions elaborated above lead to several recommendations for the users of the PFSM study.

1. The methodology can be integrated into regular project M&E activities. This allows for complementing the existing (quantitative) M&E data, especially on input, activity and output level, with more outcome and impact-oriented information. Nevertheless, it has to be pointed out that the methodology is neither designed for input and activity M&E nor for the assessment of negative activity influences unless the methodology is adjusted accordingly.
2. It is recommended that the methodology and the results of the PFSM study should be communicated and disseminated to major stakeholders active in poverty and food security and results based M&E in Cambodia and beyond in order to make a tested methodology for outcome and impact assessment available to the broader development community.
3. If the methodology is applied to a broader and/or representative sample of project villages, data can be aggregated in a reasonable way to support management decisions for steering and/or re-planning of projects.
4. Aggregated information from the Development Profiles can be used as a base for negotiations and decision making about projects to be implemented the following year at the District Integration Workshop.
5. The application of the PFSM participatory approach for the local planning process can contribute to a more intense vertical dialogue and to a more active involvement of the villagers and a perception of their ownership in the planning process.
6. Horizontal policy dialogue within CBO and CC is seen as a measure to strengthen the local actors' voices and to represent commune interests towards the levels above. Further training in advocacy, lobbying, team organisation and leadership is therefore required.
7. The gap between provincial and national level where data are transferred in bottom-up manner but not considered at the national planning process needs to be addressed.



# Appendix

## Abbreviations

CBO	Community Based Organisation(s)
CC	Commune Council(s)
CDP	Commune Development Plan
CDPD	Commune Development Plan Database
CIP	Commune Investment Plan
CMDGs	Cambodian Millennium Development Goals
DFID	Department for International Development of the United Kingdom
DIW	District Integration Workshop
DPAM	District Priority Activity Matrix
ExCom	Executive Committee of the Provincial Rural Development Committee
M&E	Monitoring and Evaluation
NGOs	Non Governmental Organisations
NSDP	National Strategic Development Plan
PBC	Planning and Budget Committees
PFSM	Poverty and Food Security Monitoring
PRA	Participatory Rural Appraisal
PRDC	Provincial Rural Development Committee

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## Further Information about the LSP

The Livelihood Support Programme (LSP) works through the following sub-programmes:

### **Improving People's Access to Natural Resources**

Access of the poor to natural assets is essential for sustainable poverty reduction. The livelihoods of rural people with limited or no access to natural resources are vulnerable because have difficulty in obtaining food, accumulating assets and recuperating after shocks or misfortunes.

### **Participation, Policy and Local Governance**

Local people, especially the poor, often have weak or indirect influence on policies that affect their livelihoods. Policies that developed at the central level are often not responsive to local needs and may not enable access of the rural poor to needed assets and services.

### **Livelihoods Diversification and Enterprise Development**

Diversification can assist households to insulate themselves from environmental and economic shocks, trends and seasonality – in effect, to be less vulnerable. Livelihoods diversification is complex, and strategies can include enterprise development.

### **Natural Resource Conflict Management**

Resources conflicts are often about access to and control over natural assets that are fundamental to the livelihoods of many poor people. Therefore, the shocks caused by these conflicts can increase the vulnerability of the poor.

### **Institutional Learning**

The institutional learning sub-programme functions as a service provider to the overall programme, by building a training programme that responds to the emerging needs and priorities identified through the work of the other sub-programmes.

### **Capacity Building in Different Cultural Contexts**

The capacity building sub-programme functions as a service-provider to the overall programme, by building a training programme that responds to the emerging needs and priorities identified through the work of the other sub-programmes.

### **Mainstreaming Sustainable Livelihoods Approaches in the Field**

FAO designs resource management projects worth more than US\$1.5 billion per year. Since smallholder agriculture continues to be the main livelihood source for most of the world's poor, if some of these projects could be improved, the potential impact could be substantial.

### **Sustainable Livelihoods Referral and Response Facility**

A Referral and Response Facility has been established to respond to the increasing number of requests from within FAO for assistance in integrating sustainable livelihoods and people-centred approaches into both new and existing programmes and activities.

For further information on the Livelihood Support Programme,  
Contact the programme coordinator:  
E-mail: [LSP@fao.org](mailto:LSP@fao.org)

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Livelihood Support Programme (LSP)

Email: [LSP@fao.org](mailto:LSP@fao.org)

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