



International  
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Geneva



# Local Economic Recovery in Post-Conflict



## Guidelines

First edition

ILO Programme  
for Crisis  
Response and  
Reconstruction  
(ILO/CRISIS)



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# Foreword

In post-conflict situations, employment is a major contributing factor to achieve short-term stability, reintegration, socio-economic progress and sustainable peace. Job creation provides communities and individuals the means for survival and recovery and offers a constructive and positive alternative to social unrest.

Amidst destruction and irreplaceable losses, the end of conflicts can create windows of opportunity for social and economic reform. It is a chance which societies in transition from war to peace cannot miss, and one in which the international community can be very helpful.

Local communities annihilated by wars are usually the first to activate immediate responses. Solidarity and hard work of affected women and men play a pivotal role in resuming economic activities, revitalizing social safety nets and repairing damaged infrastructures. These spontaneous efforts are tangible evidence of the positive and constructive attitude of local communities, their resilience and ability to adapt and transform knowledge and skills. However, existing vulnerabilities, endemic poverty and fragile peace might generate further inequalities, prevent or slow down the creation of genuine job opportunities and ultimately threaten the sustainability of these coping strategies.

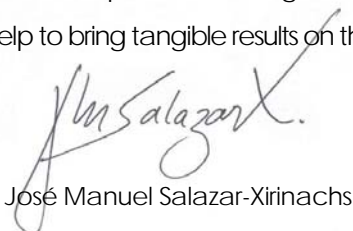
The role of international actors is to encourage endogenous efforts towards the achievement of a durable social and economic transformation within war-torn communities. The most powerful instruments of this action are the development of local capacities and the cross-fertilization of experiences among countries faced with similar challenges, applying combined creative solutions from local and global knowledge.

Methodological and operational frameworks such as these Guidelines to promote **Local Economic Recovery** (LER) are in fact conceived to support these community development processes. They systematize good practices and lessons learnt in a way to enable decision makers to operate on the right track and take into consideration the main factors of success of economic recovery programmes. While providing guidance, the LER Guidelines do not offer readily made solutions. Such solutions will emerge from the broad participation of economic stakeholders into consultations, information sharing and decision-making processes.

The United Nations recognizes that a comprehensive and participatory approach such as the LER supports inclusive, job-rich growth and prevents the perpetuation of the causes of social tension and instability. The crucial link between employment and peace building has received full recognition with the UN Secretary-General's approval of the "United Nations Policy for Post-Conflict Employment Creation, Income Generation and Reintegration" in May 2008. This new UN Policy contributes to a common understanding and approach to employment creation and reintegration in post-conflict situations, which is fully grounded on LER.

LER strategies and interventions need to be shaped in such a way as to achieve gender equality in the world of work, as conceived within the ILO Decent Work Agenda. Gender equality can make a major contribution to a sustainable peace and long-lasting development.

I trust that this new instrument will help to bring tangible results on the way to peace and progress.



José Manuel Salazar-Xirinachs

Executive Director

ILO Employment Sector



# Preface

The development of the Local Economic Recovery Guidelines (hereinafter “the Guidelines”) for post-conflict settings has been conceived within the framework of the UN-wide Policy for Post-Conflict Employment Creation, Income Generation and Reintegration (PCEIR). In particular, the Guidelines support the execution of the so-called Track B programmes, aimed at boosting economic recovery to stimulate employment creation and facilitate reintegration.

The Guidelines have been developed by the ILO with the sponsorship of the Cluster Working Group on Early Recovery (CWGER), as a contribution to the roll out of the Policy. They represent an attempt to systematize existing relevant practices and methodologies for area-based programming in the field of economic recovery. In addition, they address the scarcity of guidance for linking assessment to decision making, based on the principle that the effort of gathering and analysing information must be exclusively finalised at making robust decisions.

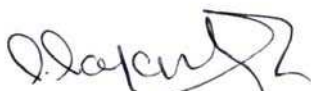
Local economic recovery is first of all a result, achieved by means of an area-based approach that capitalises on local resources and aims at re-energizing economic activities after a conflict, in a way to create jobs for the local labour force. More jobs are a powerful alternative to conflict and war-related livelihoods. They can lessen tensions and prompt a dialogue around constructive issues, thus leading to a sustainable peace.

These Guidelines are inspired by the belief that local economic recovery, if carried out in an inclusive manner, can contribute significantly to increasing self-reliance and, ultimately, to a swift and sustainable transition from relief to development. If we succeed in setting in place early recovery plans targeting the local economy, then the efforts towards economic development will start sooner and will be more sustainable.

As post-conflict settings differ significantly one from another and require tailor-made solutions, these Guidelines have been designed to be as versatile as possible. Their aim is to support decision makers and practitioners in making pertinent strategic decisions and, on the basis of those, planning and implementing context-specific LER interventions. Decisions are informed by targeted fact-finding and analysis efforts, and are followed by consequent actions. Such considerations are reflected in the structure of Part II of the Guidelines, which is based on these three main Task Groups: fact finding, decision making and action taking.

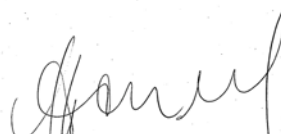
Within five years, we would like to see that the LER approach is enhanced and put into practice in a growing number of conflict-affected areas. ILO's and CWGER's aim is to disseminate this approach in a way that other agencies as well as national and local counterparts may take ownership of it and take a leading role in its implementation.

We aim at a continuous improvement of the contents of these Guidelines. To that end, it is our intention to make sure that users' lessons learnt and good practices are documented and integrated into future action. In the two years following the publication of these Guidelines, the readers will have the opportunity to contribute to their improvement by sharing with us their views, suggestions, and inputs. We also welcome any rollout initiative in which interested organisations may wish to embark, and we recommend keeping us posted of the challenges, the good practices and the outcomes. You can send suggestions, comments, inputs and requests for technical advice to [CRISIS-TOOLS@ilo.org](mailto:CRISIS-TOOLS@ilo.org).



Alfredo Lazarte-Hoyle

Director ILO Programme on Crisis  
Response and Reconstruction (ILO/CRISIS)



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# Acronyms

BDS	Business Development Services
CAAFAG	Children Associated with Armed Forces and Groups
CAP	Consolidated Appeal process
CBO	Community-Based Organization
CERF	Central Emergency Response Fund
CFW	Cash-for-work
CHF	Common Humanitarian Fund
CWGER	Cluster Working Group on Early Recovery
DDR	Disarmament, Demobilization and Reintegration
DFID	United Kingdom Department for Development Cooperation
DRC	Democratic Republic of Congo
ECOWAS	Economic Community of West African States
ECOWARN	ECOWAS Early Warning and Response Network
EIIP	Employment Intensive Investment Projects
EMMA	Emergency Mapping and Analysis Tool
EPES	Emergency Public Employment Services
FA	Flash Appeal
FAO	Food and Agriculture Organisation
FFW	Food-for-work
FHH	Female-Headed Households
GBV	Gender-based violence
GET Ahead	Gender + Entrepreneurship Together (training package)
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (GmbH)
IASC	Inter-Agency Standing Committee
IAWG-DDR	Inter-Agency Working Group on DDR
ICRC	International Committee of the Red Cross
IDDRS	Integrated Disarmament, Demobilization and Reintegration Standards
IDPs	Internally Displaced Persons
IFRC	International Federation of Red Cross and Red Crescent Societies
IGAs	Income Generating Activities
ILO	International Labour Organization/Office
ILO/CRISIS	ILO Programme for Crisis Response and Reconstruction
INGO	International Non-Governmental Organization
IRA	Initial Rapid Assessment
IRC	International Rescue Committee
ITC ILO	International Training Centre of the ILO
JICA	Japan International Cooperation Agency
KAB	Know About Business
LAT	Livelihood Assessment Toolkit

LBIP	Labour-based infrastructure projects
LBT	Labour-based technology
LED	Local Economic Development
LER	Local Economic Recovery
MDTF	Multi-donor Trust Fund
MDRP	Multi-Country Demobilization and Reintegration Program
MFI	Micro Finance Institutions
MSEs	Micro and Small Enterprises
MSF	Médecins Sans Frontières
MSMEs	Micro, Small and Medium Enterprises
NBEG	North Bahr El-Ghazal State (Sudan)
NFI	Non-Food Items
NGO	Non-Governmental Organization
OCHA	UN Office for the Coordination of Humanitarian Affairs
OGN	Operational Guidance Note
PBF	Peace Building Fund
PBSO	Peace Building Support Office
PCEIR	(UN Policy on) Post-conflict Employment Creation, Income Generation and Reintegration
PMU	Project Management Unit
PPP	Public-Private Partnership
PSD	Private Sector Development
RNFA	Rural Non-Farm Activities
SDC	Swiss Agency for Development and Cooperation
SEEP	Small Enterprise Education and Promotion (SEEP) Network
SIYB	Start and Improve Your Business
SMEs	Small and Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities and Threats
ToT	Training of Trainers
TREE	Training for Rural Economic Empowerment
UN	United Nations
UN HABITAT	United Nations Human Settlements Programme
UNCT	UN Country Team
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNDG	United Nations Development Group
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
UNTFHS	UN Trust Fund for Humanitarian Security
USAID	United States Agency for International Development
VCA	Value Chain Analysis
WANEP	West Africa Network for Peace-building
WB	World Bank
WFP	World Food Programme

# Overview of the Guidelines

## About Local Economic Recovery

Socio-economic reintegration of conflict-affected groups is intimately related to the capacity of local economies to create job opportunities. After years of conflict, local economies are often stagnant and unable to do so. This is mainly due to the reduced purchasing capacity, the disruption of commercial circuits, the loss of productive assets, the inadequacy of infrastructure, the poor and inadequate skills of the labour force, and the risks and instability inhibiting investments. Not being attractive for private investments, such economies are not able to reverse the negative trend affecting them. In such a context, funds allocated for post-conflict peace-building, recovery and reconstruction must be tapped in order to fill these gaps and reactivate local economies. Substantive efforts must be made to mobilize and even to create complementary sources of funding that progressively replace aid<sup>1</sup>.

In post-conflict rural and urban settings, Local Economic Recovery (LER) is an [area-based approach](#) stimulating both the demand and supply sides of affected markets. In the short run, LER aims at gradually reducing the dependency on external aid through temporary jobs and income generation. In the long-run, LER aims at creating the endogenous conditions for the local economies to reactivate and create job opportunities.

While doing so, the approach is conceived to [promote reconciliation](#), social inclusion and participation within the targeted communities. LER can therefore decouple political and security concerns from socio-economic development. LER is a time-bound and outcome-oriented process, as it takes advantage of the incoming flows of financial resources linked to post-conflict operations, and of the efforts and resources allocated to increase security, build state authority and stabilize the context. An optimal use of local assets and opportunities is pursued by encouraging local stakeholders' participation as well as local procurement of goods and services.

The implementation of LER entails three types of tasks in which local stakeholders participate in several ways: fact-finding, decision-making, and action-taking. Small-scale livelihood recovery/creation activities are executed as early as possible. They target conflict-affected communities and generate quick peace dividends. In the meanwhile, local stakeholders are progressively accompanied through processes of mid-term economic recovery, with different degrees and types of participation ranging from simple information-sharing to decision-making, according to both the specific scenario and their capacities. Such processes contribute to peaceful and constructive dialogue and, ultimately, to reconciliation.

At the core of mid-term action will be capacity-building of local actors that are relevant to LER, i.e. local authorities, financial and non-financial service providers for business creation and development, entrepreneurs, workers' organisations, community-based organisation (CBOs), etc. Increased capacities will enable local actors to gradually create and better seize local economic opportunities emerging across recovery and reconstruction plans. The scope of livelihood activities expands as local capacities grow.

The purpose of LER initiatives will be to re-establish a minimum of productive and commercial functions within local markets that have been damaged by the conflict. In the long run, LER should evolve into local economic development (LED) strategies. In LED, participatory planning will be more systematic, institutionalised and fully bottom up, with the involvement of a broader base of local stakeholders.

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<sup>1</sup> Examples are saving schemes, remittance flows and other private sources of funding.

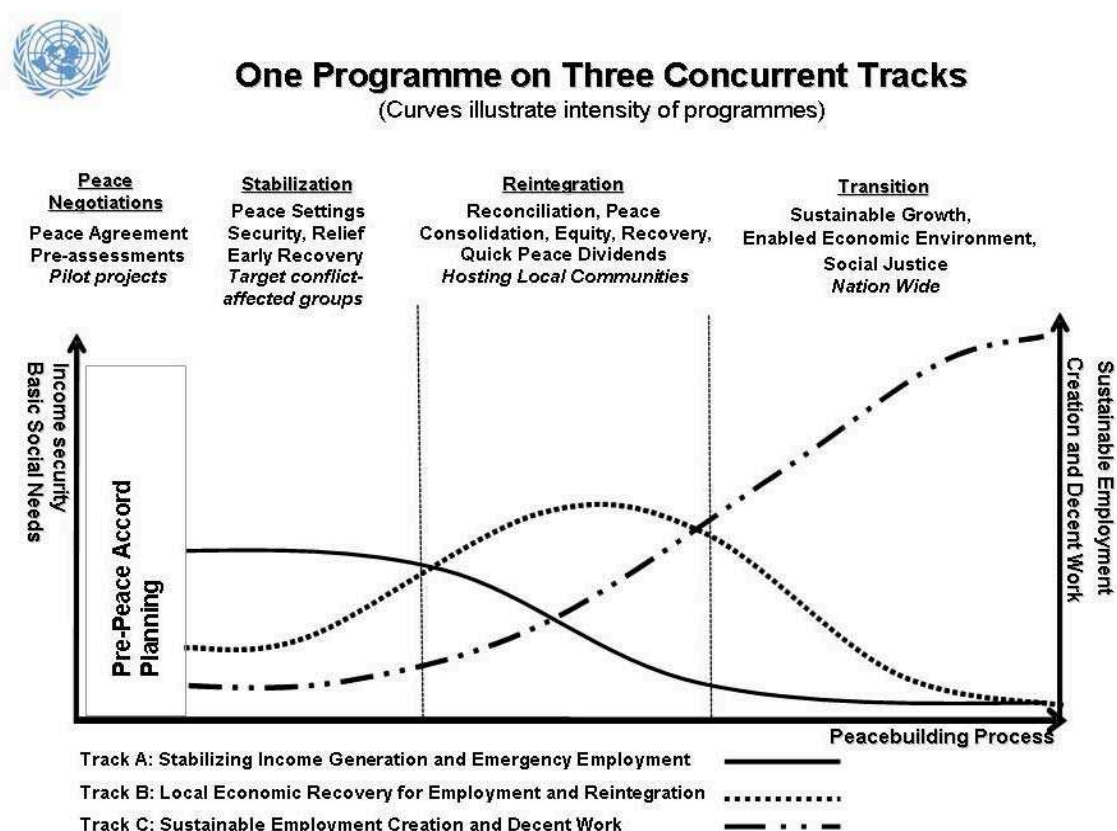


# The UN Policy Framework for Post-conflict LER

In May 2008, the UN Secretary General, Ban Ki-Moon, endorsed the "UN-wide Policy for Post-Conflict Employment Creation, Income Generation and Reintegration".<sup>2</sup> The objective of the Policy is to contribute to the work of the Peace-building Commission in proposing multi-agency strategies for post-conflict stabilization, reintegration, economic recovery and development.

According to the Policy, programming for employment creation and reintegration should be structured along three concurrent Tracks, as shown in figure 1. These are: Track A, focused on stabilizing income generation and creating emergency employment; Track B, focused on LER for employment and reintegration; and Track C, focused on sustainable employment creation and Decent Work. The programme Tracks start simultaneously during peace negotiations, but have varying intensity and duration depending on the local situation.

Figure 1. Programmes for post-conflict employment creation, income generation and reintegration



These Guidelines focus on Track B programmes. They start and progress according to necessity and donor support, and they eventually phase out as circumstances dictate. Immediate actions in such programmes consist of projects with short-term impact aimed at preparing the conditions for economic recovery and generating quick peace dividends. At an early stage, interventions may prioritize specific conflict-affected groups. The peak of Track B programmes is in the reintegration phase, as shown in the figure below. Throughout reintegration, the emphasis must shift from targeting specific conflict-affected groups to supporting and rebuilding hosting communities as a

<sup>2</sup> In recognition of the critical contribution of employment creation towards peace building, the former UN Secretary General instructed the drafting of a UN-wide Policy (decision n. 2006/50 of 28 November 2006). The inter-agency exercise involved 19 agencies (UN and IFIs), and was co-led by the ILO and the UNDP Bureau for Crisis Prevention and Recovery (UNDP/BCPR).

whole. LER is a relevant approach as it is area-based and promotes a growing participation in decision-making and equity in resource allocation. By doing so, LER paves the way to reconciliation, peace consolidation, and sustainable recovery.

The Post-conflict Employment and Reintegration Policy is not only a policy framework for LER. It also contains recommendations regarding operational and coordination aspects<sup>3</sup>. The framework could be offered by early recovery coordination mechanisms, or alternatively, by other actors such as working groups supporting government-led processes. This will have implications also with respect to the advocacy modalities for LER and the institutional arrangements overseeing its implementation.

## About Early Recovery

Within the scope of the Humanitarian Reform, a cluster approach has been adopted to address the critical systemic gaps constraining the effectiveness, predictability and timeliness of crisis response worldwide. Such an approach is intended to strengthen the leadership and accountability in nine key sectors of humanitarian response. Clusters and Sectors are groups of relevant UN agencies, non-governmental organizations and other international organizations, and focus on specific issues.

One of these clusters is focused on early recovery, which bridges humanitarian assistance to longer-term reconstruction and development strategies. In fact, early recovery starts in a humanitarian setting but is guided by development principles and is aimed at strengthening the self-reliance of crisis-affected communities. Interventions build on humanitarian programmes and catalyze sustainable development opportunities. They are primarily focused on thematic areas where there is a recognized gap left by the other humanitarian Clusters and Sectors. They include: restoring essential services and infrastructure, livelihoods, governance and rule of law, shelters, environmental assets and reintegration of affected groups.

At the global level, the Cluster Working Group on Early Recovery (CWGER) is a group of 30 UN and non-UN global partners from the humanitarian and development communities, with UNDP designated as Cluster Lead. The CWGER is designated to identify gaps, and to develop and furnish accordingly the tools, resources, training and support required by field-based agencies to effectively plan and implement early recovery. The LER Guidelines are one of the deliverables of the CWGER focusing on the domain of livelihood recovery and respond to a recognized need for more effective and coordinated programming in this area.<sup>4</sup>

## About the LER Guidelines

The LER Guidelines in Post-conflict (hereinafter referred to as the 'Guidelines') provide the conceptual framework and policy elements (Part I), operational means and references (Part II) and practical tools (Part III) to support field practitioners in planning and implementing post-conflict employment promotion based on the LER approach. [The reader should not expect to find here rigorous, scientifically based theories on economic recovery, but rather ideas and analytical perspectives.](#)

As post-conflict contexts vary considerably, the proposed [guidance on how to implement LER is not prescriptive](#) and rigid. Some of the core decisions concerning LER (i.e. where to implement LER, with whom to work, which stakeholders should be mobilised and encouraged to participate, what focus and scope should LER programmes have) depend on conflict features and their evolution across time and space, on the level of local capacities, on the type and strength of local governance, on the typology of the targeted area and on its economic integration. Built on the

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<sup>3</sup> These recommendations are outlined in the Operational Guidance Note (OGN) of the PCEIR.

<sup>4</sup> The Guidelines can be applied jointly with another CWGER tool, the Livelihood Assessment Toolkit (LAT), which has been developed by FAO and ILO.

basis of these parameters, a set of generic LER scenarios is proposed from which the reader can choose the one that best represents the targeted setting. They vary according to the content and scope of economic recovery (the “what”) and the degree of local ownership of the responsibilities related to initiation, coordination, planning and implementation (the “how and by whom”).

A [gender-sensitive approach](#) is mainstreamed across the Guidelines. The reader may note that, when referring to the affected population and/or the society as a whole, we intend both women and men.

Part I on “LER Fundamentals” offers a presentation of the core subject matter ([chapter 1](#)), i.e. the LER approach with its purpose and features, and highlights the main contextual issues and specific applications of the approach according to the context ([chapter 2](#)). Essentially, it is about major policy issues and related guidance. Familiarity with the LER approach and related terminology should obviously precede any decision to get started, in order to make sure that LER is responsive to the local issues and fits the existing conditions.

Part II on “LER in Action” focuses on the operational modalities and means and translates the policy matters presented in Part I into guidelines for action. The three chapters contained in Part II concern the core tasks that characterise LER implementation. More specifically, the tasks are clustered into three categories, each one corresponding to a chapter: fact-finding, decision-making and action-taking.

[Chapter 3](#) provides reference guidance on how to collect, process and analyse strategic information on the territory, its resources, actors, and their interactions. Having a good understanding of the territorial capital and the economic recovery issues is critical for making solid decisions and determining priorities for LER.

[Chapter 4](#) provides guidelines on how to take core decisions across the implementation of LER. They essentially regard the “Who” (identification of institutional partners with whom to work and according to which modalities); the “Where” (selection of the geographic scope of action and the specific territory and the choice of the strategic sectors or branch of economic activities to be targeted); the “For What” (the economic recovery issues that must be tackled); the “How” (which strategic approach is most appropriate for tackling such issues); and the “What” (immediate and mid-term LER activities to be implemented). A set of [control questions on conflict sensitivity](#) is provided per each critical decision to be made.

Finally, [chapter 5](#) is about undertaking specific tasks such as advocacy, fund raising, coordination, mobilization and capacity building of stakeholders, and implementation of immediate small-scale activities. As mentioned, the [proposed tasks are not sequential](#) (see [Table 1](#)). For instance, it is very likely that the collection of key information through rapid assessment of the context will precede the taking of the go/no go decision and embarking or not in LER. Nevertheless, assessment-type of tasks will be recurrent, even during the implementation of LER projects; this is mainly due to the post-conflict context, which changes rapidly and requires continuous adaptation of approaches and measures.

## Who Should Use the Guidelines?

The Guidelines are intended to support field practitioners in planning and implementing post-conflict employment creation strategies and plans applying an LER approach. By ‘practitioners’ we mean professionals at international, national and local levels engaged in socio-economic recovery, reconstruction and development in post-conflict settings, who manage, supervise and/or directly execute projects’ and programmes’ implementation. Hence, the [primary target audience](#) include:

- ⇒ [Policy and decision makers](#);
- ⇒ [Programme designers, managers and coordinators](#) within UN agencies, INGOs, NGOs and CBOs;
- ⇒ [Programme/project implementers](#);
- ⇒ [Local authorities and counterparts](#) such as Governments, Workers’ and Employers’ Organizations.

Operational frameworks at the country level will be multi-agency platforms and mechanisms mandated to prompt recovery, such as the Early Recovery Clusters and Networks or, if available, other platforms engaged in the implementation of the UN Policy for Post-conflict Employment Creation and Reintegration.

The Guidelines can also be helpful for: practitioners in specific technical areas (Disarmament, Demobilization and Reintegration of Ex-combatants, reintegration of children formerly associated with armed forces and groups (CAAFAG), vocational skills, business promotion, employment-intensive investment, etc...) and in cross-cutting issues (e.g. gender), who need to familiarize with the LER approach and to apply it within a broader area-based strategy, whether they are based in the field or at HQs.

National and international LER practitioners will be supported in improving the way they promote and support the implementation of LER interventions in post-conflict. A core strengthening will be the one related to the facilitation of area-based participatory decision-making. In fact, throughout implementation, practitioners will have to mobilize and gradually involve local stakeholders in making decisions and executing initiatives. LER actions will build on the findings of the post-crisis rapid assessment and of a profiling of the territorial resources and opportunities for employment creation and income generation.

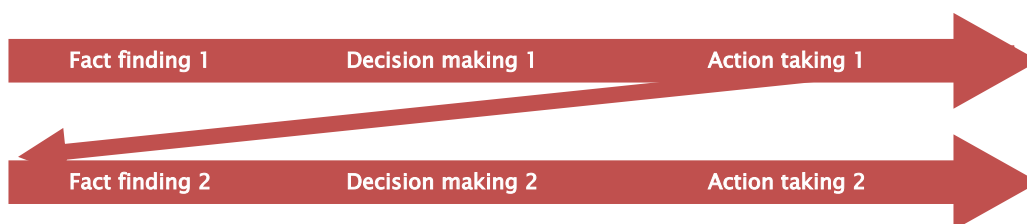
In developing these Guidelines, we found it particularly challenging to simultaneously meet the learning needs of - on the one hand - the policy and decision makers, programme designers and managers, and - on the other hand - the implementers, who have different profiles and requirements. For instance, livelihood specialists may find these Guidelines appropriate to their needs and their level of understanding, but for hands-on practitioners, they may seem overwhelming. We therefore suggest the following:

- ⇒ **Policy and decision makers:** to focus on Part I, in order to become able to take the go/no go decisions concerning LER, and to frame economic recovery policies;
- ⇒ **Programme designers, managers and coordinators:** to have a broad understanding of Part I, and to master Part II, in order to plan LER, train implementers and supervise programme execution;
- ⇒ **Implementers:** to focus on Part II, depending on their capacity level.

## How to Use the Guidelines?

The Guidelines include conceptual contents, technical inputs and practical tools, providing guidance for the implementation of LER. They are conceived to be used as a reference and should not be interpreted and applied in a dogmatic way, as contexts may vary substantially and there is not "one LER that fits all". That is why, rather than providing step-by-step instructions, the Guidelines provide criteria and instruments to take decisions and follow up with pertinent action.

In addition, the chapters are not to be read and put into practice in the same sequence as they appear. In fact the LER implementation process is not linear, being characterized by a logical alternation of fact-finding, decision-taking and action-making tasks (see figure below).



Cross references will guide the reader from one chapter to the other and, in particular, will create linkages among tasks contributing to the same “process”. Table 1 represents the linkages across the three chapters contained in Part II, and can help the reader in browsing the Guidelines. Example: assessment of stakeholder’s profile (fact-finding, chapter 3) → decision of whom to involve in LER (decision-making, chapter 4) → mobilisation of stakeholders for mid-term interventions (action-taking, chapter 5). Only the most critical and challenging tasks have been examined and included in the Guidelines.

Table 1. Snapshot of LER implementation

FACTS FINDING →	DECISIONS MAKING →	ACTION TAKING →	OUTPUTS
Basic considerations and generic conflict profile	<ul style="list-style-type: none"> <li>Is LER applicable? (Go/No go decision)</li> <li>How?</li> </ul>	<ul style="list-style-type: none"> <li>Advocate for LER</li> </ul>	<ul style="list-style-type: none"> <li>Generic conflict profile</li> <li>LER scenarios</li> <li>Go-ahead for LER implementation</li> </ul>
Initial rapid assessment (including a gender analysis)	<ul style="list-style-type: none"> <li>Whom to work with and how?</li> <li>Where to implement LER?</li> <li>Which small-scale livelihood activities?</li> </ul>	<ul style="list-style-type: none"> <li>Implement immediate small-scale livelihood activities</li> <li>Target specific gender issues and gender differentiated needs</li> </ul>	<ul style="list-style-type: none"> <li>Assessment report</li> <li>Core group of institutions who become partners for LER implementation</li> <li>Operational framework, roles and responsibilities division</li> <li>Gender-sensitive project document for small-scale activities</li> </ul>
Diagnosis of local procurement opportunities	<ul style="list-style-type: none"> <li>Which opportunities to procure locally?</li> </ul>	<ul style="list-style-type: none"> <li>Increase local procurement</li> </ul>	<ul style="list-style-type: none"> <li>Report of mapping</li> </ul>
Local Economic Profiling	<ul style="list-style-type: none"> <li>Which stakeholders to mobilize?</li> <li>Which economic sectors?</li> <li>What economic recovery issues to be tackled?</li> <li>What LER objectives to pursue in the mid-term?</li> <li>Which alternative strategies (What LER mid-term interventions?)</li> </ul>	<ul style="list-style-type: none"> <li>Select mid-term initiatives for implementation</li> <li>Mobilise stakeholders</li> <li>Build capacities for LER</li> </ul>	<ul style="list-style-type: none"> <li>Local Economic profile report, including institutional profile</li> <li>LER strategies</li> </ul>
Additional assessments	<ul style="list-style-type: none"> <li>Which project details?</li> <li>Which M&amp;E indicators?</li> </ul>	<ul style="list-style-type: none"> <li>Draft LER projects</li> <li>Elaborate M&amp;E plans</li> </ul>	<ul style="list-style-type: none"> <li>LER projects</li> </ul>
Tracking progress and performance	<ul style="list-style-type: none"> <li>Any corrective measure?</li> </ul>	<ul style="list-style-type: none"> <li>Agree on and introduce corrective measures</li> <li>Disseminate good practices and lessons learnt</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports and briefings</li> <li>Recommendations</li> <li>Lessons learnt and good practices</li> </ul>

The Guidelines are designed to be as comprehensive as possible with a wide array of tools, which are compiled in Part III, to be used for different aims, when suggested in the text:

Purpose	Type of tools
Collect information	Questionnaires (structured and semi-structured), data-collection forms, lists of information requirements, lists of information sources
Store information	Matrixes and grids
Analyze information	Guidelines for analysis (e.g. SWOT, Venn diagram)
Share information and report	Templates for reports and documents
Decide and plan	Guidelines for workshop facilitation, decision-making trees, templates for work plans, logical frameworks, strategy documents and project documents
Act and implement interventions	Checklists, Terms of Reference for project staff

References to LER experiences and documents are embedded in the Guidelines. This relates LER concepts to the realities of LER practice and the lessons learnt so far. The Guidelines can assist in the harmonization of economic recovery practices across organizations and support practitioners in the strategic planning and implementation of interventions.

The reader should:

- ⇒ **Complement the reading** of the Guidelines with: the use of tools provided in the Toolboxes (Part III); the references that are listed at the end of each chapter;
- ⇒ **Adapt the content to the specific working context**; use the instructions as lenses enabling a look at the reality under the LER perspective; and operate accordingly.

Each chapter contains a set of “technical briefs” in the form of sub-chapters, each one focusing on a specific issue or “task”. They provide essential theoretical background and guidance. The contents and the operational tools are listed at the beginning of each chapter. Additional contents are provided in the following forms.



References “**To know more...**”: the complementary readings that we recommend to those who are interested in the subject and are keen in deepening their knowledge about it. The references are contained in the CD-ROM included in these Guidelines.



These logos draw the attention of the reader on **thematic cross cutting issues**, i.e. gender and environment.



“**Did You Know That...?**” boxes to stimulate your curiosity about interesting information that is nice to know.



“**Zoom-In on the Practice**” boxes presenting examples of the application of the concepts explained.



Indications on the **operational tools** you can use in the execution of a specific function. You will find the tools in the **Toolboxes in Part III**. If using the electronic version, an active link will lead you to the tool you are looking for.



This symbol indicates **cross-references** to relevant contents of the Guidelines. If using the electronic version, the cross-reference is also an active link.



# **PART I. LER FUNDAMENTALS**





# Chapter 1. LER Conceptual Basis

## Overview

### *Contents*

This chapter is about the conceptual framework of the LER approach and describes the implementation process, its purpose, characteristics and steps. The chapter also introduces what the components of territorial capital are, and how a conflict can destroy or damage such capital thus weakening the performance of the local economy. The focus then turns to how the LER approach can restore each item of the territorial capital, so as to create the conditions for local markets to function properly.

#### **Outline chapter 1**

- ⇒ The LER Approach in Post Conflict
- ⇒ 1.2. The Economic Space: Territorial Capital in Economic Flows
- ⇒ 1.3. Guiding Principles of LER
- ⇒ 1.4. Making LER Happen
- ⇒ 1.5. The Transition from LER to LED

### *Purpose*

This chapter is [to familiarize](#) the reader with the rationale of the LER approach and terminology. By laying the conceptual foundations of LER, this chapter is also instrumental in the creation of a common understanding among different actors engaged in reintegrating conflict-affected groups and recovering livelihoods.

The contents of this chapter can also be used [for advocacy purposes and basic training](#), when sensitizing and mobilizing stakeholders. Nevertheless, we suggest adapting the content to the level of education and stake of the interlocutors in order to make it more relevant and accessible.

# 1.1. The LER Approach in Post-conflict

## How Do We Define LER?

In post-conflict urban and rural settings, LER is an area-based approach to revive affected economic activities, which in turn leads to increased employment. It does so by putting in place deliberate efforts that prompt positive spontaneous initiatives, by restoring the disrupted markets and by removing the obstacles that inhibit their normal function. It builds on and promotes the optimal use of local assets and opportunities, for instance by facilitating local participation, by intensifying the use of labour, and by encouraging local procurement of goods and services. While creating temporary jobs in the short-term and improving economies' and labour markets' performance in the mid-term, LER promotes reconciliation within affected communities and self-reliance of affected groups. Table 2 summarises the most critical features of the LER approach. Each is explained in depth in the following pages.

Table 2. LER in a nutshell

<b>What</b>	<ul style="list-style-type: none"> <li>• <b>Area-based approach</b> to economic recovery for job creation and income generation</li> </ul>
<b>For what</b>	<ul style="list-style-type: none"> <li>• Short-term: <b>create temporary job</b> opportunities to inject cash in the economy, reduce aid dependency and increase purchasing power; encourage and facilitate spontaneous recovery initiatives</li> <li>• Mid term: <b>recover conflict-affected productive and commercial circuits</b> by removing the obstacles that inhibit their normal function; increase and stabilise employment creation</li> <li>• Ultimately: <b>reintegrate</b> conflict-affected groups in the economic and social life of a community and <b>promote reconciliation</b>.</li> </ul>
<b>For whom</b>	<ul style="list-style-type: none"> <li>• Those whose livelihoods, enterprises &amp; productive assets were lost or <b>affected</b> due to the conflict</li> <li>• <b>Including – but not exclusively</b> focusing on - IDPs, returning refugees and ex-combatants</li> <li>• Not specifically focusing on the poorest and most vulnerable</li> </ul>
<b>When</b>	<ul style="list-style-type: none"> <li>• After the <b>peace talks</b> are <b>advanced</b> and/or the peace <b>agreements</b> have been <b>signed</b></li> <li>• In parallel with humanitarian assistance</li> <li>• Lifespan of LER depends on the starting conditions and on their evolution over time. It is not possible to predict the timing.</li> </ul>
<b>Where</b>	<ul style="list-style-type: none"> <li>• Conflict-affected settings</li> <li>• Specific geographic territories, taking into account their interactions with other territories</li> <li>• <b>Rural and urban</b> settings</li> <li>• Areas of IDPs, ex-combatants and refugees return or settlement</li> </ul>
<b>By whom and how</b>	<ul style="list-style-type: none"> <li>• Capitalization on local resources and opportunities (e.g. local procurement of goods and services; labour-intensive methodologies)</li> <li>• Decision-making with different degrees and breadth of participation according to actors' capacities</li> <li>• Short-term: lower degree of participation; small-scale livelihood activities for temporary job creation and cash injection</li> <li>• Mid-term: increasing participation; capacity building for enhanced labour supply and increased labour demand</li> </ul>
<b>By means of</b>	<ul style="list-style-type: none"> <li>• The territorial capital, i.e. local resources (e.g. human, institutional, physical, natural, financial)</li> <li>• Relief and reconstruction investments</li> </ul>

## What is LER For?

Economic recovery can, and generally does, occur spontaneously. In fact, even during conflicts, in the affected territory there can be evidence of different degrees and intensities of production and trade, indicating the resilience of local communities. However, certain results are not produced spontaneously and require dedicated efforts and the choice of specific recovery directions. For instance, spontaneous recovery may exacerbate inequalities, or even reinforce war economies, thus threatening long-lasting reconciliation and peace building.

The LER approach aims at putting in place deliberate efforts to prompt positive spontaneous initiatives with a view to restore production and trade, better, faster and along an intended direction or strategy. By better, we mean with attention to the “quality” of the process and the outcomes in terms of quantity and quality of jobs generated, distribution of recovery benefits in terms of well-being of targeted communities, diversification of the economy, capacity of the private sector to respond to external shocks and seize opportunities, reduction/eradication of war economy, and meaningful participation of women in identifying economic recovery issues, taking decisions and implementing LER actions. Women’s participation is essential and is an indicator of sustainable development. More insights on this issue, are found in UNSC Resolutions 1325, 1820, 1888, 1889.

The focus is two-fold. In the short-run, LER starts with small-scale activities aimed at stabilizing livelihoods, creating immediate job opportunities as concrete peace dividends, and injecting cash into the economy. This increases local purchasing power and gradually reduces aid dependency. In the medium-term, LER pursues starting the restoration of more regular functions of productive and commercial circuits, which in turn reactivates labour markets and stabilise job opportunities.

Temporary jobs are quick peace dividends, as they represent an alternative to the use of weapons and to criminal and illicit practices. In addition to that, they do not require substantive investments, and contribute restoring basic services and community infrastructure that are critical to improve living conditions.

Interventions can be of two types: (1) inducing the creation of jobs through small-scale infrastructure projects and basic services; and (2) facilitating the access of local jobseekers to existing labour demand. At this stage, a top-down approach to decision making is emphasised, as it produces rapid results and it helps bypassing issues such as poor institutional capacities and representation.

Primary targets are conflict-affected groups. These include the whole conflict-affected community who lost livelihoods and assets and those who need to be reinserted in the labour market, including ex-combatants and returning IDPs and refugees. Within these groups, age and sex specificities must be considered.

As resources and institutional capacities increase, the scope of activities expands. In the medium term, interventions are focused on removing main bottlenecks that impede the smooth conduction and enhancement of economic activities, and that prevent the recovery and formation of territorial capital. According to the domain of LER action, objectives will target both labour demand (recovery and increased productivity of enterprises) and labour supply and access (essentially employability).


 This section is linked to:  
5.4. Implementing Small-scale Livelihood Activities  
5.7. Examples of Mid-term Interventions



Table 3. LER domains of action and examples of objectives

LER domains of action	Objectives
Employability	<ul style="list-style-type: none"> <li>• Ensuring the availability of technical and professional skills as demanded by the labour market in order to develop/increase workers' productivity</li> <li>• Facilitating the match between labour demand and supply</li> </ul>
Entrepreneurship, enterprises and cooperatives	<ul style="list-style-type: none"> <li>• Creating and promoting an entrepreneurial culture, including among youth and women</li> <li>• Mainstreaming Decent Work as part of the collective of values characterizing good entrepreneurship</li> <li>• Improving business management skills, knowledge and attitudes</li> </ul>
Business-enabling Environment	<ul style="list-style-type: none"> <li>• Creating an environment (e.g. regulatory frameworks) that encourages the start-up of new businesses and the development of existing ones</li> </ul>
Access to financial resources	<ul style="list-style-type: none"> <li>• Ensuring the availability of and access to adequate financial services and products, tailored to the specific needs of <b>women and men</b>, for start-up and business growth in conflict-affected areas</li> </ul>
Support infrastructure	<ul style="list-style-type: none"> <li>• Ensuring that the necessary support infrastructure (e.g. transportation, communication, storage, market) is in place, well maintained and <b>equally accessible to women and men</b></li> </ul>
Access to Business Development Services	<ul style="list-style-type: none"> <li>• Improving the competitiveness of local firms in strategic sectors and value chains, and their access to viable business opportunities in conflict-affected settings</li> <li>• Fostering innovation as a means to enhance firms' competitiveness and their survival capacity in markets with harsh conditions</li> </ul>
Public management and participation	<ul style="list-style-type: none"> <li>• Empowering public entities and authorities to make a better use of resources</li> <li>• Facilitating inclusive and participatory approaches and constructive dialogue among relevant actors, <b>women and men</b> included, for the identification of needs and priorities and the development of suitable solutions for economic recovery</li> <li>• Orienting public, national and international funds for recovery and reconstruction towards local suppliers of goods and services and labour-intensive methodologies</li> </ul>

In order to maximise their impact in terms of job creation, LER strategies and plans must be fully integrated within broad employment programmes, as recommended by the UN Post-conflict Policy for Employment Creation.

The decision-making process, most likely led initially by external actors, is increasingly participative and the focus shifts onto fully bottom-up approaches. To permit such a transformation toward a higher degree of ownership and accountability, **part of LER intervention will focus on capacity development** of local stakeholders on how to best allocate and use resources, and on how to take such decisions in a participatory manner. Several administrative, geographic and sectoral levels are concerned and must be considered through the involvement of relevant stakeholders.

## LER Bridges the Gap between Relief and Development

The LER approach can help humanitarian relief organizations view relief as an occasion to address the immediate needs of the people while building the physical and human capital required for long-term economic recovery and development. LER supports a broad-based consultation and coordination at the local level, contributing to peace consolidation among local communities.

While focusing on early recovery and recovery-type interventions, LER complements and builds upon humanitarian and rehabilitation activities. At the same time, LER prepares the ground for sustainable development interventions, through the early construction of more solid economic foundations. Such an integrated approach to humanitarian and recovery operations can be a powerful force driving economic rebuilding, in line with the principles of the Early Recover Cluster.

Relief operations offer several opportunities for creating jobs and income for conflict-affected people. They may provide temporary livelihood support in the form of short-term income transfers, cash-for-work, and food-for-work activities. Cash transfers are designed to assist those who do not have or have lost the capacity to provide for themselves (e.g. people with disabilities, orphans, widows, elders) or to regions where physical infrastructure and other productive assets have been severely devastated. Cash-for-work and food-for-work provide immediate, temporary job opportunities through employment intensive public works projects (e.g. roads, irrigation canals).

The LER approach aims at maximizing the employment-creation impact of ongoing operations by emphasizing the use of local assets and by re-orienting public investments towards labour-based methodologies. Therefore, coordination with existing humanitarian and development agents and authorities is crucial in the transition to more sustainable employment opportunities. In the majority of post-conflict settings, humanitarian relief organizations (i.e. OCHA, WFP, ICRC, IRC, MSF) will be onsite prior to early recovery operations. Systematic information sharing and even joint planning among all humanitarian and recovery actors are necessary to reach greater coherence.

LER approaches provide a more comprehensive set of supports (i.e. skills, access to business development and microfinance services, market linkages) that provides more than just emergency income support, but heightens the likelihood of sustainable livelihoods beyond the period of the project. In this perspective, areas of collaboration between humanitarian relief and LER activities may include dovetailing a standalone vocational training to a component of a project that integrates basic skills training with apprenticeships and entrepreneurship development.

In the aftermath of a conflict, local markets fail in stimulating the generation of labour demand because the economy is depressed. An external impulse to investments and job creation is therefore necessary to put in motion the disrupted markets.



### DID YOU KNOW THAT...THE CONCEPTS OF LINKING RELIEF TO REHABILITATION AND DEVELOPMENT

The concepts of "linking relief to rehabilitation and development" and of promoting a "developmental humanitarian assistance" was developed by practitioners and academics back in the '80ies. It was remarked that the gap between the two phases was actually detrimental to the performance of both of them. The existing "grey zone" was to be addressed in order to consolidate achievements of the humanitarian assistance efforts and, on the other side, to prepare the ground for a smoother and more sustainable development process.

## LER for Peace Building

In most conflict-affected countries the post-war context is unstable and characterized by fallbacks and hurdles to overcome in terms of violence, recovery and reintegration. Fighting can resume even if the peace agreement has been signed by the parties, and especially in sensitive geographic areas.

Due to the non-linearity of conflict cycles, peace-building efforts and related interventions, including LER, shall be successful in responding to the specific conflict dynamics, without provoking any further harm. The possibility to apply LER and its scope and focus will in fact be determined by the duration and stage of the conflict cycle and the related processes occurring in the area (e.g. DDR, displacement and/or return of IDPs and refugees).

Peace building is essentially a process of transformation of a conflictual relationship that is handled in an hostile fashion and/or through the use of violence into a new type of relationship where divergence is addressed via peaceful means. Building peace aims at reaching a status of harmony, unity, well-being, security and respect, within a community and among the parties in conflict (Lederach, 1997).

If used as an instrument to contribute to peace building, LER cannot ignore the nature and characteristics of the concerned conflict and the setting. The most important consideration in this regard must be done upfront, when deciding if and how the LER approach should be applied (see chapter 3, section 3.2. [Generic Profiling of Post-Conflict](#) ).

LER programmes strengthen the peace-building process in three ways:

- ⇒ By [improving the local economy](#) and the management of local resources, which in turns reduces unemployment and provides economic/survival alternatives to fighting, thus contributing to social stability;
- ⇒ By building the capacities and [fostering the equal participation of women and men](#) in decision-making and implementation, which encourages dialogue, helps the [rebuilding of relationships](#) among groups, and increases ownership of the results. Relationship building is an essential requirement to sustain peace building in the long-run. Women's participation is recognized as a fundamental factor for development and peace-building.
- ⇒ By [reducing the risk factors](#) that can cause conflict relapse. Typical recurrence factors that can be reduced by LER are: the perception of inequalities among groups in terms of access to economic opportunities and distribution of resources (including natural resources and derivate revenues), the poor participation and polarization of decision making (including the exclusion of women), and the unemployment among the youth.

Relationship building entails maximizing [connectors](#) and minimizing the impact of [dividers](#) within affected societies (see 1.3. [Guiding Principles of LER](#)). The sooner this is done in the aftermath of the stipulation of the peace agreement, the better.



### DEFINITION OF PEACE BUILDING

The UN Security Council defines peace building as "aimed at preventing the outbreak, recurrence or continuation of armed conflict and, therefore, encompass a wide range of political, developmental, humanitarian and human rights programmes and mechanisms".

Lederach (1997) defines peace building as follows: "peace building is more than postaccord reconstruction. [...] is a comprehensive concept that encompasses, generates, and sustains the full array of processes, approaches and stages needed to transform conflict toward more sustainable, peaceful relationships".



This section is linked to:

- 1.3. [Guiding Principles of LER](#)
- 5.5. [Prompting Participation and Mobilizing Stakeholders](#)
- 5.6. [Building Capacities in the Mid-term](#)

## Who is LER For?

The issue of LER beneficiaries is key to the achievement of economic recovery objectives, which by definition do not address the needs of specific households in a community but rather local markets and supporting systems. Ultimate targets of economic recovery interventions are therefore economic agents that operate in such a market and that have the potential to contribute to its performance. This feature differentiates the LER approach from the Sustainable Livelihood Approach (SLA).



This section is linked to:

- 1.2. The Economic Space: Territorial Capital and Economic Flows
- 2.3. LER and People with Specific Needs
- 3.3. Initial Rapid Assessment (IRA)
- 4.5. Which Beneficiaries?

Experience has shown that economic recovery depends on a low-middle class with entrepreneurial skills and attitudes and with a minimum purchasing and saving power. Hence, LER is not aimed at immediately serving the most marginalised, poor and vulnerable. Their needs must be, instead, included in a wider target base, where focus is put on economic actors that have the potential to trigger recovery. Furthermore, those who can “spoil” recovery to protect their interests need to be given incentives to act otherwise, i.e. the certainty that they can benefit from recovery (e.g. ex-combatants).

Within the above-mentioned group, LER would prioritize those whose livelihoods, enterprises and productive assets were lost or affected due to the conflict. The aim would be to help them restore their activities, restart the local economy and generate income for themselves and linked businesses.



Finally, there are the so-called “people with specific needs”, who are categorized according to their age, [gender](#), diversity, and socio-economic status. Among these groups, are female-headed households; IDPs, returning and resettling refugees; ex-combatants; and unemployed youth, all of which can present a destabilisation factor.

## When?

The signature of the peace agreement is usually the starting point for humanitarian organizations to expand the scope of their activities beyond saving lives (i.e. early recovery) and to extend assistance to new areas and groups, for example in support to return and reintegration of returnees, IDPs and ex-combatants. At this stage, the national government, other national stakeholders and the international community, including development organizations, begin assessing the impact of the conflict in preparation for the formulation of appropriate responses to sustain long-lasting peace. For development organizations, this is an entry point to work hand-in-hand with humanitarian actors within early recovery frameworks. In such a scenario, LER represents one of the alternatives to be explored.

That is why we suggest that LER start when peace talks are in their advanced stage and/or peace agreements have been signed. When implemented in parallel with humanitarian assistance within the framework of early recovery operations and when inspired by development principles, LER bridges the gap between these two types of efforts. In other words, LER programmes create an overlap between relief and development. As such, they reduce dependence on external assistance, strengthen self-reliance and pave the way towards sustainable development.

During this limited period, LER can take advantage of the incoming flows of resources linked to post-conflict humanitarian and development-oriented operations. It can also capitalize on the efforts and resources allocated to increase security, build state authority and stabilize the context.



Lifespan of LER depends on the starting conditions in the targeted context and on their evolution over time, hence it is not either possible or advisable to predict the timing. Indeed, rather than being a time-bound process, LER is a [condition-bound and result-oriented process](#). In other words, it starts when and where certain necessary conditions are in place, and it gradually shifts into LED upon the achievement of key milestones. Such milestones are to be set on a case-by-case basis and in a realistic way.

It should be noted that the final outcome expected from LER programmes cannot realistically be the full restoration of the local economy (i.e. returning to pre-conflict situation). In fact, on average, it takes about 21 years to return to the pre-war income level (Collier and Hoeffler, 2004). Under such circumstances, LER can instead be conceived as a process that builds confidence and that kick starts and catalyses the revitalisation of local economies without the ambition of producing major changes at the macro level. In the first three post-conflict years, the pace of growth is rather slow and stakeholders (including donors) can actually become disillusioned if tangible results are not brought to their attention.

## Where?

As mentioned in the definition, the LER approach is an area-based one, applied in conflict affected settings, whether rural and/or urban. Compared to approaches focusing on specific target groups, the area-based focus permits to take into account the broader local economic setting and to make better use of local resources and external investments.

The [economic space](#), i.e. the geographic and administrative scale and the locations where LER should be applied, is defined on the basis of several parameters that are extensively described in chapter 4, at the section [4.4. Where to Implement LER?](#) One of these parameters is linked to the [economic flows](#), occurring in a certain geographic area. A basic definition of economic flows is provided in the following section. In general, such an economic space is a [combination of rural and urban areas](#), which complement each others in terms of production and consumption patterns. The assumption is that neither rural nor urban areas are fully self-sufficient and that economic flows will necessarily occur among them, with different degrees of intensity and frequency. [Figure 2](#) offers a trivial but eloquent representation of the economic flows occurring among [urban and rural “nodes”](#).

In the [rural nodes](#) economic activities focus mainly on agricultural production, resource extraction, mining, quarrying, primary storage, the partial or complete transformation of commodities and transportation to urban nodes or other rural nodes. It is also important to consider that rural economies include both farm and non-farm activities (RNF), and that the latter account for a greater portion of the rural income than generally assumed.<sup>5</sup>

On the other hand, [urban nodes](#) are characterized by a wider access to business networks, a larger mass of consumers with higher purchasing power than in rural areas, a more significant presence of financial and non-financial services, better transport and communication infrastructure, as well as human and institutional resources. These features make the urban nodes more suitable for higher scale production and trade towards wider markets.

A healthy interaction between urban and rural economies is vital for recovery. Furthermore, the consequent development of both rural farm and rural non-farm activities permits avoiding excessive and badly managed urbanization, with all its associated social and environmental problems. Therefore, [economic recovery and development strategies must leverage on the complementarities between rural and urban economic patterns](#) and resources, optimize their interaction, and encourage economic diversification.

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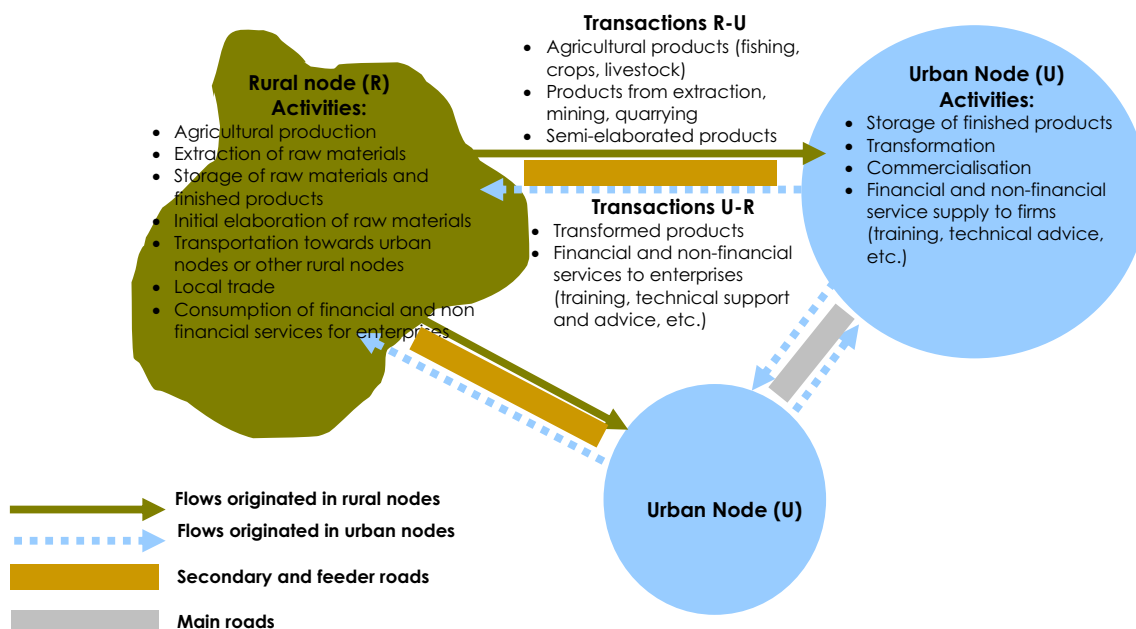
<sup>5</sup> A study conducted by Reardon et al. (1998) shows that, in Africa, an average of 42% of the total rural income is the outcome of non-farm activities.

A strategic approach to economic recovery would therefore aim at the revitalisation, or activation, of a **network of urban and rural nodes** of farming and non-farming production, trade and consumption. The emphasis would be on boosting the rural economy, inclusive of farm and non farm activities, rather than agriculture itself, which has the disadvantage of introducing in the market products with low added value and with seasonal cycles. This paradigm shift, which could allow a greater contribution of agriculture to economic recovery and development, can only be achieved by supporting agriculture, entrepreneurial capacity and enhancement of productivity throughout value chains.



When devising economic recovery strategies, it is important to consider that rural and urban economies have different challenges to face. For instance, in rural areas typical issues are, among others: land scarcity, insecure tenure and landlessness; poor infrastructures and services; significant **gender-based disparities**. Instead, in urban economies the most critical issues, to name a few, are: unemployment, which is relatively higher than in rural areas; skilled labour that the labour market is unable to absorb; urbanization, with its associated problems such as the inadequacy of infrastructure and services to meet the increased demand.

Figure 2. Representation of the economic flows between rural and urban nodes



## By Whom, How, and What: LER Scenarios

There is no one universal recipe for LER. Nevertheless, we could draw a number of LER scenarios which describe the degree of the external impulse that is needed to restore production and trade circuits (the “**how and by whom**”) and the level of “sophistication”, scope and focus of feasible initiatives (the “**what**”).



This section is linked to:

Overview of Conflict Features, in section 2.1.  
3.2. Generic Profiling of Post-Conflict Setting  
Building and Choosing LER Scenarios, in 4.2.

In general, LER will be applied in contexts where state structures are weak, economic growth is still very slow, and local absorptive capacity is poor. In such a typical case, LER initiation and coordination will be driven by external entities as well as the implementation of economic recovery

initiatives. When, instead, absorptive capacity is higher, local institutions will play a more prominent role and co-lead LER efforts. In either case, LER will not be initiated in the vacuum: other programmes aimed at recovering livelihoods and income will be probably ongoing, as well as reintegration of affected groups.

In addition, the degree of stability of the post-conflict scenario, the typology of the targeted area (rural/urban) and its economic integration with respect to other economies, will dictate the focus of LER interventions, their scope and appropriate mix and sequencing.

Chapter 3 will indicate when the above- mentioned “facts” concerning “by whom and how” and the “what” must be found in the overall planning process. Chapter 4 will suggest guidelines for the decisions concerning the “by whom and how” and the “what”.

## 1.2. The Economic Space: Territorial Capital and Economic Flows

### Overview

Economic recovery and development problems are concerned with flows of people, raw material, goods, information, services, etc. across space and time. While “flows” concern the dynamic aspect of economic interactions, the availability of resources in a specific location, at a certain point in time, represents the static dimension of the local economy, i.e. the “stock” , the territorial capital.

Hence, [two key considerations of the economic space](#) must be taken into account when deciding the “local level” for LER strategies and interventions, i.e. where to implement LER. The economic space must:



This section is linked to:  
[4.4. Where to Implement LER?](#)

⇒ Be endowed with a [critical mass \(concentration\) of people, services and other types of resources](#), i.e. the territorial capital;

⇒ Be “crossed” by a [critical mass of economic interactions](#), i.e. the flows within networks.

In order to improve the relevance and ensure the success of interventions aimed at recovering both the territorial assets and the economic flows, the LER approach combines the two complementary dimensions of “[geographic territory](#)” and “[economic network](#)”. Geographic territories have well specified physical boundaries, while economic networks can cross beyond geographical boundaries. Typically, in conflict-affected areas, networks are geographically limited due to the poor accessibility and connections between localities.

In other words, the geographical perspective, which is typically adopted in area-based approaches, is associated to the network perspective with a view to better describe the functioning of local economies. LER strategies and plans will therefore target a specifically defined geographic territory, but will consider all networks and economic flows that connect such territory to other, not necessarily contiguous territories.

The Initial Rapid Assessment and the Local Economic Profile must capture both the economic assets and the flows characterizing the targeted geographic territory.



This section is linked to:  
3.3. Initial Rapid Assessment (IRA)  
3.6. Local Economic Profile


## What is the Territorial Capital?

Territorial capital is a term used to geographically encapsulate the six forms of capital that exist in any given place, namely: 1) human, 2) natural, 3) physical, 4) institutional, 5) economic, and 6) social capitals. These types of capital represent capacities, productive assets, and resources that must be rebuilt or enabled to function properly in order to prompt economic revival.

In addition to the endogenous resources mentioned above, in post-conflict settings donors, international agencies, civil society organizations temporally inject technical expertise, financial resources, and institutional frameworks for relief and development operations into the local economy. These resources, although temporary and “external”, represent an essential stimulus to territorial capital. It is important to build local capacity to ensure continuation of activities when relief organizations and temporary “recovery capital” leave the territory.

Table 4 offers a snapshot of the six types of territorial assets described above. It also informs the reader of the factors that either inhibit or prompt the formation and recovery of the territorial capital.

Table 4. Territorial capital and factors that inhibit/promote its formation

Description of Capital Type	Factors inhibiting capital formation and recovery	Factors promoting capital formation and recovery
<b>Human capital</b>		
Set of attributes of an economically active person: knowledge, expertise, leadership capacities, professional and technical skills, participation in networks. Such attributes: enable the participation as economic actors in the territory; influence the type of economic activities, the performance as economic agent, and the roles and contributions that can be made as agents of change and innovation.	<ul style="list-style-type: none"> <li>▪ Brain drain, death, injuries and displacement;</li> <li>▪ Protracted inactivity, loss of skills;</li> <li>▪ <b>Cultural barriers inhibiting female education and access to labour market;</b></li> <li>▪ Poor capacities of vocational training providers;</li> <li>▪ Inadequacy of training curricula; interruption of education services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delivery of training, support of local vocational schools, establishment of apprenticeship programmes;</li> <li>▪ Introduction of cash-for-work schemes with employment potential;</li> <li>▪ Sensitization to new economic opportunities that can arise from new skill training</li> </ul>
<b>Natural capital</b>		
 Natural resource endowments of an area, characterized by a particular climate, landscape, soil features, and geological composition. Natural sources of: raw materials and energy available to feed economic recovery and development. Natural capital preservation: linked to disaster risk reduction and sustainability of LER achievements.	<ul style="list-style-type: none"> <li>▪ Competition and armed conflicts for the control of natural resources (i.e. Abiey, Sudan – oil, DRC – diamonds) → resources untapped and not efficiently exploited;</li> <li>▪ Environmentally irresponsible behaviours of economic agents → unsustainable use of resources</li> </ul>	<ul style="list-style-type: none"> <li>▪ Natural capital: driver of local economic recovery and development in certain sectors (i.e. community-based tourism);</li> <li>▪ Environmentally-friendly projects with positive economic and employment impact (e.g. green jobs programmes)</li> </ul>
<b>Physical capital</b>		
Infrastructure supporting economic activities in urban and rural areas.	<ul style="list-style-type: none"> <li>▪ Construction materials are not available locally and are expensive</li> </ul>	<ul style="list-style-type: none"> <li>▪ Utilization of labour intensive infrastructure activities to inject capital into the local</li> </ul>

<p>Categories: water management, transportation, power production and distribution, sanitation, and communications systems.</p> <p>Examples: irrigation canals, water drainage systems, roads, bridges, ports, power plants, market places, storage, and buildings.</p>	<ul style="list-style-type: none"> <li>▪ High level of risk and insecurity inhibiting investments</li> <li>▪ Corruption</li> <li>▪ Poor capacity of local contractors → not able to participate in bidding processes → public works subcontracted to non-local contractors</li> </ul>	<p>economy while developing business supporting infrastructure (i.e. roads, markets)</p> <ul style="list-style-type: none"> <li>▪ Significant inflow of financial resources (humanitarian and reconstruction operations) to traditional and non-traditional agents, including <b>women</b>.</li> </ul>
<p><b>Institutional capital</b></p>		
<p>Set of norms, rules and values governing the interaction between local agents (i.e. individuals and organizations). It includes regional, national, provincial, and local institutions designing, disseminating, applying and/or ensuring policies and regulatory frameworks</p>	<ul style="list-style-type: none"> <li>▪ Policies and rules discouraging investments and business creation</li> <li>▪ Corruption and discrimination</li> <li>▪ Poor human and financial resources → no equipment, low/unstable salary estimation, low-skilled employee</li> <li>▪ <b>Highly centralized powers and resources</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Identification and rebuilding of pre-existing institutions</li> <li>▪ International and regional expertise</li> <li>▪ Increased resource base</li> <li>▪ Targeted efforts and incentives against corruption</li> </ul>
<p><b>Economic capital</b></p>		
<p>Set of local enterprises, associations, cooperatives, financial representatives, and networks of economic agents responsible for production, trade and finance. It also includes: means of production, financial resources, technology and technological equipment used in economic activities.</p>	<ul style="list-style-type: none"> <li>▪ Mistrust and poor networks</li> <li>▪ Poor infrastructure → reduced production and trade</li> <li>▪ High level of risk and insecurity inhibiting investments</li> <li>▪ Property rights and land tenure system: poor and discriminatory</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inflow of reconstruction investments: grants and loans for business creation and development</li> <li>▪ Well-performing security operations → increased protection of property rights, reduced risks, less aversion to investments</li> <li>▪ Advanced peace talks/accords</li> </ul>
<p><b>Social capital</b></p>		
<p>Aggregated value of the social relationships and safety nets among individuals. At times, they serve to fill in gaps left by the government and economic actors (e.g. credit, social protection).</p>	<ul style="list-style-type: none"> <li>▪ Deep strains between groups</li> <li>▪ Unwillingness to collaborate among opposing groups</li> <li>▪ Discrimination over the access, use and control of resources</li> <li>▪ Discriminatory decision-making platforms</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participatory planning processes which promote dialogue and joint decision-making</li> <li>▪ Efforts to re-establish and thicken ties within communities (bonding social capital) and between communities (bridging social capital)</li> <li>▪ Leaders' serious commitment to the peace building process</li> </ul>

### Highlights on conflicts impact on the natural capital



The environment can itself be a “victim” of armed conflicts. A report released by UNEP in 2009 highlights a series of typical direct and indirect environmental damages generated by conflicts, as well as the issues arising from the weakening - or even the collapse - of the institutions that are expected to manage natural resources.

Among the **direct damages**, UNEP identified: the contamination of the air, water and soil caused by chemicals and debris released by bombs explosions in the affected sites (settlements, rural lands); the targeting of oil wells, industrial sites, water and forests with polluting chemical substances; the air and water pollution, affecting even neighbouring countries; the presence/explosion of landmines and other ordnance; the production and disposal of weapons, including those containing depleted uranium.

**Indirect damages** are those imposed on the environment due to the disruption of socio-economic patterns, the dismissal of environmentally-friendly practices and the adoption of coping strategies that are harmful to the natural capital. Productive economic activities are replaced by depredate behaviours and coping strategies, in order to meet immediate survival needs. Deforestation, water overconsumption, and excessive grazing are all harmful practices that erode soils and make them vulnerable to rains and winds, with consequent damages to their fertility and productivity.

Finally, armed conflicts erode and weaken **institutional capacities and governance structures**, including those related to natural resource management. Transparency and accountability are generally very poor in conflict and post-conflict settings; the level of impunity for crimes and illicit acts increases, thus allowing corruption and opportunistic attitudes to spread, both in the public and in the private sector. Laws and rules that are meant to preserve the environment and to regulate the access and use of natural resources are increasingly disregarded, thus endangering natural capital. Lastly, public finances are often diverted to military purposes, thus leaving little or nothing for the environment.

## What Are the Economic Flows?

Economic flows are movements across the space of people, goods, services, and information. Flows are characterised by: frequency, distance (measured in hours, rather than in Km/miles), object of the transaction, and means of transport. Spatial economic analysis is a new discipline that studies economic flows.

Flows among different localities define economic networks, which in turn are characterized by:

- ⇒ **Nodes** (essentially production and consumption)
- ⇒ **Links** (the hard or soft infrastructure for transportation/communication)
- ⇒ **Flows** (the object)

According to the degree of participation in networks, localities can be more or less integrated economically within an area. Typically, rural areas are more isolated economically than urban areas, mostly because they suffer from accessibility issues.

The concept of **economic integration** (at the local level) is relevant to the explanation of dynamics and define economic spaces, thus helping to clear a recovery path and to predict the pace of the local economy on it. In turn, the economic integration of a specific location within a geographic area is based upon different factors such as the physical features of the area (e.g. presence of mountains, rivers, etc.) and, more generally, the accessibility.

To measure integration, analysts use flows data from surveys. A locality can be more or less integrated with the surrounding localities depending on: the quantity of people and goods in motion; the frequency of the movements; the time used to move; and the spatial distribution of value chains. For instance, isolated and marginalised villages do not have frequent and regular economic interactions with other areas. Isolation of certain rural localities justifies urbanisation, which in turn is associated to other types of economic and social issues.

# 1.3. Guiding Principles of LER

## Overarching Principles

As the LER is an integral part of the UN Policy for Post-conflict Employment Creation, all related programmes and interventions (including LER) must apply the following five overarching principles and action points which guide the three Tracks of employment programming (Table 5).


Very important is the recommendation that the programming be **conflict sensitive** across management processes and across interventions themselves. Conflict sensitivity deals with the awareness of the impact of activities and implementation processes in terms of raising or alleviating tensions among groups (i.e. "dividers" and "connectors").




This section is linked to:  
LER Principle 6. Leverage on Connectors and Minimize Dividers

In addition to the overarching principles, five additional LER-specific principles are to be applied in LER programming and implementation,. They emphasise the need to implement interventions that are: fully consistent with comprehensive locally-owned strategies; conceived through inclusive decision-making processes with relevant local stakeholders to the greatest extent possible; driven by market needs; based on local resources and opportunities; complementary to and consistent with other initiatives in the territory; and conflict sensitive.

Table 5. Overarching guiding principles and action points

Guiding principle	Action point
<b>1. Be coherent and comprehensive</b>	
<p>Avoid fragmented responses and coordinate programming with all stakeholders by building on comparative advantages. Programmes must be based on sound assessments, including assessments of the labour market.</p> <p><i>Within the LER approach, core decisions are made on the basis of the findings obtained through a series of fact-finding endeavours (Chapter 3). Stakeholders participate in different ways and to different extents in assessments and decision making (LER principle 2).</i></p>	<input type="checkbox"/> Start planning as early as possible
	<input type="checkbox"/> Address both demand and supply sides of labour and other livelihoods
	<input type="checkbox"/> Collect employment data as early as possible
	<input type="checkbox"/> Progressively pay attention also to the quality of jobs, not only to the quantity
	<input type="checkbox"/> Target families, rather than individuals
	 <input type="checkbox"/> Mainstream <b>age, gender and diversity</b> by involving relevant stakeholders throughout programming
	<input type="checkbox"/> Coordinate with donors and aid agencies
<b>2. Do no harm</b>	
<p>Programmes must avoid harmful spill-over effects on individuals, communities, the environment and the economy.</p>	<input type="checkbox"/> Make sure that job creation interventions do not erode existing livelihoods and coping strategies
	<input type="checkbox"/> Avoid excessive emphasis on one specific economic sector, geographic area or skill
	<input type="checkbox"/> Assess potential and actual employment creation impact on aid programs
	<input type="checkbox"/> Respect the best prevailing local employment conditions and promote collective wage bargaining
	<input type="checkbox"/> Invest in long-term employment needs in addition to short-term solutions
<b>3. Be conflict sensitive</b>	

<p>Actions must be based on accurate and up-to-date conflict analysis which comprehensively considers the root causes of the conflict</p> <p><i>In LER, attention is paid to guaranteeing social equity and stability and avoiding tensions within targeted communities. Interventions must benefit progressively wider groups within targeted communities. Overall, both the process and the interventions themselves must be designed and carried out by emphasizing "connectors" and not fueling "dividers" (LER principle 6).</i></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Make sure that the voices of the most vulnerable are heard</li> <li><input type="checkbox"/> Progressively increase assistance to all population groups</li> <li><input type="checkbox"/> Assess pre- and post-war profiles of the conflict-affected groups</li> <li><input type="checkbox"/> Assess and consider local political and economic interests</li> <li><input type="checkbox"/> Address the psychological traumas</li> <li><input type="checkbox"/> Ensure that institutional mechanisms are in place as early as possible for timely and equitable access to land and other resources</li> <li><input type="checkbox"/> Consider sub-regional and regional impacts and build partnerships with sub-regional and regional organizations.</li> </ul>
<p><b>4. Aim for sustainability</b></p>	
<p>Aim to create long-term impact and sustainability by ensuring local ownership and capacity building of communities and local and national governments.</p> <p><i>LER Principle 1 is aimed at local ownership. Capacity building is promoted throughout LER implementation, by progressively involving an increased stakeholder base in fact-finding, decision making and action taking.</i></p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Facilitate participation and dialogue</li> <li><input type="checkbox"/> Consider the views of conflict-affected groups</li> <li><input type="checkbox"/> Revive local markets</li> <li><input type="checkbox"/> Rebuild labour market institutions, including Ministries of Labour, Workers', Employers' and self-employed Organizations</li> <li><input type="checkbox"/> Make the best use of funding mechanisms in place, with a view to support both short-term and long-term employment and income generation</li> <li><input type="checkbox"/> Track progress and performance, in order to take timely corrective measures</li> </ul>
<p><b>5. Promote gender equality</b></p>	
 <p>Support both women's and men's efforts to build new social and economic relationships that allow them to best cope with shocks and the new setting</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Conduct gender analysis to assesses roles, relations, needs and priorities</li> <li><input type="checkbox"/> Always disaggregate data by sex and age</li> <li><input type="checkbox"/> Identify and address gender inequalities</li> <li><input type="checkbox"/> Empower women as social and economic agents</li> <li><input type="checkbox"/> Set up gender mainstreaming budget lines in all programs, including budgetary provisions for gender expertise and training throughout</li> <li><input type="checkbox"/> Lighten women's reproductive burdens and facilitate access to jobs</li> <li><input type="checkbox"/> Break down occupational segregation between men and women</li> <li><input type="checkbox"/> Include women and men equally in reconstruction planning</li> <li><input type="checkbox"/> Promote dialogue and build on the work of women's groups</li> <li><input type="checkbox"/> Make sure that employment programs do not increase women's vulnerability in any possible way (e.g. burden, tensions with men, gender-based violence)</li> </ul>

### LER Principle 1. Locally-Focused and Locally-Owned Strategies

LER is an area-based approach which typically targets a specific geographic territory, demarcated by local administrative boundaries or other physical features. The objective is to optimize the use of local resources and the synergies arising among local businesses, civil society, business development service providers, investors, authorities and other entities.

The territory should be large enough so as to encompass an adequate number of beneficiaries, technical expertise, financial and material resources, as well as economic networks in order to restore economic and social activities to the same level or higher than prior to the conflict. The



area should be determined in a way that beneficiaries have a sense of cultural and economic belonging, which will be vital in ensuring that the project is community-owned.

At least one representative from the local administration should be included into LER decision-making from the very beginning. S/he should have a sufficient degree of authority and decision-making power and should be officially appointed by a higher authority.

This will ensure local support from the government, maximum coordination among stakeholders, and alignment between recovery strategies at local and national levels. The local government will play a critical role in setting priorities, mobilizing local resources, and providing onsite supervision. Where the conflict has severely weakened local administrative units, their operational capacities will need to be bolstered through training and better equipment. LER practitioners should guide and support local administrations to be a credible partner in economic recovery and development.

## *LER Principle 2. Equity and Inclusiveness of Decision-Making*

LER is a participatory approach to decision making. Throughout decision making, it involves a progressively increasing base of public and private stakeholders, traditional authorities, vulnerable groups and minorities. In a post-conflict setting, such an inclusive approach helps optimise the relevance of programmes, building more constructive relationships, promoting social cohesion and lessening tensions among antagonistic parties.



This section is linked to:

5.5. Prompting Participation and Mobilizing Stakeholders

LER seeks to give a voice to all actors within a community, recognizing that the conflict might have arisen due to exclusionary practices against one or more groups. Participation in LER processes must be well balanced and consider the area's tensions (e.g. land ownership, grazing rights, ethnicity, religion) in a way that these are not exacerbated. It must also include groups that are particularly vulnerable and that are generally excluded from decision-making (e.g. women, youth, war veterans), as well as those groups to be reintegrated (e.g. returning IDPs and refugees, demobilized ex-combatants). The greater the community participation, the fewer opportunities there are for special interest groups to hijack the benefits of the projects for themselves.

Strategies and projects resulting from the consensus among a broad base of local stakeholders achieve more than just increased economic performance for the locality. They also provide a platform for dialogue and collaboration around common economic and social issues. In turn, this bridges the gaps between social classes, ethnic and other groups that, so far, have had poor or conflicting relations one with another. Reconciliation starts from there.

## *LER Principle 3. Demand-Driven Approach to Markets Revival*

LER mid-term interventions respond to disruptions of markets and address bottlenecks constraining their normal function. The objective is to revitalize production and trade in a way that the restored circuits are self-sustained in the long run. Planning for mid-term LER shall therefore centre on market realities and potentials. A mid-term LER strategy should target profitable economic sectors and markets for which there is an unmet and/or growing demand at the local level or in accessible external markets.

In post-conflict settings, one critical challenge to economic recovery is the low purchasing power of local communities who buy marketed goods and services to satisfy basic needs. Another challenge is that external and more profitable markets are rarely accessible due to poor

communication infrastructure and transport means and security constraints. In addition to the depressed or inaccessible demand for services and products, there is the issue of local technical and managerial capacities to restart and encourage thriving businesses.

Market opportunities should therefore be identified from the onset. For example, strategic economic sectors with potential to grow and absorb available local labour force in the short run - without requiring specific qualifications and skills - are: agriculture (including fishing and farming), food processing, local trade, construction, and services for the relief and development of communities.

### *LER Principle 4. Minimize Market Distortions*

Adopting a **demand-driven** approach to market revival, to the greatest extent possible, can help minimize market distortions. These are mostly unavoidable across relief operations, but can be increasingly controlled and limited across recovery and reconstruction efforts. Obviously, the longer the duration of relief, the more pervasive the negative effects of market distortions in the mid- and long-run.

Distortions occur when “wrong” signals are given to the markets with respect to the costs of production inputs (e.g. labour, capital) and the prices of goods and services for consumption. Several practices are particularly susceptible to introducing biases into local price systems. Reducing such practices might require accepting a slower response capacity.

For instance, food distribution and other donations can inhibit the consumption of the surplus produced in other (non-affected) areas of the country, with consequences on commodity prices and on farmers’ incomes (Gerstle and Nourse, 2006). Grants and no-cost loans, if inadequately limited in scope and time, can distort the perception of capital costs among the population. In the housing sector, the higher rents that can be afforded by expatriates can restrict housing availability for locals with reduced purchasing power. Additionally, the relatively higher wages offered by international organisations can attract the best local experts out of governmental structures, private sector and civil society, thus impoverishing local private and public institutions.

Such market distortions carry long-lasting negative consequences which can ultimately result in an impoverishment of the population, increased inequalities, social tensions, and weakening of local institutions due to poaching and brain drain.

### *LER Principle 5. Maximize the Use of Local Resources*


LER builds on **available human, economic and physical assets** and encourages the local procurement of goods and services, instead of “importing” them from other areas. In light of the advantages for local businesses, such an approach should be mainstreamed across agencies and ongoing projects. As a result, humanitarian aid and reconstruction investments will inject cash locally and will contribute to the re-activation of local markets.

The main issue challenging the application of such an approach is the poor quality of local services and goods, which directs “customers” towards alternative markets. This also applies to labour markets. LER strategies should therefore help local businesses (and local workers) to better meet the demand for goods and services in both qualitative and quantitative terms. Specific measures should be introduced to: strengthen managerial and vocational skills; guarantee access to financial resources and productive assets; and build a business-enabling environment. In certain cases, local procurement might be less cost-efficient than importing goods and services. However, it creates opportunities for local businesses and stimulates the local economy.

To ensure local circulation of cash, the identification of products or services that can be locally sourced should be a priority. For instance, LER practitioners should assess where and how international organizations procure the goods and services necessary to their operations. In certain cases, and by introducing the appropriate adjustments, goods and services procured externally can be substituted with local ones. As a result, more job opportunities are created for local workers, and households' purchasing capacity increase.

### LER Principle 6. Leverage on Connectors and Minimize Dividers

In setting up and carrying out LER programmes, decision makers, managers and practitioners should keep in mind and apply the conflict-sensitivity principle. In order to be **conflict-sensitive**, decisions must be based on sound conflict analysis and followed by actions that do not fuel **divisions** and tensions but that, instead, develop and protect **connectors** from being undermined.

 This section is linked to:  
 2.1. The Post-conflict Economic  
 3.2. Generic Profiling of Post-Conflict  
 Chapter 4. Decision making (see control questions per each decision)

Dividers are factors that can separate people into sub-groups. They can cause the recurrence or breakout of violence or can spoil a reconciliation process by polarizing differences and fragmenting a society. On the other hand, connectors are factors that join people across sub-groups; they are the "glue" within a society and can help bring people together (e.g. infrastructure, common spaces, common experiences, historical events, symbols, shared attitudes, formal and informal associations).

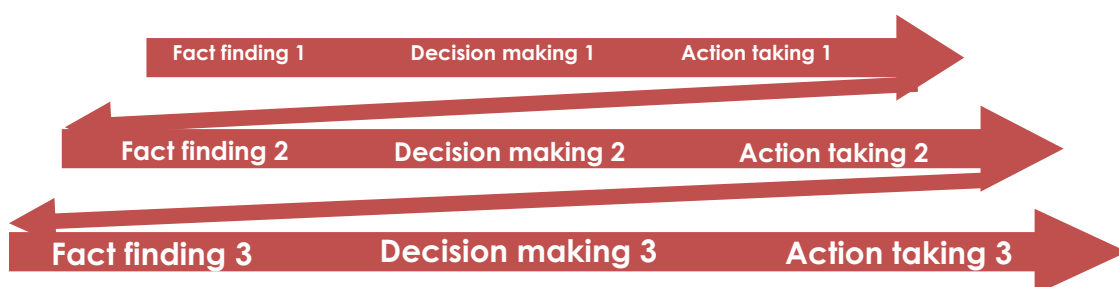
## 1.4. Making LER Happen

### Overview of the Task Groups

The process of "making LER happen" entails three types of sequential tasks (hereinafter Task Groups): fact finding, decision making, and action taking. Each of the tasks produces outputs that are used as inputs for executing tasks in the following Task Group. Due to the diversity of possible scenarios, some of the mentioned tasks may require more emphasis than others; some others may not need to be accomplished.

The sequence of the tasks within and among the three Task Groups is not linear, but it is rather described by a "zigzag" pattern, as shown in Figure 3. This implies, for instance, that one will not need to execute all fact-finding tasks before moving-on to taking decisions. The iterative nature of these processes allows for starting LER operations immediately, through the execution of small-scale actions not requiring comprehensive planning.

Figure 3. Alternation of fact-finding, decision-making and action-taking



In addition, the width of the zigzag in Figure 3 represents the complexity of the tasks, in terms of depth of the analysis to be undertaken, level of stakeholders' involvement in the decision-making, and scope and timeframe of consequent LER interventions (i.e. short-term, mid-term, long-term). As the process goes by, LER interventions gradually move into LED types of interventions which introduce structural changes and also affect policies and regulations at the macro-level.

The “*fact finding*” Task Group involves the collection, processing and analysis of information describing the territorial capital of the targeted area. Information and analysis are a crucial resource for LER, as they feed all decision-making tasks throughout the process, from determining priority issues to be addressed to selecting mid-term interventions. The requisite detail of the information increases as the process continues, due to the greater specificity of the decisions to be made. Tracking of performance and progress of the work done is also a fact-finding task and informs decisions of corrective measures to be introduced for enhanced performance in the future.

“*Decision making*” deals with making decisions regarding where to intervene, which problems to prioritize, what has to be done to solve them, according to what modalities, by whom and with which resources. The degree and breadth of participation of local stakeholders in decision making varies according to their expertise and capacity; the contribution to decision making can include providing relevant information or directly taking part in the process as one of the deciders. By making decisions in a participatory manner, LER implementers will set the ground for a process that is context-specific and in line with local and national economic recovery priorities and ongoing initiatives.

Lastly, “*action taking*” tasks include efforts aimed at concretizing the economic recovery efforts and achieving LER outcomes. Among such tasks are: the mobilization of the necessary financial and human resources, the establishment and strengthening of partnerships, the creation of consensus around decisions, the procurement of goods and services, the execution of LER short- and mid-term activities, and the capacity development of partners and stakeholders in order to increase local ownership.

These Guidelines provide operational guidance and instruments helpful in the implementation the mentioned tasks. They should not be interpreted and applied in a dogmatic way, as contexts may vary substantially. For instance, in countries where the LER approach is applied within the framework of the UN-wide Policy for Post-conflict Employment Creation and Income Generation, an ad hoc coordination and decision-making mechanism might already be in place. In such a case, certain decisions might go beyond the discretion of LER implementers.

Figure 4. Task Groups triangle: Making LER happen

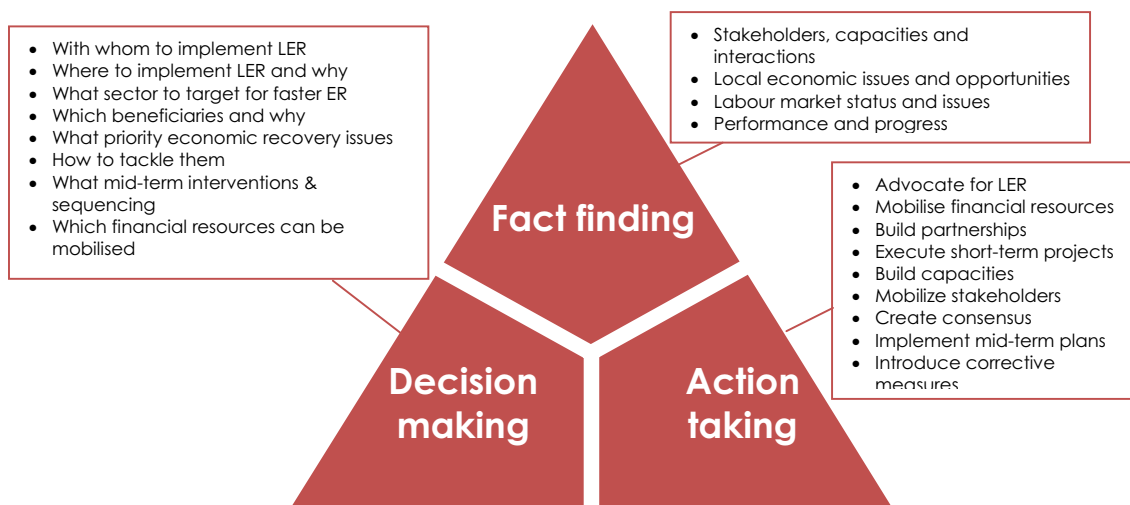



Table 1. Snapshot of LER implementation

FACTS FINDING →	DECISIONS MAKING →	ACTION TAKING →	OUTPUTS
Basic considerations and generic conflict profile	<ul style="list-style-type: none"> <li>• Is LER applicable? (Go/No go decision)</li> <li>• How?</li> </ul>	<ul style="list-style-type: none"> <li>• Advocate for LER</li> </ul>	<ul style="list-style-type: none"> <li>• Generic conflict profile</li> <li>• LER scenarios</li> <li>• Go-ahead for LER implementation</li> </ul>
Initial rapid assessment (including a gender analysis)	<ul style="list-style-type: none"> <li>• Whom to work with and how?</li> <li>• Where to implement LER?</li> <li>• Which small-scale livelihood activities?</li> </ul>	<ul style="list-style-type: none"> <li>• Implement immediate small-scale livelihood activities</li> <li>• Target specific gender issues and gender differentiated needs</li> </ul>	<ul style="list-style-type: none"> <li>• Assessment report</li> <li>• Core group of institutions who become partners for LER implementation</li> <li>• Operational framework, roles and responsibilities division</li> <li>• Gender-sensitive project document for small-scale activities</li> </ul>
Diagnosis of local procurement opportunities	<ul style="list-style-type: none"> <li>• Which opportunities to procure locally?</li> </ul>	<ul style="list-style-type: none"> <li>• Increase local procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Report of mapping</li> </ul>
Local Economic Profiling	<ul style="list-style-type: none"> <li>• Which stakeholders to mobilize?</li> <li>• Which economic sectors?</li> <li>• What economic recovery issues to be tackled?</li> <li>• What LER objectives to pursue in the mid-term?</li> <li>• Which alternative strategies (What LER mid-term interventions?)</li> </ul>	<ul style="list-style-type: none"> <li>• Select mid-term initiatives for implementation</li> <li>• Mobilise stakeholders</li> <li>• Build capacities for LER</li> </ul>	<ul style="list-style-type: none"> <li>• Local Economic profile report, including institutional profile</li> <li>• LER strategies</li> </ul>
Additional assessments	<ul style="list-style-type: none"> <li>• Which project details?</li> <li>• Which M&amp;E indicators?</li> </ul>	<ul style="list-style-type: none"> <li>• Draft LER projects</li> <li>• Elaborate M&amp;E plans</li> </ul>	<ul style="list-style-type: none"> <li>• LER projects</li> </ul>
Tracking progress and performance	<ul style="list-style-type: none"> <li>• Any corrective measure?</li> </ul>	<ul style="list-style-type: none"> <li>• Agree on and introduce corrective measures</li> <li>• Disseminate good practices and lessons learnt</li> </ul>	<ul style="list-style-type: none"> <li>• Progress reports and briefings</li> <li>• Recommendations</li> <li>• Lessons learnt and good practices</li> </ul>

# 1.5. The Transition from LER to LED

## Linkages Between LER and LED

Where **LER interventions** have been implemented, LED interventions can be considered as their “natural evolution”. In fact, the former **create the fundamental building blocks on which LED projects are implemented**. These building blocks are: a higher purchasing power, better infrastructure, enhanced basic services in conflict-affected communities, increased participation in decision-making, increased institutional capacities, the reintegration of affected groups into the social and economic life of communities, and increased business management and professional skills. However, this does not mean that LER is a pre-requisite for LED to happen! As a matter of fact, post-conflict contexts might be such that the appropriate-response is a combination of recovery and economic growth with ad hoc reintegration and stabilization. Understanding the **current scenario** is the first step to decide what is the appropriate mix of interventions and the approach to be adopted.

 This section is linked to: Building and Choosing LER Scenarios, in 4.2

In post-conflict, LED is applied when the transition to peace and development is well consolidated and linear. LED programmes seek to provide durable solutions and address medium to long term, structural economic problems that stifle economic activities, inhibit quality growth and affect decent work conditions. Such programmes contribute to reducing the underlying causes of a crisis, activating self-sustainable economic development processes in affected areas and making economic agents less vulnerable with respect to a possible relapse into further crisis situations. Additionally, if the conflict has not erupted yet but episodes of violence are frequent and the country appears vulnerable to state failure, Local Economic Development (LED) can be used as an instrument for conflict prevention. LED can be applied to boost economic growth, create employment, and promote multi-stakeholder dialogue and, therefore, a more equal distribution of resources which, in its turn, generates social stability and peace.

Considering the complexity of LED endeavours and the underlying institutional development efforts that are needed to secure local ownership and leadership, LED requires time to build momentum and deliver tangible results. The effects of LED plans are not as immediately apparent as in the case of LER. As such, LED is not considered as a priority in full-scale crisis times.

Table 6. Features of LER and LED

	Local Economic Recovery	Local Economic Development
Where	Areas affected by conflicts.	“Normal” development settings within poverty alleviation programmes; after post-conflict transition.
When	Time-bound process that starts immediately after (or simultaneously with) pre-peace peace accords and simultaneously with early recovery efforts. It peaks during the reintegration efforts and then phases out.	A definite timeline cannot be traced. Conditions for LED are: substantive advancement of the reintegration process; security, political and economic stability, meaning where institutional capacities have been restored and participation in decision making is possible.

<b>Focus</b>	Reintegration through temporary and durable employment creation and income generation. Removal of obstacles to recovery and development. Gradual shift of focus from humanitarian assistance to supporting the reintegration of affected populations and the restoration of livelihoods, reducing aid dependency.	Eradication of poverty and social exclusion; introduction of durable solutions to structural problems; improvement of the business environment; introduction of business-conducive policies and regulatory frameworks; promotion of decent work conditions; stimulation of innovation.
<b>Partners</b>	Local governments, national platforms for reconstruction and other entities with specific mandate in post-conflict, donors, UN and non-UN agencies, (I)NGOs, and community based organizations. Conditions: minimum of operational and institutional capacities to take decisions and implement immediate activities.	Participation of stakeholders is broader and with more substantive role in decision making. It includes: local governments, local businesses and their associations, employers' and workers representatives, business support institutions, cooperatives, donors, (I) NGOs, community based organizations.
<b>Beneficiaries</b>	Conflict-affected communities hosting ex-combatants, internally displaced persons, and refugees. The most vulnerable groups are assisted in having access to opportunities, but are not exclusive beneficiaries. Only sectors and economic branches that are essential and strategic to recovery and reconstruction are directly involved (e.g. business construction, local trade networks, food-related producers, and basic services).	Micro, small, medium sized enterprises, independent workers, waged workers, and contract workers. Focus is on economic sectors and branches where there are competitive advantages with respect to other geographic locations.
<b>Modalities</b>	Mix of bottom-up and top-down decision making, with greater participation in fact finding.	Structured and highly participatory planning, fully driven by local actors and is based on bottom-up approaches.

### Phase-out of LER and Phase-in of LED

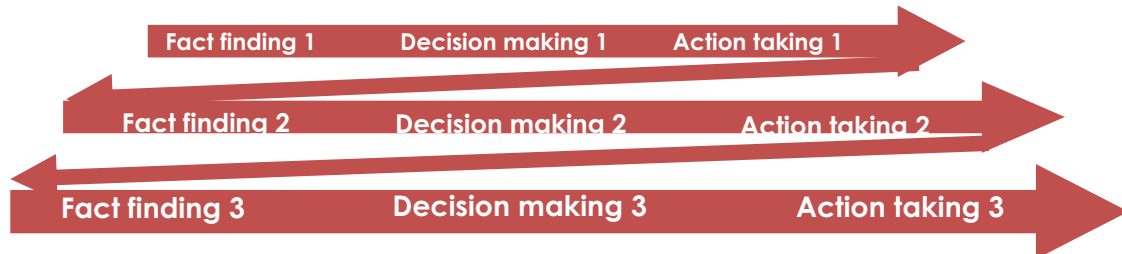
LER is a time-bound process, which starts according to necessity and donors' support, and phases out as circumstances dictate (UN 2008). It is not possible to define a precise moment in time when LER stops and LED starts. In fact, LED partially overlaps with LER and starts when the following indicative conditions exist:

- ⇒ The **perception of security conditions** by the population and the private sector has substantially improved (e.g. it scores higher values in apposite surveys);
- ⇒ The **political and economic setting** is considered stable, and there are signals of increasing private investment and trust in the future. This allows for a shift in focus towards policy and legislative reforms that can count on a wide basis of support;
- ⇒ **Reintegration of conflict-affected groups is well advanced**, according to progress reports of reintegration programmes, and tensions within communities are reduced as a consequence;
- ⇒ **The population is stable** within the territory and displacements are not a critical issue;
- ⇒ **Institutional capacities have been reasonably restored** and participation in decision making is now possible but needs to be strengthened. The seeds for reform of discriminatory practices have been planted, preparing the ground for more change.

Relevant assessments will be required at regular intervals to evaluate the overall evolution of the situation and to verify to what extent such conditions are in place (e.g. surveys to measure perception of security, analysis of investment trends, etc.). From LER to LED, the focus will gradually shift from reintegration to development objectives. The approach evolves from being reactive - in response to immediate and mid term issues - to being strategic and fully bottom-up, in response to

structural and institutional issues. Looking at **Figure 3** (which has been reproduced below for easier reference) and imagining it further expanded, LED would be represented by the lowest parts of the figure, where the scope and complexity of actions are widest.

Figure 5. Alternation of fact-finding, decision-making and action-taking



The phase-out of LER and the phase-in of LED are also reflected in the types of partners, coordination mechanisms and leadership structures that take charge of planning and implementation. The humanitarian-oriented partners (e.g. UNHCR, WFP) will gradually phase out, as relief and reintegration issues are - supposedly - successfully tackled. Ad hoc recovery governmental agencies are dissolved, as well as the humanitarian IASC cluster system. Development agencies are definitely predominant in the ground and can operate without constraint.

### Types of LED Interventions

The ultimate, ideal result of LED would be an institutional and economic setting where local stakeholders can count on the necessary conditions and are adequately equipped to jointly assess, plan, execute and monitor local development activities.

LED initiatives are therefore aimed at securing that the needed institutional and economic conditions and structures are in place, as well as at “equipping” local stakeholders with the competence necessary to steer LED processes with reduced external support.

As such, LED plans are centred on capacity and institution building, on introducing policy and legislative reforms, and on mainstreaming LED bottom-up approaches into local government planning processes. In addition, LED initiatives include the promotion of public-private partnerships, the strengthening of local BDS providers, the increase of enterprises' access to finance, and the stimulation of innovation through better linkages between research and development. All of these initiatives require the active participation of national and local public and economic actors in the whole planning process through structured and participative decision-making modalities.

Crisis prevention (of both disasters and conflicts) must be at the core of LED strategies. Instruments of conflict prevention to be enforced as part of LED action are: social dialogue among governmental structures, employers' and workers' organizations and civil society, and the application of decent work standards by local firms.

### Interventions Founded on Public-Private Partnerships

When cooperation among stakeholders occurs within the framework of solid public-private partnerships (PPP), interventions are more deeply impactful and are more likely to be sustained beyond the project lifespan. Cooperation among public, private and non-profit actors within PPP schemes leverages coordination and optimizes the allocation of scarce resources.



In post-conflict settings, PPP are strategic because local public entities are often poorly equipped and without sufficient resources to deliver services efficiently (e.g. waste management, infrastructure construction and maintenance). Corruption is an additional issue affecting efficiency and quality. Within a PPP contract, such obstacles can be overcome, as the private party assumes greater part of the financial, technical and operational risks. Services and products are developed and delivered in a commercially profitable and sustainable way.

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# Chapter 2. Context, Issues and LER Applications

## Overview

### *Contents*

This chapter provides an overview of the main issues that, in a post-conflict setting, call for the application of LER in order to restore local markets. By distinguishing among different post-conflict scenarios, it specifies the implications that the local setting might have on the application of the LER approach. Finally, two specific applications of the LER approach to reintegration programmes are overviewed (i.e. the reintegration of ex-combatants and returning IDPs and refugees through LER).

#### **Outline chapter 2**

- ⇒ 2.1. The Post-conflict Economic Setting
- ⇒ 2.2. Post-conflict Employment Creation and Income Generation
- ⇒ 2.3. LER and People with Specific Needs
- ⇒ 2.4. Reintegrating Ex-combatants through LER
- ⇒ 2.5. Reintegrating Returning and Resettling IDPs and Refugees through LER

### *Purpose*

The contents of this chapter can also be used for advocacy purposes and basic training when sensitizing and mobilizing stakeholders. Nevertheless, we suggest adapting the content to the level of education and stake of the interlocutors in order to make it more relevant and accessible.

## 2.1. The Post-conflict Economic Setting

### Overview of Conflict Features

Conflicts stem from the pursuit of antagonizing and incompatible objectives by two or more individuals or groups. As a matter of fact, a conflict is a typology of relationship and interaction that can be handled with peaceful means or through the use of force and violence (Lederach, 1997). The Guidelines make reference to conflicts that are political rather than social, and collective rather than individual.



This section is linked to:  
By Whom, How, and What: LER Scenarios, in 1.1.  
3.2. Generic Profiling of Post-Conflict Setting  
Building and Choosing LER Scenarios, in 4.2.

Conflicts are violent or deadly and occur when disagreements are addressed through physical violence, even in a unilateral fashion. By contrast, an armed conflict is a **dynamic process** of violent confrontation between two or more antagonistic parties.

Classifying and characterizing conflicts is quite a complex endeavour, due to the multiple dimensions in which they can be analysed, as well as to their dynamic nature and intrinsic unpredictability. As a matter of fact, current conflict typology is rather confusing, due to the different criteria used by scholars and the incompatibility that may exist among them (Ramsbotham, Woodhouse and Miall 2005).

As post-conflict contexts vary considerably, the proposed **guidance on how to implement LER is not prescriptive** and rigid. Some of the core decisions concerning LER (i.e. where to implement LER, with whom to work, which stakeholders should be mobilised and encouraged to participate, and what focus and scope should LER programmes have) depend on conflict features and their evolution across time and space, on the level of local capacities, on the type and strength of local governance, and on the typology of the targeted area and its economic integration. Built on the basis of these parameters, a set of generic LER scenarios is proposed from which the reader can identify the one that best represents the targeted setting. They vary according to the content and scope of economic recovery (the “what”) and the degree of local ownership of the responsibilities related to initiation, coordination, planning and implementation (the “how and by whom”).

- ⇒ Conflicts can be international or intra-state;
- ⇒ Conflicts can be more or less localised;
- ⇒ Issues at stake might be grouped in three categories;
- ⇒ Causes are multiple and varying;
- ⇒ Duration of conflicts is uncertain;
- ⇒ Certain conflicts may have an irregular cycle;
- ⇒ Conflicts are likely to be recurrent;
- ⇒ Conflicting parties can be more or less stable over the time.

**Geographical scope.** According to the International Humanitarian Law, there are two types of conflicts: the **international** ones and the **intrastate or non international**.<sup>6</sup> A conflict is international

<sup>6</sup> International conflicts are defined within the framework of the four Geneva Conventions of 1949 and of the Additional Protocol I. Non international conflicts are defined by the article 3, common to the Geneva Conventions and the Additional Protocol II of 1977.

when the disagreements between two or more States result in the intervention of respective armed forces, irrespective of the gravity of the outcomes (i.e. number of victims) and the duration. A conflict is intrastate when hostilities break out between governmental forces and organized armed groups within the national boundaries. **Localization** of a conflict deals with the population that is exposed to the risk of being directly affected by that conflict. Hence there could be interstate (international) conflicts that are fought within the territorial boundaries of only one of the conflicting parties. In some intrastate conflicts, conflict is concentrated in only a specific portion of the national territory (e.g. Democratic Republic of Congo).

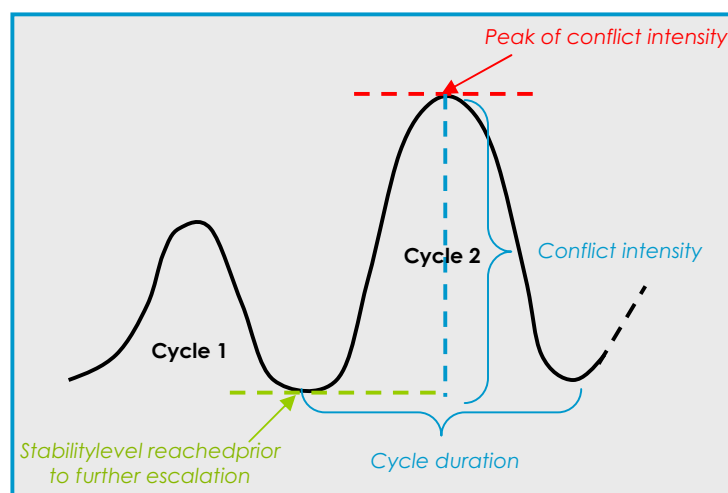
**Degree of internationalization.** Intrastate conflicts can display a certain degree of internationalization linked to several phenomena occurring throughout a conflict: diasporas of citizens seeking asylum in another country, i.e. refugees; trade of weapons across national borders; and presence or influence by foreign armed groups. Intrastate conflict may spill over the borders and involve other States, more or less openly. Hence, conflicts often assume a **regional dimension** (Lederach, 1997) that has to be considered even when developing economic recovery policies and strategies.

**Issues at stake.** Core issues of incompatibility underlying intrastate conflicts can be classified in three categories, according to Ramsbotham, Woodhouse, and Miall (2005): (i) those based on ideological incompatibilities and revolutionary issues; (ii) those based on identity issues where the aim of one of the conflict parties is to achieve a greater autonomy or even secession from the central Government (hence they are localized in certain regions); (iii) those that are generated by power struggles among competing groups – struggles in which power could be exercised not only in the political sense but also in economic terms. In some cases, intrastate conflicts may be generated by concurrent, superimposed issues, as in Sudan, for example.

**Causes.** A first distinction is between **immediate** causes, i.e. the ones that constitute the core of the dispute, and **root** causes, i.e. the fundamental ones that are not identified or immediately visible. Secondly, causes may be further categorized as being **substantive** and/or **relational**, i.e. linked to perceptions and past grievances.

**Temporal horizon.** Collier, Hoeffler, Söderbom (2004) found that civil wars have an average duration of seven years. However, it is not possible to predict the duration of an armed conflict, which can even extend over several decades. Examples of protracted civil conflicts are those in: Angola (27 years), Guatemala (36 years), and Indonesia (Aceh) (31 years). In addition, the conflict cycle may be irregular, with certain conflicts suspending for a period and restarting at a later stage.

**Conflict cycles.** As mentioned elsewhere, armed conflicts are dynamic processes and complex situations, as their cycles are irregular and unpredictable. The intensity of such cycles varies across time and localities; according to its level, we could draw different types and sequences of conflict cycles. Typically, all cycles are characterised by an escalation phase with growing tensions which degenerates into violence and more or less open fighting, followed by a de-escalation phase after a peak in conflict is reached. Therefore, a cycle could be easily represented by a curve that reaches a maximum point (peak) where the escalation phase is



Therefore, a cycle could be easily represented by a curve that reaches a maximum point (peak) where the escalation phase is

concluded and the de-escalation starts. Several attempts have been made by scholars to model the [stages of conflict cycles](#). According to a simple model, the escalation phase includes: initial differences degenerating in a contradiction, polarization (i.e. formation of antagonistic parties) and violence, culminating with war. On the other hand, the de-escalation phase encompasses the declaration of ceasefire, the settlement of an agreement, the normalization and the reconciliation (Ramsbotham, Woodhouse, and Miall 2005). The understanding of the conflict cycle helps shaping up the types and the scope of measures that should be set in place to bring the affected area back to peace and stability. These responses range from prevention (structural or direct), conflict management, conflict settlement (i.e. negotiation and signature of agreements), conflict resolution. Typically, if a given set of measures fails, the cycle will continue to the following stage and another type of response will be required. The progress towards normalcy usually differs among areas within a single country. For instance, even in countries where the conflict parties have come to an agreement, there can be areas where violence escalates and fighting occurs on a sporadic basis, even if other areas are relatively stable. It is also important to note the many elements of conflicts which disproportionately affect women, e.g. gender-based and domestic violence may continue longer than formal fighting. Needless to say, [the LER approach and the capacity to operate on the ground will depend on the stage of the conflict cycle in which the targeted area is](#).

**Recurrence.** The transition from war to peace is not a linear process. Conflict cycles are likely to be recurrent over time, as proven by recent empirical analysis on the subject (Collier, Elliot, Hegre, Hoeffler, Reynal-Querol and Sambanis 2003). Recent studies show that nearly one third of conflicts settled with the signature of peace accords resume within the following five years. It is reasonable to state that peace accords are only one step toward the cessation of warfare, and that a stable peace cannot be achieved unless the root, structural causes of the conflict are not adequately addressed and resolved. Recurrence can be represented by a series of subsequent curves with varying heights and widths according to the intensity level reached by the conflict and the duration of the cycle, respectively. [LER can contribute to reduce the risk of recurrence](#) by addressing certain risk factors, such as the perception of inequalities among groups in terms of unequal access to economic opportunities and distribution of resources, the poor participation and polarization of decision making, and the unemployment among the (male) youth.

## [Governance in Post-conflict Settings](#)

Conflicts cause severe damages to [state structures](#) and their capacity to be accountable and to perform effectively and transparently. Loss of or obsolete capacities, endemic corruption, and poor or irregular financing of administrative entities are among the causes of such weakness. In turn, the so-called failed states are chronically vulnerable and more exposed to conflict risks.

[Power can be more or less](#) among different political and interest groups, which is another factor contributing to overall weakness and mismanagement of public affairs. It is possible that in certain regions of the same country, power will be in the hands of a political faction other than the governing entity. Fractionated power poses significant problems when identifying the appropriate and legitimate counterparts for recovery and development operations.

[Governance systems](#) can be more or less decentralised, according to the degree of devolution of decision making authority and financial powers to sub-national governments and/or other decentralised entities. Highly centralised governments are less conducive to local economic recovery approaches.

## Socio-economic Effects of Armed Conflicts


Armed conflicts cause an inestimable loss of local resources: loss of lives, displacements of civilians, destruction of physical infrastructure, and disruption of “soft economic infrastructure” such as networks with suppliers and customers. As a consequence of these effects, the population has no or little access to basic services (e.g. water, electricity) and social services. Jobs and productive assets are lost and, with that, so are the sources of income. Knowledge and expertise get lost as a consequence of death and displacement of labour force. Eventually, the vulnerability of the population increases, especially for women, children, youth and people with disabilities.

In conflict-affected areas, local economies are weakened and the most affected groups are increasingly dependent on humanitarian aid. Circulation of goods is restricted, not only because of the poor communication infrastructures but also because of the deterioration of networks and dynamics in the supply chains. The purchasing power of local populations is generally very limited as a result of the loss and reduction of income sources. Brain drain and massive movements of people generate important changes in the local human capital. Under such circumstances, most local markets are highly disrupted or damaged and have a very limited capacity to operate and perform; a few other markets, instead, might continue to function at a relatively higher level, and some even benefit from the conflict.

Most effects caused by a conflict are inter-related and can reinforce each other. For example, the lack of jobs and income drives people to subsistence activities characterized by their informal character, low income and low productivity. They aggravate the already weakened consumer purchasing power, which in its turn hampers the revival of the local economy and job creation. Table 7 below provides a detailed, but not exhaustive overview of the multiple effects.

Reconstruction is therefore a time-consuming process which is further challenged by the lack of solid institutions and mechanisms for democratic and participatory decision making. It has to deal with the rebuilding and strengthening of both “hard” and “soft” infrastructure in support of production and trade.

Table 7. The most common socio-economic effects of armed conflicts

Effects	Description
<b>Changed population base</b>	Wide death toll, massive population movements (IDP's, refugees, returnees) ultimately result in a change of the population base and of the labour market.
<b>Partial or total destruction of local infrastructure</b>	Damaged infrastructure (e.g. transport, public utilities, communication networks, social facilities, and power and water supply systems) hampers access to basic services (water, electricity), social services (health care, education) and disrupts social and economic activities (i.e. production and commerce).
<b>Loss of jobs and livelihoods and increase in unemployment</b>	The breakdown of social and economic dynamics during the conflict results in massive unemployment and underemployment in formal and informal settings in both rural and urban areas. Also, training and other labour-related institutions are weakened and/or destroyed and cannot support the revival of the labour market.
 <b>Growing informal economy</b>	When formal economic mechanisms, institutions and regulatory bodies are not functioning due to the conflict, much or most of the population is likely to be engaged in informal and subsistence activities. An expanded informal economy can present both new opportunities for women as entrepreneurs but also risks (e.g. physical danger, lack of social protection).
<b>Lack or shortage of goods and services</b>	The lack or shortages of goods and services (including raw materials) is due to interruption of production, loss/damage of products/crops, damage of inputs and productive assets (storage sites, markets, irrigation systems, equipment & machinery, etc) and disrupted economic and commercial linkages (e.g. import, export, supply chains, lack of labour).
<b>Poor access to goods and services</b>	This is due to limited access to markets because of lack of support/transport infrastructures. Insecurity and criminality also inhibit economic movement and increases its costs.

<b>Distortion of the markets and prices</b>	Scarcity of goods and services in the market results in an increase in prices. This happens particularly in certain sectors that are essential to satisfy basic needs and to support recovery, namely the agro-food and construction sectors. These experience a mismatch between demand and supply.
<b>Lack (or lack of access to) financial resources</b>	Risks and instability characterizing post-conflict settings inhibit private investments and encourage capital drain towards more stable areas. Lack of information between the lender and the borrower prevents constructive cooperation between banks and entrepreneurs. Other structural challenges, such as poverty and lack of collateral, are also obstacles to access to financial resources.
<b>Increase of illegal activities</b>	In the absence of legitimate employment opportunities, individuals may be compelled to engage in illegal activities as their only available means of existence. For example, in conflicts, smuggling of arms and cultivation and trade of illegal natural resources such as timber, precious stones or drugs, often backed by the warlords and factions who were parties to the conflict, may continue long after formal peace has been declared.
<b>Changing social capital, lack of trust and information</b>	Conflicts change social capital, i.e. the set of elements of the social structure that affects relations among people and includes social norms, attitudes, values, language and culture, family ties and community. Especially in case of civil wars, distrust between formerly opposed factions, remains long after peace agreements have been signed. Hence, communication networks are disrupted and information on local circumstances, opportunities and needs is lacking. Cooperative arrangements are challenged.
<b>Lack of skilled human resources</b>	Most conflict-affected countries experience a significant drain of qualified and skilled human resources as individuals seek refuge elsewhere in the country or abroad. The consequent loss of part of the labour force (also due to death) leads to subsequent loss of entrepreneurial knowledge and technical skills, as well as the loss of personal contacts and networks with suppliers and customers. In some conflict-affected countries, a lack of investment in human resources due to poverty and/or discriminative policies against a certain region or population group (particularly in post conflict) exacerbate the post-conflict need for skilled human resources. Furthermore, lack of education during conflict affects children during their formative years.
 <b>Shifting gender roles</b>	Many women become heads of households following the injury or death of their husbands, fathers or other providers. The post-conflict society is often not yet prepared to incorporate women with such new responsibilities and professional experiences. In conflict situations, girls and women may become combatants as part of fighting forces where, in addition to new skills learned, they may have suffered from sexual abuse. Consequently, most female ex-combatants experience great difficulties in their reintegration. Also, civilian women that are victims of sexual abuse or other <a href="#">gender-based violence</a> are often socially stigmatized and traumatized. In other cases, when the head of household loses his wife, particular attention needs to be given to him in order to support him in facing the challenge of working while also taking care of dependants.
<b>Lack/disruption of social safety nets</b>	Women, youth, children, the displaced and the people with disabilities are especially exposed to the disruption of social protection and social safety nets and therefore are at risk for social exclusion. Difficult circumstances and desperate need for employment exacerbate their vulnerability and can make them victims of exploitation in the labour market.
<b>Low consumer purchasing power</b>	By losing their job and their material possessions, individuals are deprived of their income source, thus reducing their purchasing power as consumers. Additionally, rising prices reduce the real value of their savings and of their sporadic income.
 <b>Direct and indirect impacts on environment</b> Refer to: Highlights on conflicts impact on the natural capital, in section 1.2.	Direct damages: contamination of air, water and soil; targeting of forests, water and industrial sites with polluting chemical substances; landmines and other ordnance; disposal of weapons and polluting materials, included depleted uranium (UNEP 2009). Indirect damages are caused by: the disruption of socio-economic patterns; the dismissal of environmental-friendly practices; and the adoption of harmful coping strategies that deplete the natural capital and pollute it (UNEP 2009). Institutional capacities: armed conflicts erode and weaken institutional capacities and governance structures, including those related to natural resource management. Impunity and corruption cause the disrespect of laws regulating the access and use of natural resources. Public finances are diverted towards military purposes (UNEP 2009).

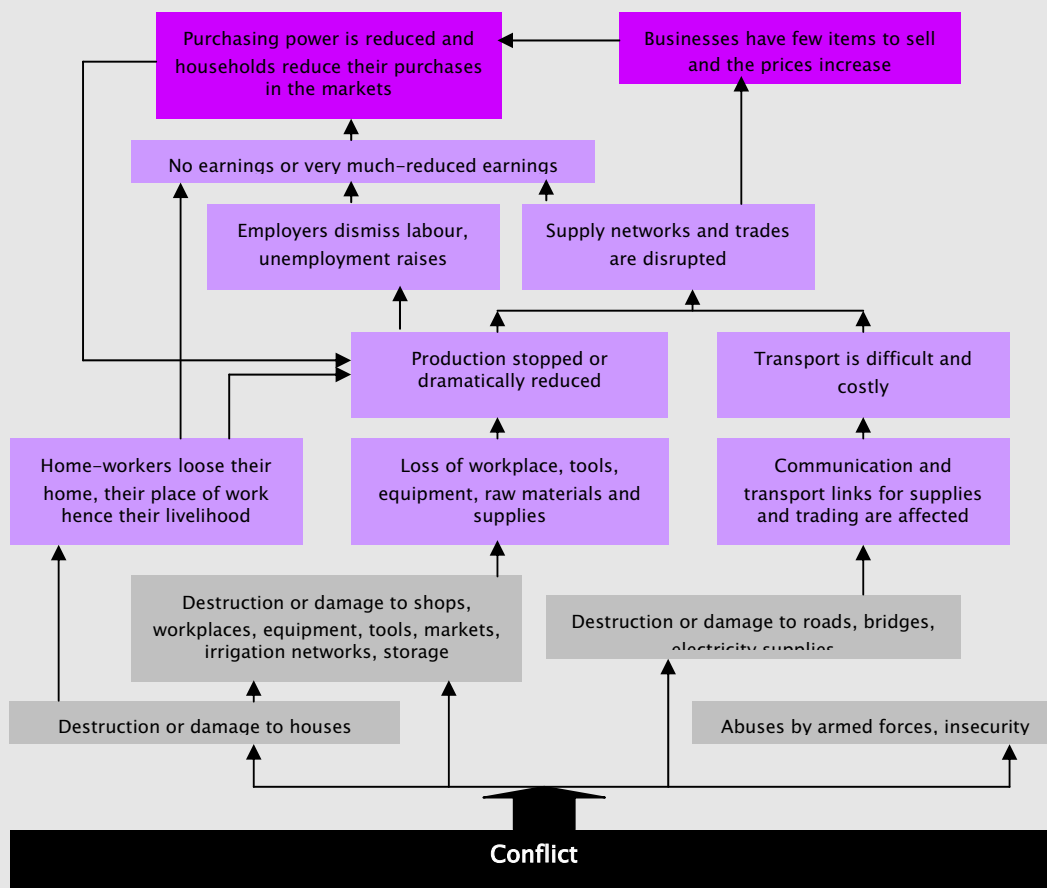


### “Zoom-In On the Practice...” Cause & Effect Diagram of Conflicts

The diagram below is an example of how we can visualize some of the economic cause-effect linkages generated by conflicts at the local level. The figure has been developed on the basis of the analysis undertaken by ILO and FAO in South Kivu (DRC) in 2008 (ILO, and FAO 2008), but can be considered representative of the post-conflict dynamics occurring in other countries.

The long-lasting conflict and the structural development issues, engendered heavy consequences in terms of loss (or poor development) of human and institutional capital, which must be considered in addition to the features below. Starting from the bottom and moving towards the top, the figure shows how destruction of infrastructure, productive assets and workplaces can seriously affect the performance of local markets.

In South Kivu several factories have been damaged or destroyed and reduced (or even stopped) their activity. This produces a heavy impact on the local productive capacity, the supply chains, and the way businesses are conducted. Nowadays, most of the construction materials are expensive because they are imported from neighbouring countries. Prices are high also due the insecurity of roads and the extra charges applied for insurance purposes. As a result households experience an income reduction affecting local purchasing power, which affects sales and businesses.





## War As a Source of Livelihood

Armed groups often represent one of the strong interests against the cessation of war activities and the transition towards peace. Using violence, they can extract tolls, hijack vehicles and cargo, and extort protection money. In war or conflict situations, they gain economic and food security, protection and sense of belonging. Whether they joined the armed forces in search of these benefits or not, members of armed groups may believe that disarmament and demobilization will leave them without concrete alternatives to meet their needs. Developing alternative economic income is an important process in the DDR process.

Furthermore, wars generate income for those who operate in legal and illegal trading networks across borders, involving diasporas communities as well as smugglers networks (weapons, food items, etc.)<sup>7</sup>. With respect to the legal trading networks, conflict and post-conflict economies are very often characterized by oligopolies and monopolies in key sectors. Conflict increases transaction costs for economic agents to carry out business activities. As a result, the number of competitors who are able to deliver goods and services drastically declines. Businesses that are willing to bear the risks collect greatly inflated profit that would not be attainable in peacetime. The restriction of importation of goods through limited accessibility or insecure regions provides businesses with monopolistic opportunities. This may also be achieved by creating an artificial monopoly by constraining supply (i.e. only one transport firm), intimidating potential competition from setting up businesses or colluding with competition in price fixing. [LER approaches should identify where the bottlenecks occur and work with government authorities and private sectors to resolve them.](#)

## Natural resources and conflicts



In its report "From Conflict to Peace-building. The Role of Natural Resources and the Environment", UNEP (2009) identifies three types of relationships between natural resources (and their management) and conflicts: (1) [contributing factors to the outbreak of conflicts](#); (2) [financing of armed groups and military operations](#); (3) [threat to sustainable peace building](#).

In many cases, the competition over the exploitation of profitable natural resources (e.g. timber, oil, diamonds, gold, minerals, land, etc.) is the underlying, implicit cause leading to the outbreak of violence and armed conflicts and fuelling their continuation and recurrence. According to UNEP, since 1990 "at least eighteen violent conflicts have been fuelled by the exploitation of natural resources". Furthermore, "over the past sixty years, at least 40% of intrastate conflicts can be associated with natural resources". Poor governance of the competition over the exploitation of profitable natural resources leaves the door open to the violent settlement of issues among competitors. Additionally, resource dependence is the main reason for conflict vulnerability in conflict.

The revenues derived from the exploitation of natural resources may be used to finance armed groups, the purchase of weapons, and military operations. Hence, territory control becomes a crucial factor for the continuation of fighting and vice-versa. Greed gradually dominates over grievance.

Issues related to resource management and the resulting economic benefits may easily become a threat to the respect of peace accords and sustainable peacebuilding. This occurs when the economic incentives of fighting are perceived as being higher than the economic awards promised by the peace agreement.

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<sup>7</sup> Among the illegal activities that are typically practiced in contexts of war to compensate for the loss of income due to the fighting, we can observe: production of opium (Afghanistan), production of coca (Colombia), looting (Darfur Sudan, Democratic Republic of Congo, Bosnia), sex and child labour trafficking (found in most parts of the world), and weapon trafficking. Moreover in refugee and IDP camps, there are economic agents that improperly source and sell relief food and non-food items and who would lose a source of income should the conflict cease and aid dwindle.

## Pro-war Economic Interests Must Be Uncovered

There is no doubt that wars bring social and economic disruption, and prevent nations from pursuing and fulfilling long-term development goals. Despite all negative aspects associated with armed conflicts, individuals and business operators, both domestic and abroad, may be more interested in continuing armed conflicts rather than in ceasing fire. Conflicts are increasingly becoming means to gain access to economic resources and benefits. Likewise, the theory of “greed” argues that conflicts essentially originate in economic disparities, disconnect and/or tensions and that their evolution is shaped by the underlying economic forces and interests linked to the capture of resources.

Forces that work against peace and that support the continuation of wars may be very difficult to detect. They are not manifested explicitly and may be very well camouflaged

behind other, more “acceptable” and politically correct reasons. Such reasons become instrumental to defend a certain position and legitimate the state of war. They are used by war-lords as a powerful instrument for pro-war propaganda to secure the support of targeted segments of the population.

The pro-war vectors may stem from the economic interest of influential individuals and groups, more or less organized and sometimes linked to foreign interests. The more such economic interests are shared and defended by interested individuals, the more difficult will be to discourage them. However, within a group, there are individuals that can exert a stronger influence than others. Achieving their consensus or support is key to transforming a group’s position and view.

When LER is applied in contexts where peace and stability are fragile, it is very important to uncover the underlying economic causes and incentives of local stakeholders. If the LER strategy overlooks possible economic causes and interests, several risks may emerge. One is that the proposed interventions may reinforce current patterns and incentives to the armed conflict. Another risk is that the proposed interventions may be detrimental to certain pro-war economic interests; in such cases, those whose interests are endangered will intervene to hamper the process. Further risks are linked to the generation or aggravation of existing inequalities in the distribution of resources and economic opportunities.

By detecting the economic causes of a conflict, decision makers will gain a more comprehensive understanding of the context and will therefore have a greater capacity to devise informed response strategies. Practitioners might soon realize that it may be too risky to address certain economic issues and will target sensitive economic sectors (e.g. based on the exploitation of [natural resources](#)) within LER strategies. This is true particularly for those sectors that are poorly regulated (e.g. assignment of royalties). In such cases, the priority issue to be tackled is the revision of concerned regulatory frameworks and policies. Such endeavours are best pursued at the national level. LER practitioners, on their side, can raise awareness on core issues, collect and transmit information.



### GUIDING QUESTIONS TO DETECT ECONOMIC CAUSES OF ARMED CONFLICTS

- ⇒ Is the economy (of the country/region) growing, stagnant, or declining? By what percent?
- ⇒ Is the country (or region) low income?
- ⇒ Are there large socio-economic disparities? Do these reinforce other lines of division, such as ethnicity?
- ⇒ Is the economy heavily dependent on primary commodities? Are these commodities easily 'lootable'?
- ⇒ Is economic power tied to political power?
- ⇒ How pervasive is corruption or patronage? Does it flow along ethnic or other lines of division?
- ⇒ If there is a large informal economy, is it legal or illegal (i.e. based on drugs, trafficking in humans)?
- ⇒ What is the capacity of the formal/informal economy to absorb new entrants?
- ⇒ What is the unemployment rate, particularly for young men in urban areas?
- ⇒ Is there a match between the skills of new entrants and the needs of the economy?
- ⇒ Are these economies heavily dependent on access to global markets? How susceptible are they to economic shocks?

Source: USAID, 2004.

## Sustainable Alternatives to War Benefits Support Transition to Peace

A change from war to peace is possible only when the expected gain of a peaceful situation "exceeds" the loss due to renouncing to war benefits. Merely eradicating these activities without providing alternatives leaves people without a way to earn a living for themselves and their families and is extremely detrimental to the peace building process.

The key to this dilemma is finding sustainable alternatives and "equivalent" substitutes to those sources of benefits that are active during a war. Alternative livelihoods and sources of income that may be proposed to these groups should:

- ⇒ **Be convenient**; that is, they must offer a greater reward as compared to the previous livelihood;
- ⇒ **Be easily accessible**, both logistically and in terms of productive assets required;
- ⇒ **Come with assistance and training**, in a way that they become more sustainable over time and that the follow-up can gradually decrease;
- ⇒ **Comply with local values**

If the greed theory is valid, then the core of policy interventions to discourage the perpetuation of war is to make the depredation of the resources in question less attractive. Again, this is a matter of identifying and proposing valuable and competitive alternatives.



In virtually every post-conflict setting, the local population sets in place positive (not only negative!) coping strategies and the society gradually transforms, leading to new emerging roles and attitudes. There is the possibility that these roles will be reversed or exacerbated upon the return of combatants to their household, adding a burden to female-headed households without the benefit of added manpower (especially when men do not contribute to the sharing of reproductive tasks). For instance, there are new entrepreneurs, **new gender-based roles**, new roles for youth, and new forms of trading and livelihood. These changes and coping strategies must be promoted and capitalised upon. Furthermore, participatory local economic recovery interventions, if carried out properly, also have positive outcomes in terms of confidence building and increased trust among previously antagonistic groups.

## 2.2. Post-conflict Employment Creation and Income Generation

### *Post-conflict Recovery: An Opportunity for Decent Work*

Post-conflict recovery is a unique opportunity for economic and social reform and hence for creating decent work for the **affected women and men**. During the transition from relief to recovery, specific measures and strategies can be introduced to reduce risks and socio-economic vulnerabilities, increasing the capacity to withstand negative impacts arising from conflicts.

The concept of Decent Work is based on four major pillars: the promotion of Employment, Social Protection, Social Dialogue and Fundamental Principles and Rights at Work. They all play a key role in rebuilding conflict-affected economies and in alleviating the dependency on external assistance, which contributes to a swifter return to normalcy, to the benefit of both women and men.

In a post-conflict setting, *employment creation* strategies must integrate conflict-sensitive considerations and raise socio-economic awareness about for both reducing the risk of further conflicts and generating a less vulnerable and sustainable socio-economic recovery.

*Social protection* is a basic human right and a fundamental means of fostering social cohesion and ensuring social stability and peace. Emergency social protection measures, including cash grants and transfers and emergency social protection schemes, should be introduced to address the needs of those who cannot work because of disabilities or other impediments.

With respect to *social dialogue*, in post-conflict situations, participatory processes are needed to better target recovery and increase local ownership. To that end, LER generates an environment where mobilised stakeholders acknowledge their stake and the potential benefits to be gained by being in the picture.

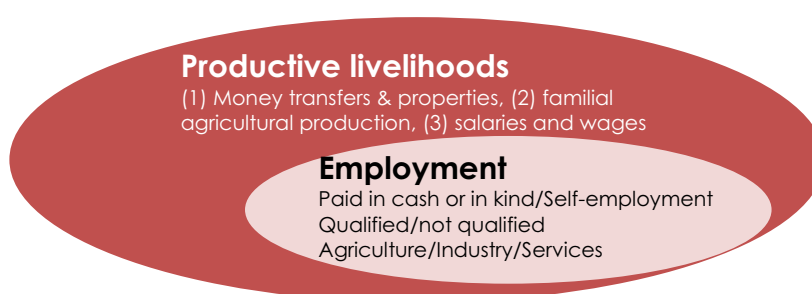
The attention to *labour standards* throughout the recovery process makes new employment opportunities decent and sustainable in the long run<sup>8</sup>. Child labour for example is likely to increase during a conflict, due to both the weakened social safety nets and to failure in the application of rule of law. Children become victims of the worst forms of child labour and are recruited by armed forces. Their reinsertion and reintegration are important steps towards lasting peace in war-torn societies<sup>9</sup>.

## Productive Livelihoods and Employment: Basic Definitions

“Livelihoods consist of the capabilities, assets - both material and social resources - and activities required for a means of living” (Source: FAO and ILO, 2008). Livelihoods can be reproductive or productive. In the first case, they refer to activities promoting mental and physical health of individuals within a household (e.g. cooking, caring for children and elders). In the second case, they refer to the capabilities and activities that are used to generate an income and other means of sustenance. As such, productive livelihoods include three macro-categories: (1) money transfers and property (e.g. self-employment revenues, remittances, grants, subsidies, interests, and scholarships), (2) familial agricultural production, and (3) salaries and wages. One household generally relies on more than one type of productive livelihood, in different types of combinations and proportions.

Considering the definition above, employment includes all activities that generate a payment in cash and/or in kind, or revenue in cash and/or in kind from an own-account work. This definition of employment excludes most livelihoods belonging to the category of money transfers and property.

Figure 6. The linkage between productive livelihoods and employment



<sup>8</sup> Core Conventions adopted by ILO Constituents (Governments, Employers' and Workers' Organisations) and relevant in post-conflict recovery and reintegration are those on: the elimination of forced and compulsory labour (C29); freedom of association (C87) and the right to collective bargaining (C98); the abolition of child labour, including the prohibition of child participation in armed conflict (C138, C182).

<sup>9</sup> See the How-to-guide on the economic reintegration of working age children formerly associated with armed forces and groups (ILO, 2010).

The concept of livelihood can be considered as a social category as it helps to describe the way households live and act as elements of a society in a given context. The concept of employment, however, is essentially an economic category and refers to individuals – both women and men - as economically active agents. LER is an approach centred on the concept of employment rather than on the one of livelihoods.

## Employment to Rebuild Post-conflict Societies

Employment – when it is not originated in war economies - is a pillar for peace building: it procures the means to improve material living conditions of affected households and generates hope and constructive attitudes. It offers an alternative to fighting for ex-combatants and is a strong economic incentive to dissuade them from picking up arms and renewing the conflict, and from continuing counterproductive, socially damaging modes of behaviour developed during the conflict. Moreover, in the recovery phase employment lessens the frustration of people who have been dependent on external aid and hand-outs for long periods. Jobs and income generating activities are therefore concrete *peace-dividends* for the population. Promoting employment creation deals with enabling the access of the economically active population in the labour market. This allows the affected communities themselves to be a part of the reconstruction of their country.

Employment creation is to be promoted from the earliest stages of post-conflict, meaning after peace talks have started and/or peace agreements have been signed. Across the peace-building process, employment policies must “adjust quickly and target key bottlenecks that prevent labour and goods markets from functioning”, as recommended in the UN Policy for post-conflict employment creation and reintegration (UN 2008).

Availability of cash through salaries, wages and incomes increases local purchasing power and injects post conflict local economies with monetary flows. Consequently, a higher purchasing power of the population stimulates the circuits of production and trade. By maximising the use of local businesses, local labour and local materials in the reconstruction effort, more employment opportunities will be rapidly created.

Therefore, both the supply and the demand side of the labour market merit specific interventions, the former to be enhanced and the latter to be stimulated, as summarized by the examples in the table below.

Table 8. Examples of measures for labour demand and supply

Measure stimulating labour demand	Measures enhancing labour supply & access
Creation of temporary job opportunities:	⇒ Emergency employment services
⇒ Short-term, emergency employment schemes (e.g. rubble clearance, rehabilitation of community infrastructure);	⇒ Labour market surveys more responsive to labour offer and demand
⇒ Public investments in construction works, using labour-intensive methodologies.	⇒ Ad hoc vocational skills training programmes in strategic professional areas
Recovery and increased productivity of enterprises:	⇒ Revision of training curricula
⇒ short-cycle business-management training;	⇒ Training of trainers
⇒ cash grants or in-kind grants;	
⇒ more accessible microfinance schemes;	
⇒ on the job training and technical assistance;	
⇒ enhanced business development services.	

## Drivers and Challenges for Economic Recovery in Post Conflict

In post-conflict settings, employment creation is challenged by the fragility of local economies. The high risk discourages investments and slows down economic growth.

Ideally, a number of favourable conditions shall apply – at least to a minimum extent - in order for businesses to function properly and grow. None of these favourable conditions is itself necessary and sufficient, but a mix of them plays an important role.

In a post-conflict setting, [such conditions are rarely present and must be gradually \(re\)established](#). This is an enormous challenge, considering that most of national and local actors have been severely weakened and are hardly operational. In addition, the political context is uncertain and security conditions change frequently, which generates a level of risk that is hardly acceptable to investors. Hence, targeted policies and interventions are required to set them in place.

In a post-conflict setting, the LER approach is therefore aimed at [contributing to restore favourable conditions](#) and at facilitating the creation of incentives triggering investments, in order for business to (re) start and for markets to recover and grow. Such incentives are the “drivers” of economic recovery and development; the most critical are described in [Table 9](#). Some of them pertain to the business environment at the macro level (e.g. political stability) or the meso levels (e.g. local markets of goods, services, capital and labour); others pertain to the micro level (e.g. business management capacities within firms).

LER strategies will contain a mix of areas of interventions according to the priority issues to be overcome. We remind the reader that the macro areas of interventions are those represented in Table 3. It should be kept in mind that certain business sectors and production technologies are relatively more effective than others in creating jobs, depending on the local context and resources. The initial rapid assessment should produce an analysis of the above mentioned features.



This section is linked to:

- 4.7. What Economic Recovery Issues to Be Tackled?
- 4.8. What Objectives to be pursued in the Mid-term?
- 4.9. Which One(s) Among the Alternative Strategy Directions?

Table 9. Drivers and challenges facilitating or constraining economic recovery

<b>Information is widely available, reliable and accessible</b>
The efficiency of economic choices by the private sector and the effectiveness of policy and strategy directions set forth by the public sector highly depend on the availability of and access to reliable information. The latter can concern: markets and trends (including prices), supply chains, competitors, financial resources, human resources, administrative procedures and fiscal regulations, etc. In post-conflict settings, information management systems do not work properly -information is not regularly or rigorously collected, stored or analyzed and, as a result, decision makers are unaware of current and future opportunities for job creation in emerging recovery needs.
<b>Transparency and accountability are conducive to productive investments</b>
Corruption is also a common feature in post-conflict settings since the existing conditions facilitate its outward spread. In turn, corruption reduces the credibility and popular support of the Government, thus fuelling political instability and conflict. When corruption and abuse of public power are strongly and negatively perceived by the population (e.g. illicit taxes), licit businesses struggle to start and to develop organically. Corruption and abuse must be tackled immediately to prevent a slide back into fighting and the disruption of licit markets, even if taking action against them may be felt as uncomfortable. In post-conflict settings, aid flow can also be perceived as an opportunity for further illicit businesses. Resources can be misspent, mis-targeted or even wasted, which further

weakens public service delivery. Procurement through local service providers becomes therefore a very sensitive issue, which must be taken into account throughout LER planning.

#### **Land tenure and property rights are secured**

In conflict and post-conflict settings, death, displacement of people and their eventual return or relocation, as well as the destruction of land records, represent an additional burden to weak property right and land tenure systems. In those situations, it is very challenging to prove ownership, distinguish between individual and household land rights, guarantee access to land, and (re)distribute land fairly. When rule of law and governance are weakened by years of conflict, legal and regulatory frameworks for dispute resolution, land administration and transaction are not able to address similar issues. They must be adjusted.

#### **Business-friendly regulatory frameworks and policies are in place**

Business-related regulations and procedures can both produce incentives and discourage the creation and conduction of businesses. Due to the institutional weakness in post-conflict settings and the reduced capacity to enforce laws, application of such rules may become even more challenging, confused and poorly transparent. Such conditions represent an obstacle to the recovery of business and must be gradually removed by introducing appropriate incentives and creating adequate institutional capacities. While the issue is to be tackled at the central Governmental level, specific measures could be decentralized, provided there are local capacities to apply them.

#### **Private and public actors cooperate**

Networks and fluid dynamics across supply chains and among private and public actors are very difficult to develop and to maintain in conflict settings, due to mistrust, tensions, business disruption and movements of people. The post-conflict setting will therefore be characterized by scattered networks and businesses suffering from poor linkages with suppliers and customers. Public-Private Partnerships (PPPs) are one of the modalities used to formalize cooperation between public entities and private businesses.

#### **Markets are viable and rentable**

Economic recovery activities should start by targeting markets that are viable in the short run, including the demand generated by aid agencies present on the ground. In post-conflict settings, purchasing power is generally very low due to poor sources of income and survival-oriented livelihood systems. As a consequence, only a limited array of products and services is demanded (or has a growing demand) in the market; the others are related to markets that are not viable and should not be targeted in the short run. For instance, during recovery, there could be a growing demand for construction services and raw materials. These represent promising markets that could absorb increasing investments. Other viable markets are related to food items production (agriculture and agro-industry/food processing) and trade.

#### **Support infrastructure and sources of energy are available**

Physical destruction and poor maintenance are certainly the most visible outcomes of a conflict. Reconstruction of infrastructure will boost employment creation, even if temporarily, and will inject cash into local markets if the local labour force is employed. To that end, employment-intensive methodologies are to be preferred over others making intensive use of machinery. Besides availability, access to such infrastructure must be indiscriminately ensured across groups and segments of a society.

#### **Labour is available in the quantity and range of skills required by the market**

The mismatch between the skills required by public and private employers, and those that are available locally is a major constraint to the use of local human resources for recovery and reconstruction purposes. Vocational training strategies and employment centres can be set in place to facilitate the match between labour demand and offer. The labour market changes rapidly in a post-conflict setting as a consequence of growing reconstruction operations. The set of skills required by employers at the local level (aid organizations included) is also different; vocational skills of the local labour supply must be aligned to the new demand.

#### **Financial resources are available in the market at accessible conditions**

This requires functioning financial institutions with delivery capacity and adequate reach-out, as well as a sufficient saving rate to allow for the accumulation of capital. Gaps left by financial institutions can be covered by community-financing mechanisms. Financial requirements vary across the recovery process. In the earliest stages, the priority is on stabilizing households' livelihoods and incomes; to that purpose, small-scale loans and cash grants can be used. In the later stages, when markets give signals of better functioning, the priority is on creating and strengthening enterprises. Appropriate financial products and services will have to be made available.

#### **Business management expertise and advice are available locally**

Good management skills are critical to jumpstart and develop sustainable and innovative businesses. The performance of an economy largely depends on them. In post-conflict settings, the following is a commonly observed feature: entrepreneurs' capacity has been impoverished by the reduced volume of activities, the rarity of

opportunities to share ideas and learn from other businessmen, the reduced access to training and advice on business management and the poor quality of BDS providers. Furthermore, markets are limited, distorted, lack transparency and do not always reward the best performer. Many conflict settings are also marked by a very limited knowledge of "formal", "modern" business practices; there is an enormous need for the fostering of an entrepreneurship culture and literacy. Training is best followed by direct counselling and in conjunction with access to credit.

#### An economically empowered female population



In conflict and post conflict settings, it is possible that the female population has become highly overburdened, highly targeted, and/or highly marginalized. Additionally, institutional infrastructure (e.g. legal, judicial, and legislative) may exist to preclude women from participating economically. Entry points must be identified and actions toward reform must be taken in order to ensure women's meaningful and active participation in local economic recovery.

### Local Procurement: An Opportunity for Job Creation

In the immediate aftermath of a conflict, the affected territory is likely to experience an unusually high inflow of investment capital in the form of investments for recovery and reconstruction. Aid funds generate opportunities for infrastructure reconstruction, job creation, and restoration and growth of businesses. However, such external resources can quickly leak away without imparting long-term benefits to local workers and entrepreneurs.

To maximise the benefits of incoming resources, the effort should be on keeping the money within the affected community by maximizing local procurement of goods and services. For example, using local labour and raw material in the construction of a school will enhance the economic impact of the investment that was originally focused on getting children back to school. However, there may be barriers that impede local procurement and encourage outsourcing. Such obstacles include, among others: the lack of linkages to local suppliers for selected goods and services, the poor quality and/or high price of services and goods produced by local firms, and the lack of capacity of local entrepreneurs to participate in bidding processes.

Targeted support to local providers may improve the quality, price and timing of goods' and services' delivery, thus enabling them to satisfy the existing demand. Support can be offered in the form of capacity building and technical assistance, better access to business development services, enhanced infrastructure, and stronger networks between suppliers and customers. Overall, attention should be paid to the possible consequences that local corruption may have on the allocation and use of aid flow.

In conflict-affected countries in Central America, South-East Asia, Southern and East Africa as well as in South-eastern Europe, the LER and LED approaches have demonstrated effectiveness in creating employment opportunities and reviving local economies through the involvement of a wide range of stakeholders. The use of labour-intensive approaches in infrastructure reconstruction and rehabilitation is one of the modalities utilised for optimising the use of local resources (particularly, the workforce).

Table 10. DOs and DONTs to stimulate local procurement

DO'S → opportunity taken	DON'TS → opportunity lost
<ul style="list-style-type: none"> <li>▪ Make the most out of local expertise in recovery management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Hiring mostly foreign consultants and contractors</li> </ul>
<ul style="list-style-type: none"> <li>▪ Consider reinforcing governmental structures through direct technical support by expatriates (i.e. local civil servants and expatriates work side-by-side)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Operate through parallel systems that substitute local governments in what is supposed to be their business</li> </ul>
<ul style="list-style-type: none"> <li>▪ Build a sense of cohesion and ownership through community-designed reconstruction</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adopt only top-down approaches to decision-making, which undermines local initiative and ownership</li> </ul>
<ul style="list-style-type: none"> <li>▪ When planning, consider possible consequences of relief and recovery in terms of market distortions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Disregard local market features and adopt distortive practices, which introduce biases in local price systems and wages</li> </ul>
<ul style="list-style-type: none"> <li>▪ Create concrete opportunities for local NGOs and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Privilege non-local contractors as they easily and quickly</li> </ul>



SMEs to participate in bidding processes	meet all necessary requirements
<ul style="list-style-type: none"> <li>Procure relief commodities through local producers that dispose of a surplus (for instance, in non-affected areas of the country)</li> </ul>	<ul style="list-style-type: none"> <li>Import relief commodities without assessing national market opportunities</li> </ul>
<ul style="list-style-type: none"> <li>Establish targets for local procurement of reconstruction inputs and services</li> </ul>	<ul style="list-style-type: none"> <li>Fly-in reconstruction materials and labour in order to respond faster to pending needs</li> </ul>
<ul style="list-style-type: none"> <li>Ensure localized personnel recruitment in hotels, restaurants and other relevant services</li> </ul>	<ul style="list-style-type: none"> <li>Aid staff use foreign-owned hotels and services</li> </ul>
<ul style="list-style-type: none"> <li>Work with governments, NGOs and community to stop corruption</li> </ul>	<ul style="list-style-type: none"> <li>Postpone the resolution of corruption issues</li> </ul>
<ul style="list-style-type: none"> <li>Introduce controls in high-risk areas to prevent destabilizing capital flight</li> </ul>	<ul style="list-style-type: none"> <li>React too late, in full-scale crisis times, when capital flight will be unavoidable</li> </ul>
<ul style="list-style-type: none"> <li>Provide small enterprises with flexible credit during recovery period</li> </ul>	<ul style="list-style-type: none"> <li>Economic markets lost to competitors during recovery</li> </ul>
<ul style="list-style-type: none"> <li>Encourage participation in the bidding process by local producers that give fair and equal employment opportunities to women</li> </ul>	<ul style="list-style-type: none"> <li>Delay consideration of gender issues in local producers until later in the roll-out of the initiative</li> </ul>

## Early Recovery of Economies and Livelihoods

People who have lost their sources of income and property because of a conflict require support to re-establish sustainable livelihoods. Humanitarian relief is undeniably a priority requirement for meeting basic needs of conflict-affected populations in severely devastated areas. However, early recovery of gainful employment and enduring livelihood opportunities is crucial to ensuring a swift stabilization of affected areas and a shorter recovery process. In light of that, in 2005 the Early Recovery Cluster was created within the framework of the Humanitarian Reform.



See in the Overview, [About Early Recovery](#)

According to the Guidance Note on Early Recovery (CWGER, 2008), on average, early recovery efforts are concentrated during the initial 18-24 months. Early recovery focuses on satisfying basic needs of conflict-affected individuals, pursuing income security, stabilizing the local economy and mitigating further damage to local assets. Deploying early recovery efforts when humanitarian aid operations are still ongoing reduces the duration of economic stress placed on affected individuals. This is of vital importance to speed-up the reconstruction and to maximize the benefits of incoming resources while laying the basis for medium-long term solutions. In addition, this approach allows for the progressive downscaling of relief investments and efforts.

The local economic environment, including its labour-related components, is generally severely affected and challenged when a conflict occurs. It is in the best interest of all Governments in conflict-affected countries to start and accelerate economic recovery without delay, including through the protection of employment from future crises. A vital economy enables the affected communities to break free from humanitarian-aid dependency, stand on their feet and get back to normalcy as soon as possible.

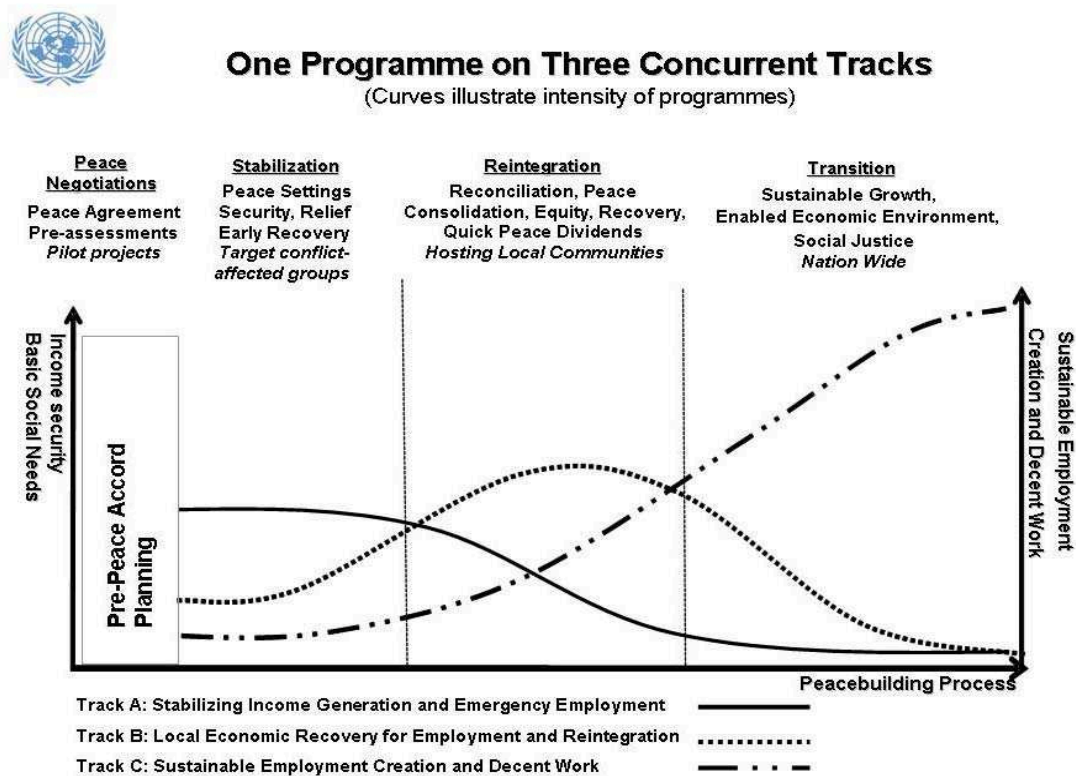
## Employment Creation: One Programme in Three Concurrent Tracks

The figure below is taken from the UN-wide Post-conflict Policy for Employment Creation, Income Generation and Reintegration. It illustrates the evolving priorities of the three main Tracks of post-conflict employment programming, with each respective track aimed at a wider target group and coverage. The horizontal dimension represents the sequencing of the phases throughout the peace building process. Employment programming is preceded by (or occurs simultaneously with) pre-peace accord planning.

According to the figure, early recovery, reintegration and transition programmes start simultaneously but they peak in “intensity” at different times and under different conditions. This type of representation is

particularly effective in showing that all of these phases are elements of the same development continuum and that the sequencing is not linear. One prepares the ground and is a platform for another.

Figure 7. The three Tracks of Employment Programming in Post-conflict



Track A programmes focus on emergency employment creation. Immediately after the start of peace negotiation, the emphasis is on measures that stabilize income. These include grants, cash-for-work and food-for-work schemes, aimed at restoring essential services and small-scale infrastructure. Targeted beneficiaries are mostly conflict-affected individuals with urgent needs.

When the context has been sufficiently stabilized, efforts shift towards reintegration and concentrate on Track B programmes. They start gradually in the “stabilization” phase, with small-scale livelihood activities aimed at preparing the conditions for economic recovery and at creating quick peace dividends. The timeframe of these activities range between six and nine months,<sup>10</sup> as the main objective is to generate immediate and tangible results with limited financial and human resources. As resources and capacities on the ground increase, activities with a medium-term horizon can be conceived and executed. They are based on a participative planning process and are aimed at establishing an enabling economic environment. Such an environment will eventually be able to create employment and income-generation opportunities at the local level. The whole community will be targeted, rather than just a few groups.

Reconciliation and peace building will be facilitated, as well as the reintegration of ex-combatants, returnees and other vulnerable groups within the hosting community. To that end, LER

<sup>10</sup> Note that the indicated time-spans are those indicated in the UN-wide Post-conflict Policy for Employment Creation, Income Generation and Reintegration (UN 2008).

is an appropriate approach as it promotes participation and inclusiveness in decision making, ultimately leading to peace consolidation.

When satisfactory results have been attained, the efforts can finally focus on enabling the environment to support a sustained economic growth, according to social justice principles (Track C). In the longer term, sustainable private-sector and public-sector employment requires national policies to encourage labour-intensive industries, including agriculture, forestry and services. Joint



private sector development initiatives (PSDs) may also play an important role during this stage. The ultimate goal is to promote long term development that sustains productive employment and decent work, while respecting fundamental human rights, [promoting gender equality](#) and giving attention for other marginalized groups. Most interventions falling within the scope of Track C continue to have a role as the country progresses along a “development track”, but it is important that work in this field starts during the stabilization phase, balancing the need for quick action with the importance of sustainable impact.

## 2.3. LER and People with Specific Needs

### *Why Target People With Specific Needs? Who Are They?*

Most of recovery and reconstruction programs are faced with the following problems in the economic field:

- ⇒ An economic foundation, blocked or seriously diminished by the effects of the conflict, which did not offer greater opportunities for the development of the economic activities prior to the conflict and which is hostile to the new opportunities the recovery or reconstruction programme attempts to foster.
- ⇒ An overall lack of experience of the young population in the performance of economic activities.
- ⇒ An attitude of mistrust or feeling of inequality on the part of other populations equally affected by the conflict, in contrast to the groups targeted by the reintegration programs. This hinders social integration, fosters tension in the territory and destroys a favourable economic climate for the development of economic activities.



People with specific needs experience particular difficulties in overcoming the obstacles associated with recovery, and if their needs remain unaddressed, their potential contribution to socio-economic development may well devolve into a destabilizing element, posing further security challenges. Specific needs emerge from the age, sex and other key social or physical diversities.

In conflict-affected areas, such groups include: [woman-headed households](#), victims of gender-based violence, the elderly and young people, as well as ethnic minorities, people with disabilities, ex-combatants of the normal or irregular forces who have been identified for reintegration assistance in peace agreements, young and children associated with armed forces and groups (CAAFAG), families and dependants of ex-combatants, returned population stemming from external refuge, returned population originally displaced by the conflict, resettled population in new locations, etc. There is in fact evidence that lack of decent work contributes to the persistence of tensions, social exclusion and its side-effects.

One of the biggest challenges, therefore, is to repair the social fabric so as to meet the needs of all affected groups, particularly the most vulnerable. Ultimately, this will depend on awareness of people’s social, cultural, economic and psychological needs and on making use of the community’s skills in the design and implementation of long-term interventions.

While residents of war-affected populations (host communities of refugees and IDPs) may not have been displaced from their homes, they are nevertheless affected by the theft and destruction of productive assets. As refugees and IDPs receive the greater amount of relief aid and attention, residents of war-affected populations often feel marginalised in the recovery process.

Table 11. Objectives for each special target groups

Target group	Objectives
People with disabilities	To assess the capacity among working age people with disabilities to become employed
Youth	To make sure that unemployed youth does not become a risk factor for local stability
 Female headed households	To assess their coping mechanisms and to identify their needs
 Victims of gender-based violence	To eradicate discriminations against them, and to assist them in being an integral part of the economic activities and the local society
Ex-combatants <sup>11</sup>	To reduce their vulnerability by improving their employment options through training, referral and business support To assess how ex-combatants can be fully reintegrated into civil life
Refugees	To assist their successful return to their places of origin by helping them to prepare for the future
IDPs	To assist their successful return, where feasible, to their places of origin by helping them to prepare for the future

## How to Reach the Target Groups?

In order to reach the target groups and to foster their inclusion in local economic activities, the economic reinsertion programs will have to be strictly tied to others of a more social character, like those of psychological care, rehabilitation of people with disabilities, as well as to those which address [gender-based issues](#) (see the following sections).

It is equally important to incorporate these programs within the agenda of priorities that work with the local coordination mechanisms. Their execution will have to be very institutionalized - incorporating local entities and encouraging actions in co-operation with the diverse institutions involved.

In the implementation of these programs the LER approach can be of fundamental importance. Namely, this approach is on the one hand complementary to the program related to the mentioned target groups. On the other hand, LER can be perceived as the transition from social and humanitarian aid towards economic development - including the goals of all the above mentioned target groups.



The content and models of delivery of business development services and financial support in existing small enterprise development centres and similar promotion bodies in post-conflict and transition countries are often either [gender-blind](#) or – as is often the case with women-specific programs - they tend to restrain women to traditional, low productive sub-sectors and to reinforce their lack of power and influence in the marketing and distribution chain, thus accentuating [gender inequalities](#) in small enterprises.

<sup>11</sup> Including children associated with armed forces and groups (CAAFAG).

## How to Prioritize Among and Within Groups with Specific Needs?

The local context and the nature and impact of the conflict on each one of the groups mentioned above are different and will determine the prioritization given to each one. For instance, targeting will be decided upon: conditions of the peace agreements; search for a social stability that facilitates the consolidation of the peace process; international pressure for humanitarian causes; and economic costs of refugee programs.

The programs use certain criteria to select vulnerable groups and to prioritise their assistance. Normally, a priority is given to ex-combatants with disabilities, to women heading households and to youth affected by the conflict.

The global objective of this exercise is to assess the impact of the conflict on special groups of concern to ILO, particularly in relation to their income, employment and employability and to collect information on their vulnerabilities and capacities which can then be incorporated into LER initiatives.

Group/Level of disability
Group I. Those with a reduced level of disability or those compensated with reasonable orthopaedic or prosthetic material, needing small adaptations of the working tools or the working environment to start an income generating activity, usually people with less than 30% of disability, according to the current standards
Group II. People with a certain level of disability (between 30 and 80%) who can perform certain tasks, although only with technical support and after a vocational rehabilitation process and/or on adapted working context
Group III. Under this category are included people with a level of disability higher than 80% with a small level of autonomy. Here, the option is to promote the family and community reintegration under a process defined on case-by-case basis. This subgroup is the most challenging in promoting reintegration



### Criteria to select vulnerable women

1. Marital status, the widows a priority
2. Level of income, the daily income being a possible criterion (lower than the poverty line, depending from country to country)
3. Existence of a family member with disability
4. Number of children under the responsibility of the family

### Criteria to select youth

1. The level of education, those that have been marginalized by or excluded from the education system being a priority
2. Vocational abilities, those with a lower level of education who don't have marketable skills being a priority
3. Number of family members
4. Member of a family headed by a woman

## Gender-based Issues and Opportunities in Post Conflict



Armed conflicts compromise in different ways individuals' ability to make a living. They also impact men and women, boys and girls differently, in light of the different roles that society ascribes to them.

LER interventions should also empower women and strengthen their capacities as economic agents by addressing gender inequalities. Plans should be systematically preceded and informed by comprehensive gender-based analyses that carefully assess roles, relations, needs and priorities. The use of sex disaggregated statistics and community-based participatory methodologies can help highlight the distinct impacts of crisis on women and men. It can also serve to point out past imbalances and disparities that should be corrected. Planners and decision makers should be trained in gender issues and analysis, especially with reference to the crisis-affected environments.

The table below highlights common gender-based issues arising from conflict-led changes in a society (ILO 1998, ILO 2001, and ILO 2009a). Decision makers and planners should consider them when conceiving LER short- and mid-term activities. Some action points are proposed to facilitate such a task.

i
DEFINITION OF MAINSTREAMING GENDER EQUALITY

Promoting gender equality does not mean pursuing a society where women and men become the same. It rather aims at promoting equal opportunities and treatment, regardless being born male or female. Gender equality is based on recognizing the different needs while promoting the equality of rights, responsibilities, social status, access to resources and opportunities, and participation in decision making.  
*Source: ILO 2008*

UNSC RESOLUTIONS ON GENDER

**Resolution 1325** (2000) is a pivotal moment, as it recognized the necessity of the meaningful involvement of women in the 'prevention and resolution of conflict' and 'in the maintenance and promotion of peace and security.' Furthermore, it calls for the use of gender mainstreaming and use of a gender perspective in all UN activities.

**Resolution 1820** (2008) turns its eye to and condemns the burden of sexual violence in armed conflict, borne disproportionately by women and girls, preventing them from active participation in conflict prevention and resolution and in peace building.

**Resolution 1888** (2009) lays out the need for greater coordination and cohesion within the UN system with respect to gender, with an aim to achieving the goals of Resolution 1325 (2000), calling for engagement of civil society and stronger monitoring and evaluation mechanisms.

**Resolution 1889** (2009) further develops a systematic, operational approach for the achievement of women's meaning and equal participation in conflict prevention and resolution and in peace building, calling for continued gender mainstreaming and monitoring, as well as explicit gender mandates, funding, and the development of targeted indicators.

Table 12. Gender-based issues in post-conflict

Demographic changes
<p><b>Issue:</b> Conflicts generate social and demographic changes with several impacts in terms of gender roles and households' livelihood strategies and food security. Examples of such changes are displacement and decrease in male economically active population, due to army mobilization, migration, disability or death. As a result, the number of women-headed households increases, and women become sole providers and caregivers with limited resources. Remarrying after the partner's loss may be difficult for a woman and, on the other hand, remaining single is stigmatized by the society and may cause a more difficult access to community resources. Often, women and children constitute the majority of the population living in refugees' and IDPs' camps. In some cases this may turn out to be an opportunity for learning and empowerment for women, or, conversely, may have disempowering and negative consequences.</p> <p><b>Action points:</b> Analyze the phenomenon of women-headed households in the LER-targeted community or refugee camps in order to quantify it and identify derivative issues and opportunities for women empowerment.</p>
Access and control over resources
<p><b>Issue:</b> In post-conflict settings, traditionally, men are normally the primary beneficiaries of land allocation, credit and</p>

formal employment schemes. Not only men are usually over favoured, but discriminatory practices and legislation may exist to preclude women from access to resources. These discriminatory structures may be weak at the beginning, but as recovery continues and these institutions revitalised, there might be cultural backlash to women having access to resources. The re-engagement of male ex-combatants into civilian life is seen as an important stabilizing process, but the focus on male ex-combatants often has a distorting effect on the household and the community as a whole. Women's work to sustain their families can be severely disrupted when men are favoured in economic reconstruction. Focus on ex-combatants also affects men who are not former combatants. Men's alienation not only affects their well being, it may also increase sexual, domestic and other forms of violence against women, especially when women have become wage earners and assert their right to control their income.

**Action points:**

- ⇒ Review and if necessary reforms regulatory frameworks in a way that access and control over resources is gender balanced and does not create discrimination between men and women;
- ⇒ Involve women groups in discussions concerning land (re) distribution.

**Gender roles, occupational segregation and transformation**

**Issue:** The rigidity of gender roles is due to culturally and socially-rooted perceptions. Armed conflicts and other types of crises might reduce such rigidity, as women and men adopt coping strategies that make them step out of their socially ascribed roles. Positive changes in gender roles need and deserve support. Furthermore, conflicts might modify the skill-set required by labour markets, thus forcing people to learn new skills and adapt to the new demand. Evidence from the field shows that, while conflict can allow women to take on work that was formerly considered to be exclusively reserved for men, men generally show less flexibility in post-conflict settings about accepting work that is usually done by women. Attention should be paid to the consequences that this expanded access to labour opportunities may produce in terms of women's workload, as men's roles must also be re-negotiated.

**Action points:**

- ⇒ Design skills training and related programmes in such a way that ensure women's access to work opportunities outside their traditional activities and at all levels, including supervisory and managerial roles. Non-traditional job training may be needed to enable women's participation in immediate reconstruction and recovery.
- ⇒ Gradually sensitize men towards taking on roles generally played by women.
- ⇒ Support is especially needed for female headed households, and for those burdened with the care for family members with disabilities. Such support may be provided by setting up informal or formal day-care centres for children and assistance for the elderly and those disabled by war; ensuring safe mobility to and from the worksite.

**Educational attainments and access to training**

**Issues:** It is generally observed that women have lower educational attainments with respect to men, in terms of literacy rates, enrolment rates in, number of years of study and level of degrees obtained. This gender gap in literacy and skill training is due to both structural features of a society and to conflict-led consequences. Limited budgets force households to decide which children will go to school and which others will focus on contributing to the household's livelihoods. The utilisation of girls at home may increase due to the demographic and structural changes produced by the conflict within the household, thus exacerbating such situations. In addition, conflicts themselves have an impact on education opportunities as they disrupt educational facilities and service delivery. On the other hand, the conflict-to-war transition might offer the opportunity for introducing changes, such as expanding the access to education and skill training (e.g. in refugee and IDPs camps), revising curricula to make them less stereotyped and offering specific incentives to women's education.

**Action points:**

- ⇒ Assess gender-based differences in educational indicators and access to vocational training;
- ⇒ In light of the analytical findings, open and expand training options and curricula available to women, also with a view to reflect market transformations;
- ⇒ Revise training curricula, with a view to gradually eliminate gender stereotypes through encouragement of women's and men's aspiration for change;
- ⇒ Include components on gender awareness and assertiveness training in vocational courses or employment schemes;
- ⇒ Offer day-care centres or other accommodating mechanisms for women to work in non-traditional roles;
- ⇒ Encourage the recruitment of women trainers and educators in vocational training centres and schools.

**Business opportunities**

**Issue:** Women can play an important role in reactivating economic activities, alleviating poverty and promoting post-conflict reconciliation. However, they encounter more barriers than men in starting and developing a business or

finding a job. The majority of women working in micro and small enterprises are still concentrated in a limited range of low profit sectors with poor working conditions which are most vulnerable to economic downturns.

**Action points:**

- ⇒ Foster women's initiatives and self-employment in non-traditional areas;
- ⇒ Implement training projects for women's entrepreneurship (including in refugee and IDP camps).

### Gender-based violence

**Issues:** During and after conflict, sexual violence is often used as a strategy to humiliate and weaken communities. Mostly perpetrated against women, but to certain extent also against men, rape carries a number of negative social and economic consequences that can persist in the long term. Sexually-transmitted diseases, torture and undesired pregnancies produce a psychological trauma on women and on the generation to come. Rape represents also a social stigma for its victims and their families, which leads to social exclusion and limited access to resources, economic opportunities and livelihoods. In addition to rape, abduction and sexual slavery is practiced by armed groups. A form of human trafficking and forced labour, such a practice is not only a crime against humanity, but also a violation of core labour conventions<sup>12</sup> and standards which must be eradicated.

**Action points:**

- ⇒ Detect cases of social and economic exclusion of sexual-violence victims;
- ⇒ Offer psychological support to the victims, as well as through therapy that involves their families;
- ⇒ Conceive ad hoc initiatives aimed at facilitating the reintegration of social-violence victims into the community, also by offering access to training, jobs and the possibility to get together into groups and cooperatives.

## 2.4. Reintegrating Ex-combatants Through LER

### *Disarmament, Demobilization and Reintegration: The Framework*

Disarmament, Demobilization and Reintegration (DDR) programmes usually take place in post-conflicts environments characterized by insecurity, fragile economies and poor social services and social cohesion. Peacekeeping operations may or not being running parallel to these programmes.

DDR programmes are complex endeavours, tackling a wide variety of issues (e.g. security, human rights, rule of law, livelihoods). The multidimensional nature of the process is reflected in the variety of UN and non-UN agencies that are concerned, to varying degrees, with DDR. In accordance with their mandate and expertise, they focus on specific parts of the process and interventions.

In the last decade, dedicated multi-agency initiatives have been set up to coordinate efforts in the area of DDR. In 2005 the Inter-Agency Working Group on DDR (IAWG-DDR) was established with the mandate of improving the performance of UN DDR programmes. It counts with the participation of fifteen UN agencies, departments, programmes and funds. In 2006, the IAWG released a set of inter-agency standards for DDR (IDDRS). These are aimed at ensuring coherence among the different approaches, avoiding fragmentation and gaps and maximizing the overall impact in the area of DDR.

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<sup>12</sup> Convention No. 29 on forced labour, ratified in 1957 ; Convention No. 182 on Worst Forms of Child Labour and No. 138 on Minimum Age for Employment



At the operational level, in the greater Great Lake Region of Central Africa, a number of UN agencies, NGOs donors and the WB have collaborated within the Multi-Country Demobilization and Reintegration Program (MDRP) between 2002 and 2009. Covering seven countries (Angola, Burundi, the Central African Republic, the Democratic Republic of Congo, the Republic of Congo, Rwanda and Uganda) and targeting around 450,000 ex-combatants, MDRP was the largest programme of its kind. Since its closure, MDRP has been now replaced by country-based follow-up programmes.

## Reintegration of Demobilised Combatants: The Issues

Reintegration concerns both the **social** and **economic spheres** of a community's life. It starts with mutual acceptance between those to be reintegrated and the receiving community. When the individuals to be reintegrated are demobilized combatants, achieving their acceptance by the community is the most challenging goal.

Demobilized soldiers are often perceived as "the causes" of the traumatic sufferance experienced by a community and, as such, they are feared and marginalized. On the other hand, they are also perceived as "privileged" beneficiaries of assistance which generates further tensions. Community members, wrongly or not, may also view ex-combatants as trouble makers. Such perceptions may be founded in reality when poor access to livelihoods and lack of discipline – according to the community and workplace standards – lead to "anti-social" behaviours (e.g. aggressiveness, abuse, and criminality).

Mutual mistrust, fear and resentment are severe obstacles to the process of social acceptance. They can be eradicated through initiatives that help close the social and cultural gaps between receiving communities and ex-combatants' families and that increase mutual understanding and empathy. Some examples are provided in the following sections.

With respect to the economic sphere, there are two categories of issues affecting reintegration: those concerning the supply side of the labour market and those concerning the demand. They are complementary and linked to the local economy.

Traditional reintegration kits for demobilized soldiers are typical examples of measures designed to address the gaps of the supply side of the labour market. In this case, the ex-combatants themselves are suppliers of labour. As job seekers, most of them do not possess the educational, technical and professional qualifications that are required to cope with the new socio-economic situation of their family. Some of them are illiterate. As a result, when they return to civil life, they struggle to provide food, housing and care for their families and to live in harmony within the receiving community.

The reintegration kits mentioned above consist of vocational training, tools and equipment, and small grants. Experience shows that upgrading the skills of ex-combatants and providing them with productive assets does not automatically lead to a sustainable and secure occupation, essentially because of economic reasons. For instance, when the market for the goods or services produced by the concerned profession is shrinking, the demand for that profession will be soon met and a surplus created. Basically, supply-focused measures can produce the expected results only if job opportunities are simultaneously created within an economy.



### GENDER SENSITIVITY IN DDR

DDR programmes tend to focus on men combatants, as they are perceived as a bigger threat to peace and security, compared to women combatants. Within such programmes, men's reintegration issues are prioritized, leaving unattended family issues and post-traumatic stress experienced by women. Former soldiers are not a homogeneous group, as they include men, women, children and people with disabilities. Special needs should be acknowledged and highlighted.

Source: ILO, 2001.

The core issue affecting reintegration is therefore the depletion of economies in conflict-affected areas. A depressed economy where markets are shrinking does not have the means or the dynamism to create sufficient job opportunities for the economically active population. This challenge becomes more severe especially when a significant amount of new entrants join the labour market within a short timeframe (e.g. ex-combatants, returning IDPs and refugees).

To overcome these problems, it is necessary to develop measures that expand markets (e.g. through investments) and, therefore, labour demand. For instance, public investments in infrastructure rehabilitation and reconstruction are a means of increasing the range of business opportunities in the construction sector and of creating jobs and income, even if only on a temporary basis.

The remarks made above emphasize that when devising employment policies and reintegration programmes of ex-combatants, decision-makers must have a comprehensive view of both the demand and the supply side of the labour market. Such a view is formed through appropriate assessments targeting the labour markets and specific sectors. Solutions to economic disruption are to be found in viable markets, in order to create lasting job opportunities.

### *Application of the LER Approach*

To be effective, a reintegration programme must introduce measures to prevent and resolve a series of complex socio-economic problems, not only affecting the demobilized soldiers but also their families. Opportunities for income generation and employment should be offered to the demobilized soldiers with the same conditions as those applying to the receiving community, in order to avoid segregation.

LER has at least two comparative advantages as an approach applied to ex-combatants reintegration: (i) its capacity to contextualize labour markets and employment issues within local economies; and (ii) its use of area-based, participatory planning methods, which encourage dialogue and participation, as well as ensure the relevance of interventions.

The LER process and its planning modalities involve the application of a set of assessments aimed at profiling the territorial capital and detecting challenges and opportunities for economic recovery. These assessments are designed in such a way that they can inform the identification of measures targeting both the demand and the supply side of a labour market. This makes the LER approach particularly suitable to achieve a sustainable reintegration. In fact, as extensively explained in the previous section, measures on the supply side alone do not produce lasting results and have to be combined with initiatives aimed at expanding business opportunities and creating jobs.

LER stakeholder groups and forums are themselves useful platforms to lessen tension and promote reconciliation among antagonistic groups. LER forums apply structured forms of decision making, where contribution and consensus-building are facilitated by neutral actors who have no direct stake in the outcome of the process. Decisions taken jointly and projects identified and implemented in a collaborative way are tangible outcomes proving that dialogue is a valuable and constructive alternative to violence.

There are two different modalities of applying LER in combination with reintegration programmes for ex-combatants depending on these scenarios: (1) LER is envisaged in a setting where a reintegration programme is already running; (2) an LER programme pre-exists to the establishment of ex-combatants reintegration programmes.

Scenario 1. LER envisaged	
<b>Context</b>	A DDR programme is in place and reintegration activities are running. An approach to reintegration issues has already been agreed upon among partners and donors, and it is consistent with peace accords. The planning process is neither necessarily area-based, nor participatory and inclusive of local stakeholders. Activities have already been identified, as well as geographic areas.
<b>LER strategy and planning</b>	An LER strategy is not in place yet, while a reintegration programme exists already. The main concern for LER planners is to make sure that other relevant planning processes occurring locally are compatible with LER guiding principles, and can contribute to LER and vice-versa. Such a result is achieved by sensitizing relevant reintegration actors on LER and ensuring participation in respective planning processes (or steering committees/teams). Therefore, if LER is being started in the same area where a DDR programme is running, then reintegration decision-makers will have to be consulted and involved in the LER planning. Ideally, the main responsible agency for reintegration programmes should become member of the LER inter-agency team. If appropriate, the LER planning process could be adopted as an umbrella for further reintegration planning. Target beneficiaries, strategic lines of action and projects proposed within the LER framework will have to be complementary to those of reintegration programmes.
<b>Information requirements</b>	Most likely, the reintegration programme is already in possession of a significant information base. However, such information is probably related to ex-combatants (number disaggregated by sex, skill set, household) and not to the territory where they are being reintegrated and their interaction with such a territory. LER in areas of ex-combatants' reintegration will require a comprehensive knowledge of the context, resources, and the absorption capacity (e.g. services and facilities, labour market and economic opportunities). If the labour market is not able to absorb ex-combatants, then the causes have to be identified. With respect to the dynamics between the receiving community and demobilized soldiers, discrimination issues should be assessed, as well as causes of tensions. Relevant stakeholders within reintegration efforts must be identified and included in the LER planning process.

Scenario 2. LER pre-exists	
<b>Context</b>	This scenario is less likely to happen than is the previous one. In fact, reintegration processes within DDR programmes give a signal of increasing stability in the territory, which is itself an incentive to start LER. It is more likely that LER starts after DDR programmes. However, whereas LER pre-exists, the composition of the stakeholder forum needs to be adjusted to include relevant reintegration actors.
<b>LER strategy and planning</b>	An LER strategy exists; therefore, it might require an adjustment to reflect the new reintegration priorities in the territory.
<b>Information requirements</b>	It is assumed that the LER planning process has produced a great deal of relevant information on the territory and its resources, and on the labour market. When reintegration programmes are launched, it is important that they produce complementary information on the targeted ex-combatants.

## Examples of LER Interventions That Facilitate Reintegration

The table below proposes a number of interventions addressing typical reintegration issues in DDR programmes. More details and explanations on each of the reintegration issues are provided in the section above, *Return and Reintegration: The Issues*.

The first steps consist of creating the appropriate occasions, encouraging the cooperative efforts of concerned public and private stakeholders, and animating activities. Examples of initiatives involving both ex-combatants and community members include: working hand-in-hand in public utility works; being members of cooperatives and/or business associations; participating in joint committees and forums to discuss community issues; and participating in recreational activities for children of ex-combatants and community's family. Such activities must be culturally sensitive and tailored to the local context. They must be animated by professionals who are neutral and respected by both parties, and who are also experienced in difficult social settings and acquainted with mediation and conflict resolution techniques.

Both ex-combatants and communities are to be prepared for living together in harmony and without discrimination. The former will require support to get back to civilian life and to be equipped with the skills, notions and attitudes that are necessary to enter the labour market. The latter will require support to receive ex-combatants.

**GUIDING PRINCIPLES FOR A SUSTAINABLE REINTEGRATION OF EX-COMBATANTS**

Reintegration programmes within DDR processes are governed by a set of four principles, aimed at their sustainability of their results:

- Principle I → Make employment central to the response
- Principle II → Start early and phase interventions
- Principle III → Ensure inclusion of specific ex-combatant groups in programme design
- Principle IV → Ensure sustainability

*Source: ILO, 2009b.*

Table 13. LER interventions to facilitate ex-combatants reintegration

Issues	Interventions
Ex-combatants have limited knowledge of the market and viable economic opportunities	Rapid assessment of local economic opportunities and dissemination of findings in such a way that they are rendered easily accessible and understandable for groups and associations of ex-combatants, and ex-combatants themselves.
Ex-combatants' vocational and managerial capacities do not meet labour demand	Support and orientation in the selection of rehabilitation and reintegration options (e.g. which business sector and start-up idea, or type of profession).
Local labour demand is depressed	Identification of training needs in relation to the final choice made (vocational and/or managerial), and training delivery as appropriate
Ex-combatants reintegration activities are not integrated into wider economic recovery and reconstruction strategies	Technical support in the development of the business plan and in the start-up phase
Tensions and mistrust between ex-combatants	Technical support in the management of business issues (including financial and administrative)
	Interventions to develop local firms, increase the volume of their business and expand their need for labour.



### “Zoom-In On the Practice...” Economic Reinsertion of Ex-combatants in DRC

The ILO ARED II project is the second phase of an economic reintegration programme targeting 10,000 demobilized soldiers in the conflict-affected provinces of Eastern DRC. It was launched in mid 2009 and is expected to last for three years. Its goal is to instil an entrepreneurial culture among ex-combatants engaged in self-employment activities or in cooperatives. This is expected to increase the durability and success of their economic activities. The strategy of the project aims at providing demobilized soldiers with the means to exercise a sustainable economic activity that, to the possible extent, meets the decent work criteria. The general approach of the programme focuses on entrepreneurship and cooperative promotion. A similar approach was in Phase I of the programme and has shown comparative advantages in terms of sustainable financial and material reintegration of large numbers of demobilized soldiers. Ex-combatants who join or come together in cooperatives can benefit from economies of scale and from a better protection of their interests. Two areas of intervention are tackled by the programme. The first deals with ex-combatants and include vocational training, support for being hired when possible, entrepreneurship training, technical support for the start-up and management of micro and small enterprises (elaboration of business plan, start-up), support to the production, processing and marketing of products and support in joining or forming cooperatives. The second area of interventions concerns the Project Sub Contractors and is aimed at strengthening their capacities for better assistance delivery to demobilized combatants.

## 2.5. Reintegrating Returning and Resettling IDPs and Refugees through LER

### *Return, Resettlement and Reintegration: the Framework*

Facilitating the voluntary return and reintegration of refugees and IDPs is one of the core elements of UNHCR mandate. It entails ensuring that the returnees become self reliant within the areas of return through so-called “durable solutions.” These are pursued in return areas where the peace process is well established. Their expected outcome is equal access to services, productive assets and opportunities between returnees and hosting communities. A series of international principles and standards have been developed by UNHCR to monitor and pursue the sustainability of return. The standards encompass material, legal and physical safety concerns.



*Durable solutions for refugees cannot be attained by UNHCR alone. This task requires UN system-wide consideration and systematic inclusion of this group into the relevant planning and programming instruments. The aim [...] is that such a cross-cutting concern will be seen as a collective task and that sister agencies, the donor and development communities will inscribe this imperative on their agenda.*

Source: UNHCR, 2003

Over the years, UNHCR's experience in the field highlighted the need for a common overarching framework of institutional and operational collaboration, aimed at increasing coherence and impact of reintegration interventions. To that end, in 2003, the High Commissioner issued the Framework for Durable Solutions for Refugees and Persons of Concern. The concept of repatriation, reintegration, rehabilitation and reconstruction, known as the "4R approach", was introduced for the first time. The 4-R approach was intended to serve as reference for the joint identification of priorities, challenges and capacities, as well as for integrated planning and fundraising. It has been further developed with UNDP, the World Bank and UNICEF, and tested in Sri Lanka, Eritrea, Afghanistan and Sierra Leone.

In 2008 UNHCR completed the revision of the policy framework for return and reintegration<sup>13</sup>, considering the following developments: the humanitarian reform with the introduction of the "Cluster Approach" relating to the IDPs and the work of the Early Recovery Cluster; the establishment of the Peace Building Commission; and the set up of new funding modalities creating opportunities for more comprehensive and better funded reintegration efforts.



See Overview of the Guidelines, [About Early Recovery](#)

A fundamental recommendation stemming from these frameworks is that the reintegration of returnees requires concerted efforts from both humanitarian and development actors. Local ownership and broad-based participation involving the civil society and the communities themselves are important milestones of this process. The LER approach has a competitive advantage at that regard, since it explicitly emphasises participation of all these actors and entities.

Finally a new framework on durable solutions for IDPs has been released in 2010 by the UN General Assembly.<sup>14</sup> It explicitly makes reference to economic recovery as a means to achieve more sustainable reintegration of IDPs.

## Return and Reintegration: The Issues

Returns occur in different modalities, generally when the causes of the displacement or exile are resolved. Returns may gradually start – in a voluntary fashion – after a reduction of violence in specific areas, in which case they are considered localized. Alternatively, they might be organized, when the situation is stabilized and authorities have assessed and approved the safety of the conflict-affected areas. If return indicates that the situation is getting returning to normalcy, continued displacements and exiles represent an anomaly produced by armed conflicts and are symptoms of the *un-healthiness* of an area.



*Reintegration refers to all activities aimed at assisting people directly affected by a crisis (e.g. survivors of a disaster, disaster-affected communities, conflict-affected groups, IDPs, refugees, demobilized combatants, etc.) into normal life. It is a comprehensive process of re-absorption of the individual, the household and the community, [...], into a social, economic and political system which is itself changing as a result of the crisis.*

Source: ILO, 2001

For the sake of these Guidelines, the focus of this section will be solely on issues related to the economic reintegration of returnees which is closely linked to their legal, political and social reintegration.

Economic reintegration of returnees concerns the access to productive resources and opportunities without discrimination of or from the hosting community. Success is attained when no major conflicts concerning the use of economic and social resources emerge between returnees and receiving communities. Eventually, the label of "returnee" is dismissed and there are no distinctions within the population.

<sup>13</sup> UNHCR, 2008. *UNHCR's Role In Support Of The Return And Reintegration Of Displaced Populations: Policy Framework And Implementation Strategy*. Geneva: UNHCR, 2008.

<sup>14</sup> United Nations General Assembly, 2010. *Framework on Durable Solutions for Internally Displaced Persons*. New York: UN February 2010.

In such a context, returnees will have full access to the labour market, employment services, training opportunities, land and productive assets, as well as to financial resources for the start-up and development of businesses.

Bottlenecks slowing down the economic reintegration are linked to several limitations in returnee areas. These are often remote, marginal and poor, with constrained capacity of local services, infrastructures and institutions to satisfy the demand of the community. Regulatory frameworks might not be adequate to receive returning IDPs and refugees, and economic opportunities might be limited. These areas have weak receptivity capacities and can hardly afford to support and provide services for additional inhabitants. As a consequence, returnees have very little opportunities to earn a living and therefore live in deprived conditions for prolonged periods. Many of them decide to go back to the place of asylum or to resettle elsewhere. This is a case of failed reintegration which can be avoided by incorporating returnees' needs in recovery plans of the government.

The arrival of returning households puts further **pressure on social and economic structures and facilities**, such as healthcare centres, schools, employment services, training providers and finance institutions. These must be upgraded in order to meet the increased demand. LER strategies should include this type of intervention and should ensure that, once the structures are in place, returnees have equal access to them. It is to be noted that returnees will not be the only ones benefitting of enhanced service delivery: like in the case of improved infrastructure, the whole community gains in terms of better living conditions.



Another limitation of returnee areas is due to the **policies and regulations that restrict the access to land and natural resources**. Not having access to land for agricultural purposes in rural areas can have serious consequences on the self-reliance of returnees and on the durability of their return. A weak property and land tenure system, where transaction is not clearly regulated and tensions are frequent, may also affect returnees' access to durable livelihoods. Agriculture is not the only type of livelihood that can be affected by such a restriction. In fact, if land can serve as collateral for opening a credit line, not having the right to own land can affect the capacity of a person to borrow financial resources for a start-up.

**Local economies, especially in remote areas, are generally fragile**. Consequently, labour markets have a limited absorption capacity. A pre-existing high unemployment rate will most likely worsen with the return of IDPs and refugees. This might generate tensions between them and the receiving community, especially if reintegration programmes give unequal access to opportunities and privilege one group over the other. Considering possible tensions, the security and protection of returnees and their property in the areas of return are to be ensured.



For their part, returnees might have deficits in terms of capacities and professional skills. This can be due to the differences between the context of displacement or exile and the context of return. For instance, they may relate to the formality/informality of markets, trade modalities (exchange/sale), local customs and gender-based roles in the economy. Such differences shape the type of economic activities and livelihoods and, therefore, the skill set to be developed. In this case, specific support to adjust to the new setting must be offered (e.g. information, training, etc). Capacity deficits can result from a perpetuated displacement and exile in conditions of dependence from external aid. In such conditions, skills are not applied and are gradually lost. In such a case, not only do skills have to be developed to fit the local economic opportunities, but also an attitude of self-reliance should be strengthened.

Finally, another major challenge to sustainable return and reintegration is presented by the gap between relief and development and by the often poor coordination between the actors engaged in one or the other type of operation. Reintegration is neither exclusively a humanitarian or nor a development issue. Assistance provided immediately after the repatriation is often of an emergency nature.



#### EXAMPLES OF NON-FOOD-ITEMS FOR RETURNEES

Blankets, sleeping mats, fabric for women to use as clothing, soap, plastic sheeting, jerry cans, buckets, a kitchen set, mosquito nets, tools and sanitary materials for women, seeds, and education materials.

It includes food rations distributed during a certain number of weeks and a package of non-food-items. The following effort of reintegrating the returnees has a long-term timeline. Reconstruction and development planning must consider the socio-economic profile of returnees, their background and their livelihood needs. However, this often fails to happen.

## Application of the LER Approach in Areas of Return

The LER approach is meant to recover the economy by applying a strategic approach to local planning. By definition, it proposes interventions that go beyond livelihood recovery and income generation targeting specific households and individuals. Comprehensive and integrated strategies, as opposed to fragmented initiatives, increase the scale of the impact, offer a framework for coherency, and allow for better monitoring of the risk of inequalities and rivalries between direct beneficiaries and the others.

Livelihoods are in fact the outcome of a series of individual and contextual elements that have to fit together. They cannot be sustainable if they are not conceived within a local market that has its own dynamics and within a context that has its own constraints and opportunities. When it comes to supporting returnees' livelihoods, we have to look at these individuals as potential economic agents acting within formal and informal markets at the local level. Return does not happen in a vacuum and has to be contextualized with respect to the economic perspectives that can be offered and created.

There are two possible scenarios for the application of LER in reintegration contexts. In the first case, returnees settle in areas where LER processes are ongoing; in the second case, the return occurs before the development of an LER strategy. The LER process does not change, and the guidance provided in these Guidelines remains valid.

Scenario 1. LER ongoing	
<b>Context</b>	The LER approach is being applied and a strategy might be already agreed upon by local stakeholders. Thanks to LER, modalities for the participation of local stakeholders in economic recovery planning and implementation are already in place and rolled out. If not yet included within the stakeholder groups, organizations addressing refugees and IDPs issues must be mobilized to participate in the LER process.
<b>LER strategy and planning</b>	A revision of the LER strategy must be undertaken and approved prior to the return of the IDPs and refugees. It will have to address issues such as the greater pressure on local services and facilities supporting economic reinsertion, and on the economic opportunities and resources.
<b>Information requirements</b>	A baseline of information on the territorial economic profile, its institutional resources, its services, infrastructure and labour market has been already produced. In preparation for the return of IDPs and refugees, it is necessary to expand the dataset by including information on their socio-economic profile (e.g. expected number disaggregated by age and sex, skill set, prior occupations and livelihoods in the camp). Generally, such information is available within databases managed by UNHCR and implementing partners in the camps where IDPs and refugees are registered. Timely coordination and information sharing between the agencies in the receiving area and the area of departure is pivotal to a successful LER strategy. On the basis of the territorial economic profile and the socio-economic profile of returnees, the last element of the information requirements will be an evaluation of the absorption capacity of the area of return. The purpose is to identify possible constraints and obstacles to return and reintegration.



## Scenario 2: LER envisaged

### Context

Return has started. The LER approach is not applied yet in the areas of return, but local stakeholders (or a number of core agencies) intend to introduce LER (Example: DRC Province of South Kivu, 2009). In the absence of multi-stakeholder platforms for decision making on economic recovery matters, ad hoc mechanisms must be set in place. A culture of dialogue and participation must be introduced. Such platforms will offer the opportunity for returnees' voices to be heard and translated into decisions and actions. In certain cases, specific organizations or leaders may have emerged to represent the returnees' needs. They are an important source of information and ideas and can exert a certain influence and facilitate consensus.

### LER strategy and planning

A strategy is not yet in place.


### Information requirements

Sound reintegration strategies, regardless of the intention of introducing LER in the area of return, will require a comprehensive knowledge of the context (basic demographic information, resources, its absorption capacity (e.g. services and facilities, labour market and economic opportunities), and the discrimination of returnee population (e.g. on access to land or financial programmes).) Ideally, this information will already be available prior to the launch of the LER process. However, the reality is that the major issues having been detected, planners will use them only as entry points for specific components of the future LER strategy.

## Examples of LER Interventions That Facilitate Reintegration

The table below proposes a number of interventions addressing typical reintegration issues. More details and explanations on each of the reintegration issues are provided in the section above, Return and Reintegration: The Issues.

Table 14. Examples of LER interventions to facilitate the reintegration of returnees and re-settlers

Issues	Interventions
Discriminatory land tenure and property right system	Restitution of or compensation for lost property
Discriminatory access to job opportunities	Provide access to labour market information and employment services, encouraging returnees to consult them
Poor access to business networks due to discrimination or simply lack of networking skills	Explore mechanisms to support returnees' production and trades by opening wider market opportunities that will benefit both the hosting community and the returnees
Deficits in terms of business management capacities or other relevant professional skills in demand by the local labour market	Targeted business training through a variety of mechanisms, including through peer-to-peer mechanisms
Tensions and rivalry between the returnees and the receiving community	Encouraged and facilitated formation of mixed cooperatives and business associations with returnees and members of the receiving community
Housing-related issues	Build houses for returnees taking into consideration their livelihood and their specific professional requirements (e.g. by annexing a small workshop inside the house)
 <p>Returnees are mainly women-headed households or have other demographic specificities. In addition, all issues mentioned above are twice as challenging for women as they are for men.</p>	Special projects for women, plus mainstreaming their issues in all programmes, direct access, information, and recruitment action.

## Guiding Principles for the Reintegration of Returnees through LER

**Prepare the ground for reintegration.** Notwithstanding the importance of minimizing the duration of displacement to the extent that is possible, rushed and premature returns are not a good premise for a successful reintegration. Ideally, the ground for return and reintegration should be prepared in advance, even though the reality is different.

- ⇒ The preparatory phase must start with specific **information management** efforts, to ensure the availability and access to information for sound decision making within the LER planning. With respect to the information requirements, the following are the main categories and should be included in the assessments for LER strategic planning in order to identify possible constraints to return and reintegration: (1) the absorption capacity of the area of return, based on the demographic structure of the returning population; (2) the socio-economic profile of returnees, including their skill set, prior occupations and livelihoods in the camp; (3) the discriminatory practices emerging in the area of return, which can be linked to regulatory frameworks, policies and local cultural issues.
- ⇒ Another set of preparatory efforts deals with the **coordination arrangements** among agencies engaged in facilitating return and settlement and those engaged with reintegration and development. Joint identification of priorities and planning of interventions ensures greater coherence and impact. If return is an important issue in the area where LER is being proposed or already applied, then UNHCR should be a member of the LER inter-agency team (see Chapter 4). If this is not possible, it is recommended that UNHCR become at least a member of the stakeholders group (see Chapter 4 and 5) alongside its core implementing partners.

**Ensure inclusiveness and equal access to opportunities and recovery benefits.** Like in the case of ex-combatants, disparities can lead to tensions between the receiving community and the returnees. This happens especially when resources are scarce and their access is discriminatory. Neither group, nor vulnerable demographics within those groups, should feel that their voice is not heard or their needs neglected. Equal opportunities for both groups and joint participation in committees and stakeholders groups can help avoid rivalry. The improvement of local public services, facilities and infrastructures as well as a more vibrant economy are gains for the population as a whole. This is conducive to peaceful coexistence.

**Create occasions for dialogue and collaboration.** Opportunities for knowing each other, engaging in dialogue, collaborating towards a common goal and building trust are to be intentionally created throughout the LER process. For instance, adjustment to the local work ethic and to local customs is an ingredient for smooth reintegration and can be attained through information and preliminary dialogue. The joint participation within LER stakeholder groups and committees, the collaboration within community-based projects for the realization of public works (e.g. through community contracting), and the formation of mixed cooperatives are only some of the modalities for promoting exchange and collaboration.

**Capitalize on returnees' human capital.** The reintegration of returnees can generate a process of social transformation in the area of return. During displacement or exile, returnees have most likely developed new skills, knowledge and attitudes that can contribute to social and economic progress if well capitalized on. A successful reintegration process is one where returnees have the capacity and platform to translate such resources into development assets for their own communities. Therefore, the LER strategy should find modalities to stimulate skills transfer between returnees and host communities. This process must start with a good understanding of their productive capacities and background.

**Stop refugees and IDPs "coming back for more".** Ad hoc assistance, including in urban areas, should be limited to legal protection. Returnees should not require specific services for themselves. The goal is rather to address the capacity deficits and enable them to be self-reliant.

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## **PART II. LER IN ACTION**



# Chapter 3: Fact finding

## Overview

### Contents

This chapter deals with how to collect information for implementing LER in post-conflict scenarios. In some cases, information already exists, produced by others; in other cases, it must be gathered and analysed through *ad hoc* assessment. Moreover, as the specificity of decisions to be taken varies along the recovery process, decision makers (who also grow in number) need increasingly detailed information. Hence, various types of assessments have to be conducted according to decision-makers' specific needs.



### Outline of Chapter 3

- ⇒ 3.1. techniques, Tips and Tools
- ⇒ 3.2. Generic Profiling of Post-conflict Settings
- ⇒ 3.3. Initial Rapid Assessment (IRA)
- ⇒ 3.4. Rapid Stakeholder Identification for IRA
- ⇒ 3.5. Assessment of Local Procurement Opportunities
- ⇒ 3.6. Local Economic Profile (LEP)
- ⇒ 3.7. Additional Assessments
- ⇒ 3.8. Tracking Progress and Performance (M&E)

### Purpose

The purpose of fact-finding is twofold. Firstly, it is to **improve the understanding of the post conflict local economic realities**, including the patterns of the economic flows of goods, people and services, as well as the spatial distribution of resources. This is done by garnering assistance from key stakeholders with unique insights and knowledge of the strategic territory. Secondly, fact finding is aimed at **differentiating facts from values** to avoid confusion, unnecessary conflict among actors and delay. Facts are what is known, given assumptions and uncertainty (e.g. unemployment rate equals 12%; the area hosts 90% of the returnee refugees within the country as a whole). Values are what is important to individuals.

### List of tools in Toolbox



Tool 1-A. Guidelines: Participatory Data Collection

Tool 1-B. Guidelines: SWOT Analysis

Tool 1-C. Checklist: Generic Conflict Profile

Tool 1-D. Guidelines: Rapid Stakeholder Identification and Analysis

Tool 1-E. Templates: Data Collection and Storage

Tool 1-F. Questionnaire: Business Survey

Tool 1-G. Questionnaire: Vulnerability Assessment

Tool 1-H. Establishing Objective Performance Indicators



## 3.1. Techniques, Tips and Tools

### *Use of Fact-finding Results*

The results of the assessments will be used to:

- ⇒ **Inform decision making;**
- ⇒ **Sensitize local stakeholders** about post conflict economic recovery by increasing their understanding of the local context;
- ⇒ **Give advice** on how existing economic recovery strategies and programmes can be adjusted towards more economically, socially, and environmentally sustainable recovery;
- ⇒ **Identify opportunities** and formulate LER proposals;
- ⇒ **Locate weaknesses and risks** and address them;
- ⇒ **Monitor progress, and assess performance** and final outcomes of LER interventions, with a view towards briefing stakeholders and achieving consensus on corrective measures when performance and progress are not satisfactory.

### *Prioritise Information Needs*

In the earliest stages, major decisions are concerned with the targeted geographic scope and locations, the actors to be immediately involved as partners, and the small-scale livelihood activities to be implemented. Only a snapshot will be needed of the economic context, the groups of concern, the ongoing recovery and reintegration programmes.

When designing mid-term plans of action through participatory processes that involve a broader scope of stakeholders, more in-depth information and analysis is required on the same topics mentioned above. It would deal with local, public and private institutions as well as relevant resources and issues of the post conflict economic context (e.g. SMEs, markets, labour supply and offer). Findings should be validated by local stakeholders. There is a wide variety of assessment tools that can be used depending on the information gaps to be filled-in and the scope of the planning document to be produced (i.e. strategy or project). Examples of tools include: Livelihood Assessment Toolkit (LAT), Emergency Market Mapping and Analysis (EMMA), Market Opportunity Analysis, Value Chain Analysis, and Business Surveys.

The table below summarizes the main types of fact findings activities which correspond with specific decisions to be made along the course of LER implementation. At each stage, practitioners will have to consider what information is relevant for the decision to be made and be selective with respect to the data to be collected and analysed. In general, local stakeholders represent a critical source of information in post conflict scenarios where statistics and studies are generally poor or non-existent; they can bring different but complementary perspectives on the territory, its economy and its post-conflict issues. The involvement of local stakeholders proportionally increases with the accuracy of the assessments. The initial LER assessments are more top-down, aiming to gather rapid information for delivering immediate job recovery/local procurement kind of services. However, in an assessment like local economic profiling, there is more involvement of level stakeholders, who will eventually play even a bigger role in additional assessments such as value chain analyses. Stakeholders are therefore progressively involved in fact-finding.

Table 15. Overview of fact-finding and analysis activities across the LER process

	Objectives & Contents	Main techniques
<b>Generic profiling of the post-conflict setting</b>	<b>Snapshot</b> of: (i) main conflict features, (ii) type and strength of governance; (ii) the typology of the targeted area; and (iv) its economic integration	Mainly secondary data analysis (e.g. datasets on conflicts), direct observation of the setting and its phenomena, and interviews with key informants.
<b>Gender analysis</b>	<b>Snapshot</b> of: (i) demographics; (ii) division of labour between men and women; (iii) access to and control over resources and benefits; (iv) gender-based needs; (v) gender-based constraints and opportunities profile.	Mainly secondary data analysis: desk review of secondary data and reports. A few well-targeted interviews with women and their associations.
<b>Initial rapid assessment (IRA)</b>	<b>Snapshot</b> of: (i) the economic context and conflict impact; (ii) groups of concern; (iii) ongoing recovery and reintegration programmes; (iv) relevant planning and funding mechanisms; (v) response capacity of local and international actors.	Mainly secondary data analysis: desk review of secondary data and reports. Only a few well-targeted interviews with key informants.
<b>Diagnosis of local procurement opportunities</b>	Share of locally procured goods and services out of the total procurement within an organisation; analysis of local firms in relevant supply chains, analysis of labour force	Internal surveys (within procurement offices)
<b>Local Economic Profiling</b>	<b>In-depth profile</b> of: (i) institutions acting locally, and (ii) relevant resources and issues of the economic context and its capital (e.g. firms, markets, labour supply & offer). A <b>snapshot</b> of political, legal, social and demographic features might complement.	Mainly primary data collection: surveys, workshops, focus groups, consultations, interviews. E.g.: Livelihood Assessment, Institutional Profiling, Market Opportunity Analysis, SWOT
<b>Additional Assessments</b>	More accurate <b>details</b> for the formulation of project documents. Content varies across concerned projects.	Interviews with key informants, desk review of secondary data, , Value Chain Analysis, Business Surveys, SWOT
<b>Tracking progress and performance (M&amp;E)</b>	Monitor performance and progress, revise strategies, projects and processes, produce lessons learnt. Measuring <b>preselected indicators</b> and comparing them with benchmarks.	Primary data collection: surveys, workshops, focus groups, consultations, and interviews.

## Overview of Data Collection Techniques

Certain information collection techniques are more suitable than others, depending on the type of assessment to be conducted, the availability of data and analysis elaborated by others, and the time and resources at disposition. Below is a selection of the most common techniques. *Annex I. Overview of Assessment Techniques*, offers a more detailed description.

### Semi-structured interviewing

Semi-structured interviews are guided conversations where broad questions are asked that do not constrain the conversation - and new questions are presented as a result of the discussion. A semi-structured interview is a relatively informal discussion based around a specific topic. They are best conducted in pairs with the person doing the interview and one the other taking note. The initial set of questions presented should be prepared, yet flexible, allowing for respondents to express their opinions through dialogue. Questions should be simple, and tested prior to the interviews. Interviews should take no more than one hour.

### Focus group discussions

The goal of focus group discussions is to collect general information about an issue from a small group of people through group discussion. A broad question is given to a group of 5-10 people to discuss for one or two

hours. There is minimal intervention by the facilitator other than to make sure everybody has a voice. The discussion is either recorded or detailed notes are taken for later analysis. Focus groups should be conducted in pairs with one person facilitating the discussion and the other taking notes.

#### Mapping

Mapping can be used to situate specific items in terms of their geographic location or linkages among them. When done within a community (i.e. community mapping), it seeks to draw on the knowledge of local people to develop a map of the local area. This is a good way of identifying who is currently and historically undertaking land use activities, where problems are occurring, and where improvements have been noticed. Using large sheets of paper draw the outline of the local area, including roads, towns, natural features, and/or property boundaries if necessary. People can then add their information directly to the map through any number of mediums.

#### Questionnaires and Surveys

Questionnaires and surveys both seek to gain information from a large number of people in a structured way and according to specific questions. Questionnaires and surveys can be very simple to quite complex. The terms questionnaire and survey are often used interchangeably. However, if a distinction is to be made, a questionnaire is a form of questions that people generally fill in, while a survey tends to include face to face or telephone interviews. Unlike semi-structured interviewing, surveys follow a very specific and structured set of questions. Questionnaires and surveys often require some expertise in order to make sure that they are worded correctly and can thus be properly analysed.

#### Rich pictures

The rich pictures method is designed to allow participants to make pictorial representations of all the things they feel are important to a particular situation. This helps those collecting data to see interactions and connections between different stakeholders and issues. Using a large sheet of paper and symbols, pictures and words, draw a rich picture of the situation you wish to address. It is often best to start by putting down all the physical entities, for example, people, organisations or aspects of the landscape that are important. Then ask the group what key relationships exist between the objects that have been depicted. This is best accomplished with 5-10 people and can take up to 2 hours.

#### Historical analysis

Historical analysis helps people to understand the history and background of a situation or issue. It is a valuable way of exploring how change has occurred in the past, why things are the way they are, and why different groups or individuals have the views that they do. Set up a large sheet of paper and draw a matrix. Put dates down the side and beside them put topics such as key local events, key external events, influence of local individuals and groups, major changes (social, environmental, economic, and political) and key trends. With a participant group, fill in the table that has been created. It is usually best to complete the trends for each time period as a way of rounding off the exercise. This can take several hours but can be effective with larger groups.



### *Tool 1-A. Guidelines: Participatory Data Collection*

#### *Guiding Principle to Collect Good and Useful Data*

Data collection is an expensive and time-consuming effort, particularly in recovery and transition economy contexts, therefore it should be carefully planned in order to prevent undermining the need to respond quickly, provide quick impacts, and to keep the LER decision-making process as efficient as possible. Data collection should consider the following guiding principles in order to determine which information sets to target as priorities.


Table 16. Guiding principles for good data collection


<b>Take note of coverage</b>	When using secondary data, it is important to take note of coverage, i.e. when the data was collected and by whom. Especially for countries in protracted crisis, demographic information may not have been collected since the onset of the crisis, becoming unreliable since. As a result of the crisis, population characteristics may have also changed significantly. If government data is out of date, try to gather survey data from UN organizations or NGOs that have been operating in the area during the crisis and/or in the post-crisis period.
<b>Ease of access</b>	Use data that is readily available and does not require primary sources, when possible.
<b>Time dated</b>	Data should be as current and up-to-date as possible. When available, pre- and post-crisis data will help to determine changes as a result of the crisis and guide the formulation of predictions and anticipated results.
<b>Non-replicating</b>	Do not re-invent the wheel. If information already exists, don't waste time and money by starting from scratch unless there are serious questions about the quality of the data provided.
<b>Territory-specific</b>	Ensure that data sets are representative of the strategic territory selected. There is less value if data sets represent a broader area or are not representative of the specific needs of the target beneficiaries. If territory-specific data does not exist, proxy or descriptive measures can be used to assess the general situation.
<b>Low cost</b>	Data collection can be an expensive process. Save time and costs by planning ahead, prioritizing information needs, and maximizing the efficiency of data collection through input from local stakeholders.
<b>Quickness</b>	Collecting data can go on indefinitely. Budget time wisely and ensure that data collection does not suffer from a creeping scope. Know when to say enough is enough.
<b>Minimize waste</b>	Be cautious not to collect all data available. If certain information is not directly related to the LER project, it is likely not necessary to include it in the Territorial Profile. Be specific and maintain a priority focus.
<b>Simplicity</b>	Data collected should be simple, straightforward, and easy to use. If only specialists and experts can interpret the data, then it will be of little use to local stakeholders in the territory. Use language and descriptions that everyone can understand.

## Recommendations for Data Collection through Field Visits

In rare cases, when arriving in the field, the assessor may face large numbers of information providers and vast quantities of data not necessarily relevant to the LER purposes. It is more likely that the scenarios are cases with very limited availability of data and with few sources/informants providing the information. In both cases, selecting the appropriate information can be a problem, thus assessors need a system of organization. The assessor will be responsible for cross-checking references and conferring with experts and other agencies in the analysis.

Table 17. Recommendations for field data collection

<b>Deploy gender-sensitive assessment teams</b>	 <p>Assessment teams in charge of collecting data in the field and analysing information should be gender-aware professionals, i.e. they should: have a good knowledge of the local cultural and social factors impacting on gender-related matters; show gender-sensitive attitudes and respectfulness for local cultural values involving gender; know how to use gender-sensitive participatory methods to collect data; be able to perform a gender analysis (see "Gender-sensitive Assessments"). If gaps are detected, training on conceptual aspects and operational methods and tools should be provided to the assessment team. Team composition should be gender balanced, in order to integrate the perspectives of both men and women, and to have a facilitated access to interviewees of both sexes.</p>
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<b>Be wary of numbers and indicators</b>	
Numbers given in a post-crisis situation are often estimates, and sources should always be crosschecked. Indicators are useful to monitor changes but the indicators themselves may be misleading, because, for example, the data may be faulty. It is important to always bear in mind that some important impacts of crises, such as social capital - loss of social structures, social cohesion, social support systems and trust, cannot be measured in numerical or monetary terms.	
<b>Distinguish between emergency and chronic needs</b>	
In order to identify the impact of the crisis, the assessor must differentiate between what is normal for a location (pre-crisis) and what is occurring as a result of the crisis. Both types of needs assessment are important but may require different programmatic approaches. A related issue is the disentangling of continued impact of past crises (as illustrated, for example, in Mozambique) which should also be taken into account.	
<b>Use disaggregated data</b>	
	People have different needs depending on their sex, age, and family status. A profile of the affected population should indicate whether they are disproportionately old, young, female, etc. and whether cultural factors such as ethnicity and religion will play an important role in provision of assistance. If disaggregated data are not available, then the team should consider carrying out ad-hoc studies to address the gaps.
<b>Identify local solutions and resources</b>	
To provide sustainable inputs and avoid dependency on aid, seek local solutions. Find out what the people can do for themselves or provide locally and what their proposed solutions are. Identify what national and community structures exist and which NGO coverage can be used for rapid delivery.	
<b>Try to find out about what you do not see</b>	
Vulnerable groups may not be visible in a crisis and must be sought out through community networks and use of participatory methods. In order to avoid "road bias," it may be necessary to move away from main traffic and population areas to obtain a better balanced perspective of the problems.	
<b>Listen to those "with no voices"</b>	
	Minority groups, women, children associated with armed forces and groups (CAAFAG), for example, might have no right to speak due to the political situation or the cultural context, or simply will not be visible or available for contact during the assessment processes. Great effort should therefore be made to find them and to hear what they have to say. Even in conflict contexts where "you cannot go to that region due to security problems," it is almost always possible to meet people who originate from there and who know what is going on. Meetings and contacts of this kind are mostly informal but extremely important.
<b>Be sensitive to the local culture</b>	
	If possible, bring with you a local colleague who can guide you and help you develop cultural sensitivities and understand local habits, including with respect to gender issues. This will help to increase the quantity, quality and reliability of the information gathered.
<b>Do not create expectations that cannot be fulfilled</b>	
Conflict-affected communities and institutions are very often involved in surveys and other types of assessments.	

## Storing and Backing-up Data

Those tasked with data collection should strive to keep clear, accurate and articulate records of work completed including sources, procedures, approvals granted, and results obtained. This is necessary for demonstrating proper research practices especially in post conflict circumstances where the results of the research may be questioned by beneficiaries or local authorities. When recording primary source data, considerations should also be given to requirements of anonymity and confidentiality.

Data should be stored in a way that permits a complete retrospective audit if necessary. Unless ethical or institutional guidance require otherwise, research results should be archived in a durable form that is protected from subsequent tampering. Once organized, data should be entered into DevInfo or other desktop database application for collating, accessing, and tracking information on the prior- and post-conflict situation. That way, information can be organized across indicators, periods of time and geographic area with extensive metadata based on international standards.

## Facilitating a SWOT Analysis

A SWOT is an analysis of Strengths, Weaknesses, Opportunities, and Threats of a strategy, a project, an organisation or even a territory. It is therefore quite a versatile tool that can prove very useful. Strengths, weaknesses, opportunities and threats are analysed with respect to a specific objective, not in the vacuum and in general terms, and threats as determined through the data collection process. It is, in essence, the findings of data collection summarized in an analysis that takes into account not only the individual data sets, but also the relationships between and among them. In post conflict scenarios, SWOT analyses occur at later stages of the LER process,

The SWOT Analysis is an exercise best undertaken with a minimum of participation of stakeholders, those with a personal understanding and awareness of the local context and its dynamics. This can be accomplished in a brief, one-day exercise that brings stakeholders together to provide an assessment of the current LER situation based on its member's expertise in the context and/or issue at hand. The results of a SWOT are an overview used as a basis for the development of the LER strategy. In particular, specific outcomes are:

- ⇒ A clearly defined geographic area;
- ⇒ Socio-economic profile of the region containing the following elements:
  - natural and demographic conditions
  - economic structure
  - labour market
  - business environment
- ⇒ Analysis of the external developments relevant for the success of the regional development,
- ⇒ Overview of the strengths and weaknesses of the region, as well as its threats and opportunities. Strengths and weaknesses are mainly the consequence of the socio-economic profile. On the other hand, threats and opportunities are mainly the consequence of external developments.



### Tool 1-B. Guidelines: SWOT Analysis

## Gender-sensitive Assessments



Gender-sensitive programming, that addresses the population needs by taking into account gender-based specificities, must be informed by adequate analysis. Recommendations for carrying out gender-sensitive assessments regard both the operational modalities and the contents of such assessments. With respect to the assessment modalities, key recommendations are (ILO, 2001):

- ⇒ Provide technical assistance on how to collect **gender-sensitive data** to national statistic bureaus and institutes and to statistic departments within organisations engaged in post-conflict assessments;
- ⇒ Produce and disseminate **context-specific** checklists and standards for the collection of gender-sensitive data;
- ⇒ Ensure **a fair balance between women and men** within the assessment team, and gender awareness of team members;
- ⇒ Provide adequate **training** to evaluators and analysts involved in LER assessments;
- ⇒ Collect and **disaggregate** data by sex and age;
- ⇒ Encourage the use of participatory techniques in data collection and analysis, also by **involving women's groups**;
- ⇒ During the assessments, consider that **women's capacity and opportunity to express**

opinions may be restricted, and that female informants might be more difficult to reach (especially by male evaluators);

- ⇒ Seek information on **how the crisis affected differently** women and men, children, adults and elders. Typical changes provoked by a crisis and that should be identified in the assessment are highlighted in [Table 7](#), [Table 12](#) and [Table 18](#).
- ⇒ **Document and share findings** with other organisations addressing similar issues, as well as with donor agencies, with a view to develop a shared vision on gender issues, increase gender sensitivity and avoid duplications in data collection and analysis;
- ⇒ Use findings as a baseline and to produce **gender-sensitive indicators** to monitor and evaluate the performance of LER projects.

With respect to the contents of a **gender analysis**, [Table 18](#) provides a basic checklist of information to be collected by disaggregating men's and women's observed status (Cruz 2008 and IASC 2006). Findings should be able to help detecting discriminatory practices that should be addressed and main conflict-led changes.

Table 18. Gender analysis checklist<sup>15</sup>

Demographics	
<input type="checkbox"/>	⇒ Population disaggregated by sex and age
<input type="checkbox"/>	⇒ Number, size and location of single women-, single men- or children-headed households
Division of labour	
<input type="checkbox"/>	Time dedicated to productive tasks for the delivery of goods and services for markets: ⇒ Can be paid or unpaid ⇒ Can be formal or informal ⇒ Can be carried out in a formal workplace or at home
<input type="checkbox"/>	Reproductive activities: ⇒ Can target the household and its members (e.g. childcare, food preparation, cleaning) ⇒ Can target the community (e.g. meetings, marriages, funerals, community property) ⇒ Include also leisure time, education and training ⇒ Are usually unpaid
Access to and control over resources and benefits	
<input type="checkbox"/>	Gender patterns for access and control (e.g. decision-making power) over resources used to carry out activities. Examples: ⇒ Availability of time and labour ⇒ Land ⇒ Equipment, seeds, livestock ⇒ Capital/credit ⇒ Appropriate technology ⇒ Education and training ⇒ Transportation ⇒ Health and family services ⇒ Information and market facilities
<input type="checkbox"/>	Gender patterns for access and control over benefits: ⇒ Tangible (e.g. food for subsistence/sale, shelter, income, clothing) ⇒ Non tangible (e.g. power, recognition, status)
Needs	
<input type="checkbox"/>	Practical gender needs (basic and related to survival) ⇒ Needs that women and men are expected to provide for due to gender roles ⇒ Related to basic needs (e.g. women as providers of food and water)
<input type="checkbox"/>	Strategic needs (structural and transformative) ⇒ Required to overcome subordinate positions based on gender roles

<sup>15</sup> This table is a reproduction of Cruz, 2008. Contents have been expanded on the basis of IASC 2006.

	⇒ Related to empowerment (e.g. equal access to job opportunities/training, equal pay for work of equal value, rights to land and other capital and assets)
	⇒ Aims for long-term transformation (it challenges roles and changes power relations)
<b>Constraints and opportunities</b>	
	A "constraints and opportunities" profile is an inventory based on profile outcomes and is used for gender planning. It should be cross-cutting with respect to a Local Economic Profile and can concern gender issues identified within:
	⇒ Economic/demographic conditions
	⇒ Institutional arrangements
<input type="checkbox"/>	⇒ Norms and values (e.g. activities that are forbidden to men and/or women by local customs; discriminatory practices)
	⇒ Political events
	⇒ Legislation
	⇒ Training and education

## 3.2. Generic Profiling of Post-Conflict Settings

At the very beginning, in order to gain an understanding of the type of "LER scenario" to adopt, the LER Team should make a generic profile of the conflict situation, its background and its current status. No more than a succinct snapshot is needed as the objective is only to get a sense of the overall setting. From time to time, the snapshot should be reviewed, to reflect possible changes in the situation.



**This is linked to:**

By Whom, How, and What: LER Scenarios, in 1.1.  
 Overview of Conflict Features, in 2.1.  
 Building and Choosing LER Scenarios, in 4.1.

Before investing time and resources in collecting the following information, the practitioners should verify if there is any recent analysis of the conflict made by others. However, any available analysis should be recent enough, since conflict/post-conflict situations evolve across time. Data collection techniques will mainly consist of secondary data analysis (e.g. datasets on conflicts, conflict analysis), direct observation of the setting, and interviews with key informants.

Table 19. Information requirements for the generic profiling of the post-conflict setting

Conflict features	
Parameters	Description
<b>Geographical scope</b>	<input type="checkbox"/> Intrastate. If so, which affected areas within the country? <input type="checkbox"/> International. If so, which countries are involved? <input type="checkbox"/> Fighting: geographically localized. If so, which areas? <input type="checkbox"/> Fighting: geographically dispersed
<b>Degree of internationalisation</b>	<input type="checkbox"/> Evidence of influence by armed groups abroad <input type="checkbox"/> Provenience of weapons <input type="checkbox"/> Refugees
<b>Issue(s) at stake</b>	<input type="checkbox"/> Ideology/revolution (e.g. Algeria, Peru with Sendero Luminoso) <input type="checkbox"/> State formation/identity/secession (e.g. Sri Lanka) <input type="checkbox"/> State control/factions (including coup d'etat) (e.g. Liberia)
<b>Contributing factors/conflict incentives</b>	<input type="checkbox"/> Exploitation of natural resources (which ones?) <input type="checkbox"/> Ethnicity/religion/other
<b>Parties (non) involved</b>	<input type="checkbox"/> Core parties (conflict parties) <input type="checkbox"/> Influential parties



	<input type="checkbox"/> Marginal parties <input type="checkbox"/> Non-involved parties	
<b>Temporal horizon</b>	<input type="checkbox"/> Protracted <input type="checkbox"/> Recently started <input type="checkbox"/> Chronology	
<b>Stage of conflict cycle</b>	<input type="checkbox"/> Pre-peace accords negotiations <input type="checkbox"/> Peace agreements being negotiated <input type="checkbox"/> Post-peace accords	<input type="checkbox"/> Escalation phase. If so, at what level of intensity? <input type="checkbox"/> De-escalation phase
<b>Main connectors</b>	<input type="checkbox"/> Preliminary list of connectors (common concerns, public spaces, infrastructure)	
<b>Main dividers</b>	<input type="checkbox"/> Preliminary list of dividers (clan structure, ethnicity, age), and concerned groups	
<b>Logistical access and security conditions</b>	<input type="checkbox"/> Acceptable (for aid workers) <input type="checkbox"/> Unacceptable (for aid workers)	
<b>Governance features and capacities</b>		
<b>Parameters</b>	<b>Description</b>	
<b>State structure and functioning</b>	<input type="checkbox"/> Weak <input type="checkbox"/> Strong	
<b>Fractionalization and diffusion of power</b>	<input type="checkbox"/> Low-medium <input type="checkbox"/> Medium-High	
<b>Governance system</b>	<input type="checkbox"/> Decentralized <input type="checkbox"/> Centralized	
<b>Absorption capacities, and public and private services</b>	<input type="checkbox"/> Low-medium <input type="checkbox"/> Medium-High	
<b>Features of the conflict-affected areas/regions</b>		
<b>Parameters</b>	<b>Description</b>	
<b>Typology</b>	<input type="checkbox"/> Rural (list) <input type="checkbox"/> Urban (list) <input type="checkbox"/> Peri-urban (list)	
<b>Economic integration</b>	<input type="checkbox"/> Integrated (list) <input type="checkbox"/> Isolated (list)	



Tool 1-C. Checklist: Generic Conflict Profile

### 3.3. Initial Rapid Assessment (IRA)

#### Focus and Purpose of the IRA

The IRA focuses on both the economic “stock”, i.e. the territorial capital, and the economic “flows” characterising the targeted area.



This section is linked to:

- 1.2. The Economic Space: Territorial Capital and Economic Flows
- 4.3. Whom to Work With and How to Coordinate?
- 4.4. Where to Implement LER?
- 5.4. Implementing Small-scale Livelihood Activities

Core decisions such as “where to implement LER”, “with whom”, and “which economic sector to target”, are taken on the basis of a rapid assessment of the post-conflict context. In addition the IRA serves to identify early priorities within and across economic sectors to earmark for short-term responses (i.e. quick starts, project peace dividends).

This initial desktop assessment is an analysis of previous work completed by governmental entities and organizations operating in the conflict-affected country. The outcome is a snapshot of both the current (and, when relevant, pre-conflict) economic context and the conflict impacts on jobs, markets and economic activities.

A quick survey of who-does-what-where should also be included in the rapid assessment. Besides presenting an overview of the major stakeholders, it should also reveal what recovery and reintegration programmes are running (including those targeting ex-combatants and returnees); inter-agency planning mechanisms that are relevant to economic recovery; and, finally, the operational capacity of international and local actors in the country and at the local level.




Additional information on specific aspects of the territorial capital is collected only if particularly relevant for identifying immediate small-scale livelihood activities and formulating the related project(s). It would entail, among others: the population and its vulnerabilities (including special groups), [natural resources](#), and the status of basic services (e.g. waste management) and infrastructure (e.g. roads).

In most cases, the information required to complete this assessment is readily available through secondary source data and analysis from humanitarian agencies already working in the area. Starting with these sources will rapidly provide the information baseline for initial decision making.

The process should not last longer than two to four weeks and should focus on essential data. Too often data collection processes become overburdened, resulting in large amounts of information that are difficult to systematize and assess and thus rendered less useful. Hence, when information is not readily available and obtainable at reasonable costs and within a reasonable timeframe, it should be simply skipped and indicated among the key information gaps in the assessment report. For general guidance, this assessment should seek to produce a snapshot of the following elements.

Table 20. Checklist: IRA information requirements

Context, opportunities and issues	
<input type="checkbox"/>	Economic situation and its major issues (e.g. main industries and their strengths, firms "population", markets and related issues)
<input type="checkbox"/>	Employment situation and its major issues (e.g. statistics on the labour force and un/employment, - including informal labour - disaggregated by: sex and age, economic sectors <sup>16</sup> and branches, type of employment <sup>17</sup> , education level, etc.)
<input type="checkbox"/>	 Distribution of human and physical resources over the territory (population, its vulnerabilities and movements across the territory; natural resources; infrastructures). At that regard, maps are a very powerful analysis and synthesis tool.
<input type="checkbox"/>	Political framework and regulations impacting on economic activities, including aspects of the national-local political system (governance, laws, policies, standards) that enable and/or constrain private sector development
<input type="checkbox"/>	Who-does-what-where, focusing only on the most relevant programmes (e.g. early recovery strategies, development programmes, reintegration of returnees, DDR)
<input type="checkbox"/>	Ongoing and forthcoming inter-agency planning processes and funding mechanisms
Response capacity	
<input type="checkbox"/>	Internal capacity, referring to that of government, civil society, and private sector
<input type="checkbox"/>	Donor response capacity, including that of international organizations and agencies present in the country and territory, both prior to and post-crisis
<input type="checkbox"/>	Security and logistics issues affecting the execution of assessments and programming
Information gaps	
<input type="checkbox"/>	Missing or unavailable data sets with respect to the list above. Such data sets will be produced at a later stage and included in the Local Economic Profile.

<sup>16</sup> Agriculture, industry and services.

<sup>17</sup> Wage and self-employment.

## Secondary Source Data Collection for IRA

Finding sources of valid and current secondary data can often be a challenge. Pre-conflict government data is often outdated and in many cases is inaccessible. Often the numerous international organizations, relief agencies, and NGOs are spread throughout the conflict-affected area, working on recovery interventions.

Government sources are often the first places to look for at least baseline and historical data. Some countries have a Central Statistics Bureau (or National Institute for Statistics), otherwise, relevant ministries also store data, maps, and reports for their specific sector or area of interest. Unfortunately, protracted crises lead to malfunctions in government bureaucracies, rendering data collection impossible or less frequent. Therefore, in prolonged conflict situations, a lack of recent government data is likely. Moreover, as a result of the conflict, population characteristics are likely to have changed significantly. Therefore, other sources of baseline and historical data may be required, including Joint assessments (e.g. PCNA or joint assessments missions), international organisations and NGOs that have been operating during and after the conflict.

For current information regarding the crisis context, ongoing and planned interventions, and population needs and vulnerabilities, the best sources of data will often be the humanitarian, aid and relief organizations already operating in the country as well as the governmental humanitarian agency. These organizations, tasked with early relief activities, will likely have completed numerous assessments, written reports, and created maps and data sets that are the most up-to-date and context-specific available. It is important that these entities have used a gender lens and a gender-mainstreamed approach during data collection and analysis; if not, a specific effort must be done to fill the gaps of in order to reproduce a gender-blind analysis.

In most cases, this information will be readily available through online sources or can be easily accessed by contacting bureau headquarters in the country's capital. Some key resources of secondary data for the Initial Rapid Assessment can be found on the table below. When using secondary data, it is important to take note of coverage, i.e. when the data was collected and by whom.

Table 21. Key secondary data sources

<ul style="list-style-type: none"> <li><input type="checkbox"/> JOINT ASSESSMENT MISSIONS and PCNA</li> <li><input type="checkbox"/> UN agencies and IFIs (e.g. FAO, ILO, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNIFEM, UN Regional Economic Commissions, WFP, World Bank)</li> <li><input type="checkbox"/> International organizations (such as the International Organization for Migration -IOM, the International Committee of the Red Cross -ICRC, and the International Federation of Red Cross and Red Crescent Societies - IFRC)</li> <li><input type="checkbox"/> Government census/survey data</li> <li><input type="checkbox"/> Relevant government ministries (e.g. Ministry of Labour, Ministry of Education, Planning), workers' and employers' organizations</li> <li><input type="checkbox"/> International NGOs</li> <li><input type="checkbox"/> Embassies and potential donors</li> <li><input type="checkbox"/> Local NGOs, think tanks, universities and research institutions, specialists International Trade Unions</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Human Rights NGOs focusing on specific issues (e.g. Human Rights Watch, Coalition to Ban Land Mines)</li> <li><input type="checkbox"/> Country profiles, such as those provided by:               <ul style="list-style-type: none"> <li>• <i>ReliefWeb country backgrounds</i></li> <li>• <i>IRIN News country profiles</i></li> <li>• <i>UNHCR</i></li> <li>• <i>World Bank</i></li> <li>• <i>CIA World Factbook</i></li> <li>• <i>The Economist Intelligence Unit</i></li> <li>• <i>Transparency International</i></li> </ul> </li> <li><input type="checkbox"/> Conflict-related web portals (also offering profiles):               <ul style="list-style-type: none"> <li>• <i>Warning and Response Network, ECOWARN</i><sup>18</sup></li> <li>• <i>Forum on early warning and early response, FEWER International, for Africa and Asia</i></li> <li>• <i>The early warning programme of the West Africa Network for Peace-Building, WANEP</i></li> <li>• <i>The International Crisis Group</i><sup>19</sup></li> </ul> </li> </ul>
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<sup>18</sup> It is operated by the ECOWAS Observation and Monitoring Centre.

<sup>19</sup> The International Crisis Group produced the *CrisisWatch*, an analytical monthly report on the evolution of conflicts worldwide, containing also recommendations.

## 3.4. Rapid Stakeholder Identification for IRA

### Which Stakeholders?

As a component of the IRA, the process of stakeholder identification is relevant to preparing the ground for immediate small-scale livelihoods activities.

An in-depth institutional profiling might take place at a later stage, as part of the Local Economic Profiling. In this initial phase, it will be enough to have a broad understanding of:

- ⇒ the most active, influential and knowledgeable actors on the ground,
- ⇒ the potential allies of LER initiatives, those who are not yet convinced about LER, and those whose negative attitude toward LER could hinder the outcomes.

Information collection modalities would include desktop research and key interviews with government and relief agency representatives familiar with the context. Identified actors will eventually help to better find and collect data and other relevant information for the formulation of immediate interventions; these actors may also participate in the implementation if rapidly available to be operational on livelihood recovery projects. Examples of stakeholders relevant to LER can be found on Table 22.

Table 22. Categories of stakeholders and examples

<b>(Public sector) decision makers and actors influencing local planning and allocation and redistribution of resources</b>
National Government agencies, National/Provincial Administration (Responsible Ministry, the Minister him/herself, parliamentarian, entities for national/provincial planning)
Local administrations (head of local/district administration, responsible departments, extension services, entities for local-level planning)
Local/traditional leaders (including religious leaders)
Public social programs
Public entities for taxation
Other governmental agencies relevant for LER
<b>Technical-cooperation service providers involved in socio-economic recovery</b>
International Organizations and Donors working locally
International NGOs working locally
Local and National NGOs
Community-based organizations and associations (including those targeting women, youth, people with disabilities and other vulnerable groups)
<b>Business and professional membership organizations and unions (organizations representing workers and entrepreneurs)</b>
National and local branches of Chambers of Commerce and relevant business sectors/groups

**3W – WHO DOES WHAT WHERE CONTACT MANAGEMENT DIRECTORY**

The United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) hosts the *Who does What Where* information portal at <http://3w.unocha.org/WhoWhatWhere/>. This website provides key data for assessing humanitarian needs being met in most emergency/disaster contexts across the globe by providing information on **WHO** (which organizations) are carrying out **WHAT** activities in which locations (**WHERE**). This includes links to reports on the crisis searchable by organization, sector, country, and more.

Trade Unions National/regional industry bodies/associations Business associations and business support groups (e.g. associations of micro and small firms, association of retail firms, branch associations) Professional associations (e.g. engineers' association, fishermen associations) Cooperatives
<b>Profit and non-profit providers of non-financial services supporting businesses</b> (training, marketing, trade, investment promotion support, R&D)
Public centres for employment services Placement agencies Vocational training centres and technical schools Business Development Service agencies
<b>Public and private financial service providers</b>
Commercial banks Foundations Public micro-credit programmes Micro-Finance Institutions (MFIs) NGOs running micro-credit or grants Networks of financial institutions
<b>Research organizations</b>
Universities and institutes for research and development, with expertise in development studies, labour market, market research, productivity enhancement
<b>Core firms in selected sector/value chains<sup>20</sup></b>
(1) agriculture: (1a) culture, (1b) fishery and fish farming, (1c) livestock, (1d) forestry and hunting; (2) mines, combustibles; (3) water, gas, electricity; (4) construction, public works; (5) industry (transformation of raw materials); transversal : (6) commerce, hotels, restaurants; (7) transport and communication; (8) services to enterprises (placement agencies, real estate agencies, finance, vocational training, ICT, technical services)

## Rapid analysis of stakeholders

The rapid stakeholder analysis focuses on the following issues:

- ⇒ Their key **area of interest**, which is related to their mission and their (hidden) agenda;
- ⇒ Their **attitude** towards the LER approach, specific initiatives and interventions, which is linked to the level of their engagement/antagonism, and their capacity and will to take any sort of initiative to prompt or hinder LER (see the tool below);
- ⇒ Potential key **contribution** to the process and to LER interventions;
- ⇒ What do they expect from LER, i.e. what is the "**reward**" that they can expect to get in return following their contribution;
- ⇒ Description of their **power** and degree of influence with respect to LER initiatives ;
- ⇒ **Partnership**. Is their involvement:
  - Essential: process will fail without involvement?
  - Important: process is limited and implementation may suffer without it?
  - Minor: nice to have?

In the domain of project management, a very simple and user-friendly tool has been developed to analyse and represent the socio-dynamic of stakeholders and their interactions with projects

<sup>20</sup> To be analysed once the sector has been selected.

(Jean-Christian Fauvet 1997). This is intended to help the LER managers understanding which one(s) among the stakeholders has the attitude to become a good ally, a partner; and which one(s), instead could undermine the success of LER initiatives. A short description is provided below and in [Tool 1-D. Guidelines: Rapid Stakeholder Identification and Analysis](#).

When advocating for LER, practitioners will have to deal essentially with two types of stakeholders: (1) Those who are keen to devote substantial effort to LER initiatives; (2) Those who do not devote energies.

The mentioned energies can be positive and in favour of our initiatives, or negative and against our initiatives. Based on the level of synergy and antagonism, eight [typologies of reaction and attitudes](#) of the stakeholders towards LER initiatives are possible.

The [potential allies](#), whose positive attitude should be capitalised on:

- ⇒ [Promoter](#) (gold triangle): they can boost LER initiatives and act as an ally, but at the same time they maintain a certain degree of scepticism and would not partner on LER at any cost. They will require that specific conditions are applied and that initial proposals are improved according to their suggestions.
- ⇒ [Committed/Volunteer](#): they are fully committed to the LER initiatives and do not display any antagonism. Nevertheless, they are not capable of taking initiatives and are to be provided with instructions and guidance.

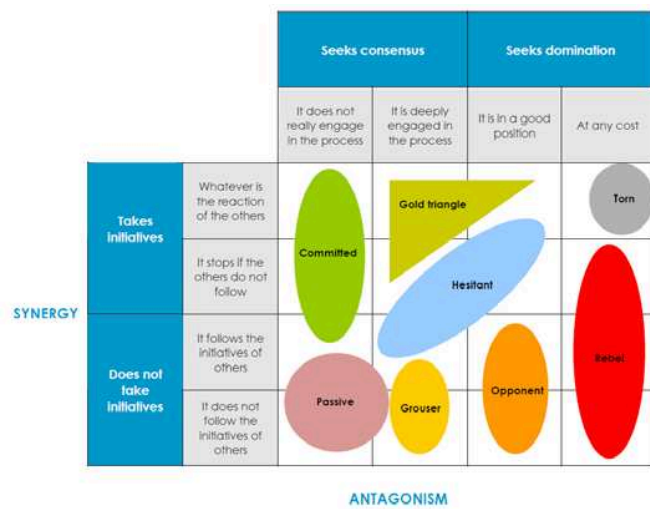


Figure 8. Stakeholders' profiling and socio-dynamic (J.C. Fauvet 1997)

The stakeholders who [can weaken LER initiatives](#) and must be convinced:

- ⇒ [Hesitant](#): despite not being fully convinced about the proposals they are being asked to consider, they are rather committed. They have quite clear ideas about what they appreciate and what they do not appreciate and cannot support, for different reasons.
- ⇒ [Passive](#): they are neither in favour nor in opposition to the LER initiatives. They are the most common typology of actors and, due to their numeric predominance, they can actually influence the performance of proposed initiatives.

The stakeholders whose negative influence must be contained and who [should be handled carefully](#):

- ⇒ [Grouser](#): they complain about LER and any proposal that is submitted to their attention, but they do not take any specific action against the initiative(s). Their level antagonism is low.
- ⇒ [Opponent](#): they are against proposed LER initiatives, but they have a sense of power relationships and their position among other actors.
- ⇒ [Rebel](#): their degree of antagonism against LER initiatives is very strong and they are interested in that LER initiatives do not succeed.
- ⇒ [Torn](#): they are a rare typology of actor. They can simultaneously be fiercely antagonistic and synergic. They prefer that things be done their way, hence they oppose initiatives that are not compatible with their point of view.



## Tool 1-D. Guidelines: Rapid Stakeholder Identification and Analysis

### Reporting IRA Findings

Once the IRA is complete, the results should be shared with the LER partner organizations, giving the opportunity for feedback and review. This will ensure that all partners are adequately informed and will be well-versed prior to making decisions regarding activities selection and project design. Effective reporting is critical for achieving the expected advocacy results, for communicating successfully with stakeholders, and for supporting fruitful negotiation with potential donors. It should be short and to the point - a snapshot in the form of a grid, indicating main findings, conclusions and recommendations in substitution of the narrative form. The distribution of physical assets, people and phenomena over the territory should be represented through maps and layouts. Key stakeholders' contacts should be summarized into a directory. The narrative reporting format should be defined prior to the conduction of the IRA, for instance in its Terms of Reference, if any. An example is provided below.

Table 23. Suggested reporting format

Item	Pages
1. Executive summary	1/2 page
2. Introduction ( <i>synthesis of what, why, how, by who and where</i> )	1 page
3. Background of the conflict situation	2 pages
4. Findings	
- snapshot of the economic situation and issues	1-2 pages
- snapshot of the employment situation and issues	
- snapshot of human and physical resources	1 page
- snapshot of political and regulatory frameworks	1 page
- snapshot of who-does-what-where	3 pages
- snapshot of inter-agency planning processes and funding opportunities	1 page
- response capacity (national, local, donors), security and logistics	1 page
5. Key data gaps	1 page
6. Conclusions and recommendations	1 page
7. Reference materials, web sites and directory of contacts	2 page
Annexes	

## 3.5. Assessment of Local Procurement Opportunities

### Overview

Local procurement<sup>21</sup> of goods and services by major contracting agents (e.g. Government and related entities, International Organisations, NGOs, and big firms) fosters the revitalization of local businesses and the creation of jobs in relevant supply chains. Local procurement is particularly strategic for LER, as it relies on money that would be spent anyway for post conflict recovery and does not require dedicated fund raising.



This section is linked to:  
5.2 Increasing Local Procurement

There are two types of assessments that can be carried out to support decision making for an increased local purchasing of goods and services. They focus on identifying the issues constraining local procurement on both the demand and the supply sides. The first is an internal review, conducted by the contracting agent, of expenditures, suppliers and procurement procedures<sup>22</sup>, whilst the second is an assessment of capacity gaps within local firms. Findings are aimed at informing the following relevant decisions:

⇒ On **procurement procedures**:

- How can contracting agents modify their procurement processes in order to make tenders more accessible to local firms?
- What actions can be set in place to facilitate networking and greater information sharing among contracting agents and local firms?

⇒ On **local firms' capacities**:

- What **goods and services** (and in which quantities) can realistically be procured locally in the short run and at reasonable prices, thus substituting imports?
- What are the **capacity and/or quality and quantity gaps** that must be addressed to increase local firms' participation in bidding processes (and other local procurement schemes) in the medium term?

### Types of Assessment

In the first place, contracting agents should undertake an internal review of the expenditures, the degree of diversification of suppliers (i.e. typologies, shares, location), and the procurement processes in place. The result will be a map of goods and services purchased by the concerned contracting agent, a map of suppliers and their shares, and an analysis of the procurement process.

The findings will help the assessor to understand if the contracting agent mostly relies on suppliers that are based outside the area and to identify the major constraints for local procurement. These can be linked to the processes in place and/or to the poor capacity of local procurers. The results will be used to develop options to increase the share of local procurement by:

<sup>21</sup> The rationale behind making an assessment of local procurement opportunities is explained in 4.2

<sup>22</sup> Procurement procedures include, among others: national competitive biddings, international competitive biddings, shopping, and direct contracting.



- ⇒ [Fine-tuning procurement processes](#) to make them suitable to the local context. This is possible when the procedures adopted by the contracting agent are somewhat flexible (e.g. allow for waivers), which is not always the case for International Organisations;
- ⇒ [Improving transparency and information sharing](#) with local procurers concerning tender offers, bid openings, and award results. Effective advertisement and information sharing can be achieved by using appropriate and accessible media. Federations of entrepreneurs, business associations and Chambers of Commerce can support in this endeavour;
- ⇒ [Collecting and disseminating good practices](#) of contractors and contracting agents;
- ⇒ [Developing standards and codes](#) of conduct for candidate contractors to increase their chances to win the bid or to be considered for other procurement modalities;
- ⇒ [Increasing networking](#) with local firms.

The second type of assessment would consist of an evaluation of capacity gaps of local procurers in relevant supply chains (with reference to the map of goods and services purchased by contracting agents), including the detection of those that are best fit to supply. External procurement is often preferred to local procurement due to a number of factors linked to capacity gaps, which should be detected by assessing local firms. Such factors include:

- ⇒ [Incapacity of the firm](#) to fit the demand of contracting agents and to carry out the contract, in quality and/or quantity terms;
- ⇒ [Ineligibility of the firm](#) due to non-compliance with standards and rules applied by contracting agents (e.g. registration of the firm, labour conditions, respect of the environment, transparency, fiscal and legal capacity, financial situation);
- ⇒ [Poor capacity](#) to formulate bidding documents;
- ⇒ [Lack of access](#) and/or understanding of tender offers and bid evaluation criteria.

Findings can be used to conceive ad hoc projects that address the aforementioned gaps and help bringing local firms up to speed.

## 3.6. Local Economic Profile

### What Is It?

As mentioned above, LER begins with an IRA that provides a broad stroke picture of the territory's current situation. More detailed and sector-specific assessments will later on produce a Local Economic Profile with a breakdown of human, natural, physical, institutional, economic and social capitals of the targeted post conflict area.<sup>23</sup> Findings will consist of a series of qualitative and quantitative data describing the relevant economic flows in the targeted area, as well as the territorial capital, its immediately exploitable resources and opportunities for job creation and private sector revival, as well as issues and factors inhibiting socio-economic recovery. Eventually, findings will be used to edit a profile of the local economy.



**This section is linked to:**

4.6. Which Strategic Economic Sectors?

4.7. What Economic Recovery Issues to Be Tackled?

<sup>23</sup> An example of local economic profile is the UNHCR/Republic of Angola ministry of social reintegration "Iniciativa de Reintegração sustentável, perfis municipais das áreas de retorno".



Information requirements for the production of a Local Economic Profile are outlined in **Table 24. All elements of the LEP must be assessed through gender lenses and paying attention to gender issues.**

**Table 24.** Information requirements for Local Economic Profile


<b>General description of the area</b>	<input type="checkbox"/> Typology of the targeted area: Rural/Urban <input type="checkbox"/> Economic integration of the area: isolated/Integrated <input type="checkbox"/> Level of capacity of the private sector and services: Low, Medium, High
<b>Human capital</b>	<input type="checkbox"/> Basic demographic information <input type="checkbox"/> Ethnic composition of the population <input type="checkbox"/> Displacement figures and maps and level of non-resident population (IDPs, refugees, etc) <input type="checkbox"/> Figures and location of demobilised combatants to be reinserted and reintegrated <input type="checkbox"/> Figures and evidence of brain drain, migration and other losses of human capital <input type="checkbox"/> <b>Gender issues</b> concerning access to the labour market and women's participation in economic activities (see gender analysis checklist, <a href="#">Table 18</a> ) <input type="checkbox"/> Education, vocational skills, expertise, business management competencies and culture: available assets and issues <input type="checkbox"/> Evidence of loss or deterioration of skills due to protracted inactivity
<b>Natural capital</b>	<input type="checkbox"/> Climate, agro-ecological zones <input type="checkbox"/> Availability and features of: land/soil, fauna, flora, water (e.g. sea, lake, rivers), energy, natural parks <input type="checkbox"/> Evidence of land tenure issues and property rights on natural resources, including dispute settlement mechanisms as well as evidence of <b>gender-based discriminatory practices</b> <input type="checkbox"/> Evidence of resources untapped and/or not efficiently exploited <input type="checkbox"/> Evidence of environmentally irresponsible behaviours of economic agents
<b>Physical capital</b>	<input type="checkbox"/> Availability and access to construction materials <input type="checkbox"/> Availability, state and ( <b>gender-based</b> ) access to infrastructures supporting economic activities in urban and rural areas. Categories: water management, transportation, power production and distribution, sanitation, and communications systems <sup>24</sup> <input type="checkbox"/> Main ongoing and foreseen infrastructure works, including indication of the contractor.
<b>Institutional capital<sup>25</sup></b>	<input type="checkbox"/> Political and administrative boundaries <input type="checkbox"/> Composition of municipal structures <input type="checkbox"/> Local leadership and influent groups, including traditional and religious leaders; <b>access of women to power</b> structures; <input type="checkbox"/> Main policies and regulatory frameworks <sup>26</sup> , especially those that are related to decentralisation, land tenure and property rights (and <b>gender-based</b> discrimination), business registration, incentives and mechanisms for social and economic investments <input type="checkbox"/> Ratification of gender-related legal frameworks and policies (e.g. conventions, resolutions) <input type="checkbox"/> Overview of participatory mechanisms and forums for participatory decision making and planning, with a particular attention to <b>gender issues</b> in participation and decision-making. <sup>27</sup> <input type="checkbox"/> Inventory of organizations operating locally, their delivery and operational capacity, their resources, their interest and potential contribution to LER. <sup>28</sup> Refer to 3.4. Rapid Stakeholder Identification for IRA and the LER Institutional Profiling: What Is It?

<sup>24</sup> Examples: irrigation canals, water drainage systems, roads, bridges, ports, power plants, market places, storage, and buildings.

<sup>25</sup> This chapter of the Local Economic Profile is developed on the basis of the findings of the Rapid Stakeholder Identification and Analysis and the Institutional Profiling.

<sup>26</sup> Contents would entail an overview of: agricultural laws, industry and small enterprise laws, banking and credit rules, enterprises' registration procedures and rules, etc.

<sup>27</sup> This section would contain a description of: **Mandate**: Main function of the board/forum/mechanism; link to economic recovery; **Attendants and status**: Institutions that are represented in the board as full members, observers or other type of status; **Actors that should be represented**: Institutions that are not represented for one reason or another, but that should be included in light of their mandate, stake and potential role/contribution; Institution that calls the

<b>Economic capital and economic flows</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Relevant macro-economic data (not detailed macro-economic analysis)</li> <li><input type="checkbox"/> Average incomes, main sources of incomes, cost of living, poverty situation</li> <li><input type="checkbox"/> Employment situation (building on the findings of the IRA) and profile of labour market</li> <li><input type="checkbox"/> Main economic sectors, branches and shares</li> <li><input type="checkbox"/> Evidence of war economies and related features and actors involved</li> <li><input type="checkbox"/> Evidence of unsatisfied economic needs, which represent potential business opportunities</li> <li><input type="checkbox"/> Number of businesses registered within the most comprehensive registration database: by sector, number of employees, capital, percentage of <a href="#">women-owned businesses</a><sup>29</sup></li> <li><input type="checkbox"/> Size and overview of the informal sector (% of informal businesses estimate with respect to formal economy)</li> <li><input type="checkbox"/> Evidence of green technologies in use, or potentials for introduction</li> <li><input type="checkbox"/> Evidence of remittances and of the use that households made out of them; opportunity to harness them into some productive activity (e.g. small business)</li> <li><input type="checkbox"/> Evidence of cooperation among businesses in different parts of the territory, supply chains and linkages, partnerships, working relationships, etc.</li> <li><input type="checkbox"/> Evidence of economic flows (e.g. trade) within, from and to the targeted area (flows data)</li> </ul>
 <b>Social capital</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Ethnic, cultural and religious groups, including evidence of positive and negative dynamics among them, discriminatory practices, unwillingness/resistance to collaborate</li> <li><input type="checkbox"/> Formal and informal safety nets and social protection</li> <li><input type="checkbox"/> <a href="#">Women headed-households</a> (facts and figures)</li> <li><input type="checkbox"/> <a href="#">Gender-based division</a> of productive and reproductive roles (see gender analysis)</li> <li><input type="checkbox"/> Social assistance services and programs</li> <li><input type="checkbox"/> Public employment programs</li> <li><input type="checkbox"/> Evidence of corruption and how this is perceived by the business community and the population</li> </ul>
<b>Ongoing planning &amp; programmes</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Overview of main recovery-related programs and initiatives, providing an overview of: objectives, timeframe, linkage to LER, target population, budget available, achievements.</li> </ul>

meetings, chair the meetings, secure follow up to decisions; [Planning modalities and timeframe](#): How decisions are taken; how prioritization of different proposals occurs; how long is the planning cycle; what is the frequency of gatherings; how are monitoring and evaluation performed; [Funding modality and timeframe](#): What funding sources are applied; what are the eligibility criteria for funding; what is the frequency of funds allocation; what are the conditions imposed to funds recipients.

<sup>28</sup> See Table 22. Examples: public institutions, local government, NGOs/CBOs, Chambers of Commerce, employers associations, self-employed associations, trade unions, training and education institutions, religious organizations.

<sup>29</sup> Examples: available directories for hotel and catering services; firms registered as contractors by the Ministry of Public Works and non-registered contractors.

Table 25. Information requirements for Post-conflict Needs Assessment ("Light")

<b>Early recovery Objective 1: to augment emergency relief operations</b> By taking advantage of the job and business opportunities generated immediately in economic branches that are somehow related to relief and early recovery operations. Essentially to facilitate the match between labour demand and supply		
Information requirement	Details	Actions
Current and potential labour demand (i.e. jobs) created by relief and recovery operations and, more generally, by the resident humanitarian and development communities	<ul style="list-style-type: none"> <li>Which and how many jobs</li> <li>Required skills: available or not locally</li> </ul>	<ul style="list-style-type: none"> <li>Emergency employment services</li> <li>Crash-course training schemes</li> <li>Cash for work schemes</li> </ul>
Business opportunities (and jobs) potentially generated through local procurement of services and products	<ul style="list-style-type: none"> <li>Products and services demanded by the relief/development community can be purchased locally</li> <li>Constraints faced by local businesses: capacity-related, legal, quality-related, ethically-related (e.g. corruption, non-decent labour standards)</li> </ul>	<ul style="list-style-type: none"> <li>Advice to contractors</li> <li>Revision of bidding procedures</li> <li>Capacity building to entrepreneurs</li> </ul>
Who-does-what-where	<ul style="list-style-type: none"> <li>Focusing only on</li> <li>Livelihood-related activities</li> <li>early recovery strategies,</li> <li>development programs,</li> <li>reintegration of returnees,</li> <li>DDR</li> </ul>	<ul style="list-style-type: none"> <li>Identify partners</li> <li>Advice on how to augment the impact of their projects in terms of job creation</li> </ul>
Ongoing and forthcoming inter-agency planning processes and funding mechanisms	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Provide information inputs</li> <li>Participate in planning</li> </ul>
Security and logistics issues affecting the execution of assessments and programming	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Decide if and where to intervene</li> <li>Decide how to intervene</li> </ul>
<b>Early recovery Objective 2: to support the population's spontaneous recovery efforts</b> By supporting those businesses that can be rapidly restored by addressing the obstacles to their functioning. Such obstacles might related to the individual entrepreneurial activity (production phase), or to the market (circulation/commercialization phase).		
Information requirement	Details	Actions
Status of self-employment and small businesses	<ul style="list-style-type: none"> <li>Which and how many micro-businesses in which sector</li> <li>Loss and damages by sector</li> <li>Productive assets: tools, equipment, workplaces, etc.</li> <li>Vocational and entrepreneurship skills</li> </ul>	<ul style="list-style-type: none"> <li>Cash grants</li> <li>Micro-leasing</li> <li>Vouchers</li> <li>Vocational training</li> <li>Entrepreneurship training</li> </ul>

Market functioning	<ul style="list-style-type: none"> <li>Market places</li> <li>Communication</li> <li>Transport infrastructures</li> <li>Transport means</li> <li>Business networks (e.g. suppliers-clients)</li> <li>Training suppliers</li> <li>employment, (micro-) finance, business development services</li> </ul>	<ul style="list-style-type: none"> <li>Rehabilitation/construction of targeted infrastructure</li> <li>Rebuilding business networks and trust</li> <li>Cooperatives and associations</li> </ul>
Institutional capacities	<ul style="list-style-type: none"> <li>Training suppliers</li> <li>employment, (micro-) finance, business development services</li> </ul>	<ul style="list-style-type: none"> <li>Identify and build the capacities of partners for employment and reintegration programs</li> </ul>
<b>Early recovery Objective 3: to establish the foundations for longer-term recovery</b>		
By establishing a business environment that is conducive and stimulating for starting and growing businesses		
<b>Information requirement</b>		
General economic situation and its major issues	<p><b>Details</b></p> <ul style="list-style-type: none"> <li>main industries and their strengths, firms "population", markets and related issues</li> <li>evidence of war economy, informal economy, illegal economy</li> <li>Challenges and opportunities in land tenure, property rights, and access to resources</li> <li>Business environment, policies and regulations impacting economic activities</li> <li>Conflict impact on formal and informal enterprises, with focus on non-agricultural sectors (industry, construction, commerce, transport, services)</li> </ul>	<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>Revise/design governance mechanisms, laws, policies, standards that constrain private sector development</li> </ul>
Characteristics of the local labour force	<ul style="list-style-type: none"> <li>Economically active population, employment, unemployment, hidden unemployment, under-employment</li> <li>Analysis of vulnerability factors and vulnerable groups within the labour force</li> </ul>	<ul style="list-style-type: none"> <li>Quantify magnitude of effort (and financial resources) required to face unemployment issues</li> <li>Prioritize among groups (age, sex, vulnerabilities)</li> <li>Design specific responses according to vulnerability</li> </ul>
Structure of current employment (or baseline + estimation)	<p>By:</p> <ul style="list-style-type: none"> <li>Economic sector;</li> <li>Employment category (wage labour, self-employment, employer, and unpaid family help);</li> <li>Occupation (managerial, professional, clerical, manual worker, etc.)</li> </ul>	
Labour market	<ul style="list-style-type: none"> <li>wage rates,</li> <li>seasonal and permanent employment,</li> </ul>	

	<ul style="list-style-type: none"> <li>▪ degree of unionization,</li> <li>▪ seasonal labour migration patterns, etc.</li> </ul>	
<p>Estimation of job and income losses</p>	<p>As a consequence of :</p> <ul style="list-style-type: none"> <li>▪ firms closure,</li> <li>▪ migration,</li> <li>▪ displacement</li> </ul>	
<p>Skilled and unskilled labour</p>	<ul style="list-style-type: none"> <li>▪ Also on the basis of the classification of workers by occupation</li> <li>▪ Available curricula</li> </ul>	<ul style="list-style-type: none"> <li>▪ Design/revision of vocational training programs</li> <li>▪ Training of trainers</li> <li>▪ Assist in the delivery of training courses</li> </ul>
<p>Institutional capacities</p>	<ul style="list-style-type: none"> <li>▪ training suppliers</li> <li>▪ employment services (micro-) finance</li> <li>▪ business development services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Identify and build the capacities of partners for employment and reintegration programs</li> </ul>

## What is Local Economic Profile Used For?

The Local Economic Profile provides an overview of the post conflict scenario as it pertains to LER. Its output is still preliminary, as its quality will be limited by time and it lacks the sampling techniques of structured primary data collection. That notwithstanding, the Local Economic Profile improves stakeholders' understanding of local realities and of the organizations, institutions, and individuals that have an influence over economic recovery. The results of the Profile will help to:

- ⇒ Offer a quick overview of how a population has been economically affected by the conflict, particularly those most vulnerable, and based on sex-disaggregated data
- ⇒ Identify initial priority areas with higher potential of employment creation and economic recovery
- ⇒ Gather socio-economic information about the territory, its assets and resources for increasing its understanding and better supporting sustainable reintegration
- ⇒ Formulate proposals for medium term LER ;
- ⇒ Give advice on how existing national economic recovery strategies and programmes can be adjusted towards more economically, socially and environmentally sustainable multi year recovery and development plans.



### LOCAL ECONOMIC PROFILING AND PARTICIPATION

Ideally, developing a Local Economic Profile should be a participatory exercise. However, in the post-crisis context, the involvement of community members in all steps of the process can be difficult to achieve. Working with communities in assessing the available resources and potential in their territory is a time-consuming undertaking. It also requires significant resources and can require capacity building of participants. Such a lengthy process is difficult to reconcile with the pressure for quick and visible responses to rehabilitation and recovery needs. Consequently, an expert research team may be established to facilitate the process, with participation of stakeholders occurring through brief awareness raising sessions, sample-based surveys, and selected interviews

## Conduct the Data Collection for the Local Economic Profile

Conducting the data collection process for the Local Economic Profile should take a relatively short time, rarely more than a few weeks. During this time, seven general actions should be taken. These actions are not sequential and should be undertaken simultaneously.

(a) Clarify roles and responsibilities of the participants. Ideally, the data collection should be undertaken in partnership with stakeholder organizations (see below Institutional Profiling). Involvement of several key government partners in the assessments is critical as their support will be required for eventual recovery and rehabilitation interventions and for lobbying for external resource allocation. Involvement of both women and men through different modalities is crucial to mainstream gender



across the analysis. In order to carry out effective data collection, the following key roles will need to be filled by LER inter-agency team and/or stakeholder group members:

- ⇒ Project management: Managing and coordinating data collection activities;
- ⇒ Database management: Setting up and maintaining two databases, (1) a current database of pre-conflict data (baseline) and (2) a database of the ongoing situation (e.g. DevInfo);
- ⇒ Secondary data collection: Collecting and analyzing current and pre-crisis secondary source data at the national and local levels;
- ⇒ Field assessments: Carrying out the primary source, field data collection of the IRA;
- ⇒ Analysis: Organizing and analyzing primary and secondary data, disaggregated by sex
- ⇒ Communications: communicating the results of the assessment and reporting on its results.

(b) **Formation of one or more field assessment team(s)**. Each field assessment team should be small, between 3-5 people, depending on the number and size of locations to be visited in the strategic territory. The composition of the team must be **gender-balanced**. These team members should be clearly assigned specific roles, activities, methods, logistics, and security according to their prescribed tasks. As best possible, the assessment team should have the following skills and knowledge:

⇒ Qualitative and participatory appraisal skills and experience



⇒ Local knowledge

⇒ **Gender balance and awareness**

⇒ Objectivity and neutrality

⇒ Previous disaster/conflict experience (if possible)

It is preferred that the assessment team should include representation from the LER inter-agency team and, if possible, the LER Stakeholder Group. This will ensure there is a significant level of expert oversight and analysis to the fieldwork and will keep the leaders of the process closer to the impacts and needs on **the ground**.

(c) **Clarify scope and scale of assessment sites**. Depending on the scale of the determined strategic territory, it may not be possible to visit all conflict-affected areas. In these cases, a sample of sites must be chosen based on what data is available at the time. When selecting the sites, the data collection team should focus on areas of greatest need that are qualitatively representative of the affected women and men. Consideration should first be given to areas where the post-crisis situation appears to be the worst and where population vulnerabilities appear to be the highest. If resources allow, it may also be useful to consider assessment sites that are geographically or demographically diverse. This will help to paint a clearer picture of the differences between impacts and coping mechanisms in differing contexts. Some criteria for selection include the information requirements suggested in Table 24 and Table 25.

(d) **Develop fieldwork plan**. A clear fieldwork plan should be established, providing details about each activity to be undertaken at selected sites. The plan will take into account key factors including security conditions, distances of travel, transport means and conditions, size of locations, infrastructure constraints, trends in the crisis, and required resources. It is critical that the plan be reviewed daily to ensure that the teams stay on track and that its time is used effectively and efficiently as the situation evolves. This should be the role of the LER project manager or other office-based staff. The fieldwork plan should include the following information:

⇒ **Number**, size, and participants (disaggregated by sex) of the assessment teams;

⇒ **Allocation of teams** to specific locations;



⇒ **Information requirements**, data collection **methods** and **tools**, including **gender-specific** ones;

⇒ **Sequence** of visits to locations

⇒ **Schedule** of meetings and interviews

⇒ **Frequency and methods** of reporting by team members

⇒ **Travel** and trip times

⇒ **Time allocation** for fieldwork in each location

⇒ **Methods and modes** of travel

⇒ **Room** and board logistics for team members

(e) **Fieldwork preparation**. In preparation for fieldwork, the assessment teams should have a working knowledge of the type of information they will be seeking, the activities they will be undertaking, the tools and methods they will be using, and an understanding of the logistics of their missions. Therefore, each team member should be adequately briefed and, if necessary, trained in



the assessment tools, methods, [gender-sensitive assessments](#), and results of the secondary source data collection. In most cases, each team member should do a “dry run” through the assessment process, allowing them to practice their techniques on one another before going into the field. They should also be provided time to discuss and agree on any methodological issues such as sampling methods, interview question areas, information requirement checklists, methods for soliciting reliable answers, methods for ensuring the [gender-sensitivity](#) of data and analysis, etc. Members of the team should also be provided with a forum to raise any issues or concerns they might have prior to departure.

(f) [Conducting the fieldwork](#). Once in the field, the assessment team members will begin with collecting any secondary source data not at all available from other sources. Often in cases of crisis, communications and information systems are interrupted, preventing access to critical secondary data sources from within the strategic territory. Therefore, team members at certain sites should visit local government and line ministry offices, service facilities, local businesses, CSOs (including [women's organisations](#)), and other organizations operating in the territory to gather any relevant data that may have been missed by secondary source researchers. See information requirements suggested in Table 24 and Table 25.



In the post-conflict context, accurate and up-to-date data is usually scarce. In this case, main sources are the humanitarian organizations that maintained a presence during the conflict.<sup>30</sup>

Once secondary data sources have been collected, the process of primary data collection should begin. The data collection process will have four key objectives:

- ⇒ To [identify priority sites](#) and sectors for further analysis and future response
- ⇒ To [provide a qualitative picture](#) of conflict impact on economic production and trade
- ⇒ To [validate and/or modify the results](#) of the secondary source data collection
- ⇒ To ensure that [affected populations, men and women](#) equally included, [participate](#) in identifying urgent response priorities.



### [LER Institutional Profiling: What Is It?](#)

The Institutional Profiling builds on the results of the rapid stakeholders' identification and analysis carried out during the IRA and expands the inventory of “who is doing what where” in a targeted territory. It complements the section on Institutional Capital of the Local Economic Profile.

Essentially, this exercise assesses more profoundly the stakeholders' capacities and their potential contributions to mid-term decision making for LER activities. Possible “negative” or “positive” dynamics among stakeholders, which may either jeopardize or prompt the recovery process, will also be analysed.

The legal and regulatory framework in which economic decisions are taken and/or influenced is also briefly analysed. The purpose is to help identify current mechanisms, incentives and bottlenecks to participatory decision making for economic recovery, possible [gender-based discriminations](#), to help understand what constraints and strengths may affect and boost it.

<sup>30</sup> For checklists and advice on setting up, conducting and reporting on rapid needs assessment in a crisis situation see ILO, Crisis Response Rapid Needs Assessment Manual, ILO, Geneva, 2001.

## What is it Used For?

- ⇒ Create an exhaustive map of local stakeholders in a broad range of social, economic and political sectors (possibly feeding into a directory or “yellow pages” for public use);
- ⇒ Establish a profile of these influential stakeholders in terms of their mission, objectives, field of action, jurisdiction, geographical coverage, gender-based aspects, etc.;
- ⇒ Assess the adaptability and flexibility of existing institutions and organizations;
- ⇒ Analyze the dynamics among the most important local stakeholders in order to grasp where cooperation is lacking and where synergies are most likely to form;
- ⇒ Assess capacity gaps and address them through targeted training;
- ⇒ Understand how decisions are taken at the local level, through which mechanisms, at what degree of participation by stakeholders, at what degree of participation of men and women, and which institutions and individuals participate in the decision making and have an actual power of influencing resource allocation;
- ⇒ Facilitate coordination and synergies among existing programmes, institutions and organizations.
- ⇒ Identify gaps, e.g. services that do not yet exist.

## What to Consider for Institutional Profiling?

For each stakeholder, the following aspects should be considered:

- ⇒ Their mandate and objectives;
- ⇒ Their presence in the territory and geographic coverage;
- ⇒ Their past and present activities related to economic recovery;
- ⇒ Their type of target group and number of beneficiaries disaggregated by sex and age and percentage with respect to women and men in need;
- ⇒ Their stake in the LER issues (e.g. the socio-economic reintegration of ex-combatants);
- ⇒ Their formal position (e.g. government authority);
- ⇒ Their control over relevant resources (e.g., money, expertise);
- ⇒ Their power to promote, hinder/block implementation (e.g. activist groups, lobby groups);
- ⇒ Their current projects and initiatives that have an impact on local economic recovery;
- ⇒ Their apparent attitude towards LER (e.g. supportive, committed, hesitant, opponent, passive).

The institutional mapping will enhance an understanding of what stakeholders can bring to the LER process in terms of skills, knowledge and experience. The extent of their involvement in decision making and execution of activities will depend on the capacities of each stakeholder, their gender awareness, their representativeness of local interests, their political will, credibility and/or commitment.



### GENDER SENSITIVITY AND AWARENESS

Attention should be given to equal opportunity and under-represented groups (e.g. women's groups), for supporting them in gaining more visibility and in advocating for their interests. Gender awareness of institutions is very important to make sure that a gender-sensitive approach is mainstreamed throughout needs assessments and decision making. If stakeholders lack of gender awareness, then appropriate training should be provided, as integral component of the capacity building efforts.

## How to Go About the Institutional Profiling?

Interviews with key informants, *with a gender-balanced participation*, will support data collection. A set of data collection and storage tools have been established to facilitate interviews with key stakeholders and the systematization of data in a standard way. Needless to say, the application of these tools is not mandatory and the practitioner(s) will decide which ones are most appropriate on a case-by-case basis.

Venn diagrams can be used to visually represent relationships and dynamics among institutions, as well as the level of influence of each of them. Venn diagrams can be produced in a workshop setting by using cardboard circles of different sizes and colours. For instance, the colours can be used to distinguish among stakeholder categories (see Table 22), the sizes can be used to give an idea of the level of influence/power of an institution in the territory concerned, its capacity and resources, and the arrows of two different colours will illustrate negative/ positive relationships among institutions.



### Tool 1-E. Templates: Data Collection and Storage

## Preliminary Analysis of Findings for Local Economic Profile

Once the data collection tasks have all been completed, the process of analysis starts. This analysis will give a clearer picture of the context and needs within the selected territory. The analysis of the profile data should occur in two places – in the field and at the project level.

At the field level, there is relatively limited scope for analysis because field teams often lack such capacity or experience and do not have access to the additional contextual information that analysis requires. However, teams should conclude their work by collectively discussing and consolidating data collected for each location and for each sector.



Key points should be highlighted and any insights or key observations should be included, especially with respect to *gender issues* as highlighted in the gender analysis checklist. If team members have concerns about information quality, reliability, or data gaps, these should also be included in their findings.

At the project level, the information should be organized and analyzed by appropriate sector specialists, who must be *gender aware*. This is an opportunity for valuable participation by the stakeholder group as they represent key interests and sectors (public and private) within the strategic territory. Key government agencies and departments should also be included in the process, to both gain their insights and to ensure that they are actively participating in and supporting the process. Continued participation by assessment team members in the analysis will also help to ensure that their knowledge about the territory and its condition is not lost in translation.



## The Local Economic Profile Report

The final step of the Local Economic Profile process consists of presenting the data in a consolidated report, clearly indicating conclusions and recommendations. On the basis of the report, the decision-making stakeholders, meaning LER practitioners can select key areas of interventions, targeting most vulnerable groups, defining most appropriate activities, etc. Sources of information will be accurately referenced, and when differing data exists for the same item, the most reliable source will be cited (indicating availability of other data and reason for deeming the selected data the most reliable for the purpose of that particular study).

## 3.7. Additional Assessments

### Purpose

The findings of the initial data collection process outlined in the Local Economic Profile may indicate the need for more detailed assessments to take more accurate decisions, define target groups with a higher degree of precision, design medium term LER projects, establish baselines and targets, and – at a later stage - monitor performance and progress.

Detailed projects and instructions are particularly useful when the implementation of activities is sub-contracted to other agencies/organisations. For instance, it may be necessary to detail: the numbers and spatial distribution of targeted beneficiary groups; and the type and quantity of outputs to be delivered (e.g. No. of Km of roads, main or secondary roads, location of bridges to be rebuilt). Therefore, additional assessments should be undertaken to fill in information gaps, while keeping in mind the limitations of time, budget, and human resources.

For instance, it may be necessary to analyse supply chains in selected priority economic branches, such as agriculture and food production, transportation, basic waste services, etc. Moreover, the results of the Profile may lead to the identification of particular vulnerabilities requiring further attention.



In some circumstances, the Local Economic Profile data may show, for instance, that **women's participation** in the marketplace and/or in other economic activities is limited, that there are a growing number of **female-headed households** (FHH) in the territory, and that especially in these cases women struggle in keeping up with productive and reproductive activities. Therefore, an in-depth **gender analysis** may be required, perhaps with a focus on a specific vulnerable group requiring special attention (e.g. people with disabilities, IDPs, ex-combatants, etc), in order to uncover these individuals' capacities to contribute to economic recovery.

Further data on the businesses, the suppliers, the environment, the support services and the linkages among them might be required. These data would help identify a need for rehabilitation and reconstruction of productive assets, basic financial and business development services. This additional data would provide more detailed information on economic recovery and employment creation potential of local businesses, including possibilities for apprenticeships and on-the-job training.

Finally, a training-needs analysis will be needed for each of the potential target audiences with tailored training initiatives. The analysis is essential to insure the relevance of training programmes and should always precede any training project.

There are numerous assessment methodologies and instruments that can be used to complement the results of the Local Economic Profile. This sub chapter provides four examples of these assessments: the Assessment of the Employment Situation and Labour Market, the Value Chain Analysis, Business Surveys, Vulnerability Assessments, and Training Needs Analysis.

### *Assessment of the Employment Situation and Labour Market*

#### What is it?

In order to establish a Local Economic Profile, several pieces of information (i.e. the chapter on the economic capital) can be collected and analysed through the Livelihood Assessment Toolkit (LAT). This has been jointly developed by ILO and FAO in response to a need identified within the CWGER and is currently aimed at sudden onset natural disasters. However, the coverage of the Toolkit was intended to extend to other types of

emergencies.<sup>31</sup> For the sake of responding to LER needs and compiling the Local Economic Profile, reference is made in this section to a methodological note developed by ILO which complements the LAT and focuses on the employment situation and the labour market. It seeks to produce a picture of the actual situation and to detect potential opportunities for job creation in promising sectors through better coordination between demand and supply.

### Objectives

To make a rapid estimation of key employment figures in a conflict-affected area, and to make a profile of the emerging labour demand across the recovery and reconstruction efforts. Such findings provide the elements and evidence necessary to formulate employment strategies for the conflict-affected area, with a view to better match existing labour demand and jobseekers and to create job opportunities.

### Outputs

- ⇒ Analysis of:
  - The characteristics of the local labour force (economically active population, employment, unemployment, hidden unemployment, under-employment). Analysis of vulnerability factors and vulnerable groups within the labour force;
  - The structure of employment according to: economic sector; employment category (wage labour, self-employment, employer, unpaid family help); occupation (managerial, professional, clerical, manual worker, etc.);
  - The labour market, including information about wage rates, seasonal and permanent employment, degree of unionisation, seasonal labour migration patterns, etc.;
  - The availability of skilled and unskilled labour, also on the basis of the classification of workers by occupation;
  - The employment in formal and informal sectors;
- ⇒ Analysis of the impact of the conflict on formal and informal enterprises, with focus on non-agricultural sectors (industry, construction, commerce, transport, services);
- ⇒ Estimation of the impact of the conflict on employment in terms of partial and complete job losses (e.g. as a consequence of firms closure, migration, displacement) and income losses due to job losses;
- ⇒ Potential for temporary job creation in economic branches where there is an increased demand for the goods and services offered (including within the aid community)

### Steps

1. **Identify available sources of statistical information.** Concerning demographic and employment data, examples of data sources are Censuses and Household Surveys. Note that Censuses are generally performed at an interval of ten years, and they are published with a several year delay. Household surveys, instead, are more frequent but are based on sampling; hence, they do not provide a faithful picture of small administrative units and settlements, but only a rough estimation. Concerning information on micro and small enterprises (formal or informal), information sources include agricultural censuses and surveys, business surveys, registers of Chambers of Commerce and Federations of Entrepreneurs by business category, livelihood studies, analyses of agro-economy zones. Information is both quantitative and qualitative. It may concern, among other things, the type of business, the size, the profit, the suppliers and clients (value chain), the business environment, and the financial and non-financial support services.
2. **Request and collect micro-data** from the bureaus that authored the identified statistical studies. This allows for processing new tables, indicators and graphics. Micro-data should be provided in a digital format that is compatible with statistical software.
3. **Update statistical employment and demographic data** on the basis of estimations that consider population growth rate (according to projections) as well as important phenomena that may have an impact not only on the number but also on the structure of the population (e.g. displacement, death of male soldiers and migration).

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<sup>31</sup> For instance, a first inter-agency pilot has been conducted in 2008 in the DRC Province of South Kivu, under the lead of FAO and ILO (June and September-October 2008). In this occasion, the livelihood assessment has been complemented by economic recovery programming, and lessons have been gathered for field testing these LER guidelines.

<p>4. <b>Estimate the conflict impact on formal and informal enterprises</b> that may have stopped or reduced operations. The impact can be direct (e.g. destruction of factories, market place stalls, storage) or indirect (destruction of support infrastructure, loss of suppliers and their stocks, power cut-offs). In the first case, information refers to the firm itself, while in the second the impact can be inferred by considering the "collateral" effects of the conflict. Information can be collected through key informants (federations of entrepreneurs, chambers of commerce, business associations, cooperatives) and by making a desk review of available studies.</p> <p>5. <b>Estimate job and income loss due to the conflict impact on firms.</b> Job loss can be inferred on the basis of the estimation of the impact on enterprises, considering the average employers and working hours of affected firms.</p> <p>6. <b>Analyze:</b> the characteristics of the local labour force; the vulnerability factors and vulnerable groups within the labour force; the structure of employment, by economic sector, employment category; the labour market, including information about wage rates, seasonal and permanent employment, degree of unionization, seasonal labour migration patterns, etc.; the availability of skilled and unskilled labour, also on the basis of the classification of workers by occupation; the employment in formal and informal sectors.</p> <p>7. <b>Validate and document results.</b></p>
<p><b>Tools and in depth-guidelines</b></p> <p>⇒ FAO and ILO, 2009. The Livelihood Assessment Toolkit. Analysing and Responding to the Impact of Disasters on the Livelihoods of People. Geneva and Rome: ILO and FAO, April, 2009  <a href="http://onerresponse.info/GlobalClusters/Early%20Recovery/publicdocuments/LAT%20Guidance.pdf">http://onerresponse.info/GlobalClusters/Early%20Recovery/publicdocuments/LAT%20Guidance.pdf</a></p> <p>⇒ ILO Methodological Note</p>

## Emergency Market Mapping Analysis (EMMA)<sup>32</sup>

<p><b>What is it?</b></p> <p>"The Emergency Market Mapping and Analysis Toolkit (EMMA) is a guidance manual to assist front-line staff to do rapid assessments of market systems in the first few weeks of a crisis".</p>
<p><b>Rationale of EMMA</b></p> <p>"A better understanding of the most critical market systems in an emergency situation enables humanitarian agencies to consider a broader range of responses"</p>
<p><b>Objectives</b></p> <p>⇒ To make early decisions about relative wisdom of different direct response options</p> <p>⇒ To assess opportunities for complementary "indirect" actions</p> <p>⇒ To reduce the risk of doing harm against businesses and households in critical market systems</p> <p>⇒ To assist in monitoring performance and accessibility of market systems</p> <p>⇒ To improve the quality of disaster preparedness</p> <p>⇒ To define the requirements for more detailed market analysis</p>
<p><b>Outputs</b></p> <p>⇒ Maps and profile of the market system: baseline and post-crisis</p> <p>⇒ Analysis of the gaps</p> <p>⇒ Response options</p>
<p><b>Steps</b></p> <p>1) <b>Essential Preparation</b></p> <ul style="list-style-type: none"> <li>○ Background research; arrival; consultation with colleagues; agency mandate, target population needs &amp; profiles</li> </ul> <p>2) <b>Select Markets</b></p> <ul style="list-style-type: none"> <li>○ Selection of critical market-systems; and identification of key analytical questions for each system</li> </ul> <p>3) <b>Preliminary Analysis</b></p> <ul style="list-style-type: none"> <li>○ Production of initial profiles, seasonal calendars, maps of the market-system; identification of key informants or leads.</li> </ul> <p>4) <b>Fieldwork Preparation</b></p>

<sup>32</sup> The description below quotes the EMMA Toolkit itself.

<ul style="list-style-type: none"> <li>o Setting the fieldwork agenda; devising interview structures &amp; questionnaires; data-sheets and recording formats</li> </ul>
<p><b>5) Fieldwork Activities</b></p> <ul style="list-style-type: none"> <li>o Conducting the fieldwork activities – who, where, when. Section includes guidance on interview methods and tips.</li> </ul>
<p><b>6) Mapping the Market</b></p> <ul style="list-style-type: none"> <li>o Finalising baseline &amp; emergency maps, seasonal calendars; description of key features, bottlenecks, constraints</li> </ul>
<p><b>7) Gap Analysis</b></p> <ul style="list-style-type: none"> <li>o Comparison of household economic profiles, analysis of priority needs, access and gaps</li> </ul>
<p><b>8) Market Analysis</b></p> <ul style="list-style-type: none"> <li>o Analysing impact on availability, conduct, performance, supply and demand, capacity of market-system to react</li> </ul>
<p><b>9) Response Analysis</b></p> <ul style="list-style-type: none"> <li>o Exploration of response options, cash and other intervention feasibility; response recommendations and their logic</li> </ul>
<p><b>10) Communicate Results</b></p> <ul style="list-style-type: none"> <li>o Consultation with colleagues; presenting conclusions to wider audiences (donors, agencies)</li> </ul>
<p><b>Tools and in depth-guidelines</b></p>
<p>⇒ Mike Albu, 2009. Emergency Market Mapping and Analysis Toolkit. Practical Action, Oxfam, IRC, Practical Action, December 2009.</p> <p>⇒ Household income and expenditure profiles – charts illustrating the main sources of income and expenditure</p> <p>⇒ Seasonal calendars – that summarise important seasonal changes in markets and peoples lives</p> <p>⇒ Market maps – graphical representations of market-system (before &amp; after emergency onset)</p> <p>⇒ Response frameworks – tables for summarising emergency response options and characteristics</p>

## Value Chain Analysis (VCA)

<p><b>What is it?</b></p>
<p>The Value Chain Analysis focuses on the product (or service) life cycle from conception to its end use. It provides an approach to assessing territorial value chains that can be completed in a timeframe of 4-8 weeks each. These value chains focus on one specific sector (as identified in the project document), help to create an understanding of how each sector integrates into local/regional markets, and identifies opportunities and constraints for each sector in order to increase competitiveness and support small and medium enterprises. It is assumed that an economic sector/branch will have been selected in consultation with the concerned line Ministries (e.g. Economy).</p>
<p><b>Rationale of VCA</b></p>
<p>The rationale behind the value chain approach is that productive and commercial activities are not isolated but are part of a system (a chain), characterized by vertical and horizontal dynamics. Economic activities in a given value chain are linked one to another and, as such, affect each others' performance. Hence, every formal and informal firm in the market is positioned along a value chain.</p>
<p><b>Objectives</b></p>
<p>⇒ To better understand how and where a firm is positioned in economic processes and to identify business opportunities and possible solutions to enhance performance. In turn, such information is used to:</p> <ul style="list-style-type: none"> <li>o Develop a particular economic sector through the implementation of multi-faceted, multi-dimensional projects;</li> <li>o Enhance the ability of public, private, and civil society stakeholders in the territory to design and submit local economic recovery plans and projects to relevant donor and coordination organizations dealing with a specific sector or local economic recovery in general</li> </ul>
<p><b>Outputs</b></p>
<p>⇒ Key gaps, opportunities and projects identified for a specific sector</p> <p>⇒ A proposal to support the development of a specific sector, as determined by consensus agreement among</p>

public, private, and civil society stakeholders

⇒ A framework for intervention to be facilitated by the LER inter-agency team and its represented organizations

⇒ Increased capacity of local institutions and stakeholders to facilitate and coordinate participatory local economic recovery activities

⇒ Preparation and exchange of contextual information regarding a particular sector among key sectoral and territorial stakeholders (public, private, civil society, etc)

## Steps

- 1) Identify and select Value Chain Analysis team members and hold preliminary interviews with key sectoral stakeholders (public-private-civil society).
  - A. Agree on sub-sectors and value chain elements that the analysis should focus on
  - B. Organize local value chain team and sub-teams to deliver interviews and workshops
  - C. Draft list of potential interviews and workshop participants for each selected sub-sector
  - D. Develop draft stakeholder map for key actors within the sector/sub-sector, their relationships, and their status
  - E. Get commitment from stakeholders to participate in the analysis
- 2) Prepare and facilitate a Hypothesis Workshop with the local Value Chain team.
  - A. Discuss the status of value chain preparation
  - B. Promote understanding among team members regarding expectations of the value chain analysis process on the specific sector
  - C. Identify potential intervention proposals and create a base of reference for next steps
- 3) Prepare and facilitate a kick-off workshop with stakeholders from the value chain and other relevant local stakeholders for an initial analysis of the value chain and its support structure.
  - A. Inform local sector stakeholders about the value chain analysis activities
  - B. Review general information about the sector with local stakeholders
  - C. Discuss short and long-term visions for the sector with stakeholders
- 4) Prepare and coordinate fieldwork, workshops, and interviews with selected stakeholders in the value chain and its support structure.
  - A. Conduct interviews with sub-sector stakeholders and relevant institutions working within the sector such as government agencies, sector associations, financial institutions, etc
  - B. Provide mini-workshops with relevant sub-sector stakeholders and organizations on key sectoral needs (e.g. training, business structuring, financing, processing, quality control, marketing, distribution, etc)
  - C. Document results of interviews, workshop minutes, and general strengths, weaknesses, opportunities, and threats within each sub-sector
  - D. Conduct interim assessments focused on participatory mapping of significant value chains. Develop draft visual representations of the value chains
- 5) Prepare and facilitate a Results Workshop with the local Value Chain team to draw together conclusions, check and confirm hypotheses. Assess, collate and process the field results for local stakeholders.
  - A. With stakeholders, review the results of assessments and value chain maps
  - B. Review strengths, weaknesses, opportunities, and threats identified in each sub-sector
  - C. Identify and prioritize potential interventions in a stakeholder workshop to strengthen value chain performance within each sub-sector. Consider the following questions:
    - Is the intervention suitable for implementation with available resources?
    - Can it be implemented quickly?
    - Will it exhibit visible and measurable results within 3-6 months?
  - D. Organize potential intervention priorities according to phasing for the short, medium, and long term
- 6) Prepare and facilitate a Presentation Event where all findings are presented to the local stakeholders, elements of a value chain strategy are defined, and priorities are made.
  - A. Provide results of all previous activities and assessments to stakeholders and key organizations
  - B. Request and generate feedback from stakeholders to achieve support for the results and interventions. Make revisions if necessary
  - C. Get commitments from relevant stakeholders
  - D. Provide further sensitization and training, if necessary
- 7) Document the value chain analysis process and findings and provide follow-up and technical support for value chain upgrading with the local stakeholders.



- A. Document intervention proposals and specific action steps for each activity in the short, medium, and long term
- B. Provide recommendations, next steps, and pre-conditions for success for each intervention selected
- C. Determine general roles and responsibilities for achieving each step of the process.

#### Tools and in depth-guidelines

Herr Matthias L., Tapera J. Muzira, 2009. *Value Chain Development for Decent Work. A Guide for development Practitioners, Government and Private Sector Initiatives*. International Labour Office. Geneva: ILO, 2009.  
[http://www.ilo.org/wcmsp5/groups/public/--ed\\_emp/--emp\\_ent/documents/instructionalmaterial/wcms\\_115490.pdf](http://www.ilo.org/wcmsp5/groups/public/--ed_emp/--emp_ent/documents/instructionalmaterial/wcms_115490.pdf)

## Business Surveys

### What is it?

A business survey is an analysis technique based on detailed questionnaires (instruments) that are submitted to a sample of business owners, partners and employees, to gather quantitative and qualitative information about the concerned business (formal and informal). Questions are preferably close-ended (i.e. the respondent picks an answer among a number of options) and answers can be standardized, in a way that the analysis and comparison is easier. If built and submitted according to certain standards, it allows for making a statistical analysis of the collected information. Questionnaires are preferably submitted in face-to-face gatherings with the respondent. One of the advantages of this modality is that it allows for reformulating questions to make them clearer to the respondent.

### Objectives

Inform strategies and projects aimed at overcoming pitfalls and promoting business creation and growth

### Outputs

Quantitative and qualitative analysis of existing businesses, the environment where they operate, their challenges to survival and growth in the market, their strengths, the access and quality of available financial and business development services

### Steps

1. Define the spatial and temporal scope of the survey and its objectives, thus clarifying the extent of the effort and the use that will be made of the final analysis. This will give a rough idea of what information requirements must be covered.
2. On the basis of a defined budget, establish the timeline, the implementation modality and the team. The modality refers to the process of surveying, which can be undertaken through face-to-face interviews, phone interviews, or the submission of the questionnaire to respondents for their completion.
3. Design the questionnaire on the basis of the survey objectives and the information required to fulfil those objectives. At this stage, the type of data to be collected must also be defined (e.g. opinions, performance data, rankings, etc.)
4. Define the target group for the survey and select a sample out of the existing businesses.
5. Conduct the survey by interviewing the selected individuals in the sample.
6. Analyse data and compile findings in a report.

### Tools and in depth-guidelines

See Tool 1-D



## Tool 1-F. Questionnaire: Business Survey

## Vulnerability Assessment

### What is it?

A vulnerability assessment is the process of identifying, quantifying, and prioritizing the vulnerabilities in a territory. In completing a vulnerability assessment, there are numerous questions to consider, each of which can be answered through a variety of appraisal and data collection techniques. Some questions to consider in regard to vulnerability

of a population are included in Tool 2-E. Vulnerable groups of note include people with disabilities, youth, ex-combatants, female headed households, the unemployed, IDPs, refugees, recent returnees, and economic migrants, to name a few.
<b>Objectives</b>
Establish a base of information and analysis that allows for making priorities among and within vulnerable groups and for designing ad hoc interventions on the basis of their needs
<b>Outputs</b>
Profile of vulnerable groups in terms of magnitude, spatial location, main issues, coping strategies
<b>Steps</b>
<ol style="list-style-type: none"> <li>1. <a href="#">Develop the Terms of Reference</a> for the assessment, describing the objective, the deliverable, the assessment modality and reference tools, the team and the budget.</li> <li>2. <a href="#">Identify major vulnerable groups</a> in the targeted area, on the basis of secondary sources (e.g. UNHCR figures on refugees and/or IDPs) and focus group discussions with key stakeholders in a community.</li> <li>3. <a href="#">Formulate and conduct semi-structured interviews</a> with key informants to collect information about specific vulnerable groups.</li> <li>4. <a href="#">Hold focus group discussions</a> with stakeholders concerned with the selected vulnerable group.</li> <li>5. <a href="#">Analyse collected information and document it.</a></li> </ol>
<b>Tools and in depth-guidelines</b>
See Tool 1-E



## Tool 1-G. Questionnaire: Vulnerability Assessment

### Training Needs Analysis



This section is linked to:  
5.6. Building Capacities in the Mid-term

<b>What is it?</b>
<p>Prior to the design of capacity building initiatives, LER practitioners will have to assess capacity gaps of the audience to be targeted.</p> <p>In general terms, the target audience can correspond to a specific organisation or a typology of institutions (e.g. micro-finance institutions). Within an organization, the audience could be further detailed by selecting the specific professional figures/functions that need to be trained (e.g. the knowledge officers, the trainers).</p> <p>Once the specific target audience has been selected, the corresponding set of required competencies must be mapped. Competencies comprise the set of skills, knowledge and attitudes that are required for effectively performing the concerned work (e.g. analysis and problem solving; communication; negotiation and consensus building; coaching and training others). They can be identified by referring to the job descriptions within an organisation and must be reviewed in light of the type of contribution that the organisation is expected to offer to the LER process. The result will be the so-called "competence tree", which also specifies the minimum level which must be scored per each competency. This level can be represented through a numerical value. Table 26 offers an example of key competencies that should be mastered by each of the selected institutions. LER practitioners might refine the set of competencies in accordance with the context and the expected role to be played in LER initiatives by each of the target groups.</p> <p>The training needs analysis will be finally conducted by collecting information on the competency level scored by each individuals (e.g. through numerical values) and the minimum levels indicated in the competence tree.</p>
<b>Objectives</b>
Identify the competency gaps on the basis of a pre-established competency tree, prioritize them and define the training needs accordingly.
<b>Outputs</b>
The output will be a document, rating the level of competencies achieved by targeted individuals within an

institution. On the basis of the scores, the document will make conclusions concerning the priority training needs.
<b>Steps</b>
<ol style="list-style-type: none"> <li>1. Select/prioritize the target audience of future training activities.</li> <li>2. Elaborate a competence tree on the basis of the mandate of the specific institution and the services offered and on the basis of the expected role to be played by the organisation within the LER process.</li> <li>3. Conduct a survey to detect competency levels scored by each individual in the targeted organisation.</li> <li>4. Compare the competency level scored by targeted individuals and the minimum requirements indicated by the competence tree.</li> <li>5. Analyse the results by detecting competency gaps, and prioritize training needs accordingly.</li> <li>6. Document the analysis findings and the conclusions by providing clear instructions with respect to the competency areas that require development and/or strengthening.</li> </ol>
<b>Tools and in depth-guidelines</b>
The ILO International Training Centre offers training for trainers, including modules on how to map competencies and analyse training needs. The concerned ITC ILO Department is DELTA - Distance Education and Learning Technology Applications.

Table 26. Examples of target groups and required competencies

Target group	LER-required areas of competencies
Local authorities	Coordination and leadership of multi-stakeholder processes
	Priority setting and results-based local planning for LER
	Advocacy, negotiation and consensus building
	Monitoring and evaluation of public investment projects
	Transparency and accountability on public-fund management
	Land tenure and property issues (also concerning IDPs and refugees)
	Gender awareness
Business Development Services	Information and knowledge management (rules,markets & value chains)
	Promotion of technology transfer (including green technologies)
	Offer technical assistance and coaching for business plans development
	Offer technical assistance and coaching for effective business management
	Gender awareness
Financial institutions	Effective management of financial services
	Design of tailored financial products and services
	Offer technical assistance and coaching to clients
	Gender awareness
Vocational training institutions	Develop training strategies and curricula based on labour market analysis
	Develop and deliver Training of Trainers for the prospected courses
	Develop and deliver training courses on demanded skills
	Gender awareness
Employment service centres	Conduction of labour market analysis
	Development and management of databases of job seekers and vacancies
	Provision of referral to job seekers
	Gender awareness
Entrepreneurs' and workers' representatives	Advocacy, negotiation and consensus building
	Assessment of needs and issues of members
	Information and knowledge management
	Training needs assessment and training delivery
	Gender awareness
Representatives of vulnerable groups	Advocacy and use of media
	Assessment of needs and issues of represented groups
	Information and knowledge management
	Training needs assessment and training delivery
	Gender awareness

Research institutions	Adopt rigorous research methodologies
	Conduct LER assessments and document findings
	Gender awareness
Communities	Design and technical & financial management of community contracts

## 3.8. Tracking Progress and Performance (M&E)

### Application and Rationale

During LER implementation, information is needed to track performance and progress of the actions taken, to brief partners and donors, to help achieve consensus on corrective measures, and to produce lessons learnt for the future. Often neglected, monitoring and evaluation (M&E) is actually a cornerstone to get back on track, to improve and to allow others to learn from previous good practices and mistakes.

M&E are carried out by measuring previously determined indicators on relevance, efficiency, effectiveness, and impact. Findings of this measurement are compared with benchmark data that have been established at the onset of LER implementation. An analysis will follow, informing further decisions.

If monitoring indicators are below the respective benchmarks, then the reasons of the lower performance must be detected and corrective measures must be introduced in course of action. Differently from monitoring, by definition final evaluations do not have any impact on the performance of evaluated LER interventions, which have been already concluded. Instead, they have important implications in terms of stakeholders' attitude towards the LER approach, the chances that it will be applied in the future, and the learning to be integrated in future similar initiatives.

To the possible extent, M&E should be participative and allow stakeholders for bringing their feedbacks in a more or less structured way. Participation of stakeholders in the design, data collection, and reporting process makes monitoring and evaluation more conflict-sensitive.

When LER interventions are conceived within the framework of inter-agency post-conflict employment creation and reintegration programmes, LER M&E should be part of Integrated Strategic Frameworks and Action Plans. Dedicated budget funds are to be allocated.

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FUNDAMENTAL PRINCIPLES

- ⇒ **Conflict sensitivity** deals with an awareness of the impact of activities and implementation processes in terms of raising or alleviating tensions among groups (i.e. "dividers" and "connectors"). In order to be conflict-sensitive, decisions must be based on sound conflict analysis. In M&E, conflict sensitivity can be pursued by integrating stakeholders' views (i.e. participatory M&E) and by ensuring that activities and processes adjust swiftly to important evolutions in the post-conflict scenario.
- ⇒ **Security considerations** must be taken into account when planning and conducting M&E, in order to protect staff and stakeholders from possible risks. As implementing partners may have easier and safer access in areas where security risks impede direct M&E, their timely training is important.
- ⇒ As post-conflict settings are fluid and situations can change rapidly, M&E plans must be sufficiently **flexible** and must be based on constantly updated information and analysis.
- ⇒ **Maintain a big-picture perspective**, and always self-remind of the ultimate aim of building peace.

*Source: (forthcoming) 2009. Operational Guidance Note of the UN-wide Policy for Post-Conflict Employment Creation, Income Generation and Reintegration*

## LER Monitoring: What, When and How

Monitoring is an ongoing effort carried out along the LER implementation process at regular intervals, or whenever a specific request is made by any of the major decision makers and stakeholders following arising issues and other types of alert. As such, monitoring is cross cutting to all fact-finding, decision-making and action-taking tasks that are overviewed in these Guidelines. Flexibility and adjustments as the process unfolds are critical, especially if we consider that post-conflict settings are often unstable.

Monitoring plans must be agreed on by LER partners and key stakeholders from the very beginning and certainly before the implementation of any major activity is initiated. Such plans will define: the monitoring objectives and how the results will be used; the assessment modalities and instruments (e.g. reporting templates); the performance indicators to be measured on the basis of the expected deliverable and objectives; the guiding questions for data collection; the timing and frequency of monitoring exercises; the roles and responsible persons for each task to be accomplished; the procedures for identifying and introducing corrective measures; and the procedures for documenting results and communicating them to stakeholders.

Once the monitoring plan has been established, the key tasks of the process are the following:

- ⇒ **Establish a baseline** of the indicators to be observed by disaggregating data by sex and age;
- ⇒ **Establish "periodic" benchmarks** for each indicator in the baseline, on the basis of the reference timeline for LER initiatives as per the work plan. The periodic benchmarks represent the desired evolution of an indicator over time and at given intervals;
- ⇒ **Collect, record, and process data** for the measurement of pre-established indicators;
- ⇒ Compare indicators of the actual performance to planned benchmarks, in order to **detect possible shortcomings** and identify the reasons behind such deficit;
- ⇒ **Communicate findings** with relevant decision makers, partners and key stakeholders (including donors if so agreed) in a timely fashion. This is crucial, as LER is an inter-agency effort that involves several partners and concerns many stakeholders;
- ⇒ With stakeholders, **identify alternative options of corrective measures**. Consider the respective advantages and disadvantages as well as consequences that proposed changes will produce on the ongoing process, the resources to be allocated, the types of interventions, and the reaction of stakeholders;
- ⇒ **Consult major decision makers**, partners and other stakeholders in order to choose from among the options and to ensure that there is a strong buy in;
- ⇒ **Document any change** and/or corrective measure that is introduced, indicating the date, the trigger, the alternatives that have been considered, the decision-making process, the final choice, and the degree of support from consulted stakeholders.

Monitoring mostly focuses on verifying the relevance, efficiency and effectiveness of the work in progress, to make sure that the actual performance is in line with the planned/expected performance and, if not, to reduce the deficit by introducing corrective measures along the way. In addition, part of the analysis should be of the outliers and those unreached by the programme, and/or those negatively affected.

The following **guiding questions** may help practitioners in this endeavour. Obviously, the list should be contextualised with respect to the specific LER work carried out.

- ⇒ Are deliverables and mid-term objectives being attained to the expected extent (i.e. benchmarks), according to the planned timeline and the foreseen costs in terms of financial and human resources?

- ⇒ If a delay has been detected, what is the reason behind it and is it necessary to review the timeline? What will be the revised timeline? Does this have any effects on the deadlines of related deliverables and activities in the plan?
- ⇒ Are more financial and/or human/institutional resources needed to carry out the work? To what extent? How can they be mobilised?
- ⇒ Is the information collected reliable? Is the analysis based on facts and not on opinions? Will the pertinence of related decisions be affected somehow?
- ⇒ Are the decisions made still pertinent and valid after a certain period and in light of recent evolutions in the context? Are they conflict sensitive? Can they still count on the support of stakeholders? If not, why? What has changed in their perception and objectives? Can a new decision be taken and put into force without major prejudice to the planned deadlines and available resources?
- ⇒ Is the implementation process flowing smoothly? If not, what are the main issues delaying it or putting it at risk?
- ⇒ What is the response (i.e. level of satisfaction) and participation of stakeholders in fact finding, decision making and action taking? How effectively is the local government and other local institutions performing in support of economic recovery? What is the percentage of programme funds spent in building capacities and training to increase participation?
- ⇒ Who are the outliers, if any? Is there any specific group that has not been reached by the programme, while it should have been, and/or groups that have been negatively affected?
- ⇒ Is the overall LER action leading to reconciliation and peace building? Is there any aspect of the implementation process or of the decisions made which could potentially lead to increased tensions? How is the interaction among antagonistic groups performing?

### *LER Evaluation: What, When and How*

Evaluations are structured assessments of either completed (i.e. final evaluations) or ongoing activities (i.e. mid-term evaluations) designed to determine the extent to which objectives and expected outcomes have been or are being achieved. As previously noted, the purpose of evaluating programmes and projects is to garner lessons learnt and disseminate such learning, as well as to increase accountability towards stakeholders. Evaluation can be carried out internally by the project staff or can be independent.

As in the case of monitoring, evaluations should also be planned and structured from the beginning of the LER process by determining a plan inclusive of: timing, assessment modalities and instruments, indicators and benchmarks (generally the same of monitoring), guiding questions, procedures for collecting and documenting lessons learnt and good practices, and information sharing procedures. Monitoring findings will turn to be very helpful when carrying out the evaluation(s).

Prior to any evaluation, detailed Terms of Reference of the work will have to be prepared on the basis of the aforementioned plan. The Terms of Reference will describe:

- ⇒ The **scope** of the evaluation and its rationale;
- ⇒ The **project context** in which the evaluation is carried out;
- ⇒ The **objectives** of the evaluation and its expected output;
- ⇒ The **recipients** of the findings;
- ⇒ The **methodology** to be followed when collecting and analysing information;
- ⇒ The **management** arrangements, with a clear distribution of responsibilities and deadlines;
- ⇒ The degree and forms of **stakeholders' participation**;

- ⇒ The **human resources** assigned to each of the tasks (i.e. composition of evaluators team),
- ⇒ The available **budget** and allocation among cost items;
- ⇒ The way the findings will be **documented and communicated**.

Detailed guidelines on how to prepare for and conduct evaluation can be found in the Standards for Evaluation in the UN System developed by the United Nations Evaluation Group. Additional inputs are also contained in the Operational Guidance Note of the UN-wide Policy for Post-conflict Employment Creation, Income Generation and Reintegration.

Standard evaluation criteria include:

- ⇒ **Relevance**. It refers to the pertinence of the interventions with respect to the objectives that have been set in programmes and projects. Obviously, in first place, objectives must be consistent with detected economic recovery issues. A guiding question could be: *Is the action set in place the right solution to achieve the agreed objective and to solve the existing problems?* It is possible that an intervention that was relevant at the time of programming will not be relevant at the end of the programme due to a change in the situation and the problems to be addressed;
- ⇒ **Effectiveness**. It refers to the extent to which the planned performance has been achieved, which in turns indicates to what extent activities have been successful in attaining the planned objectives. Performance is measured against a set of pre-established indicators, which are compared to respective benchmarks. Some examples are provided in Table 28;
- ⇒ **Efficiency**. It refers to the use that has been made of financial and human resources and other types of inputs allocated across the implementation of activities. This type of criterion aims at identifying possible misuses and waste of scarce resources;
- ⇒ **Impact**. It refers to the changes, positive or negative, intended or not intended, that have been generated and/or induced beyond the direct scope of the LER projects, that is, beyond its specific objectives and outputs. An example of LER impact refers to peace-building (Table 28);
- ⇒ **Sustainability**. It refers to the extent to which results can last over time, well beyond the duration of the project and the phasing out of external technical and financial support. Environmental sustainability must also be considered.

## Establishing Performance Indicators

A **performance indicator** (e.g., No. of jobs created) is directly linked to its core objective (e.g. increased employment opportunities) and is impacted by the strategy actions being undertaken (e.g. establish skills training program). Performance indicators are used to determine whether or not, or how well, a core objective has been met. Performance indicators also assist in decision making by providing a way to evaluate possible interventions. Once an intervention has been chosen, these indicators will also support the monitoring and evaluation of a project by helping to gauge if the intervention is actually achieving what was expected. They all must be **gender sensitive and gender responsive**.

At times, it can be extremely challenging to determine indicators for an LER objective. This is because there is either no data available or because they cannot be adequately measured using quantitative data and must use more qualitative indicators. As illustrated in the table below, there are three types of indicators: natural indicator, constructed indicator and proxy indicator (Table 27). Natural indicators are used when a clear, quantifiable indicator for an objective is readily available (e.g. number of jobs). For other objectives, natural indicators may not exist. For example, jobs in the informal sector are more difficult to measure because job rates are not officially recorded in the informal economy. In these cases, qualitative or quantitative constructed scales (high-medium-low) in combination with expert input can be used. Proxy indicators may also be helpful.

Table 27. Types of indicators

<b>Natural indicator</b>	Often official statistics are kept on numerous development indicators and will reflect how well an objective is being met. Example: number of jobs
<b>Constructed Scale</b>	When hard data is not available, constructed scales are useful. The data can be gathered through surveys or structured interviews with experts in related fields or sectors. Example: High (describe) – Moderate (describe) – Low (describe) Indicators can be quantified on a 1-10 scale, with 10 = High and 1 = Low
<b>Proxy/Indicator</b>	Used when a measurable indicator is available that adequately reflects how well an objective is being achieved though it is only indirectly related to the objective. Example: Economic stability can be measured using migration statistics or housing vacancy rates because fewer people migrate from economically stable areas (or conversely more people migrate in) and housing vacancy rates are lower than in the more economically depressed areas that people may be migrating from.

Table 28 provides examples of LER performance indicators which have been defined per each level of programmatic objective (i.e. impact, outcome, outputs), according to a log-frame approach.

Table 28. Sample of indicators for an LER programme

EXAMPLE OF RESULTS	EXAMPLE OF INDICATORS
<b>Impact</b>	
Conflict-affected groups are economically reintegrated and coexistence is peaceful	Decrease of social tension at the community level. (No. of dispute reported per month)
<b>Outcome</b>	
OUTCOME 1. Market links and dynamics are restored and improved for local products and services	No. of local products found in markets and shops (by category)
	Average No. of clients and providers for local businesses (sum of the two)
OUTCOME 2. The local economy creates temporary and durable jobs for local jobseekers	No. of working days created per month by economic agents (*) <u>operating locally. (* firms and public sector)</u>
	No. of women and men jobseekers who found a job
<b>Outputs</b>	
Output 1.1. Transport and market infrastructures effectively and efficiently link urban centres and rural areas	Km of roads, tunnels, bridges rehabilitated/reconstructed
	No. of harbours and airports rehabilitated /constructed
	Cost of transport per Km (USD)
	Time needed to go from A to B (hours)
	Total No. of operational markets in urban and rural areas
Output 1.2. Supply chains for local products and services are improved and products have more value added	Average distance covered to procure raw materials (Km)
	Gross profit of local firms
	Share of sales to provide other firms/traders with respect to total
	Frequency of stock exhaustion
Output 2.1. Local firms are more productive	Profit of local firms per No. of workers
	No. of war-affected women and men employees who received vocational training
	No. of businesses set up following business management training
	No. of new products, services and/or production techniques introduced by local firms
Output 2.2. Assisted local firms absorb more labour force	Average No. of employees
	No. of working days per month (including temporary)





## Tool 1-H. Guidelines: Establishing Performance Indicators

### To Know More

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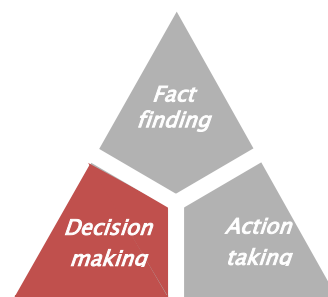
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# Chapter 4. Decision making

## Overview

### Contents

Once understood that LER is applicable in the specific context, the first strategic decision concerns the partners to be involved in steering the LER process and ensuring that the necessary financial and human resources are in place. The second key element is the selection of the geographic and administrative scope of future LER interventions as well as the specific territory(ies) to be targeted, which can range from a small area (e.g. a municipality) to a macro area (e.g. an entire Province). Within the selected territory(ies), partners will identify strategic economic sectors and the potential beneficiaries of immediate livelihood stabilization measures. The decision on the issues to be tackled and the objectives to be pursued in the medium term will consequently guide the identification of mid-term interventions.



### Outline of chapter 4

- ⇒ 4.1. Methods to Support Decision Making
- ⇒ 4.2. Is LER Applicable? And How?
- ⇒ 4.3. Whom to Work With and How to Coordinate?
- ⇒ 4.4. Where to Implement LER?
- ⇒ 4.5. Which Beneficiaries?
- ⇒ 4.6. Which Strategic Economic Sectors?
- ⇒ 4.7. What Economic Recovery Issues?
- ⇒ 4.8. What Objectives to be pursued in the Mid-term?
- ⇒ 4.9. Which One(s) Among the Alternative Strategy Directions?

### Purpose

The purpose of this chapter is to guide practitioners in taking **strategic decisions** for LER. As decisions are context-specific, the chapter does not propose any “ready-made recipe”, but contains guidelines, criteria and checklists of elements to be considered, leaving the final choice in practitioners’ hands. A checklist is proposed at the beginning of each section to help ascertain **conflict sensitivity** of each decision.

### List of Tools in Toolbox



- Tool 2-A. Sample: Job Description for an LER Expert/Facilitator
- Tool 2-B. Guidelines: Territory Selection
- Tool 2-C. Guidelines Strategic Sector(s) Selection)
- Tool 2-D. Guidelines: Sector-focused Workshop
- Tool 2-E. Guidelines: Technical Analysis of Strategy Directions
- Tool 2-F. Guidelines: Swing Weighting
- Tool 2-G. Guidelines: Final Value Analysis
- Tool 2-H. Guidelines: Brainstorming & Organizing Alternatives

# 4.1. Methods to Support Decision Making

## Defining Decisions

The decisions to which these Guidelines refer belong to the domain of strategic planning, as opposed to tactic and operational decisions.<sup>33</sup> A **strategic decision** has the following features:

- ⇒ It **decides the environment** where LER will take place (geographic locations, partners, objectives, etc.);
- ⇒ It **affects the success** factors of the overall LER initiative;
- ⇒ It **deals with**: capitalising on the **strengths** of the LER (potential) initiative, minimizing its **weaknesses**, securing the LER initiative from **threats**, and seizing the contextual **opportunities**. These aspects are identified through the SWOT analysis (refer to Chapter 3);
- ⇒ It must be **aligned with the overall conceptual framework** of LER (refer to Part I);
- ⇒ It is a **long-term** decision which is difficult and/or expensive to reverse;
- ⇒ It depends on **multiple dimensions**, often correlated between each other, which must be considered as part of a system;
- ⇒ It can be **more or less structured**, depending on the extent to which its critical elements are well identifiable and known. However, in general, it is loosely structured;
- ⇒ It is **best taken by small groups** of individuals<sup>34</sup>, who can draw on a decently-sized supply of experience, knowledge and creativity. These would normally be the top managers and/or decision makers for the concerned matter;
- ⇒ Generally, it is a **complex decision**;
- ⇒ An ordered sequence of such types of strategic decisions is a **strategy**.

A **decision is simple when** only one criterion is considered and/or when there is no room for hesitation or disagreement once agreed on the criteria, collected the required information, and visualised all possible action/options. On the other hand, **a decision is complex when** many aspects (i.e. criteria, factors), sometimes correlated and sometimes conflicting, intersect to define the matter and when the related information is complex and/or incomplete (an issue of uncertainty). In addition, it might be impossible to make an exhaustive inventory of all options, of all their possible consequences and reactions, and of the uncertain events that may occur and their respective probabilities. When making complex decisions, we face the problem of **ambiguity**: choosing among alternative options is not a simple task, especially when different individuals take different positions.

## Defining Decision Making

Although certainly the most crucial, making strong decisions for LER is a very challenging task: information is often incomplete, changes over time due to the evolving settings, and is sometimes unreliable or even conflicting. Several methods have been developed, especially in the domain

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<sup>33</sup> The classification of decisions into strategic, tactic and operational has been conceived by Robert N. Anthony in 1965 (Anthony, R. N. 1965. *Planning and Control Systems: A Framework for Analysis*. Harvard Business School Division of Research).

<sup>34</sup> Such a small group of individuals would be the LER Inter-agency Group.

of business management and economics, to support the process of decision making and to help the multiple decision makers involved to agree and justify their choices.

First of all, readers shall note that there is no method that can itself produce a decision and replace the decision maker in his/her job! Methods and tools can help to give some direction to the process of decision making, but they will always be affected by an element of subjectivity (e.g. in the choice of variables, in the assigning of weights to different variables).

First of all, it is worthwhile to highlight that decision making models can contain different proportions of instinct, intuition, creativity and rationality, on one side, and qualitative and quantitative considerations on the other. Typically, complex decisions are such that require an approach composed of a wise mix of these ingredients.

Instinct, intuition and creativity are grounded in experience and personality; knowing how to use them is an "art". Opposed to instinct and intuition is rationality, which focuses on producing and analysing specific information sets and, according to the findings, ranking the different options in a hierarchy based on scale of predefined values. Also, rational decision making models can be complemented by experience, in the sense that they may use information gathered across previous analogue experiences.

At that regard, it is worthwhile to note that experience is a tricky asset, as it leads us to choose the path we are familiar with, thus narrowing down from the outset the variety of possibilities and future outcomes. Hence, we must make an imaginative effort, especially when we cannot draw on previous comparable experiences.

Settings where LER is implemented are characterised by a high degree of uncertainty concerning the possible consequences and the stakeholders' reactions to specific actions taken. It is of paramount importance for LER managers to consider carefully the consequences of their decisions: certain actions may not, in fact, be conflict sensitive and may hamper the peace-building process. Such a shortcoming could precede a failure of LER.

That being said, in these Guidelines, the focus will be on [rational decision-making models](#) and [multi-criteria methods](#). As mentioned above, only two approaches will be overviewed, with no intention nor ambition to be exhaustive: the [quantitative](#) multi-criteria decision making and the [scenario planning](#). The interested reader can complement what lies herein with further research. The process of making decisions entails decisions itself - the first being one of which method to use - which further complicates the matter!

## *Overview of two methods: the quantitative and the scenario planning*

The definitions provided above suggests that making decisions will entail the following standard steps.

- STEP 1. [Set the scope](#) and the structure of the decision to be made, i.e. what, why, for what, what is the timeline to be considered, how to go about it (i.e. ; which decision making method to be used);
- STEP 2. [Decompose the matter into simpler elements](#) by establishing the critical factors that contribute to its definition;
- STEP 3. [Understand the correlations](#) among critical factors (e.g. causality, reactions, loops);
- STEP 4. [Produce relevant information](#) to qualify and/or measure the critical factors;
- STEP 5. [Analyse the findings and make the decision](#).

Based on this common ground, the quantitative method and the scenario building planning differ in a few aspects concerning the modus operandi and, most importantly, on the outcome. The type of decision to be made and the information available will dictate the choice of the method.

The two methods are not necessarily mutually exclusive and can be combined. More specifically, while scenario planning is used to identify options, quantitative methods can be applied to measure the consequences of scenarios for purposes of ranking them. Obviously, such an additional step to the simple scenario-planning is time consuming and would add a significant burden on decision makers; its relevance and feasibility must be established on a case-by-case basis.

Decision-making that incorporates [quantitative multi-criteria](#) produces a spectrum of alternative options that are ranked according to their final score. In turn, this final score is obtained by combining the individual scores of each criterion.

The advantage of quantitative scores is that they provide decision makers with a somehow objective reference to argue the final choice. However, subjective judgement is inescapable, including in quantitative methods; it intervenes, for instance, when assigning the relative weight of each criterion.

These methods are particularly suitable for well-defined decision-making problems, where uncertainty is low, alternative decisions are easily identifiable, and the critical factors are stable over time, well known and quantifiable. However, such conditions are quite rare when it comes to strategic decisions for LER as the possible applications of quantitative methods are rather restricted. An additional disadvantage to these methods is that the outcomes will depend on the spectrum of alternatives identified by decision makers, on the criteria chosen and on the relative weight assigned to each of them.

[Scenario planning](#) (or morphological analysis)<sup>35</sup> was first conceived for military analysis in the Fifties and was later used in the field of technological innovation. It is particularly appropriate when having to make decisions dependant on multiple variables, under ever-changing circumstances and having high degrees of uncertainty. Therefore, it must be used in perspective by looking at possible future environmental conditions, rather than in retrospective by looking at past experience (as would be appropriate is using quantitative methods).

The rationale behind scenario building is that, in uncertain environments, the spectrum of possible future scenarios builds on unexpected combinations of critical factors and changes continuously. Old scenarios disappear, and new scenarios emerge. Its main advantage is that, once the spectrum of scenarios has been situated, periodic reviews and adjustments can be easily undertaken focusing on possible changes in the critical factors. If a change has occurred, it will be easier to identify and switch to a more suitable strategy. Therefore, scenario planning helps decision makers to be flexible and pro-active, provided that they can depend on sound monitoring systems and are able to craft adaptable strategies.

Yet, the identification of a set of consistent and plausible scenarios does not mean a decision has been taken! The decision makers have to consider the scenarios and make a choice: going from scenarios to decisions is still an issue. That is where the quantitative methods can support the completion of the process. In spite of the weaknesses that this method may have, it seems quite appropriate to support LER decision making. Throughout LER, the applications of the scenario-planning method can be numerous:

- ⇒ To [model the current setting](#) based on critical factors and - accordingly – propose a set of LER features that best fit it (see Building and Choosing LER Scenarios, in Section 2.2.);
- ⇒ To [forecast possible future evolutions](#) of the current post-conflict setting where LER takes place;
- ⇒ To [craft a portfolio of strategies](#) and LER applications based on a limited number of future scenarios;
- ⇒ To [craft portfolios of projects](#) fitting within an LER strategy and to select among them.

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<sup>35</sup> Refer to Godet Michel (2000) and de Jouvenel Hugues (1993).

Table 29. Comparison between quantitative multi-criteria and scenario-building methods for decision making

Step	Quantitative multi-criteria method	Scenario building
<p><b>Step 1. Set the scope and the decision-making modality</b></p>	<p>Establish what is the decision to be made, why it is being taken, what is the final objective, and what is the timeline to be considered</p> <ul style="list-style-type: none"> <li>• Determine that the quantitative multi-criteria is the most appropriate method to take the decision (see above discussion of what kind of decisions are best taken with quantitative methods);</li> <li>• Identify viable alternative decisions</li> </ul>	<ul style="list-style-type: none"> <li>• Determine that the scenario-building is the most appropriate method to take the decision (see above discussion of what kind of decisions are best taken with scenario planning).</li> </ul>
<p><b>Step 2. Decompose the matter</b></p>	<ul style="list-style-type: none"> <li>• Identify the criteria to be used for evaluating the alternative decisions;</li> <li>• Assign the relative weight of each criterion.</li> </ul>	<ul style="list-style-type: none"> <li>• Identify the most relevant dimensions to be considered, i.e. the <b>important</b> driving forces that will influence the future but whose outcome is <b>uncertain</b>;</li> <li>• Identify the range of possible values (hypothesis) that each variable can assume.</li> </ul>
<p><b>Step 3. Understand the correlations</b></p>	<ul style="list-style-type: none"> <li>• Assess whether there are any linkages between criteria. Correlations can be of different types: causality, reaction, loops. They must be qualified and if possible quantified;</li> <li>• Generally a matrix can be used to analyse the linkage between variables.</li> </ul>	<ul style="list-style-type: none"> <li>• Assess whether there are any linkages between driving forces. Correlations can be of different types: causality, reaction, loops. They must be qualified and if possible quantified;</li> <li>• Eliminate any "impossible" scenarios combination of hypothesis, such as the disrespect of the ceasefire between two conflict parties and the successful settlement and signature of peace agreements between the two.</li> </ul>
<p><b>Step 4. Produce relevant information</b></p>	<ul style="list-style-type: none"> <li>• Calculate the scores of each criterion per each alternative;</li> <li>• Obtain the final score of each alternative by calculating the sum of weights of each score</li> </ul>	<ul style="list-style-type: none"> <li>• Map the basic trends in the considered variables which represent what we know from the past and a reference for the future;</li> <li>• Plot the possible configurations of the different hypotheses corresponding to each of the considered variables (see example in the "Zoom-in On the Practice").</li> </ul>
<p><b>Step 5. Analyse the findings and make the decision</b></p>	<ul style="list-style-type: none"> <li>• Based on the scores, rank the alternatives;</li> <li>• Chose the alternative that ranks the highest score.</li> </ul>	<ul style="list-style-type: none"> <li>• Filter the configurations to retain only those that are internally consistent, plausible, and relevant with respect to the ultimate goal of the decision;</li> <li>• Analyse the threats and the opportunities through the SWOT methodology, and if pertinent, analyse the competitive environment through the Porter analysis;</li> <li>• If possible and relevant, apply quantitative methods to score the selected scenarios;</li> <li>• Write a narrative description of each of them;</li> <li>• Consider which scenarios are the most appropriate to address LER challenges.</li> </ul>



## “Zoom-In On the Practice...” Quantitative Multi-criteria Decision Making to Prioritize Southern Sudan States Where to Conduct a Local Economic Profile

Note that this is not a case study as such, since it has not been applied in reality, and its purpose is merely didactic. In addition, weights and scores of each criterion are fictitious and may not represent actual facts (Source: Battistin, Boigne, Buchet, de Hemptinne 2010).

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The example below concerns a project intended to target the ten States of South Sudan and to be included within the framework of the national reintegration programme for ex-combatants. The project is aimed at generating reliable and up-to-date information that will assist in better identifying sustainable reintegration options according to the specificities of the local labour market and economic opportunities in each of the ten states. In addition, the information will be useful to design technical and material support for targeted demobilised combatants.

**The decision to be made involves the selection of three States where the assessment methodology will be applied before rolling it out in the remaining 7 States.**

The good performance of the project and the compliance with the established deadline and budget constraints will heavily depend on the environmental conditions that the assessment teams find on the ground (i.e. security and safety; weather conditions; mobility and access). The presence of experienced and knowledgeable organisations to be selected as Implementing Partners (IPs) will be an additional criterion for the State selection. Not all organisations have a state office or project activities in each State. Finally, the assessment should target areas where reintegration is most needed (i.e. where demobilised combatants are settled or intend to settle).

Concerning security and safety issues, it should be noted that the first multi-party elections in more than two decades are set for April 2010 and security alerts warn that the situation might sensibly deteriorate in the coming months. In 2009, 2,500 people were killed in Southern Sudan and 350,000 have been displaced due to renewed fighting.<sup>36</sup>

Regarding access to field locations, there is less than 50 km of tarmac roads in the entire region, concentrated in the

capital, Juba. During the long rainy seasons, many rural locations are unreachable by road or air for weeks at a time. The rising violence is further narrowing this limited access<sup>37</sup>, as is the presence of landmines.

The table on the right summarizes the critical factors that have been retained and measured to compose one only indicator per each criterion, ranging between 0 and 10 points. The preliminary score (last column of the following tables) is a simple arithmetic mean of the scores of the contributing factors. The final score for each State is the weighted mean of the preliminary scores.

Criteria	Factors and rationale	Scale
<b>Safety &amp; security</b>	<ul style="list-style-type: none"> <li>• Frequency of violence episodes registered by OCHA in 2009 (map above)</li> <li>• Estimated number of combatants (which increases insecurity)</li> <li>• Number of displaced persons in 2009 (which is a consequence of insecurity)</li> </ul>	0 = not safe 10 = safe
<b>Weather conditions &amp; access</b>	<ul style="list-style-type: none"> <li>• Percentage of roads that are practicable during the whole year (dry and rainy seasons)</li> <li>• Percentage of total area not affected by fresh water marshes</li> <li>• Number of airports</li> <li>• Number of suspected hazard areas due to the presence of landmines affecting the resident community (UNMAO, 2009)</li> </ul>	0 = not accessible 10 = accessible
<b>Demobilisation</b>	<ul style="list-style-type: none"> <li>• Estimated number of ex-combatants that have been demobilised in 2009</li> <li>• Presence of oil fields</li> </ul>	0 = no demobilisation 10 = demobilisation
<b>Presence of potential IPs</b>	<ul style="list-style-type: none"> <li>• Number of INGOs registered by OCHA</li> </ul>	0 = no NGOs 10 = many NGOs

<sup>36</sup> INGO Group, 2010. Rescuing the Peace in Southern Sudan. Joint NGO Briefing Paper, January 2010

<sup>37</sup> INGO Group, 2010. Rescuing the Peace in Southern Sudan. Joint NGO Briefing Paper, January 2010

In the absence of data concerning the distribution of combatants across the States and knowing that in all of Sudan there are roughly 180,000 combatants to be demobilised and reintegrated, a rough estimation was calculated, based on the total population in each State, assuming that the distribution is uniform.

Security	Total Population	No. of displaced people	No. Clashes	% clashes	Score clash	No. Estimated Combatants	Score comb	Indicator security
South Sudan	8270491	369048	41			120000		
Central Equatoria	1103593	27890	6	15%	5	17561	5	5
Eastern Equatoria	916126	13900	4	10%	3	11707	4	6
Jonglei	1358602	115284	12	29%	10	35122	10	0
Lakes	695730	42713	4	10%	3	11707	4	6
Northern Bahr el Ghazal	720898	0	0	0%	0	0	0	10
Unity	585801	2420	1	2%	1	2927	1	9
Upper Nile	964353	58367	2	5%	2	5854	2	8
Warrap	972928	30935	2	5%	2	5854	2	8
Western Bahr el Ghazal	333431	813	1	2%	1	2927	1	9
Western Bahr el Ghazal	619029	76726	9	22%	8	26341	8	2

The source of information on the risk of landmines is the report of the impact survey conducted by the United Nations Mine Action Office in April 2009.<sup>38</sup> The source of information on airstrips, marshes and seasonal accessibility of roads, is the *State-by-State Maps of Roads Practicability and Seasonal Conditions* published by the United Nations Joint Logistics Centre.<sup>39</sup>

Weather conditions and access	Risk Landmines	Score landmines	No. Airstrips	Score airstrips	Land without Marshes	Score marshes	Accessible Roads All season	Score roads	Indicator Access
Central Equatoria	H	1	3	1	100%	10	95%	10	6
Eastern Equatoria	H	1	10	5	80%	8	50%	5	5
Jonglei	L	3	22	10	80%	8	10%	1	6
Lakes	L	3	5	2	90%	9	50%	5	5
Northern Bahr el Ghazal	L	3	7	3	95%	10	25%	3	5
Unity	L	3	9	4	85%	9	33%	3	5
Upper Nile	L	3	16	7	70%	7	25%	3	5
Warrap	L	3	7	3	98%	10	9%	1	4
Western Bahr el Ghazal	L	3	2	1	98%	10	8%	1	4
Western Bahr el Ghazal	L	3	4	2	100%	10	37%	4	5

<sup>38</sup> UNMAO, 2009. *Landmine Impact Survey – Sudan, Upper Nile, December 2008-May 2009*. United Nations Mine Action Office: Khartoum, April 2009.

<sup>39</sup> Downloadable from the Logistics Cluster web page for Sudan <http://www.logcluster.org/ops/sudan/docs?theme=Roads%20Transport>



Demobilization	Estimated comb	Est. Ex-Comb.	Demob 2009	Score ex-c.	Presence Oil Fields	Score oil	Indicator Demob.
South Sudan	120000	34373	29%			1	
Central Equatoria	17561		105366	5		1	3
Eastern Equatoria	11707		70244	3		1	2
Jonglei	35122		210732	10	YES	10	10
Lakes	11707		70244	3		1	2
Northern Bahr el Ghazal	0		0	0		1	1
Unity	2927		17561	1	YES	10	6
Upper Nile	5854		35122	2	YES	10	6
Warrap	5854		35122	2		1	2
Western Bahr el Ghazal	2927		17561	1		1	1
Western Bahr el Ghazal	26341		158049	8		1	5

Presence of potential IPs	Number NGOs	Indicator IPs
Central Equatoria	79	10
Eastern Equatoria	7	1
Jonglei	9	2
Lakes	34	5
Northern Bahr el Ghazal	19	3
Unity	2	1
Upper Nile	17	3
Warrap	7	1
Western Bahr el Ghazal	17	3
Western Bahr el Ghazal	5	1

The source of information on the NGOs operating in each State is the Sudan Information Gateway. Ideally only NGOs classified within a relevant technical domain (e.g. livelihood/economic recovery) should be accounted for, being the ones with the necessary expertise to conduct a Local Economic Profile. However, such degree of detail is rarely available.

	Safety & security	Weather conditions and access	Demobilisation	Presence of potential IPs	TOTAL
Weight (low 1-5 high)	5	3	5	2	
Central Equatoria	5	6	3	10	19
Eastern Equatoria	6	5	2	1	14
Jonglei	0	6	10	2	18
Lakes	6	5	2	5	17
Northern Bahr el Ghazal	10	5	0.5	3	18
Unity	9	5	5.5	1	22
Upper Nile	8	5	6	3	23
Warrap	8	4	1.5	1	16
Western Bahr el Ghazal	9	4	1	3	17
Western Equatoria	2	5	4.5	1	13

According to this analysis, the three priority States that get the highest score and shall be selected for project implementation are: i) Upper Nile, ii) Unity iii) Central Equatoria. In the case of Upper Nile, project managers may avoid the Shiluk-dominated areas, which are the most risky of the State.



## “Zoom-In On the Practice...” Scenario Planning for an Innovative Housing Construction Project in the Gaza Strip

The project mentioned below is real but the scope of the analysis is merely didactic and has not been used in project management (Source: Battistin, Buchet, Mouvet, de Hemptinne, Monney 2010).

\*\*\*\*\*

This housing project in Gaza was launched by the ILO in 2009, following the destruction of thousands of houses caused by the Israeli military incursion between December 2008 and February 2009.

The blockade imposed by Israel since 2007 does not allow for the import or export of any goods in/from the Gaza strip, unless separately authorised. The blockade also concerns construction materials, such as concrete and steel. Small quantities of these are smuggled via the 1000 tunnels built along the 12 Km border between Gaza and Egypt. However, such small quantities are not enough to meet the massive reconstruction needs. As a result, physical reconstruction of houses, infrastructure, factories and other facilities has remained frozen during the months following the military incursion.

A solution with the following features was sought for: (i) Construction materials available locally; (ii) Low cost of materials and construction works; (iii) High performance of the structure; (iv) Pleasant appearance of the buildings; (v) Possibility to create jobs while constructing the houses; (vi) Environmental-friendly construction technology.

Following a careful evaluation of the conditions present in the area, the ILO architect proposed the substitution of concrete with earth-based construction materials. Two options were suggested: (1) adobe bricks which are made of sun-dried earth mix; and (2) compressed earth blocks (CEB), which are made of mix of sand and clay compressed by using a manual or hydraulic press. CEB are more performing than adobe bricks; they have a higher density and hence are more resistant and have a higher load-bearing capacity. Their format is more regular and, when they are laid down, the final result is a “finer” and more precise construction with a similar visual effect as concrete blocks. Therefore, the solution that was retained has was the CEB. The disadvantage of compressed earth blocks is that they can be used for the construction of one-storey houses only, as the structure would not bear a higher vertical load. This will imply an adaptation of the traditional family structure - which is of the “extended” type - and life style.

This project is not innovative *strictu sensu*, as the CEB construction technology is well known worldwide and easily accessible. Nevertheless, “Make Bricks Not War” displays the typical features of innovative projects, due to the introduction of earth construction in a context where it was dismissed several decades ago and where compressed bricks had never been used before. Although the proposed construction technique is not revolutionary, the final product, i.e. the CEB house, is certainly different from the one people are used to in Gaza.

The success of the project and the consequent penetration of the housing innovation in the Gaza market will depend on two factors: the acceptance of the proposed house typology and construction materials by the stakeholders, and the responsiveness capacity of project managers to the ever-changing threats and opportunities. In this specific case, the scenario planning can help managers making forecasts of the project performance according to a few critical factors, the issue being:

**“will this project continue if other construction materials become available locally?”.**

Hence, here the variables are those environmental factors that can affect the the access to construction materials (see table).

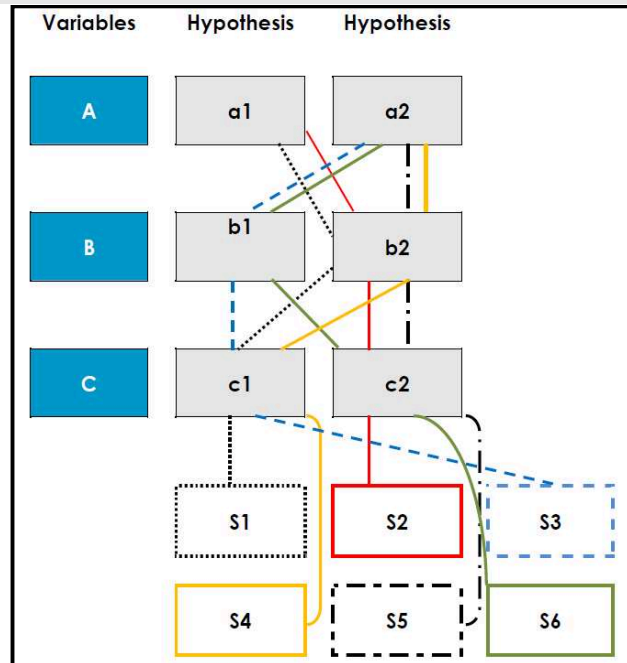
Variables	Hypothesis
(A) Respect of the ceasefire	(a1) The ceasefire is not respected
	(a2) the ceasefire is respected
(B) Ongoing negotiations of the Quartet	(b1) The Quartet succeeds in negotiating in favour of the entrance of construction materials (hypothesis verified only if the ceasefire is respected)
	(b2) the negotiations of the Quartet fail and no goods are allowed to enter Gaza
(C) appreciation by the people of Gaza of the CEB houses	(c1) Widespread acceptance (Gaza people appreciate the houses constructed with CEB and would choose them even if concrete was locally available
	(c2) Gaza people do not appreciate the houses and if they have the choice they would go back to concrete

**Combination of hypothesis and understanding of correlations.** Variable C is independent from A and B, while variable A produces causal effects on variable B, which is therefore analysed after A. We identified six different combinations, considering that the combination [a1; b1] is not realistic, since not respecting the ceasefire will invariably lead to a failure of the Quartet's<sup>40</sup> negotiations.

- $(a1)+(b2)+(c1)=S1$
- $(a1)+(b2)+(c2)=S2$
- $(a2)+(b1)+(c1)=S3$
- $(a2)+(b1)+(c2)=S6$
- $(a2)+(b2)+(c1)=S4$
- $(a2)+(b2)+(c2)=S5$

**Plotting of possible configurations**

- S1: the ceasefire is not respected and the Quartet's negotiations fail, hence the blockade is not lifted and no construction materials can enter. Being that the people of Gaza appreciated the new houses, the project can conclude successfully (600 houses) and an extension can even be envisaged for the construction of additional houses.
- S2: the ceasefire is not respected and the Quartet's negotiations fail; hence the blockade is not lifted and no construction materials can enter. The people of Gaza do not appreciate the new houses, and the project is interrupted before the construction of 600 houses and/or an extension is precluded.



- S3: the ceasefire is respected and negotiations of the Quartet succeed, which allows for the entrance of construction materials. However, the widespread appreciation of the houses generates a demand for CEB houses in the market and the CEB technology is retained in combination with metallic structures (→ the project is extended or absorbed by the private sector). Possible if earth is less expensive than concrete.
- S6: the ceasefire is respected and negotiations of the Quartet succeed, which allows for the entrance of construction materials. Since the people of Gaza do not like the houses, the CEB technology will be abandoned and they will go back to reinforced concrete. If the project is not yet concluded, it is likely that the ILO will not be able to reach the target of 600 houses.
- S4: the ceasefire is respected but negotiations of the Quartet fail and the blockade on construction materials is maintained. The appreciation of the project by the people of Gaza permits its continuation until its end (600 houses) and the CEB technology will be used further (extension of the project is envisaged for the construction of additional houses or the private sector will do it autonomously).
- S5: the ceasefire is respected but negotiations of the Quartet fail and the blockade on construction materials is maintained. Despite the lack of an alternative for the construction of houses, the population rejects the project (even asking for its interruption) and its extension.

**Filtering of scenarios**

As a last step, we filtered the scenarios by retaining only those scenarios that would allow for some kind of reaction by project managers. Only scenarios S1 (the current one) and S4 are retained, which are the ones characterised by the strongest capacity to react to environmental changes compared to the others. Scenario S3 has been also retained even though it envisages the interruption of the housing project and the launch of a new initiative; in fact, it can still build on CEB and the training efforts that have been made. S2, S5 and S6 have been eliminated because they envisage the project interruption before the completion of 600 houses.

<sup>40</sup> UN, United States, UE and Russia formed the Quartet in 2002 in response to the worsened crisis in the Middle East.

## 4.2. Is LER applicable? And How?

### *Applicability of the LER Approach*

Prior to getting started with LER, practitioners will have to verify the extent to which the following conditions are in place:



This section is linked to:

3.2. Generic Profiling of Post-Conflict Setting  
5.1. Advocating for LER at Different Levels

- Logistical access and security conditions for aid workers are perceived as acceptable;
- Peace talks are in their advanced stage and/or peace agreements have been signed; the process of national reconciliation has already started and there is clear political will to carry it on successfully;
- With respect to LER, there is a minimum of political buy-in and mutual agreement among national and international actors to apply this approach;
- The process of strengthening state authority has started and is producing its initial results, and governmental agencies have increased capacity and commitment to work in partnership with external agencies; in absence of capacities and commitment, LER will be externally driven;
- Humanitarian and development actors are – ideally - both present in the territory, and both communities are sensitive to recovery and transition issues;
- Donors are willing to support economic recovery programmes and appreciate the value of LER.

Due to the high challenges that its implementation would face, the LER approach should not be envisaged for territories where:

- ⇒ Due to security risk, access is very limited - including for NGOs - or is totally forbidden even with military escort;
- ⇒ Population security is at high risk, with frequent threats to life and property, including against businesses;
- ⇒ Logistical access is not possible via car;
- ⇒ Infrastructures have been largely or completely destroyed not allowing for any business activity;<sup>41</sup>
- ⇒ Presence of aid organisations is extremely limited or permanent offices are not in place;
- ⇒ Absence of development actors and exclusive focus on humanitarian, life-saving projects.

The decision concerning the applicability of LER will have to be taken in full consultation with central and local authorities, relevant humanitarian and development agencies and donors. Without a solid support from their side, LER activities cannot be launched and sustained. Once consensus is reached over the involvement in LER initiatives, the first step is to determine the core elements of the joint action.

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<sup>41</sup> In such a case, infrastructure programs should precede LER initiatives.

## Building and Choosing LER Scenarios

As highlighted in Part I, in the Overview of Conflict features, there can be different scenarios of LER applications according to two dimensions: (1) by whom and how the approach is initiated, coordinated, planned and implemented; and (2) what is going to be the scope and focus of LER initiatives, as well as their sequential processes.


Concerning the first dimension, i.e. "by whom and how", LER scenarios vary according to the degree of resilience of local public and private entities, and the extent to which they are capable of taking the responsibility for each of the three core LER functions: (1) initiation and coordination, which concerns the choice of partners and working modalities; (2) planning, which has the highest component of decision making; and (3) implementation, which depends on the operational and technical capacities of the involved agents. Hence, we will end up with scenarios ranging from a high degree of external "intrusion" and decision making, to a high degree of local ownership. Critical factors are:

1. The degree of **decentralisation**;
2. The strength of the **state structure** and functionality;
3. The **absorptive and delivery capacity** of the public and private sector;
4. The fractionalisation and **diffusion of power**.

Concerning the second dimension, i.e. the "what", LER scenarios vary according to the features of the post-conflict setting and the main economic characteristics of the targeted area. Critical factors are:

5. The **degree of post-conflict stability**;
6. The **typology of the area** (rural/urban);
7. The **economic integration** of targeted locations;
8. The **economic resilience** of the private sector.

Based on these eight critical variables, there are as many possible scenarios as there are combinations of alternative hypothesis. Some of them will be improbable and shall be discarded, while others will constitute a fairly good representation of reality. Table 30 below provides an overview of LER features according to each critical factor. On the left, the flow chart exemplifies the decision making process concerning the first four variables; decisions are sequential and the order is critical. A similar one can be designed for the other four critical factors.

 This is linked to:  
By Whom, How, and What: LER Scenarios, in 1.1.  
Overview of Conflict Features, in section 2.1.  
3.2. Generic Profiling of Post-Conflict Setting

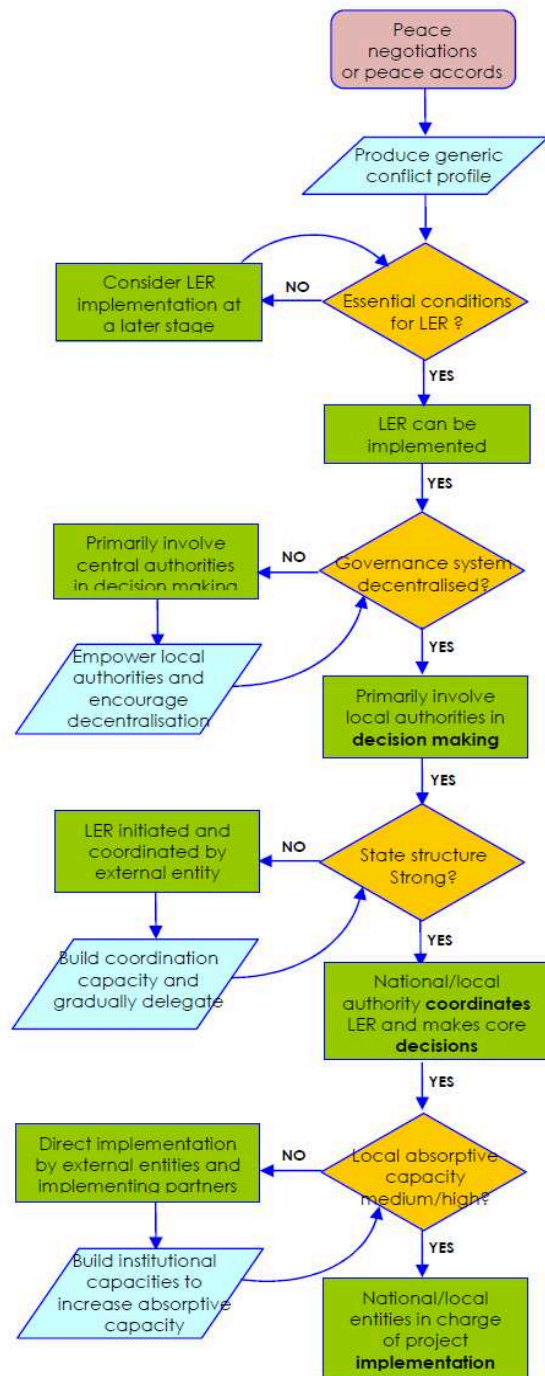


Table 30. Post-conflict scenarios and related applications of LER

Critical factor	Hypothesis	Features of LER scenario
<p>(1) Degree of devolution within the governance system: devolution of administrative and financial powers to sub-national governments and/or other decentralised entities. It is possible that, in a decentralised system, local structures do not have the necessary resources and capacities for implementation (i.e. weak structure).</p>	<p><b>Low</b></p> <ul style="list-style-type: none"> <li>• Governance system that is less conducive to LER;</li> <li>• Local authorities are not legitimized to take decisions, which are instead made centrally;</li> <li>• There is not a strong culture of participation.</li> </ul> <p><b>Medium/High</b></p> <ul style="list-style-type: none"> <li>• Ideal governance system for LER;</li> <li>• The authority of taking decisions on the allocation of resources, service delivery, development planning has been devolved to local structures.</li> </ul>	<ul style="list-style-type: none"> <li>• Include central authorities as member of the inter-agency team;</li> <li>• Primarily involve central authorities in decision making concerning LER;</li> <li>• Build trust and empower local authority;</li> <li>• Encourage decentralisation through consistent legal and policy reforms.</li> </ul>
<p>(2) State structure and functioning: leadership, technical capacities, policy making, transparency, resources.</p>	<p><b>Failed/Weak</b></p> <ul style="list-style-type: none"> <li>• Entire state apparatus eroded over years of conflict and/or not recognised. High turnover of representatives and ministries. Extreme situation: failed states;</li> <li>• Military interference in the rule of law;</li> <li>• Governmental authorities poorly equipped to lead and coordinate recovery without external support;</li> <li>• Constraints in formulating and enforcing legal reforms and policies;</li> <li>• Specific case: the previous government has been overthrown and an internationally recognized new government is being settled. This situation is typical after a protracted conflict including multiple parties and regional fragmentation. Example: Somalia until 2000.</li> </ul> <p><b>Medium/Strong</b></p> <ul style="list-style-type: none"> <li>• Governmental authorities strong enough to take the leadership/co-leadership of LER initiatives;</li> <li>• Very rare situation, especially if the conflict is protracted over years and has affected the whole country.</li> </ul>	<ul style="list-style-type: none"> <li>• Process initiated and coordinated by an external (international) entity;</li> <li>• Initially lower degree of local ownership and leadership;</li> <li>• The external entity (ies) decides who the partners are and what the working modalities will be;</li> <li>• External entities will have to provide impulse and substantive support in policy making and reforms;</li> <li>• Rely on other forms of authority that may exist;</li> <li>• Another risk is that, the forthcoming government may be strongly centralized, inhibiting processes of decentralization and an extended participation of local stakeholders.</li> </ul>
<p>(3) Absorptive and delivery capacity: refers to services, reconstruction and development plans; allocation</p>	<p><b>Poor/medium</b></p> <p>State entities and local financial and non-financial service providers would not be able to efficiently allocate and spend funds, reach beneficiaries and achieve the targeted objectives</p>	<ul style="list-style-type: none"> <li>• Process initiated and coordinated by a national/local entity;</li> <li>• External entities advocate for LER; provide advice and technical support on how to adopt the LER approach.</li> </ul> <p>Predominantly direct implementation by external entities (agencies, NGOs, donors).</p>

	<p><b>Medium/high</b></p> <p>There is evidence from previous collaborations that state entities and/or local financial and non-financial service providers have the necessary capacities</p>	<p>Implementation can be carried out by public entities and private service providers.</p>
<p><b>(4) Fractionalisation and diffusion of power</b> - factor contributing to overall weakness and mismanagement of public affairs</p>	<p><b>Low/medium</b></p> <ul style="list-style-type: none"> <li>The political scene is characterized by unity and uniformity;</li> <li>Power is particularly concentrated in one or few political parties.</li> </ul> <p><b>Medium/high</b></p> <ul style="list-style-type: none"> <li>Power is diffused among a significant number of factions, none of them being politically strong or very representative;</li> <li>In certain regions of the country, the power is in the hands of a political faction other than the one ruling the government.</li> </ul>	<p>The counterpart with whom to work and take decisions is clear.</p> <ul style="list-style-type: none"> <li>The main counterpart will be the legitimate authority holding power.</li> <li>However, being power diffused among different groups, it would be risky to completely exclude the others. Some forms of participation of other groups should be considered in order to avoid the fuelling of tensions.</li> </ul>
<p><b>(5) Degree of stability:</b> the duration and stage of the conflict cycle, the frequency and severity of violent episodes, the specific processes and phenomena occurring in the area (e.g. disarmament, demobilization, and reintegration of ex-combatants; return of IDPs and refugees)</p>	<p><b>Low</b></p> <ul style="list-style-type: none"> <li>Episodes of violence are frequent in most parts of the country.</li> <li>Displacement of people within or outside the country is an important phenomenon;</li> <li>Examples: Afghanistan 2003-2004, Iraq 2003-2005.</li> </ul> <p><b>Medium</b></p> <ul style="list-style-type: none"> <li>Peace is not yet fully consolidated and there is potential for destabilization. Possible reason: the root causes of the conflict persist, the economy is still weak and the unemployment rate is high; Example: Northern Uganda 2007-2009.</li> <li>Episodes of violence and fighting are sporadic and localized with humanitarian consequences.</li> <li>Voluntary return of refugees and IDPs starts and, in some cases, represents an important phenomenon.</li> <li>In the affected areas, a feeling of insecurity and instability is perceived, as the transition and the peace process are extremely troubled.</li> <li>The DDR process is protracted.</li> <li>Examples: Angola 1995-1997, Eastern provinces of the Democratic Republic of Congo 1996-1997 and 1998-1999.</li> </ul>	<ul style="list-style-type: none"> <li>LER applied only in those areas where security conditions allow for a minimum level of movements of goods and people and for the participation of stakeholder to the planning process;</li> <li>The real issue that might impede the introduction of the LER approach could be the lack of security;</li> <li>Feasibility of a limited set of activities: focus on income stabilization, rehabilitation/construction of economic infrastructures, conditions for private sector recovery, stabilizing livelihoods and incomes.</li> <li>Attention to be paid to conflict dynamics. Several scenarios should be foreseen and responses calculated and developed in order to quickly adapt to changes.</li> <li>Where DDR programmes are ongoing: LER strategies to include modalities and specific measures for ex-combatants reintegration.</li> <li>Address economic issues emerging due to the return/resettlement of IDPs and refugees.</li> <li>Since the root causes of the concluded conflict have not yet been eradicated, attention must be paid to avoiding the generation of tensions around sensitive issues and to creating incentives for antagonist groups to collaborate</li> </ul>

	<p><b>High</b></p> <ul style="list-style-type: none"> <li>• Conflict is over and peace agreements have been signed, or peace negotiations are underway, and the conflict parties are committed to the maintenance of stability. Example: Mozambique 1992-1994.</li> <li>• Higher stability of the context and more secure environment → plans can go beyond the short term.</li> <li>• Increased confidence and investment propensity of the public and private sector feels more confident.</li> <li>• Donors more inclined to devote funds to long-term reconstruction.</li> </ul>	<ul style="list-style-type: none"> <li>• Focus of LER on rebuilding the business community, its assets and networks.</li> <li>• The central Government can start engaging in policy reforms and revisions of the regulatory framework governing the private sector.</li> <li>• The return/resettlement of IDPs and refugees may be important in numerical terms, in which case it would produce an increased pressure on local services and the labour market which LER strategies must consider.</li> <li>• LER can and should be applied since the conditions are favourable.</li> <li>• The planning process would explicitly aim at devising measures to consolidate the peace process and prevent fallbacks.</li> </ul>
<p><b>(6) Typology of the area</b></p>	<p><b>Rural</b></p> <ul style="list-style-type: none"> <li>• Local economy based on farming activities and non-farming businesses in related value chains;</li> <li>• Lower educational and literacy attainments than in urban areas;</li> <li>• Possible scarcity of services, including those for enterprises;</li> <li>• Lower purchasing power of households.</li> </ul> <p><b>Urban/peri-urban</b></p> <ul style="list-style-type: none"> <li>• Significant unemployment, especially among youth;</li> <li>• Higher educational levels than rural areas;</li> <li>• Availability and proximity of services (quality of delivery is another issue. See absorptive capacity) and markets.</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on farm and non farm-activities, and better synergies among them;</li> <li>• Targeted skill training to increase professionalism in farm &amp; non-farm activities;</li> <li>• Interventions to improve the access to financial and non-financial services for enterprises;</li> <li>• Construction/ rehabilitation of infrastructures.</li> </ul>
<p><b>(7) Degree of economic resilience:</b> capacity of an economy to recover/adjust from adverse shocks, coping strategies, economic activities, income stability and purchasing power, (un)employment, market distortions.</p>	<p><b>Very weak economy and poor resilience</b></p> <ul style="list-style-type: none"> <li>• Underdeveloped coping strategies and economic activities;</li> <li>• Poor income stability and vulnerability to external shocks;</li> <li>• High unemployment and inflation;</li> <li>• Low social cohesion.</li> </ul> <p><b>Evidence of economic vitality</b></p> <ul style="list-style-type: none"> <li>• Production and trade in spite of external shocks;</li> <li>• Presence of skilled economic agents; higher professionalism;</li> <li>• Developed social and economic networks; stronger cohesion.</li> </ul>	<ul style="list-style-type: none"> <li>• Diversification of employment opportunities and skills in less vulnerable sectors;</li> <li>• Specialised services and training to instill a money saving culture;</li> <li>• Micro-insurance schemes and other types of financial instruments.</li> </ul>
		<ul style="list-style-type: none"> <li>• Focus on the development of services and commerce</li> </ul>
		<ul style="list-style-type: none"> <li>• Leverage on professionalism, skills, education and BDS to prompt innovation; business incubators;</li> </ul>



(8) Degree of economic integration, in terms of networks, the presence /absence of which can define a locality as isolated or well integrated

<p><b>Isolated</b></p> <ul style="list-style-type: none"> <li>• Geographic and physical barriers (rivers, mountains, lakes, etc.)</li> <li>• Sporadic economic interactions and weak economic networks;</li> <li>• Poor transport and communication infrastructure;</li> <li>• Poor access to/availability of transport means and services.</li> </ul>	<p><b>Integrated</b></p> <ul style="list-style-type: none"> <li>• Regular/intense economic interactions and developed networks;</li> </ul>
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<ul style="list-style-type: none"> <li>• Focus on improving economic interactions with other markets to reduce isolation, including with urban areas (e.g. mobility and communications);</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasize trade opportunities;</li> <li>• Focus on adding value to products and services.</li> </ul>
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## 4.3. Whom to Work With and How to Coordinate?

### The Choice of Partners

To make LER successful, it is important to create a strong coalition (i.e. the inter-agency team) that shares a homogenous idea concerning LER and its expected outcome. This strong coalition will be the core group of institutions initiating LER and selecting the other institutional partners to be brought in.



This section is linked to:

3.3. Initial Rapid Assessment (IRA)

5.4. Implementing Small-scale Livelihood Activities

In addition, this strong coalition will be in charge of facilitating and encouraging the transformation of the local economy towards greater resilience and stability. That is why, a core task of the inter-agency team will be the one of sensitizing and mobilising stakeholders around the idea of LER.

The capacity of national and local institution to make effective use of the external assistance (i.e. absorption capacity) and the level of stability in the country will carry implications for the planning and implementation responsibilities within the LER process, as well as on the strategic focus.



#### CONTROL QUESTIONS ON CONFLICT SENSITIVITY

- Have the "connectors" and "dividers" been analyzed and considered in the selection of partners for LER?
- Are there conflicting interests and perspectives within the group of potential partners and with other key stakeholders? Could these be detrimental to the performance of LER and in which way? Could these be sources of tensions and how?
- Can the exclusion of any interested institution become source of tensions?
- How reputable is each of the organizations interested in joining as LER partners? Are they perceived as corrupted/biased/involved in the war/etc.? Which types of internal control/auditing system do they have?
- Does the concerned organization have incompatible approaches with respect to LER? Are the potential partners aligned with the proposed LER principles (overarching and fundamentals)? How does the concerned organization apply the "do-no-harm" principle?
- What are the views of each of the potential partners regarding multi-stakeholder participation in decision making?
- Is there any potential spoiler of LER among the possible partners? Is the risk quantifiable? Is it avoidable/reducible?
- Is there any institution that can be looked at as a neutral actor and that could eventually settle possible disagreements within and outside the LER group of partners?

Table 31. National implementation capacities and LER scenarios

	Weak absorption capacity and instability	Higher absorption capacity and stability
Description of context	The authority is very weak, especially at the local level and conflict is still taking place. The absorption capacity of national and local institutions is low, and economic growth is slow. These features are observable in the aftermath of protracted conflicts, where the transition to peace is very troubled (see Table 30).	The Central and Local Governments are well established, and peace is a commitment among the parties. Absorption capacity is generally increasing, thanks to the growing stability and security, but endogenous economic growth is still slow and/or its outcomes are not locally distributed. (see Table 30).

<b>Planning and implementation responsibilities</b>	National and decentralized authorities lack the capacities to take ownership, lead the LER decision making and mid-term planning, and make substantive contributions. They will participate under the leadership of external agencies, who – in most of the cases - will also be the initiators. The implementation of economic recovery interventions will be coordinated by the external agencies. Stakeholders' participation will be most likely constrained by the low security levels.	National and decentralized authorities have the capacities to play a more prominent role across the LER decision-making and planning process. In certain cases, they can even be the initiators of LER and (co-)lead the efforts. External agencies will provide technical support. Security on the ground will allow for a high degree of participation by local stakeholders.
<b>Scope and focus of interventions</b>	Given the high degree of instability, action plans will have shorter timelines, in order to be more flexible and adaptable to a changing situation. The focus will be on stabilizing livelihoods, restoring essential infrastructure and services, injecting cash into the economy, and gradually building institutions and mutual trust. Conditions are gradually re-established for markets to start functioning again.	Thanks to the higher stability of the context and the more secure environment, plans can go beyond the short term. The public and private sector feel more confident and willing to invest. Donors are more inclined to devote funds to long-term reconstruction. The focus of LER is therefore on rebuilding the business community, its assets and networks. The central Government can also start engaging in policy reforms and revisions of the regulatory framework governing the private sector.

### *Coordination within an LER Inter-agency Team*

Without commitment from key institutional stakeholders, coordination among participating institutions, and an organized and respected leadership structure, the process of planning for LER can often stall before it starts. Therefore it is crucial for the Organization(s) that is/are promoting LER to get together as partners and form an inter-agency team in charge of spearheading LER implementation.

This team will not only facilitate decision-making for LER and steer the mid-term planning but will also be responsible for: (i) assessing partners' capacity gaps and addressing them through targeted training; (ii) mobilizing and (iii) coordinating resources, activities, and other stakeholders in the process.

Having a strong and committed inter-agency team in place as early as possible will set the process on a positive path and will also help to ensure commitments of funding, human resources, and program support as the process unfolds. The team remains in action throughout the LER process and is the basis for institutionalizing the LER approach in the longer-term.

The inter-agency team should be established before the actual decision-making work begins, by the Organization that has taken the initiative of promoting LER. The promoting Organization (LER champion) will lead the process. Its deliverables in the short run include:

- ⇒ Initial rapid assessment;
- ⇒ Selection of the geographic area(s) to be targeted;
- ⇒ Selection of the strategic economic sector(s);
- ⇒ Initial project document or concept note critical to fundraising;
- ⇒ Immediate small-scale livelihood activities.

## Composition of the Inter-agency Team

It is important that the team be composed of the most relevant organizations, yet not every crisis context has the same institutions operating in it. Therefore, the lead organization (or facilitator) should set up the team on the basis of a quick assessment of relevant stakeholder institutions.



### GENDER-SENSITIVE TEAM COMPOSITION

When selecting institutional partners and forming the inter-agency team, one of the most important criteria is that the representatives delegated by each of the partner institutions are gender sensitive and that the team composition is gender balanced.

The inter-agency team should comprise 5-9 representatives, chosen from among institutional stakeholders with different geographic and administrative levels of influence: aid/development Organizations, high-level national decision makers, and mid-level decision makers. Table 32 below summarizes the roles that could be played throughout LER implementation by each category of stakeholders; they are merely informative and will depend on the levels of operational capacities of national stakeholders. It should also be noted that mid-level decision makers will join the team at a later stage, when the targeted geographic area has been selected.

When the LER process is started locally without central intervention, low-level decision makers can and should also be included in the team from the start. In this case, high-level decision makers are only marginally involved.

When forming the team and considering the inclusion of specific stakeholder institutions, the following criteria shall be taken in consideration:

⇒ Access to the area to be recovered, operational capacity on the ground (or can deploy it) and knowledge of the context and its economy;



⇒ Expertise concerning livelihood and economic recovery in post-crisis contexts;

⇒ **Gender sensitiveness** of the team members and **gender-balanced** composition;

⇒ Responsibilities and authority in relation to economic recovery or related issues (e.g. reintegration of refugees, returnees, IDPs, ex-combatants, disaster risk reduction, recovery and reconstruction planning);

⇒ Entitlement to influence decision-making regarding livelihood and economic recovery;

⇒ Occupancy of a prominent position within inter-agency planning and funding mechanisms dealing with livelihood and economic recovery;

⇒ Widely trusted and credible, including in the conflict-affected areas.

In certain post-conflict contexts, the identification of the national counterpart might not be straightforward. The lack of influence in areas enjoying strong opposition support has heavy consequences for the effectiveness, timeliness and impact of the interventions under Local Government coordination. In some other cases, tensions and contested governance may lead to restrictions as to which authorities to work with (e.g. in Northern Uganda, in the Gaza Strip, and in Lebanon). Such limitations might be politically necessary but might also exclude institutions with strong decision-making power from processes requiring broad-based support. LER practitioners should take that into consideration and deal with the consequences on an ad hoc basis.

Table 32. Stakeholder category and role in the LER implementation

Stakeholder category	Range	Role
<b>Aid/Development Organizations:</b> UN agencies, IFIs, (I)NGOs, CBOs and Donors	2-3	Initiate and facilitate the LER planning process, mobilize resources, conduct assessment, provide technical assistance and capacity building
<b>High-level national decision makers:</b> Central government, Ministries, government agencies, reconstruction commissions and programmes, and other centers of power tasked with coordinating the international response * Macro	1	In addition to the above: indicate and authorize intervention in specific geographical areas; identify and establish partnerships within decentralized institutions; set up communication infrastructure; provide knowledge of the crisis and the local area's economic context and key institutional stakeholders; consider and revise government policies and regulatory frameworks; allocate resources.
<b>Mid-level decision makers:</b> Governors, provincial councils, decentralized commissions and platforms, and other decision-making and power centres * Meso	1-2	The role is similar to those of national-level decision makers. In addition, they endorse LER strategies/projects and oversee its implementation. They also advocate for local concerns and resource allocation with the central authorities.
<b>Low-level decision makers:</b> Village/community councils/authorities and leaders (including traditional and religious)/civil society * Micro	1-2	The role in the LER process would include: co-facilitation of stakeholders groups, implementation of the LER strategy in the field, participation in project selection and bidding processes.

## Coordination within Established Frameworks

Complex endeavours, such as creating employment, reintegrating conflict-affected groups and helping an economy to recover, cannot be successful unless undertaken in coordination with other institutional entities.

Working with others permits an institution to focus on technical issues for which it holds the necessary expertise and, hence, to perform better in terms of effectiveness and efficiency. Complementarities of expertise and operational capacity can be found and should be capitalised on. Working in coordination with others is also advantageous because it allows for the creation of a critical mass by joining forces and resources, as well as for the sharing of services and information. In principle, such an approach reduces complexity and increases the chances that local priorities will be aligned with broader national economic recovery strategies and programmes.

Inter-agency coordination frameworks are necessary to prevent isolated action, duplication of efforts and gaps. They are also useful to help determine and apply common approaches and standards, and establish common priorities, thus avoiding mutual harm to respective interventions.

The principle to be followed in the case of LER is to avoid creating new platforms and mechanisms but rather to integrate interventions within existing coordination mechanisms and inter-agency programmes, in accordance with their coverage of LER issues. The LER team could act as a sub-group or technical working group of the concerned platform and would operate according to its rules and procedures.

The LER approach is applied within the framework of the UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration. Hence, an ad hoc coordination mechanism might be already in place. In such a

scenario, the operating procedures for LER will be decided by the partners engaged in the roll-out of the policy. This will have implications also with respect to the advocacy strategy and the formation of the LER inter-agency Team.<sup>42</sup>

To the greatest extent possible, recovery and reconstruction operations should be owned and managed by national actors. When a national commission for reconstruction (or a reconstruction programme) has been set in place, the LER inter-agency team connect with it. The first tasks would consist of sensitizing the commission and mainstreaming LER within national reconstruction/transition strategies and plans. One of the expected outcomes, beyond a more effective coordination, is an easier access to funding for the development and implementation of LER initiatives, both in the short and in the medium term.

Moreover, when an early recovery cluster and/or a network are in place, it is an occasion for LER to start early, in parallel with humanitarian operations. One of the advantages within early recovery clusters is that their composition is very rich and includes both humanitarian and development actors, within and without the UN system. In the first place, it is necessary that the Early Recovery Strategic Framework include livelihood issues. This can be achieved by including LER-specific assessments (i.e. the IRA) within inter-agency early recovery assessments, which are generally performed immediately after the Cluster is established following the HC/RC request.

In the event that no early recovery cluster has been established, early recovery issues should be mainstreamed under the responsibility of the other Inter-Agency Standing Committee (IASC) Clusters. In such settings, LER can start under the responsibility of the HC/RC and the UN Country Team (UNCT), by making sure that issues such as local procurement and LER interventions are duly taken into consideration, including by IASC Clusters, to the greatest extent possible.

In settings without an Early Recovery Cluster/Network, coordination amongst UN agencies for employment and reintegration will also need to take place under the HC/RC and the UN Country Team. This coordination can be structured in different forms, depending on the country setting, and the capacity of the UN system on the ground. Consistent with the description above, it can be, for example, a working group or a task force that supports a government-led process.

Given the proliferation of mechanisms, the first issue to be addressed is the choice of the most suitable one. Preparing for coordination deals with exploring what coordination mechanisms are in place and detecting the one(s) that is more adapt to cover LER issues better than the others.

- ⇒ [Map the coordination mechanisms](#) in place along with their mandates;
- ⇒ [Identify which of them](#) cover LER-relevant issues and how;
- ⇒ [Identify the composition](#) of each of the mechanisms and their leadership;
- ⇒ [Assess the decision-making](#) and planning procedures;
- ⇒ [Assess fundraising](#) modalities and timing;
- ⇒ [Consult with decision-makers](#) within the selected mechanism and verify possibilities for integrating LER within its work.



### “Zoom-In On the Practice...” Examples of National Recovery Platforms and Programmes

**Lebanon** – Council for Development and Reconstruction (CDR). The CDR is a public authority established in early 1977, at the end of the two years of conflict. It partially replaced the

<sup>42</sup> Concerning coordination matters, refer to the Operational Guidance Note of the UN-wide Policy on Post-Conflict Employment Creation, Income Generation and Reintegration.

Ministry of Planning and was mandated to coordinate reconstruction and development operations on behalf of the Government. The main tasks of the CDR include: (i) development of national plans and investment programmes for reconstruction and development; (ii) mobilisation of external financing for the implementation of plans and programmes and negotiation of agreements; (iii) implementation of projects and strengthening of public administration and infrastructures. Following the conflict in 2006, the CDR has modified some of its programs established before the crisis to fulfil the urgent needs.

**Eritrea** – Eritrean Relief and Refugee Commission (ERREC). The ERREC was established in 1996 following the merging of two pre-existing agencies. It acts as the Government's arm in matters related to the coordination of both national and international assistance. Sectoral coordination and programme implementation through inter-agency working groups is under the responsibility of the relevant line ministries. At the local level, the regional and sub-regional administrations cooperate with ERREC in assisting the IDPs and Rural Deportees. International actors cooperate with ERREC and the designated line ministries within the framework of humanitarian plans of action. In addition to meetings in the capital, inter-agency co-ordination meetings are held at the zonal level.

**Democratic Republic of Congo** – Programme de Stabilisation et de Reconstruction des Zones sortant des conflits armés (STAREC/ZSCA). STAREC is a multi-agency programme which has been established in 2009 under the aegis of the Prime Minister Office. A Steering Committee chaired by the latter is composed by several lines (Defence, Justice, Finance, International and Regional Cooperation) and by the Programme Coordinator. The programme is aimed at stabilising the Eastern territories of the country by improving security and re-establishing state authority in areas previously controlled by armed groups. The return and reintegration of displaced peoples and refugees will be facilitated, including through fostering economic recovery. STAREC includes three components: (1) security; (2) humanitarian and social services; (3) economic recovery. The UN Mission DR Congo (MONUC) and the UN agencies will support the Government and its decentralised entities, counting in the participation of NGOs and the private sector.

## Getting Together With Partners

The first task towards forming a team of partners consists of **seeking commitment** from agencies, governments (national and local) as well as donors and other aid organizations that may be interested in joining the team. Time-related and resource commitments (e.g. financial, in-kind, staff time) should be discussed and stated upfront. The team should consider that the planning process, especially in its earliest stages, requires a certain amount of financial resources in addition to staff time and other factors. The task of seeking commitment should be undertaken in the location where critical decisions regarding allocations of aid and resources are taken.

The second task concerns **knowledge sharing**, especially regarding mandates, current and past experiences and lessons learned from previous works. This will help to identify strengths and weaknesses of team member institutions.

Finally, the team members will **agree on operational modalities**, including with respect to the elaboration of an LER umbrella project. The latter will allow for mobilizing resources for the overall process of strategy development and for implementing immediate economic recovery activities. At this stage, collaboration among agencies on LER initiatives does not need to be formalised through institutional agreements. However, some form of accord and division of responsibilities should be considered to avoid problems and pitfalls. Team members may wish to outline expectations, time and resource commitments, protocols, and guidelines. A Memorandum of Understanding (or other form of agreement, such as Letter of Intent or Exchange of Letters) can eventually be elaborated and signed if the team members decide to launch a project on immediate small-scale livelihood activities. Otherwise, LER activities can be integrated into existing programmes and plans of actions for which inter-agency agreements have already been established.

## Determining if Outside Help is Needed

The process of taking decisions, planning and delivering LER interventions requires both agreement and cooperation among a wide range of stakeholders. Due to capacity and/or time constraints, or to simply provide a neutral and experienced facilitator, the LER inter-agency team may consider hiring someone with expertise to guide the LER process and work with the institutions responsible for its concretization into action. Ideally, the “facilitator” should be an LER and programme management expert with substantive experience in multi-stakeholder facilitation and planning, and post-crisis employment and livelihoods recovery etc.



### A GENDER-SENSITIVE LER FACILITATOR

It is important that the facilitator be gender aware and competent in mainstreaming gender throughout data collection and analysis, project design, budgeting, monitoring and execution. In addition s/he should be sensitive to the country-specific cultural and social factors impacting on the gender-based division of productive and reproductive roles. Recruitment should explicitly aim at selecting a professional with such qualifications and attitudes. Hence the job description should clearly state such competence requirements and highlight specific tasks linked to gender mainstreaming, e.g. training and mentoring project staff, including in gender-related matters; participating in the selection and training of implementing partners with an eye on their gender sensitiveness; encouraging an equal participation of both women and men in the LER process and particularly in decision making.

By bringing on an external LER facilitator, the team can help to create an environment of constructive and cooperative interaction among stakeholders and to maximize the productivity of group work and participation. He/she should be qualified enough to handle powerful or outspoken individuals, encourage marginalized groups to actively participate in the process, and be positioned to interpret a wide range views and opinions expressed by participants.

The LER team can agree on a job description for distribution through various agencies. A sample of Terms of Reference is proposed in Tool 2-A. The LER expert/facilitator performs seven main functions across LER:

- ⇒ Provide team leadership;
- ⇒ Assist the LER team in establishing rules and procedures for the process;
- ⇒ Assist the team members in undertaking their tasks and fulfilling their responsibilities;
- ⇒ Ensure that communication between team, stakeholders, and other relevant institutions is effective and fair;
- ⇒ Maintain progress towards the LER objectives;
- ⇒ Manage the resources that have been allocated for the execution of the LER initiatives;
- ⇒ Ensure that **gender** is successfully mainstreamed across assessment, project design and execution.



Within the team, issues might arise regarding “where-the-LER-expert-should-be-sitting”, that is: with which of the participating organizations should s/he be affiliated. A trouble-shooter to such an issue could be hiring her/him through an external organization/office, not directly involved in the team.



### Tool 2-A. Sample: Job Description for an LER Expert/Facilitator



## 4.4. Where to Implement LER?

### What is A Strategic Territory?

Local Economic Recovery is defined as an area-based approach, requiring a well-defined strategic territory.

There is no clear way to define a strategic territory, as it varies from place to place. A strategic territory is often a political or administrative boundary, determined by the coordinating arm of the host country's government (e.g. a province, a regional district, a municipality or a rural area). However, when this is not the case, it is the role of the team to ensure that the strategic territory defined is large enough to carry a resource base that allows for meaningful economic and social activities, yet small enough that people can identify with its boundaries (cultural, economic and/or administrative).

The strategic territory, in general, should be defined by its commonalities and account for "economic space". In practical terms, the key to defining the territory is to recognize the inter-relationships between the human, natural, social, and economic capital of an area. This can be accomplished by considering a combination of factors including:

- ⇒ pre-conflict economic dynamics: production patterns, supply chains, business services
- ⇒ markets: market areas, commercial linkages, urban-rural links
- ⇒ political boundaries: voting, administrative jurisdictions, service areas
- ⇒ the physical environment: communication networks, building patterns, transportation networks
- ⇒ socio-cultural values: faiths and belief systems, stakeholder relationships
- ⇒ bio-geographic zones: topography, watersheds, environmentally impacted areas



This section is linked to:

- 1.1. The LER Approach in Post-conflict,
- 1.2. The Economic Space: Territorial Capital and Economic Flows
- 3.3. Initial Rapid Assessment (IRA)
- 5.4. Implementing Small-scale Livelihood Activities

### LER: Where to Start From?

At this stage of the process, it is assumed that the team has already verified the existence of the minimum requirements and has "shortlisted" the geographic areas where it has been decided to cooperate. From this list, the team will define the administrative/geographic scale of the territory and will select one or more specific locations of where LER can be implemented.

LER initiatives can be conceived and implemented at different geographic scales, such as: an urban settlement, a municipality, a rural area, a province or a region<sup>43</sup>.



#### ECONOMIC SPACE

The economic space consists of all the economic activities and relationships that are located in the economic territory of an area. This includes:

- **Income-generating activities**, such as formal employment, informal sector entrepreneurship, barter and trade, etc.
- **Household economy**, which includes household activities such as the preparation of meals, child-care, the production of clothing and furnishings, home repairs, informal education, etc.
- **Community services**, such as care of the sick/elderly/people with disabilities, shared resource extraction, village beautification, communal food preparation, etc.
- **Economic relationships**, between the home and workplace, between the able and the people with disabilities, across sectors, within supply chains, etc.

<sup>43</sup> It is to be noted that the terminology applied to the administrative boundaries differs in each country.

Choosing at what geographic scale on which to operate and selecting the specific area(s) to target are both crucial tasks to be accomplished at the outset of the process and in consultation with key authorities at different levels.

In the post-war context however, it is not always necessary (or possible) to define the territory. In practice, national governments often indicate priority areas or areas of high concern. Also, the mandates of humanitarian and development organizations and the criteria of the donor community may determine the target areas or target groups. Therefore, a general territory may be easily defined prior to initiating LER small-scale activities; this is usually the geographic area hardest hit by the crisis and where most relief efforts are actively taking place.

Unfortunately, it is not uncommon for a project to be launched without a clear understanding of specifically where it is to take place and who the recipients of its programming will be. Therefore, the team should take the time to collectively determine the scope of the LER project as early in the process as possible.

## Choosing the Geographic Scale

A core criterion for the definition of the geographic scale of the LER strategy is that the territory should constitute a critical mass of human, natural, social and economic capital. In other words, the territory should be big enough to offer an amount of resources that

allows for meaningful economic and social activities and small enough so that people can identify with its (cultural, economic and/or administrative) borders.

Only the presence of a critical mass of resources allows for a holistic approach that can effectively tackle the various dimensions of employment in recovery efforts. For instance, a community-based approach cannot address planning and investment issues that go beyond the community level (e.g. secondary infrastructure). For such decisions, one needs to take into account the broader socio-economic context, such as urban-rural linkages, the existence of investment projects in neighbouring communities, etc. Hence, the territorial approach involves both vertical linkages (i.e. between national policies and local priorities) and horizontal connections between communities (or between districts, etc.).

Table 33 proposes a series of criteria that can guide the choice of the suitable geographic scale (or size) to be targeted, which can be small (e.g. a municipality), intermediate (e.g. a district), or big (e.g. a governorate). Each criterion is verified at different degrees (+, +/-, -) depending on the existence of a set of favourable conditions. Typically, such conditions vary with the size of the territory. For instance, "coordination" is higher when the population size is small; there are few activities to coordinate and there is geographic proximity among actors. This criterion is therefore inversely proportional to the size of the territory: the bigger the geographic scale, the more difficult it will be to coordinate. In general, small territories perform better than bigger ones with respect to all criteria.

However, the team may agree on prioritizing certain criteria at the expenses of others, therefore opting for a medium or big territory.

CONTROL QUESTIONS ON CONFLICT SENSITIVITY	
<input type="checkbox"/>	Is the selection process sufficiently clear, transparent and inclusive of the viewpoints of key stakeholders (including possible spoilers)?
<input type="checkbox"/>	Are selection criteria compatible with conflict prevention and peace building?
<input type="checkbox"/>	Could the selection of any specific territory be a source of tension and disagreement among certain stakeholders and groups?
<input type="checkbox"/>	Is there good understanding of the conflict dynamics, connectors and dividers in the selected geographic area?

Table 33. Criteria and corresponding favourable conditions according to size of territory<sup>44</sup>

Criteria	Favourable conditions	Territory		
		Small	Med.	Big
<b>Impact</b>	Possibility to direct the intervention towards a well defined group of beneficiaries.	+	+/-	-
<b>Knowledge</b>	⇒ Closeness and shared cultural values; ⇒ Continuous interaction between local actors.	+	+/-	-
<b>Coordination</b>	⇒ Small population; ⇒ Small number of local actors; ⇒ Few activities to coordinate; ⇒ Reduced distances between actors (time-related measure); ⇒ Acceptable security conditions and low movement restriction	+	+/-	-
<b>Governance</b>	⇒ Capacity of the institutions to effectively respond to the needs of the population and the various enterprises; ⇒ Possibility of participating in and influencing the decisions and verifying the effects of the implementation of the policies (transparency); ⇒ Financial and decisional autonomy of the local administrative body.	+/-	+	-
<b>Economy of scope</b>	⇒ Possibility of offering a set of goods and services which are complementary; ⇒ Possibility of creating and sustaining territorial nets; ⇒ Possibility of creating and developing cooperatives and business associations.	+/-	+	+/-
<b>Local "voice" at the national level</b>	⇒ Economic and/or political weight of the territory at the national and international level; ⇒ Financial resources available in local institutions; ⇒ Capacity of influencing political and socioeconomic decisions at the national level.	+	+/-	+
<b>Economy of scale</b>	Several enterprises that specialize on the same sector or in similar sectors to offer the same or similar goods and services.	+	+/-	+

+ Feasible

+/- Not very feasible

- Not feasible at all

### Selecting the Specific Territory

When the LER team is tasked with selecting the strategic territory for the small-scale LER activities, it is critical that criteria be agreed upon prior to the selection process. Especially in a post-conflict context, this can be a sensitive exercise. If not carried out in a transparent way, it may even risk exacerbating existing tensions surrounding the distribution of (scarce) resources.

<sup>44</sup> Gasser M., Coto Moya L.G., Piñeiro J. y Lisa M. (2004).

It is important to keep in mind that a strategic territory is rarely a homogenous collection of people and communities. Therefore, the LER team should work with key informants to identify potential target communities. This can be accomplished through desktop research, interviews, and surveys of key stakeholders identified earlier in the process.

Once information has been collected, the following list of criteria to make a ranking of territories, as proposed in Table 34; scoring each criterion will ease the task (e.g. +, +/-, or -). When selecting a territory for an LER project, there are numerous tasks that can aid in the selection process. Tool 2-B provides an overview of a sample selection process. Once a list of potential strategic territories has been identified, the team should plan field visits in order to gather information about assets and needs, and to ensure that the territories (through their authorities and leaders) are willing to participate in the LER project.

Table 34. Criteria to rank territories

Criteria	+	+/-	-
Political buy-in and support among decision-makers on initiating LER in the concerned territory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Magnitude of the conflict impact within the concerned territory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Degree of vulnerability of the local population	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Progress status of the DDR process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Level of population return and reintegration (refugees and IDPs)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Concentration of relief activities and resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Presence of military forces in the territory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Administrative boundaries and catchment area can be easily determined	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functioning government bureaucracies and local institutional counterparts are in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Operational capacity in place on the ground and permanent presence of humanitarian and development actors interested in LER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Absence or moderate level of security risk, with low-moderate restriction of movements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## Tool 2-B. Guidelines: Territory Selection

## 4.5. Which Beneficiaries?

Identifying the beneficiaries of LER programmes is closely linked to defining its strategic territory, as the residents of the territory are generally the target recipients of the LER interventions. However, since a programme cannot realistically reach the entire population of a territory, it is important that the team clarifies the scope of the project's reach early in the process, by making a preliminary estimation of the number and type of people who have been affected and to what degree.



This section is linked to:

Who is LER For?, in 2.1

2.3. LER and People with Specific Needs

As explained in chapter 1, the primary target of LER interventions are not the so-called vulnerable, as in the case of typical recovery programmes and, generally, within the Sustainable Livelihood Approach. Instead, the primary beneficiaries of LER are economic agents, both **women and men**, that operate in local markets and that have the potential to contribute to their revitalisation and performance. They belong to the low/middle class with entrepreneurial skills and attitudes and have a minimum purchasing and saving power.

Within the above-mentioned group, LER would prioritize those whose livelihoods, enterprises and productive assets were lost or affected due to the conflict. The aim would be to help them restore their activities, activate the local economy and generate income for those individuals and linked businesses.



Finally, there are the so-called "specific need people", which are defined according to their age, **sex**, diversity, and socio-economic status. Among these groups are female-headed households; IDPs, returning and resettling refugees; ex-combatants; and unemployed youth, a group which, in general, represents a destabilisation factor. It is important to note that women are both beneficiaries and actors within LER processes.



### CONTROL QUESTIONS ON CONFLICT SENSITIVITY

- Is there any evidence that one or more groups perceive lack of transparency and fairness in the distribution of aid (for any reason)?
- Is the selection of beneficiaries carried out by LER partners in a transparent way, and according to well known and accepted criteria?
- Do the selected groups participate or not in the conflict? Can they influence it somehow? Or are they influenced and how?
- Who gains and who loses (or does not win) from the programme/project?
- Are these groups among those that can be defined as "divided" or antagonist?
- What is the degree of motivation of the beneficiaries in participating in the proposed initiatives?

*Adapted from SDC 2006, and International Alert 2004*

In some cases, local political dynamics and power relationships will create pressure to focus on specific beneficiary groups that may not include some important recipients of the LER interventions. In such circumstances, it is the role of the team to ensure that key groups that are often underrepresented (e.g. women, youth, people with disabilities, the informal sector, specific ethnic groups, etc) are accounted for in project planning. Providing some insight into the roles these groups play in the economic recovery process will help to ensure that the process remains inclusive and focuses equally on the area's more vulnerable populations.

Groups and categories of affected people have to be identified to the greatest extent possible. Examples of target beneficiary social groupings include:

- ⇒ **Economic sectors**, such as agriculture; fisheries; construction; entrepreneurship; informal sector, etc.
- ⇒ **Spatial groups**, such as village clusters, municipalities, islands, districts, etc, (taking into account its economic relationships and linkages with other areas.

- ⇒ **Groupings based on** age, sex or other factors of diversity, (e.g. youth, elderly, people with disabilities, ethnic groups, etc.), including those not directly engaged in income generating activities.
- ⇒ **Common losses/resources**, including the homeless/landless, under or unemployed, displaced, coastal/riparian, highland, etc.

The conditions and overall livelihoods of affected groups should be noted, as well as what they have lost and what resources they have. This information is vital as a basis for determining their relative needs and will facilitate the development of a more accurate and coordinated LER projects.

#### Questions for group profiling

- ⇒ What is the estimated number of people affected?
- ⇒ Who are the affected people, in terms of geographical or historical origins, ethnicity and/or identity groups?
- ⇒ Profile each of the affected groups.<sup>45</sup>
- ⇒ What losses have they sustained?<sup>46</sup>
- ⇒ Is the population likely to sustain more losses?
- ⇒ What resources have they retained?<sup>47</sup>
- ⇒ What are the mortality and morbidity rates, malnutrition rates, and types of injuries and illnesses?
- ⇒ Have people been internally displaced?
- ⇒ What are their locations and numbers?
- ⇒ Have people become refugees?
- ⇒ If so, what are their locations and numbers?
- ⇒ How long have they been staying there?
- ⇒ What are their current activities?<sup>48</sup>
- ⇒ Have people moved from urban to rural areas or vice versa?
- ⇒ What are the numbers of these migrants?
- ⇒ Is the displacement likely to be temporary or longer term?
- ⇒ Are more people likely to move?
- ⇒ Is there a shift from formal to informal sector and/or urban to rural areas already in economic crises?
- ⇒ Are the affected people worse off than the general population?

<sup>45</sup> Gender profiles, ages, family sizes and statuses, languages, customary practices, general distribution of socio-economic statuses, education levels, skill profiles and pre-crisis occupations.

<sup>46</sup> Physical assets such as food and shelter, trade and employment opportunities, heads of households, social and community support systems, etc.

<sup>47</sup> Such as household and food supplies, assistance from extended family members, skills, community support systems, coping mechanisms, etc.

<sup>48</sup> Examples: inactive and aid dependent, sports, school, vocational training, receiving trauma counselling, unemployed, temporary employment.

## 4.6. Which Strategic Economic Sectors?



This section is linked to:  
3.6. Local Economic Profile  
5.7. Examples of Mid-term Interventions

### What to Consider

The key economic sectors and branches for economies emerging from an armed conflict are generally those that, among others, have a higher score with respect to the criteria proposed on Table 36. These sectors include: agriculture (including fishing, farming and forestry), food manufacturing, local trade, construction, transport, and services for the relief and recovery community (e.g. hotels and restaurants, personal and household services). An overview is provided in the next section and an extensive analysis can be found in the UN Policy for Post-conflict Employment Creation, Income Generation and Reintegration. Table 35 outlines the major divisions of economic activities, according to the International Standard Industrial Classification (ISIC).



### CONTROL QUESTIONS ON CONFLICT SENSITIVITY

- Could the selection of any specific economic sector fuel tensions? Of which type and for which reasons?
- Is the proposed sector a sensitive one in terms of vested interests and linkages to the conflict and its roots?
- Are prices and wages going to change within the selected sector? How these changes will be monitored?
- Are there issues related to resource distribution/control?
- Who are the main stakeholders of the proposed sector(s)? Are there dividers and connectors to be considered?
- What are the viewpoints of the sector-specific stakeholders regarding LER?

Table 35. Classification of major ISIC divisions<sup>49</sup>

- (1) **Agriculture:** (1a) culture, (1b) fishery and fish farming, (1c) livestock, (1d) forestry and hunting
- (2) **Mining and quarrying**
- (3) **Manufacturing**<sup>50</sup>
- (4) **Electricity, gas and water**
- (5) **Construction**
- (6) **Wholesale and retail trade and restaurants and hotels**
- (7) **Transport, storage and communication**
- (8) **Financing, insurance, real estate and business services**
- (9) **Community, social and personal services**

Table 36. Criteria for ranking strategic sectors

Criteria	+	+/-	-
1. Growing or unmet demand for the related goods/services in the market	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Locally available or accessible markets for the concerned product/service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Allows for the employment of low-skilled labour force <sup>51</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Required competencies are abundantly available locally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Density of micro and small firms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>49</sup> Source: ISIC, Rev. 2, 1968.

<sup>50</sup> Food, beverages and tobacco; textile, weather apparel and leather industries; wood and wood products including furniture; paper and paper products including publishing and printing; chemicals and chemical, petroleum, coal, rubber and plastic products; non-metallic mineral products, except products of petroleum and coal; basic metal industries; fabricated metal products, machinery and equipment.

<sup>51</sup> This criterion refers particularly to the small infrastructure rehabilitation and small-scale livelihood activities that should be implemented in the initial stage.

6. Related to the basic needs of affected populations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Essential to post-conflict recovery and reconstruction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Allows for the quick resumption of other economic activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Generates multiplier effects for the larger economy, for sectors related to the production line <i>a priori</i> and <i>a posteriori</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Likely to attract donors and governmental funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Intensive in both male and female labour	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Overview of Strategic Economic Sectors

Economic sectors with growth potential after a conflict are those linked to the production of goods and services for which there is an unmet or a growing demand in accessible markets (Criteria 1).

When purchasing power is low, households' consumption and purchases prioritize food, healthcare, and education. Therefore, it would be strategic to invest on economic branches linked to local consumption. Aid workers, on their hand, are major "consumers", also thanks to the higher purchasing power. However, when the alternative is available, expatriates prefer purchasing imported goods over the locally produced ones.

Humanitarian and aid organisations control the greatest part of post-conflict reconstruction and development funds. For the sake of their operations, they procure a wide array of goods and services (see 5.2. Increasing Local Procurement). These branches represent important economic opportunities for local business creation and development.

The construction sector will comprise a large part of the post-conflict economy. Rebuilding of both public (i.e. roads, utilities) and private (i.e. homes, commercial real estate) will generate immediate employment and income for the local economy. The general LER initiative strongly recommends that local resources (i.e. local contractors, local labour) be utilized to stimulate and encourage cash flow in the local economy. To bolster the construction sector, constraints that restrict good quality raw materials in a timely and regular manner, qualified labour, and other building blocks must be addressed. The LER approach should identify key inputs and ensure that artificial bottlenecks (i.e. exorbitant rents from monopolies) or other constraints (i.e. lack of transportation infrastructure) are resolved.

In its turn, the reconstruction and rebuilding process of the region's physical infrastructure will require the transportation of building material to the site. Drivers, vehicles, maintenance facilities, secure and passable roads, and accompanying supporting elements will be needed in order to facilitate the transportation of construction material, food and other imported items. UNJLC and WFP, who operate humanitarian land transport and air services, are key partners in assisting the revival of private sector transportation sector.

In rural areas, the predominant form of livelihood is in the agriculture sector. After demining, if required, individuals - especially women who are traditionally present in this sector - will need the seeds and tools necessary to plant the first year's crops. Employment intensive infrastructure may be used in these areas to improve access to regional trading centres and as a means to augment livelihood prior to the first harvest. For pastoralist sectors, the restocking of herds, animal husbandry workshops, and other services will be required.

The tourism sector is no doubt an engine of growth for a local economy and has a powerful multiplier effect, as it stimulates several interlinked activities (transportation, tour guides, restaurants, hotels, etc.). However, such a sector is rarely appropriate and strategic, especially if the following features are observed in the concerned geographic area: if the security situation in the area is volatile and not appropriate for movements of non-local people; if there are not the good infrastructures in place; and if corruption and harassment represent a serious issue. The tourism sector will require more time to recover, because it relies on a network of services.





## Tool 2-C. Guidelines: Strategic Sector(s) Selection



### “Zoom-In On the Practice...” Strategic Sector Selection in South Kivu (DRC)

In 2008, ILO and FAO co-led an inter-agency assessment and programming initiative in the DRC Eastern Province of South Kivu. The assessment informed the formulation of an economic recovery strategy consistent with the LER approach. The choice of the strategic sector was made considering – among others - the low purchasing power of households and their purchase structure, which is limited to essential goods and food. This feature is particularly evident in rural villages. By applying the criteria of Table 36, the inter-agency team in South Kivu selected the food-processing sector which has been severely affected by the conflict. The food-processing sector helps to stimulate and to enhance agricultural production in rural areas (including crops, fisheries and livestock). Furthermore, it generates jobs (again for women) in suburban and urban environments where raw materials provided by farmers are processed.

## 4.7. What Economic Recovery Issues to Be Tackled?

### The Groundwork

As there are different levels and scopes of issues and related objectives - ranging from general (e.g. the major issues affecting the local economy as a whole) to more specific (e.g. the problems affecting business creation and development in the food-processing industry), the identification exercise can vary in its levels of generality and specificity.

For instance, initially it might be useful to have a broad picture of the local economic recovery issues, which would enrich the Local Economic Profile, or even be based on its findings. At a later stage, practitioners may be interested in analysing priority problems with an increased focus.

Hence, the first task prior to the identification of issues is the definition of the subject to be analysed, possibly with a small group of well-selected key stakeholders who have a broad view of the situation. The latter will advise as to the specific stakeholders that should be involved in the analysis.



This section is linked to:

3.6. Local Economic Profile

5.7. Examples of Mid-term Interventions



### CONTROL QUESTIONS ON CONFLICT SENSITIVITY

- Have the voices of the most vulnerable groups been heard?
- Is the process transparent, inclusive and based on clear criteria and procedures?
- Are the selected mid-term objectives compatible with conflict prevention?
- Are any of the proposed objectives likely to generate tensions and disagreements?
- What in the territory might be adversely impacted by LER interventions?

Table 37. Example of issues, the type of territorial capital concerned and main domains of LER action

Issue	Type of territorial capital <sup>52</sup>	Domain of LER action <sup>53</sup>
Loss of agricultural land	Natural capital	Public management & participation
Discriminatory property and land tenure system	Natural capital	Public management & participation
Non-transparent and unequal management and distribution of natural resources and their revenues	Natural capital	Public management & participation
Poor transportation infrastructure and market links	Physical capital	Support infrastructure
Trade of local goods is geographically and quantitatively restricted	Economic capital	Access to business development services
Insecurity inhibits entrepreneurship	Social capital	Business environment
Entrepreneurs do not trust each other and are reluctant to collaborate	Social capital	Business environment
Loss of product/raw material stocks and other productive assets	Economic capital	Access to financial resources
Workplaces and marketplaces are destroyed or severely damaged	Physical and economic capital	Support infrastructure; Access to business services
Irregular and/or insufficient supply of electric energy	Physical capital	Support infrastructure
Markets and networks are disrupted, and business suffer important losses	Economic and physical capital	Access to business development services, Support infrastructure
Local purchasing power is low	Economic capital	Access to financial resources
Financial resources are not (easily) accessible to entrepreneurs or potential entrepreneurs	Economic capital	Access to financial resources
Loss of savings / loss of remittances	Economic capital	Access to financial resources
Brain drain and other forms of human capital loss	Human capital	Employability
Poor vocational skills and low productivity	Human capital	Employability
Few income opportunities for women	Social capital	Employability
Gender-biased access to certain occupations or labour opportunities	Social capital	Employability; business development services
Job supply and demand rarely match in a timely and effective manner	Human capital	Employability
The local administration does not provide quality services	Institutional capital	Public management & participation
Poor local-level planning skills for economic recovery and development	Institutional and human capital	Public management & participation
Poor participation in local decision making	Institutional capital	Public management & participation

<sup>52</sup> For a description of territorial capital types refer to: 1.2. *The Economic Space: Territorial Capital and Economic Flows*.

<sup>53</sup> Refer to *What is LER For?* at the section 1.1. *The LER Approach in Post-conflict*.

## How to Identify the Issues?

Issues are essentially the problems that a territory is facing. They are the backbone of objectives, which in turn are the building blocks of strategic decision-making. This section and the following will focus on mid-term horizons in the *post-peace accords timeline*.

Although, on occasion, issues can be positive, they generally reflect the weaknesses or constraints of the territory. They can be forged on the basis of a SWOT analysis and/or other participative methodologies, such as a dedicated workshop (see Tool 2-D<sup>54</sup>). Other non-participative methods (e.g. expert studies, interviews) can contribute to the problem analysis by adding complementary inputs, additional perspectives, and/ or by refining it. It is important, however, that stakeholders approve the final result.

It is understood that participative approaches are used for making decisions on mid-term interventions, and not for immediate small-scale LER activities.

When identifying issues, it is important to let stakeholders and/or decision-makers "unload" their thoughts and concerns about the territory's recovery needs in order to get everything out on the table. Ideally, this process is a participatory one, as it is a valuable opportunity to get a sense of the stakeholders' interests. In cases where participation is limited due to security, time, resources, capacity, etc, issue identification may not be a stakeholder-driven process. In such cases, issues identified during the participatory rapid appraisal activities of the economic profile can be incorporated into the strategizing process.

The final result of the exercise will be an organised list of problems that, overall, should help respond to the following questions:

- ⇒ What problems do we face in the recovery of our territory?
- ⇒ What weaknesses need to be overcome?
- ⇒ What are the threats to our territory's recovery?
- ⇒ What are the contributing factors to the lack of economic activity in the territory?

Table 38. Do's and don'ts when identifying issues<sup>55</sup>

DON'TS	DO'S
<ul style="list-style-type: none"> <li>▪ State broad and vague problems, which most likely are obvious to all but are not within range of LER interventions. <i>Example: Poverty.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Formulate well-focused and precise problems, to the possible extent. <i>Example: Industrial plants have been destroyed.</i></li> </ul>
<ul style="list-style-type: none"> <li>▪ Confound problems with "absent solutions" which would lock down the range of possible alternatives. <i>Examples: Lack of training.</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Look for the real problem, which could be tackled through a wide range of solutions. <i>Example: the workforce is not productive and does not perform.</i></li> </ul>
<ul style="list-style-type: none"> <li>▪ Confound facts with values and personal interpretations. <i>Example: the government is impartial</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Register factual problems. <i>Example: some groups did not receive post-crisis support and assistance</i></li> </ul>

<sup>54</sup> Tool 3-D provides the guidance for conducting a two-day workshop to identify and organise issues within a specific economic sector or other aspect of the local economy, transform them into objectives and propose project ideas accordingly.

<sup>55</sup> Based on Problem Tree Analysis by MDF training and Consultancy.

## How to Organize the Issues?

A mere, jumbled list of problems would not be useful in the formulation and prioritization of objectives. The challenge will be to make sense of the 'issue chaos', by organising them according to **two alternative modalities**:

- ⇒ by **thematic groups** according to the domain of LER action (e.g. business environment, infrastructures) and/or the concerned territorial capital (e.g. natural capital, physical capital). See Table 37; or
- ⇒ on the basis of a **cause-effect** relationship.

In the first case, groups of issues are formed without paying attention to any possible causal linkages among them. This simplifies the task, does not require specific facilitation skills and still provides good results. Tool 2-D applies this approach and Table 37 offers a few examples.

The second approach results in the so-called 'problem tree,' which is a graphical arrangement of issues, organised according to a hierarchy of root causes (lower level) and their ramifications (upper level). As an approach, it is more challenging than the first one; it is more time-consuming and must be conducted by an experienced facilitator. However, if well done, it provides decision makers with an in-depth insight of the problems, highlighting complex relationships and circular linkages among them. It also helps the consideration of the potential impacts of directing an intervention toward a specific issue. When the root causes are addressed, there is a greater chance that the related issues will also be tackled. When undertaking a problem tree, it should be kept in mind that there is never only one core problem, but several root causes that have other negative effects.



*Tool 2-D. Guidelines: Sector-focused Workshop*

## 4.8. What Objectives to be pursued in the Mid-term?

### How to Identify Mid-term Objectives?

Objectives are the basis for generating, designing and evaluating alternative strategies, and ultimately form the decisional framework that will guide the design of mid-term LER interventions, plans and strategies. They provide a basis for making tradeoffs and building real consensus - the core of decision-making. Well-constructed objectives will provide direction for decision-making and a framework for monitoring and evaluating their achievement.



**This section is linked to:**  
3.6. Local Economic Profile  
5.7. Examples of Mid-term Interventions

Essentially, objectives are the reverse image of the previously identified issues, and represent the positive outcome that we are seeking. With respect to each issue, one objective can be formulated by envisioning a future situation where the problem is eradicated (or at least partially solved). In practical terms, this is done by converting issues into succinct statements. Such statements will then be reformulated using action verbs that describe a direction of preference

(more or less) and a noun that describes the object of importance (e.g. enhance business management skills of micro and small entrepreneurs).

The facilitator plays a critical role in such an exercise, especially in guiding participants to state objectives clearly and unambiguously, to avoid repetitions and overlaps, to ensure that objectives are SMART (see box above) and to clearly differentiate them from actions. Actions are chunks of work aimed at delivering the outputs; they are characterized by a beginning and an end, specific human and financial resources requirements, and a related cost.

i SMART OBJECTIVES

Well-crafted objectives are SMART:

- Specific:** They are not general and state exactly what is to be achieved
- Measurable:** They can be evaluated easily
- Attainable:** They are achievable, given the opportunities and constraints of the territory
- Realistic:** They take current technical and operational capacity into account
- Time-bounded:** They are set within a clear timeframe

Setting objectives in a participatory manner may take longer than expected, but it is important to take the time necessary to ensure that objectives are complete, concise, and controllable. After all, interventions are chosen to achieve objectives, so it is wise to be clear about what LER objectives are.

### How to Organise and Prioritise the Objectives?

Once a list of objectives has been identified, the next task is to organize them according to themes and/or means-end interrelations. Just as with the problem organisation, this helps to ensure that the stakeholders do not end up with a long and chaotic wish list and, ultimately, facilitates analysis.

The facilitator will make sure that participants establish linkages in a way that is logical and reasonable, and that the overall structure is clear and as simple as possible. The outcome of this exercise has a similar structure as that resulting from the organisation of issues, described in a previous session. If practitioners use a methodology based on thematic grouping for organizing the issues, then the organisation of objectives will respond to similar logic and will be structured into analogue common themes. On the other hand, if practitioners use a problem tree methodology, then objectives will also be visualised through similar diagrams, with end objectives at the bottom (roots/development) and means objectives on the top.

In both cases, objectives are eventually clustered into different levels determining their hierarchy, which ranges from means to end objectives, corresponding respectively to a narrower and a broader scope. Examples of such levels are *Development* objectives, *Immediate* objectives, and *Outputs* (or results).<sup>56</sup>

The **development objective** of the project, relates to the project impact. It describes the higher (and wider) level objective to which the project aims to contribute. It should capture two concepts: (1) the impact on beneficiaries (direct and indirect) as a result of changes in the way direct recipients operate; (2) the contribution to the context as a whole. Such an environment is influenced by policies at the national or regional level, and by the strategies and goals of the implementing and funding agencies.<sup>57</sup>

The **immediate objective** is the specific change that the project is expected to bring about by its end, because of the delivery of the expected outputs (e.g. quality and quantity of the services

<sup>56</sup> Nomenclature will depend on the terminology used in each organisation. Here we refer to the ILO Technical Cooperation Manual, 2008.

<sup>57</sup> In the ILO, these policies are articulated in Decent Work Country Programmes (DWCPs). The development objective is anchored in the ILO's DWCP and Programme and Budget (P&B) operational outcomes and in national development strategies, such as PRSs and the MDGs and in international assistance frameworks, such as the CCA/UNDAF.

provided, and/or the way in which they are delivered to the direct recipients). It should be described as a target to be achieved (results) rather than as actions to be taken.<sup>58</sup>

**Outputs** (or results) are the tangible deliverables produced throughout the project, according to a set of quality specifications and an established deadline. Once development and immediate objectives have been organized, it is recommended that the results be documented in a visual manner. A simple objectives matrix will allow the team and facilitators to present the results of the activity in a way that allows for a streamlined process. These matrices will help to clarify the relationships between different levels of objectives. In a stakeholder-driven participatory process, the matrices will also provide participants with a means of later identifying performance measures for each objective as well as potential data gaps that could impact future planning and monitoring.

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<sup>58</sup> Source: ILO Technical Cooperation Manual, 2008.

Table 39. Examples of issues and related mid-term objectives

Issue	Domain of LER action <sup>59</sup>	Objective
Loss of agricultural land	Public management and participation	Ensure that there are effective mechanisms in place for the restitution of or compensation for lost property.
Discriminatory property and land tenure system	Public management and participation	Revise/support the revision of property and land tenure system to eliminate discriminatory provisions.
Non-transparent and unequal management and distribution of natural resources and their revenues	Public management and participation	Support/build the capacities of national authorities in managing the extraction process and revenues in such a way that they do not increase the risk of relapsing into the conflict.
Poor transportation infrastructure and markets links	Support infrastructure	Enhance and fill the gaps of transportation infrastructure in order to reduce the isolation of remote locations.
Trade of local goods geographically and quantitatively restricted	Access to business development services, Support infrastructure	Expand markets by helping entrepreneurs to develop/restore their business networks and by providing the necessary infrastructure.
Insecurity inhibits entrepreneurship	Business environment	Introduce measures to reduce the perception of insecurity by entrepreneurs and to concretely secure their businesses from evident risks.
Entrepreneurs do not trust each other and are reluctant in collaborating	Business environment	Set in place incentives for increased collaboration among businesses and support the development of healthy business relationships among entrepreneurs.
Loss of product/raw material stocks, and other productive assets	Access to financial resources	Support entrepreneurs with financial and non financial resources/assistance to restore their productive assets
Workplaces and marketplaces are destroyed or severely damaged	Access to financial resources	Ensure the rapid reconstruction/rehabilitation of safer and more functional workplaces and marketplaces
Irregular and/or insufficient supply of electric energy	Support infrastructure	Stabilise and make more accessible the supply of electric energy to businesses that require it to operate

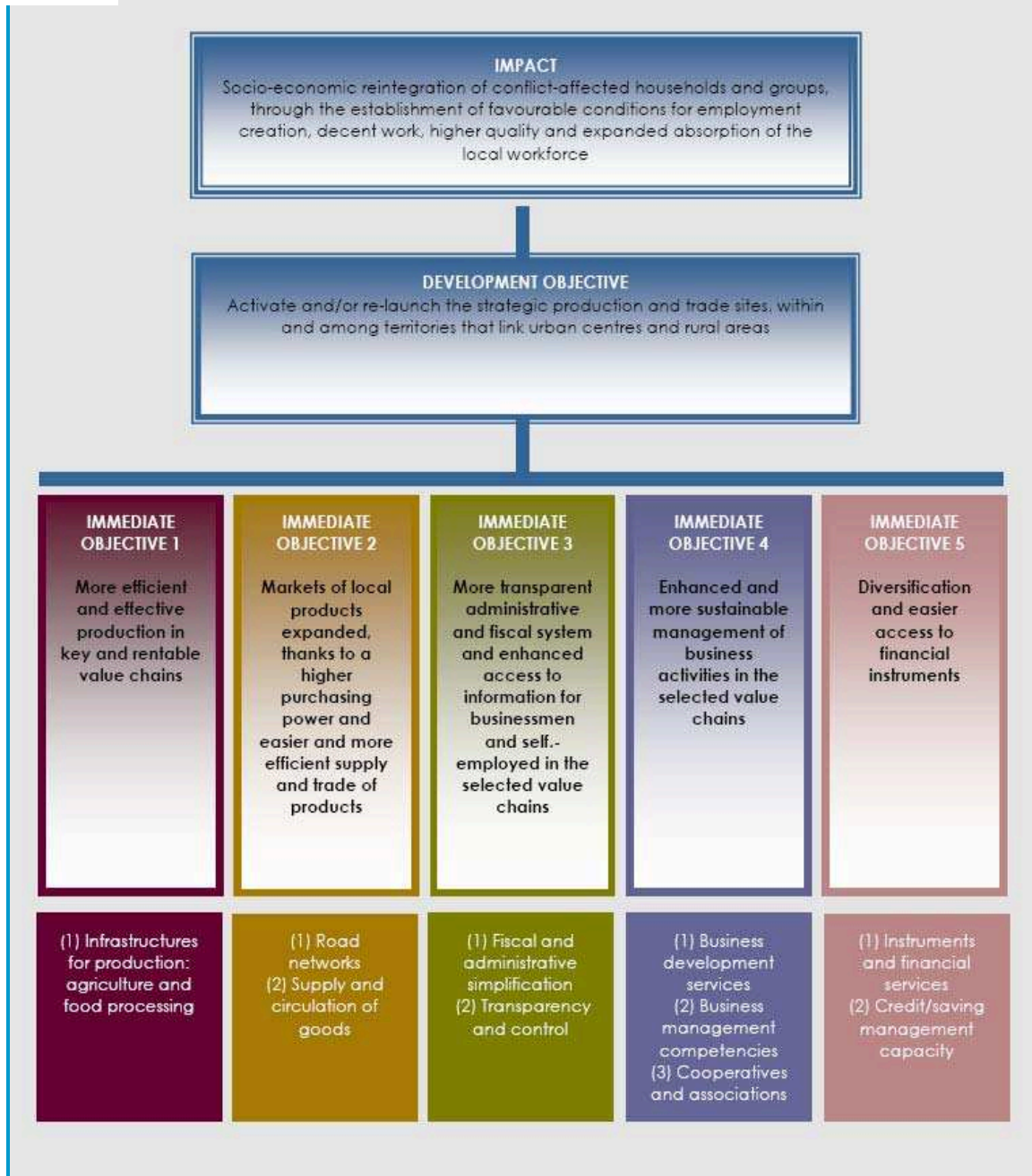
<sup>59</sup> Refer to What is LER For? at the section 1.1. The LER Approach in Post-conflict.

Markets and networks are disrupted, and businesses suffer important losses	Support infrastructure; Access to business services	Expand markets by helping entrepreneurs to develop/restore their business networks and by providing the necessary infrastructure.
Local purchasing power is low	Access to financial resources	Inject cash in the economy (for example, by investing in public construction works and creating jobs).
Financial resources are not (easily) accessible to entrepreneurs or potential entrepreneurs	Access to financial resources	Address the issues that hinder the access to financial resources, e.g. lack of guarantees, unaffordable repayment scheme.
Loss of savings / loss of remittances	Access to financial resources	Restore remittance networks and offer incentives for savings and remittances.
Brain drain and other forms of human capital loss	Employability	Offer incentives for experienced and knowledgeable professionals/workers to stay/return to their home country and support reconstruction efforts.
Poor vocational skills and low productivity	Employability	Offer training courses in priority employment domains.
 Few income opportunities for women	Employability	Increase women's employability through targeted training and employment programmes.
 Gender-biased access to certain occupations or labour opportunities	Employability; business development services	Sensitize and facilitate a change of attitude, with increased gender sensitivity, among employers.
Job supply and demand rarely match in a timely and effective manner	Employability	Ensure that unemployed workers have the skills required by employers, in the quantity and at the appropriate time, based on a labour market analysis.
The local administration does not provide quality services	Public management and participation	Strengthen institutional and individual capacities within local administration and equip the offices with basic equipment to improve performance.
Poor local-level planning skills for economic recovery and development	Public management and participation	Provide training and other capacity building services to enhance/develop the decision-making and planning skills for recovery and development.
Poor participation in local decision making	Public management and participation	Support the expansion and effectiveness of stakeholder participation in local decision making Institutional capital





## “Zoom-In On the Practice...” Examples of Development and Immediate Objectives for Mid-term Recovery Strategies



## 4.9. Which One(s) Among the Alternative Strategy Directions?

### What Are Strategy Directions?

Strategy directions are the heart of the decision-making process for LER and concern “how-to-go-about” addressing the economic recovery issues previously identified through the problem analysis.



This section is linked to:

- 5.3. Financing LER
- 5.5. Prompting Participation and Mobilizing Stakeholders
- 5.6. **Building Capacities in the Mid-term**
- 5.7. Examples of Mid-term Interventions

A potential strategy direction is defined by a system of actions that, when implemented in a specific order and with a specific timing, can help realize the territory's objectives and respond to the existing problems. Therefore, a strategy will entail at least as many decisions as underlying actions.

All previous decisions are ultimately aimed at identifying good strategy directions. This is perhaps the most ‘tangible’ point in the LER process, where thinkers and doers connect, where specific ideas are envisioned, and where those with the greatest promise are chosen for launching mid-term interventions for economic recovery.

In general, the same issues can be tackled through several alternative strategies or means-end links. Since resources are limited and not all actions are conflict sensitive, the possible alternatives should be considered and analyzed in order to determine the best option among them. In doing so, the team in charge of the final decision should take into consideration experiences from other LER interventions, countries, sectors and agencies, priorities of stakeholders, likelihood of success, consistency with other strategies of participating agencies, budget and time, etc.



#### CONTROL QUESTIONS ON CONFLICT SENSITIVITY

- Have alternative strategies been duly considered?
- Is the decision-making process transparent, participative, and sensitive to the conflict dynamics?
- Which of them is the most conflict sensitive on the basis of a preliminary conflict analysis?
- Is (are) the selected strategic direction(s) coherent with respect to ongoing national programs and strategies for relief, transition and development?
- Do the selected strategy directions include specific conflict mitigation measures to reduce tensions?
- Do the selected strategy directions take into account the potential role of [natural resources management](#) in building peace or, on the contrary, fueling tensions?



## How to Identify and Prioritize Strategy Directions?

When deciding how to go about economic recovery issues, it is important to get an early sense of priorities.

The identification of strategy directions is constructed around a set of development and immediate objectives, which constitute its 'backbone.' It precedes any further analysis and detailed planning (i.e. projects identification).



### TIPS FOR GENERATING STRATEGY DIRECTIONS

The generation of strategy directions is more effective when the stakeholder group has:

- ⇒ Reviewed the economic profile, assessments and SWOT
- ⇒ Reviewed case studies and innovative practices from the other experiences
- ⇒ Understood that the objectives should guide their thinking

Essentially, the process of evaluating strategy directions consists of relating alternative strategy directions to priority objectives and considering how and to what extent each of the strategy options can positively affect the priority objectives. In doing so, it is important to remember that there is rarely one single "best" alternative, especially when there are many unique objectives that the territory is trying to achieve. Strategies can often be designed that combine multiple alternatives in order to target multiple objectives, while garnering a broad range of support to ensure successful implementation.

- ⇒ The first step consists of decomposing the result of the objective analysis in clusters of means-end chains, generally corresponding to a common thematic area. One development objective can be shared by several means-end chains.
- ⇒ Secondly, stakeholders determine which development objective they intend to prioritize and which chain of immediate objectives and related outputs can have the greatest positive impact on the selected development objective. The best option(s) will be the one(s) that meets a number of pre-selected criteria, which may refer to: the urgency of the issues tackled by each of the options; the beneficiaries' priority needs, including special groups; the sustainability of final results; the technical and operational feasibility; the economic and financial viability.

Prioritizing strategy directions allows stakeholders to think more broadly about the problems at hand. By being asked to consider all the objectives, stakeholders move away from just thinking about their own objectives or solely about the specific actions they want to see take place. Prioritizing groups of objectives helps to focus the next steps in the planning process, creating better alternatives and getting stakeholders to think more broadly about economic recovery. All of this will help form consensus. It will also help the early identification of where conflict may occur so that it can effectively be incorporated into the process.

There are many ways to conduct a prioritization exercise. Regardless of how the prioritization is completed, one approach remains constant. Participants are not simply asked to rank each objective in relation to one another. Rather, they are asked to rank each objective according to its potential for change. This means they will be ranking the potential transition from the current situation (see Local Economic Profile) to the best case scenario. Once these measures are established, any simple workshop method of prioritization can be used to have participants rank the objectives they believe are most important and should be done first.

Tool 2-D provides a step-by-step process for ranking alternative strategies in a stakeholder group setting, based on several criteria, including the impact on the overarching objective, the timeframe, and the investment required. Tool 2-E suggests another modality for analysing and ranking strategy directions, based on the concept of technical dominance. The analysis can be followed by additional exercises aimed at examining options at a greater detail, to explore tradeoffs and consensus building.



### *Tool 2-E. Guidelines: Technical Analysis of Strategy Directions*



### *Tool 2-F. Guidelines: Swing Weighting*



### *Tool 2-G. Guidelines: Final Value Analysis*

## *How to Link Strategies and Objectives to Mid-term Interventions?*

Finally, action ideas are proposed and prioritized to complete the strategy directions. Action ideas are essentially very specific interventions aimed at delivering outputs which contribute to the selected LER strategy. One or more interventions, depending on their scope, can form a project.

In the medium term, interventions are focused on removing the main bottlenecks that impede the smooth conduction of economic recovery activities. Categories of interventions include: vocational training; access to business development services; business management training; infrastructure rehabilitation and reconstruction; access to financial resources; and enhancement of the business environment. Table 40 offers examples of project ideas, organised by immediate and development objectives.

When conceiving action ideas, the following questions should be considered:

- Which actions are related?
- Can these actions be restated in a way that summarizes several actions?
- Are some actions specified at a higher degree of detail than other actions (think of a logical way to group higher level and lower level actions)?
- Do some actions need to occur before others can take place?
- Are there any actions that are common to all alternatives or strategy directions?
- Are there any easy-to-implement, quick start actions that can provide visible results in the short term?

Once action ideas have been organized and their input to the strategy direction clarified, they should be reviewed by the stakeholder group for clarity and validation before moving on to analysis. If the previous two tasks were undertaken by small groups, it is important to ensure that all stakeholders have a clear understanding of the strategy direction identified.

In some cases, stakeholders may create a strategy with only one or two immediate objectives and a limited number of related actions that fall within the capacity and resources of the territory. For many regions, this is a good place to start. Working within immediate constraints and realities, a territory will be able to achieve results more quickly. Additional refinement and analysis may be limited to simply prioritizing and/or sequencing the actions. In some cases, a territory or project will only have the capacity and/or resources for a single action. In this case, the challenge will be to choose the action with greatest impact on the objectives. However, in most cases, it is likely that numerous action ideas will be put forward for analysis. These should be sorted into strategy directions by stakeholders, considering the following questions.



### *Tool 2-H. Guidelines: Brainstorming and Organizing Alternatives*

Table 40. Development objectives, immediate objectives and project ideas

<b>Ensuring the effective matching between labour supply and demand</b>	
Labour supply gaps are detected and translated into training strategies and curricula	Conduction of a labour market analysis and production of a labour market information database Formulation of training strategies and programmes to address VT gaps Development and standardisation of training curricula
Vocational training institutions offer good quality services and cover the related demand in rural and urban areas	Mapping of training providers, produce a directory and assess capacity gaps ToT, technical support and other capacity building initiatives for VT institutions Introduction of alternative training delivery modalities (e.g. mobile training units) to increase reachout
Technical and professional workforce is available as demanded by the labour market in rural and urban areas	Training delivery, also through modalities that facilitate reachout of the population in remote areas Set up or enhancement of employment services that match labour supply and demand
<b>Improving the competitiveness of local firms in strategic sectors and their access to business opportunities</b>	
New business are created, damaged business are restored, and business mortality rate is counteracted	Temporary provision of grants in strategic sectors Development of recovery plans for affected local firms with an evident potential in terms of reconstruction and job creation
Entrepreneurs are oriented towards markets with growth potential and are better assisted in start ups and management	Value chain analysis and other market analysis to identify business opportunities Map BDS providers, produce a directory and assess capacity gaps ToT and other capacity building initiatives for BDS
Business management capacities are enhanced	Training on business management for entrepreneurs, including by means of mobile training units and the radio
Entrepreneurs' and workers' representatives offer better services to members and participate in reconstruction efforts	Technical advice to and mentoring of entrepreneurs for the elaboration of business plans and management Mapping of entrepreneurs' and workers' representatives, produce easily accessible directories and assess capacity gaps
Entrepreneurs increase their efficiency and effectiveness by joining business associations and cooperatives	Development and delivery of training to entrepreneurs' and workers' institutions on how to better assist members Promotion of social dialogue and increase in participation in reconstruction planning and implementation Training on cooperatives development
<b>Ensuring that entrepreneurs make a good use of the financial resources for start-up and business growth</b>	
Financial services and products are more responsive to micro and small entrepreneurs needs including in the informal sector	Technical advice and mentoring for cooperatives, to leaders and members Mapping of financial services providers and production of a directory and assess capacity gaps Development and delivery of training and mentoring to financial institutions Assisting of financial institutions to conceive innovative products and delivery services to better meet the demand
<b>Creating a business-enabling environment</b>	
Regulatory frameworks and administrative procedures for start-up, registration and business conduction are easier	Assistance to policy and decision makers in the analysis, revision and adoption of regulatory frameworks
Transparency increases and corruption practices are reduced/eradicated	

Ensuring that the necessary support infrastructure is in place and well maintained	Mapping of infrastructure gaps, identification of priorities and planning for rehabilitation and construction Training and technical support on community contracting for increased community involvement Mapping of contractors in the construction sector, production of a directory and assessment of their capacity gaps Development and delivery of training to selected contractors for the use of labour-based approaches Training-on-the-job for construction workers
facilitating inclusive and participatory approaches for LER	Training needs assessment of local authorities and other decision makers on LER competencies Training to local authorities and other decision makers on how to lead LER Identification and mobilisation of stakeholders Sensitization and training on specific LER tasks Establishing and/or strengthening of stakeholders groups
ensuring local procurement by national and international contracting agents	Monitoring of internal procurement trends, shares and suppliers Revision of internal procurement procedures and rendering them more accessible to local firms Setting of favourable conditions and incentives for contracting agents to increase local procurement and for local firms to participate in bidding processes
encouraging local contracting agents to increase local procurement and the necessary conditions set in place	Collection, organisation and dissemination of information on fit-to-supply local suppliers and opportunities in key supply chains Organisation of forums, focused meetings and demonstration events on local procurement, gathering local firms and contracting agents Assessment and addressing of capacity gaps of local firms (in relevant supply chains) that are not fit to supply
improving mutual knowledge and understanding between local firms and contracting agents	Development and dissemination of standards and codes of conduct for goods and services production and delivery Provision of training and informative sessions to local firms on standards, tendering and bidding procedures Promotion of technology transfers and technological upgrades in local firms (including of green technologies)
ensuring that local firms have increased capacities and become fit to nationally and internationally contracting agents	



### “Zoom-In On the Practice...” Examples of Interventions by the ILO

- ⇒ Temporary provision of grants to enterprises in strategic sectors to counteract the high mortality rate of businesses and subsequent job losses in the immediate post-war context (Lebanon, 2006)
- ⇒ Rehabilitation of roads, irrigation schemes, water storage reservoirs and reforestation through labour-based methods and community contracting for immediate employment and income generation (Somalia, 2002)
- ⇒ Organization of a mobile training units that provide Start Your Business and Improve your Business training to existing and future entrepreneurs (Kosovo, 2001)
- ⇒ Radio broadcasting of Start and Improve Your Business (Vietnam and Uganda)
- ⇒ Set-up of Employment Information Service Centre to provide job seekers (war-affected youth) with information and referral services related to self-employment and training opportunities, including a labour market information database with skill profiles of job seekers, details of skill shortages and information on training institutions (Sierra Leone, 2001)
- ⇒ In-kind, cattle revolving fund for rural livelihoods in areas of return where households reimbursed their in-kind loan by means of 2nd generation animals (Croatia, 1996)

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# Chapter 5. Action Taking

## Overview

### Contents

Action taking is about putting in motion a process of change and transformation by taking specific actions on the basis of a series of critical decisions. Such transformation concerns: the way stakeholders and donors perceive economic recovery and invest in it; the way stakeholders participate in the process; and the way the local economy performs.



The first action to be taken by LER promoters is to advocate for the LER approach at different levels. To attain LER objectives, consensus building and coordination with relevant stakeholders must start at the earliest stages (i.e. ongoing humanitarian operations but with favourable conditions for recovery), thus ensuring that the approach is appropriate and locally owned. Local and international stakeholders will be mobilised and called to participate to fact-finding, decision making and action taking, according to their relevance with respect to the issues to be tackled locally, their expertise and knowledge, and their capacity to contribute to the specific task. To that end, their capacities will be gradually strengthened where gaps have been detected.

Fundraising will feed the execution of livelihood stabilization measures with short-term impact and the mid-term plans of action. Local procurement of goods and services will be strongly recommended as a form of allocation of resources to help local businesses and jobs to recover.

LER interventions will be implemented according to mutually agreed-upon institutional arrangements. These are essentially the rules governing the use and management of resources as well as defining implementation roles, responsibilities, modalities and timeframes. “Institutional arrangements” might also define guiding principles and mechanisms for project formulation, submission and selection.

### Outline chapter 3

- ⇒ 5.1. Advocating for LER at Different Levels
- ⇒ 5.2. Increasing Local Procurement
- ⇒ 5.3. Financing LER
- ⇒ 5.4. Implementing Small-scale Livelihood Activities
- ⇒ 5.5. Prompting Participation and Mobilizing Stakeholders
- ⇒ 5.6. Building Capacities in the Mid-term
- ⇒ 5.7. Examples of Mid-term Interventions

### Purpose

The purpose of this Chapter is to guide practitioners through actions contributing to the promotion and achievement of local economic recovery in concrete terms. As with the rest of these Guidelines, the principle of flexibility and adaptability to each specific context is upheld in this chapter. Hence, rigid step-by-step and prescriptive processes are deliberately avoided.

## 5.1. Advocating for LER at Different Levels

### *LER and the Role of International Actors*

Ideally, the LER process should be launched and steered by local authorities. However, several features of the post-conflict setting might require the substantive involvement of non-local actors, sometimes just to kick-start LER. Such features are: the weak absorption and operational capacities of local authorities; the generally low level of administrative and financial decentralization in countries emerging from armed conflicts; widespread corruption (problematic as transparency is crucial to successful LER); and the exclusive procedures applied within post-conflict resource mobilization mechanisms which might exclude the eligibility of governmental and other local entities.

Supporting agencies, such as the ILO, can act as initiators and facilitators of the process in the framework of the LER inter-agency team. As such, they will advocate for the relevance and advantages of LER in the local setting, mobilize resources, facilitate the involvement of stakeholders and build their capacity.

Particular arrangements are made if LER is being implemented within the framework of UN Post-conflict Programmes for Employment Creation, Income Generation and Reintegration. In such a case, central-level advocacy will be fully handled by the team in charge of implementing the UN Policy.

Their external position and credibility allow them to be perceived as a neutral initiator of economic recovery processes, especially when sensitive issues are tackled (e.g. involvement of certain groups in planning activities, targeting of certain economic sectors, and assignation of resources). In its turn, participation and dialogue stimulate local actors to assume ownership of the process. As capacities grow and the post-conflict setting improves, the leadership and management of the LER process can be gradually transferred to the appropriate local actors (ideally governmental entities).

International actors have a privileged position and a more direct connection to national-level entities and platforms. Hence, they can play a major role also with regard to macro-level policies and regulatory frameworks, by advocating for their revision to meet economic recovery needs, for instance.

### *Advocacy Modalities*

Advocacy is a key issue to ensure the participation of all stakeholders in the recovery process, at the different levels. This is not an easy task and requires of LER practitioners a significant investment in order to mobilize all interested parties in the process and smooth conflicts that might arise. Neutrality with the respect to the interest at stake and familiarity with the LER approach, its planning process and the lessons learnt in other settings are essential ingredients to a successful advocacy. Strong communication skills and a proactive approach to seek out opportunities are essential elements of a successful advocacy. [Gender awareness](#) and cultural sensitivity are a “must” to make sure that women and men can equally participate into the identification of the needs, the decision making and the implementation of activities. [Gender issues](#) must be given visibility.

Communication instruments and modalities include (among others): meetings; workshops; field visits and other types of occasions for dialogue and constructive discussions among the interested parties; reports and other key documents to be disseminated among all stakeholders in the decision-making process (in the appropriate language); testimonials; press releases; radio and TV interviews; newsletters and bulletins; and videos and photographs.

Bringing the actors together also enables them to share their knowledge of the local environment and to contextualize within a national economy and policy framework. It represents a first step towards the creation of a local forum that will identify local needs and ways to respond to post-war challenges by which the population is confronted.

Advocacy purposes, modalities and instruments must be tailor-made with respect to the target audience. Provided that administrative unit typologies vary across countries, **Table 41** offers a snapshot of the different advocacy purposes and targets according to the authority level (scope) of each institutional stakeholder. In this preparatory phase, when LER is being started up, advocacy targets are at the macro level. Their major role is to legitimate the process and give “the green light” to local-level operations.

As the geographic scope for LER becomes clearer and the process implementation unfolds and produces its outputs (LER strategy, projects), additional advocacy targets are considered.

The full Chapter 1 of these Guidelines can be used as a basis for preparing advocacy and basic training materials when sensitizing and mobilizing stakeholders.

Table 41. Authority level/scope and advocacy purposes and targets

	Authority level/scope		
	Macro (High)	Meso (Medium)	Micro (Low)
Geographic unit/Location	Country / At national capital	Governorate, Province, Division, District / Main city	Specific locality, municipality, village, community, neighbourhood
Advocate for	Policies and regulatory frameworks (revisions, development), response approaches and modalities	Introduction of LER approach, adoption of LER strategy	Introduction of LER approach, LER projects
Advocacy targets	Central government/line ministries/national commissions and other platforms for relief and/or reconstruction/donors/international organizations (UN, IFIs, INGOs)	Governors/provincial councils/decentralized commissions and platforms/and other decision-making and power centres	Village/community councils/authorities and leaders (including traditional and religious)/civil society

### *Sensitizing Central Authorities on LER*

The LER approach is mainly directed towards the design and implementation of economic recovery strategies with an impact at the local level. However, practitioners should consider that legal or regulatory shortcomings at the national level may restrict the potential impact of LER initiatives. Local stakeholders often do not have the ability to represent their interests at the national level and advocate for support and change. In light of that, specific measures should be taken to ensure that their voices are heard, issues are raised and consultations are regularly undertaken.

These processes will rarely produce results in the short run,; as longer-term initiatives, they need to be set in motion from the earliest stages of recovery. To facilitate the transition to new policies and rules, small-scale reforms could be initially introduced and piloted in a few select areas. If their roll-out is successful, then the extension to other areas or even to the national territory can be negotiated with central authorities.

Finally, the LER approach should be mainstreamed across national plans for reconstruction and development in order to increase awareness and familiarity with these issues on a broad scale. Positioning LER activities as a supporting element to national level objectives ensures the greatest likelihood of a positive outcome. Thus, linking LER initiatives to the national level requires both sensitive supporters of LER at the central level and strong public and private stakeholders at the local level.

### *Sensitizing Decentralized Authorities on LER*

Decentralized authorities operate under central decision makers, at different levels according to the geographic scope of their mandate. For the sake of simplicity, in these Guidelines, we will refer to mid-level (or meso) and low-level (or micro) authorities, decision makers and power structures. Examples are provided in **Table 41**. Sensitizing these institutional stakeholders is essential to ensuring the future ownership and legitimacy of the LER strategy and related interventions to be conceived.

At both levels (i.e. mid and low), the sensitization will initially verify the willingness to embark on the LER process. At the mid-level, commitment from authorities will be sought for the development of the LER strategy and the oversight of its implementation. Mid-level authorities have also a more direct access to decision makers at the highest levels and will be crucial in advocating for local concerns and resource allocation.

At the lowest authority level, there will be a need for both consultation and awareness-raising as to the benefits of focusing on the recovery of income generation and the economy. This could entail a change of emphasis for localities where social programmes (e.g. on health, education, human rights) are predominant and planning modalities are different from LER. These authorities will be involved in the implementation of the LER strategy in the field, which includes project selection and bidding processes.

### *The Key Role of Donors in Post-conflict Settings*

Even if LER is a demand-driven approach, donors should, from the preliminary stages, be sensitized to the importance of considering economic recovery as a key issue in their agenda, as well as to the added value of the LER approach and its potential to promote a smooth transition from emergency to development, maximize inclusive employment opportunities created by post-conflict investment, and facilitate the local reconciliation and the reintegration of ex-combatants, returnees and other vulnerable groups.

## 5.2. Increasing Local Procurement

### The Rationale

Local procurement is the purchase of goods and services from local contractors, possibly situated in the same area where operations are running. Procurement is governed within each organisation by specific policies and procedures. Procurement choices are characterized by a trade off between social outcomes and economic efficiency. A fair balance must be pursued, as both are critically important.

This section is particularly dedicated to Governments, International Organizations, multinational enterprises and expatriates operating in post-conflict settings. It offers advice on how to procure a greater share of locally produced goods and services, thus maximizing the impact of expenditures in terms of employment creation and income generation for local jobseekers and enterprises.

Local procurement has to be viewed as a social responsibility of public and private contracting agents, and can produce tangible results for the recovery of the conflict-affected economy, using funds that would be spent anyway. The annual amount of expenditures of contracting agents can be very significant and can certainly make a huge difference in regenerating local economies, even without introducing *ad hoc* projects or mobilising funds for this purpose. Additionally, local procurement adds value to post-conflict operations in terms of efficiency and sustainability, as well as in enhancement of local know-how.

Moreover, local procurement generates additional benefits for private sector development. Having equal access to tendering opportunities is a strong stimulus for local contractors to produce and deliver better and with higher quality. It can also be an incentive to introduce improvements in the way business is conducted (e.g. through green technologies) and employees are treated. Examples of goods and services that can be procured locally are overviewed in the table below.



#### EXAMPLES OF LOCAL PROCUREMENT INITIATIVES AND PRACTICES

- ⇒ World Bank practices favouring community participation in procurement.<sup>60</sup> For the sake of efficiency and sustainability, a certain number of WB projects can: involve the participation of communities and NGOs; make use of local know-how and materials; employ labour-intensive technologies.
- ⇒ The UN 2003 initiative on Local Procurement for Sustainability and Development, involving among others: UNOPS, UNEP, the Government of Brazil, the Government of Bulgaria, the Government of Philippines and the Government of South Africa.<sup>61</sup>
- ⇒ Local Procurement Project of the City of London, which has been launched to cope with the 2008-09 economic downturn.<sup>62</sup>

Table 42. Examples of goods and services that can be procured locally

Goods	Services
⇒ Food items (not only for humanitarian purposes)	⇒ Construction and rehabilitation of infrastructures
⇒ Clothing	⇒ Waste management
⇒ Construction materials	⇒ Information and communication
⇒ Machinery	⇒ Transport
⇒ Equipment	⇒ Professional and technical services (e.g. translation, editing and printing; training; security; catering; cleaning services)

<sup>60</sup> See WB Procurement Guidelines Under IBRD Loans and IDA Credit (version of October 2006).

[http://siteresources.worldbank.org/INTPROCUREMENT/Resources/ProcGuid-10-06-ev1.doc#\\_Toc62460381](http://siteresources.worldbank.org/INTPROCUREMENT/Resources/ProcGuid-10-06-ev1.doc#_Toc62460381)

<sup>61</sup> See the web page of the initiative:

<http://webapps01.un.org/dsd/partnerships/public/partnerships/105.html>

<sup>62</sup> See the web page of the Local Procurement Project:

[http://www.cityoflondon.gov.uk/Corporation/LGNL\\_Services/Business/Tenders\\_and\\_contracts/local\\_procurement.htm](http://www.cityoflondon.gov.uk/Corporation/LGNL_Services/Business/Tenders_and_contracts/local_procurement.htm)

Purchasing decisions are based on several basic criteria: estimated price, quality of the concerned good/service, rapidity of the delivery, reliability of the contractor and follow-up customer service. In post-conflict settings and when the “buyer” is an organization committed to conflict resolution and peace-building, other factors are to be considered. These include: the reputation and transparency of the contractor/sub-contractor, its possible involvement in conflict events and local politics, and its capacity to apply decent labour conditions for its workers.

It is often the case that local contractors in post-conflict settings are not able and do not have the means to comply with these conditions. Consequently, they are often not eligible to participate in bidding processes. It is clear that there is a trade off between policy objectives and market principles, which must be considered and balanced according to the local context. Certainly, capacity building, technical advice and access to critical information can bring them up to speed; they can progressively become competitive economic agents in the market.

There are three preconditions for the execution local purchasing:

- ⇒ Contracting authorities are sensitized and committed with respect to local procurement;
- ⇒ Local firms are competitive and can easily and swiftly participate in tendering opportunities;
- ⇒ Bid solicitations are made public and accessible to local contractors and sub-contractors.

Donors can play a critical role in the encouragement of local procurement and purchasing. It is in their interest that goods and services are procured locally, as it implies lower operational costs of aid agencies. Furthermore, they can set incentives and award organisations that spend money locally and whose percentage of locally procured goods and services is higher than that brought from outside.

## Modalities and Tips to Increase Local Procurement

Spending money responsibly and for the sake of local economic recovery should be a fundamental guiding principle in all purchasing decisions of aid organisations. A number of measures to increase local procurement are listed below, and a checklist is also provided at the end of this section.

- ⇒ Monitor internal procurement trends, shares and suppliers;
- ⇒ Collect, organise and disseminate information on local suppliers and opportunities in concerned supply chains (e.g. directories, yellow pages);
- ⇒ Where feasible, revise internal procurement procedures and make them more accessible to local firms;
- ⇒ Develop standards and codes of conduct for goods and services production and delivery, and disseminate them among local firms in a way that is widely accessible and understandable. Standards can refer to: the use of green technologies, the use of specific hygienic measures (including in production and packaging), and the application of decent working conditions for employees;



### THE ROLE OF LER PRACTITIONERS IN PROMOTING LOCAL PROCUREMENT

- ⇒ Sensitize donors and influence contracting agents towards more conducive policies and procedures;
- ⇒ Sensitize donors to gender issues and to non-discriminatory employment of both women and men;
- ⇒ Conceive and promote incentives to procure locally;
- ⇒ Provide support to procurement offices in the conduction of internal assessments and reviews;
- ⇒ Assess local firms' capacity gaps and detect firms that are fit to supply;
- ⇒ Formulate projects to upgrade local firms' capacities;
- ⇒ Organise and facilitate forums on local procurement and other networking activities;
- ⇒ Promote (green) technology transfers and capacity building for better labour conditions;
- ⇒ Organise campaign and demonstration events.

- ⇒ Provide training and informative sessions to local firms on standards and codes of conduct, and on how to deal with tendering and bidding procedures;
- ⇒ Organise forums on local-procurement themes, gathering contracting agents, business associations, federations of enterprises, and chambers of commerce. Meetings will facilitate the networking, the sharing of practices in procurement and production, and the discussion of issues of concern;
- ⇒ Build partnerships (including in the form of Public-Private Partnerships) with other contracting agents and local authorities, in order to reduce costs of capacity building of local firms;
- ⇒ Set favourable conditions and incentives for local firms to participate in bidding processes and upgrade their delivery, and for contracting agents to increase local procurement.

LER practitioners can play a critical role in enhancing local procurement by, firstly, sensitising donors and contracting authorities in appreciating the advantages and opportunities of local procurement and, secondly, to influence them towards the diversification of suppliers with the mandatory inclusion of local micro and small contractors in bidding processes. LER practitioners can also provide support in conceiving and promoting incentives (e.g. special awards) for contracting agents who purchase locally. Moreover, they can provide advice to the procurement offices of contracting agents on how to make internal assessments to verify the actual share of locally purchased goods and services and offer options to increase it. Such assessments will also provide information on market opportunities for local contractors. Finally, when external procurement is motivated by a capacity gap within local firms that are not considered fit to supply the demand of contracting agents, LER practitioners can conceive ad hoc projects that help to bring such contractors up to speed. Through these projects, local firms will be better equipped to seize market opportunities generated by contracting agents. However, an prior evaluation of local firms may be needed in the supply chains concerned, with a view to detect those that are best fit to supply.

When incentivating local procurement by aid organisations or other entities, care should be taken to not distort local markets and/or exhaust wholesalers' stocks which would leave little to local traders for retail markets. It is also important to consider the lead time that is necessary to receive extra stocks (Mike Albu, 2009).

Table 43. Checklist for increasing local procurement

<input type="checkbox"/>	Bid solicitations have been made public through media that are easily accessible and affordable for local contractors.
<input type="checkbox"/>	Procurement processes have been analysed and revised to become more accessible to local contractors
<input type="checkbox"/>	Informative sessions on the tendering opportunity have been held, targeting local contractors
<input type="checkbox"/>	Standards and codes of conduct for quality delivery have been set and disseminated among local contractors
<input type="checkbox"/>	Local supply chains and firms in specific sectors have been analysed and capacity gaps detected
<input type="checkbox"/>	Directories of local firms have been produced and disseminated



### “Zoom-In On the Practice...” Promoting Local Procurement Through More Conducive Tender Procedures in El Salvador

In the aftermath of the 2001 earthquake in Usulután (El Salvador), the ILO conducted an analysis of the Ley de Contrataciones del Estado (law regulating State contracting), in order to identify the most relevant articles with respect to reconstruction programmes.



The main concern was to verify if such articles were suitable to encourage the local procurement of goods and services and the adoption of employment-intensive methodologies in the construction sector. On the basis of the analysis, the ILO proposed a set of recommendations, aimed at increasing the chances of success of those bids that planned an intensive use of local labour force. When ranking bid proposals, higher coefficients were assigned to works with a higher cost-efficiency in terms of organization and use of inputs.

The ILO argued that the common rule of assigning tenders to the lowest-cost bidders can be detrimental to local firms, which are generally less able to compete on such terms with bigger national or international enterprises. Their lack of efficiency, in the strict financial sense, is however compensated for by a higher social value generated by employing the local labour force. In the reconstruction phase following a crisis, employment creation for the affected population should be prioritized with respect to financial criteria, as it prompts self-reliance of communities and local economies. Moreover, capital-intensive works may generate negative impacts on environment, differently from labour-intensive works.

In El Salvador, the ILO recommended introducing new modalities and additional criteria to the evaluation of bids, in a way that adequately captured the potential “social value” created by bidders, and that assigned contracts on a fairer basis. A proposed modality was to substitute the criteria based on financial cost with a criteria based on the economic value of the proposal, calculated by “correcting” financial costs through economic efficiency factors/indicators. Cost items (e.g. labour) were then multiplied by these economic indicators, in order to calculate the “real cost” of the bid. Non-qualified workers, for instance, had a lower cost-efficiency coefficient, which decreased the overall real cost of a bid. With this modality, local firms had better chances at winning the bids, thanks to relatively lower adjusted costs.

*Source: Proyecto de impacto rápido en el empleo en el Departamento de Usulután. OIT 2002.*

## 5.3. Financing LER

### *Challenges and Other Considerations*

Investments are critical for an economy to begin functioning again. In a post-conflict context, private investments are often inhibited by multiple types of risks and instability. However, other financial opportunities emerge and should be seized to reactivate markets. These opportunities are provided by the flows of funds allocated for peace-building, recovery and reconstruction, often disbursed by public entities. Such resources can be gradually complemented by adequate saving schemes, remittance flows and other private sources of funding.

Initial fundraising will be required to feed the future assessment and planning efforts, as well as to implement immediate livelihood stabilization measures. To that end, the LER inter-agency team will redact an LER project document, based on the findings of an initial rapid assessment of the situation. The project will serve as a formal basis for the coordination and orientation of the work of the team and will indicate how best to address the existing situation with the appropriate LER approach. Strong arguments will have to sustain all these choices, and a set of pre-selected criteria will have to be applied and met.

Fact finding, analysis of the situation and opportunities, mobilization and engagement of local stakeholders in decision making and implementation of interventions require an initial investment of funds and staff time. Such an investment should generally be shouldered by the participating agencies. The trust of donors will be gradually gained as the process goes on and produces the first results, mainly in terms of reliable analysis, innovative and consistent ideas, and active participation and support from the local stakeholders. Understandably, donors are reluctant to fund processes and are keener in supporting projects with visible deliverables.

The poor predictability of financial flows is linked to the challenge of identifying the appropriate funding mechanism and modalities in transition contexts where humanitarian and development operations are overlapping and competing for funds. In the absence of dedicated funding mechanisms for recovery, mobilizing resources for relief is much easier, even if evidence exists of the linkages between risk reduction and development. The challenge is even more significant when the peace building process is unstable and the security situation on the ground is mixed; in these cases the tendency is, therefore, to concentrate efforts on relief rather than on reconstruction and development. In a number of countries, ad hoc transition funding mechanisms have been established. In general, however, fundraising for transition is not coordinated under a common umbrella, and there are many different initiatives underway, which poses additional problems.

Timing of disbursement is also an issue. The type of setting and the rapidly changing features of the context require that resources are rapidly disbursed, in order to ensure consistency between the analysis and the proposed intervention. It has been observed that funds disbursement is not always as rapid as it should be. Furthermore, as LER is a process based on joint strategic planning with the participation of many actors, it is important that the funding mechanism allow for joint programming.

Considering all that, it is rather difficult to predict the scale of LER operations from the onset, and it is advisable to start by launching small-scale interventions, generating immediate tangible results in terms of employment recovery and avoiding, in the short run, the establishment of rigid institutional frameworks. Approaching donors in partnership with several other core agencies can also facilitate fundraising.

## Overview of Funding Options

As described in section 1.7, a successful practice is to rely on a differentiated portfolio of funding options and mechanisms. In fact, projects contributing to the recovery of local economies are typically subsidized but not entirely financed by foreign aid or local tax revenues.

There are four principal methods for mobilizing resources for LER: (i) direct investment of resources from the participating agencies; (ii) bilateral fund-raising through local donors; (iii) multilateral resource mobilization mechanisms for humanitarian and transition purposes, such as pledging conferences and special appeals; and (iv) channelling of resources through private and public actors operating locally, by influencing the way such resources are spent.

The decision concerning which of these funding sources should be tapped will depend on the intended use of such resources, and on the approach and strategic framework adopted by the existing inter-agency planning and fund-raising mechanisms. In first place, the distinction should be made between the funding requirements generated by the coordination and facilitation of the LER process, and the funding requirements aimed at the implementation of economic recovery interventions.

As previously mentioned, the initial steps of the process will most likely absorb internal resources of the core agencies promoting LER, and efforts will be consistent with the available "start-up capital". When the process proves to be viable, donors can be approached on a bilateral basis. In that regard, it is

very important to get an understanding of the local interests and priorities of each of the donors on the ground, in order to consult only those with a compatible agenda and portfolio.

On the other hand, livelihood stabilization measures (refer to Technical Brief 3.3), that can 'prepare the ground' for LER by injecting cash in depressed markets, can be funded through fund-raising tools for humanitarian activities, such as the Consolidated Appeal Processes led by OCHA (CAP), the Common Humanitarian Fund (CHF), and the Central Emergency Response Fund (CERF). Nevertheless, in order to increase prospects of approval when applying for "humanitarian funds", it is important to propose activities that are: "time-critical", relevant to the emergency and relief needs (e.g. protection), [gender sensitive](#), and that can be executed within a short timeframe (9-12 months). For example, cash-for-work projects can fit in Flash Appeals when aimed at removing the debris produced by the conflict, at rehabilitating essential small-scale infrastructures, and at restoring essential services for the affected communities, etc.

The wider body of economic recovery projects conceived in the framework of an LER strategy can be funded through Transitional Appeals launched by the UNCT, Multi-Donor Trust Funds (MDTFs), the United Nations Trust Funds for Human Security (UNTFHS) and the Peace-building Fund (PBF). A certain number of donors have set up special funds targeting transition-related activities (see [Funding Instruments for Transition](#)).

## Resource Mobilization through Local Donors

Donors can be approached locally to discuss about funding specific initiatives. Before approaching the donors, it is recommended that information be collected, especially concerning the local representation, as being up to date concerning new initiatives and priorities can be critical. The sooner the concerned (appealing) Organization is informed about new initiatives or changes in donor priorities, the better the chances are of them deciding to take part in the formulation of new plans and implementation of new programmes.

Inter-agency meetings and workshops where donors are invited to participate (e.g. CCA/UNDAF, PRSP) are an excellent occasion to establish working relationships. The decision of the donor will be based on the following factors:

- ⇒ [Availability of funds](#);
- ⇒ [Consistency](#) of the proposal with the internal priorities, in terms of thematic area, geographic area, beneficiaries targeted;
- ⇒ [Consistency](#) of the proposal with the national priorities as indicated in the UNDAF and PRSPs;
- ⇒ [Quality](#) of the project proposal;
- ⇒ [Trust](#) in the appealing organization, which must be perceived as a reliable partner;
- ⇒ [Good timing](#) with respect to the internal programming cycle.



### DID YOU KNOW THAT...THE EUROPEAN COMMISSION PROMOTES LINKING RELIEF TO REHABILITATION AND DEVELOPMENT

In 2001, the European Commission (EC) conducted an assessment of the challenges and opportunities to be considered in order to put these concepts into practice, both in countries emerging from conflicts and in countries affected by natural hazards.

In the east of the Democratic Republic of Congo (DRC) (namely Katanga, the Kivus and Oriental), the EC has launched the programme "Linking Relief, Rehabilitation and Development" (LRRD). It involves different types of interventions, ranging from infrastructure rehabilitation and (re)construction to microfinance and restoration of health care services.

While donors are increasingly opting to channel funds through inter-agency mechanisms such as the UNDAF or PRSP, LER strategy and projects have to be clearly spelled out and in line with the objectives and priorities set out by these interagency exercises.

An additional funding option which could be adopted by donors is the transfer of funds to the recipient government in the form of budget support. In this case, advocating for LER with the Government is an essential step to increase the chances for LER strategies and projects to be funded. An address book of the donors could be very useful and easy to prepare.

## Funding Instruments for Transition

The New International Network on Conflict and Fragility (INCAF) of the OECD/DAC has mapped funding instruments and donor policies and procedures that are applicable to the transition period. The study shows that several donors dispose of special budget lines or funds that apply to transition related activities. For instance:

- ⇒ Canada's Global Peace and Security Fund;
- ⇒ The Denmark's Peace and Stability Fund;
- ⇒ The EC's Instrument for Stability;
- ⇒ Germany's Development-oriented emergency and transitional aid budget line;
- ⇒ the Stabilization Fund of the Netherlands;
- ⇒ Norway's Transition Budget Line, and the UK's Stabilization Aid Fund.



### WHAT IS THE INCAF?

The INCAF is a special decision-making forum of the OECD-Development Cooperation Directorate (DCDE-DAC). Within the INCAF, a special task force has been mandated to analyse and provide information about financing options for conflict settings, fragile contexts, and actual financial flows.

Furthermore, the INCAF is also tasked to conceive viable alternatives on enhanced policies and (multilateral and bilateral) mechanisms. The ultimate goal is to increase the availability and predictability of funds for transition, peace building, security and state building.

In addition to these special funds, a number of multilateral funding mechanisms exist.

- ⇒ **Transitional Appeals** are launched by the UNCT and have an explicit strategic focus on the shift from humanitarian relief to recovery and reconstruction. Humanitarian projects are also included, but the emphasis is on supporting national actors in leading the transition from relief to development. Examples of transitional appeals are: the 2003 Transitional Assistance Programme for Afghanistan (TAPA), the 2003 UN Inter-Agency Appeal for Relief and Recovery in Sierra Leone, the 2003 and 2004 Angola appeals, the 2005 Early Recovery Plan in Pakistan, and the 2008 Timor Leste Transitional Strategy and Appeal.
- ⇒ The **MDTFs** receive contributions from more than one donor and are pooled and disbursed by one administrator. MDTFs are aimed at supporting nationally-defined priorities for recovery and at building national capacities. Government entities and NGOs act as implementing partners of UN agencies; NGOs can also submit projects for approval and funding. Examples of recently established MDTF can be found in Afghanistan, Democratic Republic of Congo, Indonesia (Aceh), Iraq, Lebanon, Nepal, Somalia and Sudan.
- ⇒ The **UNTFHS** is funded by the Japanese Government and is managed by OCHA, which hosts a Human Security Unit deciding on allocations. Usual project size for this fund is 1 million USD.
- ⇒ The **Peace Building Fund** is a multi-year standing fund aimed at addressing critical peace-building gaps in a number of countries and at avoiding the relapse into conflict during fragile reconciliation processes. The UN Peace-building Support Office is responsible for operations, while the UNDP/MDTF office manages the fund. The allocation of resources is determined at the national level by a steering committee composed by the Government and the UN; to be eligible, projects must fall within the scope of the country priority plan.

## Channelling of resources

Finally, an indirect way to fund economic recovery at the local level is to influence the way public and private financial flows are spent. Such flows can come in the form of aid, investment or loan, from International Organizations, Donors, Banks, or from private companies. For instance, major UN missions in post-conflict countries have the potential to generate significant stimulus to local businesses, even by guaranteeing that only a small fraction of their procurement is done locally.

## 5.4. Implementing Small-scale Livelihood Activities

### *Identifying Small-scale Activities*

It is vital that immediate recovery initiatives are launched and concrete results in term of employment recovery are achieved for the conflict affected populations. Immediate results in term of economic recovery will highlight LER performance as necessary and effective, helping trust and support for larger and mid-term focused interventions to materialise. Therefore, small-scale livelihood activities should be undertaken early in the process for achieving immediate, tangible and measurable results. The timeframe is generally six to nine months,<sup>63</sup> with limited financial and human resource mobilisation.

Small-scale livelihood activities are aimed at infusing the local economy with emergency cash, creating immediate short-term employment or income generation for those **women and men** that have been affected, and promoting greater buy-in to the LER approach and future programmes. There are several standard measures that can be considered in most LER contexts: cash-for-work projects, emergency public employment services, short-cycle skills training programmes, and voucher programmes. Women, as well as men, must be targeted.

For the sake of being quick and effective, the identification of these activities is done without major involvement of local stakeholders. It is the role of the LER initiators to rapidly select, after consultation of key local actors, a number of potential immediate LER activities. The LER Stakeholder Group, as its first decision-supporting activity, should seek to identify quick impact activities that can be implemented in the short term to provide post-crisis incomes (i.e. peace dividends) to vulnerable, affected groups. These small-scale livelihood activities are generally jobs that seek to redirect people to constructive activities by providing quick cash incomes and stimulating the development of new skills and economic activities.

### *Cash-For-Work Schemes*

Cash for work projects are small, rapidly implemented projects that provide short-term income-earning opportunities for the unemployed to clear debris, repair infrastructure, etc. The emphasis of cash for work projects is on rapid income enhancement that enables people to begin rebuilding their lives. An additional benefit of these programs is the restoration of the provision of basic services.



In rural areas, cash for work projects can help re-establish or increase agricultural production, restore the **natural resource base**, rebuild damaged or missing rural infrastructure and foster or strengthen market linkages.

The immediate benefits for income and/or food security can further diminish the likelihood of long-term food aid needs in both rural and urban areas and can provide an important base for longer-term recovery and rehabilitation. Quick rehabilitation can also help reduce extreme poverty, especially if donor assistance targets areas where refugees/IDPs are returning of their own volition. This allows the population in targeted areas to take advantage of development opportunities even at the earliest stage of a post-crisis situation.

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<sup>63</sup> Note that the indicated time-span is the one suggested in the UN-wide Post-conflict Policy for Employment Creation, Income Generation and Reintegration (UN 2008).

However, it is important to bear in mind that cash-for-work programmes are only a temporary solution and cannot be considered the pillar of employment recovery. In the transition towards sustainable job creation, they play a vital role by injecting cash into an impoverished economy where purchasing power is depressed. Nevertheless, such an exogenous stimulus to job creation cannot be sustained in the long run, and the local economy must be supported to create endogenous opportunities.

Furthermore, job opportunities in cash-for-work programmes may undermine the sustainability of other livelihoods and draw the labour force away from other fundamental economic activities (e.g. agriculture); therefore, an appropriate exit strategy must be in place from the beginning (Women's Refugee Commission, 2010).

When designing cash-for-work schemes, Trade Union's concerns must be adequately addressed: workers must be paid decent salaries (without creating distortions in the labour market), minimum working age must be established and respected so as not to encourage child labour, and working conditions must comply with international standards and norms, as well as with security and safety standards at the workplace, social security and insurance policies, and right of



association. In addition, it should be recognized that most of cash-for-work jobs are harsh and not suitable for the elderly, the people with disabilities, and **women**. Concerning **gender**, duties within the household might reduce the capacity to participate in CFW initiatives, especially for women; thus, valid alternatives must be proposed to guarantee that women and men equally benefit from such programmes (ILO 1998 and ILO 1999).



#### USEFUL READINGS ON HOW TO IMPLEMENT CFW

- ⇒ Mercy Corps, 2007. *Guide for Cash-for-Work Programming*.<sup>64</sup>
- ⇒ Bentall Peter, Andreas Beusch and Jan de Veen, 1999. *Employment-intensive Infrastructure Programmes. Capacity-building for contracting in the Construction Sector*.<sup>65</sup> ILO Employment-Intensive Investment Branch, International Labour Office, Recovery and Reconstruction Department. Geneva: ILO, 1999.
- ⇒ Tajgman David and Jan de Veen, 1998. *Employment-intensive Infrastructure Programmes. Labour Policies and Practices*.<sup>66</sup> ILO Employment-Intensive Investment Branch, International Labour Office, Recovery and Reconstruction Department. Geneva: ILO, 1998.

## Emergency Public Employment Services

Emergency Public Employment Services (EPES) provide a bridge between job seekers and employment opportunities and help direct workers to larger scale public works that provide crucial services in the aftermath of a crisis.

They can also help when employment needs are pressing and labour supply and labour demand are changing rapidly. In a typical crisis, masses of people lose their jobs and sources of livelihood, while others (youth, demobilized combatants, war widows, refugees, etc) may need to find income generating activities for the first time. EPES help to identify immediate job opportunities through rapid assessments and for matching job seekers with vacancies- in public works programmes, for example.



#### USEFUL READINGS ON HOW TO IMPLEMENT EMERGENCY PUBLIC EMPLOYMENT SCHEMES

- ILO, 2003. *Guidelines for Establishing Emergency Public Employment Services*. ILO, InFocus Programme on Crisis Response and Reconstruction. International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 2003.

<sup>64</sup>Available at: <http://www.mercycorps.org/files/file1179375619.pdf>

<sup>65</sup> Available at: [http://www.ilo.org/public/english/employment/recon/eiip/download/blue\\_guide.pdf](http://www.ilo.org/public/english/employment/recon/eiip/download/blue_guide.pdf) [accessed in April 2010]

<sup>66</sup> Available at: [http://www.ilo.org/public/english/employment/recon/eiip/download/green\\_guide.pdf](http://www.ilo.org/public/english/employment/recon/eiip/download/green_guide.pdf) [accessed in April 2010]

## Short-Cycle Skills Training

Short cycle skills training targets vulnerable groups who have inadequate skills, keeping them from benefitting from employment opportunities emerging in the post-crisis setting. Training usually addresses the immediate needs of humanitarian and development agencies in the areas of construction, transportation, education, health and security.



### USEFUL READINGS ON HOW TO IMPLEMENT SHORT-CYCLE SKILLS TRAINING

ILO, 1998. *Guidelines for Employment and Skills Training in Conflict-Affected Countries*. ILO, InFocus Programme on Crisis Response and Reconstruction. International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 1998.

## Voucher Programmes for micro-businesses

Voucher programmes are a useful mechanism for the delivery of goods (e.g. seeds) and services (e.g. training) to conflict affected areas. By using resources available in the local private sector providers in the rebuilding process, the advantages are two-fold. Firstly, voucher programmes have a direct impact in terms of enhancing the relevance of goods and services that are delivered to beneficiaries; they can choose the quantity and the quality of goods and services they need. Secondly, the indirect benefit that is derived from money-multiplier effect when funds are invested into the local economy. The involvement of the local private sector reduces investment leakages and maximizes the ability for donor funds to stimulate the local economy. When local markets are competitive, voucher programmes may be more cost-efficient than the direct delivery of good or service to beneficiaries.



### “Zoom-In On the Practice...” A fair and seed voucher programme in South Darfur

In South Darfur, productive farming is challenged by the poor availability and quality of seeds, caused by unsustainable farming methods and the reduced number of reputable seed vendors. In response to this situation, Catholic Relief Services (CRS) has introduced a fair and seed voucher programme.

The programme consists of providing farmers with vouchers which can be used to purchase seeds at a fair, choosing the quantity and type of seeds they prefer and at the price they can afford. This allows farmers to opt for alternatives that are most suitable for their local-cash crop market and their household consumption. On the supply side, such a programme stimulates and gives incentive for production at a higher quality, thus reactivating the seed market.

The seed voucher fairs bring seed vendors from the surrounding communities to rural areas, allowing beneficiaries to restart the farming in more secure areas, and stimulates the agriculture sector by generating demand for seed and farming tools. This in turn has positive effects on crop production, local market resumption, and food security, and decreases dependency on food aid.

Source: USAID Sudan, Report of June 2007.

### *Selecting Immediate Small-scale Livelihood Activities*

The process of identifying appropriate livelihood stabilization measures should seek to engage stakeholders in decision-making whenever possible. However, in circumstances where consensus support for an activity appears difficult to achieve, the LER inter-agency team must still ensure that these income-generating activities are not stalled in the planning process. As a matter of fact, livelihood stabilization measures are mostly dependent on external international sources of funding.

The externally-driven type of resource mobilization is typical of humanitarian settings, due to the necessity of responding as quickly as possible to the emergency situation and of meeting the most critical life-saving needs. The decisions are often driven by priorities set by the donors and, when a common funding mechanism is set in place, by the actors participating in the process. Generally, specific criteria must be fulfilled in order to achieve the endorsement and eventual allocation of funds. When applying for common funds, the timing of the programming and submission of proposal is a critical issue. Funding livelihood stabilization measures through humanitarian appeal mechanism generally pose more than one challenge. If there is broad resistance to all of the activities identified, further planning and decision-making may be required.

## **5.5. Prompting Participation and Mobilizing Stakeholders**

### *Degree and Breadth of Stakeholder Participation*

Logistics, security, social norms, time, and budget constraints all have an impact on the level of stakeholder participation available to an LER project. Oftentimes, LER projects will not allow for active stakeholder participation throughout the entire process, particularly in the early stages of the project when facilities, logistics, and other arrangements have yet to be clarified.

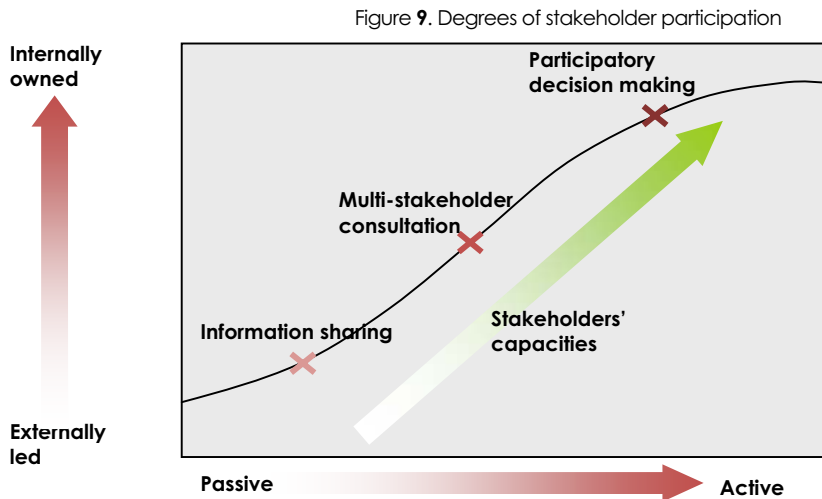
Most likely, immediate LER activities will be selected and implemented without much involvement of local public and private stakeholders. However, as conditions stabilize and the project begins to exhibit visible impacts, greater opportunities often arise for stakeholder engagement and participation.

The degree and type of participation that is realistically achievable in a certain context depends significantly on local cultural norms and the decision-making mechanisms that are already in place. Tapping into these norms is often the easiest way to promote broad-based or representative participation. Participation levels should be clarified as early in the process as possible in order to help lay a foundation for future stakeholder activities.

Building off the results of the institutional Profiling exercise, the LER inter-agency team should determine who could be invited to participate in the LER planning process as active stakeholder participants. This is a very important task to consider, as these stakeholders will act as the primary analysts and decision-makers for LER mid-term interventions.



Stakeholder participation is qualified along two dimensions: the activeness/passiveness of the contribution requested to stakeholders, and the endogenous/exogenous character of process initiation and leadership. LER entails an incremental degree of stakeholder participation, whose pace and point of departure is essentially determined by current level of stakeholders' capacities. The stronger the role of external actors (e.g. donors or international implementing organisations) in initiating and leading the LER process, the weaker the ownership by nationally-based agents and their influence on the decisions taken. Hence, we could identify three degrees of stakeholder participation, ranging from low to medium and high, as shown in **Figure 9**<sup>67</sup>.



- ⇒ **Information sharing** (low degree of participation). This is a basic form of participation, where the role of stakeholders is rather passive and the ownership of the process at the local level is low. Information sharing is the process occurring across fact-finding tasks. It is not fully passive or externally-led, as the information will ultimately impact decisions. The stakeholders can in fact be proactive and selective in providing information, according to the final result they intend to achieve.
- ⇒ **Multi-stakeholder consultation** (medium degree of participation). This is about seeking and giving advice on the basis of a set of personal/institutional considerations. The actors who are consulted are those who are reputed knowledgeable with respect to a certain subject matter. The advice is intended to be used by competent actors to inform a decision.
- ⇒ **Participatory decision-making** (high degree of participation). Decision making is based on a mandate that entitles a party to decide on a specific matter and to enforce the resulting decisions. Therefore, one of the pre-conditions of participation in a decision is legitimacy, which in a democratic mechanism is based on the recognised representativity of the entity.

<sup>67</sup> The three degrees are inspired on the social dialogue terminology, which distinguishes three types of social dialogue: information sharing, consultation, and negotiation.

## The Role of An LER Stakeholder Group

The role of an LER stakeholder group which represents territorial interests, both public and private, is to act as a catalytic hub of information and resource sharing. This enables stakeholders to:

- ⇒ **Share perspectives** on local economic recovery objectives and priorities;
- ⇒ **Increase understanding** of policies, dynamics, and bottlenecks that impact the territorial economy;
- ⇒ **Identify workable solutions** to issues through joint planning and decision making;
- ⇒ Establish cooperative ventures among stakeholders, thus creating opportunities for mutual advantages;
- ⇒ **Identify local resources** and mobilize them effectively;
- ⇒ **Suggest synergies** to the appropriate line ministries (e.g. Labour, Enterprise, Trade, Finance, etc) that support economic activity in the strategic territory;
- ⇒ **Formulate LER strategies** that draw together economic, social, political, trade, educational and industrial elements;
- ⇒ **Build consensus** around the LER strategy in coordination with the activities of public institutions at the central, regional, and local levels;
- ⇒ **Coordinate**, monitor and evaluate the implementation of LER interventions.

## Why Establish a Stakeholder Group?

Establishing an appropriately representative stakeholder group will help to provide greater legitimacy for the project in the territory, help generate broader awareness and profile for the project, and provide a broad range of critical thinking skills. A well-established stakeholder group will also help make sure that a full range of issues are considered, ensure that the interests of the territory are better accounted for, and allow for the establishment of a more widely-supported LER project.

## Who Should Be Invited to Participate?

When determining the LER stakeholder group it is important to be inclusive so that no major interests in the territory are left out. This includes representatives from the public, private, and civil society sectors that represent appropriate interests within the territory. However, stakeholder groups that are too large are less manageable and therefore less practical for active participation and good decision analysis. It is recommended that the LER stakeholder group have less than 16 participants and that each meet general requirements for participation (see Table 44). Groups larger than this can be accommodated. However, this requires significantly more time, resources, and facilitation support than is often readily available.



It is important to note that the composition of the Groups is **gender balanced** and that all members should be **gender aware**; when awareness is lacking training should be provided.

Table 44. Stakeholder Participation Requirements

SKILLS	KNOWLEDGE	ATTITUDES
<ul style="list-style-type: none"> <li>• Ability to establish and manage partnerships</li> <li>• Ability to establish effective communication infrastructure</li> <li>• Listening skills</li> <li>• Animator skills</li> <li>• Teamwork skills</li> <li>• Reading and writing skills</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge of local community</li> <li>• Knowledge of world economy</li> <li>• Knowledge of available services (e.g. training programmes, credit, grants, etc)</li> <li>• Information on developments in other local areas</li> </ul>	<ul style="list-style-type: none"> <li>• Willingness to participate</li> <li>• Willingness to share information</li> <li>• Willingness to cooperate</li> <li>• Community interest</li> <li>• Local and global awareness</li> <li>• Gender awareness</li> </ul>

In some cases, key stakeholders will not be able to meet each of these requirements. In such cases, a more involved sensitization and preparation process will be required to get stakeholders informed adequately for participation. Training workshops can be developed if capacity is determined to be too low for efficient participation.

In each local economic recovery context, the LER stakeholder group will be unique according to local political structures, accessible interest groups, and sectors identified in the project document. However, there are some general categories of stakeholders that tend to be invited in all contexts, dependent on the scale of the strategic territory. Some examples are listed in Table 45 and, more extensively, in Table 22.

Within given geographic boundaries, the control, access and influence over the use of each of these forms of capital are not shared equally among local agents. Certain among them will be more powerful than others; some of them will be marginalized and have very little access and control over local resources, which makes them poor and less able to participate to the economic life of a territory. Depending on how planning processes are designed, the degree of participation of local actors varies and, as a result, they may or may not be useful in all interventions.

Table 45. Potential participants in the LER Stakeholder Group (public/private sector)

<b>Public sector</b>	<ul style="list-style-type: none"> <li>- National line ministries and agencies (Labour, Employment, Trade, Agriculture, etc)</li> <li>- Provincial/regional departments and agencies</li> <li>- Local authorities (municipal, district, rural area)</li> <li>- Specific sector boards (e.g. Tourism, Agriculture, Forests, etc)</li> <li>- Education and research institutions (post-secondary institutions within the strategic territory)</li> <li>- Service providers (utilities, transportation, waste, etc)</li> </ul>
<b>Private Sector</b>	<ul style="list-style-type: none"> <li>- Financial institutions (micro-credit and commercial banks)</li> <li>- Chambers of Commerce</li> <li>- Businesses (including small, medium and large)</li> <li>- Employment and Entrepreneurships Organizations</li> <li>- Trade and labour unions</li> <li>- Professional associations</li> <li>- Locally-operating CBOs and NGOs</li> <li>- Women's groups and organisations</li> </ul>

### Sensitizing Stakeholders

Once the stakeholders have been mobilized in a stakeholder group, the next step includes raising awareness among different stakeholders in the strategic territory about the idea of LER and how their decisions and actions affect other people around them. This encourages them to think about how synergies can lead to the achievement of local economic recovery.

It helps determine if additional stakeholders should be included in the group. It also seeks to create an environment of dialogue among stakeholders that will assist them in finding solutions to common problems while creating opportunities for collaboration. The sensitization process may begin at various levels in the strategic territory (village, sub-district, district, provincial, etc). However, it must seek to be inclusive in nature and recognize the importance of understanding the situation, needs, and expectations of all local communities.

As part of the sensitization and preparation process, the LER inter-agency team should take time to provide stakeholders with an overview of the LER process, including:

- ⇒ the **benefits, the urgency** and objectives of Local Economic Recovery
- ⇒ the LER **planning process** (timelines, milestones, constraints)
- ⇒ **stakeholder expectations**, roles, and responsibilities

In order to ensure consistent stakeholder participation, it is also important to inform the stakeholder group in regard to roles, responsibilities, and expectations for the planning process. To do so, LER Stakeholder Group Bylaws must be established for each stakeholder to approve. Bylaws are useful to ensure that members of the group are in unity regarding the group's purpose and structure and should provide detailed expectations for each stakeholder's participation, including:

- ⇒ **activities** to be jointly undertaken
- ⇒ **roles** of the participants throughout the process
- ⇒ **standards** for information gathering and sharing
- ⇒ **decision-making methods** (including dispute resolution and review)
- ⇒ **resources** to be provided by each partner
- ⇒ **agreements** on how the outcomes of the planning process will be integrated into the planning activities of the local area

Bylaws should be formally agreed upon by the members of the LER stakeholder group and periodically reviewed. Asking stakeholder group members to sign the terms will ensure that they are committed to the process, available to participate when they are needed, and adequately informed about upcoming activities. The presence and signature of a recognized and respected religious or traditional leader would add significance and binding power to the agreed terms.

Change management approaches and theories are particularly useful when trying to introduce a transformation such as the one brought by economic recovery and peace building. Below, a list of steps to be taken which will garner the support of such change that has been originally conceived for change management within organisations (Kotter 1996):

- ⇒ **Step 1: Create a great sense of urgency**, by raising awareness of the necessity, pertinence and timeliness of the LER approach application among stakeholders, including potential partners. This phase is to boost motivation, gain cooperation, and identify possible resistance against LER. Economic depression, unemployment and the risk to relapse into conflict due to frustration and a sense of inequality, could be good arguments of urgency.
- ⇒ **Step 2 : Create a strong coalition**, i.e. the inter-agency team, who ;
- ⇒ **Step 3 : Developing a vision and a strategy**
- ⇒ **Step 4 : Communicating the change of vision** (ensure people accept the proposed solution)
- ⇒ **Step 5: Empowering the local stakeholders** to act, by involving them in the process and assigning them responsibilities and clear roles;
- ⇒ **Step 6: Creating short terms** wins through immediate job creation temporary income, as well as visible and useful outcomes (e.g. basic infrastructure);
- ⇒ **Step 7: Consolidating gains and producing more change**
- ⇒ **Step 8: Anchoring new approaches in the culture**

## Establishing an LER Stakeholder Group

Below is a set of suggested steps to be taken in order to establish a stakeholder group.

**Step One: Assess stakeholder interest in participation.** Assess whether local stakeholders want to participate actively in decision-making, if the environment is conducive to group participation, and how they will be integrated with the LER planning process. These questions can be answered through consultations and meetings with public and private sector stakeholders at the territorial level and national and international development partners operating in the strategic territory. The consultations should seek to identify lessons learned from existing recovery processes, best practices and common constraints that affect participation.

**Step Two: Identify a leader to drive the formulation of the stakeholder group.** Identify an individual or key institution that can lead consultations and create momentum in establishing the stakeholder group. As local leadership is critical to this stage of the LER process, it is important that a leader is identified who can command and maintain the respect of different groups, not all of whom share the same level of power or interests. Be cautious to select a leader that is known for fairness, transparency, and the ability to communicate and negotiate in high-profile situations.

**Step Three: Identify potential members of the LER Stakeholder Group.** Referring to the Institutional Profiling (see Milestone 2.1), identify individuals and groups that could serve as advisors to the LER project. In doing so, ensure that each understands the commitments expected of them and the goals of their participation. Be cautious not to exclude significant interests, holders of power and influence, and representatives of target beneficiary groups.

**Step Four: Sensitize stakeholder group to LER project planning.** Introduce the stakeholder group to the LER project and the process within which it will be planned. In some cases, where capacity is low, additional training may be required to ensure that stakeholders can participate in an informed and efficient manner.

**Step Five: Establish and agree on LER Stakeholder Group bylaws.** Once the group has been established, an introductory meeting should be held to introduce members to one another, discuss expectations, constraints, and potential challenges, and establish the LER Stakeholder Group Bylaws. The bylaws should outline member roles, responsibilities, activities, schedules, and communications.

**Step Six: Determine if additional stakeholders are required.** Working with current stakeholder group members, determine if any groups or individuals have been overlooked. If key interests are under-represented, agree on an approach for expanding the group's membership. It is the role of the LER inter-agency team to ensure that key groups are not overlooked, particularly the target beneficiaries identified in the project document.

**Step Seven: Identify and agree on quick impact stabilization measures.** Working with the stakeholder group, the LER team should help to identify and select quick impact stabilization measures that provide short-term cash incomes and/or immediate skills upgrading to those affected by the crisis. As this is a donor-driven component of LER, the team should ensure that each stakeholder has adequate information to inform his/her decision-making.



### **“Zoom-In On the Practice...” Inclusive Participatory Planning at the District Level in Iraq**

In Iraq, ILO, UNDP, UNESCO, UNICEF, UNOPS, UNHABITAT and WHO are implementing a Local Area Development Programme since 2008. The approach used by the four agencies entails making sure that all segments of the local society participate in district-level planning, and that local authorities and line ministries are equipped to oversee the process.

A platform for district development planning, moderated and supported by a team of local UN personnel, has been established to bring together local stakeholders and facilitate their contributions to the local government plans. When this approach is applied in areas where tensions still exist, it must be adjusted with a conflict resolution lens and take into account political sensitivities. A conflict analysis would help uncovering such dividers and sensitive issues.

*Source: LADP Management Team (ILO, UNDP, HABITAT), January 2010.*

## 5.6. Building Capacities in the Mid-term

### Purpose

Recovery should be fully owned, led and implemented by local stakeholders, according to their expertise, resources and capacities. This is particularly challenging in war-affected environments where local institutions and organizations are hardly operational and are generally weak in service delivery.

In these settings, efforts should focus on reinforcing their capacities when there is a gap, and in recognizing and valorising inherent knowledge and abilities. In some cases, but only as last-resort option, new implementing and service-delivery entities need to be set up from scratch (e.g. employment service centres, economic development agencies, business incubators).

Capacity building is intended as a set of initiatives aimed at helping trainees in meeting present or future job requirements. Job requirements consist of a set of competencies and the desired level that should be attained by the worker per each of these competencies. Competencies themselves are groups of attitudes, skills and knowledge. Therefore, capacity building must involve all three of the aforementioned levels, i.e. attitudes, skills and knowledge.

The ultimate objective of building local institutions' capacities is to increase local ownership, facilitate the hand-over and prepare stakeholders for future development operations, thus ensuring sustainability of LER efforts beyond their conclusion. However, capacity building is not only aimed at improving the more or less technical capacities, but also at building constructive relationships among stakeholders participating in joint training initiatives, which ultimately leads to sustained peace building. Capacity building is therefore a strategic element of LER and resource allocation within LER plans of action should reflect that.

Capacity building initiatives, though encompassing a wide variety of delivery modalities, have a common structure that can be outlined as follows. If resources allow for it, a training specialist with sound expertise on adult learning methods can be hired to help LER practitioners in developing and implementing training programmes. In any case, LER practitioners should acquire at least basic trainers' competencies, in order to be able to manage and oversee capacity building initiatives.

⇒ Identification of the **target groups and profiling** (including required competencies);



⇒ **Training needs assessment** of a specific target group, which consists of a comparative analysis of desired/required and possessed competencies; a fundamental cross-cutting competence for all target groups is **gender awareness**;

⇒ Selection of the suitable **training modality** (see following sub-section on the typical modalities); the modality must be feasible for **female employees** and must fit the cultural context;

⇒ Definition of **learning objectives** and design of the training programme;

⇒ Definition of the **organisational, management and financial aspects**;

⇒ Development of the **training materials** (training contents and supports, e.g. manuals, facilitator's guide, activity instructions, power point presentation, videos, CD-ROMs);

⇒ **Delivery** of the training according to the chosen modality;

⇒ **Evaluation and follow-up**.

## Overview of Capacity Building Modalities

Below is an overview of a few capacity building modalities; the list is not exhaustive and non-included typologies are for instance simulations and apprenticeships. According to the objectives, the available resources and other types of restrictions, training programme may prefer one or the other options. However, blended modalities are generally the most effective in learning terms. In fact, each of the overviewed modalities is particularly strong in strengthening either attitudes, or knowledge or skills.

- ⇒ Face-to-face training;
- ⇒ On-the-job training;
- ⇒ Coaching and mentoring;
- ⇒ Study tours;
- ⇒ E-learning.

FACE-TO-FACE TRAINING	
<b>What is it?</b>	It refers to workshops, seminars and similar modalities where learning takes place in a venue gathering trainers (i.e. content experts), facilitators, resource persons and trainees. The learning experience is structured along a fixed timeline with a pre-defined agenda. The delivery approach can be more or less participative, with a variable proportion between lectures, group works and other types of trainees' participation. The training, as well as the training materials, has to be delivered in a language that is common to all trainees. To the greatest possible extent, the trainees' group should be homogeneous in terms of learning needs and educational background. Face-to-face training, which consolidates learning, can be blended with all of the other training modalities described below.
<b>When to use it?</b>	When learning objectives can be achieved within a limited timeframe When face-to-face contact among trainers, resource persons and trainees is a pre-condition for effective learning When trainees are allowed or have the possibility to leave their work post to attend the training
<b>Advantages/disadvantages</b>	Gives the possibility to learn from others, share experiences and debate Gives the chance to simulate the application of specific skills through group works Contents are versatile and, if they are not highly specific, the training can be replicated in other settings Requires availability and full attendance of trainees, who in most of the cases have working commitments Organisation and logistics can be complex and expensive Without any follow-up, learning achievements might be poor and/or easily dispersed Affiliated institutions might not have the funds to sustain the costs of trainees' attendance Attendance may be motivated by the additional benefits offered (e.g. daily allowance, travel expenses)
<b>Tasks</b>	<ol style="list-style-type: none"> <li>1. Design the training programme</li> <li>2. Develop training materials, including facilitation guidelines, handouts and visual instruments</li> <li>3. Organise logistical arrangements (venue, catering, travels)</li> <li>4. Advertise the training, invite and enrol trainees</li> <li>5. Identify, hire and train trainers, facilitators and resource persons</li> <li>6. Deliver training (including pre-course induction activities if any)</li> <li>7. Conduct a post-training evaluation of learning achievements and follow up</li> <li>8. Ask trainees to evaluate the training service and products</li> </ol>
<b>Tools and in depth-guidelines</b>	ILO International Training Centre. <i>Competency-Based Training of Trainers</i> (online course)



## ON-THE-JOB TRAINING

### What is it?

It refers to training that is delivered at the work place and, generally, involves colleagues of the same firm. It is limited in timeframe and structured on the basis of well-determined learning objectives. It is tailor-made to the identified learning needs of workers, and programmes can be negotiated among employers and workers. The trainer is an expert on the technical skills to be developed and/or strengthened in the trainees. It can even be an employee of the firm. Trainees form a homogeneous group and know each other.

### When to use it?

When learning objectives mainly concern the acquisition of practical and technical skills  
 When demonstrative exercises are indispensable to attain the learning objectives  
 When demonstrative exercises require the use of specific equipment and the practice in specific settings  
 When the concerned firm is undergoing a change (e.g. a new technology, equipment, approach, product)  
 When trainees' profile is such that learning would not be effective in a classroom

### Advantages/disadvantages

It is very specific and tailor-made to workers' needs and responds to employers' requests  
 It allows for directly putting into practice the learned concepts and for encountering every-day situations  
 It allows for trouble shooting as soon as problems emerge  
 It allows for sharing the learning experience with colleagues and for post-training peer-to-peer support  
 It does not involve logistical costs, except those related to new equipment, if any is needed  
 It suits trainees with low educational background  
 Contents are not versatile as they are highly tailor-made, hence might not be "recycled" for other trainees

### Tasks

1. Design the training programme, possibly with the participation of employers and workers
2. Develop training contents and handouts
3. Identify, hire and train the technical expert who will deliver the training
4. Deliver the training (including pre-course induction activities if any)
5. Post-training evaluation of trainees' learning achievements and follow up
6. Ask trainees to evaluate the training service and products

## COACHING AND MENTORING

### What is it?

Coaching refers to the provision of advice and assistance on a one-on-one basis or to very limited groups of employees with similar functions. It focuses on one or more professional and managerial functions as well as attitudes at work. It can be also used to address internal relational problems within a team as well as other issues affecting delivery. In order to be effective, it requires mutual trust and empathy between the mentor/coach and the targeted employees.

Mentoring is similar but it generally targets young employees in a management-level position who just joined the company/organisation; it mainly aims at instilling the "corporate" culture and at integrating the employee by teaching the right attitudes.

Mentoring and coaching are not as structured as the face-to-face and the on-the-job training, and the timeframe can be diluted over time. They are provided by confirmed experts on the subject matter; in the case of mentoring, it is generally a senior-level employee who takes on the role of mentor.

### When to use it?

When learning objectives mainly concern professional and managerial functions (i.e. mainly soft skills, complexity)  
 When the firm is undergoing a change (e.g. new management structure, new business approach/service, re-distribution of responsibilities and roles, new team)  
 When the learning objectives are achievable only through the continuative support of an expert  
 When relational issues have to be addressed within a team

### Advantages/disadvantages

Can be diluted over time and the schedule can be arranged on a one-on-one basis, or with the targeted group  
 Outcomes can be monitored in real-time and objectives/benchmarks can be re-adjusted

It cannot be based on standardised training materials and contents, and hence does not allow for replication It requires very solid expertise in both monitoring and coaching, which can be rare in certain settings
<b>Tasks</b>
<ol style="list-style-type: none"> <li>1. Establish mentoring and coaching objectives and expected results per each of the targeted employees</li> <li>2. Identify and hire the mentoring and coaching expert</li> <li>3. Develop a monitoring and coaching plan inclusive of schedules and review meetings</li> <li>4. Manage the whole mentoring and coaching programme</li> <li>5. Monitor progress and introduce adjustments as needed</li> <li>6. Evaluate and document the outcomes, and plan for possible follow up</li> </ol>

STUDY TOURS	
<b>What is it?</b>	It is generally introduced within face-to-face trainings or distance-learning programmes, with a view to consolidate learning and expose trainees to real practices and experiences. As such, it must be contextualised and conceived in such a way that can contribute to the achievement of specific and very well-defined learning objectives.
<b>When to use it?</b>	Within the framework of face-to-face trainings or distance-learning programmes
<b>Advantages/disadvantages</b>	<p>It is highly interactive and allows for real-time exchanges of information and knowledge</p> <p>It opens the window for further debate and the introduction to new topics within a training</p> <p>It exposes trainees to realities and best practices in fields of interest</p> <p>It requires logistical arrangements and involves costs of displacement</p>
<b>Tasks</b>	<ol style="list-style-type: none"> <li>1. Identify the need and appropriateness of a study tour</li> <li>2. Identify relevant good practices to which the trainees should be exposed</li> <li>3. Define specific objectives and prepare a study-tour plan with the visited institution</li> <li>4. Organise the logistics (transport, catering, venue, and others)</li> <li>5. Conduct the study tour</li> <li>6. Evaluate and document the outcomes</li> </ol>

E-LEARNING	
<b>What is it?</b>	There are three types of e-learning: <ol style="list-style-type: none"> <li>1. Distance learning occurs when trainers and trainees are in remote locations. It is generally limited in time, with a fixed enrolment period. If there are sufficient available resources (e.g. the trainers are engaged full time to the training), then enrolment can be tailored to the trainee's needs, as can the schedule of training activities and deadlines.</li> <li>2. Computer-based training is similar to distance learning. The main difference is that it requires certain supports because the training programme is stored in hard-drives, diskettes and CD-ROMs.</li> <li>3. Web-based training is also similar to distance learning and is based on the use of computers like CBT. Differently from CBT, training materials are more easily updated because they are not stored in any hard support and are available online.</li> </ol>
<b>When to use it?</b>	<p>When it is not possible and/or convenient to gather trainees in the same venue</p> <p>When trainees have clearly expressed the preference for distance learning</p> <p>When the timing of training delivery must remain somewhat flexible</p>
<b>Advantages/disadvantages</b>	<p>It provides access to training even to trainees in remote areas</p> <p>Trainees can organise their learning according to their working commitments; they can learn at their own pace</p>

<p>The delivery is cheaper than the face-to-face training, as it does not involve logistical costs and displacements</p> <p>It allows for having more structured one-on-one feedbacks from the trainers, within the limits of the programme</p> <p>It requires the possession of computers and the access to internet</p> <p>It requires trainees to be self-disciplined and trainers to deliver timely assistance</p> <p>It does not allow for real-time debate and sharing of experience and knowledge</p> <p>It does not allow for real-time simulations</p>
<p><b>Tasks</b></p> <ol style="list-style-type: none"> <li>4. Design the training programme</li> <li>5. Design the web-based learning platform</li> <li>6. Identify, hire and train trainers on distance-training delivery</li> <li>7. Develop and upload training materials and complementary knowledge tools (e.g. for the use of the platform)</li> <li>8. Advertise the training</li> <li>9. Register trainees and deliver the induction phase</li> <li>10. Deliver the training and manage the learning platform</li> <li>11. Conduct a post-training evaluation of learning achievements and follow up</li> <li>12. Evaluate the training service and products</li> </ol>
<p><b>Tools and in depth-guidelines</b></p> <p>ILO International Training Centre. <i>Competency-Based Training of Trainers</i> (online course)</p>



### Tool 3-A. Guidelines: Facilitation Techniques

## 5.7. Examples of Mid-term Interventions

Table 46. Domains of action, examples of objectives and types of interventions

LER domains of action	Objectives	Types of interventions
<b>Employability</b>	<ul style="list-style-type: none"> <li>Ensuring the availability of technical and professional skills as demanded by the labour market in order to develop/increase workers' productivity</li> <li>Facilitating the match between labour demand and supply</li> </ul>	<ul style="list-style-type: none"> <li>Short-cycle training programmes to meet immediate labour demand</li> <li>Development/revision of vocational training policies and programmes (medium-long term)</li> <li>ToT and technical assistance to training providers</li> <li>Establishment/strengthening of (emergency) employment service centres</li> </ul>
<b>Entrepreneurship, enterprises and cooperatives</b>	<ul style="list-style-type: none"> <li>Creating and promoting an entrepreneurial culture, including among youth and women</li> <li>Mainstreaming Decent Work as part of the baggage of values characterizing good entrepreneurship</li> <li>Improving firms' cooperation, business management skills, knowledge and attitudes</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of basic business management modules in secondary schools (e.g. the ILO Know About Business, KAB)</li> <li>Targeted entrepreneurship training and assistance for women (e.g. ILO GET Ahead)</li> <li>Training for entrepreneurs (e.g. the ILO SIYB)</li> <li>Technical assistance by BDS providers</li> <li>Creation and development of cooperatives</li> </ul>
<b>Business-enabling Environment</b>	<ul style="list-style-type: none"> <li>Creating an environment (e.g. regulatory framework, policies, transparency) that encourages the start-up of new businesses and the development of existing ones</li> </ul>	<ul style="list-style-type: none"> <li>Assistance to policy makers in the analysis and revision of regulatory frameworks that remove bottlenecks (e.g. registration procedures, tender procedures, anti-corruption) and create incentives for MSEs (e.g. taxation, awards, property rights)</li> </ul>
<b>Access to financial resources</b>	<ul style="list-style-type: none"> <li>Ensuring the availability and the access to adequate financial services and products for start-up and business growth in conflict-affected settings</li> </ul>	<ul style="list-style-type: none"> <li>Distribution of grants and cash vouchers for businesses to restore stocks, equipments and workplaces</li> <li>Guarantee funds for MSEs</li> <li>Training and technical assistance to financial institutions to develop new products, improve services and expand reach out</li> </ul>
<b>Support infrastructure</b>	<ul style="list-style-type: none"> <li>Ensuring that the necessary support infrastructure (e.g. transportation, communication, storage, market, etc.) is in place, well maintained and accessible</li> </ul>	<ul style="list-style-type: none"> <li>Training and technical assistance for entrepreneurs in the construction sector (e.g. the ILO Start and Improve Your Business, SIYB)</li> <li>(Private/Public) construction works</li> </ul>
<b>Access to Business Development Services</b>	<ul style="list-style-type: none"> <li>Improving the competitiveness of local firms in strategic sectors and value chains, and their access to viable business opportunities in conflict-affected settings;</li> <li>Fostering innovation as a means to enhance firms' competitiveness and their survival capacity in harsh markets</li> </ul>	<ul style="list-style-type: none"> <li>Training of Trainers and technical assistance on business management to BDS providers (e.g. the ILO package Start and Improve Your Business, SIYB)</li> <li>Production of information for critical business decisions (e.g. Value Chain Analysis)</li> <li>Establishment of BDS/Expansion of reach out</li> </ul>
<b>Public management and participation</b>	<ul style="list-style-type: none"> <li>Empowering public entities and authorities to make a better use of resources</li> <li>Facilitating dialogue and participation for the identification of priorities and the elaboration of suitable recovery solutions;</li> <li>Orienting national and international funds for relief and reconstruction towards local suppliers and labour-intensive methods</li> </ul>	<ul style="list-style-type: none"> <li>Training and technical assistance (e.g. service delivery, public management) for authorities, public entities, business community, and civil society (also trade unions) (see chapter 5.5)</li> <li>Mobilisation and facilitation of multi-stakeholder forums encouraging participation</li> <li>Advice on local procurement, labour-intensive methodologies, LER, employment</li> </ul>

## Selection of Operational Support Materials for Mid-term Interventions<sup>68</sup>

Employability	
	ILO, 2009. <i>Rural Skills Training: A Generic Manual on Training on Rural Economic Empowerment (TREE)</i> . Skills and Employability Department, International Labour Office. Geneva: ILO, 2009.
	Women's Refugee Commission, 2008. <i>Market Assessment Toolkit for Vocational Training Providers and Youth: Linking Vocational Training Programs to Market Opportunities</i> . Women's Refugee Commission. New York, 2008.
	ILO, 2003. <i>Guidelines for Establishing Emergency Public Employment Services</i> . ILO, InFocus Programme on Crisis Response and Reconstruction. International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 2003.
	ILO, 1998. <i>Guidelines for Employment and Skills Training in Conflict-Affected Countries</i> . ILO, InFocus Programme on Crisis Response and Reconstruction. International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 1998.
	ILO, 1998. <i>Gender guidelines for employment and skills training in conflict-affected countries</i> . ILO, InFocus Programme on Crisis Response and Reconstruction. International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 1998.
Entrepreneurship, Enterprises and Cooperatives	
	Bauer Susanne, Gerry Finnegan, Nelien Haspels, 2004. <i>Gender and Entrepreneurship Together: GET Ahead for Women in Enterprise: Training Package and Resource Kit</i> . International Labour Office, Second Edition in 2008. Bangkok, Berlin and Geneva: ILO, 2004. <a href="https://webdev.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_108267.pdf">https://webdev.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_108267.pdf</a> [accessed in April 2010]
	Herr Matthias L., Tapera J. Muzira, 2009. <i>Value Chain Development for Decent Work. A Guide for development Practitioners, Government and Private Sector Initiatives</i> . International Labour Office. Geneva: ILO, 2009. <a href="http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/instructionalmaterial/wcms_115490.pdf">http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/instructionalmaterial/wcms_115490.pdf</a> [accessed in April 2010]
	Manu George, Robert Nelson, John Thiongo, Peter Tomlinson, and Klaus Haftendorf, 2005. <i>Know About Business: Entrepreneurship Education in Schools and Technical Vocational Training Institutions: Training set</i> . International Labour Office and ILO International Training Centre. Geneva: ILO, 2005.
	ILO, 2004. <i>Work Improvements in Small Enterprises (WISE): Package for Trainers</i> . International Labour Organisation. Bangkok: ILO, 2004.
	ILO, 2002. <i>Start Your Business Handbook</i> . International Edition. ILO InFocus Programme on Boosting Employment through Small Enterprise Development. International Labour Office. Job Creation and Enterprise Department. Geneva: ILO, 2002.
	ILO, 2002. <i>Start Your Business Workbook</i> . International Edition. ILO InFocus Programme on Boosting Employment through Small Enterprise Development. International Labour Office. Job Creation and Enterprise Department. Geneva: ILO, 2002.
	ILO, 2002. <i>SYB Business Plan</i> . International Edition. ILO InFocus Programme on Boosting Employment through Small Enterprise Development. International Labour Office. Job Creation and Enterprise Department. Geneva: ILO, 2002.
	ILO, 2000. <i>Rapid market appraisal: a manual for entrepreneurs / Rapid market appraisal: a manual for trainers</i> . ILO InFocus Programme on Boosting Employment through Small Enterprise Development. International Labour Organisation, FIT Programme. Geneva : ILO, 2000.
	ILO, 1996. <i>Improve Your Construction Business: Pricing and Bidding, Site Management, Business Management (Handbooks and Workbooks)</i> . ILO Employment-Intensive Investment Branch, International Labour Office. Geneva: ILO, 1996.
	ILO, 1994. <i>Improve Your Business Basic Kit, Practical Management for Small Business</i> . SIYB Regional Project Office in Harare Zimbabwe, ILO InFocus Programme on Boosting Employment through Small Enterprise Development. International Labour Office. Job Creation and Enterprise Department. Harare: ILO, 1994.
	Mayoux Linda and Grania Macki, 2007. <i>Making the strongest links: A practical guide to mainstreaming gender</i>

<sup>68</sup> The reader may note that this is not intended as an exhaustive list.

*analysis in value chain development*. ILO Small Enterprise Programme (ILO/SEED), International Labour Office. Geneva: ILO, 2007. [http://www.ilo.org/wcmsp5/groups/public/—ed\\_emp/—emp\\_ent/documents/instructionalmaterial/wcms\\_106538.pdf](http://www.ilo.org/wcmsp5/groups/public/—ed_emp/—emp_ent/documents/instructionalmaterial/wcms_106538.pdf) [accessed in April 2010]

### Business enabling environment

DCED, 2008. Supporting Business Environment Reforms. Practical Guidance for Development Agencies. Donor Committee for Enterprise Development. <http://www.enterprise-development.org/download.aspx?id=586>

ILO and AfDB, 2007. *Assessing the enabling environment for women in growth enterprises : an AfDB/ILO integrated framework assessment guide*. International Labour Office (Job Creation and Enterprise Development Department), ILO Regional Office for Africa and African Development Bank. Geneva: ILO, 2007.

UNIDO, 2008. *Creating an enabling environment for private sector development in sub-Saharan Africa*. United Nations Industrial Development Organization. Vienna : UNIDO, 2008. [http://www.unido.org/fileadmin/user\\_media/Publications/documents/creating\\_an\\_enabling\\_environment\\_for\\_private\\_sector\\_development\\_in\\_subSaharan\\_Africa\\_01.pdf](http://www.unido.org/fileadmin/user_media/Publications/documents/creating_an_enabling_environment_for_private_sector_development_in_subSaharan_Africa_01.pdf)

White Simon and Gerry Finnegan, 1998. *Creating an enabling environment for micro and small enterprises in Thailand*. International Labour Organization and United Nations Development Programme. Bangkok : ILO East Asia Multidisciplinary Advisory Team, 1999. [http://www.ilo.org/public/libdoc/ilo/1999/99B09\\_429\\_engl.pdf](http://www.ilo.org/public/libdoc/ilo/1999/99B09_429_engl.pdf)

### Support infrastructure

Bentall Peter, Andreas Beusch and Jan de Veen, 1999. *Employment-intensive Infrastructure Programmes. Capacity-building for contracting in the Construction Sector*. ILO Employment-Intensive Investment Branch, International Labour Office, Recovery and Reconstruction Department. Geneva: ILO, [http://www.ilo.org/public/english/employment/recon/eip/download/green\\_guide.pdf](http://www.ilo.org/public/english/employment/recon/eip/download/green_guide.pdf) [accessed in April 2010]

Dannges Chris, 2003. *Improving Access in Rural Areas. Guidelines for Integrated Rural Accessibility Planning*. ASIST-AP, Rural Infrastructure Publication No. 1, International Labour Organization. Bangkok: ILO, 2003. <http://www.ifrrd.org/new/issues/IRAP/Guidelines/Improving%20access%20in%20rural%20areas.pdf> [accessed in April 2010]

Oakley Peter, 1999. *Organisation and Contracting in Development Programmes and Projects: a study of current practice at the community level. Overview report*. ILO Employment-Intensive Investment Branch, International Labour Office, Recovery and Reconstruction Department. Geneva: ILO, 1999

Tajgman David and Jan de Veen, 1998. *Employment-intensive Infrastructure Programmes. Labour Policies and Practices*. ILO Employment-Intensive Investment Branch, International Labour Office, Recovery and Reconstruction Department. Geneva: ILO, 1998. [http://www.ilo.org/public/english/employment/recon/eiip/download/blue\\_guide.pdf](http://www.ilo.org/public/english/employment/recon/eiip/download/blue_guide.pdf) [accessed in April 2010]

Thorndahl Kaj, 2001. *Employment Intensive Reconstruction Works in Countries Emerging from Armed Conflicts*. ILO Employment-Intensive Investment Branch, International Labour Organisation, Recovery and Reconstruction Department. Geneva: ILO, 2001.

Tournée Jane and Wilma van Esch, 2001. *Community contracts in urban infrastructure works: practical lessons from experience*. International Labour Office. Advisory Support, Information Services, and Training for Employment-intensive Development. Geneva : ILO, 2001.

### Access to financial resources

Craig Churchill and Cheryl Frankiewicz, forthcoming. *Making Microfinance Work: Managing Product Diversification*. Social Finance Programme, International Labour Organization. Geneva: ILO, forthcoming.

Deelen Linda and Klaas Molenaar, 2004. *Guarantee Funds for Small Enterprises. A Guide for Guarantee Fund Managers*. Geneva: ILO, 2003. [http://www.ilo.org/public/libdoc/ilo/2004/104B09\\_435\\_engl.pdf](http://www.ilo.org/public/libdoc/ilo/2004/104B09_435_engl.pdf)

Deelen Linda, Mauricio Dupleich, Louis Othieno, Oliver Wakelin, 2003. *Leasing for Small and Micro Enterprises. A guide for designing and managing leasing schemes in developing countries*. Geneva: ILO, 2003. [http://www.ilo.org/public/libdoc/ilo/2003/103B09\\_139\\_engl.pdf](http://www.ilo.org/public/libdoc/ilo/2003/103B09_139_engl.pdf)

ILO and UNHCR, 2003. *Introduction to microfinance in conflict-affected communities*. International Labour Office,

Social Finance Programme/ Office of the United Nations High Commissioner for Refugees, Reintegration and Local Settlement Section. Geneva: ILO, 2003.

### Access to Business Development Services

Alexandra O. Miehlebradt and Mary McVay, 2004. *Seminar Reader, Developing Commercial Markets for Business Development Services, BDS PRIMER, Annual BDS Seminar, Turin, Italy*, September 2003. for the Small Enterprise Development Programme of the International Labour Office. Turin: ILO, 2004.

Finnegan Gerry, 2003. *Are W.E. Being Served? The Work of the International Labour Organisation (ILO) in Promoting More and Better BDS for Women Entrepreneurs*. ILO InFocus Programme on Boosting Employment through Small Enterprise Development - Women's Entrepreneurship Development. Geneva: ILO, 2003.

The World Bank, 2001. *Business Development Services for Small Enterprises: Guiding Principles for Donor Intervention*. Washington: The World Bank, 2001.

### Public management and participation

ILO, 2010. *Local Economic Recovery in Post Conflict: Guidelines*. ILO Programme for Crisis Response and Reconstruction (ILO/CRISIS). Geneva: ILO, 2010.

ILO, 2010. *Prevention et resolution des conflits violents et armés. Manuel de formation à l'usage des Organisations Syndicales*. International Labour Office, Bureau for Employers' Activities and ILO Programme for Crisis Response and Reconstruction. Geneva: ILO, 2010 (forthcoming).

ILO, 2010. *Gender Mainstreaming in Local Economic Development Strategies: A Guide*. International Labour Office, Bureau for Gender Equality. Geneva: ILO, 2010.

ILO, 2006. *The Effective Employer's Organization: A Series of "Hand-on" Guides to Building and Managing Effective Employer's Organization*. International Labour Office, Bureau for Employers' Activities. Geneva: ILO, 2006.

Haan H.C. and I. Lardinois, 1998. *Municipal solid waste management involving micro- and small enterprises: Guidelines for municipal managers*. WASTE, GTZ, SKAT and ILO, 1998.

Smith Stirling, 2006. *Let's organize! : a SYNDICOOP handbook for trade unions and cooperatives about organizing workers in the informal economy*. ILO SYNDICOOP Programme. Geneva: ILO, 2006.

## Setting Standards for LER interventions

Interventions should respond to the below-listed set of standards, besides applying the LER guiding principles overviewed in chapter 1. Control questions proposed in the boxes below can be referred to by policy makers and managers and used as "self-assessment" tools to verify that the important issues have been truly considered. The reader may note that they are not intended as exhaustive lists.

⇒ **Comprehensiveness and coherence** involve making sure that projects are not isolated initiatives with little final impact. They must be inspired by a strategic and holistic approach that is able to tackle the multi-faceted issues underlying economic recovery. Furthermore, interventions must address both labour demand (through the creation, recovery and increased productivity of enterprises) and labour supply and access (essentially employability).

⇒ **Decent work** is a long term goal but must be considered from the earliest stages of recovery. It entails human rights issues and involves ensuring that the following pillars are considered: employment, social security, social dialogue, and norms and standards at work.



⇒ **Gender mainstreaming**. LER interventions must support both women's and men's efforts to build new social and economic relationships that allow them to best cope with shocks and the new setting.

⇒ **Environmental-friendly approach**. Environmental and natural resources are critical assets not only for economic recovery, but also for peace-building. LER interventions should also consider

the risks that are linked to the exploitation of natural resources in conflict-affected settings.

- ⇒ **Emphasize connectors** and **minimize dividers**. Specific cultural and social features in a community may exacerbate divisions into groups or, on the contrary, reinforce the bonds that exist in spite of fundamental differences. Emphasizing connectors is a way to promote reconciliation, while minimizing dividers deals with being conflict sensitive in any decision and action taken when implementing LER.
- ⇒ **Disaster risk reduction** involves setting in place measures and adopting attitudes and behaviours that mitigate and reduce the risk of occurrence and devastation of natural hazards. Awareness and sensitivity of economic actors (from the micro to the major ones) towards disaster risk reduction issues can make a difference in disaster-prone countries.

EXAMPLES OF CONTROL QUESTIONS ON DECENT WORK <sup>69</sup>	
<input type="checkbox"/>	Do the proposed economic recovery interventions translate into job creation and more employment opportunities?
<input type="checkbox"/>	Do the proposed interventions explicitly consider not just the number but also the quality of jobs created (i.e. income level, working conditions, social security coverage)?
<input type="checkbox"/>	Have the interventions being designed by considering and avoiding possible harmful effects on employment or changes in productivity?
<input type="checkbox"/>	Are the gains resulting from economic recovery equally distributed among employers and workers?
<input type="checkbox"/>	Have interventions been designed in consultations with employers' and workers' organisations, to make sure that their knowledge and concerns are reflected?
<input type="checkbox"/>	Have the interventions been designed by explicitly taking into consideration labour market features, in order not to create distortions (i.e. wage and price setting, labour demand and supply, productivity, etc.)?
<input type="checkbox"/>	Are there interventions aimed at enhancing labour productivity in rural areas?
<input type="checkbox"/>	Do the proposed interventions draw on the complementarities between different sectors (e.g. farm and non-farm activities) for added value?
<input type="checkbox"/>	Do the interventions favour employment-intensive means of investment or production?
<input type="checkbox"/>	Do the proposed interventions introduce incentives for enterprises, creating more and better jobs?
<input type="checkbox"/>	If any of the proposed economic recovery interventions introduces a new technology, have its impacts on employment been considered?
<input type="checkbox"/>	Do the proposed economic recovery plans take into account and address the difficulty/impossibility for certain individuals to earn an income independently (due to age, disability, or other factors)?
<input type="checkbox"/>	Do the proposed interventions entail incentives/training/information to eliminate unhealthy and hazardous working conditions? Is safety at the workplace one of the eligibility criteria for supporting – financially and technically – the start-up and growth of businesses?
<input type="checkbox"/>	Are building sites of infrastructure projects respecting minimum standards to prevent accidents and protect workers' safety? <sup>70</sup>
<input type="checkbox"/>	Is there any intervention aimed at guaranteeing a minimum health coverage and access to essential


<sup>69</sup> Inspired by: ILO, 2007. Toolkit for Mainstreaming Employment and Decent Work. United Nations System Chief Executives Board for Coordination, International Labour Office. Geneva, ILO, 2007. Available at <http://www.ilo.org/public/english/bureau/dgo/selecdoc/2007/toolkit.pdf>

<sup>70</sup> Refer to: **(1)** Markkannen Pia, 2002. *Improving Safety, Health and the Working Environment in the Informal Sector, PATRIS (Participatory Action Training for Informal Sector) Operator's Manual*. International Labour Organization. Jakarta: ILO, 2002. **(2)** Hurst Peter and Peter Kirby, 2004. *Health, Safety and Environment: A series of Trade Union Education Manuals for Agricultural Workers*. International Labour Organization. Geneva: ILO, 2004. **(3)** ILO, 2009. Draft code of Practice for Occupational Safety Health in Agriculture. International Labour Office, Sectoral Activity Programme (SECTOR). Geneva: ILO, 2009.



	health services to workers in rural and urban areas and in the informal and formal sectors? <sup>71</sup>
<input type="checkbox"/>	Have trade unions and employers' organisations been consulted and encouraged to participate actively in the definition of action priorities and in the implementation of activities? Have they been targeted with capacity development initiatives?
<input type="checkbox"/>	Are fundamental principles and rights at work <sup>72</sup> respected across LER implementation and within the projects themselves?
<input type="checkbox"/>	Have proper incentives and rules been established to encourage assisted employers in applying the standards?
<input type="checkbox"/>	Do the interventions set in place mechanisms to prevent child labour, especially its worse forms? <sup>73</sup>

EXAMPLES OF CONTROL QUESTIONS ON COMPREHENSIVENESS	
<input type="checkbox"/>	Is the proposed strategy addressing economic recovery as a multi-faceted issue, i.e. combining different and complementary domains?
<input type="checkbox"/>	Is the interaction among the different project components clear? Is the phasing explicit?
<input type="checkbox"/>	Are temporary job creation schemes complemented by medium and long-term solutions to stimulate the creation of sustainable employment opportunities?
<input type="checkbox"/>	Have proper exit strategies been envisaged?
<input type="checkbox"/>	Are interventions coherent with the proposed concept and the "vision" shared by the stakeholders?
<input type="checkbox"/>	Are the skills of project team members specialised enough to treat each single subject matter with professionalism?

 EXAMPLES OF CONTROL QUESTIONS ON GENDER MAINSTREAMING	
<input type="checkbox"/>	Is project team composition gender-balanced (balanced number of men and women)?
<input type="checkbox"/>	Are team members gender-aware, especially with respect to local cultural and social specificities?
<input type="checkbox"/>	Are job descriptions gender-sensitive? Do they specify gender-related qualifications and responsibilities?
<input type="checkbox"/>	Did the team members receive adequate training to fill in the gaps in their gender-related knowledge and attitudes?
<input type="checkbox"/>	Have projects been designed and validated by involving stakeholders, as well as men and women beneficiaries, who are knowledgeable about local gender issues?
<input type="checkbox"/>	Does the project contain a gender mainstreaming strategy?
<input type="checkbox"/>	Does the project involves methods that facilitate the participation of both men and women in needs analysis, decision making and project monitoring, also by addressing specific participation constraints?
<input type="checkbox"/>	Are the M&E indicators gender-sensitive (e.g. impact)? Is the M&E data collection system gender-sensitive?
<input type="checkbox"/>	Are gender issues explicitly spelled out in the M&E terms of reference?
<input type="checkbox"/>	Are the M&E teams gender-sensitive? If not, is training going to be provided?

<sup>71</sup> ILO, 2003. *Stratégies et techniques contre l'exclusion sociale et la pauvreté : guide de gestion des mutuelles de santé en Afrique*. International labour Organization, Social Security Policy and Development Branch. Geneva: ILO, 2003.

<sup>72</sup> Freedom of association and the effective recognition of the right to collective bargaining; elimination of all forms of forced or compulsory labour (slavery, bonded labour, human trafficking, etc.); effective abolition of child labour, in particular the worst forms of child Labour; elimination of discrimination in respect of employment and occupation.

<sup>73</sup> ILO, 2009. *Training resource pack for agricultural cooperatives on the elimination of hazardous child labour*. ILO International Programme on the Elimination of Child Labour and International Co-operative Alliance (ICA). Geneva: ILO, 2009.

<input type="checkbox"/>	Does the budget explicitly allocate resources to gender-related work (e.g. training, gender analysis)?
<input type="checkbox"/>	Do the interventions consider the possible shift in gender roles caused by the conflict?
<input type="checkbox"/>	Do interventions include initiatives addressing the needs of specific women groups (e.g. female heads of households), empowering them?
<input type="checkbox"/>	Do the interventions carefully consider and address possible gender-based disparities/barriers, including in the access and control over resources, and the participation in needs assessment and decision making?
<input type="checkbox"/>	Do the interventions propose acceptable ways to smooth down possible cultural barriers that inhibit female education and access to labour market?
<input type="checkbox"/>	Do projects introduce concrete measures to facilitate women's access to jobs and training opportunities while lightening their reproductive burdens?
<input type="checkbox"/>	Do interventions promote dialogue between men and women to overcome possible gender-based issues and increase the awareness of respective needs and aspirations?
<input type="checkbox"/>	Are the interventions susceptible to create gender-based tensions due to lack of balance between women and men beneficiaries?
<input type="checkbox"/>	Do projects involuntarily increase beneficiaries' vulnerability to gender-based violence?

#### EXAMPLES OF CONTROL QUESTIONS ON ENVIRONMENTAL-FRIENDLY APPROACH

<input type="checkbox"/>	Do the proposed interventions create economic incentives related to the exploitation of natural resources that can ultimately reinforce political and social divisions?
<input type="checkbox"/>	Do the proposed interventions consider land issues, property rights and the access and control of other natural resources that are vital for economic activities?
<input type="checkbox"/>	Do the economic activities resulting from the proposed interventions generate patterns of unsustainable extraction and predation of natural resources or other harmful practices for the environment?
<input type="checkbox"/>	Do the proposed interventions include the development and dissemination of environmental standards (and related training) for micro and small entrepreneurs?
<input type="checkbox"/>	Do the peace accords contain provisions for more equitable regulations and practices concerning the exploitation of natural resources and the sharing of revenues? If so, are the proposed interventions in line with such provisions of peace accords?
<input type="checkbox"/>	Do the proposed interventions include policy and law reforms that improve the distribution of revenues resulting from the exploitation of natural resources (thus reducing the economic incentives of conflicts)?

#### EXAMPLES OF CONTROL QUESTIONS ON DIVIDERS AND CONNECTORS

<input type="checkbox"/>	Have decisions been taken excluding specific clans and ethnic groups? Do LER initiatives target only specific clans and marginalise others?
<input type="checkbox"/>	Have traditional leadership structures and customs being respected across the decision making process?
<input type="checkbox"/>	Do interventions provide balanced benefits for all generations, thus avoiding cross-generational tensions?
<input type="checkbox"/>	Do activities emphasize the existing connectors by offering to the local population the opportunity to interact informally (markets, festivals, and sportive events)?
<input type="checkbox"/>	Does the strategy promote the enhancement/development of shared assets for the community, such as infrastructure? Can the construction of such shared assets become an occasion for bringing together antagonistic communities in a common effort?

<input type="checkbox"/>	Does the LER strategy address common concerns, on which there is general agreement, such as those concerning youth?
<input type="checkbox"/>	Are LER activities providing incentives for those individuals and institutions who promote peace and who are able and willing to collaborate with their antagonist counterparts?
<input type="checkbox"/>	Do the interventions engage local women's groups and organisations as agents of peace and cohesion within the community?



### Tool 3-B. Checklist: Conflict Sensitivity Analysis

EXAMPLES OF CONTROL QUESTIONS ON DISASTER RISK REDUCTION	
<input type="checkbox"/>	Do infrastructure and housing reconstruction programmes take into account disaster-proof standards, with respect to the locations chosen and the technologies used?
<input type="checkbox"/>	Do land settlement plans and city planning consider disaster vulnerabilities and entail vulnerability zoning?
<input type="checkbox"/>	Are the newly-established enterprises located in safe zones, non-exposed to the risk of any type of disaster?
<input type="checkbox"/>	Are entrepreneurs somehow protected against losses generated by disasters (guarantee funds, micro-insurances against disasters)?
<input type="checkbox"/>	Do interventions include initiatives that protect precious ecosystems, such as coral reefs and mangrove forests, allowing them to act as natural storm barriers (reforestation, mangrove planting, etc.)?

## To Know More<sup>74</sup>

CWGER, 2008. *Guidance Note on Early Recovery*. Cluster Working Group on Early Recovery in cooperation with the UNDG-ECHA Working Group on transition. Geneva: April, 2008.

Goovaerts, P., Gasser, M., and Belman Inbal, A., 2006. *Demand-driven Approaches to Livelihood Support in Post-war Contexts. A Joint ILO-WB Study*. International Labour Organization and the International Bank for Reconstruction and Development/The World Bank: Geneva, 2006.

Harvey, P. (2005), *Cash and vouchers in emergencies*, HPG discussion paper, Overseas Development Institute, London, available from: [www.odi.org.uk/resources/download/310.pdf](http://www.odi.org.uk/resources/download/310.pdf) [accessed in April 2010]

Harvey, P. (2007), *Cash-based responses in emergencies*, HPG briefing paper 25, Overseas Development Institute, London, available from: [ww.odi.org.uk/resources/download/256.pdf](http://www.odi.org.uk/resources/download/256.pdf) [accessed in April 2010]

ILO, 2007. *Toolkit for Mainstreaming Employment and Decent Work*. United Nations System Chief Executives Board for Coordination, International Labour Office. Geneva, ILO, 2007. Available at <http://www.ilo.org/public/english/bureau/dgo/selecdoc/2007/toolkit.pdf>

ILO, 2010. *Gender Mainstreaming in Local Economic Development Strategies. A Guide*. ILO Bureau for Gender Equality and LED Programme. Geneva: ILO, 2010.

<sup>74</sup> Specific readings and guidance for mid-term interventions are suggested at the section Selection of Operational Support Materials for Mid-term Interventions.

- ITC ILO. *Competency-based Training of Trainers*. ILO International Training Centre (online course) <http://drhxc.itcilo.org/index2.php?mod=home> [accessed in April 2010]
- Kotter John P., 1996. *Leading Change*. Harvard Business School Press. Boston, Ma. : Harvard Business School Press, 1996.
- Le Billion Paul, 2001. *The Political Ecology of Wars: Natural Resources and Armed Conflicts*. Political Geography issue 20 (2001) 561-584. Oxford: Elsevier Science Ltd., 2001. Available at <http://www.cddc.vt.edu/ept/eprints/ecowar.pdf> [accessed in April 2010]
- Soto Cabrera L., 2003. *Facilitate face-to-face learning*. Competency-based Training of Trainers Programme (TOT), Module 3, ILO International Training Centre. Turin: ITC ILO, 2003.
- UNDG. Web pages on review of multi-donor trust funds. <http://www.undg.org/index.cfm?P=146>, accessed 17 June 2009.
- UNDG, 2007. *Guidance Note on Transitional Appeals*. March, 2007.
- UN, 2009. *Operational Guidance Note of the UN-wide Policy for Post-conflict Creation, Income Generation and Reintegration*. Forthcoming.
- WB, 2003. *Financing and Aid Arrangements in Post-Conflict Situations*. The International Bank for Reconstruction and Development/The World Bank: Washington, 2003.
- Women's Refugee Commission, 2010. *Livelihoods and the Humanitarian Response in Haiti. Key Messages and Guidance for Action*. New York, April 2010.



# PART III. TOOLBOXES



# Toolbox: Fact finding

## List of tools in Toolbox

Tool 1-A. Guidelines: Participatory data collection
Tool 1-B. Guidelines: SWOT analysis
Tool 1-C. Checklist: Generic Conflict profile
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## Tool 1-A. Guidelines: Participatory data collection

Participatory data collection and assessments are aimed to engage communities in data collection, needs assessment, planning, and decision making through dialogue and graphic representation. It is designed to be able to reach large numbers of people in relatively short time frames, participatory data collection and assessment can give communities a sense of ownership of the planning process through their active engagement.

Participatory data collection and assessment techniques are too numerous and detailed to list comprehensively. Every community is different and each context requires a unique way of approaching the participatory data collection and assessment. The information below provides some guidelines for implementing these tools. It also references a number of resources for further information on commonly used tools. It is recommended that participatory data collection and assessment activities be managed by specialists in close consultation with civil society and community organizations.

### *Preparation*

#### **Community Mobilization**

Preparing with the community is an essential step to ensure active participation. This may be done through the following steps:

- ⇒ Coordinate with the village council to contact community leaders, and find appropriate ways to involve fully the community.
- ⇒ Coordinate with active organizations in the village, women and youth centers and develop a mechanism for carrying out the participatory data collection and assessment exercises.
- ⇒ Consult with community members regarding times and places for community interviews and a public meeting.
- ⇒ Involve the community volunteers in creating awareness within the community. This should include: explaining the purpose of participatory data collection and assessment, stressing the importance of active participation, and advertising the time and place of participatory data collection and assessment activities in their village. This may include: developing banners, distributing brochures and sending out invitations.



## Gathering of Background Information

A checklist of background information should be drawn up before going to the village. This will help to develop the village profile and to plan and facilitate the participatory data collection and assessment activities.

## Sampling

- ⇒ Sampling is essential to ensure that the participatory data collection and assessment results express the needs of the majority, to manage any conflicts, and to avoid domination by certain groups.
- ⇒ It should be as representative as possible.
- ⇒ The number of interviews should be determined according to the village population size. As an example, at least three group interviews should be done in each village. Ideally each group interview should represent 300-500 people.
- ⇒ In the situation where there are separate meetings for men and women, a focus group discussion should be conducted to reconcile any differences in priorities. Ideally, an experienced team member should conduct this. See the guidelines for focus group discussion in Annex 8.

## Sample size in relation to population size

Size of Population Groups	# of Group Interviews
< 1000	3
1000- 4999	4
5000- 9999	6
> 10000	8

## Planning for Carrying-Out the Field Work

- ⇒ Duration: One Day
- ⇒ The participatory data collection and assessment team should consist of 20-25 participants.
- ⇒ This team should be split into 2 field teams, each headed by a field coordinator.
- ⇒ In turn, each field team should be divided into two village groups of 4-6 people.
- ⇒ Field coordinators will be responsible for: assigning roles and responsibilities among the village groups' members; clarifying the participatory data collection and assessment purpose with the team and determining the uses of the information from the participatory data collection and assessment. This will facilitate defining the main issues of the research, relevant information and its source, and designing the appropriate tools for data collection and analysis.

## Duration

2-4 days for each village, depending on the size of both its population and the participatory data collection and assessment team.

## Participatory Data Collection and Assessment Activities

- ⇒ Review and summarize secondary sources.
- ⇒ Organize a village walk.
- ⇒ Make community maps showing the location of, and accessibility to, various public services.

- ⇒ Conduct group interviews. A list of key questions should be prepared as an example for the field team.
- ⇒ Hold focus-group discussions.
- ⇒ Hold a public meeting.

### Guidelines for public meetings

#### ⇒ Preparation:

- Analyze and consolidate data for presentation.
- Agree with community representatives on the time and location.

#### ⇒ Participants:

- Include representatives of local service providers, NGOs active in the village, community organizations, relevant line ministries, and from the community.

#### ⇒ Plan of public meeting:

- Explanation of the meeting's objectives and setting ground rules.
- LRDP presentation.
- Presentation of information summary collected through community interviews and the other participatory data collection and assessment tools.
- Presentation of an outline of problems and requirements.
- Workshop, using the pocket-chart exercise and suggestion box (use drawings with illiterate people), to determine the needs and priorities.
- Conclude with an overview and discussion of the results.
- Next steps.

### Presentation of the Participatory Data Collection and Assessment Results

The participatory data collection and assessment findings should be discussed with the community leaders, community organizations and service providers to confirm the priorities, which were decided by the community members in the public meeting. The presentation should also be used to gather knowledge relating to the plans of the development agencies and service providers.

### Reporting


The final report should be submitted to the planning team within two weeks of the fieldwork, and be subsequently distributed to appropriate stakeholders, particularly those who participated in the process.


# Tool 1-B. Guidelines: SWOT analysis

A SWOT analysis is a summary of the key Strengths, Weaknesses, Opportunities and Threats (SWOT) of the local area in pursuing local recovery or development. This information provides a base on which to build the strategy or plan. For this reason, the SWOT analysis is perhaps the most important analytical tool to be used in the situation assessment phase.


There are numerous ways to conduct this exercise with stakeholders. The group can be broken into four working groups, for example, each tasked with completing a worksheet independently in a certain amount of time. Each group's results would then be discussed and integrated with the main group. Alternatively, each participant could fill out a worksheet independently with results summarized on flip charts at the front of the room. A public survey could also be undertaken using the questions provided here as a guide.


Considerations for completing the SWOT Analysis include the following.

STRENGTHS	
Key Questions	List of Strengths
<p>Consider each category into which data collection has been organized (types of capital: natural, social/cultural, human/social, financial), and ask:</p> <ul style="list-style-type: none"> <li>✓ What are the territory's strongest resources?</li> <li>✓ What opportunities exist to maximize the strength of these resources?</li> <li>✓ What resources could, with support or promotion, become a strength?</li> <li>✓ What are the territory's primary development opportunities?</li> </ul>	
<p>List the top three strengths to build on.</p> <ul style="list-style-type: none"> <li>• Where can the biggest changes occur?</li> <li>• Which are easiest to address?</li> </ul>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> </ol>

WEAKNESSES	
Key Questions	List of Weaknesses
<p>For each category of data analysis, identify weaknesses related to local development:</p> <ul style="list-style-type: none"> <li>✓ What are the major liabilities that can limit achievement of economic recovery?</li> <li>✓ What are the territory's biggest weaknesses or problems (think back to what triggered the planning process)?</li> <li>✓ What problems are faced by citizens in dealing with local government and other tiers of government?</li> <li>✓ What are the needs and constraints that restrict the accomplishment of territory's current recovery initiatives (e.g. need for training, planning and management experience, governance, funding, etc)?</li> </ul>	
<p><b>List top three weaknesses to minimize.</b></p> <ul style="list-style-type: none"> <li>• Which are impossible to change (dismiss these)?</li> <li>• Where can the biggest changes occur?</li> <li>• Which are easiest to address?</li> </ul>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> </ol>

OPPORTUNITIES	
Key Questions	List of Opportunities

<p>Opportunities relating to each category of analysis can be looked at in different ways.</p> <ul style="list-style-type: none"> <li>✓ What opportunities exist for maximizing, enhancing, or supporting existing strengths that have been identified?</li> <li>✓ What improvements or support could identified weaknesses benefit from?</li> <li>✓ What opportunities external to the District can be identified for each category?</li> </ul>	
<p><b>List top three opportunities to exploit.</b></p> <ul style="list-style-type: none"> <li>• Which are impossible to take advantage of (dismiss these)?</li> <li>• Where can the biggest changes occur?</li> <li>• Which are easiest to address?</li> </ul>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> </ol>

THREATS	
Key Questions	List of Threats
<p>Threats refer to forces internal and external to the territory that threaten the local area's resources, opportunities, or values. The purpose of this analysis is to identify threats and then plan for prevention, mitigation, or minimization of potential negative impacts.</p> <ul style="list-style-type: none"> <li>✓ What threatens identified strengths?</li> <li>✓ What threatens realization of identified opportunities?</li> <li>✓ What weaknesses threaten to become worse—under what circumstances?</li> </ul>	
<p><b>List top three threats to address.</b></p> <ul style="list-style-type: none"> <li>• Which are impossible to address (dismiss these)?</li> <li>• Where can the biggest changes occur?</li> <li>• Which are easiest to address?</li> </ul>	<ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> </ol>

## Tool 1-C. Checklist: Generic Conflict profile

Conflict features		
Parameters	Description (checklist)	Description (explanation)
<b>Geographical scope</b>	<input type="checkbox"/> Intrastate. If so, which affected areas within the country? <input type="checkbox"/> International. If so, which countries are involved? <input type="checkbox"/> Fighting: geographically localized. If so, which areas? <input type="checkbox"/> Fighting: geographically dispersed	
<b>Degree of internationalisation</b>	<input type="checkbox"/> Evidence of influence by armed groups abroad <input type="checkbox"/> Provenience of weapons <input type="checkbox"/> Refugees	
<b>Issues(s) at stake</b>	<input type="checkbox"/> Ideology/revolution <input type="checkbox"/> State formation/identity/secession <input type="checkbox"/> State control/factions (including coup d'état)	
<b>Contributing factors/conflict incentives</b>	<input type="checkbox"/> Exploitation of natural resources (which ones?) <input type="checkbox"/> Ethnicity/religion/other	
<b>Parties (non) involved</b>	<input type="checkbox"/> Core parties (conflict parties) <input type="checkbox"/> Influential parties <input type="checkbox"/> Marginal parties <input type="checkbox"/> Non-involved parties	
<b>Temporal horizon</b>	<input type="checkbox"/> Protracted <input type="checkbox"/> Recently started <input type="checkbox"/> Re-escalation	
<b>Stage of conflict cycle</b>	<input type="checkbox"/> Pre-peace accords negotiations <input type="checkbox"/> Peace agreements being negotiated <input type="checkbox"/> Post-peace accords <input type="checkbox"/> Escalation phase. If so, at what level of intensity? <input type="checkbox"/> De-escalation phase	
<b>Main connectors</b>	<input type="checkbox"/> Preliminary list of connectors (common concerns, public spaces, infrastructure)	
<b>Main dividers</b>	<input type="checkbox"/> Preliminary list of dividers (clan structure, ethnicity, age), and concerned groups	
<b>Logistical access and security conditions</b>	<input type="checkbox"/> Fully acceptable (no restrictions, reference UN security phase) <input type="checkbox"/> Partially acceptable (some geographic restrictions, ref. phase) <input type="checkbox"/> Unacceptable (high security phase)	







# Tool 1-D. Guidelines: Rapid stakeholder identification & analysis

## *(a) Rapid stakeholder identification*

Having a listing of stakeholders is the first step to pinpointing critical institutions and identifying where and how they participate in the recovery process. Stakeholder identification can be completed in a short brainstorming activity using the worksheet provided below as a guide, and the Table listing stakeholder categories in Chapter 2. The list of stakeholders should be broad and diverse. It does not have to be elaborate, but should identify the major groups and/or individuals relevant to local economic recovery. The purpose is to have an overview of:

- ⇒ the most influential and knowledgeable actors on the ground,
- ⇒ their roles and responsibilities,
- ⇒ their current relevant activities, and
- ⇒ their interest and potential contribution to immediate LER projects.

Ask partners to fill out the worksheet below. Have participants read their answers until all are stated. Use a flipchart to record group responses and record these on a worksheet. Brainstorm additional stakeholders as a group. Be specific!

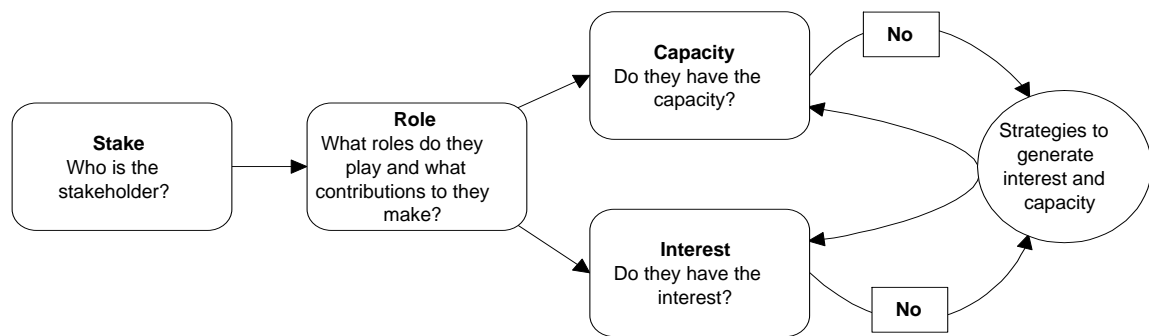
Key Questions	List of Stakeholders
Who should be considered because of their relevant and influential position (e.g. government authority)?	
Who should be considered because they are running relevant activities with impact on economic recovery?	
Who should be considered because of their expertise and knowledge on the economic context, opportunities, and issues?	
Who might benefit or be negatively affected by LER projects?	
Who should be considered because they have control over relevant resources (e.g. money, expertise)?	
Who has power to hinder or block implementation (e.g., activist groups, lobby groups, implementing agencies)?	
Comments	

## *(b) Rapid stakeholder Analysis*

The Rapid Stakeholder Analysis seeks to assess stakeholders' potential interests, contributions, and value to LER, especially in the identification and implementation of small-scale livelihood activities. This builds from the list of stakeholders identified in the previous step. This exercise requires maximum two hours and should be completed during the same workshop as the previous. Use the list generated in tool from the Stakeholder Identification to fill out the matrix below. First, ask participants to fill out the worksheet. It may be a good idea to break the group into small working groups. Have participants read their answers until all are stated and discuss differences in the assessments. Use both a flipchart and worksheet to record group responses.

Stakeholder <sup>75</sup>	Description of key interest	Type of attitude (interest in LER)	Description of key potential contributions	Description of power	Partnership Assessment	
					Essential	
					Current	Potential
<b>Public sector decision makers &amp; planners</b>						
<b>Technical cooperation service providers</b>						
<b>Business representatives</b>						
<b>Providers of financial &amp; non-financial services to firms</b>						

*(c) Stakeholder identification, capacity and interest in the process*



<sup>75</sup> According to the Table listing the major categories of stakeholders, contained in Chapter 2.

# Tool 1-E. Templates: Data collection and storage

Purpose of the summary sheet: The aim of this summary sheet is twofold. On one hand it helps conducting consultations/interviews with key informants corresponding to the institutional category indicated above. On the other hand, it provides a template for recording the information collected. It is not a detailed questionnaire; in fact the interviewer will have to formulate appropriate questions and in the adequate form depending on the person interviewed.

Recommendations on the use of the sheet:

⇒ Before the interview:

- Make sure to have well understood the objectives of the interview and the information to be looked for.
- Sensitize the stakeholder on the objectives of the interview, the expected results, the modality of information collection and the effort demanded.
- Agree on the modality and extent of information disclosure (or confidentiality) (possibly in written form);
- Organise individual interviews with more than one employee/officer of the organization.
- It is recommendable to avoid asking the stakeholder to fill in the form, expectation made for the case where the stakeholder has been provided with appropriate guidance by the interviewer

⇒ During the interview:

- Make questions in a simple way, using a terminology that is accessible to the interviewed;
- If the question has not been understood by the interviewed, the same question will have to be reformulated as many times as it is necessary;
- It is not necessary to follow the same sequence of questions as proposed in this sheet;
- Record the facts, not your personal opinion.

⇒ After the interview:

- Verify that the information collected with each stakeholder are not contradictory. If so, ask for clarifications.
- Edit one only summary chart per each stakeholder, not per each person interviewed; include all answers provided by all the respondents.
- indiquer les contacts de chaque individu entretenu ;
- Edit the data collection sheet in a synthetic way;
- Share with the interviewee the information you have collected and edited, and validate it.



## (a) SUMMARY SHEET of INTERVIEWS: « Public Sector »

### INSTITUTIONAL CATEGORY N. 1 (Ref. Stakeholders' Matrix)

« Public actors in charge of taking decisions and with an influence on the local planning, the allocation, extraction and redistribution of resources »

- *Entities of the National / Provincial Administration, including: Head of Department, the Minister himself, parliamentarians, national planning, other technical departments of the national entity for taxation body for the control of customs, according to other relevance*
- *Entities of the Provincial Administration, including: Governorate, divisions and sub-sections (eg, Division of Public Works and Infrastructure, Division of Labor, Division of Planning, Inspectorate for Agriculture), taxation entities: entities for the control of customs, others by relevance*
- *Structure of the provincial administration support, including: administration of the territory, chiefs of city, specific departments in the administrative structure, extension services, planning entities at the local, entity taxation, the entity for control of customs, others by relevance*
- *Customary power structures, including: Community-leadership, traditional and religious leaders*
- *Public Social Programs*
- *Other government agencies and programs relevant to the recovery, stabilization of peace, reconciliation*

General information and contact			
Name and acronym			
Name	Title	Tel.	E-mail
Web URL			

Analytical information (to be summarized within the matrix of stakeholders)	
General description of the institution	
Economic sector(s) covered	
Year of creation	
Geographic coverage and location of offices	
Mission and objectives	
Target group(s) and % with respect to the population in need	
Financial resources available (source and quantity)	
Physical and logistic resources currently available (land, offices, equipment, communication, transport, etc.)	
Human resources available (number and qualification) <sup>76</sup> and access to vocational training	
Simplified description of the organizational structure and chain of command	
Description of the main	

<sup>76</sup> Indicate possible under-staffing problems and reasons.

interest	
Power to support, jeopardize or block the economic recovery activities	
Description of the potential contribution to the economic recovery process	
Interactions and synergies with other stakeholders <sup>77</sup>	
Experience with the ILO <sup>78</sup>	

Outcomes of the crisis	
Impact suffered by the institution due to the crisis <sup>79</sup>	
Impact suffered by the beneficiaries of the public entity	
Coping strategies of beneficiaries	
Assistance provided to beneficiaries to cope with the crisis and recover	
Interventions and resources needed to rehabilitate the beneficiaries	
Ongoing activities (relevant to job creation and economic recovery)	

Complementary Information	
<i>Record here the information that does not fit in other fields</i>	
<i>Contacts provided</i>	

Comments <sup>80</sup> and suggestions <sup>81</sup>
Possible obstacles to the economic recovery Suggestions for economic recovery and employment creation

List of documents provided /data provided and/or to be provided	
[title 1]	
[title 2]	
[title ...]	

<sup>77</sup> To which extent is the organization aware of other stakeholders in the region and works/collaborate/interact with them ; more or less depending on authorities ; well connected and influent, or rather weak and marginalized.

<sup>78</sup> Has the Organization ever worked with the ILO? What experience does the organization have in managing programmes like ILO's? Do their policies fall in line with ILO's implementing policies?

<sup>79</sup> E.g. Loss of staff; loss of members; loss of equipment and facilities; loss of working space, etc...

<sup>80</sup> Obstacles that have been indicated by the respondent and that could hinder the recovery/development.

<sup>81</sup> For economic recovery and employment creation.

*(b) SUMMARY SHEET of INTERVIEWS: « Technical Cooperation and Non-Profit»*

**INSTITUTIONAL CATEGORY N. 2** (Ref. Stakeholders' matrix)

« Technical cooperation and non-profit service providers involved in socio-economic recovery and in the generation of employment and income»

- *International Organisations*
- *International NGOs*
- *Local and national NGOs*
- *Community-based Organisations and associations (including those targeting women, youth, and other specific target groups)*

General information and contact			
Name and acronym			
Name	Title	Tel.	E-mail
Web URL			
Key words			

Detailed description of the institution (to be summarized within the matrix of stakeholders)	
General description of the institution	
Economic sector(s) covered	
Year of creation	
Geographic coverage and location of offices	
Mission and objectives	
Target group(s) and % with respect to the population in need	
Services offered	
Financial resources available (source and quantity)	
Physical and logistic resources currently available (land, offices, equipment, communication, transport, etc.)	
Human resources available (number and qualification) <sup>82</sup> and access to vocational training	
Simplified description of the organizational structure and chain of command	
Description of the main interest	

<sup>82</sup> Indicate possible under-staffing problems and reasons.

Power to support, jeopardize or block the economic recovery activities	
Description of the potential contribution to the economic recovery process	
Interactions and synergies with other stakeholders <sup>83</sup>	
Experience with the ILO <sup>84</sup>	

#### Outcomes of the crisis and response

Impact suffered by the institution due to the crisis <sup>85</sup>	
Impact suffered by the beneficiaries of the public entity	
Coping strategies of beneficiaries	
Assistance provided to beneficiaries to cope with the crisis and recover	
Interventions and resources needed to rehabilitate the beneficiaries	
Ongoing activities (relevant to job creation and economic recovery)	

#### Complementary Information

*Record here the information that does not fit in other fields*

*Contacts provided*

#### Comments<sup>86</sup> and suggestions<sup>87</sup>

Possible obstacles to the economic recovery  
Suggestions for economic recovery and employment creation

#### List of documents provided /data provided and/or to be provided

[title 1]	
[title 2]	
[title ...]	

<sup>83</sup> To which extent is the organization aware of other stakeholders in the region and works/collaborate/interact with them; more or less depending on authorities ; well connected and influent, or rather weak and marginalized.

<sup>84</sup> Has the Organization ever worked with the ILO? What experience does the organization have in managing programmes like ILO's? Do their policies fall in line with ILO's implementing policies?

<sup>85</sup> E.g. Loss of staff; loss of members; loss of equipment and facilities; loss of working space, etc...

<sup>86</sup> Obstacles that have been indicated by the respondent and that could hinder the recovery/development.

<sup>87</sup> For economic recovery and employment creation.

## (c) SUMMARY CHART of INTERVIEW: « Services to Entreprises »

### INSTITUTIONAL CATEGORY N. 4 (Stakeholders' matrix)

« Fournisseurs lucratifs, non lucratifs des services de soutien des entreprises (de formation, de marketing, de promotion des investissements de soutien, de la R & D)

- Centres de services de l'emploi ;
- Centres de formation professionnelle et les écoles techniques ;
- Agences des services de développement des entreprises

### INSTITUTIONAL CATEGORY N. 5 (Stakeholders' matrix)

« Prestataires de services financiers publiques et privées »

- Commercial banks; foundations;
- Programmes de micro crédit publics ;
- Institutions de micro finance (IMF), Fonctionnement des ONG de micro crédit ou de subventions ;
- Réseaux des prestataires

General information and contact			
Name and acronym			
Name	Title	Tel.	E-mail
Web URL			
Key words			

Detailed description of the institution (to be summarized within the matrix of stakeholders)	
General description of the institution (including: (1) profit oriented or not; (2) type of service provided)	
Economic sector(s) covered	
Year of creation	
Geographic coverage and location of offices	
Mission and objectives	
Target group (clients) and % with respect to the population in need (size of the demand of the concerned service)	
Financial sources (public and/or private and % between them, price of services) and financial situation of the company <sup>88</sup>	
(if profit-oriented) prices of services (and their trends) and payment modalities/conditions	
Monthly/annual volume of services offered (mentioning seasonal fluctuations and other	

<sup>88</sup> Debts, credits, financial assets, etc.

factors that affect sales)	
<b>Physical and logistic resources currently available</b> (land, offices, equipment, communication, transport, etc.)	
<b>Human resources available</b> (number and qualification) <sup>89</sup> and access to vocational training	
<b>Simplified description of the organizational structure and chain of command</b>	
<b>Description of the main interest</b>	
<b>Power to support, jeopardize or block the economic recovery activities</b>	
<b>Description of the potential contribution to the economic recovery process</b>	
<b>Interactions and synergies with other stakeholders<sup>90</sup></b>	
<b>Experience with the ILO<sup>91</sup></b>	

Outcomes of the crisis and response	
<b>Impact suffered by the institution due to the crisis<sup>92</sup></b>	
<b>Impact suffered by the beneficiaries of the public entity</b>	
<b>Coping strategies</b> of beneficiaries	
<b>Assistance provided to beneficiaries to cope with the crisis and recover</b>	
<b>Interventions and resources needed to rehabilitate the beneficiaries</b>	
<b>Ongoing activities</b> (relevant to job creation and economic recovery)	

Complementary information	
<ul style="list-style-type: none"> <li>• <i>Is the current investment level able to meet the needs concerning human development in the region ?</i></li> <li>• <i>Do the services offered need to be strengthened?</i></li> <li>• <i>Do the services correspond to needs of the local economy?</i></li> </ul>	
<i>Contacts provided</i>	

<sup>89</sup> Indicate possible under-staffing problems and reasons.

<sup>90</sup> To which extent is the organization aware of other stakeholders in the region and works/collaborate/interact with them; more or less depending on authorities; well connected and influent, or rather weak and marginalized.

<sup>91</sup> Has the Organization ever worked with the ILO? What experience does the organization have in managing programmes like ILO's? Do their policies fall in line with ILO's implementing policies?

<sup>92</sup> E.g. Loss of staff; loss of members; loss of equipment and facilities; loss of working space, access to resources necessary to run operations ; network of clients ; income ; technology.

Comments <sup>93</sup> and suggestions <sup>94</sup>	
Possible obstacles to the economic recovery Suggestions for economic recovery and employment creation	

List of documents provided /data provided and/or to be provided	
[title 1]	
[title 2]	

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<sup>93</sup> Obstacles that have been indicated by the respondent and that could hinder the recovery/development.  
<sup>94</sup> For economic recovery and employment creation.

*(d) SUMMARY SHEET of INTERVIEWS: « Workers' and Professionals' Representatives »*

**INSTITUTIONAL CATEGORY N. 3** (Ref. Stakeholders' Matrix)

*« Actors representing and advocating for workers' rights »*

- *Informal workers' associations*
- *Labour/Trade Unions and syndicates*
- *Federations of syndicates and Trade Unions*
- *Organizations advocating for workers' rights*
- *Professional categories*

General information and contacts			
Name and acronym			
Name	Title	Tel.	E-mail
Web URL			
Key words			

Detailed description of the institution (to be summarized within the matrix of stakeholders)	
General description of the institution	
Economic sector(s) covered	
Year of creation	
Geographic coverage and location of offices	
Mission and objectives	
Members/affiliates and % with respect to the whole "population"	
Services offered and price	
Financial resources available (source and quantity)	
Physical and logistic resources currently available (land, offices, equipment, communication, transport, etc.)	
Human resources available (number and qualification) <sup>95</sup> and access to vocational training	
Simplified description of the organizational structure and chain of command	
Description of the main interest	
Power to support, jeopardize	

<sup>95</sup> Indicate possible under-staffing problems and reasons.



or block the economic recovery activities	
Description of the potential contribution to the economic recovery process	
Interactions and synergies with other stakeholders <sup>96</sup>	
Experience with the ILO <sup>97</sup>	

#### Outcomes of the crisis and response

Impact suffered by the institution due to the crisis <sup>98</sup>	
Impact suffered by the members/beneficiaries of the organization <sup>99</sup>	
Coping strategies of members/beneficiaries	
Assistance provided to members to cope with the crisis and recover (relevant to job creation and economic recovery)	
Interventions and resources needed to rehabilitate the members/beneficiaries	

#### Comments<sup>100</sup> and suggestions<sup>101</sup>

Possible obstacles to the economic recovery  
 Suggestions for economic recovery and employment creation

#### Complementary Information

*Record here the information that does not fit in other fields*

*Contacts provided*

#### List of documents provided /data provided and/or to be provided

[title 1]	
[title 2]	
[title ...]	

<sup>96</sup> To which extent is the organization aware of other stakeholders in the region and works/collaborate/interact with them ; more or less depending on authorities ; well connected and influent, or rather weak and marginalized.

<sup>97</sup> Has the Organization ever worked with the ILO? What experience does the organization have in managing programmes like ILO's? Do their policies fall in line with ILO's implementing policies?

<sup>98</sup> E.g. Loss of staff; loss of members; loss of equipment and facilities; loss of working space, etc...

<sup>99</sup> E.g. on wage, working conditions, working hours, safety at work, discrimination, unemployment, loss of benefits.

<sup>100</sup> Obstacles that have been indicated by the respondent and that could hinder the recovery/development.

<sup>101</sup> For economic recovery and employment creation.

(e) SUMMARY SHEET of INTERVIEWS: « Employers' and Business Membership Organizations »

CATEGORIE INSTITUTIONAL CATEGORY N. 3 (Ref. Stakeholders' Matrix)

« Actors representing and advocating for workers' rights »

- Business associations
- Federations
- Chamber of Commerce

General information and contacts			
Name and acronym			
Name	Title	Tel.	E-mail
Web URL			

Analytical information (to be summarized within the matrix of stakeholders)	
General description of the institution	
Economic sector(s) covered	
Year of creation	
Geographic coverage and location of offices	
Mission and objectives	
Members/affiliates and % with respect to the whole "population"	
Services offered and price	
Financial resources available (source and quantity)	
Physical and logistic resources currently available (land, offices, equipment, communication, transport, etc.)	
Human resources available (number and qualification) <sup>102</sup> and access to vocational training	
Simplified description of the organizational structure and chain of command	
Ongoing activities (relevant to job creation and economic recovery)	
Description of the main interest	
Power to support, jeopardize	

<sup>102</sup> Indicate possible under-staffing problems and reasons.

or block the economic recovery activities	
Description of the potential contribution to the economic recovery process	
Interactions and synergies with other stakeholders <sup>103</sup>	
Experience with the ILO <sup>104</sup>	

Outcomes of the crisis	
Impact suffered by the institution due to the crisis <sup>105</sup>	
Impact suffered by the members/beneficiaries of the organization <sup>106</sup>	
Coping strategies of members/beneficiaries	
Assistance provided to members to cope with the crisis and recover	
Interventions and resources needed to rehabilitate the members/beneficiaries	

Comments <sup>107</sup> and suggestions <sup>108</sup>
Possible obstacles to the economic recovery Suggestions for economic recovery and employment creation

Complementary Information
<i>Record here the information that does not fit in other fields</i>
<i>Contacts provided</i>

List of documents provided /data provided and/or to be provided	
[title 1]	
[title 2]	
[title ...]	

<sup>103</sup> To which extent is the organization aware of other stakeholders in the region and works/collaborate/interact with them ; more or less depending on authorities ; well connected and influent, or rather weak and marginalized.

<sup>104</sup> Has the Organization ever worked with the ILO? What experience does the organization have in managing programmes like ILO's? Do their policies fall in line with ILO's implementing policies?

<sup>105</sup> E.g. Loss of staff; loss of members; loss of equipment and facilities; loss of working space, etc...

<sup>106</sup> See above.

<sup>107</sup> Obstacles that have been indicated by the respondent and that could hinder the recovery/development.

<sup>108</sup> For economic recovery and employment creation.

*(f) Stakeholder analysis matrix*

<b>(1) (Public) sector decision makers and actors influencing local planning, and allocation and redistribution of resources</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)
<b>(2) Technical-cooperation service providers involved in socio-economic recovery</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)
<b>(3) Business and professional membership organizations and unions</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)
<b>(4) Profit and non-profit providers of non-financial services supporting businesses</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)

<b>(5) Public and private financial service providers</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)
<b>(6) Research organizations</b>									
Name of stakeholder and acronym	Presence in the territory, and established since	Mandate and objectives	Past and ongoing activities related to local economic recovery	Geographic coverage	No. of Staff	target group and % with respect to population in need	Description of key interest	Description of key potential contribution	Dynamics with other key stakeholders (*)

**NOTES:**

NB. Official documentation concerning the above issues will be required to the stakeholder

(\*) How much the organisation knows about and works with others; more or less independent from the authorities, well connected and influential or voice not heard

(1) National/provincial administration (Responsible ministry, the minister himself, parliamentarian, entities for national/provincial planning), Local administrations (head of local/district administration, responsible departments, extension services, entities for local-level planning), Local/traditional leaders, Public social programs, Public entities for taxation, Other governmental agencies relevant for LER

(2) Community-based organizations, Local, National and International NGOs, International Organizations

(3) these are the organizations representing workers and entrepreneurs and include: Local division of Chambers of Commerce and relevant business sectors/groups, Trade Unions, Business associations(e.g. associations of micro and small firms, association of retail firms, branch associations), Professional associations (e.g. engineers' association), National/regional industry bodies/associations, Cooperatives.

(4) Services include: training, job counselling, marketing, investment promotion support, research & development / innovation. Stakeholders include: Centres for employment services, Vocational training centres and technical schools, BDS agencies

(5) commercial banks, public micro-credit programmes, Micro-Finance Institutions (MFIs), NGOs running micro-credit or grants

(6) Universities and institutes for research and development, with expertise in development studies, labour market, market research, productivity enhancement

# Tool 1-F. Questionnaire: Business Survey<sup>109</sup>

Unique identifier

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## Business Profile

**Q0.**

Date of the Interview		
Company name		
Business location	[NAME OF LOCATION(S)]	1
	[NAME OF LOCATION(S)]	2
	[NAME OF LOCATION(S)]	3
	[NAME OF LOCATION(S)]	4
	[NAME OF LOCATION(S)]	5
	[NAME OF LOCATION(S)]	6
	[NAME OF LOCATION(S)]	7
Gender of respondent (by observation)	<input type="checkbox"/> 1 Man <input type="checkbox"/> 2 Woman	

**Q1. What is your role in this business?**

Only code one option.

Owner /Manager	1
Supervisor / Manager	2
Employee	3 (Terminate)

**Q2. Type(s) of business activity?**

Only code one option.

Agriculture (farming, gardening, livestock/animal husbandry, poultry, dairy)	1
Small manufacturing (food processing/packaging, carpentry, textile, handicraft)	2
Construction-related (building, tiles, bricks)	3
Retail & Trade (small shops, stalls)	4
Services (repair, restaurant, hotel, catering, hairdressers, professional services.)	5

**Q3. Business established in what year?**

Less than one (1) year	1
One (1) to two (2) years	2
More than three (3) years	3

<sup>109</sup> Source: Local Area Development Programme for Iraq. Activity implemented by the ILO and UNOPS.

**Q4. a) What organizational form?**

Only code one option.

Sole proprietorship	1
Local partnership	2
Cooperative	3
Other	4

**b) Is your business registered?**

Yes	1
No	2

**Q5. How many full-time employees, including the owner?**

1 person/employee	1
2 - 5 employees	2
6 - 10 employees	3

**Q6. What key products and services are sold by the business?**If there are several products, only code the top three (3) products.

Agricultural products / Produce	1
Manufactured goods and accessories	2
Clothing, textile and garments	3
Construction related goods	4
Food	5
Taxi and transportation	6
Repairs and maintenance	7
Communications related services	8
Other professional services	9

**Q7. What are the main factors that help your business to operate?**

Only code three (3) inputs.

Labour	1
Raw materials	2
Intermediate/manufactured goods	3
Utilities (electricity, gas, telecommunications)	4
Other	5

**Q8. Where do you purchase your inputs?**

Code all the options that apply.

Within the town/district	1
Within the Governorate	2
Within the country	3
Outside the country	4

**Q9. Estimate the percentage of products/services sold:**

Only code one option. %

Majority within town/city/district	
Majority within province	
Majority within the country	
Majority outside the country	

## Operating Environment

**Q10. Do you intend to expand your business?**

Yes	1
No	2

**Q11. What kind of investment have you made in the business in the past 12 months?**

		IQD
Improve business premise/building	1	
Equipment, machinery and tools	2	
Raw materials / inputs	3	
Hire more staff/employees	4	
NO investment was made	5	

Less than 1.000 USD	A
Between 1.000 and 6.000 USD	B
More than 6.000 USD	C

**Q12. Is it hard to find staff for the business?**

Qualified labor	Yes	1
	No	2
Non-qualified labor	Yes	3
	No	4

**Q13. Where do you experience the main competition for your business?**

Only code one option.

Other local businesses	1
National businesses	2
Foreign goods/suppliers	3
No competition	4

**Q14. Please list in order of importance, the five (5) most important factors that hinder your business from expanding (do not prompt).**

Only code five (5) of the options.

Finance / credit	1
Access to skilled labour	2
Building and business premises	3
Supply of raw materials and inputs	4
Access to business support services	5
Time taken outside of business	6
Infrastructure and public services	7
Taxation and administrative procedures	8
Competition and demand	9
NO particular barriers	10

## Institutional Environment for Business

**Q15. Approximately how much time per year does it take to process and receive all licenses and permits that allow you to operate as a business?**

0 days (no interaction with authorities)	1
1 - 7 days	2



This time is considered to be:

Too little	A
Reasonable	B
Too much	C

8 – 15 days	3
More than 15 days	4

**Q16.a) What was the total cost of registering your business?**

IQD
-----

**Q16.b) What does this registration cost represent as a percentage of the amount invested to start the business?**

% of start-up cost
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**Q17. Which public office/institution most positively affects the development of your business and how?**

Code only one option.

Municipality	1
Provincial Council administration	2
Local Employment bureau	3
Ministry of _____	4
Ministry of _____	5
Directorate of _____	6
Directorate of _____	7
Government	8
None	9
Other	10

**Q18. Can you name one public organization that deals with local economic development?**

Yes	1	Name of the organization:
No	2	

**Q19. Using a scale from 1 to 6 where 1 is the most important, please identify the measures you would like to see introduced by local authorities that you think would support your business develop and expand.**

Improve procedures for business	
Provide information and training on business development	
Improve business support infrastructure public services	
Reform taxation policies	
Facilitate access to finance/credit for business	
Other	

### *View on Local Economic Development*

**Q20. In order of importance, which are the three fastest growing sectors in your community?**

Rank only the top three sectors using respectively the codes 1, 2, 3.

Agriculture	
Industry	
Construction	
Trade	
Services & tourism	

**Q21. In your opinion which are the two sectors that are declining the most in your community?**

Rank only the top two sectors using respectively the codes 1, 2.

Agriculture	
Industry	
Construction	
Trade	
Services & tourism	

**Q22. What could you do to contribute towards the development of the local economy in your city/district?**

Fit the answer provided in the table below by coding only the box that applies.

Individual/private initiative	1
Joint/social initiative	2
No initiative	3

*Financing*

**Q23. What sources of funds were used to start the business?**

Only code the options that apply.

Personal savings/assets	1
Funds from relatives and friends	2
Loan/Credit from private bank	3
Loan/Credit from public or governmental bank or organization	4
Loan from MFI/NGO	5
Loan from money lender/pawnbrokers	6
Loan from community self-help group	7
Other	8

**Q24. What is the approximate size/amount of the monthly working capital of the business?**

	IQD / month
--	-------------

**Q25. Please list any government/public institution or department which makes financing available for small business creation and development. If any, please specify the type of financial support provided.**

Government institution	1	Grant	A
		Loan	B
		Guarantees	C
		Other	D
None	2		

**Q26. Please list any private or community organization that makes make financing available for small business creation and development.**

Commercial or State Banks	1	Grant	A
		Loan	B
		Guarantees	C
		Other	D
Microfinance Institutions / NGOs	2	Grant	E
		Loan	F
		Guarantees	G

		Other	H
Cooperatives	3	Grant	I
		Loan	J
		Guarantees	K
	4	Other	L

### *Business Development Services (BDS)*

**Q.27. Which companies are you connected to in order to undertake your business activities?**

Only code the options that apply.

Suppliers of raw materials	1
Suppliers of manufactured inputs	2
Transport companies	3
Distributors	4
Other	5

**Q28. Starting with the most important, Where/how do you acquire non-financial support to develop your business?**

Code all options that apply.

Through business relationships	1
From municipal/government services	2
By purchasing services from private providers	3
Through informal networks (friends, family)	4

**Q29. Do you think professional or business associations can help you develop your business?**

Yes	1
No	2

**Q30. Please list any business or professional association, workers union operating in your community:**

.....

**Q31. Please list any government/public institution or department that provides vocational training and/or business development services:**

None	1
Government/Public institution .....	2

**Q32. Please list any professional, private or community organization that provides vocational training and/or business development services:**

None	1
Private organization	2
Community organization / NGO	3

**Q33. In which areas do you think your business/staff needs training/support?**

Only code the options that apply.

Vocational and technical skills	1
Computer skills	2

Bookkeeping	3
Marketing and sales	4
Other	5
Don't need any	6

**Q34. What kind of support, if any, do you need from business development service providers?  
(Check all that apply)**

Only code the options that apply.

Training in business management and planning	1
Legal services	2
Consulting/Technical services	3
Networking with suppliers and buyers	4
Business and marketing information	5
Technology transfer	6
Other	7

# Tool 1-G. Questionnaire: Vulnerability assessment

## *General Questions*

- ⇒ Describe the target group in terms of number, gender, age, family status and average family size.
- ⇒ Where do they live?
- ⇒ What has been the major impact of the crisis on the group?
- ⇒ Are they vulnerable to additional or secondary effects of the crisis?
- ⇒ What is the average working age of the group?
- ⇒ What were their pre-crisis skills, occupations, and levels of training?
- ⇒ What are the three major constraints to their employment prospects?
- ⇒ What types of services or assistance are currently being provided to increase income-earning opportunities?
- ⇒ Who provides these services (government, community, or external assistance)?
- ⇒ Are these services appropriate?
- ⇒ Which coping mechanisms does the group use?
- ⇒ Are positive coping strategies recognized and supported by assistance providers?
- ⇒ Which particular activities (public works, training, productive activities, etc) would best reduce vulnerability and foster self-sufficiency?
- ⇒ Which activities will be needed to reduce dependency as vulnerability declines?
- ⇒ Identify the percentage of the following population groups within the vulnerable group:
  - Women
  - Poor
  - Elderly
  - Indigenous
  - Socially isolated
  - Children
  - Undocumented
  - Those with numerous dependents
  - Chronically ill or malnourished
- ⇒ What programmes already address their specific needs?

## *Disabled Persons*

- ⇒ How many disabled persons are there in each category of vulnerability?
  - Mobility impairments requiring adaptive equipment
  - Blindness
  - Deafness
  - Mental disabilities
  - Mental illness
  - Extreme trauma
  - Other
- ⇒ In which ways do they need help in overcoming constraints to income earning opportunities?

## Youth

- ⇒ What was the socio-economic situation of youths before the crisis?
- ⇒ What are they interested in doing?
- ⇒ What are their expectations?
- ⇒ Who is specifically supporting them?
- ⇒ What are the employment possibilities for young people of working age?

## Ex-combatants

- ⇒ Has disarmament and demobilization been carried out successfully?
- ⇒ What are the expectations and hopes of the vulnerable groups regarding their occupations after their return to civilian life?
- ⇒ What are the constraints to successful reintegration?
- ⇒ What is their social status in society?
- ⇒ What are the motivations for youth involvement in military activities?
- ⇒ Is it socially acceptable to target them using available funds?
- ⇒ Are there any national structures in place to coordinate disarmament, demobilization, and reintegration?
- ⇒ Which specific economic sectors could absorb ex-combatants?

## Women

- ⇒ How many women are remainees, refugees or internally displaced?
- ⇒ What are the consequences of the crisis on health including:
  - access to public health services, reproductive services, and psychosocial programmes and trauma treatments
  - increases in women's time needed to look after disabled family members
  - presence of landmines and other physical threats
  - Describe the potential consequences of the changes.
- ⇒ What are the estimates of numbers of people who are victims of rape and sexual violence?<sup>110</sup>
- ⇒ Identify the gender issues in:
  - emergency relief programmes<sup>111</sup>
  - the peace negotiations and agreements or reconstruction planning<sup>112</sup>
  - demobilization and reintegration<sup>113</sup>
  - the labour market
  - legal and institutional frameworks
- ⇒ What other variables are interrelated with gender as issues in crisis situations?<sup>114</sup>
- ⇒ Have any changes occurred in gender identities that may pose problems in reintegration and future domestic life?<sup>115</sup>
- ⇒ What are the possible positive (empowering) and negative consequences of these situations?

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<sup>110</sup> Are there many young mothers as a result? What is their status in their communities and can they keep the baby?

<sup>111</sup> Such as the short and long term effects of systems of targeting and distribution.

<sup>112</sup> Such as neglect of gender considerations or lack of presence of women at the planning stages.

<sup>113</sup> Needs of spouses and female combatants.

<sup>114</sup> Such as class, race, religion, ethnicity, age, and ability.

<sup>115</sup> Such as changes in sexual division of labour, roles in combat, etc.

⇒ Is the loss of income, jobs and productive assets the same for women and men?<sup>116</sup>

### *Female-headed households*

- ⇒ What are the disadvantages faced by women in the labour market?
- ⇒ What impact has the crisis had on their ability to work?
- ⇒ What is the average number of family members supported by female-headed households?
- ⇒ What is the risk of continued hardships on women's reproductive role (difficult pregnancies, miscarriages, stillbirths, infant mortality etc)?

### *Unemployed*

- ⇒ Is the level of unemployment chronic or was it brought on by the crisis?
- ⇒ Have social safety nets or coping strategies alleviated the economic stress on the families of the unemployed?

### *Internally-displaced peoples and refugees*

- ⇒ Are there legal barriers to their employment in the country or territory of asylum?
- ⇒ What is the expected duration of their status as refugees or IDPs?
- ⇒ What are their daily occupations?
- ⇒ Could their time be used more productively through vocational or business training?
- ⇒ What do they expect to do when they go home?
- ⇒ Do they need additional skills?
- ⇒ Is there any information available on the demands of the labour market from the country they are returning to?
- ⇒ Is there a lack of products in the refugee camps?
- ⇒ Assess possibilities for income-generating activities in the camps (e.g. soap, shoes, etc).

### *Recent returnees*

- ⇒ What are their expectations and hopes regarding occupations after their return?
- ⇒ What are the constraints to their successful resettlement and reintegration?
- ⇒ Will they have to compete with host community members for available employment?
- ⇒ What assistance is planned for supporting employment prospects for the returnees as well as the host community?

### *Returned economic migrants*

- ⇒ What are their expectations and hopes regarding occupations after their return?
- ⇒ What are the constraints to finding employment when they return?

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<sup>116</sup> ILO highlights and mainstreams gender concerns among all groups. In order to form an accurate picture of gender roles both pre- and post crisis to highlight the effects of the crisis, the assessment should:  
Point out (past, present and potential future) imbalances and disparities that should be corrected  
Determine whether changes induced by the crisis are temporary or will have a more lasting effect  
Challenge gender-based assumptions, and pinpoint what both men and women gain and lose in crisis situations  
Identify capabilities to be strengthened in order to reduce future vulnerabilities to crises  
Ensure that gender implications of the crisis are fully considered and reflected in programming

# Tool 1-H. Guidelines: Establishing Objectives Performance Indicators

The aim of this activity is to complete the objectives matrices begun in the previous exercise to include:

- ⇒ Establishing possible performance measures
- ⇒ Identifying key data gaps that would inform analysis

In a stakeholder-driven participatory process, begin by breaking the workshop participants into working groups based on their experience or expertise in an area that relates to the objectives listed on each matrix. Stakeholders can be grouped according to sector (e.g., infrastructure, entrepreneurship, education, etc.), level of governance (e.g. local, national, private, civil society), land use (e.g., urban, rural, conservation, industrial) or any other appropriate combination. Provide each group with one or two objectives matrices (depending on # of objectives) that are applicable to their areas of expertise and ask them to develop performance measures for each objective. This can be accomplished by posing the following questions to the group and asking them to record their responses to the matrices.

- ⇒ How do we measure progress toward this objective?
- ⇒ What indicators would be used to monitor this objective?
- ⇒ If there is no natural way of measuring the objective, how can we determine progress toward it?

Ask each group to record their identified indicators in the matrix, as well as any data gaps that could affect later analyses. Once complete, have a representative of each group present their findings to the workshop. Allow for dialogue among stakeholders to determine if any key measures may have been missed. Add them to the matrices if necessary.

Refer to the Means-Ends Diagrams already completed to ensure that the measures determined for each core objective adequately represent the objectives that link to it.

For each core objective, create a list of indicators and write them on separate sheets of paper. These sheets will become the primary tools for ranking and prioritizing objectives.

## Performance Indicator Criteria

- ⇒ Clearly linked to an objective.
- ⇒ Clarify scale and impact of actions.
- ⇒ Indicate content and direction for future action.
- ⇒ Use information that can be obtained within the period of time defined by the plan (survey, statistics, expert judgment).
- ⇒ Responsive enough to be able to measure progress within the time period.





# Toolbox: Decision Making

## List of tools in Toolbox

Tool 2-A. Sample: Job Description for an LER Expert  
Tool 2-B. Guidelines: Territory selection  
Tool 2-C. Guidelines: Strategic Sector Selection  
Tool 2-D. Guidelines: Sector-focused workshop  
Tool 2-E. Guidelines: Technical Analysis of Strategy Directions  
Tool 2-F. Guidelines: Swing Weighting  
Tool 2-G. Guidelines: Final Value Analysis  
Tool 2-H. Guidelines: Brainstorming & Organizing Alternatives

## Tool 2-A. Sample: Job Description for an LER Expert/Facilitator

### Crisis Response and Local Economic Recovery

\_\_\_\_\_ Office

#### JOB DESCRIPTION

##### GENERAL INFORMATION

**Title of the posting** Expert in Local Economic Recovery  
**Location** \_\_\_\_\_ with frequent missions to crisis and disaster-affected areas in \_\_\_\_\_.

##### SUPERVISION

**Direct technical supervision by** \_\_\_\_\_.

**Content & methodology of the supervision** Regularly updated work plans and reports; periodic missions of the supervisor to provide supervision and guidance. ILO/CRISIS Rapid Response Team to provide technical guidance.

**Administrative supervision & support** \_\_\_\_\_.

##### DUTIES AND RESPONSIBILITIES

Under the supervision of both Socio-Economic Reintegration Specialist in ILO/CRISIS Geneva and technical staff in crisis-response projects in \_\_\_\_\_, the LER Expert will contribute to the implementation of crisis-response work and local economic recovery/development projects operational in \_\_\_\_\_. The LER Expert will also assist the ILO Country Office and ILO/CRISIS in assessing areas for possible ILO interventions and develop funding proposals for ILO works in crisis and disaster-affected areas in \_\_\_\_\_.

In particular, the Expert will:

- Support the implementation of the Local Economic Recovery Project in \_\_\_\_\_.

1. Review and monitor progress made by the Projects
  2. Document lessons learned and good practices
  3. Participate in the evaluation of project activities and the design and preparation of new projects in \_\_\_\_\_
  4. Backstop as well as prepare progress reports and undertake monitoring, planning and evaluation of the LER projects and report produced by implementing partners and other partners;
  5. Coordinate for technical support from ILO/CRISIS and other relevant technical units in HQs, regional and sub-regional offices.
  6. Support initiatives to promote synergies and joint initiatives with other relevant technical cooperation institutions within the UN System as well in the complementary multilateral, bilateral, private and non-governmental system.
- Contribute to the implementation of crisis-response projects in \_\_\_\_\_, and other areas where assistance is needed
    1. Review and monitor progress made by the projects
    2. Contribute to the documentation of projects' lessons learned and good practices
    3. Participate in evaluation of project activities and identify possible funding areas
    4. Contribute to the design and preparation of new funding proposals.
  - Monitor overall crisis-response work managed by the Country Office
  - Design and prepare funding proposals for immediate crisis response and recovery/reconstruction activities

## QUALIFICATIONS AND EXPERIENCE

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<b>Qualifications</b>	University degree in development economics, business administration or social science. Familiarity with the immediate emergency response, local economic development and recovery in post crisis situation and disaster-affected areas and knowledge of gender issues are assets.
<b>Experience</b>	Previous experience in managing development and humanitarian projects in crisis situation is a must
<b>Skills</b>	Be familiar with the project cycle design, management and monitoring & evaluation methods as well as the use of standard office computer software (word processing, spread sheet and database programmes). Be able to demonstrate skills as a team player and be available to live in areas in immediate post-crisis situation (phases 3 and 4) is a must
<b>Languages</b>	Fluency in English. Basic knowledge in _____ will be an asset (in any case crash-courses in _____ language are highly recommended)
<b>Competencies</b>	Ability to carry out assignments in accordance with instructions and guidelines, ability to use analytical tools and qualitative and quantitative techniques, ability to conceptualise, plan, coordinate and conduct straightforward research work, ability to draft press releases, discussion papers, reports and good computer skills.

## Tool 2-B: Guidelines: Territory selection

Step One: Interviews with Key Informants	
<p><b>Purpose</b></p> <p>This will enable you to:</p> <ul style="list-style-type: none"> <li>- Collect information</li> <li>- Avoid creating expectation among community members</li> <li>- Target field visits</li> <li>- Mitigate security risks associated with assessment visits</li> <li>- Involve stakeholders</li> <li>- Triangulate information</li> <li>- Coordinate activities</li> </ul>	<p><b>Process</b></p> <ol style="list-style-type: none"> <li>1. Identify key informants among the core team, other external agencies, line ministries, local/regional governments, etc.</li> <li>2. Arrange interviews and provide respondents with information about the possible LER initiatives and an area map to reference</li> <li>3. Explain the overarching goal of LER</li> <li>4. Explain the strategic territory selection process to them</li> <li>5. Ask respondents to nominate a maximum of 10 communities within the proposed territory</li> <li>6. Ensure they justify and explain their assertions</li> <li>7. Ask them for the names of leaders and key stakeholders among these communities</li> <li>8. After the all the key informant interviews, compare and contrast the information you receive from different key informants</li> <li>9. Look at which of the communities mentioned are clustered</li> <li>10. Verify security of routes and communities with security informants</li> <li>11. Make a qualitative judgement of which communities to shortlist for assessment visits</li> <li>12. Plan assessment visits</li> </ol>
Step Two – Territory Assessment Visits	
<p><b>Purpose</b></p> <ul style="list-style-type: none"> <li>- Initiate contact with the communities</li> <li>- Explain the project and assess reaction</li> <li>- Verify information gathered in 1<sup>st</sup> Phase</li> <li>- Gather additional information</li> <li>- Start collecting baseline data</li> </ul>	<p><b>Process</b></p> <ol style="list-style-type: none"> <li>1. Complete a travel plan for the assessment visit and take with you the relevant key informant interview records</li> <li>2. Identify community leaders (3-5 persons; do not conduct a community meeting)</li> <li>3. Explain the assessment visit (i.e. there is no commitment yet)</li> <li>4. Explain the overarching goal of the LER project</li> <li>5. Explain what is outside the scope of the project</li> <li>6. Explain that not all communities can be recipients of the project due to limited resources</li> <li>7. Explain your expectations of the community's involvement</li> <li>8. Identify a key informant on children (e.g. teacher), a respected female willing to talk, and other representatives of vulnerable groups.</li> <li>9. Meet with these key informants to gather more information</li> <li>10. Conduct a low-profile but comprehensive walk around the community</li> </ol>
Step Three – Territory Selection	
<p><b>Purpose</b></p> <ul style="list-style-type: none"> <li>- Structure decision making around territory selection</li> <li>- Quantify the priority of needs for each of the short list territories</li> <li>- Provide validation and transparency to the selection process</li> </ul>	<p><b>Process</b></p> <ol style="list-style-type: none"> <li>1. Establish a Territory Selection Matrix similar to the example provided below.</li> <li>2. Provide a matrix to core team members who participated in the field assessments and interviews.</li> <li>3. Ask them to score each indicator with a rank of 1-3 based on the descriptions provided.</li> <li>4. (This can be done in a group discussion or individually by averaging respondents' individual scores.)</li> <li>5. Compile a final list of scores ranked by level of need as indicated by the assessment score.</li> <li>6. Compare with results of Accessibility Matrix on following page, weighting the scores as deemed appropriate by the LER core team.</li> <li>7. Discuss as a group and agree on order of list.</li> <li>8. Review and discuss with the LER core team.</li> <li>9. Once a territory has been selected, ensure that there is support from the national government, local authorities, and other relevant stakeholders</li> <li>10. (This can be accomplished by creating a Memorandum of Understanding or other institutionally appropriate mechanism.)</li> </ol>

## Tool 2-C. Guidelines: Strategic Sector Selection

### INSTRUCTIONS

- STEP 1:** Copy the matrix below on a flip chart sheet. Decide who is going to act as facilitator during the session.
- STEP 2:** Individual exercise: with respect to each criteria (1 to 6), chose the sector that, more than any other, validates the concerned criterion. Note down the choices on a sheet; to make it easier you can copy the matrix below in small scale.
- STEP 3:** exercise in plenary session: each participant reads aloud his/her votes to the others. The facilitator notes down the votes on the superior row corresponding to the voted sector. The sum of the votes will be recorded in the inferior row.
- STEP 4:** draw a line on the sectors that did not get any vote: they are eliminated. Dispose the sectors on the grid (see below the matrix) in decreasing order, noting down the sum of votes per each of them.

### LIST OF CRITERIA

1. Sector with high density of micro, small and medium enterprises in the territory
2. Sector characterised by high labour intensity (direct and indirect) per unity of capital invested
  - 2A. High intensity of labour (male and female) per investment unit
  - 2B. High intensity of female labour per investment unity
3. Capacity to trigger (stimulate) other sectors (backward and forward linkages) – Indirect employment creation effect
  - 3A. Backward linkages (provision of raw/semi finished materials, provision of capital assets - ex. machinery)
  - 3B. Forward linkages (transport, commerce, industrial transformation)
  - 3C. Linkages of the type consumption-reactivation: employment creation generates income, which allows to consume products and services (local or important), which in turn reactivate the economic activities and employment creation in other sectors.
4. Requires low-skilled labour force, or labour force with skills that are highly available locally.
5. The most affected sector by the conflict.
6. Sector that produces goods and services for which there is an accessible market, either locally or in other territories or provinces.

Sector	1. Sector with high density of micro & small firms in the territory	2. High labour intensity	3. Linkages with other sectors	4. Absorption of low-skilled labour force or with highly available skills	5. The most affected sector by the conflict	6. Existence of an accessible market for the goods and services produced by the sector	TOTAL
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		2A. High intensity of (female and male) labour per investment unit	2B. High intensity of female labour	3A. Backward linkage	3B. Forward linkage	3C. Linkage of the type consumption-reactivation				
<b>Agriculture, forestry and fishing</b>										
Crops production and related services										
Animal production, hunting and related services										
Fishing and aquaculture										
Forestry and logging										

Mining and quarrying										
Manufacturing (food, textile, metal, machinery, etc.)										
Water supply, gas, electricity										
Construction										
Wholesale and retail trade										

es										
cal										

	No. Votes	Sector
1		
2		
3		
4		
5		



# Tool 2-D: Guidelines: Sector-focused workshop

Workshop for recovery planning of [Name of economic sector/branch/other]

[Venue, Date]

## I. Programme of the workshop

### Day 1

Following the introduction of participants and the presentation of the objectives of the first day of workshop, the group will analyse the sectoral problems and will organise them in a problem tree to be transformed into an objective tree at a later stage.

### Day 2

The objectives are transformed into strategic objectives and the strategic objectives are decomposed into success factors in the form of sub-objectives. This task will be undertaken in small groups. An important step is the selection of priorities among the identified strategies. Finally, participants will identify major activities (or project ideas) per each objective.

Time	Duration	Activity 1 <sup>st</sup> day	Activity 2 <sup>nd</sup> day
09 :00	05 min	Welcome	Session 1: Critical success factors for each strategy
	10 min	Official opening of the workshop	
	45 min	Presentation of participants and facilitator(s) and overview of the agenda	
	15 min	Session 1: Objectives and participants' expectations	
	15 min	Introduction to LER	
10 :30	15 min	Coffee break	
10 :45	1h 30 min	Session 2: Sectoral problem analysis	Session 2: Selection of priorities
13 :00-14 :00	1h 00	Lunch	
15 :30	1h 30 min	Session 3 : Problem tree	Session 3: Working group on the definition of the strategy directions and of the immediate (or instrumental) objectives
15 :45	15 min	Coffee break	
17 :00	1h 30 min	Session 4 : Objective tree and identification of strategy directions	Session 4: Definition of the major activities linked to the immediate objectives
			Closing

## II. Participants

General stakeholders	Stakeholder representing the private sector

## III. Activities and workshop results

Opening and introductions
<p>Opening by the organiser and the local authority.</p> <p>Overview of the workshop agenda.</p> <p>Introduction of participants and facilitator(s).</p> <p>Introduction to LER</p> <p>Participants' expectations. Output: list of expectations</p> <p>Presentation of the workshop objective: The workshop aims at <b>proposing strategic solutions to the problems and obstacles hindering/delaying the creation and development of the sector [NAME] and its economic agents.</b></p>
1st task (10 minutes): make an inventory of the problems affecting the subject to be analysed (e.g. development of micro & small enterprises). Instructions:
<p>(a) Individually, participants write on a paper four (or other number) problems that hinder the creation and development of enterprises in the concerned sector. They do not have to share their ideas with the others, which will allow them to express freely their views. On the other hand, setting a limited number of problems to be identified (inversely proportional to the number of participants) permits avoiding that the process is overburdened due to the inclusion of too many issues. This is often the case when there are a large number of participant stakeholders.</p> <p>(b) The facilitator (or his/her assistant) distributes a yellow card and a marker to each participant.</p> <p>(c) Participants choose one only problem among the four and write it on the yellow card (<u>max. 3 lines in capital letters</u>); the problem must be urgent and it can be resolved within a short timeframe.</p> <p>(d) The facilitator collects the yellow cards and displays them on a board.</p> <p>(e) Each participant reads his/her card and complements with remarks if any.</p> <p><b>N.B.1</b> Problems must not be written in the form of missing solutions, but have to reflect weaknesses and insufficiencies that generate frustration and pain.</p> <p><b>N.B. 2:</b> Each problem must be taken into consideration; debate and arguments must be avoided; however the other participants can intervene with questions or ideas to clarify and complement the inputs of the colleague.</p> <p><b>N.B.3 :</b> Colours and their meaning:</p> <ul style="list-style-type: none"> <li>• <b>Pink: thematic area</b></li> <li>• <b>Yellow: problem / negative situation</b></li> <li>• <b>Green: Objective / positive situation</b></li> <li>• <b>White : Activity</b></li> </ul>
Output 1: (unorganized) list of identified problems
2nd task: Organise the objectives according to the thematic area they belong to (activity in plenary session). Instructions:
<p>(a) The facilitator helps the participants in grouping problems within common areas/themes. This may mean organizing by sector or by some other common relationship. S/he guides the accomplishment of this activity by making questions, avoiding to impose his/her views but ensuring coherence and consistency of the global picture.</p> <p>(b) Do not spend too much time in grouping the issues, as this task is only instrumental with respect to the following steps. Allow for limited discussion, but remember that this is not a time for debate and in-depth dialogue. Be sure to group issues as much as possible and focus on recurrent responses and commonalities rather than unique responses.</p>

(c) Each problem must appear only once and any duplication must be deleted.

**Output 2:** A matrix (see example below) organizing problems/obstacles into groups, named/titled after the common thematic area.

Example: Problems and obstacles to the creation and development of micro and small enterprises in the food processing sector

THEMATIC AREA 1:	THEMATIC AREA 2:	THEMATIC AREA 3:	THEMATIC AREA 4:	THEMATIC AREA 5:	THEMATIC AREA 6 :

**3rd task:** Formulation of the development (or strategic objectives) (activity in plenary session).  
Instructions :

- (a) By asking relevant questions for each thematic area (eg. Which objective allows us to tackle all or most of the problems within a certain area?), the facilitator guides the participants toward the formulation of all objectives that can transform the previously identified problems into positive and desirable situation. They are development objectives.
- (b) The facilitator guides the participants toward the definition of one overarching objective by asking the question: "If we were attaining all development objectives, which final result we would be able to achieve by the end of the full completion of the strategy?".
- (c) The facilitator guides the participants toward the definition of the long-term impact (or the impacts) of the strategy, by asking the question: « If we succeed in achieving the overarching objective which "indirect effects" we might trigger?"

N.B. 1: Objectives are not actions or solutions but rather « positive situations »! In general, the construction of the sentence should be: « subject + verb + other pertinent details (e.g. by when, where) ».

N.B. 2: It is recommendable not to have more than 3 objectives per each thematic area.

N.B. 3: The impact is an indirect and long-term effect of the implementation of the strategy. It does not necessarily concretize upon conclusion of the strategy.

**Output 3:** A matrix organizing different levels of objectives: impact level, overarching objective level referring to the targeted sector, and development (strategic) objective level referring to each thematic area.

<b>LONG-TERM IMPACT No.1</b>			<b>LONG-TERM IMPACT No. X</b>	
<b>CREATION AND DEVELOPMENT OF MICRO AND SMALL ENTERPRISES IN THE SECTOR [NAME OF SECTOR]</b>				
THEMATIC AREA 1: [TITLE]	THEMATIC AREA 2: [TITLE]	THEMATIC AREA 3: [TITLE]	THEMATIC AREA 4: [TITLE]	THEMATIC AREA X: [TITLE]
Development objective 1.1. :	Development objective 2.1. :	Development objective 3.1. :	Development objective 4.1. :	Development objective X.1. :
	Development objective 2.2. :		Development objective 4.2. :	
	Development objective 2.3. :		Development objective 4.3. :	

**4th task :** Selection of thematic areas by using the choice matrix. Instructions:

- (a) The facilitator copies the matrix above on a flip chart sheet.
- (b) S/he reads the instructions of the activity to the participants.
- (c) The participants work individually: for each criterion, participants select the thematic area that - more than others - validates that specific criterion; they take note of their votes on a sheet. If they prefer, they can even reproduce the matrix below on a small scale. The same thematic area can be voted in correspondence of more than one criterion.

- (d) Exercise in plenary session: each participant reads aloud his/her votes. In the **superior row** – in correspondence of each criterion, the facilitator notes down an oblique per each vote assigned by the participants. In the **inferior row** s/he will take note of the sum of votes.
- (e) The facilitator draws a line on the thematic areas that did not obtain any vote: they are eliminated.
- (f) The facilitator disposes the thematic area on the grid (see below the matrix) in decreasing order, noting down the sum of votes per each of them.

**N.B.** It is recommendable that the initial exercise of expressing individual votes is done in secret; otherwise the votes of certain actors can influence the votes of certain others. For instance, participants have the tendency of filling the gaps, i.e. attributing their preference to the thematic areas that have less votes than others.

**Output 4:** A matrix showing which thematic areas are going to be retained and which ones are going to be excluded from the strategy.

	THEMATIC AREA 1	THEMATIC AREA 2	THEMATIC AREA 3	THEMATIC AREA 4	THEMATIC AREA X
Contribution to the development objective	(oblique)				
	(total No of votes)				
Achievable in the short run					
Low intensity of capital					
Transversal to other sectors					

Priority	No. Votes	Thematic area
1		
2		
3		
4		
5		
...		
X		

**5th task: Analysis of problems in the selected thematic areas. Instructions :**

- (a) The facilitator asks the participants to register in a working group of their choice, one per each of the selected thematic areas (usually no more than 4 groups allows for a closer assistance by the facilitator and co-facilitator(s) to the participants).
- (b) The facilitator provides each group with yellow cards where participants are asked to note problems and green cards where they have to write the corresponding objectives.
- (c) Within their group, participants chose an "animator" and a "secretary". The first will have the task of encouraging and facilitating the participation of all of them into the discussion, and will keep the time; s/he is not the boss, but s/he serves the group! The second will be tasked to take note of the results of the group work and will present them in plenary.
- (d) With the facilitation of the group « animator », participants identify problems concerning their thematic area and the secretary take duly note of them. Very likely many problems will be identify, some of them very similar to each other (and can be grouped) and others that can be eliminated because not pertinent.
- (e) After having taken note of all problems, participants will eliminate the following: (1) those that cannot be sorted out in the short run ; (2) those that are outside the control of the local stakeholders ; (3) those that can be solved indirectly by tackling a related problem.
- (f) Finally, participants transform problems (reflecting a negative situation) into objectives (reflecting the positive situation) that they would like to achieve. Such positive situations are immediate objectives.

**N.B.** 1: Objectives are not actions or solutions but rather « positive situations »! In general, the construction of the sentence should be: « subject + verb + other pertinent details (e.g. by when, where) ».

**Output 5:** a series of immediate objectives per each thematic area.

<b>Results Group 1:</b>		
<b>THEMATIC AREA 1</b>		
<b>Development objective 1.1.:</b>	<b>Development objective 1.2.:</b>	<b>Development objective 1.X.:</b>
Problem 1	Problem 1	Problem 1
Problem 2	Problem 2	Problem 2
<b>THEMATIC AREA 1</b>		
<b>Development objective 1.1.:</b>	<b>Development objective 1.2.:</b>	<b>Development objective 1.X.:</b>
Immediate objective 1.1.1.	Immediate objective 1.2.1.	Immediate objective 1.X.1.
Immediate objective 1.1.2.	Immediate objective 1.2.2.	Immediate objective 1.X.2.
<b>Results Group 2:</b>		
<b>THEMATIC AREA 2</b>		
<b>Development objective 2.1.:</b>	<b>Development objective 2.2.:</b>	<b>Development objective 2.X.:</b>
Problem 1	Problem 1	Problem 1
Problem 2	Problem 2	Problem 2
<b>THEMATIC AREA 2</b>		
<b>Development objective 2.1.:</b>	<b>Development objective 2.2.:</b>	<b>Development objective 2.X.:</b>
Immediate objective 2.1.1.	Immediate objective 2.2.1.	Immediate objective 2.X.1.
Immediate objective 2.1.2.	Immediate objective 2.2.2.	Immediate objective 2.X.2.
<b>Results Group X:</b>		
<b>THEMATIC AREA X</b>		
<b>Development objective X.1.:</b>	<b>Development objective X.2.:</b>	<b>Development objective X.X.:</b>
Problem 1	Problem 1	Problem 1
Problem 2	Problem 2	Problem 2
<b>THEMATIC AREA X</b>		
<b>Development objective X.1.:</b>	<b>Development objective X.2.:</b>	<b>Development objective X.X.:</b>
Immediate objective X.1.1.	Immediate objective X.2.1.	Immediate objective X.X.1.
Immediate objective X.1.2.	Immediate objective X.2.2.	Immediate objective X.X.2.

**6th Task: Identification of macro activities (leading to a specific deliverable). Instructions:**

- (a) The facilitator task the participants to select macro activities per each immediate objective previously identified (see the output of the 5<sup>th</sup> task)
- (b) It is important not to go into detail, i.e. not to identify all micro-activities (tasks) that are needed to reach an immediate objective: activities must be at the macro level.
- (c) The facilitator distributes white cards to each group, for them to write down macro activities (or deliverables).
- (d) The results of the work of each group are shared with the others in a plenary session and remarks/suggestions are considered and, if pertinent, recorded.
- (e) While making a choice, the following aspects must be considered:
  - Structures/institutions requiring to be reinforced/supported
  - What is not yet in place
  - Actors/stakeholders that must be involved
  - Previous successful experiences

**N.B. 1: the group must agree unanimously, prior to the definitive registration of the activity on the colour card under the concerned objective.**

**Output 6:** A matrix representing a programme with multiple immediate objectives and underlying (macro) activities leading to a specific deliverable that is relevant to achieving the objective.

<b>Development objective X:</b>			
Immediate Objective 1	Immediate Objective 2	Immediate Objective 3	Immediate Objective X
Activity	Activity	Activity	Activity
Activity	Activity	Activity	Activity

# Tool 2-E. Guidelines: Technical Analysis of Strategy Directions

## *Description*

The first type of analysis that can be performed to evaluate and rank strategy directions is called a “technical dominance” analysis. This analysis will identify if an alternative is dominated by others in terms of its ability to impact desired objectives. Another type of analysis is called “practical dominance”. An alternative may be practically dominated because, regardless of the level of support, particular constraints make it prohibitive to implement. This could include costs that go beyond the capabilities of the territory or alternatives that are already being implemented. The role of dominance analysis is to reduce the number of strategy alternatives to pursue with further analysis, streamlining the planning process for efficiency.

Before evaluating strategy options against stakeholder preferences or interests, all the consequences of the proposed alternatives on the group’s objectives need to be established, to the best of the group’s ability and the available resources.

A consequence table, or objectives by alternatives matrix, is a good way to organize this information and allow for a technical evaluation of the alternatives. It also allows for the alternatives and potential tradeoffs to be identified, reviewed, discussed, and consensus-building options to be developed. Each cell of the matrix will correspond to a specific combination of a strategy direction and a priority objective. Once the matrix is adequately filled out and has been reviewed and largely agreed-upon by the stakeholders group, additional analyses can begin. This includes both technical and practical dominance analyses and potential combinations of alternatives into new ones.

It is important to remember that there is rarely one single “best” alternative, especially when there are many unique objectives that the territory is trying to achieve. Oftentimes strategies can be designed that combine multiple alternatives in order to target multiple objectives, while garnering a broad range of support to ensure successful implementation. If it is evident that two alternatives can be combined into one with greater results, do so at this time. If necessary, expand the consequence table to reflect this change. At this point the stakeholder group should have a very clear idea of the consequences of each strategy option in order to make good decisions about which strategy to pursue, or to pursue first.

## *Steps*

1. Review alternatives proposed.
2. Review objectives agreed to.
3. Working with a small group of stakeholders, determine how well each alternative has the potential to achieve each objective. Place a score between 1 and 5 in each corresponding box in the consequence table where:

- 5 = HIGH
- 4 = HIGH/MEDIUM
- 3 = MEDIUM
- 2 = MEDIUM/LOW
- 1 = LOW

A score of 5 indicates that an alternative will significantly impact an objective; a 3 suggests that the alternative may indirectly impact an alternative; and a 1 is likely to have no impact whatsoever. For simplicity’s sake, use only whole numbers. Colour code for simplicity, if necessary.

4. Review and validate the information in the consequence table with the entire stakeholder group. In circumstances that require clarity or differences of opinion exist, ask the following questions:
  - o What are the likely impacts of this project or action on the objectives – how are indicators affected?
  - o What are the key uncertainties or key information that is missing?
  - o Are there studies or additional work that could be done to provide key insight/information into how the alternatives impact the objectives?
5. If the group cannot agree on a particular score in the consequence table, find a middle ground for the time being. Let the group know that the scores will likely change as the analysis moves forward with swing weighting
6. See if any of the alternatives are 'dominated'. If one alternative scores the lowest for every objective then it is technically dominated.
7. Cross out technically dominated strategy options or strategy options the group agrees it does not want to pursue. Also cross out 'practically dominated' strategy options that the Territory is incapable of pursuing due to constraints (e.g. developing a sports stadium may have the biggest and most positive impact, and be agreed to by all participants, but if it is too expensive it is 'practically dominated' by the constraint imposed by limited resources).
8. Re-assess alternatives and develop new, better options based on the evaluation if necessary.
9. Ensure that the group understands that this is only the beginning of analysis, and that the scores of each alternative are only a component of the assessment process. Do not get bogged down with consensus during this step.

## Tool 2-F. Guidelines: Swing Weighting

Important and complex decisions, with more than one objective, can benefit tremendously from structured thinking. This includes separating facts (technical information including uncertainty and risk) from interests (preferences). This exercise describes a simple way to apply structured decision making to a multiple objective development problem.

Once the technical analysis has been completed, the stakeholder group is ready to examine value tradeoffs and consensus-building options in greater detail. The information provided in the technical analysis matrix describes possible consequences of different strategies (facts or technical information) but does not indicate how important the different consequences are. For example, having a “High” impact on reducing unemployment may be less important than a “Medium” impact on poverty reduction. Swing Weighting allows this type of value analysis to occur and creates a platform for dialogue on which consensus-driven decisions can take place. Through swing weighting, an understanding of the rationale behind stakeholder preferences may be developed and the stakeholder group may successfully generate new actions, modify existing alternatives, or develop a different combination of actions into a better alternative that enjoys wider consensus.

The swing weighting of objectives and scoring of alternatives helps to lay the foundation for consensus-building dialogue that will eventually determine which alternatives stakeholders wish agree to pursue. As these exercises do not lead to decisions alone, it is important that all participants be aware that there are no right or wrong answers, only individual opinions and interests that are as integral to the planning process as hard data and technical analyses.

The swing weighting process begins by revisiting the indicators determined for each objective earlier in the planning process. It is these indicators that will allow participants to rank each objective’s potential change, so it may be necessary for the facilitator or core planning team to review them prior to the workshop. In doing so, the team should provide hard data that reflects the current situation for each measure. This information should be available in the economic profile. In cases where hard data does not exist, proxy indicators, descriptive indicators, or constructed scales may be used. Remember that the goal is to illustrate the potential change in each measure over a particular period of time.

With the current situation established for each measure, ask the group to determine what the potential change will be. This can be done through a simple facilitated discussion. Be careful not to get bogged down by this process as highly-calibrated indicators are not necessary. If the team feels that there will be significant differences in opinion that could hinder the process, they may want to consider completing the indicators portion of the matrix without stakeholder participation.

Once the potential for change has been determined and agreed upon, ask stakeholders to rank and weight each objective according to the directions provided in Tool. Swing weighting is a simple tool for ranking and weighting objectives and alternatives. It also allows groups to create cumulative scores and lays the foundation for consensus-based dialogue.

Provide each participant with a blank matrix to complete individually. Then ask participants to determine the scores of each alternative. Provide blank scoring matrices to support easy calculation and recording of scores. It may be necessary for the facilitator and core planning team to provide assistance during the scoring process to ensure that each participant is doing it correctly. Finally, asks participants to determine which five strategy alternatives received the highest scores and mark them accordingly.



## Step 1: Develop simple objective weights

- ⇒ Begin as a group by developing a worksheet that identifies the ‘worst’ and ‘best’ impacts to the objectives from the strategy options. This information will come from the measures identified previously as well as data from the territorial diagnosis. Descriptive and proxy measures can be used alongside specific measurements. Use the template on the following page as a guide.
- ⇒ Remind all participants that they are ranking objectives to identify why they are undertaking the planning process. Alternatives or actions are only a way to have an impact on what is important, as indicated in the objectives.
- ⇒ Remind the participants that rankings are not final and there are no right or wrong answers.
- ⇒ Ask each participant to read over each of the general descriptions of the possible ‘worst case’ impacts and the possible ‘best case’ impacts for each objective.
- ⇒ Provide each participant with a blank worksheet similar to that found on the following page (Sample Objectives Prioritization Worksheet).
- ⇒ Ask the participants to rank the impacts to the objectives by first placing a 1 in the “Rank” box associated with the objective they would like to move from ‘worst-to-best’ first, thereby indicating the change in the objective that is most important to them, not the objective itself. Then place a 2 next to the objective they would move from worst-to-best second. And so on until they have ranked all objectives.
- ⇒ Ask each participant to place a 100 in the “Weight” box next to the objective they ranked as most important.
- ⇒ Ask each participant to think about the relative importance of the next highest-ranked objective (#2) as compared to rank #1, and place a number that reflects this importance (e.g., if it is half as important it would receive a 50, if it was nearly as important it might receive the same weight or a 99.) Then consider each of the other changes to the objectives as compared to each other. Continue this until all objectives are ranked. These are the “value” weights – distinct from the technical data in the indicators.

### Example: Sample Objectives Prioritization Worksheet (ranked and weighted)

**STEP 2**

Rank each objective according to its potential for change from the *worst case* to *best case*. Do not to rank the objective alone, but rather its potential for the economic recovery of the territory

**STEP 3**

Weight the relative importance of the change in each objective. Give the **#1** ranked objective a weight of **100**. Weight the remaining objectives with a score between **99** and **1**. Objectives with the same value can receive the same score.

**STEP 1**

Consider the change that the alternatives could have on the objectives. The *worst case* represents no change or the current situation. The *best case* reflects potential results if all alternatives were pursued.

Rank	Weight	Objectives	Worst Case	→	Best Case
#1	100	Reduce poverty	Current conditions. Approx. 40% of families live in poverty level; trend worsening.		Less than 15% (stabilized trend) of families live above poverty level
#4	30	Improve community health	Medium. Infant mortality rate at 10%. High rate of cancer and heart disease.		High. Government able to provide basic services and business and social support.

#3	33	Improve agriculture	Poor agricultural production; few reachable markets outside of Territory	12% increase in local business revenue
#2	70	Reduce unemployment	200 new jobs annually, most of which are low-skill and low-wage.	900 new jobs annually, most new jobs are considered decent.

### Step 2: Combine value weights with technical scores

Once the value weights have been established they need to be mathematically combined with the technical data represented in the indicators. Use the example below as a reference for combining scores. Provide participants with a blank scoring worksheet and ensure that there are enough facilitators to provide support for the mathematical process.

#### Example: Sample Scoring Worksheet

Alternatives Ends Objectives	Value Weight from Step 1	Alternative B • _____	Alternative C • _____	Alternative X (combination of B & C)
Reduce poverty	100	$100 \times 1 = 100$	$100 \times 5 = 500$	$100 \times 3 = 300$
Improve community health	30	$30 \times 5 = 150$	$30 \times 3 = 90$	$30 \times 4 = 120$
Improve agriculture	33	$33 \times 4 = 132$	$33 \times 1 = 33$	$33 \times 2 = 66$
Reduce unemployment	70	$70 \times 3 = 210$	$70 \times 5 = 350$	$70 \times 4 = 280$
	TOTAL WEIGHTED SCORE (Total Technical Score in brackets)	$100+150+132+210 = 592$ (13)	$500+90+33+350 = 977$ (14)	$300+120+66+280 = 766$ (13)

1. Use the value weight from Step 1

2. Multiply this by the technical score from Step 2

3. This gives you the weighted score

4. Add the weighted scores to get a Total Weighted Score for each Alternative

If the results don't seem appropriate, discuss possible reasons why and come up with solutions. Also, it may be appropriate to reconsider your objective weights and discuss. The point of this process is not to determine the "right" answer, but it is a way to gain insight into the decision and open avenues for negotiation and agreement on creative strategy options.

In the example above, note the importance of including value weights, provided by participants, in addition to the technical scores, provided by experts. Without the value weights the technical scores alone show three relatively equal alternatives. However, once value weights are added, Strategy Option C is by far the most preferred.

# Tool 2-G. Guidelines: Final Value Analysis

Before evaluating the chosen alternatives, all of the consequences of the alternatives on the objectives should be established and a consequence table used to display the results. Once the consequences are well understood and the swing weighting exercise is complete, stakeholders should be asked which alternative they prefer and why (i.e. why the specific impacts on objectives of certain actions are relatively more important). New and better alternatives can then be developed based on value tradeoffs between participants.

## Procedure

1. Review proposed alternatives.
2. Review how proposed alternatives will impact the territory's development objectives (use consequence table and discussion).
3. Ask each stakeholder to show their level of support for each alternative by scoring the alternative using the scale below in the completed worksheet on the following page.
4. Once a good understanding of each participant's interests is achieved through scoring and discussion, the group should investigate ways to improve upon the most favored alternatives or to combine alternatives to better reflect the group's individual preferences. Everyone may not end up completely satisfied, but a better alternative should result – hopefully one that enjoys the support of the group.

## Strategy Direction Evaluation Scale

	Score	Level of Support	Definition
BLOCK	0	Block	You cannot support this alternative. Minimum needs are not met.
ACCEPT	1	Accept with major reservations	Far from ideal but you can live with it, if necessary, in view of trade-offs between objectives.
	2	Neutral	This is acceptable although pros and cons roughly offset each other.
ENDORSE	3	Endorse with minor reservations	Good balance between objectives, but you have some concerns that you would like to record.
	4	Fully endorse	This alternative balances objectives appropriately and achieves important outcomes given the information available at this time.

*Strategy Direction Evaluation Worksheet*

Description of strategy direction must be provided.

Ask participants to fill in columns.

Brief Description of the Strategy Direction	Score	Comments

Once each stakeholder has completed their Final Value Analysis worksheet, the facilitator must collect responses to use for discussion. This can be done with a show of hands or by asking participants to mark their results on flip chart sheets. The goal of this exercise is to show the group's collective scores for each alternative. This will help to determine where further discussion is required. Once the stakeholder group has a general understanding of which alternatives are broadly accepted and which appear to be contentious, the process of detailing the alternatives, making trade-offs, and building toward consensus can begin.

When beginning negotiations, the best place to start is with broadly supported alternatives, if any exist. This will allow stakeholders to get comfortable with the analysis process before dealing with the more contentious alternatives on the table. At this stage, it is important that the stakeholder group understands that all alternatives require further analysis, even if they are universally supported by the group. The goal of the analysis is to create alternatives that affect the most objectives possible with the greatest possible results. This is undertaken by revisiting the Technical Analysis consequence table.

Begin by reviewing the consequence table for a particular alternative. It is likely that some of the alternatives have scored "HIGH" according to certain objectives, while scoring "MEDIUM", "LOW", or some combination thereof, against other objectives. Since the goal of the analysis is to create alternatives that have the greatest impact on each objective, the group should seek to identify ways of converting each score to "HIGH" whenever possible. Table ### on the following page provides an example of this process.

Once an alternative has been adequately discussed and detailed according to the objectives, the facilitator should ask the stakeholder group if they all support the strategy alternative. If consensus has been achieved, ensure that the results of the negotiation have been well documented and proceed to the next alternatives. If consensus has not been reached, it will be the facilitator's role to bring the voices of dissent to the forefront in order to ensure that their opinions are heard.

The facilitator should continue to use principled negotiation skills, keeping the stakeholders focused on the objectives, as well as their interests, in the search for a strategy alternative that works. This includes keeping an open mind and searching for shared answers. The stakeholders must also be reasonable and willing to reconsider strategy alternatives while not degrading the process by introducing take-it-or-leave-it offers, threats, or other bargaining tactics.

### Sample Results of Negotiated Alternative

Ends Objectives	Alternative A Establish Agri-Industrial Zone	Negotiation and Analysis	Negotiated Alternative
Reduce poverty	3 MEDIUM	<ul style="list-style-type: none"> <li>- Develop facilities for small-scale farmers.</li> <li>- Provide agricultural training programs for the poor.</li> <li>- Provide incentives and discounts for the poor.</li> <li>- Engage civil society in planning and decision-making.</li> </ul>	5 HIGH
Improve community health	3 MEDIUM	<ul style="list-style-type: none"> <li>- Establish programs to promote organic farming.</li> <li>- Provide food safety and nutrition training.</li> <li>- Ensure occupational health and safety in operations.</li> </ul>	4 HIGH-MED
Improve agriculture	5 HIGH	<ul style="list-style-type: none"> <li>- Provide incentives for large investments.</li> <li>- Provide seminars and training in agri-technology.</li> <li>- Identify and exploit new markets and market opportunities.</li> </ul>	5 HIGH
Reduce unemployment	4 HIGH-MED	<ul style="list-style-type: none"> <li>- Create programs to promote local business linkages.</li> <li>- Host job fairs for graduates and professionals.</li> <li>- Support the establishment of labour unions.</li> </ul>	5 HIGH
Minimize environmental degradation	2 MED-LOW	<ul style="list-style-type: none"> <li>- Establish and enforce waste mitigation programs.</li> <li>- Create organic composting facility.</li> <li>- Establish Advisory Panel of environmental experts.</li> <li>- Provide training in sustainable water use and re-use.</li> </ul>	4 HIGH-MED

The facilitator of the workshop will undoubtedly play a critical role in the success of these negotiations. It is this person's responsibility to keep the discussions focused, empathic, and non-positional. Rather than focusing on outcomes, the group should remain focused on the objectives. Using this approach of interest-based negotiation will limit the positioning that can result in loggerheads and will help to find creative solutions that all stakeholders can live with.

The facilitator should help the group to identify conflict issues that may be hindering the negotiation process. Common issues may include timing, cost, local capacity, information gaps, and other constraints. The following table provides a list of questions for facilitators to consider when leading the group through the negotiation process.

<b>Tips for Facilitators</b>	
⇒	Focus on interests, not positions
⇒	Interests define the problem
⇒	Focus on Interests, not positions
⇒	Ask why, ask why not
⇒	Use empathic listening
⇒	Realize that each side has multiple interests
⇒	Identify shared interests and focus on mutual options for gain
⇒	Acknowledge their interests as part of the problem
⇒	Put the problem before the answer
⇒	Look forward not back
⇒	Be concrete but flexible
⇒	Be hard on the problem, soft on the people
<i>Adapted from Fisher and Ury (1991)</i>	

### *Questions to consider for negotiating alternatives*

<b>Re-Evaluate</b>	In re-evaluating the alternatives, it is a good idea to further consider the constraints?
<b>Re-assess Constraints</b>	What are the key constraints? How have these constraints affected the design of alternatives? Have the constraints limited or changed the decisions?
<b>Information</b>	Will more information really change the decision? What information is critical? Can an alternative be designed to address key data gaps and uncertainties?
<b>Cost</b>	What actions would you choose on a limited budget? For example, are 5 inexpensive soft-infrastructure projects (e.g. training) more beneficial to achieve the territory's objectives than 1 expensive capital improvement project (e.g. a new road)? Can alternative sources of financing be found?
<b>Capacity</b>	Is there organisational capacity and expertise to implement the alternatives? If not, is capacity-building included in the revised alternative?
<b>Timing</b>	Urgency – Does an action need to happen right away? Is there a specific window of opportunity? Deadlines – Are there deadlines and how important are they? Phasing or Sequencing – Does one action need to happen before all others?

# Tool 2-H. Guidelines: Brainstorming & Organizing Alternatives

## *Brainstorming alternative interventions*

- ⇒ Consider the SWOT analysis and review specific objectives for the local area
- ⇒ Consider ideas and innovative practices from all sources: personal, professional, academic, etc.
- ⇒ Ask stakeholders to write down actions they believe will have the biggest impact on priority objectives. (If you have cards, ask participants to write down one idea per card.)
- ⇒ Go around the room and ask each participant to read their idea. Write each down on a flip chart in front of the room or tape participant's cards on a wall in front of the room.
- ⇒ Do not allow any discussion of alternatives until all ideas have been written down. Even silly and absurd ideas are accepted.
- ⇒ Ask participants to continue to add ideas to their lists as they get new ideas. (These may be generated from the ideas of other participants – ideas build on ideas.)

## **Focus Questions to Stimulate Brainstorming**

- ⇒ What activities would support the objectives?
- ⇒ What measurable steps can we take to make progress?
- ⇒ What resources are needed to implement such activities (i.e. financial, human resources and skills, political, relationships and strategic partners, technology, communications and public information)?
- ⇒ Are current resources sufficient?
- ⇒ Should we re-organize how we use our resources, or will we have to find new resources?
- ⇒ Who will lead/implement the activities?
- ⇒ Who will be responsible for completing the work plans?

## *Organizing alternatives*

This can be done as a group exercise with strong facilitation. However, it can also be done in a small group specifically assigned to complete this task, and then take back to the larger group for refinement and validation. The actual grouping will largely depend on what makes sense to the group.

In a workshop setting, or as a small group:

1. Review the list of stakeholder's ideas and identify if there are common actions that are likely to be a part of every strategy (e.g., organizational issues such as creation of a sector forum).
2. Review the list and identify any obvious, simple actions that are easily attainable, commonly desired, universally agreed upon and that can be implemented quickly. These can be referred to as "Low Hanging Fruit" and Quick Starts. Some "low hanging fruit" do not require more detailed evaluation.

3. Group ideas/actions by common themes or strategy directions. Usually a strategy direction contains specific suggestions (purchase a dump truck in October) as well as broad actions (develop local health strategies) that can be grouped together.
4. Once the actions are grouped, refine the strategy directions by considering:

#### a) Timing

- ⇒ Is there an order to the actions? Should some actions happen in advance of others?
- ⇒ Are any actions mutually exclusive or is it a matter of when the actions are done (i.e., if you do an action does it necessarily mean that you cannot do another action)?

#### b) Multiple Objectives

- ⇒ Can these actions be designed to contribute to other objectives (e.g., economic diversity, poverty reduction, improved literacy, environmental sustainability)?
- ⇒ What is the opportunity cost of not implementing this action?
- ⇒ Will the action improve quality of development making territory better, not just bigger (quantity of development)?

#### c) Sustainability

- ⇒ What are the long-term effects? How will it impact future generations?
- ⇒ Is there waste and pollution? Can this waste be reused or recycled? Can it be minimized?
- ⇒ Are there issues of fairness that will need to be addressed?
- ⇒ Will this action have undesirable or inequitable impacts (consider the marginalized, poor, youth, children, women, local businesses, the environment)?

#### d) Public Costs and Finances

- ⇒ What public services are required and how will these be paid for?
- ⇒ What is the likely effect on finances, both revenues and long-term costs?

If necessary, return to the group and refine the grouping further. Get additional feedback and confirm.





# Toolbox: Action taking

## List of tools in Toolbox

Tool 3-A. Guidelines: Facilitation Techniques  
Tool 3-B. Checklist: Conflict Sensitivity Analysis

## Tool 3-A. Guidelines: Facilitation Techniques<sup>117</sup>

Participatory facilitation techniques can be grouped in three major categories:

1. Animation and introduction;
2. Analysis;
3. Synthesis.

Table shows their respective aims and some examples.

Type	Purpose	Methods
a. <i>Animation and introduction</i>	allows a fraternal, participative and horizontal environment to be created during the activity work	Introduction in pairs and using a spider web Concentration: remembering something. Animation: telling a story
b. <i>Analysis</i>	may be used when covering any topic	Socratic method Discussion Simulation Role play Brainstorming Case study
c. <i>Synthesis</i>	develop capacity for synthesis and abstraction about a situation	Abstraction: figures Objectivity and subjectivity Summarise: key words Chain of associations

### *Animation and introduction techniques*

These methods promote participation and create a relaxed, intimate environment. For these reasons, we suggest using them at the beginning of the meeting in order to allow participants to mingle and after

<sup>117</sup> Soto Cabrera L., *Facilitate face-to-face learning*, Competency-based Training of Trainers Programme (TOT), Module 3, ITC ILO, Turin, 2003

intense, tiring sessions to draw people together. The abuse of such activities may, however, affect the seriousness of the meeting. For this reason you must be clear about the aim for which you wish these techniques to be used.

- ⇒ **Introduction in pairs.** The facilitator asks people to introduce themselves in pairs. Participants pair up and talk to one another for a few minutes, exchanging information of general interest, for example: name, jobs, some personal information, the reason why they are attending the activity and their expectations. Then each participant introduces the other person in the pair to rest of the class.
- ⇒ **Introduction using a spider web.** The facilitator must warn the participants of the importance of listening to what everyone says when they introduce themselves. Everyone forms a circle and the facilitator gives one person a ball of string. That person must say their name, where they come from, their work experience, their interest in taking part in the meeting, etc. Then that person takes the end of the string and throws the ball to another colleague, who in turn must introduce themselves in the same way, and so on until all the participants are enmeshed in a sort of spider web. The last person who ends up with the ball of string must give it back to the person who gave it to them, repeating the information given by his or her colleague and the next person in turn must do the same so that the ball goes back the same way but in the opposite direction.
- ⇒ **Concentration:** remembering something. We suggest using this technique to introduce a problem to make the participants think about it. The facilitator must suggest a problem (for example: "a women who is now the head of the family and can not find a job") and asks a participant to say something related to this topic out loud. The rest of the participants state what this situation makes them remember.
- ⇒ **Animation:** telling a story. This method is used to entertain and relax people and also to prompt them to develop creative and imaginative skills around a specific topic. The facilitator begins to tell a story about a topic, for example an instance of gender discrimination and, after saying a few words, breaks off to let the next participant take their turn, who then continues before allowing another participant to have a turn and so on.

## *Analysis techniques*

The common feature of these methods is that they allow different topics to be worked on in accordance with specific interests. We suggest using them when the aim is to share ideas in an orderly fashion, summarise or synthesise discussions, promote wide-ranging discussion on a topic and establish relationships and interpretations of the topic in question.

- ⇒ **Socratic method.** The facilitator asks questions and then reformulates the answers to direct participants towards the desired results.
- ⇒ **Discussion.** The facilitator co-ordinates an exchange on the topics raised. This gives rise to answers and the raising of doubts on the basis of specific questions. This method takes time and may be used most effectively with small groups.
- ⇒ **Simulation.** This method is appropriate for the examination of any topic based on a true-life situation or fact. It takes the form of an action that places people in a fictitious situation that is, however, close to real life. It is useful because it allows people to experience a situation that could occur. In order to use this method, the facilitator must be very clear about the topic he or she is going to introduce and why this is appropriate at that particular moment. Then the participants have to talk about the topic as though they were the people experiencing it and living through it. The facilitator must provide basic information to allow the people to assume different roles and also guidelines for delivering the simulation.
- ⇒ **Role play.** This is similar to the simulation but places emphasis on the attitudes of people, the characteristics of their jobs or professions and the way people think.

- ⇒ **Brainstorming.** This technique is used to share a set of ideas or knowledge that each of the participants has on a topic. The facilitator asks a question and people respond from the viewpoint of their own situations and experience without discussing the ideas that emerge. Only during the second stage, when all the responses (or ideas) have been written down on the board or on cards, does the group start to discuss them and then they draw up a summary or reach various conclusions.
- ⇒ **Case study.** This method involves the participants resolving a set problem. The people work in small groups and have to study a set problem, discuss it and come up with ideas, possible solutions or interpretations. In this way, people can examine a real situation under the guidance of someone who is competent in the particular topic and see the problems from inside, i.e. they discover aspects and details that would remain hidden if the situation were presented in another way. The facilitator intervenes only if consulted and notes down on the board any significant contributions and possible solutions that emerge during the discussion. A final conclusion is drawn up on the basis of these notes. Once the discussion ends, the points are summarised in the form of problems and suggested solutions. The group then considers the relationships between the cases and solutions - and the real lives of the participants.

### *Methods of synthesis*

These methods enable to develop abilities of abstraction, synthesis and conducting an objective and subjective analysis of a situation.

- ⇒ **Abstraction:** this method is used to develop a capacity for abstraction in order to differentiate between subjective and personal aspects that are present when we observe a fact or situation and analyse a true situation. The method allows us to introduce basic elements so that we can investigate any aspect of a real situation in a proper, objective manner. The facilitator gives each participant a sheet with figures and everyone has to draw what comes to mind when they look at the figures. The facilitator notes each opinion on the board. At the end, the activity moves on to a stage of reflection and a discussion is held to consider the fact that there are many different ways of seeing or interpreting one initial drawing. This depends on the different values, approaches, experiences and tastes of each participant.
- ⇒ **Objectivity and subjectivity.** The application of this method allows us to highlight the difference between objective and subjective. We suggest using this method for training activities, more specifically when analysing the truth behind facts and interpretations. Any object is chosen and a volunteer is asked to describe it without saying what it is. The participant will generally mix objective and subjective descriptions. The facilitator has to explain the difference between the objective and the subjective, separating one from the other.
- ⇒ **Summarise with keywords.** This method allows synthesising or summarising the central aspects of an idea. The participants practice summarising their thoughts by selecting the aspects that they consider most important. We suggest using it to develop a particular topic in order to summarise the essential aspects of a discussion or when we begin to consider a topic in order to make a diagnosis of what the participants think about the topic. The facilitator introduces a problem and asks everyone to write or use a single word (or, if appropriate, a short phrase or drawing) to say what they think about the topic introduced. Afterwards, a short discussion may be held around what each word means to the participant.
- ⇒ **Chain of associations.** This is used to analyse the different interpretations of a particular term on the basis of the specific experience of the participants. We suggest using this method before or during the activity when tackling a topic in order to see what the group understands by a certain word or at the end of the activity in order to summarise or draw conclusions about a concept that has been studied. The facilitator chooses certain key words of interest to the group. For example, you could use words or concepts such as "man, woman, equality, gender, discrimination". People must say other words that have some sort

of meaning to them. The facilitator notes down the different relationships that the participants suggest and then uses them as a basis for a discussion of the reasons why one word has been related to the other. At the end, a summary is drawn up of what the group understands by this word.

**👉 How are the methods selected?**

In order to select the appropriate technique for the various phases of a meeting, the facilitator should take into account the characteristics of the actors and their representatives, the objectives to be achieved, the content to be covered and the available resources.

To find out whether the technique is appropriate, ask yourself the following questions. If your answer to any of the above questions is "no", we suggest to select a different technique.

	YES	NO
<b>Objectives</b>		
Does the technique help create the conditions necessary to achieve the objectives?		
<b>Target</b>		
Are the characteristics of the technique appropriate to the target?		
Does the technique help the target in achieving the objectives?		
Does the technique help with the assimilation of the content?		
<b>Facilitator</b>		
Are you capable of using this technique? Do you feel at ease with it?		
Does the technique leave space for introducing last-minute changes?		
<b>Resources</b>		
Is the necessary material available?		
Is the necessary physical space sufficient?		
Is there enough time?		

# Tool 3-B. Checklist: Conflict Sensitivity Analysis<sup>118</sup>

General	
<input type="checkbox"/>	A preliminary conflict analysis has taken place
<input type="checkbox"/>	The voices of the most vulnerable groups have been heard
<input type="checkbox"/>	The process of design has been inclusive and participatory
<input type="checkbox"/>	The proposed outcomes are not likely to generate tensions and disagreements
<input type="checkbox"/>	Possible unintentional negative impacts generated by the intervention have been considered
<input type="checkbox"/>	The intervention does not erode existing livelihood and coping strategies
Choice of partners	
<input type="checkbox"/>	Conflicting interests and perspectives within potential partners/other key stakeholders are not likely to be a source of tensions
<input type="checkbox"/>	The exclusion of any interested institution is not likely to become a source of tensions
<input type="checkbox"/>	No partners are perceived as involved in the conflict
<input type="checkbox"/>	The selected implementing partners apply the “do no harm” principle
Choice of geographic area	
<input type="checkbox"/>	The selection process has been sufficiently clear, transparent and inclusive of the viewpoints of key stakeholders (taking into account possible spoilers)
<input type="checkbox"/>	The selection of any specific territory is not likely to be a source of tension and disagreement among certain stakeholders and groups
<input type="checkbox"/>	There is a good understanding of the conflict dynamics, connectors and dividers in the selected geographic area(s)
Choice of beneficiaries	
<input type="checkbox"/>	There is no evidence that one or more groups perceive lack of transparency and fairness in the distribution of aid, development assistance and/or provision of technical cooperation
<input type="checkbox"/>	The selection of beneficiaries has been done in a transparent way
<input type="checkbox"/>	An analysis has been made as to whether the selected beneficiaries participate or not in the conflict, have any influence over it, or are influenced by conflict themselves
<input type="checkbox"/>	A necessary degree of motivation of the beneficiaries in participating in the proposed initiatives has been observed
Alternative strategies	
<input type="checkbox"/>	Alternative strategies been duly considered
<input type="checkbox"/>	The decision-making process has been transparent, participatory, and sensitive to the conflict dynamics
<input type="checkbox"/>	The final strategy chosen has been deemed the most conflict sensitive on the basis of the preliminary conflict analysis
<input type="checkbox"/>	The selected strategy is coherent with respect to ongoing national programmes and strategies for relief, transition and development
<input type="checkbox"/>	The selected strategy includes specific conflict mitigation measures to reduce tensions

<sup>118</sup> Source: ILO, 2010. “How to” Guide on Conflict Analysis for Project Design. Available at <http://www.ilo.org/intranet/english/bureau/pardev/tcguides/templates.htm>

<b>Dividers and connectors</b>	
<input type="checkbox"/>	The intervention does not target only specific clans/groups and marginalise others
<input type="checkbox"/>	Traditional leadership structures and customs being respected across the decision making process
<input type="checkbox"/>	Interventions provide balanced benefits for all generations, thus avoiding cross-generational tensions
<input type="checkbox"/>	The intervention provides incentives for those individuals and institutions who promote peace and who are able and willing to collaborate with their antagonist counterparts
<b>Gender</b>	
<input type="checkbox"/>	The conflict analysis has incorporated a gender perspective to assess roles, relations, needs and priorities
<input type="checkbox"/>	Any data presented or statistical information analysed has been disaggregated by sex and age
<input type="checkbox"/>	The intervention promotes dialogue and builds on work of women's groups
<input type="checkbox"/>	The intervention makes sure that it does not increase women's' vulnerability in any possible way

# Glossary

## Absorptive (or absorption) capacity

In the specific context of the LER Guidelines, it is the capacity to “absorb” aid productively, i.e. to use it in a way to produce a substantive impact towards the achievement of pre-established objectives (e.g. reducing poverty, stimulating economic growth). Absorptive capacity depends on several factors related to the effectiveness of various management areas within the recipient institutions. Such management areas include procurement, financial management, project design and implementation, human resources, and decentralisation. The concept of absorptive capacity implies the existence of a threshold beyond which aid is not going to be productively spent.

## Business Development Services

A wide range of non-financial services used by entrepreneurs to help them operate efficiently and develop their businesses. Focuses on promoting the access to and use of these services by micro, small, and medium scale enterprises. May include training, consultation services, marketing services and information resources that help firms gain access to services usually enjoyed only by larger firms.

## Capacity building

A set of initiatives aimed at helping trainees in meeting present or future job requirements. Job requirements consist of a set of competencies and the desired level that should be attained by the worker. In turn competencies are groups of attitudes, skills and knowledge. Therefore, capacity building must engage the three levels of attitudes, skills and knowledge. Capacity building modalities include: face-to-face training, distance learning, monitoring and coaching, on the job-training, simulations, and study tours.

## Cash-for-work

Short-term temporary employment where workers receive their remuneration in cash with the aim of generating provisional employment rapidly and injecting cash into the community.<sup>119</sup>

## Community contracting

An agreement between a community-based organization and an external funding or support agency to implement a development project for the benefit of the community.<sup>120</sup>

## Community-Driven Development

Poor and marginalized people have often been viewed as targets of poverty reduction efforts. Community-Driven Development (CDD) approaches turn this idea on its head and treat the poor and their organizations as assets and partners in the search for sustainable solutions to development challenges.

## Contract

Legally binding arrangements where the rights, obligations and

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<sup>119</sup> ILO, Employment for peace (CD ROM), Short guide on Cash For Work (CFW).

<sup>120</sup> ILO, Employment for peace (CD ROM), Short guide on community contracting.



contributions of all parties concerned are written down. Each party signs the agreement.

#### Decent work

The summation of the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, as well as freedom to express individual concerns, to organize and participate in the decisions that affect their lives and to enjoy equality of opportunity and treatment for all women and men.<sup>121</sup>

#### Decentralization

The process by which political, fiscal and administrative powers are transferred to local and/or sub-national governments.

#### Development

An integrated process in which all dimensions of a given reality – economical, social, political, cultural – are achieving their objectives, making the most of their potentialities, controlling the dynamic of the process and ensuring that all are benefiting from the resources and services produced. Development means that human beings are improving their capacities and therefore widening their possibilities of choice and enhancing their quality of life.<sup>122</sup>

#### Demobilization

The formal and controlled discharge of active combatants from armed forces or other armed groups.

#### Disarmament

Aimed at the gradual disposal of small arms, ammunition, explosives and light and heavy weapons of combatants and of the civilian population.

#### Economic flows

Economic flows are movements across the space of people, goods, services, information. Flows are characterised by: frequency, distance, object of the transaction, and means of transport.

#### Economic integration

According to the degree of participation in networks, localities can be more or less integrated economically within an area. Typically, rural areas are more isolated economically than urban areas, mostly because they suffer from accessibility issues.

The concept of economic integration (at the local level) is relevant to the explanation of dynamics and define economic spaces, thus helping to clear a recovery path and to predict the pace of the local economy on it. In turn, the economic integration of a specific location within a geographic area is based upon different factors such as the physical features of the area (e.g. presence of mountains, rivers, etc.) and, more generally, the accessibility.

#### Economic networks

Networks are characterised by:

⇒ Nodes (essentially production and consumption)

⇒ Links (the hard or soft infrastructure for transportation/communication)

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<sup>121</sup> <http://www.ilo.org/public/english/decent.htm>

<sup>122</sup> Gasser M., Piñeiro J., Coto Moya L.G., 2005. *Generar procesos de Desarrollo Económico Local mediante Cooperativas*, ITC ILO, Turin 2005;

⇒ Flows (the object)

### Economic space

The geographic and administrative scale and the locations where LER should be applied. Defined on the basis of several parameters (see chapter 4, at the section 4.4. Where to Implement LER? One of these parameters is linked to the economic flows, occurring in a certain geographic area. In general, an economic space is a combination of rural and urban areas.

### Economy of scale

Occur when larger firms are able to lower their unit costs while the scale of production of a good or service grows. This may happen for a variety of reasons. A larger firm may be able to buy in bulk, may be able to organize production more efficiently, and/or may be able to raise capital cheaper and more efficiently.<sup>123</sup>

### Economy of scope

Occur when the joint production of a basket of complementary goods and services costs less than the production of single goods and services.<sup>124</sup>

### Emergency public employment services

A range of services that aim at matching demand and supply on the local labour market in the short, medium and long terms.<sup>125</sup>

### Employability

Relates to portable competencies and qualifications that enhance an individual's capacity to make use of the education and training opportunities available in order to secure and retain decent work.

### Employment Intensive Investment

Aims at orienting infrastructure investments towards the creation of higher levels of productive employment and towards the improvement of access to basic goods and services for the poor. This combined use of local participation in planning with the utilization of locally available skills, technology, materials, and appropriate work methods has proven to be an effective and economically viable approach to infrastructure works in conflict-affected and developing countries.<sup>126</sup>

### Entrepreneurs

People who make money by starting or running businesses, especially when this involves taking some financial risks.

### Food-for-work

Short temporary employment in works of public benefit, where workers receive up to 50% of their remuneration in kind. FFW can also be provided in the form of voluntary self-help community activities that directly benefit labourers. FFW is carried out in circumstances where food is scarce and wages low or market mechanisms are not operating.<sup>127</sup>



### Gender

While sex refers to the biological differences between females and males and which are universal, gender refers to social attributes and opportunities associated with being a female or a male and the relationships between women and men, girls and boys. These attributes, relationships and opportunities are socially constructed

<sup>123</sup> Gasser M., Piñeiro J., Coto Moya L.G., 2005. Up cit.

<sup>124</sup> Gasser M., Piñeiro J., Coto Moya L.G., 2005. Up cit.

<sup>125</sup> ILO, 2005. Employment for peace (CD ROM), Short guide on Emergency Public Employment Services (EPES).

<sup>126</sup> <http://www.ilo.org/public/english/employment/recon/eip/about/index.htm>

<sup>127</sup> ILO, 2005. Employment for peace (CD ROM), Short guide on Food for Work (FFW).

and learned in a socialization process. They vary across time and space, between societies and cultures. They are therefore context-specific and can be modified.<sup>128</sup>



### Gender analysis

The systematic effort to identify and understand the roles and needs of women and men in a given socio-economic context. To carry out gender analysis, it is necessary to collect statistics by sex, identify gender differentials in the division of labour and the access to and control over resources, identify the practical and strategic gender needs of women and men, identify the constraints and opportunities facing women and men, and assess the institutional capacities to promote gender equality.<sup>129</sup>



### Gender mainstreaming

Gender mainstreaming is a strategy or process that aims to achieve gender equality. It means, on the one hand, that policies, programmes and institutional structures are in place to redress existing inequalities and to preserve equality between women and men. On the other hand, it means that measures to address the specific needs and priorities of women and men, either separately or together are adopted.<sup>130</sup>



### Gender roles

Learned expectations and behaviours in a given society, community or social group that determine the type of activities that are seen as 'male' or 'female'. Gender roles often associate women with femininity and men with masculinity, with the latter given higher value.

### Governance

The manner in which power and authority are exercised by both public and private bodies. Covers management, legal framework, accountability and transparency.

### Hidden unemployment

Refers to the labour force not reported as unemployed because it is not actively seeking work for one reason or another.

### Humanitarian assistance

See Relief.

### Income generating activities

A range of activities in support of livelihoods and community development aimed at restoring belongings, land and capital of households and usually including (in-kind) grants.

### Informal economy

Absorbs workers who would otherwise be without work or income. Represents a growing labour force mainly consisting of women and youth. Characterized by the lack of social protection, representation, property rights, access to legal and judicial system, neither to public infrastructure and services.<sup>131</sup>

### Institutional Profiling

An exercise to identify "who is doing what", e.g. the different

<sup>128</sup> ILO, 2010. *Gender Mainstreaming in Local Economic Development Strategies. A Guide*. ILO Bureau for Gender Equality and LED Programme. Geneva: ILO, 2010.

<sup>129</sup> ILO, 2001. *ILO Generic Crisis Response Modules*. ILO InFocus Programme on Crisis Response and Reconstruction International Labour Office. Recovery and Reconstruction Department. Geneva: ILO, 2001.

<sup>130</sup> ILO, 2010. *Gender Mainstreaming in Local Economic Development Strategies. A Guide*. ILO Bureau for Gender Equality and LED Programme. Geneva: ILO, 2010.

<sup>131</sup> <http://www.ilo.org/public/english/employment/infeco/>

stakeholders and development organizations that are operating in a territory, their objectives and activities. An institutional Profiling is usually part of a broader economic profile.

<b>Internally Displaced Persons (IDPs)</b>	People who have fled or been forced to migrate from their homes as a result of civil strife, war, natural disasters or other forms of crisis, but remain within the boundaries of their home country. <sup>132</sup>
<b>Key informant</b>	A knowledgeable individual from the community or target population who can provide essential information on a requested topic / activity.
<b>Labour market</b>	A system consisting of employers as buyers and workers as sellers, the purpose of which is to match job vacancies with job applicants and to set wages.
<b>Labour-based infrastructure projects</b>	Short and medium term infrastructure works that generate employment and income by maximizing the use of available unskilled labour. <sup>133</sup>
<b>Labour-based technology (LBT)</b>	A technology that applies a labour/equipment mix which gives priority to labour, supplementing it with appropriate equipment where necessary for reasons of quality or cost. While producing or maintaining infrastructure to a specified standard in a cost-effective manner, people are employed under fair working conditions. It is, in this respect, important to distinguish between an optimum and efficient use of labour, as opposed to a maximum, and possibly inefficient use. <sup>134</sup>
<b>Labour-intensive methods (LI)</b>	Used where the goal is to maximize employment, by choosing projects with a high labour content with either very small additional inputs and a low level of technical difficulty, or by making sacrifices on efficiency and quality.
<b>Livelihood</b>	Comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living.
<b>Local actors</b>	Groups of people, organizations, associations or local institutions (local trade unions, government, employers' associations, cooperatives, women associations, environmental groups, universities, banks, religious institutions, etc.) which have their activities in the same territory and therefore have interest in the process of local economic and social development of that territory. <sup>135</sup> They are also called 'local stakeholders.'
<b>Local Economic Development</b>	A participatory development process that encourages partnerships between the main private and public stakeholders at the local level and enables the joint design and implementation of a common development strategy. The overall objective is to base economic activity on social conditions and local resources, rather

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<sup>132</sup> ILO, 2001. *ILO Generic Crisis Response Modules*. ILO InFocus Programme on Crisis Response and Reconstruction International Labour Office. Recovery and Reconstruction Department. Geneva: ILO, 2001.

<sup>133</sup> ILO, Employment for peace, Short guide on LBIP

<sup>134</sup> <http://www.ilo.org/public/english/employment/recon/eiip/about/lbt.htm>

<sup>135</sup> Gasser M., Piñero J., Coto Moya L.G., 2005. Up cit.

than vice-versa. LED makes use of regional capabilities and local competitive advantages in a global context. This holistic approach creates linkages across conventional policy areas and integrates local, national and international levels.<sup>136</sup>

### Local Economic Recovery

A participatory and area-based approach to post-war recovery that provides context specific solutions to poverty and socio-economic vulnerability based on local resources, assets and opportunities while maximizing the employment creation potential of local, national and international investments for rehabilitation and reconstruction.

### Local forum

The dialogue body that brings together key actors from various sectors and with different interests with the final aim of fostering coordination and cooperation among them.

### Local level

The sub-national or territorial level where one finds a critical mass of inhabitants, resources and organizations representing public and private sectors as well as civil society. Depending on the country-specific context, "local" can refer to an urban settlement, municipality, district, province or a region.<sup>137</sup>

### Local stakeholders

See 'local actors.'

### Micro-finance

The sustainable provision of financial services (e.g. credit, savings, micro-insurance, leasing) to micro-entrepreneurs and other individuals with low incomes, who do not have access to commercial financial services.<sup>138</sup>

### Multi-stakeholder dialogue

Dialogue among a wide range of public and private actors with a stake in the socio-economic recovery and development in a given territory, which enables the brainstorming of ideas, exchange of information, discovery of new solutions, preparation of shared proposals, creation of partnerships and promotion of actions.

### Network

The whole of personal contacts, direct and indirect, possessed by the actors' representatives. The contacts influence and determine the type of 'institutional' relationship built between the actors.<sup>139</sup>

### Optimize

To make the best possible use of the local labour, materials, skills, and knowledge in order to get the best results possible. (However, this does not mean that local resources should be used exclusively, when bringing in assistance from outside the affected area would improve the results). Optimizing refers to making choices to get the best result, but with local resources as the starting point in the decision-making process.

### Participatory approach

An approach that guarantees that all entities/people involved influence and share the control of initiatives, decisions and resources.

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<sup>136</sup> <http://www.ilo.org/led>

<sup>137</sup> DELNET, *Strategies for Local Development* Final draft, ITC ILO, Turin, January 2006

<sup>138</sup> ILO, 2005. *Employment for peace* (CD ROM), Short guide on microfinance.

<sup>139</sup> Gasser M., Piñeiro J., Coto Moya L.G., 2005. *Up cit.*

<b>Planning</b>	Describes the design of a project and the laying out of the steps needed to successfully implement the project, so that everything is thoroughly thought out before the activity begins.
<b>Poverty</b>	Poverty has many faces. It is not merely a condition of “not having things”, though it is often measured by criteria such as assets, income levels, or daily food intake. Besides lacking money, poor people lack of the capabilities to access health services, education, economic and employment opportunities, and are often denied their due protection of human rights. The definition of poverty has expanded to include the aforementioned dimensions. If poverty was simply a condition of “not having things”, transferring money to the poorest would be an effective solution to the problem. The reality proves that eradication of poverty requires long-term strategies; a key part of these strategies is empowerment and capacity building.
<b>Primary data</b>	Data collected directly from the conflict affected people (e.g. ex-combatants, refugees, farmers, widows, displaced persons, business owners).
<b>Process</b>	Describes the series of actions or decisions that need to be made to reach a goal. These actions or decisions are set out in a proper order and are dependent on each other. They must be undertaken in the correct order.
<b>Recovery</b>	Refers to a wide-ranging process (the re-building of livelihoods, housing, services, local government, etc) following a crisis, with the aim of regaining a level of stability in the area. This lays the basic foundations for the transition from the immediate emergency response to medium-term and long-term development.
<b>Refugee</b>	A person who is outside his or her former home country. S/he has fled the country and unwilling to return there because of well-founded fears of being persecuted for political, racial, religious, and/or nationality reasons. <sup>140</sup>
<b>Rehabilitation</b>	The phase that follows/overlaps the relief phase in the transition from war to sustainable peace and development with the objective to restore (temporarily) the delivery of basic services. <sup>141</sup>
<b>Reintegration</b>	Reintegration is the process by which ex-combatants acquire civilian status and gain sustainable employment and income. Reintegration is essentially a social and economic process with an open time-frame, primarily taking place in communities at the local level. It is part of the general development of a country and a national responsibility and often necessitates long-term external assistance.
<b>Reinsertion</b>	In DDR programmes, reinsertion is a form of transitional assistance used between demobilisation and resettlement to help cover the basic needs of ex-combatants and their families (safety

<sup>140</sup> ILO, 2001. ILO Generic Crisis Response Learning Unit.

<sup>141</sup> Battistin F., Learning about Local Economic Recovery in crisis situations, unpublished draft, ILO, August 2006

allowances, food, clothes, medical services, short-term training/employment). It provides a “waiting space” while longer term reintegration support can be launched.

<b>Relief</b>	The immediate assistance phase in the transition from war to sustainable peace and development with the objective of saving lives and meeting immediate basic needs of war-affected populations (e.g. food, shelter, medical and emotional care). <sup>142</sup> This is also called ‘humanitarian assistance.’
<b>Secondary data</b>	Data not collected directly from the affected people, but collected by an institution of government office, local actors or international agencies and then disseminated.
<b>Social capital</b>	Set of elements of the social structure that affects relations among people and includes social norms, attitudes, values, language and culture, family ties and community.
<b>Social dialogue</b>	Includes all types of negotiation, consultation or exchange of information between or among representatives of governments, employers and workers on issues of common interest relating to economic and social policy.
<b>Social exclusion</b>	Used to describe a particular situation in which people who are not able to take part in or influence decisions in their community.
<b>Social safety nets</b>	Refers to government, community or family mechanisms which support those who are facing difficulties and who may need assistance. Assistance may consist of financial or social support.
<b>Stakeholders</b>	Refers to a group of individuals who are participating or might participate in any action/project/program, either through their own efforts or in partnership with an organization. Individuals within a stakeholder group share similar interests (i.e. groups of farmers, fishermen, widows, youth, small business owners, etc.).
<b>Strategic</b>	Refers to the crucial and/or basic part of a strategy or plan of action. In the case of LER, it refers to activities that are highly important to the achievement of the following objectives: Enabling favourable conditions in support of economic activities; Supporting micro, small and medium enterprises as they (re)start their businesses; Providing quick job opportunities; and Stimulating those sectors of economic activities that can trigger the restoration of markets and the recovery of other sectors. Examples of strategic economic activities during the recovery phase are: agriculture, food processing, and infrastructure reconstruction.
<b>SWOT analysis</b>	Refers to the analysis of the Strengths, Weaknesses, Opportunities and Threats. The SWOT analysis helps to determine how to recognize advantages, address the problem areas and resource shortfalls that have been identified.

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<sup>142</sup> Idem.

<b>Synergy</b>	The added benefit that comes from people and organizations working together and complementing each other's activities rather than working alone.
<b>Territorial capital</b>	The set of endogenous resources that lays the basis for LER and LED and includes: <ul style="list-style-type: none"> <li>- human capital,</li> <li>- natural capital,</li> <li>- social, cultural and institutional capital, and</li> <li>- economic and financial capital<sup>143</sup></li> </ul>
<b>Territorial diagnosis</b>	The analysis and definition of the actual status of the local economy, its physical resources, actors and the dynamic between the actors.
<b>Territory</b>	Refers to the geographical area under consideration. This can range from a single municipality or districts to provinces or entire nations.
<b>Underemployment</b>	Underutilization or inefficient use of a worker's skills, qualifications or experience, or where the worker is unable to work as many hours as he or she is willing to.

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<sup>143</sup> Gasser M., Piñeiro J., Coto Moya L.G., 2005. Up cit.





# Annexes

# Annex I. Overview of Assessment Techniques

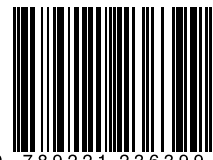
Table 47. Overview of assessment techniques

Technique	Information Collection		Logistical, time and physical		Ways this method may increase Bias
	Advantages	Disadvantages	Advantages	Constraints	
<b>Discussions, Consultations and Interviews</b> <i>(Example: Key Informant - one on one interview with assistance agency personnel or key national players)</i>	<ul style="list-style-type: none"> <li>• Gives in-depth perspective from an experienced person</li> <li>• Allows flexibility in exploring many topics</li> <li>• Helps to interpret observations and quantitative data</li> <li>• Provides suggestions and recommendations</li> <li>• (Best used for preliminary inquiries and initial assessment)</li> </ul>	<ul style="list-style-type: none"> <li>• Only one perspective at a time</li> <li>• Does not typically generate quantitative data</li> <li>• May be difficult to verify all information</li> <li>• No consensus on issues</li> <li>• Outcome may be confusing</li> <li>• (Impractical for covering many informants)</li> </ul>	<ul style="list-style-type: none"> <li>• Allows for easier protection and anonymity of the informant</li> <li>• May be easier to coordinate with political players</li> <li>• Less strategical planning required</li> <li>• Can happen spontaneously</li> <li>• Less stressful</li> <li>• Easier to use good listening techniques</li> <li>• Inexpensive</li> </ul>	<ul style="list-style-type: none"> <li>• May waste time in each interview through interference by casual conversation and side-tracking</li> <li>• Many interviews will be very time-consuming and tiring</li> <li>• Many notes will need to be taken and analyzed</li> </ul>	<p><b>Interviewer bias</b> - method may be chosen because it is easier to arrange, more personal, more rewarding, less preparation and strategy needed</p> <p><b>Selection bias</b> - interviewer chooses preferred interviewee</p> <p><b>Cultural bias</b> - selection of speakers with shared language; avoidance or misunderstanding of unfamiliar cultural situation</p>
<b>Group Interview</b> <i>(Example: Focus Group meeting with 8-12 persons to discuss a particular topic)</i>	<ul style="list-style-type: none"> <li>• Allows assumptions for program design to be tested</li> <li>• Good for brainstorming of problems and issues and collection of recommendations</li> <li>• Previously unnoticed perspectives may be discovered</li> <li>• Group consensus may be obtained</li> <li>• Group support may promote free exchange of ideas</li> <li>• (Best for initial assessment and detailed assessment)</li> </ul>	<ul style="list-style-type: none"> <li>• No quantitative data</li> <li>• Discussion may be dominated by a few</li> <li>• Political players may not attend or may intimidate others</li> <li>• Facilitation, listening, interviewing skills crucial for efficient information collection</li> <li>• (Impractical when unplanned and unstructured)</li> </ul>	<ul style="list-style-type: none"> <li>• Can be completed rapidly</li> <li>• Can be very economical</li> <li>• Can save time and money by refining project design</li> </ul>	<ul style="list-style-type: none"> <li>• Time-consuming to arrange venue, invitees, and strategy for the meeting</li> <li>• Venue may be hard to reach</li> <li>• Timing problems - people may be late</li> <li>• Careful recording required</li> <li>• More staff required (note-taker, interpreter)</li> <li>• Arguments may curtail discussions</li> <li>• Security arrangements may be necessary</li> </ul>	<p><b>Interviewer bias</b> - tendency to listen to and affirm ideas he/she agrees with; effectiveness more dependent on level of facilitator and listening skills</p> <p><b>Location bias</b> - tendency to schedule closest, least problematic venue</p>
<b>Mapping</b> <i>(Example: Drawing of affected area and location of most</i>	<ul style="list-style-type: none"> <li>• Presents a physical image of the affected area</li> <li>• Helps decision makers and project implementers to visualize the physical assets and limitations</li> <li>• Shows the scope and extent of</li> </ul>	<ul style="list-style-type: none"> <li>• Accuracy depends on the abilities of the creators</li> <li>• Individual perspectives may alter the reality</li> <li>• The situation may change rapidly, groups may move, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Can be easier to create a map than to locate a published map, especially at village level</li> <li>• Can be drawn by the community members, using their in-depth knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Can take time to assemble all the details including scale and direction</li> <li>• May require extra staff to work on a map and to survey the area</li> </ul>	<p><b>Observer bias</b> - due to time limitations, mapping by the assessment team may focus on immediate intervention goals rather than medium term</p>

vulnerable groups	<p>the crisis effects</p> <ul style="list-style-type: none"> <li>• Provides a picture perhaps unavailable on other formal maps</li> <li>• Can be used to highlight features of use to program planners</li> <li>• (Best used to accompany other methods of RA)</li> </ul>	<ul style="list-style-type: none"> <li>• (Impractical when time cannot be taken to create a realistic map)</li> </ul>	<ul style="list-style-type: none"> <li>• Lap-tops and special mapping programs can be used on the spot to create a more formal map which can be approved by the affected group</li> </ul>	<ul style="list-style-type: none"> <li>• May be a security problem to map certain areas</li> </ul>	<p><b>Location bias</b> – mapping may be more accurate close to the assessment base and less accurate in remote areas.</p>
<p><b>Direct observation</b> (Examples: Field visits to agency operations, area drive through, aerial surveys)</p>	<ul style="list-style-type: none"> <li>• Gives data on physical infrastructure, conditions</li> <li>• Examination of natural setting</li> <li>• Information about agency delivery systems, services</li> <li>• Insights into behaviours, events, and problems</li> <li>• Can be more valuable than second hand reports</li> <li>• (Best in almost all situations, useful when blended with other methods, team approach best)</li> </ul>	<ul style="list-style-type: none"> <li>• Presence of an observer can alter normal activities</li> <li>• Only a part of the picture can be seen</li> <li>• Activities such as coordination and corruption may be hard to detect</li> <li>• (Impractical in insecure environments or where there is likely to be “staging” or altering of normal circumstances)</li> </ul>	<ul style="list-style-type: none"> <li>• May accompany key informant interview and other methods</li> <li>• May be done as part of a group assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Requires sufficient time and feasible conditions</li> <li>• Requires logistical support and security measures</li> <li>• Analysis should be based on standards or indicators</li> <li>• Can be expensive</li> <li>• Can be dangerous</li> <li>• Better conducted by a team of experts than an individual</li> </ul>	<p><b>Observer bias</b> - individual interpretation and generalization, selective focus, mere presence changes other’s behavior</p> <p><b>Location bias</b> - may only see selected (or better) sites</p>
<p><b>Questionnaire and Mini-survey</b> (Example: Open-ended survey for 25-50 people where they answer questions about themselves)</p>	<ul style="list-style-type: none"> <li>• Provides quantitative data on narrowly focused questions for relatively homogeneous populations</li> <li>• Data on attitudes, belief and behaviours of partners or beneficiaries can be analyzed</li> <li>• (Best when probability sampling is difficult, or throughout the assessment cycle if possible)</li> </ul>	<ul style="list-style-type: none"> <li>• Findings cannot be generalized as those from sample-surveys</li> <li>• Requires statistical analysis and interpretation</li> <li>• Will not produce in-depth qualitative information</li> <li>• May be time-bound, in which case the information becomes invalid</li> <li>• (Impractical if process cannot be supported through to the analysis stage, or where situations are rapidly changing)</li> </ul>	<ul style="list-style-type: none"> <li>• Can be implemented by field staff, or staff hired for this purpose</li> <li>• Can be analyzed at HQ</li> <li>• Reaches many people</li> <li>• Use of non-probability sampling, such as convenience sampling, possible where people are interviewed in public or gathering places</li> </ul>	<ul style="list-style-type: none"> <li>• Requires statistical analysis skills</li> <li>• May require extra staff</li> </ul>	<p><b>Sampling bias</b> – Samples are not always chosen randomly due to time or logistical constraints or personal feelings</p> <p><b>Interviewer bias</b> - Subject to biases of the creator of the interview</p>
<p><b>Secondary sources</b> (E.g.: Collection of Assessments conducted by other agencies, Internet or Web findings)</p>	<ul style="list-style-type: none"> <li>• Can be collected and analyzed before mission begins</li> <li>• Can provide insight into agency activities</li> <li>• Can provide formal appraisal data to support other RA methods</li> <li>• Can be used to ask further questions</li> <li>• (Best in initial phases)</li> </ul>	<ul style="list-style-type: none"> <li>• Must be analyzed by determining the accuracy, applicability, or validity of the information</li> <li>• Not all information will be of use</li> <li>• Triangulation will be needed to check information</li> <li>• Impractical if outdated or if circumstances change rapidly</li> </ul>	<ul style="list-style-type: none"> <li>• Time can be saved in the field</li> <li>• Rapid accumulation of sources to support program design</li> </ul>	<ul style="list-style-type: none"> <li>• Time is required to read and analyze other assessments and downloaded documents</li> <li>• Analysis may have to be done without benefit of interpretation by a key informant</li> </ul>	<p><b>All types of bias</b> - There will be some type of bias in every assessment or publication and it may be difficult or impossible to tell how the source is biased</p>

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