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Fostering Economic Resilience

Assessing Tool User Guide

Presentation of the tool

The Economic Resilience Index is a tool developed by Handicap International to assist project teams to evaluate and measure the various aspects of economic resilience of vulnerable households in disaster prone areas. Project managers are expected to adapt the tool with support from Technical Coordinators and DRT Technical Advisors for the initial contextualization, field-testing and training of surveyors. Surveyors can be recruited among livelihood facilitators and community-based workers.

The tool uses five domains that strengthen economic resilience, divided in subcategories:

1. Livelihood viability

- Household livelihoods diversity: *How does the household supply for its needs?*
- Stability and control of the main activity: *How is the household main activity organized?*
- Sufficient income: *Can the household income cover for its needs?*
- Sound financial management: *Does the household save money and make positive investments? Does the household have debts?*
- People safety and working capacity: *How do the household members take care of their health at work and at home? Do persons with disabilities and parents of children with disabilities encounter barriers to work independently?*

2. Social and institutional capability

- Social networks membership: *Are the household members part of group/network?*
- Governance participation: *How is the household's opinion taken into account in the community? Is diversity represented within local governance systems?*

3. Integrity of natural environment and risk awareness

- Environmental impact of the activity: *What natural resources does the household main activity use? What waste does it generate?*
- Knowledge of risks and trends: *What are risks and trends (related to the environment or not) that threaten the household activity? Do people with disabilities have access to information?*

4. Innovation potential

- Capacities of adaptation and innovation: *How will the household adapt its livelihoods to the risks and trends that threaten it?*
- Access to alternative livelihoods: *How could the household change its livelihoods if needed? Are options accessible to persons with disabilities?*

5. Access to contingency resources and support

- Contingency plan and disaster risk reduction: *How would the household minimize losses in case of a disaster? Do persons with disabilities participate to disaster preparedness?*
- Coping mechanisms and safety nets: *How would the household survive and resume its activity after a disaster? Can persons with disabilities access existing safety nets?*

For each subcategory, resilience assets and resilience gaps are listed. By simply ticking its assets and gaps, a community or a household can be given a resilience score. Subcategories with several gaps can be addressed with specific activities (listed in annex document).

Household and community level. The index comprises two separate tools:

- The Household Economic Resilience Index focuses on the household level,
- The Community Resilience Index focuses on the community level.

Long and short version. The Household Economic Resilience Index has been designed to explore the various characteristics of resilience and identify several areas of improvement for action. Nevertheless, the user can decide to develop a shorter version of the Economic Resilience Index by reducing the number of resilience indicators. Since the relative importance of each indicator depends on the context, the remaining indicators will have to be selected within the country. Note that a shorter tool reduces the quality of information, the ranking scale of households, the maximum span of progression between baseline and end line, and the range of possible actions.

☞ *See in the tool (excel spreadsheet) a suggested shorter version.*

Using the tool during the project cycle

The Economic Resilience Index can be used at several steps of the project cycle:

Project identification and design. The tool can be used to set program priorities as it identifies resilience strengths and gaps at community and household levels.

- The Community Resilience Index provides information on background, context and cultural patterns. It can be used to select communities that have a poor resilience to hazards OR that have some resilience capabilities but exclusive of vulnerable people, including persons with disabilities.
- The Household Economic Resilience Index can be administered on a sample of households selected according to HI's vulnerability criteria. It identifies common resilience issues of the targeted population, which a project could address. It provides average household resilience score that can be used as baseline indicator for project proposal.

Project planning, monitoring and evaluation: The tool can be used to compare the project baseline and end line.

- The Household Economic Resilience Index is to be applied to all households participating to the project at the beginning, midterm and end of the project.¹ It therefore measures progress by comparing households' total scores, or scores per domain, or numbers of "resilience assets" acquired and numbers of "resilience gaps" reduced, at different stages.
- In case of a project combining activities at household and community levels, the score of the Community Resilience Index can be added to the score of the Household Economic Resilience Index, or be measured separately.

Project implementation: The tool is to be used to improve the sustainability of supported livelihood activities.

- Determinants of economic resilience must be integrated into existing livelihood development support tools and DRR tools, such as household vulnerability assessment, livelihood identification tool, business plans, personal action plans, etc.

¹ Be careful of the timing of the assessment when analyzing the score. If baseline assessment occurs after a shock and end line assessment after harvesting time, the score will be lower at baseline and higher at end line, with no link with the project. Ideally, a control group would help clarify that. Business records can be used to cross-check information on previous months from the assessment. Plan baseline and end line at a similar time of the year.

Contextualizing the tool

Mapping of services, livelihood activities, governance systems and disaster risk reduction measures

Determinants of resilience vary by context, therefore significant effort is needed to identify the specific characteristics that are relevant to the context and adapt the Household Economic Resilience Index. Context-specific information can be collected while administering the **Community Resilience Index** tool to small groups of community representatives.

Contextualization includes:

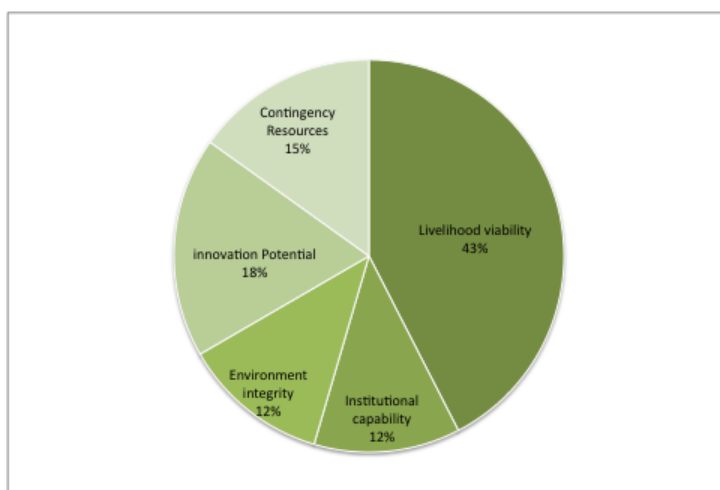
- Identifying the risks and trends that apply
- Fine-tuning gender specific issues that apply
- Determining thresholds and characteristics that apply to resilience assets & gaps (highlighted with stars in the tool: *...*)
- Adapting guiding questions
- Adapting the weighting given to indicators and/or characteristics and/or domains.

☞ *See in annex the check-list of points to contextualize.*

Weighing the resilience determinants

The default weight for all indicators (assets or gaps) is 1, except for the “*Negative impact on natural resources*”, which weighs 2.

The weight of a domain, subcategory or indicator can be adapted in order to reflect key factors and concerns affecting the targeted population’s livelihoods and safety nets in the area.



Key factors and concerns	Increase weight
Scarcity / degradation of natural resources and/or change in production conditions: soil depletion (decreasing fertility), decreasing availability of water, diminishing pastures and forest, decreasing availability of land, etc.	Domain 3. Integrity of natural and built environment
Natural and man-made disasters (cyclones/typhoons, flood, tsunami, earthquake, volcanic eruption, landslides, conflicts, epidemics, etc.)	Domain 5. Access to contingency resources and support
Inequalities in accessing services & livelihood development support; discrimination based on gender and/or disability	Domain 2. Social and institutional capability Domain 4. Innovation potential
The need to belong to a community, social participation, and the issue of discrimination based on disability / chronic diseases	Domain 2. Social and institutional capability
Traditional livelihoods declining or too high competition: need for substitute and innovative livelihoods	Domain 4. Innovation potential

☞ *See in annex proposed methodologies to rank the key concerns.*

Key factors and concerns and related domains that are ranked at the top can be given a weight of 3; the following two can be given a weight of 2; the 2 last two remain with a weight of 1.

Weight of domains can be incremented in the excel spreadsheet.

Alternatively, percentages can be determined for each domain and score formula adapted accordingly.

Weight of indicators can be changed by adapting the formula.

Rolling out the assessment

1. Build a single assessment tool that will be used by the project, combining together the in-depth socio-economic assessment and the economic resilience index. Ideally, the socio-economic assessment has to be designed/framed around the resilience index, in order not to repeat the questions and be cost-effective during field survey. Each project should only use 1 composite index per project, otherwise the number of tools becomes too heavy. The assessment will lead to the development of mini business plans/action plans that probe on resilience gaps.

2. Adapt the tool to the local context by conducting the community economic resilience questionnaire and filling in the check-list in Annex A - Check-list of points to contextualize. Some of the required information on the household composition and the livelihood viability may already be available from existing project tools (household vulnerability assessment, livelihood identification sheet, business plans, individual action plans, etc.) and may not be collected again. Conduct a field test with 4 to 5 households demonstrating different situations.

3. Identify surveyors: gender-sensitive field workers (socio-economic facilitators) or qualified community-based workers with a minimum of socio-economic expertise to conduct assessments at community and household levels. Socio-economic facilitators should be able to use the full version of the index while community-based workers or volunteers might be more comfortable with the shorter version.

4. Provide the selected agents with a minimum 2-day orientation training on the determinants of resilience and on the tool. Proper orientation training will reduce the average time for administering the tool. The training session can be combined with a session to adapt the tool, verify the translation into local language(s), and develop guiding questions.

☞ *See in annex suggested training material and guiding questions.*

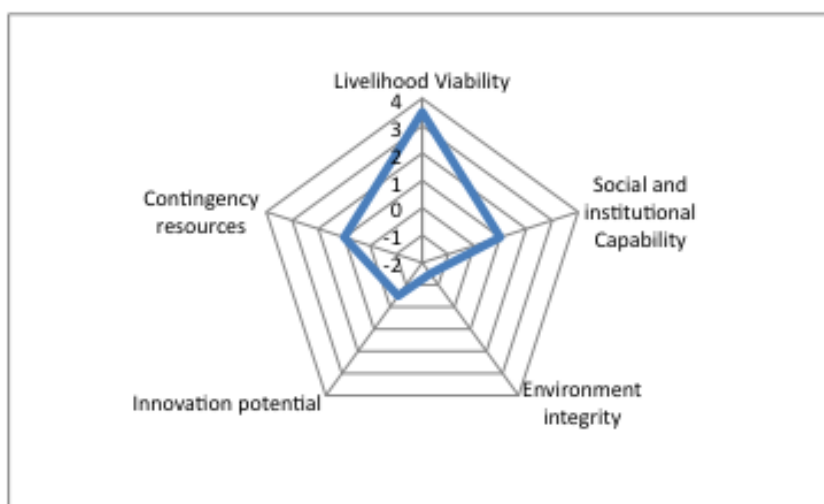
5. Roll out the tool in communities.

- The full assessment may take about 1 hour per household (the first ones may take 1.30 hrs.). It must take place at the household home at an appropriate time.
- Some characteristics are challenging to measure, for example those answered with perception or self-reported data. It is recommended to cross-check information with control questions, community resource persons, and community focus group discussion (e.g. while administering the Community Resilience Index tool).
- In case the household has several livelihood activities, the agent will focus on the core business to analyze the aspects of resilience.
- The agent ticks the proposed indicators only when they are true (or perceived as 70% accurate), whether they are presented as assets (strengths) or gaps (weaknesses). In the other cases, indicators are left blank.

Analyzing results

1. In the excel spreadsheet, ticked indicators are counted +1 for assets and -1 for gaps. A few indicators have been given more weight based on field testing in Haiti and Sri Lanka. The total score of a subcategory is automatically calculated.

2. Each community or household is given a score per resilience subcategory and domain. Scores per domain can be presented in a spider-web graph.

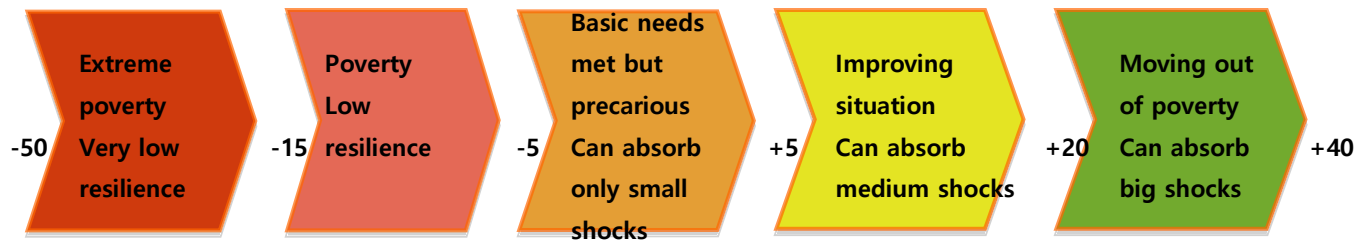


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Negative scores point out need for interventions.

3. Each household is given a total index score, which is the sum of the score of the community and the score of the household. This total index score can be placed on a resilience scale (which has to be adapted to the context if subcategories' weights have been adjusted).

Example of resilience scale:



ANNEXES

Annex A - Check-list of points to contextualize

Mapping of services, livelihood activities, governance systems and contingency measures

What is the economic profile of the community?

- > *Family livelihoods in general*
- > *Economic activities and roles of women and vulnerable persons (if different)*
- > *Main value chains for production*
- > *Intermediaries (middle men) upstream and downstream the value chain*
- > *Potential for jobs*
- > *Threats of job relocation*
- > *Self-subsistence activities*
- > *External aid to households in general*

What are the spending practices, savings and debts?

- > *Various forms of savings, and threshold at which savings can be considered important*
- > *Various forms of debts, and threshold at which debt can be considered important*
- > *Availability of credits and loans, and threshold till which the credit rate can be considered reasonable*
- > *Social, religious and family events, which require a lot of money*
- > *Spending jeopardizing the family budget (e.g. alcohol, gambling, etc.)*

What are the risks and trends affecting the natural and built environment?

- > *Risks affecting the natural environment*
- > *Trends affecting the natural environment*
- > *Risks affecting the built environment*
- > *Trends affecting the built environment*

What are the necessary hygiene practices and prevention measures in the country to avoid disease?

- > *(P. Ex. use soap, latrines, mosquito net, treated water, condoms ...)*

Social and institutional capacities: how is the community organized?

- > *Local actors from civil society*
- > *Local governance system*

Innovation potential: what services are available in the area?

- > *Local vocational training opportunities*
- > *Support to agriculture (agriculture bureau, etc.)*

Contingency plan: what is in place?

- > *Existence of community / family contingency or emergency plans*
- > *Community mobilization (awareness creation, community meetings, mock drills, ...)*

Annex B - Methods to weigh the criteria

Ranking of key factors and concerns affecting the targeted population's livelihoods and social safety nets in the area:

Please rank from 1 (more important) to 6 (less important)

▪ Scarcity / degradation of natural resources: soil depletion (decreasing fertility), decreasing availability of water, diminishing pastures and forest, decreasing availability of land...	
▪ Natural and man-made disasters (cyclones/typhoons, flood, tsunami, earthquake, volcanic eruption, landslides, conflicts, epidemics...)	
▪ Inequalities in accessing services & livelihood development support; discrimination based on gender and/or disability	
▪ The need to belong to a community, social participation, and the issue of discrimination based on disability / chronic diseases	
▪ The need for alternative livelihoods (traditional livelihoods declining or too high competition)	

If it's too difficult to rank the key factors from 1 to 6, they can be compared one to one. Put all criteria in a grid, as horizontal and vertical titles. Under each criteria of the horizontal line, write **1** if it's **more** important than the criteria on the vertical line, **2** if it's **less** important. From the second criteria on, report the results found previously (orange boxes), with the opposite result. Add the numbers, you have your ranking. When two criteria have the same total, report to the result of the comparison of these two criteria.

Example

	▪ Degradation of natural resources	▪ Natural and man-made disasters	▪ Inequalities in accessing services	▪ Social participation	▪ Gender inequalities	▪ Alternative livelihoods
▪ Degradation of natural resources		2	1	1	2	2
▪ Natural and man-made disasters	1		2	2	1	2
▪ Inequalities in accessing services	2	1		2	2	2
▪ Social participation	2	1	1		1	2
▪ Gender inequalities	1	2	1	2		1
▪ Alternative livelihoods	1	1	1	1	2	
Total	7	7	6	8	8	9

Ranking:

1. Inequalities in accessing services
2. Degradation of natural resources
3. Natural and man-made disasters
4. Gender inequalities
5. Social participation
6. Alternative livelihoods

Annex C - Training material for surveyors

Introduction to economic resilience

Key messages	Description
Capacity to absorb shocks + Capacity to adapt to changes	Economic Resilience refers to the ability of a livelihood to resist, absorb, cope with and recover from the effects of hazards as well as to adapt to longer term changes in a timely and efficient manner
Resilience to what? To hazards and long-term trends	<p>Hazards include:</p> <ul style="list-style-type: none"> - Climatological hazards (typhoons, flood, drought, sandstorms, landslides, cold wave, heat wave, etc.) - Other natural hazards (earthquake, volcanic activity, wildfire, tsunamis, etc.) - Biological hazards (epizootic diseases & pests, epidemics) - Man-made hazards and socio-economic risks <p>Long-term trends include:</p> <ul style="list-style-type: none"> - Climate change, intensification of agriculture, environmental degradation, natural resources depletion, biodiversity decline; - Population growth, migration, rapid urbanization, economic globalization, dependence to and rarefaction of fossil energy; - Economic volatility, food insecurity, pandemics (AIDS, cholera, Ebola, etc.), civil conflicts.
<p>5 main factors of resilience:</p> <ul style="list-style-type: none"> • Livelihoods diversity and security • Capacity to adapt to change • Preparation to hazards and stresses • Preserved ecosystems (natural resources) and physical infrastructure • Sound local governance 	<ol style="list-style-type: none"> 1. Improving the diversity and security of their livelihoods means that they have more options available, and can chose to live or work in areas less exposed to hazards, or at least have more resources to draw on in order to cope and recover when they are affected by negative events. 2. Improved understanding of long term trends, including climate change, means that people can draw on their available resources in appropriate ways in order to adapt to such changes over time. 3. Being better prepared for hazards and stresses can significantly reduce exposure. 4. Shoddy infrastructure and degraded natural resources and ecosystems are further both less able to absorb shocks and may rule out critical adaptation opportunities. Hence, developing resilient physical infrastructure, ensuring ecosystem protection, and promoting sustainable natural resource management practices are also integral to resilience promotion. 5. By creating a more enabling and inclusive governance environment, people will be able to access or influence processes of decision-making, service provision, and resource allocation that fit their conditions.

Presentation of the tool

The **Economic Resilience Index** is a tool which aims at evaluating and measuring the various aspects of economic resilience of vulnerable households in disaster prone areas. It uses five domains that strengthen economic resilience, divided in subcategories. Each subcategory is analyzed and measured through several indicators. Indicators are presented as “resilience assets” (strengths) when positive and “resilience gaps” (weaknesses) when negative.

Domains	Subcategories
<p>1. LIVELIHOOD VIABILITY</p> <p>Livelihood viability depends on extent livelihood strategies that can thrive in spite of shocks, stresses and uncertainty. If a shock happens, for instance, a household dependent on just one precarious livelihood activity will likely be more negatively affected than another that has one or more less sensitive alternatives to fall back on.</p>	<ul style="list-style-type: none"> • Household livelihoods diversity: <i>How does the household supply for its needs? Do persons with disabilities contribute to the household’s income?</i> • Stability and control of the main activity: <i>How is the household main activity</i>

	<p><i>organized?</i></p> <ul style="list-style-type: none"> • Sufficient income: <i>Can the household income cover for its needs?</i> • Sound financial management: <i>Does the household save money? Does the household have debts?</i> • People safety and working capacity: <i>How do the household's members take care of their health at work and at home? Do they encounter barriers and constraints related to disability?</i>
<p>2. SOCIAL AND INSTITUTIONAL CAPABILITY</p> <p>Social and institutional capability is about whether extent formal and informal institutions are able to reduce risk, support positive adaptation and ensure equitable access to essential services in times of shock-stress. It is reasonable to assume that households are likely better able to successfully adjust to shocks, disturbances, and change when they are part of larger coordinated efforts at the community level and beyond.</p>	<ul style="list-style-type: none"> • Social networks membership: <i>Do the household members participate to groups/networks? To DPOs?</i> • Participation to governance: <i>How are the household's priorities taken into account in the community? Do governance system reflect diversity?</i>
<p>3. INTEGRITY OF NATURAL ENVIRONMENT AND RISK AWARENESS</p> <p>Integrity of natural and built environment refers to the health of local ecosystems, soundness of natural resource management practices and robustness of essential physical infrastructure. Healthy ecosystems are better able to cope/adjust to climatic shocks/change than those that are relatively more degraded. Also, the presence of appropriate infrastructure that is resilient to shocks and stresses is also important: if critical infrastructure no longer functions or collapses in times shocks and stress, the livelihoods and/or health of community members can be negatively affected.</p>	<ul style="list-style-type: none"> • Environmental impact of the activity: <i>What natural resources does the household main activity use? What waste does it generate?</i> • Knowledge of risks and trends: <i>What are risks and trends that threaten the household activity? (Related to the environment or not). Is information available in accessible language and format?</i>
<p>4. INNOVATION POTENTIAL</p> <p>Innovation potential refers to the ability to take appropriate risks and positively adjust to change, whether anticipated or not. With an understanding of long term trends, including climate change, people can draw on their available resources in appropriate ways in order to adapt to such changes over time. Such potential is dependent on factors such as people's knowledge and attitudes, their ability to take risks, and their access to weather prediction and market information and relevant technology and resources.</p>	<ul style="list-style-type: none"> • Capacities of adaptation and innovation: <i>How will the household adapt its livelihoods to the risks and trends that threaten it?</i> • Access to alternative livelihoods: <i>How could the household change its livelihoods if needed? Are options accessible to persons with disabilities?</i>
<p>5. ACCESS TO CONTINGENCY RESOURCES AND SUPPORT</p> <p>Access to contingency resources and support is the access to back-up resources and appropriate assistance in times of crisis (e.g. savings, food and seed reserves, social protection, kin and non-kin support networks, emergency services etc.) It is, therefore, likely to be critical in supporting households to cope with shocks and positively adjust to change. A preparation to hazards can also significantly reduce exposure.</p> <p>Disaster risk reduction belongs to the third and fourth domains.</p>	<ul style="list-style-type: none"> • Contingency plan: <i>How would the household minimize losses in case of a disaster?</i> • Coping mechanisms and safety nets: <i>How would the household survive and resume its activity after a disaster? Can households with persons with disabilities access safety nets on equal basis with others?</i>

Rolling out the tool

INTRODUCING THE ASSESSMENT TO THE HOUSEHOLD

- **Explain the objective of the interview**, which is to assess whether the household's livelihood is sufficiently prepared to resist to hazards and long-term changes.

- **Manage expectations** and explain that no outcome will immediately result from the assessment to avoid raising expectations and inducing “shopping-list” kind of answers/requests from the interviewed person.
- **Suggested discussion:** explain what “resilience” is, for example by talking of the reed that “bends and does not break”.

DESCRIBING THE HOUSEHOLD COMPOSITION

We want to know the composition of the household: adults, children, elderly people, and persons with disabilities or chronic illnesses. We consider the household as an economic entity, where household members share income and expenses. We include people who may not live with the interviewed person but is economically linked with them, and we exclude people who may live with the interviewed person but is not economically linked with them.

Suggested questions:

Who lives with you? How many children? Are there people with disabilities, elderly persons? Are there people with chronic illness?

Who depends on you to live?

Control: Who are the other people you see here and now?

1. LIVELIHOOD VIABILITY

1.1. HOUSEHOLD LIVELIHOODS DIVERSITY

☞ **How does the household supply for its needs?**

We want to know if household’s livelihoods are **diversified** and **independent from one another**:

Livelihoods are **diversified** when they combine, for example:

- > Wage labor (including daily or seasonal work)
- > Self-employment, including agriculture & food production
- > Regular financial support: remittances, pension, financial allowance for persons with disabilities or other vulnerable persons or other social benefits, financial support from local charities
- > Food production for self-consumption (home gardens, small livestock, fisheries, etc.)
- > Within a livelihood, activities/productions are diversified AND independent from one another: e.g. different varieties for a crop cultivation, farming include crops + livestock, etc.

Livelihoods are **independent** if they do not depend on each other (e.g.: Forage production activity for animal rearing activity are not independent).

Finally, livelihoods are diversified if **several people** generate the household income. We consider people who are mutually responsible within the household. The contribution of persons with disabilities to the household’s income shall be explored specifically.

Indicator category	Assets	Gaps
<i>Diversity</i>	The household livelihoods consists of at least <i>*two*</i> different activities throughout the year; in case of farming, productions are diversified	The household livelihood rest on a single activity, carried on by a single person
	Livelihoods is supplemented with self-subsistence activities and/or social benefits, allocations, pensions and/or aid received on a regular basis	
<i>Independent activities</i>	Income sources combine salaried employment and self-employment	
<i>Number of people contributing to the household income / compared to the total household members</i>	At least <i>*two*</i> members of the household contribute to the livelihoods	Less than a <i>*third*</i> (one out of <i>*three*</i>) of household members contribute to the livelihoods
		Some household members are not encouraged / allowed to work (disabled person, woman)

Suggested questions:

What do you do to make a living? Do you have more?

Who else is working in the household? What are their activities?

Are there other sources of income? Pensions, allowance for persons with disabilities or others?

Do you receive regular financial support from family members?

What is the share of each activity in the household income?

Is all food bought or do you have a vegetable garden, animals, fruit trees?

Control: Do all the money you spend and all the food you eat come from activities that you mentioned?

Suggestion of complementary and control questions:

Can you describe your activity (what, when, where, how, how)? Someone does help you in your business?

Is this an activity that you do throughout the year or during a certain period?

Farming: What different plots do you grow? What do you grow? What do you breed like animals? What part do you eat / sell you?

Small trade: What products do you sell? Is that all stock?

If the person with disabilities is not the breadwinner, what is the contribution of the person to the household's livelihoods?

1.2. STABILITY AND CONTROL OF THE MAIN ACTIVITY**☞ How is the household main activity organized?**

We want to know if the person / household has some control over the main means of livelihood:

Self-employment

About the sale of goods and markets:

- > Choice in customers: Variety and number of customers
- > Choice in places of sale and access to a market or a convenient point of sale
- > Freedom to set satisfactory sale prices vs. competition weight (forcing prices down or to limit the quantities sold)
- > Farming activities providing income spread over the year (versus solely seasonal)

About the means of production:

- > Stability of means of production (land, place of production, producer goods, etc.): ownership or long-term lease and not at an excessive cost

About procurement of raw materials and inputs:

- > Locally available
- > Choice in suppliers
- > Price stability
- > Availability over the year (seasonality of products, roads, etc.)

The person can realize his/her activity without depending on another person who is not easily replaceable or which imposes a substantial reward.

Employment (wage labor):

- > Fixed and stable remuneration, decent working conditions
- > Employment contract, which protects the employee from unilateral breach
- > Possibility of changing employer
- > No risk of relocation or loss of employment

Indicator category	Assets	Gaps
Self-employment		
<i>Stability and control over the markets</i>	Customers are numerous, or competition is low	The selling price is uncertain and may not meet the production costs. The activity depends on a single client or middleman in a monopoly situation

<i>Stability and control over the supplies</i>		The procurement of supplies / raw materials is uncertain; agriculture is rain-fed. The activity depends on a single supplier in a monopoly situation
<i>Stability and control over the means of production</i>	The means of production / the place of sale are owned by the household members	The means of production are rented from a single person in a monopoly situation. The person is dependent on another person (e.g. personal assistance) who is not easily replaceable or which imposes a substantial reward.
Wage labor		
<i>Stability</i>	Employment is <i>*guaranteed*</i>	Wage labor is not contracted, precarious or paid by the piece or according to the harvest Persons with disabilities get lower wages
<i>Control</i>	There are job opportunities in the area corresponding to the household member's competences	
<i>Ability to choose employers</i>	The person can change of employers if necessary	
<p>Suggested questions:</p> <p><u>Re. Self-employment</u></p> <p>About the sale of goods:</p> <ul style="list-style-type: none"> > How and to whom do you sell the goods? Do you have many customers? Do you sell to one or several middlemen? > Do you have the choice of the place of sale? Do you have access to a local market or a convenient point of sale? > How is the price set? Is there much competition? Does the competition lower the price? Are you satisfied with the sales price or do you feel forced to sell the production at low prices? <p>About inputs / supplies of raw materials / procurement:</p> <ul style="list-style-type: none"> > What supplies do you buy on a regular basis for the activity? Are they locally produced? > Do you have the choice of goods and providers? If your supplier ceases its activity, can you find another one? > Can the price of the supplies / raw materials vary widely and unpredictably? Can it be a problem for your activity? <p>About the production means</p> <ul style="list-style-type: none"> > Does the family own the agricultural land / the house which shelters the place of production and / or sales? And the means of production or sale? > Do you need someone's support to carry out some tasks of the activity? If so, are you dependent on the person assisting you or can you appeal to different people? Do you have trouble you move / communicate / watch /etc.? <p><u>Re. Wage labor:</u></p> <ul style="list-style-type: none"> > Are you satisfied with your salary? Do you receive a regular salary or does it depend on the seasons, harvesting, or something else? > Are there risks of losing your job? Job relocation? > Can you change of employer if there is a problem with your current job? > Do you have a formal work contract? 		

1.3. SUFFICIENT INCOME

Can the household income cover for its needs?

We want to know if the household livelihoods (excluding one-off financial support) allow for the following:

1. Meeting the basic needs throughout the year: sufficient food in quantity and quality, drinking water, health care (including for chronic diseases), hygiene items, healthy and safe housing, security of family members
2. Meeting education costs
3. Gradually improving the living conditions: Home improvement, electricity, access to transportation, contributions to solidarity funds, access to social activities, etc.
4. Strengthening or diversifying livelihoods: Productive investment, procurement of producer goods, increased stock, etc.

<i>Indicator category</i>	<i>Assets</i>	<i>Gaps</i>
<i>Meeting basic needs</i>	The living conditions of the household members are getting better, year after year (at least compared to one year ago)	The household is food insecure; the household faces a lean season every year
<i>Meeting education and health costs</i>		Non-food basic needs are not met (health, education, safe housing, etc.)
<i>Investing in livelihood activities</i>	Economic activity is strengthening and/or diversifying from year to year	Economic activity is deteriorating from year to year or do not follow inflation or the increase of expenditure for basic needs

Suggested questions:

Do your livelihood activities and income cover the usual household expenses? What expenses you cannot pay?
 Do you eat every day? How many times a day?
 Do your children go to school?
 Do you own your home?

Since the beginning of your business, are your living conditions improving? If they deteriorate? How?

If the activity is recent: do you anticipate that your living conditions improve?

Would you say that your business is generating the same income? Improving? Deteriorating? How?

In the past 12 months, have you done anything to improve or diversify your business?

1.4. SOUND FINANCIAL MANAGEMENT

☞ Do you save money? Do you have debts?

We want to know if the household manages to make savings and is able to deal with significant expenses, unforeseen events and contingencies:

- > Regular savings and the level of savings: in cash or in kind (livestock, jewelry, kept at home or at local credit union, bank, among relatives, etc.)
 - ☞ Are the savings sufficient and easily mobilized to deal with a major expense?
- > The existence and the level of debts: Cash or kind from individuals (parents, neighbors, lenders) or organizations (micro-finance institution, community funds or bank)
- > Non-essential expenses that undermine the family budget: gambling, alcohol, khat, etc.

<i>Indicator category</i>	<i>Assets</i>	<i>Gaps</i>
<i>Regular saving</i>	The household saves money on a regular basis	Household members have contracted *heavy* debts and cannot reimburse loans when terms are due
<i>Sound/virtuous spending</i>	The household invests in additional production means or in skills development (training, higher education) or in functional rehabilitation	Some household members make nonessential expenditures on a regular basis, that undermine the family budget
<i>Capacity to face major expenditures</i>	The household can pay a significant expenditure without undermining the means of production	In the event of a significant expenditure, it would be necessary to sell productive assets or go heavily into debt

Suggested questions:

A / Savings

Do you have savings?

How much of your income do you save?

In what form? (cash or kind)

From whom (individuals, bank, credit union, community saving chain, etc.)?

Can you easily mobilize it in times of hardship?

Is it kept safe from disasters?

B / Debt

Do you have debts? How much? With which organization? Under what conditions? For what purpose did you take the money?

Are you able to repay?

C / Significant expenditures

If there is an important event like *wedding, communion/circumcision or funeral*, how will you deal with the expense? Will you have to take on the means of the activity to face this kind of expenditures?

Does a household's member spend money for anything other than the household needs? In what proportion? (control with local community volunteers)

Control by calculating family budget: What are the main household expenses? Food? Housing? School fees? Transportation? Costs related to disability or chronic disease?

1.5. PEOPLE SAFETY AND WORKING CAPACITY

☞ How do you take care of your health at work and at home?

We want to know if people are at risk of work injury/accident, disease, disability and complications of health problems or constraints that could affect their ability to work independently.

About risks of work injury and occupational diseases:

- > Does the work involve significant health risks? Major health risks include working in hazardous / toxic environment (mines, dump-sites, contaminated territories by antipersonnel landmines and ERW, etc.), accident-prone practices (climbing trees, handling chemicals, etc.) or exposure to domestic accidents (burns, injuries, etc.)
- > Is the activity appropriate to the person's condition (disability, chronic illness) or detrimental at long-term?
- > Are protection/safety measures in place? Are they suitable for persons with disabilities?

About health prevention:

- > Do family members pay attention to basic hygiene and disease prevention (use of safe drinking water, soap, latrines, mosquito nets,)?
- > Do family members follow the medical treatment and rehabilitation required?

About disabling situations and constraints:

- > Do people who need specific support or social support to make their livelihoods have access to this support?
- > Do they face barriers that limit their productivity and income potential?
- > Can people make time to provide the necessary care to children with disabilities and elderly people in the household?

Indicator category	Assets	Gaps
<i>Health management</i>	Household members have access, when needed, to primary and secondary healthcare, as well as rehabilitation	Household members neglect *basic practices of hygiene and disease prevention*
<i>Hardship, risk of occupational diseases and work accidents.</i>		The activity is dangerous and/or has a strong negative impact on health (at short or long term) that may undermine working capacity in future
<i>Barriers and constraints related to disability</i>		The breadwinner with disabilities or parents of children with disabilities face multiple barriers and constraints that undermine their working capacity

Suggested questions:

A/ Hygiene and Disease Prevention

- > What do you do to avoid disease: Do you use soap? Do you have access to latrines? Safe drinking water? Are there any dangers around you? Do you use a mosquito net to sleep? In endemic areas: Do you know your HIV status, how to protect yourself or to live positively?

Access to health care

- > What do you do to treat you when you have a health problem?
- > Do you follow the required treatment for your health (especially in case of diabetes, HIV, etc.) or for rehabilitation?

B/ Hardship / risk at work

- > Is your activity suitable for your physical condition? Is it painful or dangerous for your health? If so, have you a means of protection? Control: Which one? Is it suitable?

C/ Disability related constraints and barriers

- > Do you face limitation in carrying out your livelihood activities?
- > Is there someone to assist you, or to look after your children, when required

2. SOCIAL AND INSTITUTIONAL CAPABILITY

2.1. SOCIAL NETWORKS MEMBERSHIP AND CONNECTIVITY

☞ Are you part of group/network?

We want to know if the household is connected to social networks: community membership, membership to formal or informal groups and internal or external networks to the community

Membership in a community can be measured by the existence of neighbors helping neighbors. This point is important especially in the case of displaced persons, newcomers, families stigmatized because of a disease or disability, or inter-ethnic conflicts, for example.

Groups and networks include village loan and saving association, saving chain, cooperatives, community fund, community welfare association, small farmers' association, women's association or group, DPO, associations of victims of landmines / ERW, veterans' association, religious groups, etc.

Indicator category	Assets	Gaps
Participation to livelihood related groups and networks	A household member belongs to a group / network that supports the livelihood activity	The household is not integrated within the community
Participation to social groups	A household member participates actively in a social group / network (in whatever field; CBO, religious groups, women's association, etc.)	
Participation to DPOs or survivors organizations	Household adults with disabilities or parents of children with disabilities are members of a self-help group or a Disabled Persons Organization	

Suggested questions:

- Are you a member of associations, groups or networks? What are these groups?
- What are you doing in these groups? Are these groups important to you?
- Are you helping each other between neighbors? Are neighbors supportive?

2.2. GOVERNANCE PARTICIPATION

☞ How are your point of view and priorities taken into account in your community?

We want to know:

- > If the household has the opportunity to influence local decisions (formal or informal decision making processes)

- > *If the person with disabilities is represented directly or indirectly (by a DPO for instance) in the governing bodies*
- > *If the constraints and priorities of vulnerable people from the household (persons with disabilities or chronic illnesses, elderly persons) are expressed through local consultation mechanisms and local governance systems*
- > *If persons with disabilities and parents of children with disabilities know their rights*
- > *If local authorities (traditional leaders, elected councils, key government representatives, etc.) are aware of the constraints and priorities of vulnerable people from the household (Regular update directly or through a representative association).*

Indicator category	Assets	Gaps
<i>Civic / political participation</i>	A household member has a representation mandate *to a local assembly or committee*	The household does not participate in the discussions and decisions taken at the community level
<i>Ability to participate</i>	The household informs regularly local authorities about the priorities and constraints of its vulnerable members	Household members with disabilities, particularly women, don't know their rights and *entitlements to benefits, support and services*

Suggested questions:

Are you involved in the discussions and decisions taken at a community level? Do you sit in committees / official assemblies?

Is your point of view taken into consideration within the community?

Are you member of an organization, which represent your rights and interests within the community?

What do you know about your rights?

3. INTEGRITY OF NATURAL ENVIRONMENT AND RISK AWARENESS

3.1. ENVIRONMENTAL IMPACT OF THE ACTIVITY

☞ What natural resources does your main activity use? What waste does it generate?

We want to know if there is a negative or positive impact of the livelihood activities on the natural resources (soil, water, air, vegetation, and biodiversity). Prior consultations with local

Negative impact of the activity on the environment: *Gradual soil depletion, deforestation, production and / or use of charcoal, pumping of ground water, use of chemical fertilizer, use of pesticide, use of polluting products, generating non-recycled waste and other forms of air, water and soil contamination, importation of products and raw materials.*

Positive impact on the environment:

- > *Use of local raw materials, short supply chain and local direct food marketing, processing of local food products, food preservation and storage (to reduce losses and waste);*
- > *Using waste to another activity, appropriate technology (low-energy, limited cost of operation and maintenance, easy-to-repair), renewable energy sources;*
- > *Sustainable agriculture: Use of local seeds / species, crop rotation, fallowing, plant associations, hedges, rainwater collectors, production and / or use of organic fertilizer (including compost), biological pest management, rational size and management of livestock, pasture management.*

Mitigation of the negative impact: *Recycling waste, optimizing the use of energy, water conservation, systematic reforestation, cooperative use of equipment or production site, enforcing existing environmentally sound principles or guidelines.*

Indicator category	Assets	Gaps
<i>Direct impact on natural resources</i>	The household main activity has a positive impact on the environment, and/or has a short value chain and/or promotes local production	The household main activity has a direct negative impact on the environment
<i>Mitigation measures</i>	The household implements solutions to reduce the quantity of natural resources used and waste generated by the	The household doesn't realize the livelihoods impacts on natural resources

	household's main activity OR compensate for its environmental impacts	
<p>Suggested questions: <i>What natural resources do you use for your livelihood activities? (Fertile soil, wood, water, wildlife / fish, vegetables)?</i> <i>Do you use chemicals (chemical fertilizers)?</i> <i>What fuel do you use (charcoal)?</i> <i>What technology do you use?</i> <i>Are supplies / raw materials of the activity of local origin? Do you sell local products?</i> <i>Does your activity generate waste (residues, plastic packaging)? Does it generate pollution (engine)?</i> <i>Do you use packaging to sell your product? Are they recycled?</i> <i>Does your activity use (recycle) waste from another activity?</i></p> <p><i>If there is a direct negative impact: have you put in place measures to mitigate the negative impact of your business on the environment?</i> <i>Do you observe good environmental management guidelines?</i></p>		

3.2. KNOWLEDGE OF RISKS AND TRENDS

☞ What are risks and trends that threaten your activity? (related to the environment or not)

We want to know if the household knows about the existing risks and trends and the potential impact on their livelihood activities.

Risks and trends (climate change and change in production conditions) - to be contextualized

Natural hazards

- > Climate related hazards (typhoons, flood, drought, sandstorms, landslides, cold wave, heat wave, etc.)
- > Other natural hazards (earthquake, volcanic eruption, forest fires, tsunamis, etc.)

Biological hazards

- > Epizootic diseases & pests
- > Epidemics

Man-made hazards and socio-economic risks

- > Industrial pollution
- > Conflict and mass population displacement
- > Theft, looting, arson attack or malicious damage
- > Volatile national economy (reduction or disappearance of the market)
- > Political unrest, demonstrations, general strikes that would close markets

Environmental Hazards and trends

- > Reduced availability and quality of natural resources: land, water, pastures, forests, biodiversity, water resources, and fossil energy.

Indicator category	Assets	Gaps
<i>Knowledge on risks, trends and potential impact</i>	Household workers know the *main risks in the area* and their potential impact on their economic activity AS WELL AS the *trends* in the area and their potential impact on the conditions of production	Breadwinners with disabilities have no access to information (in adequate language and format) on risks, trends and potential impact on the livelihood activities
<i>High exposure to hazards</i>		There are multiple risks and trends that may negatively impact the household's livelihoods

Suggested questions:

Are there any risks that may affect your business? What could stop your business from running normally? Are these risks frequent, strong, at what time of the year?

What changes have you observed since you started your business? Is it easier or more difficult than before? Control: If (quoted element) was the same as before, is that the activity would be the same as before?

Is water less available, more polluted and more unpredictable and difficult to control?

What sources of information on on-going changes and risks do you have? - has a risk assessment been done?

4. INNOVATION POTENTIAL

4.1. CAPACITIES OF ADAPTATION AND INNOVATION

☞ How will you adapt your livelihoods to the risks and trends that threaten it?

We want to know if the person/household is willing to take measures to mitigate the risks and uncertainties or to adapt to trends and changes:

- > Does the person/household know some measures or alternative practices for limiting exposure to risk and for adapting to changes in production conditions?
- > Has the person/household already begun to implement some adjustments?
- > Does the person/household have the required skills to diversify its business or start an alternative activity? Or is the person/household willing to acquire such skills through training, internship or exchange of practice?
- > Does he/she feel confident enough to diversify the business, participate in family income if this is not the case, or start an alternative activity? Or does he/she participate in group discussions and exchange of practices (support group, exchange visits, etc.) to build self-confidence and skills?
- > Does he/she feel confident to test and implement a technique never practiced before in the community or little known? (if it is not a matter of financial resources)

Indicator category	Assets	Gaps
<i>Environmental good practice</i>	The household has implemented *measures to mitigate risks* and/or *measures to adapt the activity/practices to trends*	Household workers do not know about any alternative practices /activities that are less vulnerable to risks and changes in production conditions
<i>Ability to change & adapt</i>	The household workers have acquired literacy skills and/or competences specific to an alternative practice/activity	Household workers have low learning ability (cognitive ability), AND social support is lacking
<i>Willingness to change & adapt</i>	The household workers demonstrate self-confidence by welcoming new ideas or participating to group discussion on innovative practices and activities	Household workers refuse to change its practices (by fear, low self-confidence or conviction), even if financial means would be available.

Suggested questions:

Given the risks and uncertainties and changes observed by the community:

Will you continue this activity for a long time?

Do you know measures to mitigate these risks for your business or to adapt your business to these changes?

Have you already started to implement such a measure?

Do you know alternative activities that would be less vulnerable or risky than your current one?

If you had money, what would you put in place first? What would you change?

Do you feel able to test and implement an ever-practiced technique, crop or activity in the locality?

Do you participate to discussion groups or interested to join a group or organization that promote new techniques?

Are you interested in being trained on new techniques or activities?

4.2. ACCESS TO ALTERNATIVE LIVELIHOODS

☞ How could you change your livelihoods if needed?

We want to know if the person / household has the opportunity to adapt or change of livelihood activity. Can she/he have access to the necessary resources?

- > Access to technical advisers, training, demonstration plots, information sessions, etc.
- > Access to financial resources: grants from government programs, micro-finance services (whose requirements allow to invest in a viable business on the long term), financial support during the time of training and to change activity
- > Access to means of transport
- > Ability to switch production site / place of sale if necessary and access to new markets
- > Access to technologies, adequate producer goods and alternative materials

Taking into account the constraints faced by the person / household:

- > *Constraints resulting from a disability situation, children or dependent persons, without assistance or compensation: livelihood activities to be performed at home only, time constraints, obligation to remain close to a rehabilitation center, special or inclusive school, etc.*

Constraints resulting from the environment: Conflicts, landmines / ERW contamination, etc., that limit options

Indicator category	Assets	Gaps
<i>Business flexibility and available options</i>	The household has the possibility to change the production site / place of sale	Alternative economic options are limited due to individual constraints, lack of support, and/or hostile environment
<i>Access to information and skills</i>	The household can access information and skills about alternatives practices / activities	The household has no reversal capacity (time) to take a training and adapt
<i>Access to funding and technology</i>	The household can access a funding mechanism allowing long term investment in alternative activities, even innovative practices	The household has no access to loans (at reasonable conditions for poor households) or seed grants

Suggested questions:

Do you have the possibility to change the production site or place of sale?
 Did you have another job or activity before this one?
 Do you know how to get information on alternative (less vulnerable) practices or activities? Are people that you know, local technicians or vocational training centers from whom/where you could learn new techniques or activities?
 Do you know how you could get money, loan or credit to change / adapt your activity?

5. ACCESS TO CONTINGENCY RESOURCES AND SUPPORT

5.1. CONTINGENCY PLAN

☞ How would you minimize losses in case of a disaster?

We want to know:

- > *If the household has participated to disaster preparedness, if it can refer to a contingency plan and if it is well understood by the household members, including those with disabilities.*
- > *If the household members have some knowledge about the identified risks as well as a strategy to protect the means of production and safeguard their productive capital; if the means of production have been insured against the risks identified and if risk reduction measures have been implemented.*
- > *If there are identified people (neighbors, relatives, community volunteers) to provide assistance to vulnerable household / people and who know how to protect the means of production in case of an emergency.*

Disaster preparedness includes contingency planning and an emergency response scenario, which can be developed at household level (family contingency plan) and / or community level.

Indicator category	Assets	Gaps
<i>Existence of contingency plan or strategy</i>	The household is prepared in case of a disaster (e.g. meeting attendance, knowledge of a safety place/ alternative roads, access to safe drinking water, stock of dry food)	There is no emergency plan or the household members are not aware of it / don't participate to community plans and preparation
<i>Risk reduction measures</i>	The household has setup at least 2 measures to protect the means of production (e.g. safety place, elevation work, fence, access to communication means, safe/locked house, bag with important documents)	There are no identified caregivers for disabled persons or they are unaware of what to do to protect the means of production

Suggested questions: Suppose a disaster happens (like earthquake)
 Is there a contingency plan in place for the household or at a community level?
 Do you know where you find a shelter? What do you need to do?

How do you protect your production means and stocks?

If you have difficulty to move or carry heavy things, who will help you? Is the identified person knows what to do in this case?

5.2. COPING MECHANISMS AND SAFETY NETS

☞ *How would survive and resume your activity after a disaster?*

We want to know, in case of a disaster:

- > *If the coping mechanisms do not undermine the livelihoods by diluting the capital (decapitalization). For example, existence of secured and diversified savings.*
- > *Are there fungible productive assets? That is to say, can the household reduce / sell / trade / swap capital assets easily and momentarily to minimize capital losses (p. ex. cattle) in case of an upcoming event (ex: conflict, drought, etc.)?*
- > *If the activity can resume without reducing the capital or cut in the education and health spending (especially in the case of chronic disease).*
- > *If it is possible to receive external aid or get a loan.*
- > *If the person / household is well informed of existing services (including services adapted to the most vulnerable) and rights (persons with disabilities, victim of landmine / cluster munitions).*

Indicator category	Assets	Gaps
<i>Protecting the capital</i>	In case of crisis, the productive assets may be easily sold to minimize losses and safeguard the capital; or assets are covered with an insurance	The household members survival is possible only by selling the means of production and use the capital to meet immediate basic needs
<i>Access to alternative capital</i>	The household has savings that are secure and easily mobilized or can borrow money at reasonable rate	The household members survival is possible only by cutting expenses of education and health or going heavily into debt
<i>Access to external support</i>	The household knows how to access public services (financial compensation or allocation, seed grants...) and/or external support (NGOs, red cross/crescent, community emergency funds...)	The household is in great isolation and cannot rely on external support in case of a disaster

Suggested questions: Suppose a disaster destroyed your activity,

What do you do to resume your activity?

Are your crops, assets and equipment insured with a public or private insurance?

Can you use your savings or will you borrow money (where from?)?

If you do not have enough money, what spending would you cut first?

Can you have get assistance or compensation from the government? From relatives or groups from which you Are there reserves (water, food), emergency funds or livelihood commodities (seeds, tools, livestock) managed by the community? Do you know how you can benefit from these?