

Well Targeted Interventions Shown to Improve Peri-Urban Livelihoods

Peri-urban people can be helped to achieve positive changes in their livelihoods by interventions that promote certain actors and actions. In particular, support for local NGOs, community-based facilitators, participatory planning and improved access to credit, training and information all seem to help people to overcome the livelihoods challenges created by peri-urban conditions.

The research found that people who tried new activities could achieve better livelihoods, and that certain interventions were of particular assistance in helping them to overcome peri-urban obstacles to such change. The research also demonstrated that particular actors were important in this process, and that support for these actors and interventions tends to achieve a knock-on effect in perpetuating livelihoods innovation.

Positive Livelihoods Changes More Difficult for the Poor. Poor people's efforts to achieve positive changes in livelihoods are hampered by a variety of limiting factors. Minimal returns from agricultural businesses, petty trading, and low-waged casual urban and rural work leave little scope for savings or investment. A lack of collateral assets also prevents access to formal credit sources. These factors constitute a significant barrier to business innovation and, therefore, to the ability to take advantage of the opportunities arising from urbanisation. Poor people are unable to expand or diversify existing businesses to achieve sufficient scale to make traditional activities profitable. They are also prevented from taking up new training options. The need for credit to enable people to develop alternative income-generating activities is more acute in the peri-urban interface because of the loss of access to the natural resources that have long maintained traditional livelihood activities.

Migration and greater urban contact have eroded social capital and changed attitudes within peri-urban populations, while also changing the composition of the communities themselves. These changes have tended to diminish levels of community-based action. Equally, changing social structures have tended to further restrict input into decision-making and planning for the poorest community members.

The research also provides evidence that governments are not greatly interested in the specific challenges faced by many peri-urban dwellers. They remain divided in policy and action along established rural-urban lines, neglecting peri-urban particularities.

A Training Intervention

Market Oriented Value Enhancement (MOVE) was conceived in response to the failure to find ways of helping the severely disadvantaged of the Hubli-Dharwad peri-urban interface, such as landless and illiterate women of low social status, for whom improved NR management meant little. Dr Subhas of the Institute of Management Studies at Karnataka University, Dharwad, designed a course for three self help groups of poor women in Mugad village. Discarding conventional approaches, he chose to train them in understanding markets, prices, profits and the value addition chain. A new tool, Participatory Market Appraisal (PMA) was developed for illiterate people, which used symbols instead of script, and was used in house to house surveys of product requirements in Mugad. After much research, the groups opted to make laundry detergent. By the end of the two year programme they were making and selling 250 kg per month.

Community development officers of the NGOs on the research team attended the course and then replicated it in the other project villages. New enterprises were developed in all six villages within six months.

In the end, none of the groups involved made a loss, every group chose to move forward in business, and all showed a new understanding and confidence about the market.

Every group chose to trade, yet the strategies they have undertaken are diverse. The women from Mugad travel to a village together, but each one carries different products and goes to different areas. In Mandihal village, each individual takes a loan for any MOVE activity and keeps the profits. In Channapur what began as a group endeavour will evolve into the enterprise of one entrepreneur.

Countering many of these trends, participatory action planning promotes group action, increases confidence in dealing with change and improves flows of information about threats and opportunities at a local level. This, in turn, encourages the creation of self-help groups. The research shows that community-based facilitators are successful in supporting this process through active provision of

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The source of this brief is "A Synthesis of Peri-Urban Research of Kumasi, Hubli-Dharwad and Kolkata PUIs" at <http://www.ucl.ac.uk/dpu/pui/research/previous/synthesis/index.html>, which is also Annex B of the Final Technical Report of NRSP Project R8491

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information and promotion of community participation and links with government. For their part, NGOs are instrumental in initiating and facilitating participatory action planning and in supporting the work of community-based facilitators, as well as augmenting these activities through direct contact with the communities they serve.

Access to credit is also vital in facilitating the transition to new livelihoods, especially for those whose previous livelihoods were not dependent on access to significant financial capital. Equally, training in new productive activities and in basic business skills is often essential in enabling peri-urban people to take advantage of new urban-focused opportunities.

Need for Market Intelligence Often

Underestimated. Once issues of access to credit and business training have been addressed, the most significant remaining constraint tends to be lack of market linkage between peri-urban producers and urban markets. Lack of market intelligence means that small producers are not easily able to match supply with demand. Moreover, restricted access to large-scale markets sometimes excludes small peri-urban suppliers. Less-poor producers benefit most from existing market structures. The need for market analysis and market training is frequently underestimated for livelihoods, especially those based on traditional activity.

The research shows that, given adequate training, the most disadvantaged people are able to carry

out effective market analysis and business planning.

In particular, processing of peri-urban agricultural production offers significant potential for the achievement of added value and trade. In a number of instances, such activities were already performed on a limited basis by women in the research communities, but the opportunities for maximisation of potential were not initially explored as part of the action planning process.

Conversely, however, there is evidence that such processing activities are of interest to large-scale operators, and that this competition may later threaten newly instituted and often female-centred small businesses. This makes it critically important that self-help groups and other community-based initiatives are encouraged to develop a strong political understanding and voice, and the capacity to lobby for their own interests.

Policy Implications

External intervention has been shown to help peri-urban people improve their livelihoods. Activities supporting certain actors (local NGOs and community-based facilitators) and actions (participatory planning and improved access to credit, training and information) help to make such interventions more effective.

Although peri-urban people are often already aware of the effects of urbanisation, those in government and in NGOs who could intervene do not seem to have the same appreciation. It can be difficult to bring these actors to an understanding of the distinctions of a peri-urban situation.



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