



The peri-urban interface: intervening to improve livelihoods

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Expanding cities and migration of people towards urban areas mean that increasing numbers of people are having to adapt the traditionally rural activities of their lives and livelihoods to the threats and new opportunities offered by proximity to a city. At this peri-urban interface there is the opportunity to help people – particularly the poorest people and women – manage this transition and successfully exploit new and diverse opportunities.

Key messages

- A peri-urban interface produces a special set of conditions that propels people from participation in a rural economy to participation in an urban economy. The transition to an urban economy produces strong impacts on poor people that should be considered in pro-poor and economic growth policies. The findings of research on peri-urban production, livelihoods and poverty can often inform the development of these policies and those directed at urban migration.
- The peri-urban interface is a mosaic of different opportunities and threats that is constantly in flux. To be effective, spatially oriented policy aimed at a peri-urban interface should not be conceived in simple terms of distance from a city; rather there is a need to understand specific conditions and trends in both space and time.
- Some people are able to take advantage of new income-generating opportunities, but others – particularly the poor and women – are often made poorer by the peri-urban transition.
- Well designed interventions that support certain actions and actors can help peri-urban people improve their livelihoods. Participatory planning, and improved access to credit, training and information, organised and introduced by non-government organisations (NGOs) and community-based facilitators, can enable people to overcome obstructions to trying changes in their livelihood activities.
- Support for good natural resource management is particularly important in policy affecting peri-urban livelihoods. Agriculture remains a significant activity in peri-urban environments, even though the land available for it may be reducing.
- People do not necessarily move cleanly from farm to non-farm livelihood activities in response to urbanisation. Farming and trading, often in agricultural produce, have crucial roles to play in the transition, roles that can be supported by interventions.
- Peri-urban people need fast cash returns on new activities, because their rural, largely non-cash based livelihoods are disappearing for good.
- At the peri-urban interface, people seem to do better as individuals than in groups in terms of earning more income. Group action, which underpins much development activity, may be inappropriate in peri-urban situations, and individual support may be more effective.
- There is a lack of understanding of the characteristics of the peri-urban interface among those in government and in NGOs who could intervene to help. To formulate and implement better policies and interventions to help the rural poor enter the urban economy, development agencies need to make their staff aware of the effects of a peri-urban interface on production, livelihoods and poverty, markets, and governance.

Summary

The peri-urban interface – the dynamic meeting of rural and urban activities – is influencing the lives of increasing numbers of people around the world. As livelihood activities change from predominantly rural to predominantly urban, opportunities arise to help people – particularly the poorest people and women – manage this tran-

sition and successfully exploit new opportunities. This brief describes the key findings from a synthesis study of 10 years of research undertaken to explore changes in natural resource based production, and how these are linked with livelihoods and poverty, at the peri-urban interface. The synthesis found that while some people are able

to take advantage of new income-generating opportunities, others are made poorer by the rural to urban transition. Poor people, especially women, are less able to take advantage of new opportunities; but interventions that support the poor, for example by increasing their access to capital, skills and information, can help them. Although the land available for natural resource based activities declines with the rural–urban change, these activities remain important, particularly to the poorest people. Continued support for good natural resource management is therefore critical. Farming and trading, often in agricultural produce, have crucial roles in peri-urban situations, providing income and allowing new risk taking ventures. These activities can also be usefully supported. Some aspects of peri-urban livelihoods are significantly different from those of either a rural or an urban economy. As increasing numbers of people are affected worldwide, governments, non-government organisations (NGOs) and other stakeholders need to be aware of the characteristics of the peri-urban interface if they are to intervene effectively to help the rural poor make the transition to the urban economy.

Background

Urban migration is a world-wide trend, affecting the lives and livelihoods of increasing numbers of people. This has stimulated interest in the links between urban and rural environments generally, but relatively little attention has been given to the actual meeting of urban and rural activities, which has been conceptualised as the peri-urban interface. Although this interface is not strictly a zone or physical area at the edge of a city, it is most easily understood in such terms. This is where urban-driven economic and social change is most intense, where new industries and housing are established, where migrants from both the city centre and surrounding rural areas settle, and where natural resources are under intense pressure from competing demands.

As cities expand, the peri-urban interface also moves outward. Thus, places and people that were peri-urban become urban and others that were rural become peri-urban. This implies that the nature of the peri-urban interface is one of constant change, with the people affected experiencing continuous shifts in their livelihoods and in the problems and opportunities they face. For a long time, however, such assumptions have lacked empirical support.

Concerned initially with shedding light on natural resource based production in peri-urban

circumstances, and then extending this concern to livelihoods and poverty – all subject areas largely uncharted – the Natural Resources Systems Programme (NRSP) supported 10 years of research in three city regions: Kumasi, Ghana; Hubli-Dharwad, Karnataka, India; and Kolkata, West Bengal, India. The research yielded unique insights that both confirmed and challenged assumptions about the interface. At its conclusion, a synthesis study was carried out across the research projects, to extract knowledge and lessons that might not be evident from a single project or that were more significant because they were reinforced by findings in others. The key findings from the synthesis study are described in this Brief.

Urban overtakes rural

The meeting of urban and rural activities at a peri-urban interface in effect causes people to migrate from a rural to an urban economy but without moving their home. The city becomes increasingly important for people's livelihood activities. There is a trend away from natural resource based production that is more pronounced closer to the city. However, the rate of change across the locations studied was not uniform, and this heterogeneity was reflected in people's livelihood strategies.

People develop a multi-stranded, risk reducing livelihood portfolio that enables them to cope with the changes wrought by the interface. The rapid and irreversible decline in the availability of the natural resources on which non-cash livelihood activity is based drives people into the cash economy.

Urbanisation disproportionately affects the livelihoods of poor people by diminishing the natural resources available to them. No longer able to access common pool and private property resources, poor people hitherto dependent on the natural resource base and production for survival have no alternative but to rely on new income-earning activities. To survive they must generate cash regularly and rapidly, yet they often lack the capital and other resources they need to invest in new opportunities.

The special characteristics of the peri-urban interface should inform the design of policies and interventions intended to help the rural poor enter the urban economy.

A mosaic of opportunities and threats

The peri-urban interface is both heterogeneous and dynamic. The livelihood strategy options open to

people vary according to the specifics of land development at a given location. This is a function of differences in natural or social features such as soil quality, water accessibility, land tenure and community institutions, and of the serendipity of development investments such as access roads, factories and housing.

Policy measures aimed at a peri-urban interface should be based on an understanding of these dynamic characteristics. Planned interventions need to pay attention to the opportunities and threats in particular locations.

Some get richer, others poorer

Proximity to urban opportunity can lift people out of poverty. People develop a range of livelihood activities to enable them to cope with the challenges of living at the peri-urban interface.

From the NRSP research, farming and trading, usually in agricultural produce, seem to be the most frequent income generating activities. Agriculture still appears to be the most important activity for the majority of people. Agriculture typically becomes more intensive, and moves towards high value enterprises producing perishable products, such as vegetables, milk, eggs and fish, with a ready urban market. Subsistence food crop production nonetheless remains significant. Livestock keeping is often feasible for the poor because it is not dependent on land ownership.

Trading is the most significant livelihood activity after agriculture. The research revealed typical peri-urban flows of goods, i.e. rural produce going into the city and manufactured or processed goods coming out. Women are especially active in trading processed food products.

For most of those not engaged in farming or trading, casual, unskilled labouring in construction, agriculture and factories forms the basis of cash income. The trend away from natural resource-based activity is more pronounced closer to the city centre. This trend is most significant for men, with women and poorer people remaining more dependent on natural resources.

The nature and amounts of assets people control and the speed and type of the changes they have to cope with determine whether the peri-urban interface is more of a threat than an opportunity, or vice versa. For poor people, the peri-urban interface is more often a threat.

For the peri-urban poor, income generating activity in general is typically small scale, and poorly

paid or irregular, while agricultural livelihoods are particularly subject to market price fluctuations and seasonal demand for labour. These factors, together with the lack of alternative wage opportunities and pressure from competitors in a crowded market, restrict the ability of the poor to accumulate savings. This in turn limits their ability to invest in making their activities more productive or to scale them up to economically viable levels. Poor people and women are least able to move into new productive sectors, often resorting to low wage sectors of the agricultural economy because of lack of alternative opportunities.

Peri-urban processes combine to marginalise women, exacerbating existing inequalities and making it harder for them to take advantage of the opportunities that exist at the interface. In general, women have fewer marketable skills, less education, less access to money to pay for training – and therefore less access to waged work.

Intervening effectively

The research found that people at peri-urban interfaces can become better off if they switch to new livelihood activities; however, conditions at the interface often raise barriers to such innovation. It was found that people can surmount these barriers by, for example, participating in action planning, getting access to credit, and obtaining better information. Community facilitators and NGOs can effectively promote such initiatives. And if these interventions and institutions are given external support, this can have a knock-on effect, producing still further initiatives and efforts designed to improve lives and livelihoods. Sometimes these knock-on effects consisted of the enhancement of an existing livelihood activity (e.g. trading); sometimes of an altogether new livelihood activity (e.g. mushroom growing).

Bringing physical, economic and social changes that break with the past and are largely irreversible, the peri-urban interface requires previously rural people to assess unfamiliar urban risks and acquire new urban skills. If these changes are compounded by inward-migration, the result may be the fragmentation of local communities, weakening both group action and group support for individuals. In addition, as urban pressures lead to an increasingly monetised economy, people need access to financial capital, perhaps for the first time in their lives.

Countering these challenges, participatory action planning promotes group action, raises people's confidence to deal with change, and increases locally

available information, especially about urban threats and opportunities. Community based facilitators can support such planning in the community, whilst at the same time creating or strengthening links with external institutions, such as those in government. NGOs too can initiate and facilitate participatory action planning, provide information about urban threats and opportunities – either directly or through community based facilitators – and, most importantly, accumulate institutional knowledge about how best to intervene to support changes in livelihood activities. Access to credit eases the transition to alternative livelihoods, especially for those whose previous activities required little or no financial capital. And access to new sources of training, information and other mechanisms for developing human capital can provide the awareness, skills and knowledge needed in order to shift into an urban economy (see Box 1).

Box 1. Understanding the market

Market Oriented Value Enhancement (MOVE) was a training programme conceived in response to the failure of one NRSP project 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 natural resource management meant little. A business management specialist from the Institute of Management Studies at Karnataka University, Dharwad, was asked to design a course to help three self help groups consisting 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 which used symbols instead of script. This 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 of detergent per month.

This training was attended by the community development officers of the NGOs on the research team, who then replicated it in the other villages involved in the project. New enterprises were developed in all six villages within six months.

Based on NRSP project R8084

Natural resources are still key

In the research projects, activities that enhanced or rehabilitated natural resources gave more positive economic outcomes than any other livelihood activities. During the rural to urban transition, agriculture remains an important livelihood activity, especially for the poorest people. It serves as a safety net, providing food for the family, and as a bridging activity for those with access to land, supporting the shift into alternative productive activities. Diversifying the crops they grow is a strategy that helps people manage the economic shocks that urbanisation periodically delivers. Farming also provides employment opportunities for the landless, especially women. Agriculture and agricultural labour can be combined with other activities and integrated with domestic responsibilities.

Food production geared to urban markets features significantly in peri-urban livelihood strategies, especially those of men and people who are not poor. Agriculture intensifies and shifts towards high value perishable products such as vegetables, milk, eggs and fish.

Urban wastes form an additional resource for agricultural production at the peri-urban interface. But peri-urban users are now finding it increasingly difficult to tap this resource.

In the research projects, wherever natural resources were managed carefully, people had improved food security, higher incomes, increased livelihood diversity and better protection against adversity than where utilisation of the natural resource base was purely extractive.

Farming and trading as bridges

As people in peri-urban situations add new activities to their livelihood strategies, they seem to rely on farming and/or trading to cover the risks as they do so – and particularly to provide an income in the short term, until the new venture starts to yield its own income stream. Farming is a familiar activity that may not require access to credit. Petty trading is also already familiar to many.

These activities often have particular importance for women. Trading appears to suit women's needs. It gives them reasonable returns and rapid payback, and allows them to match their time and labour input to their personal circumstances (see Box 2).

Box 2. Akosua's story

Akosua is a 36-year-old fruit seller living in the relatively urban village of Abrepo, in greater Kumasi. Prior to joining the Boafo Ye Na project, Akosua's low working capital limited the range and quantity of fruit she could buy, so her profits were very low. After accessing a loan from the project she added lines of fruit that she did not previously sell as well as buying greater quantities of fruit. She now sells oranges, bananas, pineapples, watermelons and apples and has increased both her turnover and profitability.

Prior to the research she considered herself poor, but now she considers herself average. Her relationship with others has improved, especially with her family because she no longer asks for money to pay her debts and is able to contribute to the household income and the children's school fees. Her husband now consults her on family issues and she contributes to family decision making

Based on NRSP project R8090

Fast cash returns are needed

The loss of access to natural resources, especially land and forests, moves people away from subsistence production towards dependency on the cash economy. As a result, the need for credit to develop alternative income generating activities is more acute in peri-urban conditions. For the poorest people, low-waged casual work and/or small returns from business, farming or petty trading leave little scope for them to make sufficient savings to invest in new or existing business activities. This lack of savings, together with insecure property rights, low profits, low farm prices and uncertain labour opportunities, make debt a heavy burden.

Consequently, the speed of cash returns was found to be a significant factor in the choice of livelihood activity. When cash returns are slow, as in activities such as rabbit or snail rearing, the poorest people are frequently unable to maintain the new activity, which may be taken over by less poor people who have sufficient assets to allow them to take a longer term view.

Individuals versus groups

Individuals were found to be more effective than groups at increasing incomes at peri-urban interfaces. People often preferred to work as individuals. The size of the village and its proximity to urban areas seems to matter. NGOs found it difficult to facilitate the creation of groups in some of the more urban villages. The social heterogeneity of peri-urban communities may be a factor, but a breakdown in social capital during the rural to urban transition also appears to play an important role.

However, where group activity was successfully initiated it greatly enhanced social cohesion: significantly increased empathy, unity and co-operation were reported in participating villages. Even where people did not comfortably work together in groups, they recognised the value of developing networks and associations.

Lack of awareness

There is a general lack of understanding in government of the special problems and opportunities of peri-urban areas. Moreover, administrative boundaries between rural and urban authorities usually fragment government interest and policy making.

For example, governments generally do not recognise the value of urban wastes to peri-urban agriculture. NRSP studies that ranged more widely than the three peri-urban cases found that urban authorities rarely consider the rural re-use of wastes in their waste management plans and fail to recognise that poor peri-urban people who rely heavily on this resource are finding it increasingly difficult to obtain.

Activities supported by the NRSP research, especially participatory action planning and the testing of alternative livelihoods, demonstrated both the constraints to better peri-urban livelihoods and ways of overcoming these constraints. However, neither rural nor urban policies reflect sufficient awareness of these findings to be effective in dealing with the changes wrought at the peri-urban interface. Few development agencies yet realise what is going on at the interface and what can be done about it. This knowledge is not yet in the body of development literature.

About this brief

NRSP Briefs present research carried out at the culmination of the programme to synthesise results across projects. They derive lessons and key messages that could benefit future research and policy on a range of topics that added to or crosscut the NRSP and RNRRS research agenda.

This Brief is based on **NRSP Project R8491 Synthesis of peri-urban interface knowledge on**

NRM and alternative livelihoods. Details of this project and its publications, and those of other NRSP projects, can found in the Project Database at the NRSP website: www.nrsp.org.uk.

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The **Natural Resources Systems Programme (NRSP)** is one of ten programmes comprising the Renewable Natural Resources Research Strategy (RNRRS) of the UK Department for International Development (DFID). The RNRRS started in 1995 and ends in 2006. NRSP's purpose is the delivery of new knowledge that can enable poor people who are largely dependent on the natural resource base to improve their livelihoods. To achieve this NRSP undertakes research on the integrated management of natural resources. This research encompasses the social, economic, institutional and biophysical factors that influence people's ability to both use and maintain the productive potential of the natural resource base over a relatively long timeframe. The intended outcome of the research is that natural resource related strategies for improving people's livelihoods, that are of proven relevance to poor people, will be delivered in forms that could be taken up by the poor themselves and/or by development practitioners operating at a range of levels, from grassroots to senior policy level.

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