Thinking Small:
Livelihoods Projects & Advocacy

A quick guidance note on the animation
March 2015

People face many challenges in their livelihoods strategies including specific challenges related to income generation or business related activities. Some of these challenges can be tackled through programme interventions (for example providing farmers with inputs could help jump-start new small-scale agri-businesses). But some of these challenges are related to unfair rules, regulations, policies or practices. These are challenges within what we call the business environment. In order to tackle these issues we need to influence decision makers to create a *pro-poor* business environment. To do this we need to introduce advocacy methodologies into our standard livelihoods programmes.

To help staff and partners to think about how this could be done, we have developed an animation entitled "Thinking small: Advocacy in Livelihoods Programmes". This animation can be watched in 3 parts and used as a basis for further discussion and reflection around programme design.

We encourage you to watch each part of the animation separately and to follow up each viewing by discussing the relevant questions with your colleagues. We have also developed material for a 3-day workshop where these issues are delved into in further detail. Please contact us should you need more information on this.

DISCUSSION QUESTIONS
Note, it may help to have a particular enterprise, cooperative, sector or value chain that you are working with in mind when answering these questions

Part 1: Introduction of key concepts: livelihoods, small businesses & the business environment.

- **Discussion 1: The idea of 'small businesses':** Have you ever thought about the people you work with in livelihoods programmes as small business owners / entrepreneurs? Do you think they think of themselves this way? What, if anything, changes if we see them as this instead of as 'beneficiaries'?

- **Discussion 2: The Business environment:** Considering the definition of the business environment, what are some of the specific issues that might come under each area (i.e. institutions, regulations, policies, resources, laws, norms or practices) that might impact on small businesses? For example are there any local regulations (e.g. business licensing, local tax rates, street trading etc) that impact on small businesses? Are these implemented fairly? Is information about these accessible?

Part 2: Think Small research findings

- **Discussion 3: The think small research:** There were 5 areas which, globally, were found to be important issues to be tackled to have a pro-poor business environment[1]. Do the 5 issues resonate with your experience of the challenges faced by small businesses in your area? What are the main constraints that the small business you're working with (in this project or in your region) face? Are they similar to the findings of our research or are there unique challenges to your area?

- **Discussion 4: Tackling these challenges**: Think about the challenges you've just identified; can our programmes solve them directly? Are there others (people, institutions or decision makers) whose responsibility it is to solve these problems? E.g. who in government is responsible for making, implementing and enforcing policies and laws which affect the small business you have chosen to focus on? What powers, will and resources do they need to fulfil this role? Do they have them? Think about local, sectorial and national level, and both officials and institutions.

Example: Take the case of a cooperative of fruit pulp producers who want to improve their sales locally: perhaps the provincial agricultural department has a mandate to provide them with technical support – do they have know-how, budget and people to do this? Perhaps the Ministry for Environmental Health is responsible for regulating food safety and hygiene but their regulations – designed for industrial foodstuff producers – create substantial barriers to the cooperative; perhaps the Local Government Education Department is required by law to use a percentage of school meals budget to buy from local producers but they aren't doing it – why? Do they know this law exists? Are they discriminating against local food producers? Do they know they could save money and improve child nutrition?

Part 3: Advocacy, livelihoods and the business environment

- **Discussion 5: Thinking about advocacy**: Have you considered doing advocacy before?[2] Reflecting back on some of the issues or challenges you identified previously (discussion 3), would some be better tackled through advocacy? Are there laws, policies or regulations which need to be changed or implemented better? Do resources need to be (re) allocated or allocated differently?

- **Discussion 6: Reflecting on next steps:** At the end of the last animation, 5 points were raised. As you think about next steps, it is helpful to reflect on these points and assess where you're at:

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[1] These included: the need for financial services, the provision of appropriate and affordable infrastructure and services, the importance of demand, the development of human capital, and a need to deal with risk and vulnerability.

[2] Note: advocacy is as much about sharing or suggesting 'good practice' as about (constructive) criticism of decision makers' policy or practice.

- The business environment impacts on the success of small businesses and livelihoods projects. Have you thought about the business environment and the way that this could impact on the businesses you're trying to support?

- Small businesses know their own issues best and will have important information about the business environment and how it impacts on them. Have you talked to small business owners about the challenges they face in their businesses? Have you talked to other 'key informants' about the policies, regulations, institutions and social norms that might impact on small business success?

- We need advocacy: Tackling challenges within the business environment may require more than programme support. When scoping and designing an enterprise development project have you thought about which issues can best be tackled through programme support and which may require us to influence decision makers and how?

- Advocacy should be built into programme design: Building it in from the beginning can strengthen your programme outcomes. What stage of the programme cycle are you in? Could you build in advocacy? What support do you need to do this?

- Advocacy is best done in partnership, there is strength in numbers. Are there other civil society organisations and networks who are also supporting small businesses that you could work with? Can we directly involve small businesses and their networks in our advocacy initiatives and amplify their voices by facilitating opportunities for them to talk directly with policy-makers?

Further resources:
CAFOD's tool to do a Business Environment Scan provides some step-by-step guidance on how to analyse the business environment and identify key issues which need to be tackled in your project or programme. Please contact us should this be useful to you.

CAFOD's V&A (Voice & Accountability) Tool is a self-assessment scalar tool for partners to monitor and evaluate change over time in their advocacy work. It looks at 4 dimensions of advocacy: involvement in government processes, advocacy strategy development, community and constituency building & influencing of private sector actors. Please contact us should this be useful to you.

The Tearfund Advocacy Toolkit is an introductory and comprehensive guide to the theory and practice of advocacy. It is set out in a logical order, providing a clear overview and guidance about advocacy, based on the key questions: *What? Where? Who? Why?* and *How?*

We would also be interested in hearing your stories and the outcomes of these discussions. We may also be able to provide some advice around next steps from here. Please do be in contact.