

Diversifying Livelihoods, Resilience, and Pathways Out of Poverty

U.S. Government's Global Food Security Strategy Activity Design Guidance

This is one of several Activity Design Guidance documents for implementing the U.S. Government's Global Food Security Strategy. The full set of documents is at www.feedthefuture.gov and www.agrilinks.org.

Introduction

Livelihood diversification is one of the key resilience approaches outlined in the U.S. Government's Global Food Security Strategy (GFSS) Activity Design Guidance for Strengthened Resilience Among People and Systems, especially related to risk management and long-term adaptation to a variety of shocks and stresses. This guidance provides more details and insights for designers, and should be considered among the other technical approaches and tools for integrating resilience into GFSS programming. Livelihood diversification has long been used and promoted as a strategy for increasing incomes and managing and diversifying risk among poor and vulnerable households. As agricultural productivity improves, the sector tends to shed labor as it shifts to the rural, nonfarm economy or migrating to urban areas.^{1,2} Diversification out of agricultural production into higher-value, off-farm agricultural livelihoods for some, or into nonagricultural professions for others, is also consistent with trends in how countries and regions are experiencing and managing shocks and stresses. Some key issues driving this change include rising poverty and hunger, population growth, the youth bulge and changing demographics, more households with smaller plots of land, pressure on natural resources. Additionally, seasonal and permanent migration and displacement are driven by multiple factors, such as the need for income and jobs that rely less on owning land, youth seeking change and a new life, climate change threats, and conflict.

The GFSS 2022–2026 addresses these challenges through building resilience to the immediate shocks and longer-term stresses on all fronts by focusing on elevating inclusive development and social protection, strengthening and transforming resilient food and nutrition systems, integrating risk management and shock-responsive systems, integrating climate change adaptation across programming, addressing the rural-urban migration, and integrating conflict prevention, social cohesion, and peacebuilding. Livelihood diversification is an important approach in the resilience toolbox, and intersects with other strategies.

This guidance document discusses how diversifying livelihood strategies and risks on- and off-farm, as well as in and outside the agriculture sector, can contribute to a comprehensive risk management approach.

Terminology and Context

Terminology

Market System Development: An approach that extends beyond individual value chains to build the capacity and resilience of local systems.³

Value chain: refers to the actors and functions connected by a series of value-addition transactions from production to consumption of goods and services in response to a market demand. The GFSS Activity Design Guidance for Integrating a Market Systems Approach in Programming provides a more extensive discussion on the relationship between value chains that are the basis of market systems.

Livelihood: A livelihood comprises the assets (natural, physical, human, financial, and social capital), the activities, and the access to these assets (mediated by policies, institutions, and social relations) that together determine the earnings gained by the individual or household.⁴

Push/Pull Approaches: In the context of livelihoods and livelihood risk diversification, push strategies seek to remove constraints and build the capacities of individuals to engage in markets and various income-generating activities. Pull strategies seek to expand the diversity and quality of accessible economic opportunities by strengthening market demand for these income-generating activities.⁵

Resilience: The ability of people, households, communities, systems, and countries to reduce, mitigate, adapt to, and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth.⁶

Risk Management: The set of activities, behaviors, decisions, and policies that allow individuals, households, and communities to mitigate (reduce) the likelihood or severity of a shock, or positively cope (without employing negative coping strategies, such as productive asset depletion) with shocks, stress, and risk exposure, such as through asset creation and protection, risk transfer and diversification, or adopting adaptation strategies that help individuals, households, and communities manage longer-term stresses and prepare for future shocks.

Context

The poor and near poor often face challenges in matching their income generation and agricultural production with their consumption and investment needs. For example, in rural agricultural settings, the seasonal production and harvest cycles and resulting sales can be disrupted in unpredictable ways by weather shocks, crop and animal pests and diseases, sudden price shifts, governance and policy changes, and, in certain contexts, political instability and conflict. Idiosyncratic shocks, such as accidents and illness, can also strain household livelihood strategies, income generation, and expenditure patterns in unexpected ways. Gender dynamics and marginalization also influence constraints and opportunities in livelihood systems. Gender divisions in livelihood choices and labor force participation are reinforced by social norms that undervalue women's labor, restrict women's mobility and decision-making power, and limit women's social and professional networks. Marginalized or disadvantaged groups who are especially affected by poverty, including youth who face further barriers to accessing resources and are disproportionately represented among the working poor, may be pressured to engage in livelihoods that are less desirable or less productive.

Livelihoods diversification is a critical strategy in building resilience; however, the relationship between livelihood diversification, pathways out of poverty, and resilience carries some important considerations:

- Diversification alone may not be sufficient to buffer individuals and households from shocks and stresses and may even increase their vulnerability. This is because doing something new that may also be unfamiliar can increase risk, and it may increase the workload and burden on women and girls.^{7,8} This is particularly true for households who are engaged in or rely on multiple unstable livelihoods that have low return.
- Diversifying livelihood activities does not necessarily diversify livelihood risk if those activities are exposed and vulnerable to the same (covariate) risks.⁹ A perfect example is the sensitivity of agricultural livelihood activities to weather variability and climate change.
- Livelihood diversification is but one means of managing risk and reducing vulnerability among the poor, those living on the brink of poverty, and marginalized groups. The GFSS Activity Design Guidance for Strengthened Resilience Among People and Systems highlights numerous approaches to build resilience, including risk management and risk transfer approaches. (See the [Agrilinks page](#) for links to additional Activity Design Guidance documents.)
- As agricultural productivity modernizes and becomes more efficient, and as populations grow and household land size decreases, the sector tends to shed labor. We are seeing a shift in rural labor to the off-farm and nonfarm economy, including migration to urban areas.¹⁰
- As agricultural and all other forms of incomes increase, the demand for more nonfarm goods and services can act as a push factor for nonfarm labor and the development of market towns and tertiary cities.¹⁰ However, this means that engaging in the nonfarm labor market is an incomplete hedge against agricultural risks since they are covariate at the community level.
- Diversification of labor outside the agriculture sector and off-farm is linked to investments and growth in human capital, including education, health, nutrition, workforce development, and job growth. Smallholder agriculture will continue to be the engine of rural economies and “remain fundamental to absorbing much of Africa’s burgeoning young labor force.”¹¹ Small- and medium-scale agriculture, especially beyond the farm through diversified services and input and output markets, will also contribute to youth employment opportunities.
- Planning for migration, urbanization, and creating positive rural-urban linkages is critical to consider in livelihood diversification analysis and design. In the absence of jobs and investments in human capital, people will resort to the means at their disposal, which can result in forced seasonal and permanent migration, coercion (especially among women and youth), increased rural poverty among people left behind, and the urbanization of poverty.

As discussed in the GFSS Activity Design Guidance for Strengthened Resilience Among People and Systems, how people respond to and manage these challenges depends upon their sources of resilience, including productive assets, resources, social capital, hopes, and aspirations, and the means to protect their development gains and well-being. The resilience evidence reveals different strategies against the backdrop of rural-urban transformation, including those that are decisive, forward-thinking shifts in livelihood strategies, or negative coping strategies:

1. **Hangin in** means when individuals and households take little to no action to diversify livelihood risk in the face of adverse circumstances or “dropping out” of a formerly productive livelihood into a lower risk, but less productive, opportunity. This may be due to a lack of means, social barriers and marginalization, or needing more time to see how new technologies work before taking risks. Often, these groups are poor, marginalized, and are living a subsistence livelihood with few assets

and resources. They also are likely to resort to negative coping strategies during times of duress as their only means of survival.

One strategy for reaching households, and in particular the women and youth within them, that are hanging in is to aim to strengthen a range of sources of resilience, including supporting diversified livelihoods, income and savings, social resilience, and women's and youth's empowerment through Village Savings and Loan Association (VSLA) platforms. Additionally, households that are hanging in can benefit from the boost offered through enrollment in national social protection programs that are proven to stabilize basic consumption coverage, while also supporting complimentary livelihood opportunities that support higher value livelihoods and human capital. Social protection programs also invest in human capital through nutrition, education, and health, and building agency and self-efficacy. For example a "cash+" approach, such as cash transfers coupled with complimentary livelihood support, and asset creation and protection services can help the poorest and most marginalized groups break cycles of poverty and asset erosion caused by chronic poverty and vulnerability and constant exposure to seasonal and other major shocks and stresses. The incorporation of coaching further supports youth's economic inclusion in cash+ approaches. Social protection boosts livelihoods and can serve to derisk the environment to greater market engagement, adopting new climate-smart practices, or diversifying livelihoods away from farming altogether.

- 2. Stepping up** within agriculture entails having increased ability to buffer risk through agricultural diversification, increasing specialization and more market-oriented production and engagement elsewhere in agriculture and food systems. This would also include the ability to take risks to invest in improved, climate-smart technologies to increase income and sustainable productivity over time, build savings, accumulate assets, and/or buy insurance. "Stepping partially out" means moving away from agriculture to engage in livelihoods that have a different risk profile as a complement to agriculture-based livelihoods. Generally, these groups are among the socioeconomically poor and marginalized; however, they have greater ability and sources of resilience to take decisive action, have more assets and collateral, and are less risk averse. Forced migration, displacement, and climate change can also spur change.

One strategy for stepping up within agriculture is crop (or herd) diversification to reduce the risk of production loss or a reduction in value due to adverse weather, pests and disease attacks, or unfavorable market conditions for any one crop. This may entail strategies such as raising livestock or other animals, in addition to crop cultivation, crop rotation over multiple seasons, or a mixed/intercropping system in the same season. These strategies also can increase agricultural productivity (e.g., intercropping or rotations of maize with nitrogen-fixing legumes). However, field programs should be careful to avoid placing additional burdens on households—particularly women, including young women and girls—when promoting on-farm diversification and also avoid pushing households into less viable or productive crops. Most small-scale producers will likely need increased access to resources, such as agricultural inputs, for more productive and adaptive crops. There may also be strong cultural preferences for growing certain crops over others.

Another strategy for stepping up is diversifying within the agriculture sector, both on- and off-farm. The former includes cash or niche crops, livestock, aquaculture, apiculture, basic farm-level processing, or aggregation. The latter includes engaging in service provision, aggregation, and value addition elsewhere along agricultural value chains.¹² Many poor farmers are risk-averse and need to see the benefits of these strategies before making a choice to engage or invest in a particular strategy. This may be particularly true for women.

- 3. Moving out** of agriculture entirely and into livelihoods that have a different risk profile and potentially higher returns, is a third stage. These groups tend to be among the better-off and more market-engaged, with diverse sources of resilience. However, it is important to acknowledge that due to complex shocks and forced displacement and migration, and the increasing climate emergency, there are also highly vulnerable groups that have and will continue to need to leave agriculture and adopt entirely new livelihoods.

Stepping out or moving out of agriculture and into off-farm, nonagricultural livelihoods with lower or less direct exposure to risks imposed by weather variability can significantly reduce household and community livelihood risk.⁷ One strategy is engaging in microenterprises (as a form of self-employment) or small- and medium-sized enterprises (SMEs) outside of the agriculture sector; agricultural growth is particularly effective at expanding such opportunities. Even so, these enterprises are indirectly exposed to these risks to the extent the local economy (and local demand) is dependent on agricultural production.

Likewise, if too many people in a community choose to diversify into similar enterprises, this can oversaturate local markets. Seeking formal or informal wage employment in rural towns and hubs is another strategy for those who lack the assets, resources, or aspiration to engage in self-employment or entrepreneurship. Still another strategy is migrating for employment or other opportunities, seasonally or permanently, including to secondary cities, capitals, and other countries.¹³ Migration can be an effective means of managing covariate livelihood risk. However, it also entails significant risks of its own, particularly for women and youth, and finding work is not guaranteed. If successful, however, it can also afford a critical source of resilience for the migrant and, through remittances, a source of resilience and investment capital for those that remain at home.¹⁴ For example, in Bangladesh, remittances have been linked to sustainable poverty escapes for female-headed households⁸ and in Niger, internal and regional labor migration is an important household coping strategy.¹⁵ In Cambodia, there is strong evidence of the reciprocal nature of labor migration showing that 98 percent of urban migrants remitted income to their rural communities, with 74 percent receiving resources (food and durable goods) from their families or communities in return.¹⁶ Internal migration is more likely to succeed in improving household resilience if it takes place within a supportive policy environment, with portable social protection benefits and civic rights.

Role of Youth and Employment. In all three of these adaptive pathways, the economic empowerment of youth is key to building sustainable livelihoods and facilitating sustainable and resilient poverty escapes. The GFSS recognizes that the creation of more and higher-quality jobs for and with youth, both on and off the farm, is an urgent priority. Programming should balance supply- and demand-side approaches, and will often involve “push/pull” approaches, including to sustainably serve as many youth as possible. The U.S. Agency for International Development (USAID) Employment Framework provides comprehensive technical guidance on how to diagnose employment challenges and recommends interventions to support employment and skills to navigate employment opportunities. These will be shaped by a country’s state of structural transformation, demographics, gender norms, and other factors. On the supply side, activities may aim to strengthen technical, noncognitive, or soft skills, and may support training institutions to be more responsive to labor-force and private sector labor demand.¹⁷ Creating labor demand is also critical to expanding youth employment opportunities, including through gender- and youth-inclusive market systems change approaches. Gendered divisions of labor can begin at an early age. Therefore, an understanding of gender dynamics within and beyond the household is necessary to develop inclusive strategies to link young people to new, gender-transformative market opportunities as producers,

employees, and entrepreneurs, increasingly beyond production. Better defining and investing in employment opportunities for youth and others that provide decent work and lead to greener outcomes and a just transition are key priorities in helping youth and their societies adapt to the impacts of climate change. See the GFSS Activity Design Guidance for Youth Empowerment and Livelihoods in Food Systems and the GFSS Activity Design Guidance for Employment and Entrepreneurship for more information.

Links to Fragility and Violent Extremism. The GFSS has included a new crosscutting intermediate result on conflict sensitivity, social cohesion, and peacebuilding, recognizing that conflict and fragility are two of the main drivers affecting food insecurity globally, and across Feed the Future target countries. In any given context, the motivations for joining violent extremist groups are varied and complex. However, there is clear evidence that a lack of economic opportunities in and outside of the agricultural sector, associated grievances, and curbed aspirations can motivate individuals and groups to seek alternatives, including those associated with participation in violent extremism. For example, a USAID/Pakistan-funded study of violent extremism in South Punjab and Sindh suggests that the lack of economic opportunities, marginalization, and associated grievances are important push factors that draw individuals into violent extremism.¹⁸ Research by Mercy Corps into youth motivations for joining Boko Haram reveals that Boko Haram tapped into similar motivations and used business loans as a means of recruiting from among the local population.¹⁹ In Somalia, as little as \$50 a month and a mobile phone are enough to attract some youth to join al-Shabaab.²⁰ While not a standalone solution, livelihood programs that create diverse economic opportunities in and outside agriculture, including for youth in rural towns and cities, have an important role to play in helping to address the push factors extremist groups have exploited for recruitment. These activities can be paired with other multisectoral programming that strengthens community engagement for youth and related governance interventions that address other underlying causes of grievances.²¹ Please refer to the GFSS Activity Design Guidance for Conflict Integration, the GFSS Activity Design Guidance for Youth Empowerment and Livelihoods in Food Systems and for additional design considerations.

Designing Activities

- 1. Expand and diversify livelihood and economic opportunities.** Livelihood diversification efforts should focus on diversifying risk exposure and not simply the number of income-generating activities. Further, in some contexts, certain livelihoods may be better adapted to the prevailing social and ecological systems than others (e.g., well-managed pastoralism may be better adapted to arid and semi-arid ecosystems than certain cropping systems).²² Evidence also shows that livelihood diversification as a resilience strategy and sustainable pathway out of poverty is more successful when it enables individuals and households to engage in high-return (and stable) economic activities.⁷ At the same time, women's and girls' lower rate of literacy and numeracy, especially in rural areas, is a major barrier to their potential success in running a household enterprise. These findings reinforce the need for strategies and policies that promote entrepreneurship, improve the enabling environment, increase access to credit and financing, promote literacy and numeracy (particularly for women and girls), and help poor households and communities transition away from unstable or low-return activities and employment.
- 2. Apply a market systems approach.** This approach, described in the GFSS Activity Design Guidance for Integrating a Market Systems Approach in Programming can be applied to generate market-driven livelihood opportunities in and outside of agricultural markets. The approach can catalyze local action to improve the enabling environment for diversified livelihoods. Conversely,

households may choose to specialize in fewer livelihood activities when they have access to well-functioning, reliable markets as a source of: (1) demand for their own products and services and (2) supply of their other household needs. In another application, financial market facilitation creates access to savings, credit, and insurance products that enable household risk mitigation.

- 3. Consider push/pull approaches.** As defined above, this market-oriented, pathways-based approach to poverty reduction seeks to strategically link, in design and practice, market development initiatives with efforts to support transitions out of poverty for the extreme poor, including the landless and other highly marginalized populations.⁵ These linkages can be designed within a single activity or across multiple activities, but must be explicit and intentionally connected to have impact. Successful activities use both push and pull approaches as part of the same strategy.
- 4. Consider employment and enterprise.** Livelihood programs have tended to focus on self-employment and have largely ignored wage employment pathways; however worldwide, up to 40 percent of the agricultural labor force is employed as wage labor and 80–90 percent of households engage in nonfarm activities.^{23, 24} Graduation approaches designed to help ultra-poor households transition out of precarious wage labor and into more secure employment can provide a pathway out of poverty and a source of resilience.²⁵ See the GFSS Activity Design Guidance for Strengthened Resilience Among People and Systems for further discussion of graduation approaches. Labor market analysis is critical prior to programming to determine any underlying constraints. This analysis should consider both demand-side (e.g., are there enough jobs in the economy to create derived demand for specific skills?) and supply-side (e.g., do individuals have the right skills to raise earnings?) interventions. Efforts to expand formal employment in rural areas should account for occupational safety, access to safe and affordable transportation, gendered norms around mobility, and workload and responsibilities that affect women's, men's, and youth's abilities to engage in formal employment. In addition to formal employment, contract farming, home-based processing, or developing nearby markets may create opportunities, especially for women who may be less able to travel. Likewise, developing appropriate social protection for informal workers can strengthen resilience, even among households reliant on very low wage labor.
- 5. Consider in-country and regional migration for employment as an adaptive strategy.** Migration to urban labor markets is a common adaptive strategy for millions of people every year and can be a critical source of income and resilience for migrants and household members that may remain at home. Migration is frequently used as a livelihood diversification strategy in places that experience recurrent, large-scale, covariate shocks like droughts. Rural livelihood programs have not regularly looked at how seasonal (or longer) labor migration to nearby towns and cities can be an important adaptive strategy to diversify livelihood risk. In addition to activities that enhance local employment opportunities, design teams should consider ways to minimize risks and support safe, regular migration, where appropriate. Opportunities for support occur throughout a migrant's journey, including: (1) pre-journey preparation, (2) the journey itself, (3) reception and integration into the receiving community, and (4) potential return to the sending community.²⁶
- 6. Consider development of noncognitive skills in addition to technical and vocational training/skills development.** Developing a core set of skills comprised of positive self-concept, self-control, and higher-order thinking skills is a strategy to achieve positive cross-sectoral outcomes for youth and other marginalized groups in workforce success, violence prevention, and sexual and reproductive health.²⁷ Interviews with employers in Ethiopia cited the need for staff with enhanced skills in customer service, communication (including listening and taking direction), trust,

reliability, and commitment.²⁸ Vocational training programs should include activities focused on building job readiness and other skills. Design teams that choose to focus exclusively on building these skills, can look for opportunities to partner with the private sector to develop technical training and apprenticeship opportunities.

- 7. Set targets for dietary outcomes or nutrition-sensitive outcomes.** Livelihoods affect the nutrition of individual household members through multiple pathways and interactions, which may be different for men, women, and children. The [Designing Effective Nutrition-Sensitive Agriculture Activities: Facilitator’s Guide](#), assists practitioners to establish contextually appropriate, nutrition-sensitive agriculture outcomes, interventions, and indicators. The [Working within the Food System: Gender Considerations for Achieving Improved Diets](#) technical brief also highlights important design considerations for effectively supporting women’s livelihoods while also promoting and safeguarding nutrition, as well as additional guidance for livelihoods, food systems, and nutrition. Livelihood diversification activities should also be designed to mitigate the potential negative impacts of increased or hard labor on nutritionally vulnerable groups, including pregnant and lactating women, children under five, and women of reproductive age. Please also refer to the [Nutrition and Resilience: Discussion Brief on Better Integration of Nutrition into Resilience-Strengthening Programs](#) for more information on the relationship between nutrition and resilience.
- 8. Pay attention to the relationship between livelihoods and the natural environment.** The poor and near poor are often heavily dependent on the natural environment for their livelihoods and well-being. Degradation, misuse, and overuse of these resources can negatively affect economic growth and livelihood options. Principles for effective natural resource management programming should be considered, as appropriate, when designing livelihoods activities. These include: (1) safeguarding natural resource productive capacities and ecosystem services, (2) encouraging the restoration of degraded lands, (3) promoting sustainable agricultural practices and systems that increase natural resource productivity, and (4) promoting resilient production systems.²⁹
- 9. Be sensitive to social exclusion and the possible need to change social norms.** In contexts where the most vulnerable are excluded from productive assets because of legal, social, or cultural norms, recognize the need to address these barriers in order to expand livelihood opportunities. Toolkits applicable to gender integration and challenging gender norms often contain useful guidance that can be applied to other vulnerable groups. This is sometimes more easily done when new employment or livelihood opportunities are on the table.
- 10. Expand Measurement also needs to go beyond simply counting the number of livelihoods.** Design teams and implementing partners should examine the qualitative differences in the risk exposure of various livelihoods, as well as their costs and other barriers to entry, to better understand their vulnerability to specific shocks and stresses. For example, using the category “wage labor” when collecting information on livelihood sources may be insufficient to determine the exposure to weather variability and other risks associated with that livelihood source.

Programming in Practice

Example 1: The Productive Safety Net Program (PNSP) in Ethiopia is a globally recognized example of a graduation approach, or economic inclusion model, that invests in strengthening social protection systems and layering on the foundational components of the approach—predictable cash or in-kind transfers, livelihood support, access to finance, literacy, and market engagement. PNSP Graduation with Resilience to Sustainable Development (PNSP-GRAD) graduated over 60 percent of targeted households from the PNSP. Three years later, more than 80 percent of those remained graduated. The need and demand for graduation approaches and investments in social protection have increased dramatically in the wake of the COVID-19 pandemic. This is an example of reaching people who were previously “hanging in” and were supported through a combination of social protection and productive livelihood benefits to move up within agriculture.

Habtamu Aragaw and his family living in Amhara, Ethiopia, were landless and dependent on food aid for a long time, with their only income being sharecropping. They joined the Feed the Future PNSP-GRAD Activity in 2012 and engaged in a sequence of activities in the project’s economic inclusion model to help bolster their basic consumption support and livelihoods. This included VSLA, improving financial literacy, technical training, and engaging in new value chain production, linked with improved inputs, financial services, and output markets. After three years, Habtamu graduated from the safety net. He was producing sheep, barley, and potatoes for market and engaged in petty trade. Three years later, he was able to manage the impacts of the 2015–2016 drought. He had about \$5,400 in annual income, and \$3,500 in savings. Livelihood diversification was among the family’s key sources of resilience, in addition to opening up market engagement opportunities, increasing savings, and women’s economic empowerment.

Example 2: The [Thriving and Sustainable Investments for Land Restoration and Economic Opportunity \(TSIRO\) Alliance](#) is a Global Development Alliance (GDA) in Madagascar, and is an example of livelihood diversification that promotes a direct-trade model for single-origin chocolate produced by Beyond Good Chocolate for export. The Alliance’s approach invests in higher-value agriculture to help farmers diversify into the emerging cacao sector, as well as expand vanilla and spices, such as Madagascar’s wild black pepper production and trade. Madagascar is the largest vanilla producer globally, but the environment where it grows is under threat of deforestation and natural disasters. Climate change is a growing threat and, across the country, there is a need to diversify and expand opportunities for more people and regions to address protracted poverty, food security, and malnutrition, and build resilience to compounded shocks and stresses.

Beyond Good Chocolate uses a direct trade approach to invest in production and processing in Madagascar and has diversified the livelihoods of over 2,000 local cacao and spice farmers, through promoting sustainable agroforestry approaches that result in increased incomes, as well as forest and biodiversity conservation in neighboring forests and protected areas. The agroforestry approach effectively values natural resources through reforestation, deterring slash-and-burn agriculture, and providing additional habitats to protect Madagascar’s lemurs and other unique fauna and flora. Additionally, while much of this production to date has been established in the northwest part of the country, through this GDA, USAID has provided support to expand production to the southwest region, including areas surrounding the [Ranomafana National Park](#), which is also affected annually by recurrent cyclones and food insecurity. The investment is working to plant more than 1.5 million trees in production areas. The business also employs staff at the chocolate factory in the capital of Antananarivo, thus ensuring that the entire supply chain is in Madagascar, and farmers receive the greatest proceeds from

their production. Consumers can find individual farmer profiles through a quick response (QR) code link on the inside of each chocolate bar wrapper and on the website.

Example 3: [ACCESO in Honduras](#) was a four-year Feed the Future activity that aimed to increase the nutrition and incomes of 30,000 smallholder farmer households and achieve mitigation co-benefits through perennial crop expansion, soil management, and livestock improvements. The activity: (1) introduced improved production practices, (2) created market-driven programs to increase production and sales of high-value cash crops, and (3) expanded off-farm microenterprise and employment opportunities. ACCESO reduced greenhouse gas emissions and led to net carbon sequestration. Compared to conventional practices, ACCESO supported activities that reduced emission intensity for carrots (down 106 percent), cabbages (down 99 percent), maize (down 99 percent), and potatoes (down 98 percent). Emission intensity increased due to greater fertilizer use for plantains (up 55 percent) and coffee (up 247 percent).

Additional Resources and Tools

- [Key Sheets for Sustainable Livelihoods](#): Describes a conceptual module for a sustainable livelihoods approach that promotes systematic analysis of the underlying processes and causes of poverty.
- Consultative Group to Assist the Poor (CGAP). 2014. [From Extreme Poverty to Sustainable Livelihoods: A Technical Guide to the Graduation Approach](#). CGAP.
- USAID Course on Resilience and Livelihoods Diversification Training (2018): [Resilience and Livelihoods Diversification](#).
- Search “Livelihoods” on our Knowledge Management Platforms: [ResilienceLinks](#), [Climatelinks](#), and [Agrilinks](#).

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