

# **Community-Based Sustainable Forest Management for Water Resource Conservation in Manipur (COSFOM-KfW)**

## **Draft Guideline for the preparation of the Livelihood Improvement Plan**

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## 1. Objectives

The Livelihood Improvement Plan (LIP) is the main instrument of the COSFOM Project for the implementation of the NRM-L Component under Output 3 Security and Improvement. The livelihood component of the Project intends to

- Bring direct livelihood benefits to community and disadvantaged members
- Compensate community members who are negatively affected by project interventions (e.g. losing agricultural land due to riparian zone afforestation)
- Provide alternative means of living for stopping unsustainable livelihood practices
- Demonstrate rise in income from improved land management
- Empower community to be able to further improve their livelihoods

## 2. Scope of the LIP

The LIP will provide for i) a structured analysis of the livelihood situation of the concerned community, ii) identification of beneficiary groups, and iii) a plan of interventions incl. budgeting for COSFOM livelihood investments at the village level, incl. community infrastructure & EPA; IGAs, Value Chain Development & Micro-Enterprise Development. The LIP will also identify the monitoring mechanisms to track progress and impact and will outline the measures for the maintenance of project investments.

The LIP will not touch on the fourth category of COSFOM livelihood funding, which is the seed funding for the establishment of SHG revolving funds, as these will be routed from the PEA to the concerned SHG without the involvement of the WRCC. The LIP will not provide for a detailed plan of implementation of Income-Generating Activities, Value Chain Development and Micro Enterprise Development, given that these will be the scope of separate Business Plans to be developed by the concerned SHGs (and individuals), and to be submitted to the WRCC for approval. However, the reflection of the concerned livelihood investments in the LIP will be a prerequisite for the consideration of respective Business Plans. Investments, which are not reflected in the LIP will not be entertained, and the development of a Business Plan will first require an ordinary or extra-ordinary revision of the LIP, admitting the concerned investment.

## 3. Prerequisite

The LIP process can be initiated in any village targeted by the Project, once the following prerequisites have been put in place:

1. The community was introduced to COSFOM
2. The community has formed a WRCG, drafted and approved its by-laws and elected a WRCC incl. Office Bearers
3. The WRCG has signed an MoU with the Society
4. The WRCG has opened a bank account
5. The WRCC has received training on COSFOM financial management and record keeping requirements
6. The WRCG has selected, approved and successfully implemented the EPA
7. The PRA in the village has been completed and its results have become available
8. The socio-economic baseline survey in the village has been completed and its results have become available, incl. in the completed Village Profile.

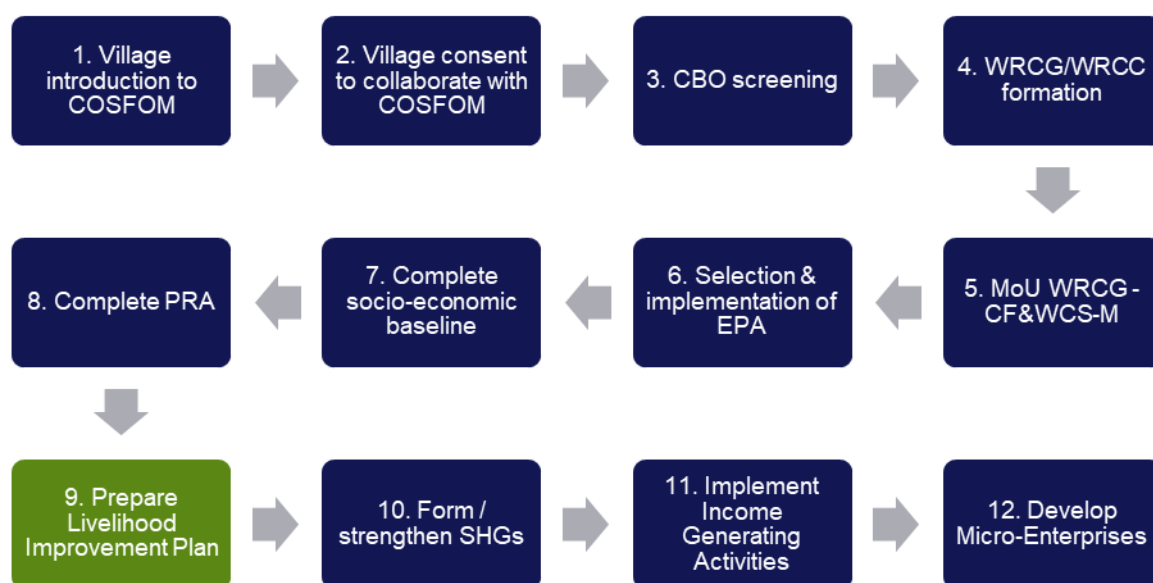


Figure 1: Flowchart of livelihood related COSFOM activities, indicating in green the steps covered by the LIP Guideline and their logical sequence in the process

## 4. Principles of LIP

The LIP preparation process and the livelihood investments funded through the LIP will have to comply with fundamental principles that will be operationalized in practice as described in Fehler! Verweisquelle konnte nicht gefunden werden..

Table 1: LIP Principles and their operationalization

LIP Principle	Operationalized through
<b>Climate resilient</b>	Environmental and Social Impact Assessment
<b>Biodiversity-positive</b>	Environmental and Social Impact Assessment
<b>Participatory</b>	Following by-laws of WRCG; based on input by the entire WRCG and refined and approved through public review by the WRCG: see Section Fehler! Verweisquelle konnte nicht gefunden werden.
<b>Equitable</b>	Emphasizing livelihood investments for disadvantaged groups and project affected people: see Section Fehler! Verweisquelle konnte nicht gefunden werden.
<b>Economically feasible</b>	Preparation of Business Plans for individual IGA/VCD/MED activities
<b>Convergence with government schemes</b>	Alignment with MGNREGS and CSS of relevant govt. line departments

## 5. Roles and responsibilities for the LIP process

Project stakeholders	Roles and Responsibilities in LIP preparation
<b>WRCG</b>	<ul style="list-style-type: none"> <li>Identify beneficiary groups for LIP</li> <li>List and prioritize initial livelihood investments needs, incl. i) community infrastructure, ii) IGAs, iii) Value-Chain Development and Micro-Enterprise Development, and iv) SHGs incl. revolving funds to be established</li> <li>Review and provide feedback on LIP draft prepared by WRCC</li> <li>Approve final version of LIP</li> </ul>
<b>WRCC</b>	<ul style="list-style-type: none"> <li>Organize WRCG General Body meetings for the purposes listed above</li> </ul>

<b>Project stakeholders</b>	<b>Roles and Responsibilities in LIP preparation</b>
	<ul style="list-style-type: none"> <li>• Prepare draft LIP based on guidance received from WRCG and following COSFOM LIP Guideline as facilitated by the FSU &amp; the NGO</li> <li>• Monitor the implementation of the LIP and forward monitoring reports and financial reports to the FSU</li> </ul>
<b>SHGs</b>	<ul style="list-style-type: none"> <li>• Represent SHG during the LIP preparation process, in case entire SHG wants to take up and IGA</li> </ul>
<b>Common interest groups</b>	<ul style="list-style-type: none"> <li>• Community members with shared interests in implementing IGAs may form common interest groups for the implementation of these IGAs</li> </ul>
<b>NGO</b>	<ul style="list-style-type: none"> <li>• Facilitate the WRCC and the WRCG in prioritizing livelihood investments and in preparation of the LIP based on the LIP Guideline</li> <li>• Ensure that the LIP allows equitable benefit sharing and avoids elite capture</li> </ul>
<b>FSU</b>	<ul style="list-style-type: none"> <li>• Provide backstopping to the NGO in facilitating the LIP preparation</li> <li>• Verify that the LIP complies with the LIP Guideline</li> <li>• Forward the draft LIP to the DPMU</li> <li>• Periodically monitor LIP implementation along with WRCC and verify progress towards the DPMU</li> </ul>
<b>DPMU</b>	<ul style="list-style-type: none"> <li>• Provide backstopping to the FSU as and when required</li> <li>• Screen the draft LIP for compliance with the LIP Guideline</li> <li>• Forward and recommend the draft LIP for approval by the PMU</li> <li>• Support FSU in physical verification of the progress in implementing the LIP</li> <li>• Compile monitoring reports and forward them to the PMU</li> </ul>
<b>PMU</b>	<ul style="list-style-type: none"> <li>• Review the draft LIP and approve if found compliant with the LIP Guideline</li> <li>• Release funds based on the Annual Work Plans that are prepared based on the LIP</li> </ul>
<b>Consultant Office</b>	<ul style="list-style-type: none"> <li>• Develop LIP Guideline</li> <li>• Pilot the LIP planning process in at least one community per watershed (=3 communities) and provide on-the-job training on this to the concerned FSUs</li> <li>• Fine tune LIP Guideline after piloting field implementation</li> <li>• Provide capacity building to LIP preparation and implementation as identified in the training needs assessment</li> <li>• Advise the PEA (PMU, DPMU, FSU) on LIP preparation and implementation</li> <li>• Identify and advise the WRCGs and the PEA on potential alternative livelihood options not named in the Feasibility Study or proposed by the WRCGs</li> <li>• Assess economic feasibility of livelihood investments proposed by WRCGs</li> </ul>

## 6. Planning tools

The LIP planning tools are largely covered under the COSFOM PRA process and will therefore not need to be repeated. The LIP will need to draw on the following PRA outputs:

*Table 2: PRA tools and their utilization for the LIP*

<b>PRA tool</b>	<b>Utilization in LIP</b>
<b>SWOT and visioning</b>	Identify livelihood targets defined by the community
<b>Participatory resource mapping</b>	Identify key natural resources as the basis of livelihoods
<b>Participatory land use map</b>	Identify the relative importance of different land uses
<b>Village timeline</b>	Understand historic livelihood situation
<b>Venn Diagram</b>	Understand institutional framework of livelihood development
<b>Wealth ranking analysis</b>	Identify disadvantaged groups as priority targets for IGA investments
<b>Village timeline</b>	Verify the seasonal labour availability as required for the proposed IGA activities
<b>Inflow-outflow matrix</b>	Identify resource requirements and Income-Generating Activities
<b>Social map</b>	Understand socio-economic stratification of the community

## 7. LIP preparation process

The LIP preparation process consists of five major steps, including i) initiation, ii) planning in the narrower sense, iii) validation, iv) approval and v) implementation. An overview of the process is presented in Fehler! Verweisquelle konnte nicht gefunden werden..

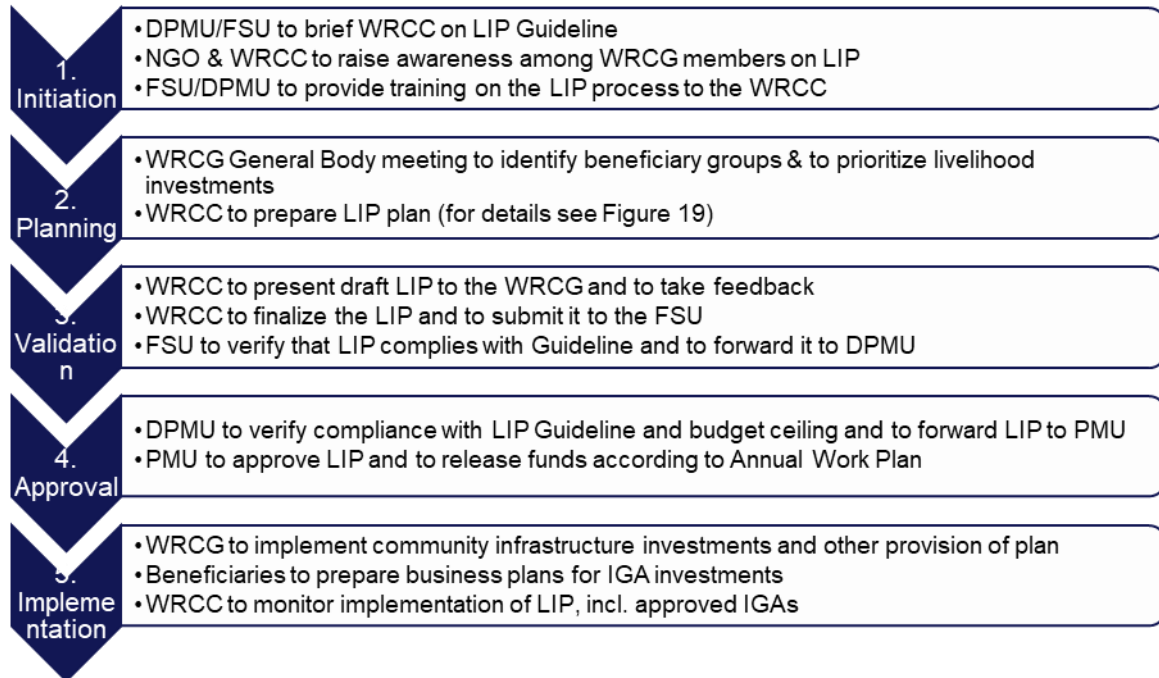


Figure 2: Flowchart of LIP process

### 7.1 Initiation of LIP

The LIP process is initiated by the locally responsible Field Support Unit supported by the NGO, who convene a meeting with the WRCC for the purpose of discussing the LIP process. In this meeting the FSU and the NGO raise awareness among WRCC members on the following aspects of the LIP:

- LIP objectives and scope
- LIP principles
- Roles and Responsibilities of different parties in relation to the LIP process
- Steps of the LIP process
- Beneficiary groups of the LIP
- Types of investments under the LIP
- LIP approval and implementation
- LIP monitoring and revision

Once the awareness raising on the LIP has provided the WRCC with a clear overview of the process and has resolved all doubts, a WRCC General Body meeting is called for the same purpose. This meeting is facilitated by WRCC members but following the methods prepared by the FSU and the NGO.

Once the awareness raising has been completed, members of the WRCC will receive a training on the LIP process and its contents. The training will be a one to two-day event and will pass on detailed knowledge on the entire process and all its components to ensure that the WRCC

takes informed decisions when preparing the LIP. Resource persons of the training will be from FSU and NGOs.

### 7.2 Planning of LIP

Once the WRCC has received training on the preparation of the LIP, the actual planning process can start. The process itself consists of several smaller steps, including the i) identification of beneficiary groups, ii) the identification of community infrastructure to be erected through the LIP, iii) the identification of Income-Generating Activities, and iv) the identification of Value-Chain and of Micro-Enterprise Development. An overview of the various steps of the LIP planning process are presented in Figure 3.

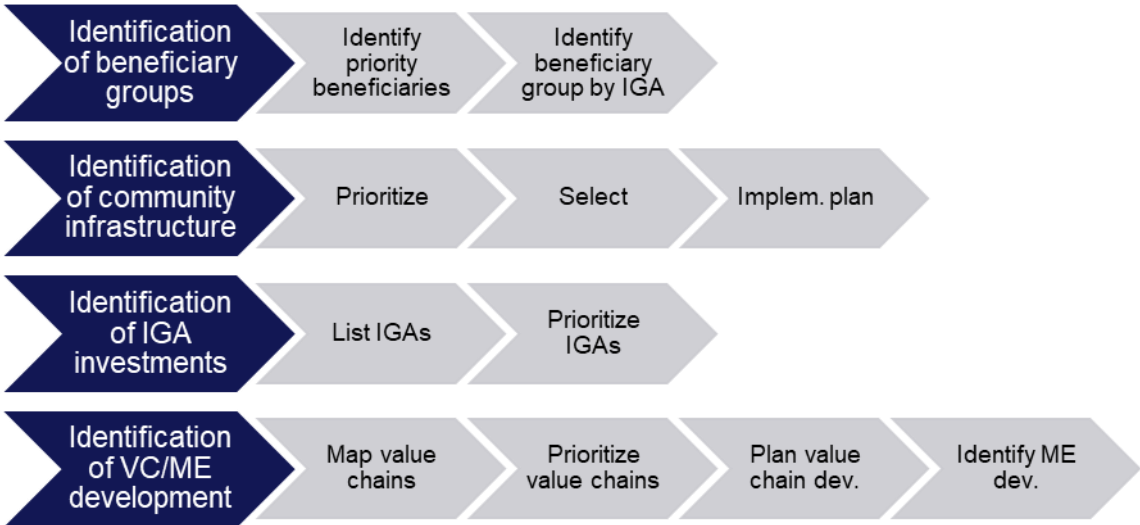


Figure 3: Flowchart of LIP plan preparation

This planning process is initiated with a WRCG General Body meeting. In case it is rather difficult to organize General Body meetings in a given community, the two respective meetings from the Initiation and Planning phases may be combined.

This meeting is fundamental, as it sets the direction for the two major aspects of LIP through i) prioritizing livelihood investments, and ii) the definition of beneficiary groups. These are carried out in the manner described below.

The meeting will set the fundamental directions of the LIP but will not engage into detailed planning. In terms of community infrastructure, it will prioritize and select the infrastructure investments within the budget ceiling allocated to the community. In terms of Income-Generating Activities, it will list and prioritize potential IGAs. Similarly, in terms of Value Chain Development, it will prioritize those, which the community considers worthwhile pursuing.

The WRCG General Body meeting will be followed up by a detailed planning process carried out by the WRCC with facilitation by the NGO and close technical and supervisory support by the FSU in-charge. Relevant methodological descriptions of the contents of the planning process are included in subsequent chapters.

#### Identification of beneficiary groups

First beneficiary groups, who are eligible to receive livelihood benefits on a priority basis are identified. For this, the results of the local Environmental and Social Management Plan (ESMP)

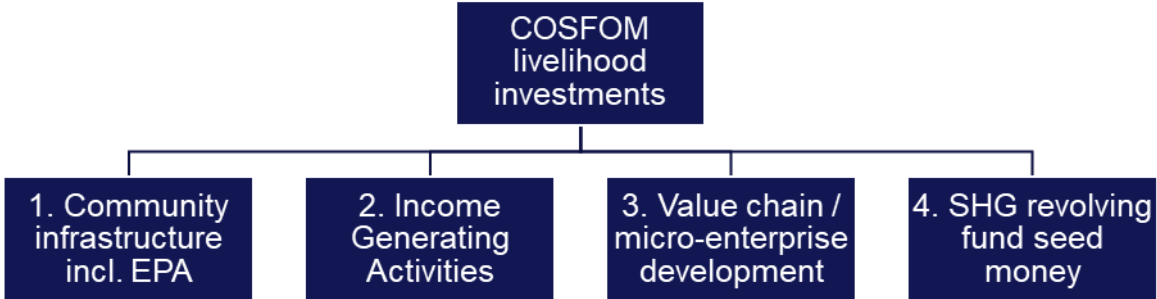
need to be consulted to see if any households are negatively impacted by project activities. These households automatically qualify to be treated with high priority for LIP investments. Next, the results of the PRA wealth ranking exercise need to be consulted to see which households are in the weakest wealth group in the community. These households too automatically qualify to be treated with high priority during the LIP. All other eligible community groups (SHGs, user groups, common interest groups) are included at medium priority, whereas individual households who do not fall in the categories identified as affected by the ESMP or as most vulnerable by the wealth ranking PRA are automatically excluded from reaping LIP benefits, unless through a group-based approach (refer to **Table 3**). Livelihood activities will primarily be implemented as group-based approach and will only be funded on an individual household basis for households that are negatively affected by project activities or those that identified as poor and/or disadvantaged households Support to individuals will only be considered, up to a ceiling of 10% of the total livelihood funds allocated to the concerned village. Also, only though households will be eligible for support, which can provide sufficient labour to contribute towards implementing the LIP investment.

*Table 3: Identification of beneficiary groups and their prioritization during the LIP process*

Beneficiary group	Organization	Priority
Individual households identified as negatively impacted by the project in the ESMP	Individual or group-based	Top
Individual households in lowest wealth category as per village wealth-ranking PRA	Individual or group-based	Top
SHGs	Group-based	Medium
User groups	Group-based	Medium
Common interest groups	Group-based	Low
All other individual households	Individual	None

**Identification of livelihood investments**

The COSFOM Project will fund four categories of livelihood investments, which will comprise of 1) small-scale community infrastructure; 2) Income-Generating Activities (IGAs); 3) Value chain development and micro-enterprise development; as well as 4) seed funding for the establishment of Self-Help Group revolving funds (**Figure 4**). The livelihood investments will comprise of 9% of the total Project budget.



*Figure 4: Categories of COSFOM livelihood investments*



## **Community infrastructure**

Community infrastructure investments will be carried out in two staggered phases. The first phase will be the implementation of the Entry Point Activity in each village, which will precede the preparation of the LIP. This component is not further discussed here, and it is referred to the separate guideline for Entry Point Activities.

The second phase of investments into community infrastructure will be planned as part of the LIP process and their identification will follow the same procedures as that of the EPA, as described in the EPA Guideline. Investments, which ranked were not assigned as the first ranking ones and thus not implemented as EPAs, may be selected to be implemented under the community infrastructure component of the LIP.

The Feasibility Study indicates the tentative budget for community infrastructure to be available with each village at approximately INR 5,00,000. However, the total available budget will have to be confirmed and allocated based on an allocation key, which will take consideration of differences in population size between villages. This exercise will be carried out at the end of the Inception Phase and will require the approval of the Project Director. Tentative investments into community infrastructure as identified in the Feasibility Study and further discussed with the PD and community stakeholders include:

- Drinking water supply
- Rainwater harvesting and minor irrigation
- Inter Village Road repair/construction
- Community halls
- Bridge repair
- Vermicompost plants
- Water storage ponds
- Public sanitary facilities
- Foot paths to access community forest areas

## **Income generating activities**

The communities in the watersheds targeted by the Project are in rural areas where income generation is mostly realized through agricultural production and where services play a substantially subordinate role. Even though the communities partially produce for subsistence, a substantial part of agricultural production is commercial. The watersheds are far from large commercial markets in mainland India, however their locations present opportunities to access moderately large to large local markets. Communities in Singda and Imphal watersheds have the opportunity to cater to the small local market in Kangpokpi and to the relatively large urban market of Imphal, whereas communities in Ukhrul watershed can supply the moderately sized market in Ukhrul town. As a result, most Income Generating Activities (IGAs) of COSFOM will have to focus on land-based activities, while a smaller proportion may focus on small-scale local service provision.

Based on the Feasibility Study and on initial scoping of potential activities, certain horticultural products, animal husbandry, paddy cum fish production, dairy production and NTFP domestication appear to have the highest potential to generate income in the short term, whereas the establishment of timber plantations have good potential for income generation in the medium term (Table 4).

*Table 4: Potential Income Generating Activities funded by COSFOM*

<b>Agriculture-based</b>	<b>Forest-based</b>	<b>Non-land based</b>
<b>Stall-fed livestock production</b>	NTFP domestication	Handicraft production
<b>Dairy production</b>	NTFP collection	Carpentry
<b>Piggery</b>	Sustainable (bamboo) charcoal production	Tailoring
<b>Poultry</b>	High-value timber production	Handloom
<b>Horticulture (fruits, vegetables, floriculture)</b>		Fuelwood replacement
<b>Field crops</b>		
<b>Paddy cum fish production</b>		
<b>Apiculture</b>		
<b>Sericulture</b>		
<b>Soil &amp; water conservation measures</b>		

### **Value chain and micro-enterprise development**

Value Chain Development will be prioritized based on the available resources and potentials as well as the economic priorities of the concerned groups. Potential value chains for development may include NTFP value chains, such as the collection or domestication of ginger or wild fruits, followed by processing and marketing support. Micro-enterprise development may be identified as an activity of the LIP but should receive low priority given that it would be a follow-up step to successful value chain development.

### **Seed money for SHG revolving funds**

SHGs to be targeted by /formed through the COSFOM project will be supported with a seed money of INR 40,000 each or INR 2,00,000 per village as microfinance support to undertake various on-farm, off-farm, non-farm and NTFP/forest-based Income Generation/micro-enterprise development activities aiming at improved livelihood of their members. Microfinance support for consumption and other social purposes will be discouraged. SHGs will be solely responsible for implementing the revolving fund management but will receive support by the concerned FSU or the NGO to be contracted by COSFOM. Planning of SHG revolving fund seed money will not be included in the LIP, as these funds will be released directly from the PMU to the concerned SHGs.

### **Matching of beneficiaries with livelihood investment categories**

The broad livelihood options that emerged from the listing and prioritization of IGAs and of Value Chain Development options will have to be matched with the respective beneficiary group. The eligibilities of different stakeholder groups for various livelihood related investments are listed in **Table 5**.

- First, households negatively affected by the Project and households identified as members of the weakest wealth group will be asked for their IGA option of choice. As far as possible, facilitators should try to build groups of people with shared interests (e.g. all those households from among the two priority categories, who want to take up piggery should be prompted towards forming a common interest group.
- Once the households in these groups have identified individual or group-based preferences, the process will continue with the next priority beneficiary groups. Here, user groups (e.g. for community forestry, riparian zone management, etc.) as

well as existing SHGs will be asked if they are interested in collectively taking up any IGAs or Value Chain Development activities.

- Once the beneficiary groups in the second priority have completed their choices, the all remaining households shall form common interest groups for implementing IGAs of their mutual choices.
- The process may have to be reiterated in order to refine the choices, while ensuring that the priorities of beneficiary groups are observed

*Table 5: Eligibility of different beneficiary groups for various types of COSFOM livelihood investments*

Livelihood support	Target group
EPA Community infrastructure	Entire community (WRCG)
Income-Generating Activities Value-chain development Micro enterprise development	Disadvantaged households <ul style="list-style-type: none"> <li>▪ Households negatively affected by project activities</li> <li>▪ Female headed households</li> <li>▪ Poor households</li> </ul> Self-help Groups (SHGs) Common interest groups
Seed money for SHG revolving funds	Self-help Groups (SHGs)

## 8. Budgeting

Half of livelihood budget of the Project will be divided between the villages targeted by the project based on i) equal distribution among villages, and the remaining half will be divided ii) weighing the funds by village population. Thus, larger villages will receive more money than smaller ones, but the differences will at the most amount to a factor of 4 between the smallest and the largest village.

The LIP planning exercise will have to identify rough budget figures for each of the livelihood investment activities to ensure that the plan remains realistic. The LIP plan should thus only contain activities along a logical sequence of decreasing priorities that cumulatively amount to the amount of livelihood budget ceiling available for the concerned village, plus 20% contingency. An exemplary budgeting may be found in Fehler! Verweisquelle konnte nicht gefunden werden..

*Table 6: Exemplary LIP budget summary table*

Livelihood support	Beneficiaries	Total budget for community INR	Priority
<b>Community infrastructure</b>		<b>13,00,000</b>	
EPA	WRCG	6,00,000	Top
Community infrastructure	WRCG	7,00,000	Top
<b>Income-Generating Activities</b>		<b>14,50,000</b>	
Piggery	Common interest group	4,00,000	Low
Floriculture	SHG xyz	3,00,000	Medium

Livelihood support	Beneficiaries	Total budget for community INR	Priority
Irrigation repair	Project-affected people	2,00,000	Top
Dairy	Disadvantaged group	2,50,000	Top
Apiculture	CF user group	3,00,000	Medium
<b>Value-Chain Development</b>		<b>5,00,000</b>	
NTFP processing	CF user group	5,00,000	Top
<b>Micro-Enterprise Development</b>		<b>7,00,000</b>	
Medicinal plant production	WRCC	7,00,000	Top
<b>Seed money for SHG revolving funds</b>	<b>SHGs</b>	<b>2,00,000</b>	<b>Top</b>
<b>Total</b>		<b>37,50,000</b>	

## 9. Action plan for LIP implementation

Next an action plan for LIP implementation needs to be prepared. The action plan will take the LIP activities and will identify timeframes for their implementation in correspondence to the priorities they were assigned. Additionally, the action plan will identify the lead in implementing each activity, as well as the modes of implementation. An exemplary action plan may be referred in Fehler! Verweisquelle konnte nicht gefunden werden..

*Table 7: Exemplary LIP action plan*

Activity	Responsible	Timeframe	Mode of implementation
Implement inter-village road repair	WRCC	Dec 2020	Own labour + hired machinery
Repair irrigation channel	Project-affected people	Mar 2020	Own labour + procured materials
Establish dairy farm	Disadvantaged group	Jun 2020	Procure materials, animals & livestock expertise, own labour
Establish floriculture	SHG xyz	Mar 2021	Procure materials, seed & beekeeping expertise, own labour
Establish apiculture	CF user group	Jun 2021	Procure materials, bees & beekeeping expertise, own labour
Establish piggery	Common interest group	2022	Procure materials, animals & livestock expertise, own labour

## 10. Monitoring framework

The LIP process will have to be closely monitored. Most the workload of monitoring will be assigned in the form of participatory monitoring to the concerned WRCC and beneficiary groups. However, strong third-party monitoring will be ensured primarily through regular supervision by the concerned FSU. For details of the monitoring framework refer to Fehler! Verweisquelle konnte nicht gefunden werden..

*Table 8: LIP monitoring and evaluation framework*

Monitoring activity	Periodicity	Responsible
<b>Participatory monitoring of IGA implementation</b>	Quarterly	IGA beneficiary groups/households

<b>Participatory monitoring of community infrastructure implementation &amp; maintenance</b>	Quarterly	WRCC
<b>Participatory monitoring of Value-Chain Development</b>	Quarterly	Value Chain Development beneficiary group
<b>Overall monitoring of LIP implementation</b>	Quarterly	WRCC
<b>External monitoring of IGA implementation</b>	Semi-annual	FSU
<b>External monitoring of community infrastructure implementation &amp; maintenance</b>	Semi-annual	FSU
<b>Monitoring of financial procedure</b>	Quarterly	DPMU
<b>Field monitoring visits</b>	Regularly, min annually	PMU
<b>Third-party auditing</b>	Annually	PMU to hire chartered accountant
<b>Impact monitoring of LIP</b>	Prior to midterm and prior to project closure	DPMU
<b>Mid-term evaluation</b>	After 4 years	KfW
<b>Terminal evaluation</b>	After 7 years	KfW

## 11. LIP document structure

Once the LIP process has been completed, the results need to be compiled in an LIP document. The LIP document is a community-based plan and hence should be simple enough to be well understood by the WRCC members, who in turn shall be able to interpret its contents to all WRCC members. The length of the document is targeted at maximum 25 pages and its contents should be brief and concise, avoiding lengthy introductions and unnecessary details. The document language should be simple and easily understandable for local community members. Furthermore, the LIP document shall be translated into the local language and be made available for public viewing. The LIP document shall have the following structure:

- Fact sheet of the village
- Method and approach of LIP preparation incl. FPIC requirements
- Livelihood situation analysis incl. problems and opportunities
- Identification and analysis of beneficiary groups (e.g. marginalized groups – landless, female-headed HH, negatively impacted as identified under the ESMP, SHGs, CF user group, riparian user group, etc.)
- Prioritized livelihood interventions by category (e.g. IGA, compensatory livelihood measures, value chain development, etc.), incl. IRR
- Three-year community action plan incl. schedule, responsibilities and process of annual work planning (incl. process of submission and approval of new livelihood investment applications by the WRCC)
- Convergence sources and measures
- First annual action and budget plan with rough cost estimate per livelihood intervention category
- Monitoring, conflict management & evaluation
- Participatory environmental & social risk and impact assessment (e.g. land use change, etc.)
- Village map indicating the areas of proposed project interventions and of potential conflicts
- List of beneficiaries with details of intended benefits

## 12. Finalisation and approval

Once the LIP document has been prepared by the WRCC with active support by the FSU and the NGO, it will be presented to the WRCG in a General Body Meeting. In case only minor feedback is received, the LIP document may be finalized in the meeting. However, in case the WRCG has major comments, the WRCC should revise the LIP document according to the comments received within one week and present it to the WRCG General Body meeting for approval.

The LIP document approved by the WRCG is forwarded by the FSU to the DPMU for pre-clearance. The DPMU needs to verify whether the LIP document was prepared following due procedures, whether the budgetary implications are within the budget ceiling for the concerned community and whether the provisions of the plan are compliant with the LIP Guideline. Upon verification, the DPMU forward the LIP document to the PMU for approval.

## 13. Validity and revision of the LIP

The LIP has a validity of three years, which coincides with the duration of COSFOM Implementation Phase I. The LIP may be revised through i) an Ordinary Revision at the end of the three-year validity, or through ii) an Extraordinary Revision before the expiry of the LIP.

### 13.1 Ordinary revision

The ordinary revision should be initiated between three to six months prior to the expiration of the validity of the three-year LIP period. The revision of LIPs is pending on the approval of the second half of COSFOM Implementation Phase I between 2022 and 2025 by KfW. The revision should follow the same procedures as described for the initial LIP process in this guideline. Activities, which were initiated based on the first LIP and for which continued support is required should be reviewed for the impacts achieved during the first LIP (see **Section 7**). In case the intended impacts could not be achieved during the LIP period, the concerned activities will not receive further funding.

### 13.2 Extraordinary revision

In case the priorities as laid down in the LIP change and certain IGAs, Value Chain Development and Micro-Enterprise Development activities need to be replaced by others before their implementation was initiated, the contents of the LIP need to be revised through an extraordinary revision. An extraordinary revision may be initiated by the WRCC, the concerned SHG that initially proposed the activity or the General Body of the WRCG. The extraordinary revision needs to be approved by the General Body of the WRCG and submitted for approval by the PEA, following the same procedures as the initial approval process of the LIP.

### 13.4 Grievance redressal mechanism

In case any community members feel disadvantaged through the LIP, grievances will be handled as described in the WRCG by-laws.