



Boy in Korogocho holding an empty bag of maize meal and scavenging from a dump site

Project:

Urban Livelihoods

Proposal Submitted to:

Givewell Poverty Grant

On behalf of Concern:

Kenya

Concern US Contact:

Marny McCaughan
Foundations Officer
Concern Worldwide, U.S.
332 South Michigan Avenue, Suite 630
Chicago, IL 60604
Tel : 312.431.8400

Fax : 312.431.8830 marny.mccaughan@concern.net

INTRODUCTION

Concern Kenya

Concern began its operations in Kenya in 2001 with an urban poverty alleviation program in response to Kenya's position as one of the poorest countries in the world. Since 2001, Concern's operations have grown into a multi-sectoral program to span three arid lands districts: Nyanza Province in Western Kenya and urban informal settlements in both Nairobi and Kisumu, across four sectors: Livelihoods, Advocacy, HIV and AIDS, Primary Education and Nutrition. Concern Kenya's program is managed by 45 (96%) national staff and two international staff. The program is implemented through 30 national civil society partners.

In the urban informal settlements, Concern operates a primary education, HIV and AIDS and nutrition program (underpinned by advocacy), with the government on implementing pro-poor policies. Underpinning these sectoral programs Concern has introduced an urban livelihoods and social protection program in response to growing food insecurity which is undermining Concern's work in the other sectors: children are dropping out of school to engage in labor; HIV-positive patients are unable to comply with treatment due to limited food availability; and high relapse rates among discharged patients from therapeutic feeding programs.

DESCRIPTION OF INTEREST

Program Overview

Food insecurity and poverty in Nairobi's urban informal settlements is an issue of reduced access to food rather than availability. Since post election violence at the beginning of 2008, the staple food for residents of Nairobi's informal settlements has increased by 133%. Food and non-food prices have risen concurrently with a significant drop in average household income of 21%. Prices of fuel, water and basic social services have also increased dramatically.¹ The effects of post election violence have been compounded by the global economic crisis, with the severe drought resulting in low food protection continuing the rise of food prices. This has resulted in residents adopting a range of erosive livelihood strategies, from reduced meal frequency and diet diversity with more than 60% having skipped meals and nearly 80% having purchased food on credit from local vendors. Many have also started engaging in high-risk livelihood strategies: up to 30% of children taken out of school, rates of prostitution increased to 30%, while rates of scavenging among children were also reported to have increased to around 30%.

Concern's urban livelihoods and social protection program aims to improve livelihood security of the most vulnerable urban Nairobi informal settlement dwellers in response to recent cumulative shocks and stresses. It is comprised of immediate relief to households facing a severe acute food security crisis, through a monthly cash transfer of US \$20.00, to 7,000 of the poorest households in the Korogocho and Kibera slums over six months, using existing mobile phone technology. This will be complemented by a longer-term intervention aimed at improving the skills and access to labor markets of 1,000 people. Building on its successes with mobile phone cash transfer technology², Concern's activities will encompass skills transfer, technical training, Cash for Work (CFW) opportunities, and advocating with labor and employers' unions to improve job security for casual workers from the slums. One critical activity is to design a set of indicators specific to the urban slum context, which will assist government and the international community (NGOs, UN, and donors) to determine the point at which chronic poverty has tipped over into a humanitarian crisis.

¹ The Nairobi Informal Settlements: An emerging food security emergency within extreme chronic poverty (April 2009)

² Concern Worldwide, Post Election Violence Recovery Program, August 2009

Over the course of 2010, 7,000 families which have been characterized as living in extreme poverty resulting from cumulative shocks, will eat at least two meals per day which will meet international standards for food diversity. One thousand of those families will participate in activities designed to shift their economic situation from one of destitution to one of economic sustainability. Concern will work with microfinance, savings and loan, and income generating activity organizations to develop a package of services specific to the needs and context of the urban poor. The 1,000 households will form relationships with these institutions, increasing their access to financial services through mobile phone technology. Gaps in the market will be identified and the skills of able-bodied members of the 1,000 households will be augmented to fill those gaps. These skills will be of both a technical and entrepreneurial nature.

Concern will transfer its knowledge in the successful implementation of a business grant scheme to victims of post-election violence in Nairobi's slums. Small start-up grants of between US \$40.00 and US \$67.00 were provided to business men and women who had lost their businesses as a result of election-related violence in Nairobi's slums. Short-term training on the principles of business and financial management were also provided. Recipients were able to inject this small capital into reestablishing vegetable stalls, shops selling various non-food items, beauty salons, car repair and servicing garages, and hardware outlets. Anecdotal evidence indicates that as a result of this small injection of capital, recipients have been able to meet their basic costs (rent and food), put their children back in school, repay debts associated with the election violence, and discard negative livelihood strategies such as transactional sex and child labor.

Request for Support

Currently Concern anticipates sufficient funding to carry-out the emergency cash transfer component of US \$20.00 for 7,000 extremely poor households in Korogocho and Kibera slums. This will reduce the adoption of negative livelihood strategies by these households in order to survive and prevent destitution. Additional funding will expand this emergency transfer into one of employment creation; and will enable the poorest households to lift themselves out of extreme poverty into one of sustainable economic production. It will shift the emphasis from one of welfare recipients to that of productive members of society. Concern Kenya requires US \$247,500 to fully fund the urban livelihood component of this program.

These funds will be used to:

- Provide cash-for-work to 1,000 able bodied members of extremely poor households for three months;
- Plan and implement income generating activities;
- Create links with employment bodies advocating for more secure working conditions for slum dwellers;
- Identify market gaps and implement skills transfer programs to fill those gaps;
- Design emergency indicators for the urban slum context.

<u>Budget</u>	<u>US \$</u>
Cash for Work	\$150,000
Income Generating Activities	\$ 37,500
Training (Business, Technical skills)	\$ 5,000
Technical Assistance	\$ 40,000
Administration and project support	<u>\$ 15,000</u>
Total	\$247,500

DETAILED INFORMATION

Clients

Nairobi is Kenya's capital city with an estimated population of 3.5 million people. The more than 200 informal urban settlements scattered throughout Nairobi occupy 5% of the geographical area, yet house about 60% of the total city's population. Residents have limited access to water and sanitation, housing, social services and secure tenure (UN Habitat 2007). Statistics from Government reports issued in 2009 highlighted that out of the total 9.5 million food insecure population, 4.1 million were urban dwellers.

The main source of income for households in the informal settlements is low paying, unstable jobs in the formal and informal sector and petty trade. Job stability depends on economic fluctuations and inclusive employment policy rather than seasonality or climate variability, as it does in rural areas. According to a World Bank survey (2006), 49% of adult slum dwellers have regular or casual employment, 19% of households engage in micro enterprise and 26% are unemployed. The majority of slum dwellers are living well below the poverty line and earn less than US \$1.00 per day.

The health situation of residents in informal settlements is characterized by high morbidity and mortality due to preventable causes. Due to food price pressures, urban slum dwellers have proportionally less available to spend on health care, water and sanitation. Several factors contribute to poor health in urban informal settlements including environmental factors, such as: overcrowding, poor water and sanitation and poor hygiene increasing the risk of communicable diseases, and social factors, such as: alienation, unemployment, ethnic tensions and violence which tend to have a more indirect effect on health. Access to health services is low relative to population size, and coverage of key child survival interventions including vaccination is lower in the informal settlements. Water provision is well below internationally accepted standards and sanitation is in the form of a publically available fee for use of shared toilet -- or for those who cannot afford it -- open areas or plastic bags.

The poor public health conditions are coupled with HIV prevalence rates that are estimated to be double the national average, coming in at between 15% and 20%. Consequent to high rates of HIV are high numbers of AIDS orphans and child-headed households, some of whom rank among the poorest households.

Concern's urban livelihoods and social protection program will focus on Korogocho – one of the poorest slums – and Kibera – Nairobi's largest slum. The majority of households in these slums are female-headed. The poorest households are characterized as: living at the edge of the river, having more than five children, whose houses are located among the narrowest pathways, constructed with mud and sticks, having a leaky roof, and mud floor, are surviving on one or less meals characterized as consisting of maize-based porridge or procured from factory cast-offs. These households will have at least one child who is malnourished, will have at least one member who is HIV positive, and may be looking after a chronically ill person.

Impact Studies

Attached: Report on the Post Election Violence Recovery Program. This program will be externally evaluated for impact in October 2009. The report can be made available to Givewell by December 2009.

Technical Reports

Attached: The Nairobi Informal Settlements: An emerging food security emergency within extreme chronic poverty (April 2009)

ADDITIONAL NOTES

Has your organization, in the past, started programs with charitable funds that have become self-sustaining (i.e., continuing to operate with no further charitable support) over time? If so, please provide the region, the year the program was started, and for how many years the program has continuously operated without donor support.

Angkor Mikroheranhvatho (Kampuchea) Co. Ltd (Angkor Microfinance Kampuchea, AMK) is a licensed Microfinance Institution (MFI) operating in Cambodia. AMK originated from the savings and credit components of the community development work of Concern Worldwide in Cambodia from 1993 but only became a directly implemented program in 1999. Following the new Cambodian microfinance regulation, AMK became a separate company and obtained a license from the Cambodian central bank in 2004. AMK mission is 'to help large numbers of poor people in Cambodia to improve their livelihood options through the sustainable delivery of appropriate and viable microfinance services'. Thus, AMK's priorities as a provider of rural finance are centered in its operational and financial sustainability, while maintaining its social objectives.

ADDENDUM A – for full studies/reports that you might want to provide