

# **Defining Vulnerability and Livelihood Assets (LAs)**

# Vulnerability

Vulnerability is determined by the exposure and sensitivity of people's **Livelihood Assets (LAs)** to the effects of climate change and the ability to cope in a 'climate impacted' environment.

The VAF translates 'the ability to cope' as the **ability to meet the SDOs** in a changing environment.

Vulnerability is explained as the **exposure and sensitivity of LAs** to climate change and disasters **how this affects the extent to which SDOs are addressed** at a particular point in time.

# Livelihood Assets (LAs)

The term livelihood is defined “**the capabilities, assets and activities required for a means of living**” ([DFID 2000](#)).

The VAF term of Livelihood assets (LAs) includes: **resources** (e.g. natural resources, infrastructure, money/finance), **knowledge** (human resources – traditional knowledge and skills), **rules and values required to meet priority SDOs** in normal and challenging circumstances.

A livelihood is considered sustainable and adaptive if it adequately deals with climate, disasters and various other shocks whilst maintaining and enhancing its functions to support priority objectives (SDOs).

# Livelihood Assets (LAs)

The term Livelihood Assets (LAs) includes a range of assets, capabilities and activities that exist across sectors and governance levels (country, community, household) including:

- ❖ Natural resources (N)
- ❖ Infrastructure and services (I)
- ❖ Financial resources (F)
- ❖ Human Resources (H)
- ❖ Institutions and governance (G)



# LAs and SDOs

- ❖ People, communities and countries require a range of assets to achieve SDOs in a changing climate.
- ❖ Vulnerability is explained as the **exposure and sensitivity of LAs** to climate change and disasters **how this affects the extent to which SDOs are addressed** at a particular point in time.
- ❖ What are LAs?

# 5 LAs: Natural Resources

--**marine** and **land-based** natural resource **stocks, flows and services** that support people's livelihoods and human security needs

- **intangible** public goods: **atmosphere and biodiversity**
- **tangible** divisible assets: **fishing grounds and land** used to support housing and settlements, water, food, energy, income and coastlines



# 5LAs: Infrastructure and Services

- **Built structures and equipment:** roads and bridges, buildings, water tanks, etc.
- Technical government and NGO extension services





# 5 LAs: Human Resources

**Traditional and modern knowledge and skills** of people in a community that enable them to utilize existing resources to meet daily livelihood needs



The human resources of a community are assessed according to **health, skills and education** levels.



# 5 LAs: Financial Resources

- **available stocks** (such as cash and bank savings liquid assets such as livestock and jewelry, insurance and credit availability)
- **regular inflows** such as income earnings, pension, state transfers and remittance and income in-kind



# 5 LAs: Institutions and Governance

Two ways that influence the way individuals and groups **interact, govern and act** collectively:

- **informal mechanisms** (values, norms, customs and culture)
- **formal rules** (policies, laws and regulations)

