Designing for Sustainability

—

USAID case studies illustrating pathways to program self-reliance

July 2018

ABOUT THIS REPORT

This report, written in partnership between the USAID Global Development Lab and the Global Knowledge Initiative (GKI), serves as an inquiry into how the Agency can work toward Administrator Mark Green's call to support partner countries in a journey to self-reliance. The report examines seven case studies that shed light on some of the innovative practices for design, implementation, and project close-out that contribute to more sustainable outcomes at the project and activity level. The case studies aim to help practitioners who wish to pursue the sustainability of outcomes within their own work by offering ideas ripe for experimentation and iteration.

The Global Knowledge Initiative

GKI builds purpose-driven networks to deliver innovative solutions to the world's most pressing problems. We thrive on creating the enabling environment, mindset, and tools that make Collaborative Innovation possible.

GKI's work consists of five core programs: (1) Systems Research and Evaluation through which GKI is a core partner in USAID's Strategic Program for Analyzing Complexity and Evaluating Systems (SPACES) Pilot Program, (2) Network Facilitation and Design, (3) Capacity Building, (4) Policy and Strategy, and (5) Social Innovation Labs.

This report is a follow-on to GKI's past work with the Global Development Lab on Systems Leadership, which endeavored to uncover the leadership style, skills, and capacities needed to activate change in a complex system.

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SELF-RELIANCE AND SUSTAINABILITY

The United States Agency for International Development (USAID) has a new goal: to end the need for foreign assistance. The term **self-reliance** has emerged as a key concept for how USAID can pursue this objective. The current official definition of self-reliance at the Agency is:

A country's ability to finance and implement solutions to its own development challenges.

While self-reliance is a characteristic that a country may exhibit to varying degrees, its prioritization by the Agency begs the question: *how might we support countries in transitioning to a state of self-reliance?* In other words, how can USAID operationalize an approach that explicitly pursues the goal of self-reliance?

Given that much of USAID's investments are directed at the project- or activity-level, a related but distinct goal pertinent to **sustainability across the program cycle** is also warranted.

Sustainability across the program cycle is a characteristic of a specific USAID project or activity in which the Agency's interventions achieve development impacts within the system, and sustain these impacts, beyond the program cycle.

By supporting development gains that are continued beyond the life cycle of a single project or activity, USAID interventions can feed into the macro-level changes needed to support the more ambitious and multi-dimensional transition to country self-reliance.

Photo Credit: Matt Howard via Unsplash
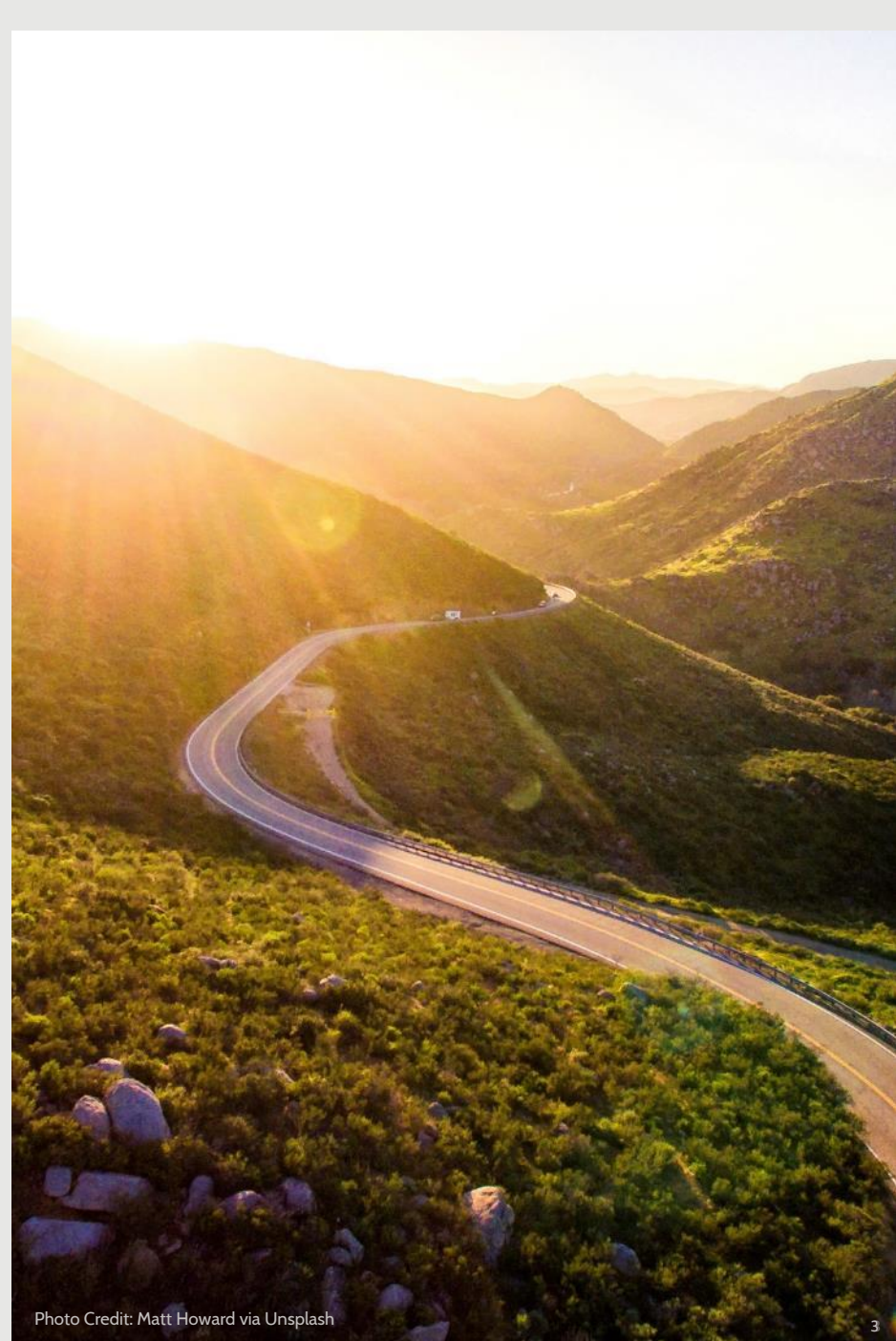
GUIDE TO THE CASE STUDIES

In an effort to more deeply review the Agency's experience with sustainability across the program cycle, USAID's Global Development Lab engaged the Global Knowledge Initiative (GKI) to develop a series of case studies that exemplify USAID projects and activities that exhibit features of sustainability (i.e., deemed to have positive impacts beyond their lifecycle). By exploring how these projects and activities were designed, implemented, and transitioned from close-out to sustained results, these cases are intended to support practitioners within the Agency who wish to improve their understanding of approaches that can contribute to programmatic sustainability.

The construction of these cases studies began with a workshop organized at the request of USAID's Global Development Lab and designed and facilitated by GKI in May 2018. Attended by 20 USAID staff, the workshop utilized a Futures Foresight methodology known as Three Horizons to elicit insights on how the Agency might evolve its approach to programming in a way that pursues the journey to self-reliance with more intent. As supported by the Three Horizons methodology, participants addressed the question: "How might we (USAID) design programs to deliver sustainable results that support transitioning countries to self-reliance and prosperity?" Participants then compared the present state against possible alternative futures for the year 2038 in which sustainability is mainstreamed in different ways. The activity resulted in an articulation of three distinct futures ranging from a minimum viable future for mainstreamed sustainability to a future in which the Agency down-sizes due to a decreased need for foreign assistance, evolving its role to match this new state. Finally, participants scrutinized these futures and examined the practices, policies, incentives, resources, and innovations that would be required for their fulfilment. It was through the construction of alternative pathways toward achieving these future visions that USAID staff suggested many of the projects and activities presented in this report as evidence of the Agency's progress toward sustainability in recent years.

Two key outcomes of the workshop were: (1) the identification of approaches and practices that can contribute to more sustainable programmatic outcomes, and (2) the need to consolidate best practices and useful reference points to enable USAID staff to better understand how they can support the journey to self-reliance through the program cycle. These outcomes served as the impetus for the case studies presented here.

The following pages offer seven case studies profiling a diverse cohort of projects and activities. Each of these was sourced through conversations with USAID staff, including many of those who participated in the workshop. The information included within these cases is structured around a framework for programmatic sustainability that includes three Dimensions of Sustainable Design (see pg. 6-7). Using this framework to structure interviews, the GKI team spoke with 25 members of the teams behind the projects and activities profiled to gather deeper insights into how these three dimensions did or did not influence the design, implementation, and close-out of these project and activities. The resultant seven case studies endeavor to uncover how these dimensions contribute to sustainable outcomes. The following section overviews the cases before unpacking the analytic framework used to develop them.

OVERVIEW OF THE CASE STUDIES

The seven case studies presented in this report were selected to highlight sustainable design and intervention across USAID regions and sectors, demonstrating that sustainability can be pursued regardless of the context or program goal. The map and table below offer an index to each case, while the icons indicate the sector(s) of interest in that project or activity.

INDEX OF CASE STUDIES

FFP India

FFP Honduras

PRIME

PFAN

CC Uganda

YYC

RANO-HP

Democracy and Governance · Economic Growth · Agriculture and Rural Development · Energy · Natural Resource Management · Water and Sanitation for Health (WASH) · Nutrition · Health · Gender
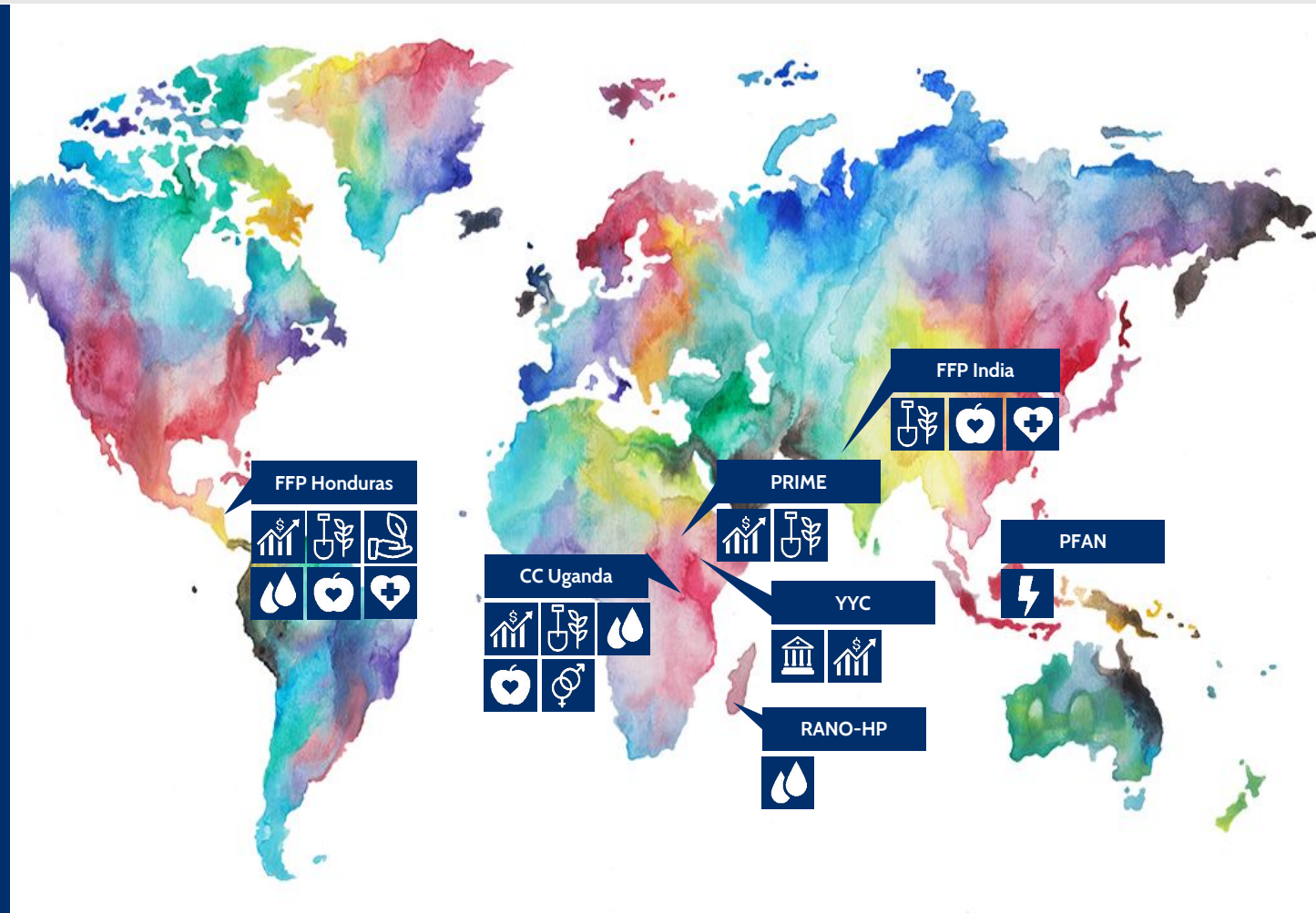
3 DIMENSIONS OF SUSTAINABLE DESIGN

Each case profiled in this report follows a typology that GKI developed through its engagement with USAID during and following the May 2018 Visioning Workshop. The typology is anchored in three overarching dimensions to programmatic sustainability, which are defined below. When featured together in the program cycle – **project and activity design, implementation, and close-out** – these dimensions create reinforcing and synergistic forces that can help improve the long-term sustainability of programmatic impacts.
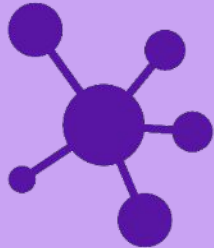
Systems Practices

Seeking to create change within a complex system by understanding the linkages that define it, activating key leverage points that trigger beneficial second and third order effects, and developing pathways for sustained access to key resources.
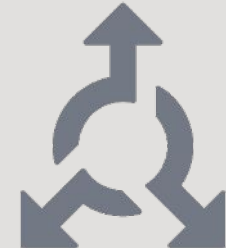
Adaptive Management & Implementation

Creating the structures for a flexible approach to design and implementation that allows for responsiveness to new information, including feedback loops for learning and iterative design.
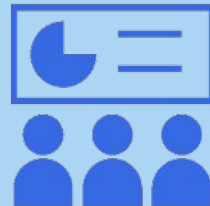
Collaboration & Capacity

Leveraging the input of multiple stakeholders to design and implement project interventions, while building local ownership over those interventions and cultivating the local capacity to manage them without donor support.

DEFINITIONS

The case studies that follow are structured according to the three dimensions of programmatic sustainability: **Systems Practices, Collaboration & Capacity, and Adaptive Management & Implementation.** The seven case studies in this report describe how the 3 Dimensions of Sustainable Design were integrated throughout the program cycle in past USAID projects and activities. This, in turn, offers insights into whether more sustainable outcomes were achieved and how various approaches and practices contributed to observed outcomes. Each dimension is comprised of various constituent components - all are referenced throughout the case studies and defined below.

Systems Practices

Systems approaches: Application of various tools, methods, and frameworks used to understand a system that USAID seeks to change. Informed by systems thinking—an organized way to understand the relationship between actors, resources, and feedback loops within a fixed boundary—examples of systems tools include the 5Rs framework, Causal Loop Diagramming, and Social Network Analysis.[1]

Leverage points: Points within a complex system (a corporation, an economy, a city, a sector) where a small shift in one thing can produce big changes in many other parts of the system.[2]

Sustained resources: Developing a pathway for communities to access resources in a sustained way, post-project, optimally without the support of a donor body.[3]

Collaboration & Capacity

Co-creation: A design approach that brings people together to collectively produce a mutually valued outcome, using a participatory, time-limited process that assumes some degree of shared power and decision-making. The project and activity design guidance in ADS 201 emphasizes that USAID design teams "are encouraged to incorporate approaches that support innovation, co-creation, and/or co-design" when appropriate.[4]

Technical and managerial capacity building: Efforts aimed at developing the capacity of actors to drive local collaboration, action, and change; and to provide technical and managerial support to activities. In sustainable projects, these actors are able to apply these skills to ensure that motivation is sustained (political, governmental, etc.) and that activities continue beyond the life of the project.[5]

Local ownership: Engaging local actors to own, lead, and implement activities during and after a project, thereby boosting durability and adaptability. Local ownership allows actors to better accommodate shocks and respond to changing circumstances.[6]

Partnership: Encouraging collaboration among various actors in the design, support, and implementation of projects. USAID seeks partnerships that leverage the combined skills, assets, technologies and resources of the public, private and nonprofit sectors to deliver sustainable development impact.[7]

Adaptive Management & Implementation

Adaptive management: An intentional approach to making decisions and adjustments in response to new information and changes in context.[8]
Note: During the design phase, considering the degree of adaptability that may be needed during implementation can help identify what types of adaptive management approaches may best fit with the context and objectives.

Learning and knowledge development: Leveraging of successes and missteps through planned information sharing and peer exchange. This can be supported by developing tools, systems, and infrastructure for sharing best practices and information; structuring learning stories and M&E reports; troubleshooting during implementation; and informing steps to take during and after close-out.[9]

Applying the lessons from the case studies

- **In the design stage,** these cases can support teams by offering ideas for structures and processes that can be built into a program and increase the likelihood for sustainable outcomes.

- **In the implementation stage,** these cases offer innovative approaches to program management that teams can apply, adapt to their program context, and experiment with throughout the course of a program.

- **In the close-out stage,** these cases exemplify how USAID can successfully transition out of a program while ensuring its influence will be taken up by another actor, and thus increasing the likelihood of sustainable outcomes.

Photo credit: Green Chameleon via Unsplash

REFERENCES IN THE INTRODUCTION

1 *"The 5 Rs Framework in the Program Cycle"; "Local Systems: A Framework for Developing Sustained Systems." usaid.gov.*

2 *Meadows, Donella. "Leverage Points: Places to Intervene in a System." donellameadows.org.*

3 *Coates, Jennifer and Lorge Rogers, Beatrice. "Sustaining Development: A Synthesis of Results from a Four-Country Study of Sustainability and Exit Strategies among Development Food Assistance Projects". usaid.gov.*

4 *ADS 201.3.3.7. Discussion Note: Co-Creation Additional Help". usaid.gov. Accessed June 18, 2018.*

5 *Coates, Jennifer and Lorge Rogers, Beatrice. "Sustaining Development: A Synthesis of Results from a Four-Country Study of Sustainability and Exit Strategies among Development Food Assistance Projects". fantaproject.org .*

6 *"Local Systems: A Framework for Developing Sustained Systems." usaid.gov.*

7 *"Build a Partnership with Us." usaid.gov.*

8 *"What is Adaptive Management". usaid.gov.*

9 *"Evaluating Global Development Alliances: An Analysis of USAID's Public Private Partnerships for Development". usaid.gov.*

Case Study # 1

USAID/Uganda Community Connector (CC) Activity

—

Taking an integrated approach to improving nutritional status and livelihoods for women and children in Uganda

Case Study #1

USAID/UGANDA COMMUNITY CONNECTOR (CC)

Overview

In Uganda, there is a complex relationship between undernutrition, gender inequality, and poverty. Some of the highest rates of child undernutrition, for example, are in the Southwest, one of the most food-secure regions of the country, and also one facing rapid population growth and decline in available land and other natural resources.

The USAID-funded Community Connector (CC) Activity was designed to reduce poverty, improve nutrition, and achieve sustainable food and livelihood security for women and children through a flagship integrated approach. Operating in 15 districts in Southwestern and Northern Uganda, CC targeted vulnerable communities through a suite of integrated interventions focused on nutrition and health; agriculture and food security; water, sanitation, and hygiene (WASH); gender; and economic livelihoods.

To coordinate integrated interventions (and measure their outcomes and the added value of integration), the CC Activity took an innovative approach to tracking multisectoral outcomes for CC households.

Referred to as "**CC see 10**", ten measures were used to guide CC progress:

1. Family savings
2. WASH facilities
3. Clean compound
4. Traditional vegetables planted
5. Fruit trees planted
6. Small livestock
7. Agricultural income-generating activity
8. Production assets
9. Long-term food stocks
10. Shared production and child-feeding decisions among spouses

Embracing integration, and the complex management challenges it triggered, was key to CC's sustainability. In accepting the complex realities of life in Uganda, beneficiaries embraced CC's approach: in the fifth and final year, 89,853 households, or 92.4 percent, were still actively engaged with CC.

Key Facts

- **Project dates:** 2011 – 2016

- USAID/Uganda under the Feed the Future (FTF) Initiative

- **Implementing partners:** A consortium led by FHI 360 & including Self Help Africa (SHA), Grameen Foundation, Building Resources across Communities (BRAC-Uganda), Communication for Development Foundation Uganda (CDFU), Village Enterprises, Gulu University, and Mbarara University of Science and Technology (MUST)

- **Sectors:** Integrated across agriculture, nutrition, WASH, gender, and economic livelihoods

- **Budget:** USD 24.4 million

USAID/Uganda Community Connector (CC)
SYSTEMS PRACTICES

Integrating systems practices

Community Connector interventions were targeted at the poorest and most vulnerable populations in Uganda. The Activity's objectives were designed to more closely align with direct assistance, such as filling critical gaps in nutrition and WASH in communities, rather than systems strengthening activities that focused on market development and livelihoods, for example. CC's embedded adaptability (see **Embedding learning and knowledge** pg. 13) gave implementing partners the flexibility to shift how and with whom they engaged, allowing for gradual movement along the continuum from direct assistance to capacity building and systems strengthening.

Activating key leverage points

The first phase of CC was dedicated to conducting a comprehensive Situation Analysis to identify the key leverage points in CC's 15 intervention districts. By looking at factors like gender dynamics, nutrition behaviors, agribusiness engagement, and savings and income generation, CC implementers identified influential organizations, individuals, and economic activities in each district. These critical differences led CC to create a unique, integrated implementation plan for each district.

Critical system factors

The success of CC interventions depended on the larger systems within which CC communities were situated. The greatest systems barriers to achieving results were reported as follows:

- The success of WASH interventions depended on reliable **access to water**
- Community-based service providers didn't have **reliable transport** to communities in the hilly Southwest
- Monitoring teams couldn't deliver reports from remote areas on time because of **unreliable access to cell networks**
- **Weak local governance and corruption** at the district level impeded implementation

Across districts, local government was seen as a critical leverage point for CC. As initially designed, CC planned to engage with district governments to identify target households, sensitize communities, and recruit subject matter experts, such as agricultural extension workers and community development officers, to deliver CC interventions. Through the first phase of implementation, intervention results were lower in communities with weak or corrupt district governments. As a result, CC adapted to work more closely with government bodies at the sub-county and local council (LC) level, where government officials were more incentivized to provide direct services to constituents they knew and lived near.

Community Connector also relied on the national government, specifically the National Agricultural Advisory Services (NAADS), for subject matter specialists to deliver agricultural extension services to farmer groups working in CC-supported enterprises. To CC implementers' dismay, this dependence severely limited agriculture intervention effectiveness when the Government of Uganda suspended NAADS at the end of the first phase of CC. Thankfully, FHI 360, CC's prime implementer, was able to redesign its approach, instead engaging Self Help Africa to develop a new network of agriculture extension service providers. The ability to redesign in reaction to shifting leverage points was important to CC's progress toward sustainability.

Acquiring resources

A key achievement of CC was the decision to modify the traditional Village Savings and Loan Association (VSLA). Savings with a Purpose, or SWAP, groups were formed to help households save for something specific to nutrition and income generation, such as a goat. In addition to providing financial literacy and business development training, SWAP group gatherings also served as a good platform for other behavior change conversations around nutrition, child spacing, and WASH. And when men saw that women were reaping financial benefits through SWAP, they began to attend gatherings, too. SWAP thus became a springboard for discussing gender equality with husbands and wives. After CC concluded, 65 percent of SWAP groups created during implementation were assessed to be in good health, with a median annual income increase of 38 percent.

USAID/Uganda Community Connector (CC)
COLLABORATION & CAPACITY

Integrating co-creation

USAID/Uganda developed the RFP for Community Connector internally rather than in collaboration, which could have weakened its prospects of self-reliance. However, USAID did build in several opportunities for collaboration. First, the procurement process required in-person presentations from the bidding implementers, which allowed USAID staff to meet the Chief of Party (COP) nominee and assess their team's flexibility, systems perspective, and approach to collaboration. The decision to award a consortium of implementing partners also ingrained collaboration into CC from day one. Initially, implementing partners were hesitant to collaborate, fearing the loss of intellectual property or control over their interventions. However, CC's synergistic approach helped everyone recognize the added value of integrated services, which led to more comprehensive service provision to all of CC's 539,118 beneficiaries.

Doubling down on partnership and local ownership

Partnerships were key to CC's success because no one implementing partner or service organization could adequately provide services in all intervention areas (gender, agriculture, livelihoods, health, and nutrition) across all CC communities with the frequency and quality demanded. Thus, service delivery was integrated through pre-existing groups and local organizations. For instance, District Nutrition Coordination Committees created Village Health Teams comprised of trained local people, such as birth attendants, to visit rural households. CC also identified 60-75 existing community groups in each sub-county with which to introduce Savings with a Purpose, or SWAP. Finally, a key implementation decision was to identify "early adopters" of CC programming and bring them into service delivery early on by training them to be Community Knowledge Workers (CKWs) and Community Connector Officers (CCOs) who could work directly with local SWAP groups and schools to facilitate CC curriculum and reinforce it within the community.

Building capacity and motivating stakeholders

CC established learning sites in every community. These were central places, such as a group member's home, school, church, or health facility, where CKWs and CCOs could meet regularly with SWAP and other local groups to deliver curriculum and work through issues as they arose.

Because CC engaged primarily at the community level, CC also started a small grants fund for participating community groups. FHI 360 went into this activity with the understanding that managing hundreds of small grants would be administratively challenging and time-consuming. This turned out to be the case, however the money and capacity development to manage the funds served as strong motivation for communities.

Built into the design, CC implementing partners began preparing for graduation six months before the Activity closed. They sensitized local governments, shared resources with local service providers, and set goals for continuing activities with community groups. In hindsight, planning for graduation should have begun as soon as the Activity started, or at least one year prior, to provide even more time for these efforts that are essential to sustainability.

Building on CC approaches

Nearly two years after CC closed, USAID/Uganda is applying CC lessons in a new way: through the Graduating to Resilience Activity, a seven-year project (Oct. 2017 – Sept. 2024) funded by the Office of Food for Peace. The Activity's goal is to graduate extremely poor refugee and Ugandan households in Kamwenge District from conditions of food insecurity and fragile livelihoods to self-reliance and resilience. Built into the design will be a more rigorous evaluation of the sustainability of different approaches that originated in CC, as USAID has not yet verified or explored whether CC's results endured after close-out.

USAID/Uganda Community Connector (CC)
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Embedding learning and knowledge

Community Connector was a flagship activity for the Collaborating, Learning, and Adapting (CLA) approach. Standing in stark contrast to traditional project planning, where five-year activity plans are prescribed during design, CC's five-year plan included three phases, each of which included a six-month learning module followed by an implementation module. The first two learning modules included a Stakeholder Analysis and the aforementioned Situation Analysis, while the third learning module measured the Activity's impact in CC communities. These modules provided USAID, implementers, and beneficiaries with a clear picture of the key issues, needed approaches, and progress of ongoing efforts. Those involved in CC considered this new CLA approach to be a resounding success. In hindsight, partners would only suggest minor modifications to ensure that communities benefit from the learning modules as much as implementing partners; that interventions don't halt during the learning modules; and that supplementary learning activities (in CC's case, two Cooperative Agreements for an impact evaluation and randomized controlled trials) are better synchronized.

Managing adaptively

Community Connector designers knew that meeting their CLA objectives would require a unique approach to procurement. They chose a flexible fixed-price contract that gave implementers the space to learn, make corrections that, most importantly, were permitted (and welcomed) through the contracting mechanism. This might not have worked had FHI 360 not been risk-tolerant and had USAID contracting officers not been willing to accept the complicated management that resulted. But the fixed-price contracting *was* a success, allowing for such significant adaptations as adding a new implementing partner, Village Enterprise, when it became apparent in the second learning module that the most vulnerable householders were not accessing CC services because they did not belong to an existing savings group.

CC's systems leaders

Critical to the success of CC's untested CLA approach were the individuals who worked most closely on the Activity. The Chief of Party (COP) modeled a learning culture, rewarding his team for asking questions, admitting when things weren't working, and proposing alternatives. The COP regularly brought all stakeholders together for "failure summits" (later renamed "learning summits") to encourage collaborative iteration, normalizing CLA in the process. Similarly, the USAID team, particularly the Contracting Officer Representative (COR) and Unit Lead, modeled a systems perspective and were willing to advocate for changes suggested by implementers to teams at USAID Mission and Headquarters. In addition, the COR spent 80 percent of her time managing CC, a luxury that allowed her to engage deeply with the Activity's teams and communities.

Additional resources on the approaches featured in this case

CLA in Activity Design and Implementation: The USAID Learning Lab developed a toolkit to help USAID staff integrate CLA into activity design and implementation, the foundation for which emerged from the approaches tested through Community Connector. The toolkit provides advice on such specifics as incorporating CLA into the procurement process, solicitations, and activity management, and adaptable and flexible contracting types. Link: CLA in Activity Design and Implementation Toolkit

Community Connector Learning Review: QED Group, LLC conducted a learning review of the Community Connector Activity after it closed in 2016. The objective of the learning review was "document evidence and examples of program success, lessons learned, operational challenges and linkages to broader development goals. It supported understanding the 'how' and 'why' that can inform USAID/Uganda's integrated program design and management efforts." Link: An infographic summary of the learning review's key findings and lessons learned.

Case Study # 2

USAID/Kenya Yes Youth Can (YYC) Project

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Youth Owned. Youth Led. Youth Managed.

Case Study #2

USAID/KENYA YES YOUTH CAN (YYC)

Overview

In the mid-2000s, Kenya was widely viewed as a bastion of democracy on the African continent. That was all thrown into chaos during the 2007-2008 election crisis. As incumbent Mwai Kibaki was declared winner, his opponents declared electoral manipulation. Nationwide protests erupted and the situation quickly devolved into violence, with an estimated 1,133 people killed and 600,000 displaced. The country's disenfranchised youth population were both victims and perpetrators.

In response, the USAID/Kenya Mission developed the Yes Youth Can (YYC) Project with funding from a variety of sources, such as the Bureaus for Economic Growth, Education, and Environment (E3) and Democracy, Conflict, and Humanitarian Assistance. This money was pooled into a comprehensive project to target issues related to the political and economic empowerment of Kenyan youth.

YYC's three main goals were to:

- Empower youth to expand their economic opportunities and contribute to their communities
- Encourage youth leadership and a youth voice in local and national policy dialogue
- Increase youth participation in local development and peace initiatives

To accomplish these goals, USAID sought to engage youth not just as beneficiaries but partners in development. This had two core components — the creation of youth councils, or *bunges*, and the creation of independent youth-led Savings and Credit Cooperative Societies, or SACCOs.

While direct funding for the YYC Project formally ended in 2015, all of the 30 county-level bunges and SACCOs are still in operation as of writing. Further, three counties not included have independently created bunges and one has created a SACCO. Moreover, while USAID has transitioned away from the provision of direct funding for the bunges, the Agency continues to engage the bunge network through its programming in a variety of sectors, including health, workforce development, democracy, governance and conflict, and countering violent extremism.

Key Facts

- **Project dates:** 2009 - 2015

- USAID/Kenya

- **Implementing partners:** Mercy Corps, NCBA CLUSA, Winrock International, World Vision, and Inuka Trust Can

- **Sectors:** Economic growth, democracy and governance

- **Budget:** USD 60 million

USAID/Kenya Yes Youth Can (YYC)
SYSTEMS PRACTICES

Integrating systems practices

After the election violence in 2007-08, a comprehensive assessment of youth disenfranchisement was conducted by the Education Development Center Inc. Rather than look at the challenge through the lens of one sector, be that education, economic growth, or another, the study took a cross-sectoral perspective, examining the linkages and drivers of disenfranchisement and the needs of youth populations involved in the violence. Ultimately, the assessment found that the most foundational elements of youth disenfranchisement were not having a voice in the decision-making processes and a lack of economic opportunities.

While the assessment was not explicitly labeled as a systems practice (at the time, "systems" had yet to come into prominence within the development lexicon) it has elements that are fundamental to systems thinking, such as the examination of the root causes of complex problems. From this assessment, YYC was born as a project aiming to drive change at the grass-roots level. Addressing the central challenges – lack of voice and economic opportunity – became the central focus of the project, suggesting that the cross-sectoral analysis was critical to design and implementation.

Activating key leverage points

To empower youth, USAID began by working with its implementing partners to create youth-led parliaments, called *bunges*. Importantly, they did not seek to activate youth groups already involved in development programming, but instead wanted to specifically engage with those youths who had little-to-no previous engagement with community development activities. Once these bunges were organized, the youth were responsible for identifying which leverage points would best support youth needs in their local context, be that at the village, county, or national level.

At the national level, a key leverage point identified was the lack of Voter ID cards, which are needed to vote in elections and participate in a range of economic opportunities. Hundreds of thousands, if not millions, of young people around the country were eligible to vote but lacked the requisite documentation. Once this bottleneck was identified, YYC worked to support the acquisition of more than 600,000 ID cards for youths around the country. As a result, the 2013 election experienced turnout levels overwhelmed Kenya's voting systems, much of which can be attributed to the increased engagement of young people in the political process.

Acquiring resources

Another key leverage point identified was that youth did not want USAID to finance one-off interventions. Rather, they wanted a sustained way to access finance for economic opportunities that mattered to them. This is how the idea for Savings and Credit Cooperative Societies, or SACCOs, originated. SACCOs provide financial services to youth, including savings accounts and lines of credit for business ventures. USAID provided start-up capital to launch the SACCOs, which was conditional on a certain threshold of savings and appetite for loans. Six years into operation, YYC SACCOs are now self-sustaining and have more than 40,000 members who enjoy improved access to loans that support direct wage employment or business growth. Learn more about the types of initiatives funded by SACCOs in the textbox to the right.

SACCOs

The idea for the creation of SACCOs arose directly through YYC's engagement with youths through the bunges. SACCOs function as non-profit community banks that focus on member savings and loan services. Each member is treated as an equal share-holder regardless of how much they have saved within the SACCO, and a board of directors directly elected by members make decisions about loans. Through this structure, SACCOs provide loans for a variety of activities that provide economic opportunities for young people, such as produce stands and fishing ventures. To access credit through a SACCO, youths are required to have an open savings account to which they regularly contribute.

USAID/Kenya Yes Youth Can (YYC)
COLLABORATION & CAPACITY

Integrating co-creation

In addition to helping youth have more of a voice in the political process and building their capacity for community engagement, bunges were also the core of YYC's approach to co-creation. Bunges had their own governance structure, including a constitution and election, and YYC implementing partners were instructed that all interventions needed to be approved by these bodies. Thus, young Kenyans played a critical role in the design of interventions that were funded by YYC.

To support the funding process, USAID created a funding mechanism using a Window of Opportunity, which was used to facilitate the engagement of youths around their desires for the project. A YYC implementing partner could only access funds through the Window of Opportunity once an intervention was approved by a bunge, which endowed YYC with a strong foundation of co-creation.

Doubling down on partnership and local ownership

One of the key tensions that arose during YYC was the incumbent national government's skepticism about USAID's intentions. High-ranking government officials went on the record lambasting YYC as being a US-government backed attempt to incite a youth-led overthrow of the Kenyan government. Because of this, USAID cultivated partnerships with local and national institutions to help traditional development partners see first-hand that YYC was not a political initiative. For instance, YYC implementing partners engaged government representatives from various Ministries, including the Ministry of Industrialization and Enterprise Development, Planning and Devolution and the Ministry of Interior and Coordination, to participate in the youth-led meetings.

Rather, YYC was focused on helping youth take ownership of their futures. As one member of the YYC team explained, "Putting youth in the driver seat means that they have to agree with what is being done and make sure their voices and issues are heard, and projects are being implemented accordingly". This is why the YYC team adopted the mantra: "Youth owned. Youth led. Youth managed." This mantra was central to its approach to development.

Building capacity and motivating stakeholders

Capacity building for youth leaders was another important piece of YYC, much of which was directly provided by USAID, in addition to the work of the implementing partners. As was explained by former project staff, "We didn't say this is youth managed from day one, we embraced the messiness of democracy" and provided ongoing training to youth leaders to help them grow into their roles. Once YYC was launched, the USAID/Kenya Mission increased its staff capacity, bringing in an additional three youth specialists and one senior youth advisor. Youth specialists engaged directly with youths all over the country, providing training and mentorship with the goal of supporting their growth as leaders. Although direct funding for YYC has concluded, the Mission has dedicated youth staff who provide mentorship to this day.

Another element of YYC's approach to capacity building and leadership development was the inclusion of bunge leaders in meetings with key stakeholders, including with government and other development partners. Young people were thus given learning opportunities that they might not have been able to access in the absence of YYC, experiencing firsthand how high-level development decisions get made and how to respond to political challenges with diplomacy. Now, many former YYC leaders have transitioned to more traditional governmental and leadership roles.

Bunges as vehicles for co-creation

Bunges served as a foundational element of YYC, and much of the Project's success has been attributed to the positive role they played in youth engagement and ownership. While bunges were established as political bodies, they were also key partners in the development of interventions under YYC. Through the 23,000 village-level bunges and 30 county-level bunges, YYC brought roughly 1 million youth into the Project, each of whom had a voice in the decision-making process.

USAID/Kenya Yes Youth Can (YYC)
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Managing adaptively

At the outset of YYC, USAID/Kenya had a vision for how they wanted the Project to be implemented: Youth owned. Youth led. Youth managed. However, this philosophy was not reflected in the six proposals that the Mission received for Cooperative Agreements, the Project's procurement mechanism. These proposals had elements of what the YYC team was looking for, but largely followed a traditional, prescriptive, ear-marked approach that engaged many of the usual youth groups in the country. Lacking a credible youth partner to support implementation at the desired scale, the Mission came back to the six selected implementing partners and asked for explicit changes to their proposals, in particular requiring them to spend the first six-months of the Project mobilizing grass-roots support and establishing bunges.

The selected implementing partners did not immediately take to heart the Mission's vision. It was something that no one in the country had experienced before, and it took sustained engagement with implementing partner staff to help them acclimate to this new vision for youth engagement and involvement. For roughly six-months, bi-weekly meetings were held in Nairobi to bring these teams together and discuss the vision and the challenges that were being faced in implementing this vision, which helped them to learn from each other and adapt to the challenges they were facing.

Embedding Learning and Knowledge

The Ladder of Citizen Participation, described in the textbox at right, was also key to YYC's approach to learning and knowledge management. First, it was customized for youth participation in Kenya and used to

Ladder of Citizen Participation

An important tool used by the YYC team to support the implementing partners to understand the level of youth engagement is Sherry R Arnstein's Ladder of Citizen Participation. The Ladder is a typology for understanding the level of engagement and voice that a given citizenry has in the political and decision-making processes that affect their society. At the bottom is manipulation and therapy—situations in which citizens are being told what to do or given a cathartic outlet, such as a vote in a rigged election. At the top of the ladder are partnership, delegated power, and citizen control, with each rung having increasing degrees of decision-making clout. The USAID/Kenya Mission worked with both implementing partners and bunges to explain that, by the end of YYC, they expected all bunges to be operating at the top of the ladder.

ensure that all stakeholders had a common understanding of the expectations for the project. Next, it served as an M&E rubric for understanding how youth bunges were taking more ownership over YYC programming. The youth did not need to be forced to use this ladder to gauge progress and obtain knowledge, because as they grew, they were climbing the ladder first-hand and monitoring their own progress.

Spotlight on tools and approaches featured in the case

- **Building local ownership as both a 'means' and an 'ends':** As the mantra of Yes Youth Can suggests, youth ownership of the Project was both a means to its success and a foundational goal of how USAID approached programming. This reverberated throughout every intervention and the sustainability of this approach can be seen in the fact that the bunges and SACCOs are still in operation today, despite funding ending in 2015.

- **Engaging the networks beyond the project life-cycle:** While YYC is now complete in terms of funding, USAID/Kenya has not ceased engagement with the bunge network. There is still regular communication between Mission staff and youth leaders and, as the Mission develops new projects and activities, it looks for new ways to engage this network through design and implementation, which can help amplify impact and sustain results over the long run.

Case Study # 3

USAID/Madagascar Rural Access to New Opportunities for Health and Prosperity (RANO-HP) Activity

Improving Water, Sanitation, and Hygiene (WASH) in Madagascar

Case Study #3
USAID/MADAGASCAR RANO-HP

Overview

In 2009, one-third of the total population of Madagascar lived in urban areas — a number increasing rapidly, as Madagascar urbanized at twice the rate of the global average (4.85 percent compared to 2.24 percent). At such a pace, growth was often concentrated in informal settlements, where inhabitants had limited access to clean water and sanitation facilities. Consequently, waterborne diseases, like diarrhea, were the second-leading cause of child mortality in Madagascar.

Taking aim at this problem, USAID's Rural Access to New Opportunities for Health and Prosperity (RANO-HP) Activity aimed to increase sustainable access to improved water supplies, boost sanitation coverage rates, and improve household hygiene practices in 26 communes in twelve districts along the east coast and in southern Madagascar.

Implemented in partnership with Catholic Relief Services

(CRS) and a consortium of other organizations from 2009 to 2013, RANO-HP was USAID's first WASH activity in Madagascar that aimed to work with the private sector and incorporate financial services for beneficiaries with the strategic intention of increasing sustainability of WASH interventions. As such, USAID and CRS spearheaded several approaches:

- Coordinating Community-led total sanitation (CLTS)
- Promoting behavior change for better hygiene practices, such as handwashing
- Introducing village savings and loan associations (VSLA) and micro-finance loans for WASH
- Training local masons to support construction of improved household latrines
- Developing public-private partnerships (PPP) to build and manage public "monoblock" sanitation and water access points
- Supporting community groups to co-develop Commune Water and Sanitation Business Plans

Key Facts

- **Project dates:** October 2009 – June 2013; shortened from September 2014

- USAID/Madagascar & E3/Water Office

- **Implementing partners:** A consortium led by Catholic Relief Services

- **Sector:** Water, Sanitation, and Hygiene (WASH)

- **Budget:** USD 10.6 million, reduced to USD 8.5 million in 2012

SYSTEMS PRACTICES

Integrating systems practices

The RANO-HP Activity largely did not demonstrate sustainability of results, as evidenced through a 2014 final evaluation and 2016 ex-post evaluation (see ex-post evaluation chart at right). This case study attempts to highlight the factors that contributed to the significant decline in key outcomes, as well as offer evidence of lasting positive impact, beginning with systems practices at play in RANO-HP.

Several of the key barriers that the RANO-HP implementation team faced — rising cost of living and inflation over the project lifetime; poor road infrastructure, particularly in coastal areas susceptible to tropical storm washouts; and limited access to water treatment facilities and laboratories in remote areas — could have been avoided if identified during the design process. Through a systems analysis, the implementation team could have been equipped with the appropriate resources to mitigate these challenges before they arose. As the ex-post evaluation indicated, "Barriers to sustainability included financial constraints to improving WASH facilities as the primary reported barrier, regional environmental factors such as space or natural material constraints, storms that damaged latrines, and water scarcity that inhibited handwashing."
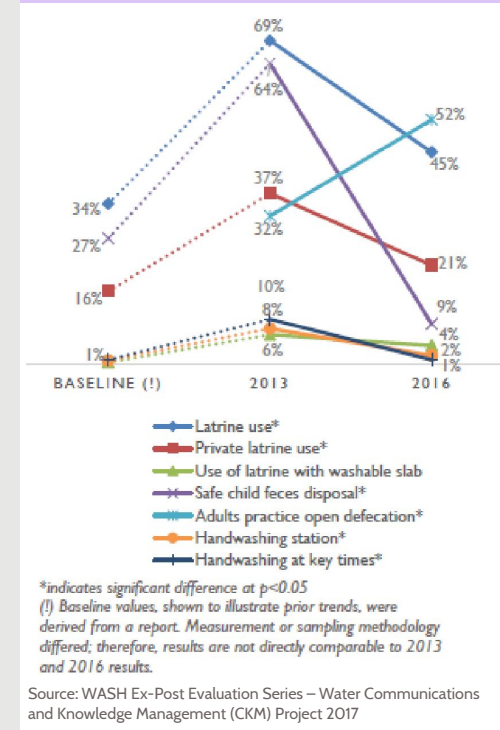
Activating key leverage points

That said, RANO-HP was better able to sustain WASH outcomes with several sub-populations as compared to others. Relatively greater success occurred working with women, children, and literate individuals. Female-headed households were slightly more likely to continue using latrines — and built higher quality latrines — than male-headed households. Education activities and promotion materials, when integrated into school curricula, also led to more sustained results.

In 2009, RANO-HP signaled a break from common WASH practice in its approach to partnering with the private sector and government — two key leverage points in a system. The former is discussed in **Doubling down on partnership and local ownership** on pg. 22, while the latter is discussed in **Managing adaptively** on pg. 23.

Sustainability of key RANO-HP sanitation & hygiene outcomes

*indicates significant difference at p<0.05
(!) Baseline values, shown to illustrate prior trends, were derived from a report. Measurement or sampling methodology differed; therefore, results are not directly comparable to 2013 and 2016 results.

Source: WASH Ex-Post Evaluation Series – Water Communications and Knowledge Management (CKM) Project 2017

Acquiring resources

RANO-HP is lauded for establishing village saving and loan associations (VSLAS) in intervention communes (sub-levels of Madagascar's 114 districts), which gave households needed access to financing. While the intention was to use VSLA loans for WASH interventions, such as latrine construction and repair, most loans were used instead for income-generation. The 2014 final review revealed that "not one single household has ever used the Savings and Internal Lending Communities (SILC) or Village Saving and Loans Associations (VSLA) channel to get a loan to build latrines despite the fact that the percentage of membership in these savings structures and rural credit unions are fairly high." The conclusion: while VSLA loan products suggest a sustainable avenue for addressing financial barriers, WASH is generally not considered investment-worthy.

USAID/Madagascar RANO-HP
COLLABORATION & CAPACITY

Integrating co-creation

When RANO-HP was designed, co-creation was not a central notion at USAID. As such, the RANO-HP Activity appears to have been primarily designed and scoped internally, with external actors only engaged during implementation. However, to achieve RANO-HP's objectives, stakeholder buy-in, multi-sectoral collaboration, and local ownership were integral to implementation.

Building capacity and motivating stakeholders

RANO-HP contributed to the first ever large-scale implementation of the Community-Led Total Sanitation (CLTS) approach in Madagascar. CLTS is an inherently collaborative approach that aims to empower local communities and authorities to assess their WASH challenges, determine solutions, and enact and enforce rules to address these challenges. Through RANO-HP, Community Health Volunteers were trained to lead communities in building a collaborative map of their WASH hotspots — open defecation zones, water sources, latrine locations, etc. — and then work with local authorities to invest in infrastructure improvements while disseminating WASH messages to change household behavior.

CLTS can lead to rapid adoption of good WASH practices, but maintaining these gains over time can be a challenge. This was the case in RANO-HP. While the rate of latrine possession had improved to 3.49 percent at close-out (from 0.84 percent at baseline), the ex-post evaluation found that after three years latrine use had declined and open defecation was being practiced in most communities that were declared to be open defecation free at the end of RANO-HP. Qualitative interviews suggested that CLTS did not put enough emphasis on training local repairmen to maintain latrines and did not consider the frequency with which Community Health Volunteers migrate to other villages, creating a knowledge gap.

CLTS results have been largely sustained in RANO-HP villages that have received other donor support since RANO-HP concluded in 2013. With continued donor or government support over a longer period of time, longer-term sustainability might be possible. See the textbox at right for more details.

Doubling down on partnership and local ownership

In 2009 in Madagascar, most local water supplies were managed by volunteer community associations, to unsatisfactory effect. RANO-HP decided to pioneer and test a public-private partnership (PPP) model for the management of local water supplies. The implementation team first helped local government authorities understand their rights, draft contracts, and negotiate prices with private companies that would then be responsible for service provision, marketing, and repairs. Good in theory, the PPP model faced complications during implementation: at endline and three years later, few government authorities were familiar with the contract documents or knew their role; limited collaboration between the private management companies and the local government led to miscommunication and distrust amongst community members; and the private managers' technical capacity was limited, resulting in 56 percent of households experiencing water supply cut-offs that generally lasted 2-12 months. To improve WASH PPPs, stronger emphasis could be placed on building technical capacity and facilitating collaboration between the public and private partners.

Sustained motivation or sustained results?

The Madagascar Ministry of Water, Hygiene, and Sanitation (MoWASH), in partnership with UNICEF and the Global Sanitation Fund, was likely influenced by RANO-HP when they began implementing CLTS in 22 regions, many of which were previous RANO-HP intervention areas. While this confounded the ex-post evaluation methodology, forcing the evaluators to eliminate those areas from sampling, it provided evidence of strong sustained motivation for the CLTS approach — just not evidence of sustained results, as continued intervention suggests that the desired change hasn't been achieved.

USAID/Madagascar RANO-HP
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Managing adaptively

RANO-HP intended to work closely with national and regional government offices, but was unable to do so as a result of the change in government in March 2009. USAID was one of a few international donors who remained active during this volatile time, but the number of intervention communes active in RANO-HP was slashed from 42 to 26 before implementation.

Further forcing adaptation, RANO-HP's budget was reduced by 23.5 percent in 2012, from USD 10.6 million to USD 8.5 million, while the Activity end date was moved forward at the last minute to June 2013 from September 2014 to ensure that the Activity would conclude in advance of the 2013 presidential election. Implementing partners assert that these changes significantly influenced the Activity's sustainability; they were forced to abandon critical interventions with little advance notice. However, implementers did their best to influence other donors to invest when RANO-HP ended (attempts that met with success, see **Sustained motivation or sustained results?** textbox on pg. 22) and share knowledge and learnings with local authorities and communities.

Embedding learning and knowledge

In retrospect, implementers would have found helpful the Collaborating, Learning, and Adapting (CLA) framework when designing RANO-HP, allowing for longer periods of monitoring followed by adaptive management (in the vein of the USAID/Uganda Community Connector Activity; see pg. 9). Instead of allowing time for learning and sharing results, RANO-HP was astoundingly still building sanitation infrastructure in the last month before the end-date. However, the Activity did build in a mid-term monitoring phase (2012) to identify key factors that contributed to or hindered sustainability in four key WASH interventions. In addition, a comprehensive endline report (2014) was indispensable to the

USAID/E3 Water Communications and Knowledge Management (CKM) Project team that conducted ex-post evaluations of RANO-HP three years after close-out, in September-October 2016. See the text box at right for more details.

Assessing sustainability through ex-post evaluations

In 2016, the USAID/E3 Water Communications and Knowledge Management (CKM) Project initiated a series of independent ex-post evaluations of USAID WASH activities. Social Impact (SI) completed an ex-post evaluation on the sustainability of the **sanitation** and **hygiene** components of RANO-HP, while Villanova University evaluated the **water** component. The objective was to better understand how activity design, implementation, and external factors influence the sustainability of interventions.

SI's ability to conduct a thorough ex-post evaluation hinged on RANO-HP's exceptional endline evaluation. The RANO-HP team fully documented their endline sampling methodology, qualitative and quantitative tools, and results, which gave SI an essential baseline for replication and statistical comparison. Comprehensive endline reports are an essential input for ex-post evaluations.

Additional evidence on the approaches featured in this case

- **2014 Endline Report:** RANO-HP implementers produced a comprehensive endline report with well-documented methodology, tools, and results that proved invaluable in the 2016 ex-post evaluation. Link: RANO-HP 2014 Endline Report

- **2016 Ex-post Evaluations:** Two external ex-post evaluations were conducted to examine sustainability of RANO-HP three years after close-out, as part of the larger USAID/E3 Water Communications and Knowledge Management (CKM) Project that led ex-post evaluations of several USAID activities in the WASH sector. Links: RANO-HP 2016 Ex-post Evaluation: Hygiene and Sanitation Components; RANO-HP 2016 Ex-post Evaluation: Water Component

Case Study # 4

USAID/ Ethiopia Pastoralist Areas Resilience Improvement and Market Expansion (PRIME) Activity

Enhancing resilience by expanding market opportunities for pastoralists in the drylands of Ethiopia

Case Study #4
USAID/ETHIOPIA PASTORALIST AREAS RESILIENCE IMPROVEMENT AND MARKET EXPANSION (PRIME)

Overview

Pastoralism is a key economic and cultural element of Ethiopia. It comprises 40 percent of the GDP generated by the agricultural sector and employs about 15 percent of the population. These figures are even higher in the lowland areas of the country, such as the Somali, Orimiya, and Afar regions. The people living in these areas experience persistent economic vulnerability, which in turn increases the potential for conflict.

To support pastoralist communities, USAID's Bureau for Economic Growth, Education, and Environment (E3) launched PRIME in 2012. The Activity aimed to increase household incomes through market expansion and enhance resilience for 250,000 households living in the activity's target areas.

PRIME originally comprised four distinct yet integrated technical areas of focus, with a fifth being added in the first year of implementation.

1. Livestock productivity and marketing
2. Natural resource management (NRM)
3. Livelihoods for people transitioning out of pastoralism
4. Learning and knowledge management
5. Nutrition

To deliver services in these areas, the Activity took a systems-oriented market facilitation approach that used a combination of push and pull strategies. Push strategies worked with communities, the private sector, and institutions to improve the availability and accessibility of resources important to pastoralists, while pull strategies focused on developing the livestock industry.

Together, these strategies aimed to foster growth and competitiveness of livestock value chains, address the needs of poor and chronically food insecure households through value chain interventions, improve the policy environment through collaborative and continuous evaluation and learning process, and improve delivery of human health services and behavior change.

Such an approach necessitated a diverse range of activities, spanning rangeland management and support to private entrepreneurs, microfinance, and Early Warning Systems (EWS). These activities have been deemed a success in terms of how they increased the ability of communities to access previously unavailable resources and services, which will help pastoralists better respond in the face of the next acute shock — climatic or otherwise.

Key Facts

- **Activity dates**: 2012 – ongoing

- USAID Bureau for Economic Growth, Education, and Environment

- **Implementing partners**: Mercy Corps, CARE, Horn of Africa Voluntary Youth Committee, Haramaya University, Kimetrica, Friendship Support Association, Action for Integrated Sustainable Development Association, SOS Sahel, Ethiopian Center for Disability and Development, Aged and Children Pastoralist Association

- **Sector**: Economic growth

- **Budget: USD** 52 million

Photo credit: Ann Porteus

USAID/Ethiopia Pastoralist Areas Resilience Improvement and Market Expansion (PRIME)
SYSTEMS PRACTICES

Integrating systems practices

PRIME is an Activity under USAID Feed the Future's broader strategy in Ethiopia. The development and design of PRIME was based on a market assessment of country's livestock sector: how it contributed to economic vulnerability of small-scale producers, and how this economic vulnerability led to worse outcomes in instances of acute shocks, such as drought. This assessment utilized a systems approach to uncover how resources flow between actors, and how the strength/weakness of linkages between actors contributes to their vulnerability. It discovered that when droughts hit, water wasn't the only resource that dried up. Often, pastoralists would face decreased access to other resources critical to their livelihoods, such as value-added services for processing of animal products. Thus, the idea for market expansion was born – to bring new resources into the system that could be accessed in both the good and hard times.

Through this market assessment, Ethiopia's strength as a livestock producer was highlighted as something that could be better leveraged. As neighboring countries like Egypt and United Arab Emirates have displayed preferences for Ethiopian livestock, increasing exports to these countries was highlighted as a key growth opportunity for Ethiopia's livestock sector, and the assessment looked into what it would take

Jijiga Export Slaughterhouse (JESH)

One of PRIME's core successes was helping to scale the operations of successful entrepreneurs and businesses, such as JESH, through the Innovation and Investment Fund. JESH is a new business operating in the Somali Region, providing services to pastoralists to care for sheep and goats. The money JESH applied for financed the procurement of a cold storage facility for the processed animal products, as well as a water purification unit to handle the increased volumes of wastewater. These new units have helped JESH scale their operations and provide services to more pastoralists.

to capitalize on this opportunity. The advantages and opportunities identified provided the basis for much of PRIME's programming.

Activating key leverage points

Using the market assessment, the PRIME Activity identified key areas of intervention, or leverage points, that could activate changes in the system beyond the initial intervention. PRIME chose to institute an Innovation and Investment Fund that local businesses could apply to for funding that would be specifically directed at the key leverage points in the livestock system. such as processing services that would increase the value and shelf life of livestock products. Importantly, the fund had a rigorous selection process that targeted businesses that were already successful, had a business plan aimed at scale, and fit the profile of the opportunities for market expansion. The requested funding would thus be aimed at specific investments that the business needed to scale its operations, and the Innovation and Investment Fund required a 50-percent cost share by the applying businesses. As one interviewee explained of high quality interventions, "It starts with the selection process."

At first the government was skeptical of the approach, asking why funding was being given to successful entrepreneurs rather than the poor and vulnerable. Over time, the activity convinced the government of the value of this approach. Of the more than 120 grants made through the Innovation and Investment Fund, only a handful of businesses have gone out of business. This high success rate is because the Activity was not trying to create new actors to fill gaps in the system. Rather, it leveraged the market potential of competitive players in the system, helping them to achieve greater success.

Expanding access to resources

By expanding the operations of service providers in the livestock sector, PRIME helped pastoralists access resources that would fuel their own operations. The JESH Slaughterhouse is a great example of this. By cost-sharing the establishment of the JESH Slaughterhouse PRIME not only catalyzed a business, but it also helped pastoralists access services that support additional income generation. This holistic orientation to resource allocation within a system is one of the key elements of PRIME. PRIME successfully expanded the resources available within the system, thus extending the benefits of the Activity beyond the five-year program-cycle.

COLLABORATION & CAPACITY

Integrating co-creation

Based on the aforementioned market assessment, USAID stipulated that PRIME must be implemented as a consortium with one prime partner. This structure stitched co-creation into the fabric of PRIME's DNA. An example of co-creation was the use of field staff-developed Concept Notes to guide programming. Each of PRIME's more than 1500 interventions was initially proposed by a field staff member using a standard Concept Note template, which was then submitted to the lead implementer, Mercy Corps, who provided feedback on the technical and financial feasibility and alignment with PRIME's objectives. This approach gave every implementing partner team a voice in PRIME programming.

Doubling down on partnership and local ownership

PRIME focused on the partnerships best suited to support local ownership. As one staff member put it, "The key to sustainability is buy-in. At the individual and household level. It means that what you are attempting to do has some kind of meaning to the people. Next is that what you are doing is something you can walk away and expect that its [activities and interventions] will continue." The Innovation and Investment Fund described previously

is one example of this. But, while most of these investments were aimed at helping to scale specific businesses, some were made using a public-private partnership model. HelloCash — a mobile microfinance service founded by a cooperative agreement with six companies — offers an illustrative example. At the launch of HelloCash, USAID provided just USD 350,000 in capital, while the core partners of Somali Microfinance Institute and Belcash invested USD 3 million and 1.8 million, respectively. In its first year, HelloCash provided financial services to more than 50,000 users in the Somali region. These services included a variety of financial products, some specifically tailored to the needs of pastoralist customers, like the Murabah, a credit scheme for livestock traders. As of writing, HelloCash has more than 200,000 subscribers and has completed over USD 500 million in transactions. The HelloCash partnership is helping more households gain access to financial services and products, which helps unlock previously untapped market potential and in turn enables households and communities to be more proactive in changing their economic circumstances.

Public private partnerships

Co-investment by the private sector is vital to PRIME's approach to solving development challenges in Ethiopia's livestock sector. PRIME was able to adopt this approach because the interests of USAID, the investment community, and the livestock industry were well-aligned. For PRIME, the challenge was finding ways to activate this investment through public private partnerships targeted at growing SME's, such as the Innovation Investment Fund.

Building capacity and motivating stakeholders

Because PRIME sought to work with partners who were best positioned to carry activities forward, capacity development was integrated into PRIME only to the extent necessary. Overall, PRIME sought to work with institutional and private sector partners that already possessed much of the necessary capacities needed to achieve PRIME's objectives.

However, some aspects of PRIME required more explicit attention, such as the Rangeland Management Councils. PRIME's work on participatory rangeland management focused on support for land management by local communities and institutions, as well as government partners in 24 distinct rangeland areas in the Orimiya, Somali, and Afar regions. Rangeland Management Councils relied on traditional institutional structures to improve governance of natural resources. To support their ability to manage the rangelands, PRIME helped to guide resource mapping processes for each individual rangeland area. This process improved the capacity of the councils to identify and understand resources, manage their area more effectively, and overall strengthen their institutional structures. By working with the Councils to develop the capacity for longer-term natural resource management, PRIME helped communities take more ownership over the future of their resource bases.

USAID/Ethiopia Pastoralist Areas Resilience Improvement and Market Expansion (PRIME)
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Managing adaptively

Adaptive management was integrated into the design and implementation of PRIME as part of the activity's underlying philosophy. Rather than stipulate exact activities, USAID set a structure and goals for the activity, and allowed the consortium of implementing partners to decide how to best achieve those goals. A key component of this approach was the design of budget flexibility. Because PRIME was developed as both a development and relief activity, the Agency designed the funding structure such that interventions could be changed to adapt to external events, such as a drought.

With this flexibility, Mercy Corps was able to implement its innovative approach to programming that

> ### Insight from the Field
>
> *"That's a major thumbs up to USAID — they gave us incredible budget flexibility. [That way] when the context changes, or you learn something and want to adapt — there are no obstacles."*
> *— Mercy Corps Staff*

sought to empower field teams to propose activities through Concept Notes. Based on the previously described process of vetting the Concept Notes and providing feedback to assure alignment with activity objectives, a symbiotic feedback loop of innovative ideas and advisory support arose that leveraged both technical and local expertise to design better interventions.

Embedding learning and knowledge

While budget flexibility was a key determinant in PRIME's ability to manage adaptively, another key success of PRIME was the manner in which it integrated learning and knowledge into its programming. When a field staff uploaded a Concept Note to PRIME's internal platform for submission, the process didn't end there. Proposals that were being implemented were also shared back with field staff, who could view the activities that other staff had proposed and for which support had been successfully elicited. Staff were encouraged to examine these proposals and think about ways they could be adapted to the local context in other areas covered by PRIME. This feedback loop helped partners learn from their own success and challenges, and capitalize on the innovation and ideas of all partners and staff. PRIME was also the first activity to integrate a new M&E methodology: a Recurrent Monitoring System (RMS). RMS allowed the team to gather real-time information on resilience dynamics and connect that to Activity impact on the ground. This information fed into shock-responsive programming designed to be more adaptive to changing circumstances.

Spotlight on tools and approaches featured in the case

- **Assessing the system as the basis for innovative activity design**: The market assessment carried out at PRIME's outset had cascading effects throughout the lifecycle of the Activity, and helped USAID and its partners identify high-impact areas of intervention for PRIME to target.

- **Catalyzing adaptive management through budget flexibility:** By building flexibility into the budget, USAID created the enabling environment for an approach to programming that was adaptive and innovative, which ultimately increased the sustainability of its interventions.

- **Leveraging existing resources in the system:** One of the key learnings from PRIME's success was that it didn't seek to change the system by inserting new resources from the outside. Rather, PRIME sought to work with actors and institutions that were already playing a positive role in the system, and facilitate their growth and expansion as a means of triggering broader, systemic effects.

- **Empowering activity field staff:** The Concept Note proposal process is at the core of much of PRIME's success. Sustainable impact requires tapping into and building upon local knowledge and expertise.

Case Study # 5

Private Financing Advisory Network (PFAN)

—

Linking promising clean energy enterprises to mentors and investors

Case Study #5
PRIVATE FINANCING ADVISORY NETWORK (PFAN)

Overview

Clean energy generation is seen as an important opportunity to increase access to energy, particularly in low-income and remote contexts. As of writing, the International Energy Agency (IEA) estimates that 1.1 billion people lack access to reliable sources of energy. However, much of the focus on developing markets for renewables has focused on utility-scale project development, like Concentrated Solar Power. Yet, there exists a gap in the market for small- to medium-sized clean energy projects. These projects are often more difficult to assess for financiers and face challenges in securing finance because the ROI is often lower, the scale of investment is relatively smaller, and there are often greater risks when compared to utility-scale projects.

Recognizing this, PFAN Global launched in 2006 as a multilateral public private partnership that included the Climate Technology Initiative, IEA, USAID, and a number of private-sector financial partners. Born to bridge the gap between clean energy businesses and the investment community, PFAN was originally led by USAID and is an independent multilateral initiative.

PFAN's goals are to:
- Accelerate technology transfer and diffusion under the UNFCCC
- Reduce greenhouse gas (GHG) emissions
- Promote low-carbon, sustainable economic development
- Help facilitate the transition to a low-carbon economy by increasing financing opportunities for promising clean energy projects

To deliver on these objectives, PFAN screens the business plans of clean energy businesses; provides coaching and mentoring to those selected for inclusion in the PFAN pipeline; develops a network of investors and financial institutions who are interested in and have extensive knowledge of clean energy markets; and presents these investors with projects that have been screened and supported for commercial viability, sustainability, and environmental and social benefits.

PFAN Global operates in Latin America, Africa, and Asia and is now housed under the United Nations Industrial Development Organization (UNIDO).

Key Facts

- **Project dates:** 2006 – present

- PFAN has supported USD 1.24 billion in financing for 101 clean energy projects

- **Implementing partners:** Climate Technology Initiative, UN Framework Convention on Climate Change's (UNFCC) Expert Group on Technology Transfer

- **Sectors:** Clean energy and finance

- **USAID/RDMA Supported:** Bangladesh, Cambodia, China, India, Indonesia, Laos, Nepal, Philippines, Singapore, Sri Lanka, Thailand, Vietnam

Private Financing Advisory Network (PFAN)
SYSTEMS PRACTICES

Integrating systems practices

PFAN was developed to fill a financing gap that its founding members recognized, but project design did not include conducting a systems assessment of the actors, linkages, and enabling environment factors that contributed to this financing gap. Rather, the team behind PFAN leaned on deep industry knowledge and a broader perspective of financial markets to identify that, for small- and medium-sized clean energy projects, the issue wasn't one of finance availability. Rather, the challenge was the inverse: financiers did not have a pipeline of bankable projects to which to provide finance. From there PFAN was born, starting as a global initiative and then quickly proliferating to different regions of the world.

Activating key leverage points

PFAN's interventions target small- and medium-sized projects, aiming to improve their bankability and access to finance. Primarily, PFAN works with project developers to build their capacity and create linkages between them and investors. There are three elements to this strategy: (1) mentoring businesses and government to best demonstrate the value of clean energy projects, (2) building financial institutions' abilities to connect with effective clean energy projects, and (3) developing a pipeline of projects, many through unsolicited proposals and open calls for investment engagement. Through the open call for proposals, PFAN solicits clean energy projects from a variety of sources, reviews these projects, and then selects them for incorporation into the PFAN pipeline. Once in the pipeline, projects are matched with a consultant to support improvements to the project's technical and financial feasibility.

However, not all projects are successful in reaching the financing stage — only 1 in 10 of the pipeline projects do so. Still, using this approach PFAN has experienced a high degree of success. As of 2018, a total of 101 projects have received finance in PFAN's three regions of operation. Together, these projects provide 802 Megawatts of additional energy generation and help to avoid 3.3 million tons of carbon dioxide emissions annually.

Leveraging private finance

From USAID's perspective, one of the core successes of the PFAN program is its ability to leverage substantial amounts of private capital with relatively small amounts of investment by the Agency. For PFAN Asia, this leverage rate is estimated at USD 60 of private investment for every USD 1 of investment by USAID. The ability of the program to leverage finance in such a way is largely attributed to its innovative approach to targeting an underserved market niche for small- and medium-sized clean energy projects. PFAN's Global Coordinator said, "We see this partnership as having the potential to be really game-changing in how the private sector can contribute not only to climate change solutions, but also to poverty alleviation and sustainable development."

Acquiring resources

As mentioned previously, energy access, or lack thereof, is a significant challenge in many low-income contexts. The generation capacity of successful PFAN projects is estimated to provide energy to over 1 million people (source IEA Statistics). PFAN also plays a significant role in improving the energy supply for industrial production and the growth of the small- to medium-sized enterprises. The sustainable provision of energy to households and is one of the key successes of PFAN.

In addition to improving energy access, PFAN also supports energy technology businesses in gaining more sustained access to finance. Project developers who are brought into the PFAN pipeline are able to learn from technical consultants that serve as mentors, and build linkages to financial institutions that are typically difficult for them to engage with directly. As their businesses grow, project developers create their own revenue cycles to finance operations and improvements for their enterprises. However, PFAN lack data on whether these businesses outgrow the need for support from PFAN and go on to develop bankable project and pursue finance independently.

Private Financing Advisory Network (PFAN)
COLLABORATION & CAPACITY

Integrating co-creation

From the outset, PFAN has been implemented through a partnership model that prioritizes creative input from a variety of sources. It started with the Climate Technology Initiative (CTI) which held a series of exploratory workshops in different regions, in cooperation with the International Energy Agency, to facilitate a conversation on what was inhibiting clean energy technology transfer. With the outputs of these workshops, CTI collaborated with the United Nations Framework Convention on Climate Change (UNFCCC) Expert Group on Technology Transfers to develop the multilateral, private-public partnership (PPP) now known as PFAN.

As the project started, funding barriers arose due to lack of public sector investment. This is when USAID decided to step in. With a modest contribution of USD 200,000, the agency provided the initial startup capital needed to launch PFAN. USAID reasoned that such a relatively small investment could be availed based on a Collaboration Agreement. This financing modality was the driving force behind PFAN's success, as it brought a variety of actors into the network and incentivized their contributions to PFAN's success without direct payment by the Agency. See more on Collaboration Agreements in the box to the right.

Collaboration Agreement

The Collaboration Agreement was an innovative financing mechanism that USAID used to engage a variety of actors in PFAN. Through this agreement, USAID would pay PFAN technical consultants below market rates for their work with renewable energy projects. The consultant would work with project developers and financiers to help close deals deemed beneficial to both sides. Once a deal was closed, the consultant would receive a percentage of that deal as payment. This is one of the core reasons USAID was able to leverage relatively modest levels of funding to create significant impacts.

Building capacity and motivating stakeholders

While capacity building through traditional training modalities has not been a core element of PFAN, the project supports capacity development of actors in a variety of ways. Once a project is in the PFAN pipeline, the project developers are engaged in a constant cycle of learning how to improve that project to make it more attractive to finance. Another element of capacity building is PFAN's work with the investment community. By increasing their exposure to these small- and medium-sized energy projects, PFAN helps financial institutions to gain a more comprehensive understanding of these types of projects and their credit worthiness. In this way, PFAN works to create the capacities for sustained action in both the financiers and project developers. However, there is a lack of available data from the 15 investor members regarding the scale of investments being made in the sector independent of PFAN (i.e., a baseline against which to compare performance of PFAN investees).

Doubling down on partnership and local ownership

One of the key elements of PFAN is its prioritization of local ownership over challenges related to clean energy and finance. Projects in the PFAN pipeline are sourced from local businesses in the specific countries and regions of operation, and these businesses are connected to mentors with expertise on both the relevant technology, be that rooftop solar or biofuels, and the local funding context. Further, as businesses achieve success, cross-country learning, primarily in the form of best practices on technologies and business models, is facilitated to share knowledge and expedite project development in neighboring countries. This is accomplished through a combination of approaches, including an online platform for knowledge codification and cross-country site visits for projects employing similar technologies. These practices provide opportunities for different stakeholders, such as project developers and mentors, to collaborate with those who have first-hand experience developing technologies similar to their own. All of this empowers local actors to take a leadership role in increasing energy generation capacity.

Private Financing Advisory Network (PFAN)
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Managing adaptively

CTI was the original host organization for PFAN, utilizing USAID funding to house the network from 2006 until 2017, when the growth of the projects exceeded CTI's managerial capacity. Collectively CTI and USAID decided to put out a request for proposals to solicit a new potential host for PFAN. In 2017, UNIDO, in cooperation with the Renewable Energy and Energy Efficiency Partnership (REEEP), was chosen as the new host organization.

UNIDO's robust managerial capacity and its large potential partnerships base were seen as significant enablers for the desired scale-up of PFAN, which is envisioned to increase the number of projects and volume of finance by a factor of two to five. In this transfer of ownership, PFAN sought to integrate as much learning as possible from its first decade of operation and adapt to changing political circumstances, such as the ratification of the Paris Climate Accords and the adoption of the Sustainable Development Goals. These actions enhance PFAN's prospects for partnership going forward.

Creating feedback loops for knowledge and learning

The Renewable Energy and Energy Efficiency Partnership (REEEP) has been brought into the new iteration of PFAN as a core partner. Their role is focused on institutionalizing the knowledge being generated by the program and making it available to all partners. REEP is building in new efficiencies and enhancing PFAN's management and operations.

Embedding learning and knowledge

Management of PFAN under UNIDO is supported by the Renewable Energy and Energy Efficiency Partnership's (REEEP) strong experience in designing long-term monitoring methods for projects. REEEP's expertise in planning the tracking and development of projects beyond their close-out dates and funding timelines allows for quality information to be gathered to demonstrate whether or not the projects that PFAN supports are sustained beyond their funding cycle. REEEP's toolset includes various IT tools, online portals, and tracking systems where information about past and current PFAN projects is standardized and stored. By making this data accessible to PFAN stakeholders, these resources can be used to inform the development of new projects and support business-to-business learning. For instance, PFAN-Asia is facilitating cross-border learning within the region between businesses working on similar technologies. This cross-border learning includes learning trips, trainings, and webinars to share information.

Spotlight on tools and approaches featured in the case

- **Identifying niches in the market where interventions can have catalytic impacts:** The market niche that PFAN targeted was one ripe for development finance and well aligned to a critical market failure. PFAN was born out of a combination of deep sectoral expertise and knowledge of capital markets, as well as exploratory co-creation workshops to identify barriers in each region.

- **Incentivizing action through innovative finance mechanisms:** A Collaboration Agreement was core to PFAN's success and its ability to leverage private capital with relatively little investment on the part of USAID.

- **Transferring ownership of development activities to the right institution through a competitive process:** PFAN's shift from CTI to UNIDO has proven to be a successful path for scaling up funding and expanding operations — fulfilling USAID's, other donors', and PFAN management's priorities for a new host institution.

Case Study # 6

USAID/Honduras Food for Peace Development Assistance Project

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Increasing food security among vulnerable populations in Honduras

USAID/HONDURAS FOOD FOR PEACE DEVELOPMENT ASSISTANCE PROJECT

Overview

The livelihoods of nearly 40 percent of Hondurans, the majority of whom are poor subsistence farmers, directly depend on the agricultural sector. In a country with less than 30 percent arable land, multiple factors consistently challenge farmers to eke out a living from the land, including lack of land-ownership, poor production, natural disasters, and natural resource mismanagement. Combined, these factors tilt the scales toward widespread chronic malnourishment and extreme poverty.

USAID's Office of Food for Peace (FFP) supports projects intended to increase food security for vulnerable populations in low-income countries. Between 2005 and 2009, FFP Honduras partnered with three organizations – Save the Children (SC), World Vision (WV), and Adventist Development and Relief Agency (ADRA) – through the Development Food Assistance Project to address challenges facing rural food-insecure and marginalized Hondurans. Activities implemented by SC, WV, and ADRA focused on three sectors critical to food security:

- Maternal and child health and nutrition (MCHN)
- Water and sanitation (W&S)
- Agriculture, income-generating activities, and natural resource management

Over the five-year life of the Project, FFP implementing partners (IP) worked with 374 vulnerable communities directly benefiting 183,000 people. Activities ran in 31 municipalities across south-central, north, and west Honduras, indirectly benefiting an additional 350,000 people.

FFP Honduras was one of two Development Food Assistance Projects that, by 2009, had created sustainability and exit strategy documents with enough detail to serve as a guide for future Project implementation. This, along with an ex-post evaluation completed by Tufts University and the Food and Nutrition Technical Assistance III Project (FANTA), provide great insight into critical factors supporting and hindering communities' ability to sustainably maintain the impacts of the activities upon exit of USAID and other aid organizations

While SC, WV, and ADRA were assigned to specific regions of Honduras (south-central, northwest, and west, respectively), there was significant overlap in resource needs and capacity development. Thus, FFP engaged all three in routine meetings to assess how shared challenges affected each organization's ability to achieve its indicators toward successful Project outcomes, namely that interventions effectively reduced food insecurity and were maintained past the close-out of the FFP Project.

Key Facts

- **Project dates:** 2005 – 2009

- **USAID/Honduras Development Assistance Project funded by the Office of Food for Peace**

- **Implementing partners:** Three Cooperating Sponsors: Save the Children, World Vision, and Adventist Development and Relief Agency

- **Sectors:** Integrated across maternal and child health and nutrition; water and sanitation; and agriculture, income-generating activities, and natural resource management

USAID/Honduras Food for Peace Development Assistance Project
SYSTEMS PRACTICES

Integrating systems practices

FFP Honduras targeted many communities in extreme poverty, which made it challenging to pursue systems-focused approaches, design under FFP required longer training times, deeper resource investment, and the need to address multiple challenges simultaneously. There was no evidence of specific efforts to incorporate a systems approach in the FPP Activities.

However, there were examples of FFP IPs identifying the interconnectedness between food systems challenges, thereby designing and implementing integrated activities. For example, in the Northwest, activities to support MCHN and agricultural production constituted the primary focus. Rather than establish unique indicators for both sectors, the interconnectedness between MCHN and agriculture activities was acknowledged: community health workers (CHW) were included in the agricultural intervention program with the assumption that an increase of and diversity in their household food supply would minimize their concern for their own families' financial and food security. Thus, the motivation to serve as a CHW was not only tied to direct financial and personal incentives but also to an external financial and nutritional motivator, exemplifying a more multi-disciplinary and systemic approach.

Activating key leverage points

In the MCHN sector, CHWs were critical to minimizing stunting and improving nutrition during the FFP Project in Honduras. CHWs received routine training and were given supplies to provide check-ups and deliver growth-monitoring assessments within their communities, thus serving as the bridge between professional health staff in government-run clinics and hospitals and the local community. CHWs were not paid, but received incentives such as free transport to attend training sessions and access free health services. In follow-up interviews, CHWs noted that important motivators for continued engagement as volunteers resulted from their perceived high-value by the community and their ability to provide new information to mothers by way of continued training. As a result, nearly three-fourths of mothers with children under two years of age attended growth monitoring sessions held by CHWs.
In the same time period, stunting in children decreased an average of 7 percent and diarrhea prevalence decreased an average of 13 percent between baseline and endline (see **Building capacity and motivating stakeholders** on pg. 37 for challenges relating to the long-term engagement of CHWs).

Acquiring resources

Prior to FFP Honduras, many communities struggled to maintain access to reliable sources of piped water, largely because of communities' lack of financial resources needed for routine maintenance. A steady cash flow was critical to system upkeep, which was best achieved through user fees.
FFP IP's offered technical and managerial training to community water committees on these critical points. Two years post-Project close-out, 90 percent of communities where FFP engaged still had water committees that performed the critical tasks needed to ensure an effective water system, including collecting fees, enforcing payment, and arranging for maintenance and repair. Additionally, water committees strictly enforced water payment, cutting off water supplies and/or charging a fee for reconnecting. Motivated by the negative consequence of late or non-payment and the additional community pressure to fairly contribute to long-term improvements, household access to year-round piped water increased significantly. In the western region of Honduras, 71 percent of households had access to year-round piped water at endline, which increased to 89.7 percent two years after close-out.

Systems failure: government upheaval

A primary indicator for success in many FFP activities relied on building a strong connection between local communities, municipal government, and national leadership. In 2009, Honduras' progress toward greater food security suffered a major setback when the President was ousted from power by his own military. At that time, many USAID Activities were disrupted, Projects put on hold, and hasty transitions made to transfer ownership to local organizations. Relationships that had taken years to develop were diluted or, in the worst cases, rendered irrelevant. While the change in government did not eliminate the progress made by FFP, it is thought to have played a negative role in the sustainability of several outcomes.

USAID/Honduras Food for Peace Development Assistance Project
COLLABORATION & CAPACITY

Integrating co-creation

While FFP IPs initially designed their Activities and indicators separately, USAID established a collaborative approach to implementation from the start. First, each FFP IP was given the framework of food security programs developed by CARE, who ran similar programs in Honduras since 1995. Each IP organization ultimately developed their own plan, but started with the key components laid out by CARE (CARE's work had been successful, thus an invitation was extended to WV, SC, and ADRA to scale up results). Second, bi-weekly meetings were held with IPs to discuss common challenges and collectively develop indicators to measure the success of each Activity (see **Managing adaptively** for further information, pg. 38). Third, in 2008 a workshop was held to support the close-out process for all three FPP Activities. In this workshop, IPs were able to co-create and receive feedback from each other as they moved forward with the close-out process.

Doubling down on partnership and local ownership

In communities where W&S activities emphasized local ownership, the goal of long-term reliable access to piped water was met with success. For example, two years after the FFP Project close-out, the ex-post evaluation showed that 92.2 percent of households in the Northwest had access to year-round piped water, an increase from 77 percent at baseline. Virtually all households in the Northwest maintain their own water and sanitation facilities. Thus, ownership over resources seemed to be the driving factor for sustainability, while the need for local water committees was to demonstrate public accountability and administer the fee-for-service model for ongoing maintenance and repairs.

On the other hand, in communities where FFP Activity plans called for a transfer of water assets from the local community to municipal governments during close-out, plans were met with frustration and failure. FFP IPs led with the assumption that stronger linkages between communities and municipal governments would increase the long-term sustainability of interventions; however, the plans failed to account for the shift in motivation necessary in such an approach. In the community of Belen Gualcho, for example, when the municipal government took over the responsibility of providing water to homes, user fees were often

Identifying unexpected motivating factors

In communities with piped water, child safety was an additional benefit that went unobserved during the FFP design stage, yet became a key motivator for sustainability during implementation. Parents highlighted the dangers that unaccompanied children faced when traveling to and pulling water from a well. As a result, communities not only saw the value in the convenience of piped water, but that they had a strong incentive to invest in high-quality materials, pay for technically trained plumbers, and protect water resources.

diverted to other government projects aligned with the priorities of the government rather than the community. Additionally, the sense of urgency to enforce payment and cut-off water to those who defaulted decreased. Ultimately, handover caused a cascading effect of mistrust and decreased motivation to pay.

Building capacity and motivating stakeholders

CHWs remained vital to the work done in the MCHN sector largely as a result of their increased abilities due to ongoing training, and their elevated role as health practitioners in local communities. After Project close-out, however, CHW training decreased or was eliminated entirely. At endline, many CHWs indicated that their concern was that they no longer had new information to share with mothers, reducing the incentives for mothers to continue appointments and limiting CHW's effectiveness. In south-central Honduras, home visits reduced from 31 percent to 13 percent between FFP Project endline and the ex-post evaluation conducted two years later. The failure to provide high-quality training decreased CHW confidence and sense of community, the motivating factors that had withstood a lack of financial incentive.

USAID/Honduras Food for Peace Development Assistance Project
ADAPTIVE MANAGEMENT & IMPLEMENTATION

Embedding learning and knowledge

FFP's focus on learning and knowledge permeated its activities across sectors, with an emphasis on addressing household income and food security challenges. FFP IPs incorporated more than a dozen agricultural and natural resource management learning interventions into their Activity plans, including training on crop diversification (e.g., modules on market analysis to identify cash crops and climate-friendly varieties) and the use of irrigation, crop rotation, and organic fertilizer to rebuild soil fertility. IPs implemented this by identifying and training model farmers (farmers with a willingness to participate in trainings and who owned land acceptable to demonstrate new agricultural techniques), who subsequently instructed other farmers. Two years after Project close-out, 100 percent of model farmers stated that they still used the practices they learned in FFP. Additionally, the majority of model farmers were still producing non-traditional crops and selling them within their communities. However, a critical assumption built into the sustainability plan for each Activity was the continued motivation of model farmers to train others.

The opposite proved true: once model farmers' incentives, such as free and subsidized inputs, were removed after FFP close-out, only 23 of 109 model farmers continued training others two years on.

Managing adaptively

At the time of FFP's five-year Project in Honduras, adaptive management approaches such as Collaboration, Learning, and Adaptation (CLA) were not yet widely used at USAID. Nevertheless, there were active efforts by FFP IPs to adapt to challenges and opportunities that arose during implementation. Core to the improved learning and management process were bi-weekly meetings attended by leadership from all three IPs. Short trainings were

Rapid vs. gradual transition

There are many examples in the FFP Honduras Project that suggest that a gradual transition from IPs to local ownership was critical to achieving sustainable, long-term goals. In the MCHN sector, based on qualitative research done one year after close-out, CHWs who had incorporated routine engagement with government health centers throughout the Project maintained stronger linkages and support systems than those who only did so upon FFP close-out. Conversely, farmers who had been provided free marketing and transport services until close-out had no experience negotiating costs for these necessary services or accurately incorporating them into profitability assessments. As a result, these farmers struggled far more than those who had experienced the incorporation of gradual independence during the Activity.

frequently incorporated into meetings and individuals were encouraged to share lessons learned and report on current challenges. An FFP Officer from World Vision stated, "[At times during the Activity] we changed our theory of action, not necessarily our theory of change." Yet adaptive management practices were lacking during the close-out process (see textbox above). In the agricultural, income-generating activities, and natural resource management sectors, IPs failed to recognize the lack of external sources for credit. For farmers to continue using the practices learned throughout the Project, inputs that were previously free or low-cost now needed to be purchased at full price. In western Honduras, where 55.8 percent of farmers used loans at Project endline, only 17.6 percent of farmers did so two years later. Of those, 58.7 percent stated the reason for not doing so was either that no funding source existed or that they lacked collateral.

Conclusions on sustainability: lessons from Honduras

- **Impact does not equal sustainability:** An ex-post evaluation measuring results two years after close-out demonstrated that activities highly controlled by IPs at exit are less likely to succeed long-term, regardless of impact at time of project close.

- **Collaboration between implementing partners can greatly hinder or support outcome results:** Establishing routine check-ins and creating an environment where IPs feel comfortable sharing challenges and lessons learned will increase the likelihood of success.

- **Embedding sustainable practices takes time:** Designing for sustainability requires time to built in such critical features as system strengthening, testing, and a transition period.

Case Study # 7

USAID/India Food for Peace Development Assistance Project

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Increasing food security among vulnerable populations in India

Case Study # 7

USAID/INDIA FOOD FOR PEACE DEVELOPMENT ASSISTANCE PROJECT

Overview

Established in 1954, the USAID Office of Food for Peace (FFP) addresses food security and nutrition challenges by providing food commodities (such as wheat, rice, and lentils), value-added foods (such as corn-soy blend and ready-to-use nutrient-dense supplementary food), and complementary cash resources to vulnerable populations in the developing world.

In India, USAID/FFP Development Food Assistance Projects were implemented by CARE International and Catholic Relief Services (CRS), both organizations having distributed food in India since 1950. However, CARE and CRS pivoted to a more results-focused approach in 1996, moving beyond distribution. CARE focused on the maternal and child health and nutrition (MCHN) sector through its Integrated Nutrition and Health Program (INHP) Activity, which was implemented in three cycles: INHP I ran from 1996 to 2001; INHP II from 2002 to 2006; and INHP III, the close-out process (POP), from 2007 to 2009. INHP's design was unusual in that it was closely integrated with the Government of India's (GoI) program focused on maternal and child health, Integrated Child Development Services (ICDS).

CRS also implemented multi-sectoral activities focused on MCHN, but included agriculture (watershed improvement) and education interventions in remote and rural areas where vulnerable communities were under-served by government programs. CRS operationalized this approach under the Development Assistance Program (DAP) Activity working through local partners, in many cases affiliated with churches. DAP I was implemented from 1997-2002; DAP II from 2002-2007; and POP from 2007-2010.

In 2003, FFP announced a plan for accelerated close-down of the Development Food Assistance Project in India, primarily influenced by:

1. India's emergence as a food aid donor, and
2. The GOI's 2003 decision to prohibit the import of genetically modified corn-soy blend included in the basket of FFP-funded rations.

These factors contributed to a discussion amongst USAID, CARE/CRS, and GoI on the mechanisms, resources, and linkages to sustain the FFP Project activities, outcomes, and impact after the close-out process was completed by CARE and CRS in 2009-2010.

Key Facts

- **Project dates:** Integrated Nutrition and Health Program (INHP) I, II, and III: 1997 – 2009; DAP I, II, and POP: 1996 - 2010

- USAID Bureau for Democracy, Conflict, and Humanitarian Assistance / Office of Food for Peace

- **Implementing partners:** CARE International (INHP Activities), Catholic Relief Services (DAP Activities)

- **Sectors:** INHP I – III: Maternal and child health and nutrition (MCHN); DAP I, II, & POP: MCHN, agriculture, and education

USAID/India Food for Peace Development Assistance Project
SYSTEMS PRACTICES

Integrating systems practices

Both CARE and CRS sought input from a wide variety of actors when designing the INHP and DAP Activities. However, there is no evidence that either relied on explicit systems practices during the design or implementation of either. Both worked, to a varying degree, to incorporate vertical linkages in design, formally connecting the block level (village cluster) to the state and central government levels. CRS, through DAP, additionally attempted to create horizontal linkages between teachers in neighboring communities to improve and expand DAP training curricula. These linkages between system actors played a crucial role in service delivery during the FFP Project's lifetime and close-out.

The CRS approach prioritized the demand side of the system, working with a network of community partners. However there is no evidence to suggest that these partners were selected as key systems stakeholders to optimize the impact of service delivery. As the FFP Project concluded, CRS sought to identify context-specific close-out options, including appointing a "Linkage officer" in each intervention state, suggesting heightened systems thinking.

Recognizing the need to consider variation across local contexts, CARE tested a number of models for improving child health and nutrition at different sites and replicated the most impactful interventions across all INHP locations. Activity design evolved over INHP's three phases in response to insights and lessons emerging from regular evaluations. By 2006-2007, the INHP team recognized the need to take a systems approach to address food insecurity and malnutrition, and sharpened their focus on strengthening India's health systems. To ensure context-specificity, they established a State-level representative to provide insights and inform interventions.

Activating key leverage points

Both INHP and DAP activated slightly different leverage points in the food and nutrition system in India. INHP hypothesized that improvements in service delivery, use, and care practices would substantially reduce the prevalence of malnutrition. Therefore, they focused on building capacity of frontline workers, designing tools for front line workers (checklists, visit registers, etc.) building effective supervisory mechanisms, and improving supply chains for procuring food across the nine states in which INHP was implemented. INHP leveraged GoI's health system to support this strategy. In contrast, DAP focused on remote areas with high proportions of marginalized populations. Their priority was to establish demand for health and nutrition services by building awareness of the "right to food' in India and testing mechanisms for beneficiaries to access GoI programs that provide employment, irrigation infrastructure to improve farmer incomes, and other services for improving food security and nutrition.

Planning for sustainability

Typical of FFP Activities, neither DAP nor INHP had sustainability plans at launch. As such, these plans were a function of the program design and influenced their ability to acquire resources, create linkages across systems, and creating sustainability in the health systems.

It is important to note that, despite varied approaches, the results from both INHP and DAP showed significant variation across Indian states. Both worked to some degree with government (DAP less so than INHP), but the coverage, scale, and quality of government services also varied by state. Further, in follow-up studies conducted in 2009 and 2011, evaluators noted that, despite observed improvements in a range of health care indicators, the core assumptions implicit in both CARE's and CRS' approach did not result in sustained decrease in malnutrition. This illustrates the need to examine the causal pathways through which change occurs at the level of selected leverage points (in essence, the Theory of Change).

Acquiring resources

In 2003, the Indian Supreme Court determined food to be a basic right of citizenship. In 2009, the GoI universalized its ICDS program, mandating coverage for every Indian child under 6 years of age. These shifts meant that the GoI had both the resources and incentive to scale the type of food security and malnutrition interventions being implemented by CRS and CARE. From 2007-2012, the GOI budgeted USD 1.5 billion annually for this purpose. While CARE effectively transitioned its approach to GoI teams during that period, CRS was unable to do so due to its Activity design and the nature of GoI programs that did not cover private schools. Instead, CRS focused on increasing community capacity for accessing services after close-out.

COLLABORATION & CAPACITY

Integrating co-creation

Both CARE and CRS integrated a wide range of perspectives to create the INHP and DAP Activities. CARE's Theory of Change hypothesized that improving the frontline delivery of services would result in improvement in nutrition and maternal health indicators, and the GOI's ICDS infrastructure offered an effective platform to implement this strategy at state, district, and village levels. This indicates inclusivity and collaboration in the design process, though it is difficult to ascertain the extent to which the activity was co-created. In 2007, GoI committed to replicating the INHP's administrative structures, training and supervision methods, field tools, and supply chain management system in blocks (a group of villages) and districts not included in the FFP Project, which effectively scaled INHP interventions.

In contrast to CARE's top-down *and* bottom-up approach, CRS emphasized a grassroots approach to working with 67 Cooperating Partners (CPs) and 2500 Operating Partners (OPs) in 23 States. DAP's design was guided by CRS's learnings from previous FFP projects and extensive community consultations. Another contrasting design element was that CRS' local services providers – CPs and OPs – tended to be faith-based organizations embedded in local communities. This orientation influenced their approach to sustainability, as these local entities were expected to continue after the withdrawal of FFP.

Building capacity and motivating stakeholders

Both Activities recognized that building capacity would be critical to sustaining outcomes after close-out. However, they focused their efforts on different groups. Despite these differences, by 2009 both INHP and DAP successfully built capacity to sustain interventions. Yet, the outcomes were not consistently sustained . INHP I and II heavily invested in building technical and managerial capacity for frontline workers. By contrast, INHP's strategy for sustainability was framed around the transfer of responsibility of all interventions to GoI health systems at the center and state levels. During close-out, the INHP III strategy pivoted away from capacity building for local (district- and block-level) actors to focusing on state and national levels, contributing significantly to the wide variation in sustainability of impacts and outcomes across states.

DAP interventions incentivized workers who delivered services, operating through community organizations as well as existing GoI programs. DAP invested in building the capacity of these local community organizations with a view to educating and empowering communities to seek government services where transferring the interventions to GoI was not an option. These capacity building activities included amplifying awareness of the right to food, encouraging women's empowerment and leadership, and developing vertical and horizontal linkages connecting communities with service providers during close-out. These vertical linkages were not tested prior to project close-out and turned out to be weak in many cases, a factor that contributed to the varied degree of success in sustaining outcomes.

Doubling down on partnership and local ownership

Both Activities made efforts to deepen local partnerships and ownership as part of their sustainability endeavors, and to a high degree of success. CARE uniquely partnered with GOI's ICDS program (and to an extent the National Rural Health Mission) to implement INHP interventions. Ultimately, sustainability of impact ensued from success at the local level; CARE hypothesized that if frontline health workers fulfill their roles, beneficiaries would be more likely to adopt the practices being taught, resulting in improved health outcomes. As part of their sustainability plan, INHP worked to train frontline workers embedded in GoI programs, equipping them with essential tools, establishing supervisory mechanisms, and institutionalizing supply chains that enabled sustained access and delivery of food and services. While many health indicators improved through this approach, malnutrition ultimately remained an unresolved problem, indicating mixed results.

There is some evidence that DAP's model of delivery through local CPs and OPs created an amplified sense of local ownership and trust amongst the community and implementers.

ADAPTIVE MANAGEMENT & IMPLEMENTATION

Managing adaptively

There is little evidence that either INHP or DAP were designed to include proactive systems monitoring activities or feedback loops. Both incorporated feedback from midline and endline reviews to refine the focus of their interventions, however, it does not appear that these reviews were used to refine either Activity's Theory of Change. One instance of integration of feedback was evidenced in DAP's agriculture intervention. The revenue model to support the watershed activities was adapted in response to the unwillingness to pay. In response, DAP pivoted from user fees for water access to relying on ad-hoc fees and government sources.

Two significant changes in the external environment precipitated a need for both INHP and DAP to adapt rapidly. First, in 2003, the Indian government discontinued the import of corn-soy blend, a key component of FFP food supplies. CARE and CRS responded rapidly to ensure that take-home (given to households) rations were not affected: CRS added locally procured food substitutes, while CARE worked with State governments to institute efficient, transparent food commodity delivery systems. Second, in 2003 FFP announced a plan for accelerated close-out of its Project in India based on several factors, primarily India's emergence as a food aid donor. While the adaptive actions of both Activities ensured that food supplies remained unaffected, the nutritional quality of the mid-day meals and take-home rations deteriorated.

Embedding learning and knowledge

Both CARE and CRS conducted regular evaluations of their activities and were able to incorporate insights into the next Activity cycle. INHP built in short learning cycles to identify successful interventions in its early phases and demonstrated an ability to incorporate learning into design and implementation at the next phase. Further, the focus of its POP was to build technical and managerial capacity across the health system and build effective procurement supply chains for food, which were further strengthened by GoI. While DAP incorporated learnings, it is difficult to ascertain the extent to which this was a systematic process. Further, DAP's exit strategy did not involve capacity building at higher levels within the government health system, especially in the remote states in which it worked, but focused on the community instead. This created a challenge in ensuring reliable and regular food supply in some of the remote regions served by DAP after the POP concluded.

Context trumps intervention

Systemic impact depends on effective application and implementation relevant to local contexts and on adapting activities down to the level at which frontline workers interact with communities.

CARE's shift from a community-based approach to building center- and state-level capacity during the INHP POP influenced the availability of resources, capacity, and motivation at local levels, ultimately influencing the sustainability of impact on malnutrition.

Spotlight on tools and approaches featured in the case

- **Vertical and horizontal linkages are key to sustaining activities, impact, and outcomes:** Linkages allow transition of ownership and enable communities to access resources needed to acquire critical services. CARE's and CRS's experience also highlights the value of establishing functional linkages well before activity conclusion.

- **Systems approaches are important for sustained impacts and outcomes**: While both INHP and DAP reacted to significant changes in the system, the absence of sustained impact on key health indicators like malnutrition in both cases indicated that the causal pathways and assumptions of the Activity didn't deliver sustained results.

- **Embedding sustainability indicators alongside impact indictors facilitates learning and adaptive management:** Typical of most FFP projects at the time, neither INHP nor DAP included sustainability plans. This case study illustrates a critical need to embed and track sustainability indicators alongside impact indicators during implementation and close-out.

Conclusions and Take-aways

Applying ideas and lessons from the case studies to further USAID's journey to self-reliance

REFLECTION

The case studies demonstrate how USAID projects and activities adopted or did not adopt the three dimensions of sustainability – Systems Practices, Collaboration & Capacity, and Adaptive Management & Implementation – and their constituent components, which were collectively identified by GKI and Agency staff and are used as an analysis framework in this report (for additional details, see **Introduction** pg. 6-7). Further, these case studies show how these components can be effective at unlocking more sustainable outcomes during and beyond the project life-cycle.

These case studies cannot, however, attribute the sustainability of programmatic outcomes exclusively to the inclusion of the three dimensions and eight components. USAID operates within complex systems and factors exist outside of the Agency's control that impact its interventions during and beyond the life-cycle of any project or activity. Political forces, climatic and geophysical threats, and global economic shifts are just a few examples of the factors exogenous to projects that influence sustainability.

Recognizing this, USAID can nevertheless benefit from approaching its programming in a way that is more flexible and collaborative, which can increase the likelihood of sustainability. Considering the broader sociotechnical systems in which aid occurs, incorporating new and diverse voices into design, and managing adaptively and with an eye toward an exit strategy, illustrate good practices that emerged through this research. These approaches can help Agency staff deliver investments that support their partners on the journey to self-reliance.

The following pages present **high-level takeaways** related to the three dimensions of sustainability and their constituent components, as revealed in the case studies. Each of these dimensions is supported by guiding questions that can support practitioners who wish to champion sustainability in their programming and incorporate these practices into their own work. Finally, it is important to note that these dimensions should not be treated in isolation; the linkages between them amplify their effect. Practitioners should look for opportunities to use combinations of these practices to inform or improve the use of other practices.
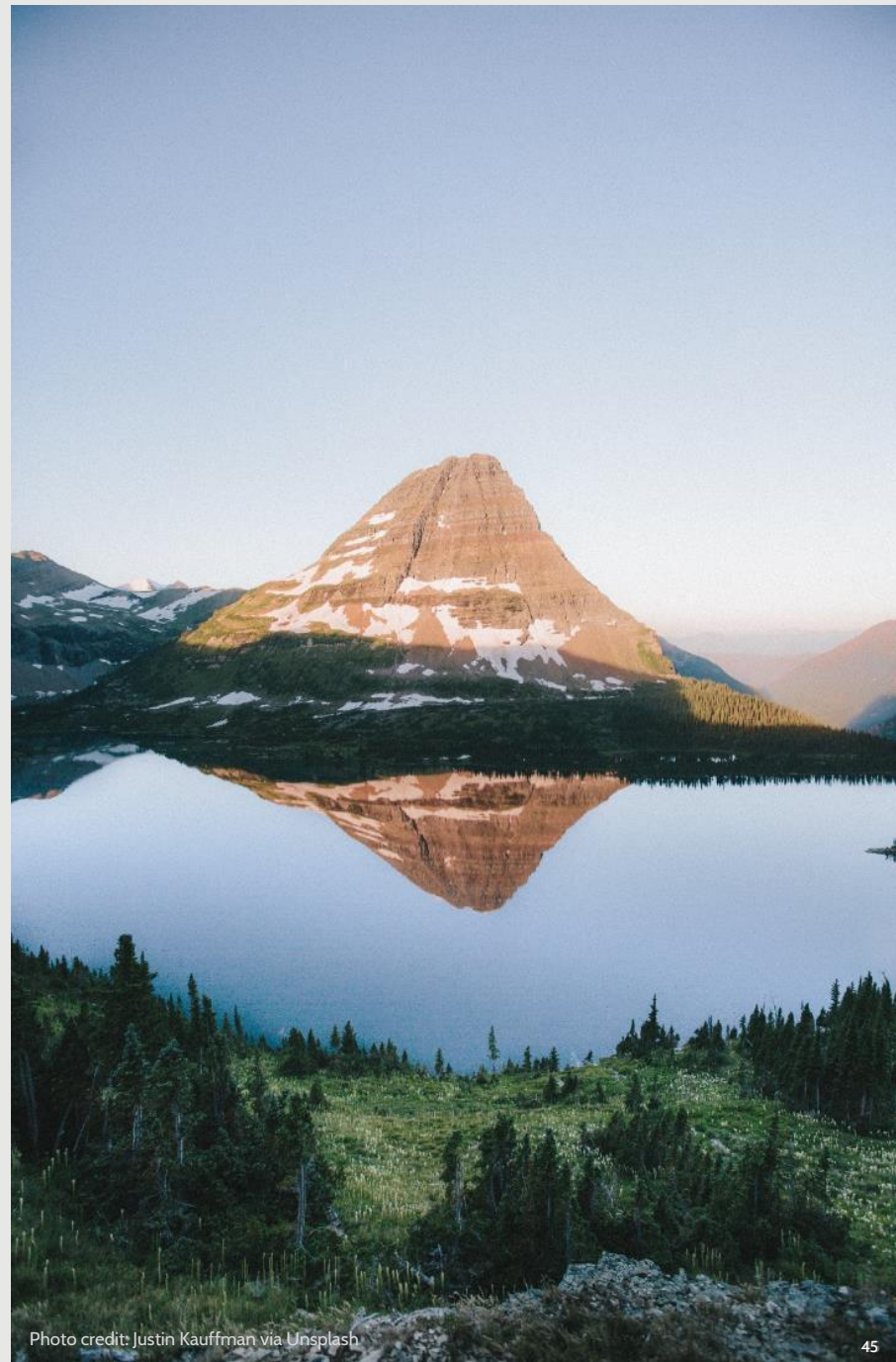
Photo credit: Justin Kauffman via Unsplash

Insights from across the case studies
SYSTEMS PRACTICES

Integrating systems practices

The case studies indicate that explicit use of systems practices has yet to be consistently adopted and integrated into USAID projects and activities. Only one of the seven cases revealed that the project team specifically defined a systems methodology (**PRIME** pg. 24), while one other case (**YYC** pg. 14) used a comprehensive assessment akin to a systems analysis. This is perhaps not surprising as ADS 201, which was the Agency's first formal guidance on the use of systems practices, was not implemented until 2011 and updated in 2016 to further emphasize systems approaches.

In considering how systems practices can inform the design of interventions going forward, the RANO-HP case offers instruction. In this case, the sustainability of the Activity's outcomes suffered from a litany of unforeseen external factors that significantly affected its ability to achieve its goals, such as inflation and poor infrastructure in flood-prone areas. Had a systems approach been employed to explore the connections between the WASH sector and other aspects of Madagascar's development context it could have helped the team to develop an approach better attuned to contextual realities, which could have helped to mitigate many of the factors that contributed to the challenges that the Activity experienced (see **RANO-HP** pg. 19). As one interviewee explained, "Often assessments are treated more as a box-ticking exercise."

Activating key leverage points

USAID programming often exhibits an understanding of leverage points, as critical leverage points were identified and activated in each of the seven case studies. However, and perhaps just as interesting to note, the great variety of leverage points that USAID projects and activities seek to activate showcases the diversity of pathways through which to create systems change. From empowering Community Health Workers who create linkages between communities and health services to facilitating finance mobilization for renewable energy, leverage points come in many varieties.

Of the case studies presented, perhaps the most innovative approach to activating leverage points comes from the PRIME case study (pg. 24). A comprehensive market assessment of the livestock sector informed PRIME's approach to grant making, called the Innovation and Investment Fund, which supported existing enterprises in expanding their operations. These enterprises were the key leverage points whose success in growing their operations could support an expansion of the resource base that pastoralist communities rely upon.

Acquiring resources

Improving access to resources is often the basis of much of USAID's programming. However, in the past, resources were often treated as something to be provided by the Agency in lieu of the lack of resources available elsewhere within the system. These case studies exhibit a different conception of the Agency's role, as they aimed to facilitate access to resources rather than provide them directly. For many of the cases, this was done in the form of improving financial services. However the FFP Honduras case showed how finance can be connected to the provision of other critical resources, such as water. By implementing a user-fee based system, coupled with consequences for lack of payment, the Honduras FFP project helped create the enabling environment for a community-owned and -operated water system that was still in use two years after project close-out (see **FFP Honduras** pg. 34).

Guiding Questions for Practitioners Seeking to Apply Systems Practices

(1) How might we use systems approaches to inform the design of activities?

(2) How might systems approaches be incorporated into the implementation phase regularly to enable feedback, adaptation, and continuous learning?

(3) How might we use systems approaches to inform M&E and better define sustainable outcomes?

(4) Which leverage points is USAID well-suited to affect? Which should be supported by local actors?

(5) How can we enable implementers to engage new leverage points as their influence shifts?

(6) Who are we seeking to help access new resources?

(7) What are the systemic barriers to resource access?

(8) What are the technical solutions, incentives, and power shifts that can improve access to resources over the long-term?

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COLLABORATION & CAPACITY

Guiding Questions for Practitioners Seeking to Boost **Collaboration and Capacity**

(1) Are there stakeholders whom interventions will impact but don't typically have input on design and implementation?

(2) At what phase would input from different stakeholder groups be most beneficial?

(3) What opportunities for engagement would be most effective to leverage the input of stakeholders?

(4) What are the existing capacities of stakeholder groups? How can we improve these capacities?

(5) How might we motivate stakeholders to engage throughout and beyond the project life-cycle? What specific mechanisms could be used to do so?

(6) How might we begin building local ownership from the outset?

(7) How might we better support initiatives that are already locally owned?

(8) What partnerships would be most effective for long-term management of activities?

Integrating co-creation

Each of the seven case studies utilized co-creation to some degree, even if it wasn't labeled as such. An interesting finding is that the timing at which co-creation takes place varied across cases. For some, co-creation was a key element of the initial design. FFP India, for instance, had two prime implementing partners who sought input from a variety of stakeholders, but one implementing partner, CARE, worked at the national-level to create a platform for discussing and reconciling the competing priorities of various stakeholders, while the other implementing partner, CRS, worked at the grass-roots level to learn from community service organizations that had been involved in MCHN interventions, incorporating their ideas into the Activity (see **FFP India** pg. 39).

Conversely, the PRIME case made co-creation an element of the implementation strategy. Mercy Corps, the activity lead for PRIME, worked closely with its consortia of local implementing partners responsible for on-the-ground implementation in various regions. This was structured through a Concept Note process that empowered local implementing partners to design, implement, and iterate on interventions to ensure continued alignment with activity goals and improve financial feasibility with support from Mercy Corps' technical experts (see **PRIME** pg. 24).

Building capacity and motivating stakeholders

Capacity building is another element that USAID successfully incorporates in its programming, as evidenced by all seven case studies. Nonetheless, there is still an opportunity to innovate on common USAID capacity building approaches. In the Uganda Community Connector Activity, the prime implementing partner, FHI 360, established learning sites within each of the intervention communities. These sites were places for the various actors involved in the Activity to come together and learn and work through implementation challenges (see **Community Connector** pg. 9). Innovative approaches to building capacity and political will can support local actors in becoming more prepared for local ownership and management, and can empower them to continue interventions once USAID has withdrawn from the system.

Doubling down on partnership and local ownership

Partnerships and local ownership of development challenges are core contributing factors to sustainability. Quite simply, if communities neither see the value nor have the resources to continue an intervention, then they will not sustain it past the close of the project or activity. While many projects seek to incorporate local ownership to some degree, Yes Youth Can in Kenya is an example of a project centered on the concept of local ownership. To facilitate this, the USAID/Kenya team had to manage its implementing partners in nontraditional ways: when they received initial proposals that were for traditional, prescriptive development activities, USAID/Kenya went back to the selected implementing partners to help them put youth at the center of the Project. Such a feedback loop ensured that youth were not only beneficiaries but partners at every step during design and implementation (see **YYC** pg. 14). From USAID/Kenya's side this required a clear sense of the value of local ownership and a willingness to continually champion it.

ADAPTIVE MANAGEMENT & IMPLEMENTATION

Guiding Questions for Practitioners Seeking to Improve **Adaptive Management and Implementation**

(1) How might the adaptation of the project or activity contribute to its goals?

(2) What role can learning and knowledge play to help a project or activity continue to adapt through its lifecycle?

(3) How can we incentivize building the processes and feedback loops needed for continuous learning?

(4) How might we empower or collaborate with system actors to manage adaptively?

Managing adaptively

Adaptive management has only recently emerged in the popular lexicon of development organizations. However, even in the more dated case studies presented in this report, adaptive management still played an important role in sustainability of outcomes. For instance, in FFP India, which began in 2003, external events at the national level, such as the discontinued import of corn-soy blend (a critical input to FFP activities), precipitated the need for implementing partners to adapt (see **FFP India** pg. 39).

For more recent cases, adaptive management played an explicit role in how USAID and its partners sought to affect change (see **PRIME** pg. 24 and **Community Connector** pg. 9). Of the key messages surfacing from these cases, flexible procurement and contracting mechanisms emerged as powerful tools that provide implementing partners with greater flexibility over interventions. By being less prescriptive with how funds need to be spent, USAID can create space for partners to adapt with limited changes to governance structures of the project or activity.

Embedding learning and knowledge

A common facet of the case studies is the inclusion of feedback loops through which learning and knowledge generated by a project or activity can be cycled back to partners to enhance decision-making. Those projects that are most effective create structured processes for feedback loops of learning and knowledge to be incorporated back into the project. For instance, going forward, the PFAN Project will utilize systems to track and monitor the enterprises it funds beyond the life-cycle of funding, and then systematize this information so it is available to the entire cohort of partners and stakeholders involved (see **PFAN** pg. 29). Structured processes and systems like PFAN's can greatly support implementation by creating feedback loops for the learnings being generated by a project or activity to render impact within the program-cycle.

APPLYING LESSONS ACROSS THE PROGRAM CYCLE

For USAID practitioners interested in applying lessons that emerged from the cases, the insights below offer key considerations on how to incorporate sustainability approaches at each stage of the program cycle: design, implementation, and close-out.

Key considerations for PROJECT/ACTIVITY DESIGN

- Conduct a **systems analysis** to identify the key leverage points that can unleash sustained motivation and resources
- Hold **co-creation workshops** to bring together a diverse group of stakeholders – implementing partners, local communities, private sector actors, and local governments – to provide input into the overarching design of the project or activity
- Develop **flexible contracting mechanisms** that create space for feedback loops that integrate learning and illuminate context shifts necessary to adopt adaptive management during implementation

Key considerations for PROJECT/ACTIVITY IMPLEMENTATION

- **Empower and collaborate with actors already working to activate key leverage points** in the system, rather than inserting new resources into the system
- Give **local actors ownership over development objectives while building their capacity** to advance these objectives from day one of the project or activity
- Work with implementing partners to develop a **culture and processes conducive to adaptive management**

Key considerations for PROJECT/ACTIVITY CLOSE-OUT

- **Begin close-out interventions at least one year prior to the project's or activity's conclusion**, ceasing new resource disbursement and transitioning to building sustained local motivation, ownership, and capacity
- Conduct **comprehensive final evaluations** to understand the project's or activity's intended and unintended outcomes; in turn, this exercise supports ex-post evaluations and informs the design of follow-on projects or activities
- Use **competitive processes to transfer ownership** and responsibility for programmatic interventions

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DIRECTIONS FOR FURTHER INQUIRY

While the cases studies offered in this report are instructive, they also point to knowledge gaps of critical importance for USAID. As the Agency pursues its goal toward country self-reliance, it will benefit greatly from further efforts to probe more deeply into the topic of programmatic sustainability. Below are potential areas for future inquiry that, if explored, will build from these case studies to bring additional value to USAID's staff and partners.

Systems Practices	Collaboration & Capacity	Adaptive Management & Implementation

- Achieving the Agency's goal of country self-reliance requires USAID-funded projects and activities to contribute to positive changes within complex systems that extend beyond the funding cycle. To comprehend how effectively USAID programming is contributing to this goal, **a rigorous, and perhaps institutionalized, approach to understanding the longitudinal impacts of projects and activities is merited**. Of the seven projects/activities reviewed in this report, only three had ex-post evaluation conducted (RANO-HP, FFP Honduras, and FFP India). This suggests a significant need to **promote and finance ex-post evaluations to develop the evidence base** needed to document and draw conclusions from the correlation between the dimensions of sustainability baked into projects and observed post-project outcomes.

- While this report offers three dimensions of sustainability - Systems Practices, Collaboration & Capacity, and Adaptive Management & Implementation – as an initial framework for understanding the impact of USAID projects and activities beyond the program cycle, it is not possible to attribute the sustainability of outcomes exclusively to these dimensions without more complete data. **Further refining and testing this report's sustainability components against programmatic outcomes would further highlight where the Agency should focus its efforts.**

- Another area for further study is the significance of the Agency's role vis-à-vis other partners and stakeholders in development projects and activities. Implementing partners, local communities, private sector actors, and local governments serve as essential actors whose influence bears on the sustainability equation, as highlighted across the case studies. **Clarifying how USAID can best contribute to project sustainability, and the journey to self-reliance more broadly, and where other partners may be better suited to lead, will help the Agency in the long-run.**

- Related to the above point, these case studies reveal that opportunities exist to bring sustainability components into a project or activity at design, implementation, and close-out. However, it would be instructive for the Agency to learn more about the extent to which programmatic sustainability can be designed for compared to the extent to which it is a feature that emerges from a well-run project or activity. This distinction would help the Agency prioritize and focus its efforts at each stage of the program cycle and leverage its added value to create the space for more flexible and collaborative implementation.

- Finally, at an organizational policy level, the Agency will need to explore the degree to which the three sustainability dimensions and their constituent components are applicable within USAID's current programmatic frameworks. Some approaches from the case studies might lend themselves to relatively easy incorporation by particular project teams that would like to experiment with new sustainability techniques. Other teams, however, may find that the enabling environment in which a project or activity exists is not conducive to such experimentation and integration.   Examining what policy guidance, technical support, and financial resources would be required to enable broad integration of these approaches across USAID would shed light on the institutional changes needed to unlock such transformation.

USAID FROM THE AMERICAN PEOPLE

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