



# Sustainability Analysis Methods for Project Design

## Discussion Note

### INTRODUCTION

*The Sustainability Analysis will clearly explain **what** results will be sustained, **why** those results will be sustained, and **how** they will be sustained*

Conducting sustainability analysis is more of an art than a science. As a result, there are many different frameworks for analyzing sustainability and sector-specific approaches for “deep-diving” on sustainability issues in a given sector. What follows is a compilation of suggested methods that Missions and Operating Units (M&OUs) can use either in whole, in pieces, or as inspiration when conducting sustainability analysis in project design.

### DETERMINE THE LEVEL OF SUSTAINABILITY OF PROJECT DESIGN RESULTS

Projects may have elements that are fully sustainable, partially sustainable, or not sustainable given the local context and what is necessary to achieve the project purpose. One of the first steps a design team should do is to look at the results conceptualized for the project (this is likely through the development of a CDCS framework and initial draft logical framework) and identify which results are fully, partially, or not sustainable. As the project design team examines results, results that are deemed partially sustainable or not sustainable should spark several questions for consideration:

- Should the results that are partially sustainable or not sustainable be revised to be fully or partially sustainable?
- Are the results critical to achieving higher level results? Particularly results determined to be not sustainable?

Upon examination, results that are expected to be fully or partially sustainable should be prioritized as a focus for further examination during the continued sustainability analysis process., whereas results determined to be not sustainable should be documented in the Project Appraisal Document (PAD) with a brief explanation of the project design team’s reasoning for the determination and why those elements are critical to achieving higher level results. Most projects will have various levels of sustainability in project results. Project sustainability can be enhanced when complementary interventions are focused on a defined geography, or when interventions are holistically designed to change the behavior of the full constellation of local actors necessary to sustain a given result.

## WHICH RESULTS SHOULD BE SUSTAINED?

Project results may reflect varying levels of sustainability for a variety of reasons. For example, some results:

- Act as triggers for higher level changes and are a one-off event.
- Reflect political considerations that may not be sustainable, but are necessary for building political will to support other objectives.
- Reflect a conflict or transition environment where the immediate objective is linked to stabilization to build a foundation for sustainable peace.

Examples of results that may be fully, partially, or not sustainable are below.

### Fully Sustainable

- Long-term time horizon
- Former rebels economically integrated into society (partnership with private sector to provide job training, apprenticeship, permanent positions)

### Partially Sustainable

- Medium-long term
- Example: Former rebels with marketable job skills increased (job skills training and apprenticeship effort)

### Not Sustainable

- Short-term, transition environments
- Example: Immediate post-conflict income for former rebels established (cash-for-work effort during transition)

## ANALYZE THE SUSTAINABILITY CONSIDERATIONS FOR FULLY AND PARTIALLY SUSTAINABLE RESULTS

Now that the design team has identified which results of the design will be fully and partially sustainable, a deeper analysis is necessary to explore the broader sustainability considerations for each of the elements of the project. There are different methods that can accomplish this next level of analysis.

## KEY AREAS TO CONSIDER FOR PROJECT SUSTAINABILITY ANALYSIS

- Local demand and ownership: Stakeholder analysis is a key aspect of sustainability analysis for project design. Stakeholder analysis provides critical information about the buy-in of host country partners and their motivation to maintain the results achieved through the project. Design teams may find it helpful to consider what are the key stakeholders to achieving the results of the project? Is there buy-in? What are the motivations of stakeholders to maintain the results achieved both during and after the completion of the project?
- Institutional capacity of local stakeholders: In addition to key stakeholders, assess the capacity of specific institutions and related governance systems at the national, sub-national, or local levels – or a combination of these – critical to project sustainability. Institutional capacity can be examined in terms of systems, policies, governance, staff and skills. Ask, do these institutions have sufficient skills, knowledge, policies, staff, systems, or governance necessary to support sustainability of project results?
- Social and cultural dimensions: For long-term sustainable development to be achieved, sensitivity to cultural and social factors is critical. What social and cultural norms, rules, and roles exist that could support or inhibit the sustainability of project results and ensure a proper fit between project results and local needs? Are the results achievable in the project’s timeline given the social and cultural context? Stakeholder and social soundness analyses are tools that may be used to reveal socio-cultural factors that enhance or inhibit sustainability of the results.
- Political dynamics: Design teams should identify relevant political factors and assess their impact on sustainable change. For example, is there potential for a volatile political transition? Are elections on the horizon and if so, what is the integrity of the current electoral system? Is there political will for the changes the team wants to see? What is the current role of civil society? What security issues face the country including regional security concerns and the role of corruption?
- Financial viability and sustainable financing options: Most projects require financial sustainability analysis related to the recurrent, maintenance, and future costs. Consider how funding streams will persist at the end of USAID funding. The analysis should assess the possibilities for phasing in cost sharing to ensure that stakeholders have an increasing stake and role in achieving project results, for example through partner country systems, (taxes and other revenue), private-sector participation (value chain profits and other market mechanisms), or the donor community.

## FORCE FIELD ANALYSIS

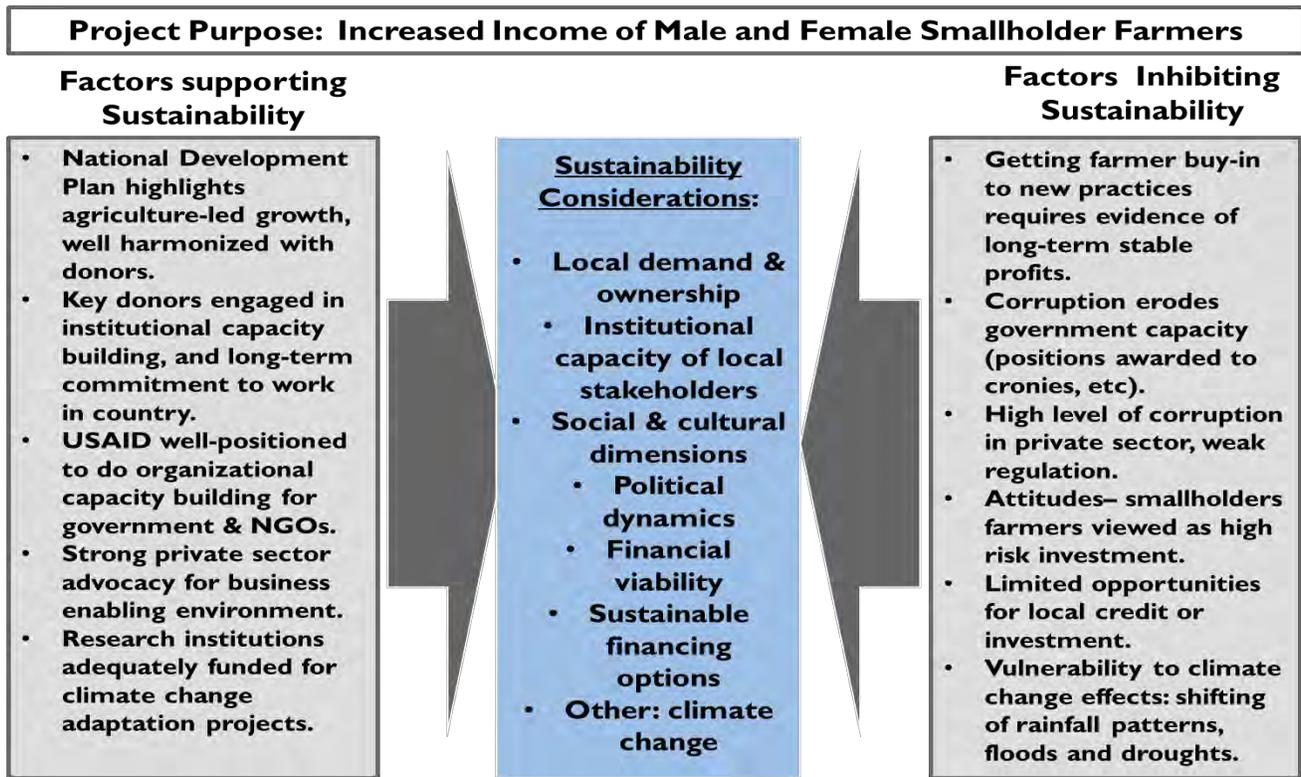
One method for analyzing the sustainability considerations is to use the force field analysis tool. Force field analysis is a framework for looking at the pressures (forces) that influence a desired change or result. It looks at forces that are either supporting movement toward a result (supporting forces) or blocking movement toward the result (inhibiting forces). The framework is a useful decision-making tool, and is particularly effective when developed in a group. The tool can be adapted in many ways to focus the analysis and discussion as necessary. For sustainability analysis it is possible to narrow the focus of the analysis to those considerations that affect sustainability of the result.

Once the “forces” for and against a result have been identified, the tool can be used to improve achievement of the results. For example, the forces that support the result can be strengthened through modifications to

the project design, and forces against the result could likewise be mitigated through risk mitigation strategies or monitored throughout the implementation of the project.

Force Field analysis can be used to gather and analyze information from a group of key informants and stakeholders about factors supporting or inhibiting sustainability of a new Project. In the example below, the Project purpose is an IR from the Mission’s CDCS, “Increased income of male and female smallholder farmers.”

To focus the discussion, the sustainability considerations are defined in the center column with a column on the left and right for forces that can support or inhibit sustainability based on these considerations.



To begin the process, the mission should draw on technical, social-cultural, institutional and other analyses that have been completed to inform the strategy or project design. A group of key informants and stakeholders can be convened to support the design team in conducting the analysis. Steps in the process are in the box below:

## FORCE FIELD ANALYSIS HOW-TO

1. Draw the force field diagram on a flip chart.
2. Identify the key considerations relevant to sustainability to guide the discussions. Write these in the center column of the diagram. For example:
  - local demand and ownership
  - institutional capacity of local stakeholders
  - social and cultural dimensions
  - political dynamics
  - financial viability
  - sustainable financing options

The design team may add other considerations that are key to sustainability, and/or delete those that are not relevant.

3. Based on the key considerations, identify the supporting and inhibiting forces. Drawing on expertise in the group as well as previous analyses and assessments, identify and write the forces that:
  - Support sustainability of the project results in the left column.
  - Inhibit or work against sustainability of the project results in the right column.

“Forces” could be conditions, people, interventions, institutions, laws, etc.

4. Match the supporting and inhibiting forces to the LogFrame results. The design team should review the results to be sustained from the project LogFrame and analyze how the supporting and inhibiting factors will affect their sustainability. If there are significant inhibiting factors to sustaining key results, then the team should discuss mitigating actions that may be built into the design to improve the chances for sustaining those results or include as a contextual factor to monitor during implementation. The team may identify information gaps that would need to be explored further to fully understand or determine the sustainability approach for the project.

## FUNCTIONS, INSTITUTIONS, AND SYSTEMS

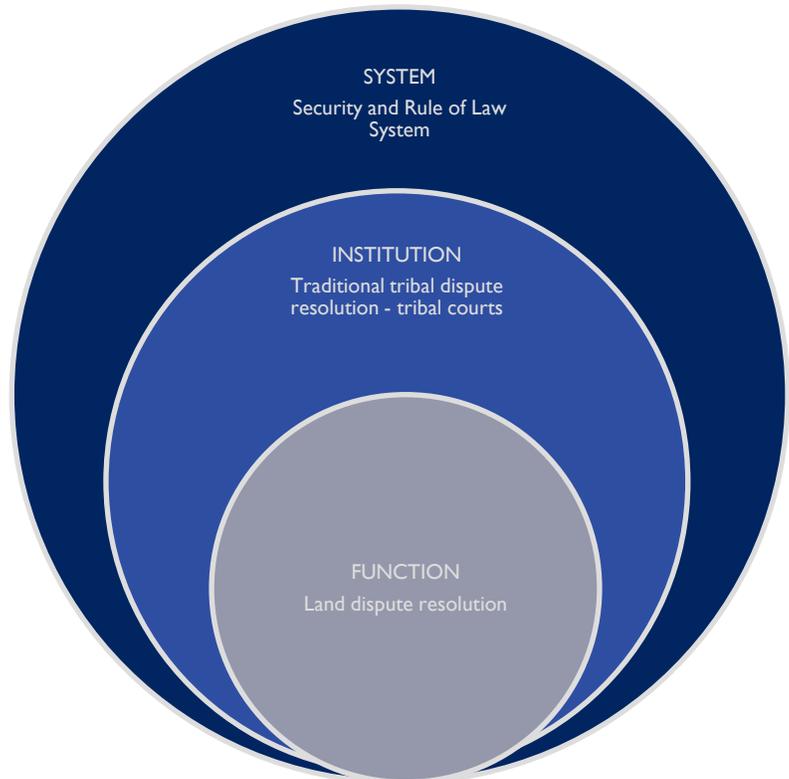
An alternative helpful approach is to determine what functions, institutions, and systems are critical to project sustainability. This includes the functions that need to be sustained, as well as the systems and institutions that need to be assisted as part of the project approach in order to ensure the sustainability of those functions by the end of the project.

**FUNCTIONS:** First identify the functions that need to be sustained by the end of the life of the project. Functions are the key areas within an institution within a system that may need to be sustained after the life of

a project. Functions are often connected to service delivery, governance, or economic and social actions. For example: sustainable management of the cold chain for the safe handling and distribution of critical vaccines; efficient, rapid and low-cost registration of businesses; or resolution of land disputes.

**INSTITUTIONS:** Second, consider how the functions are embedded or linked in larger institutions. Institutions are the next level of analysis, often managing multiple functions and located within a larger system. This can include formally chartered and constituted organizations such as components of government (District Councils, Provincial Governments), or informal ones (neighborhood groups, socio-cultural units such as age group cohorts in tribes or clans, and market women’s rotating saving societies). Determine which institutions need to be strengthened and in what ways. Identify what elements are critical for integrating into the project design.

**SYSTEMS:**<sup>1</sup> Next, consider the larger systems the institutions and functions identified during the initial analysis connect to. Systems are the interconnected components that institutions and functions plug into. Through analyzing the larger systems, design teams can identify interconnections between institutions that perhaps are not otherwise obvious and may be necessary to supporting project sustainability. Some examples include: CSO leadership and staff skills training system, government civil service training systems, and district rule of law systems.



After the key functions, institutions, and systems have been identified, consider what reasonable to expect by the end of the project for sustainability of each. These decisions should be informed by evidence focused on selected geographic target areas, the planned time frame, any necessary implementation phasing, and the likely level of resources that could be brought to bear on the functional weaknesses and gaps that are identified. USAID’s manageable interest, strategic advantage, as well as the resources to bear by other donors, the partner government, the private sector, or other USAID projects should be taken into consideration to determine final design decisions related to sustainability.

## IDENTIFY ASSUMPTIONS AND RISK

After the design team has completed a deeper level of analysis to explore the sustainability considerations and/or functions, institutions, and systems necessary for project sustainability, attention should be given to identifying the assumptions that underlie the logic of the design as well as risks to sustainability. While often embedded in designs implicitly, a best practice is to make assumptions related to sustainability explicit. When looking at the logic of the design, including how results “add up” to higher level results, M&OU should consider what underlying assumptions are embedded in the design logic and conclusions around sustainable

<sup>1</sup> Note that in this paper “systems” are defined differently than under USAID’s Local Systems initiative.

results. What contextual factors are necessary for sustainability? Which assumptions are assumed to remain constant? Which stakeholders are likely to remain supporting forces for sustainability? Are there any factors that are necessary to sustainability, but are highly unlikely or have a high probability for change? Assumptions that are highly unlikely may indicate that elements of the design may need revision to strengthen logic whereas assumptions that have a high probability to change may require close monitoring during the initial implementation phase to adapt the design accordingly if changes occur that could inhibit sustainability.

In addition to making assumptions explicit and analyzing their likelihood, identifying risks to sustainability are important. Design teams should identify programmatic, financial, and contextual risks to sustainability. Risks identified that could be detrimental to the design should be mitigated through a mitigation strategy built directly into the design with the choice of interventions and implementing mechanisms. Risks that are of concern, but are not determined to be a high risk should be monitored during implementation and the design adapted accordingly.

### DETERMINE MONITORING, EVALUATION, AND LEARNING CONSIDERATIONS

After identifying the assumptions and risks, M&OU design teams should consider monitoring, evaluation, and learning elements of sustainability in the design. It is helpful to identify key project sustainability targets and indicators that will provide evidence to indicate through project monitoring whether project sustainability is on target throughout the implementation of the project. Data gathered during project monitoring, particularly at the project purpose level, provides an opportunity for design teams to create regular learning activities such as bi-annual meetings to adapt the design as appropriate to improve the opportunity for sustainable results.

While there are few examples of evaluation considerations related to sustainability, design teams are encouraged to consider key evaluation questions related to the sustainability of their project design. Teams may consider a post-project evaluation to consider the sustainability of results after the life of the project to inform future project designs.

### SUSTAINABILITY APPROACHES FOR PROJECT DESIGN

Taking the analysis completed to date, the design team should decide how the project design will directly address the key results of the analysis and build in project sustainability. There is no one single approach to achieve sustainability of USAID's strategies and activities at the Mission level. USAID Missions will design approaches to sustainability given their unique circumstances and the desired results which they intend to make sustainable. This table provides a sample of possible approaches to sustainability that may be helpful to design teams considering the "how" of sustainability in project design. Please note that it is not intended to be an exhaustive list.

## Discussion Note on Sustainability Analysis Methods for Project Design

APPROACH	DESCRIPTION	UTILITY	CONSIDERATIONS/ ASSUMPTIONS
<b>Sustainability approaches during project implementation (to be planned during CDCS development and project design)</b>			
<b>Facilitation of (primarily) agriculture sector value chain projects</b>	Facilitation of agriculture value chain projects attempts to stimulate change in market systems without the project taking a direct role in or becoming part of the system. Interventions are targeted at leverage points—actors or relationships that will stimulate the spread of change in the way the system works as a whole. The USAID facilitation approach is intended to rapidly “get out of the way” of market dynamics.	During project design and implementation, particularly for agriculture sector value chain activities. The facilitation approach increases the likelihood that the behavior changes brought about by the project will be sustained, since continued activity is less likely to be dependent on continued involvement by the donor.	<ul style="list-style-type: none"> <li>• Appropriate intensity - preferably a “light-touch” approach, whereby the implementer’s role does not include direct service provision.</li> <li>• Improve relationships between value chain actors. -value chain participants should place the highest importance on other actors within in the chain.</li> <li>• Foster local ownership - the project should catalyze, but not own, needed changes in value chains.</li> </ul>
<b>Public-Private Partnerships</b>	Engagement of the private sector offers the opportunity to leverage resources and impacts of private sector partners. The private sector partnership can potentially bring entrepreneurship, financial support, innovation and technology. In principal, “if it pays, it stays” works because of market dynamics and incentives from returns on investment.	Sustainable financing model. Potential to harness market forces in support of sustainable results. If successful, mutual benefits to the partners support sustainability, as both partners will strive to maintain positive results.	<p>Partnerships should be based upon agreed upon sets of shared principles and ground rules. Partners will contribute (cash or in-kind) to the project and also benefit from or have a stake in the sustainability of the project’s results.</p> <p>Assumes that businesses will commit to core principles in areas such as: human rights, labor, the environment and anti-corruption.</p>
<b>Donor partnering and joint implementation</b>	Multiple forms of mutual support of project implementation, including <ul style="list-style-type: none"> <li>• Direct contribution of resources to support an existing activity managed by another donor</li> <li>• Parallel implementation of a project, with separate funds and separate implementers that coordinate on the ground</li> <li>• Joint implementation with a single implementer, pooled funds, and a lead donor</li> <li>• USAID receiving funds from another donor to achieve mutually identified results.</li> </ul>	Promotes sustainability by ensuring close donor alignment, thereby raising the profile of the activity and communicating its broad support. Also builds buy-in for continuing the project benefits with other development actors and the private sector. Reduces risk to an individual donor, potentially freeing up additional resources that might otherwise not have been invested. Can also increase efficiency and efficacy as the donor best equipped to achieve results will lead.	<p>Requires significant consultation at both country as well as headquarters levels.</p> <p>Requires alignment of program cycles among donors – much easier to achieve when both donors are in similar planning phase.</p>
<b>Local ownership and capacity building</b>	Behavior change approach to “capacity development” that is specifically focused on learning by leaders, coalitions and other agents of change. Improving local systems also applies.	A broad segment of the community has a stake in and capability to ensure that, with their own resources, the activity or service continues after the USAID program or project ends	Assumes that social and economic development is sustainable when results and performance are locally owned and are then replicated and scaled up by local actors.
<b>Sustainable financing models</b>	Partner country financial institutions develop their own direct interest in supporting continuation of results achievement. Their funding can be phased in so as to replace USAID by project end.	Provides resources internal to the partner country that replace USAID’s external funding to continue results achievement.	Ensure that relevant activities or services are gradually tied to sustainable financing models from resources from partner country financial institutions.
<b>Plan for resilience (adaptation and mitigation efforts incorporated in all projects)</b>	Focus both on adaptation and mitigation efforts, as well as on integrating climate change considerations across the development portfolio.	The poor lack the capacity to cope with economic and environmental shocks Ensure project activities are environmentally sustainable in order to strengthen resilience and reduce the impact of global climate change.	Science and technology will be indispensable for meeting the climate challenge. Leverage cutting-edge scientific innovation to ensure that decision-makers in developing countries have access to relevant climate information and forecasts.
<b>Scaling Up</b>	Identify and create the required conditions, before the end of USAID’s investment in a strategy/project, that enable the replication, adaptation, and extension of results achievement beyond the original partners/beneficiaries.  Used with pilot projects, demonstration projects, capacity building projects, policy projects, service-delivery projects	To disseminate a new technique, prototype product, or process innovation; to “grow” an organization to a new level; or to translate a small-scale initiative into a government policy.	Must be calibrated to not overwhelm local capacities or outpace adaptation over time, geographic space, and diversity of interests, values, and motivations.