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Benefit Sustainability



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BENEFIT SUSTAINABILITY

Introduction

A major goal of the development process is to induce self-sustaining improvements in peoples' well-being. All too often, however, continuing benefits from development projects depend on foreign assistance with the consequence that benefits end or diminish significantly when the aid runs out.

Despite the obvious importance of sustaining development benefits, the reality is that a large majority of donor-assisted efforts have not brought about lasting developmental change (AID, 1985; World Bank, 1985, Devres, 1987; U.S. Congress, 1986). A short-range focus often has prevailed, with attention directed to completing activities or spending budgeted funds. Much traditional project evaluation also has sidestepped the sustainability issue, speaking more to project outputs than to long-run impacts.

Recently, however, greater attention to the importance of lasting outcomes and to strategies for achieving them is evident among development practitioners. As a result, valuable lessons are being learned, especially about the institutional and resource requirements of sustainability. This encouraging trend is particularly apparent within the PVO community where concern for improved sustainability has moved to the forefront. PVOs, indeed, have particular advantages in carrying out sustainable activities. They are uniquely able to elicit the kind of local commitment and enthusiasm that encourages sustainability and they often are well positioned to link local people and organizations to broader networks of institutions and resources (Tendler, 1982).

In any discussion of sustainability, it is essential first to define its meaning. Sustainability is a development concept that often is identified incorrectly with the continuation of a project or an institution. In reality, development success does not necessarily mean the perpetuation of a project, of an organization, or even of project activities. Rather it depends on the continuation of **valued benefit flows or outcomes**, with or without the programs or organizations that stimulated those benefits in the first place. The nature of these benefits may change, their source may shift, or responsibility for their costs may be assumed by a new mix of benefactors. What is important is that the benefits or outcomes be valued by the intended beneficiaries and that they continue.

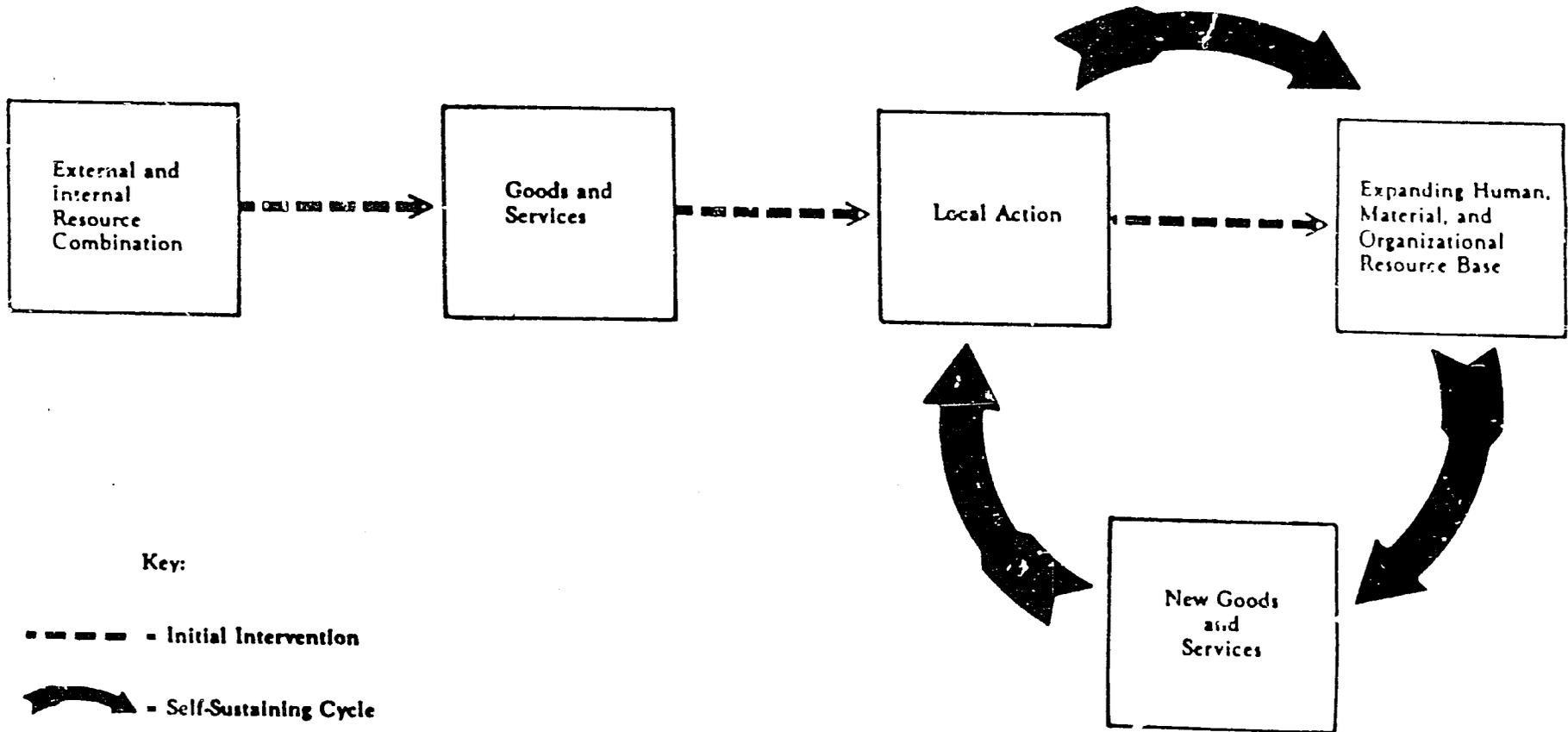
Looking at sustainability thus requires a concern for what happens **after** a project terminates and its external inputs of financial, managerial, and technical support are phased out. It is at this point that local capacities, resources, and leadership must be prepared to move to the forefront.

Broadly stated, any project involves the planned use of human and financial resources to achieve some planned improvement in the well-being of a beneficiary group. Project implementation is the process of transforming those resources to that welfare objective by one means or another. The jump from applying resources to achieving sustainable benefits, however, bridges a wide and difficult gap. In normal development experience, two important intervening stages must occur. First, resources are used to deliver some mix of goods or services such as health care, seeds, or technical assistance. Second, people respond by using (or ignoring) these goods and services. If the response is positive and produces valued and lasting benefits, the result is development.

The flow from resources to improved well-being, however, is only the initial phase. A fuller picture must show the project as providing the nudge to a cycle where an increase in the resources locally available produces new goods and services, induces appropriate response, and then generates a greater resource base. This cycle is depicted in Figure 1. It is important to note that while the initial **project** flow moves from resources to benefits, this flow may be triggered either by outside initiative or by local demand. Since local participation is a major determinant of sustainability, lasting benefit flows are more likely when local action is the initiator.

Figure 1

INTERVENTION TO PROMOTE SELF-RELLANCE



Source: Honadle and VanSant (1986), Implementation for Sustainability: Lessons from Integrated Rural Development. Hartford, Kumarian Press, p.76

Why Project Benefits are not Sustained

The many reasons why projects often fail to induce sustainable benefit flows can be summarized in terms of organization and management constraints, resource limitations, and problems caused by policy and other factors in the project environment.

Organization and Management Constraints

Just as project designers often fail to give rigorous consideration to sustainability in project design, so do project implementors often pay little attention to sustainability concerns in the midst of pressure for timely delivery of goods and services. AID recognized this problem in a recent project review:

Success of AID projects is measured in terms of how effectively funds are used during the project period. Development of strengths necessary to carry on a project is costly and does not generate immediate project benefits, thus reducing the rate of return. Thus, the AID system does not encourage investments that will yield results after AID funding ends (AID, 1987a).

Since this "system" affects the many PVOs who work with the assistance and cooperation of AID, the Agency's lack of incentives to support the requirements of sustainability are a matter of concern to the PVO community.

Any ongoing stream of development benefits requires some kind of organizational mechanism or management system, even if very different from the project structure that initiated those benefits. Often local organizational capacity is inadequate to sustain the necessary administrative arrangements. Key among these capacities are administrative competence, access to resources, and effective linkages both with beneficiaries and higher level institutions. If a project has not addressed these aspects of local organizational learning from the beginning, chances for benefit sustainability will be seriously reduced.

Resource Constraints

Financial sustainability is an obvious requirement when, as is normally the case, continuation of benefits after a project requires some level of ongoing funding. In practice, however, several factors often work against the availability of needed funds:

- o project goods and services may be delivered at an inappropriately high cost, especially considering the external management and technical assistance resources applied;
- o donors may prefer financing new projects to underwriting the ongoing operating and maintenance costs of past initiatives;
- o expected host country resources may not materialize, either because resource availability is severely constrained or because the government (or other source) has more pressing priorities; or
- o low rates of financial return or insufficient revenues may render activities intended to be income-producing untenable over the long run.

One or more of these factors can affect virtually any development initiative. When sustainability is dependent on continuing **external** resources, whether from a foreign donor or government, the risks are enlarged.

Environmental Constraints

Political, economic, and cultural factors in the external environment of a project often undermine prospects for sustainability. To begin with, statements or promises by politicians or project personnel may create local expectations for immediate benefits rather than an understanding of longer-term development objectives and requirements. Attempts at institutional change may fail due to conflict with well-entrenched local practice. Project innovations often fail to survive because the very effort to circumvent traditional procedures works against their adoption

(Ruttan, 1975). A World Bank study reports that a misreading of a project's socio-cultural environment was a key factor in most projects that experienced rejection of a new technology (World Bank, 1985).

It is important that economic policies support the particular development benefits that are to be sustained. For example, a project to promote agricultural development needs the support of pricing policies that encourage farmers to produce. A program to extend credit to small-scale entrepreneurs depends on appropriate interest rate policy. Often these policies are beyond the control or even influence of a particular project or donor. This may be especially true for PVO activities in view of their relatively small scale and frequent insulation from government.

Yet social, economic, and political forces have great potential for undermining sustainability over the long run. Awareness of these constraints is an obvious precondition to the possibility of overcoming them -- or to recognizing the impossibility of overcoming them which should lead to a rethinking of the whole project idea. It may be possible to implement an activity that is not appropriate to its setting but it is very unlikely that the beneficial outcomes of such an activity can be sustained.

Building Sustainability

Key Planning Considerations

Donor projects, by definition, are time bound. One way or another they end. The end of a project logically is perceived as a termination -- TA teams disperse, books are closed, "final" evaluations are conducted. In reality, however, the project end should be seen as a **beginning** and what follows, if anything, is ultimately more important than the project itself. The benefits or outcomes that continue are the real fruit of the development seeds that have been planted.

In this context, it is barely an exaggeration to say that every planning decision should be made in the light of sustainability criteria. Among the considerations that should guide project planning are the following:

- o **What benefits are to be sustained?** A careful distinction should be made between temporary, project-related outputs and intended long-term benefit flows. A vaccination program, for example, is an output that may not need to be continued indefinitely. Reduced illness, on the other hand, is an outcome of permanent value. Some follow-up to the vaccination program such as a sanitation initiative may be needed to sustain that health benefit.
- o **What resources will be required to fund long-term benefit flows?** Will project systems be self-supporting (for example, a credit system whose administrative costs are covered by interest income) or will a permanent subsidy be required? It is particularly important to distinguish recurrent costs from capital costs in making this analysis.
- o **Do projected benefits justify the investment of external resources in light of realistic constraints and opportunity costs?** Projects often represent funds in search of activities. Continuation, by contrast, represents activities in competition for funds. Many activities may for good reason be seen as a poor investment by a host government even if previously approved for donor funding.
- o **Does the administrative capacity exist (or is it being developed) to maintain essential systems for benefit continuation?** Local organizational capacity and leadership along with resource control are key requirements for lasting development.
- o **Will the project be dependent on the administrative attention and support of a single key person or group?** The dynamism and commitment of many PVO leaders makes this a particularly important concern for PVO initiatives.

- o Are permanent aspects of service delivery being institutionalized in the government structure or in viable private sector delivery systems? If so, are new administrative resources required (for example, additional extension agents or health clinic staff) or are there available resources in the system?
- o How much of the requirement for both financial and administrative inputs can be undertaken locally? Local inputs, if broadly based, reduce dependency, increase predictability, and serve the interests of local control.

These considerations have obvious significance for what activities are incorporated into development projects as well as how they are organized.

One particular implication is for the scale of project interventions. Projects implemented on a small scale frequently can take advantage of "slack" resources in the system. Existing administrative and extension staff who are functioning at less than full capacity can be used in expanded project activities -- their numbers need not be increased if their efficiency is improved. Up to this point, concern for sustained resource commitment is minimal; beyond this point, when a commitment must be made for additional finances, the concern is substantially increased. Furthermore, local government reluctance to fund recurrent costs in place of more visible capital investments makes it more likely that small-scale efforts will survive.

This perspective also may be applied to project components. Although an integrated effort may be large, if sub-projects are small and self-contained, then the most appropriate ones may "take," that is, continue to provide benefits after project termination.

Resource Issues

To be sustainable, project benefits must be continued by means of financing arrangements that provide the bulk of funds from a country's own private or public sector resources. The principal manifestation of failure to consider sustainability in the project planning process is a lack of resources to maintain worthwhile activities begun with project funding. Few projects

explicitly plan for mobilizing resources and most fail to design any viable arrangements to cover costs in the long run (Devres, 1987). A recent study of PVO institutional development expresses amazement that many PVOs give regular aid service to the notion of the autonomy of local institutions without providing assistance to develop the capacity to generate future financial support (AID, 1987b).

Sometimes the problem is cumulative, as revealed in a 1983 USAID mission Country Development Strategy Statement (CDSS):

We can estimate that the potential total recurrent cost burden on the government of Upper Volta (now Burkina Faso) budget of (USAID sponsored projects) will easily surpass 70 million 1980 dollars by 1987, or almost a quarter of the projected national budget. The Government of Upper Volta will clearly not be able to finance all of these costs (USAID/Ouagadougou, 1981).

In this case, the problem obviously has been realized too late. Either a number of activities will wither for lack of funding or an unhealthy long-term dependency on foreign subsidy will be required. Probably both.

There clearly is a role for central governments to play in assuming some share of needed revenues for funding local development. Before project commitments are made, however, more attention should be paid to what recurring obligations host governments are willing and able to assume. There also is the question of how large a role central governments should play in providing needed resources relative to other potential solutions. As with foreign money, resource needs always should be weighed against the values of local initiative and control for sustaining any process of development, however funded. Nearly everywhere, services provided by central governments are perceived by citizens as public goods to which they are entitled rather than as resources that they should be providing for themselves or for which they should pay. As many PVOs know from experience, The incentives for local communities to maintain such services or facilities are usually weak or nonexistent.

Among the alternatives to central government funding are user charges, local government funding, and local participation.

User Charges have an appealing logic based on equity (beneficiaries should pay for private goods), efficiency (charging discourages overconsumption), and practicality (beneficiaries are more willing to pay for private goods). Objections to user fees focus on the danger of excluding those unable to pay from benefits. One response may be to structure charges to allow for differing payment abilities though this may entail an excessive administrative burden (Morss, et al, 1985). A positive example, notable for user participation in setting a rate structure, is described in an evaluation of a Tunisian water project:

Of the five project sites visited in Kairouan, we found three in which the users had taken collective action to establish variable rates to pay diesel fuel costs. Fees were assessed by household on a monthly basis ranging from 500 millines (\$1.25) per month to nothing for those too poor to pay. In one community a local organization grew out of an existing series of quarterly clan meetings and provided basic types of assessment, collection, and accounting of water-use fees (Bigelow and Chiles, 1980).

While good arguments can be made for introducing user charges to cover project operation and maintenance costs, the administrative demands of introducing such charges must be recognized. For example, the Tunisian study also points out that

At two other sites, guardians were resented because they had imposed a fee system without community agreement. At one of these sites, the fee was assessed for each visit to the well according to the size of the container used. The procedure had so enraged the community that they had forced the guardian's removal and were in the process of arranging the appointment of a new guardian, a relative of the community leader (Bigelow and Chiles, 1980).

The problem of introducing user charges is particularly acute where free services traditionally have been provided, often the case with social services. Failure to introduce such charges, however, represents an important policy decision in itself. It means the entire financial burden will fall on

the government or some other local entity. Thus, if the service is continued -- not always the case given the costs involved -- the burden may be borne by the wider community, whether or not all its members benefit from the service.

Local Government funding is an alternative means of plugging a revenue gap. Frequently project services have a limited area focus. As a consequence, local government revenue collections may be a more appropriate source of finance than the central government budget. Sometimes it is possible to fashion a local government tax, fee, or other revenue mechanism to provide the needed finances. The trouble is that local government revenue generating opportunities often are very limited. More common are various revenue sharing arrangements where decentralized "control" over development activities remains dependent on national financial grants. In such cases, decision making may reside closer to the ultimate beneficiaries but the constraints and limitations of central funding remain.

Funds actually raised and retained locally usually are more secure than funds allocated from central treasuries. For example, Nepal replaced a traditional national land tax with a Panchayat Development and Land Tax. Arrangements called for 55 percent of the proceeds to be retained and controlled by the village Panchayat, 10 percent by the district Panchayat, and 35 percent by the national government. The result has been greater self-reliance of the villagers in development matters, a "significant increase" in revenues, and a closer feeling of partnership between people and government (Knoll, 1978).

Ironically, the Upper Volta CDSS cited earlier concludes:

The devolution of financial and administrative control over development projects to local political units is a quantitatively small but qualitatively important aspect of reducing recurrent costs. We believe that locally devised solutions may in many cases prove to be more cost-effective and durable (USAID/Ouagadougou, 1981).

Such a realization prior to loading an unrealistic recurring cost obligation on the central government would have improved the chances for sustaining project benefits.

Local Participation in service provision offers very attractive possibilities. Project goods and services often are delivered at costs above what would be necessary were optimal use made of available local resources. One consequence is a reduction of chances for sustainability. Impeding participation in many cases is the fact that projects are launched on a larger scale than is justified by the level of local technological understanding or willingness to adopt innovations (Gray and Martens, 1980). Experience demonstrates that small-scale programs designed for limited impact are likely to generate more positive and durable results than large-scale, sweeping organizational reforms. PVOs traditionally have operated at a scale and degree of local continuity that provides excellent opportunities for effective beneficiary participation.

Local inputs need not be monetary where such resources simply do not exist. Land or labor can be contributed to infrastructure projects. Local expertise can be applied to any project's planning and management demands. Experience demonstrates that involving beneficiaries in project implementation produces cost savings and other benefits. Frequently, their knowledge of the local situation will prevent wasteful and inappropriate schemes designed by outsiders. In any event, to the extent the beneficiary population is interested enough in project activities to make direct commitments to them of time, labor, land, or money, cost burdens are reduced, a local stake in the outcomes is developed, and sustainability is enhanced.

Where possible, local resource commitments should be formalized by a contract negotiated between beneficiaries and outside funding sources. Such a contractual arrangement takes beneficiaries seriously and provides increased local leverage. Negotiations may well go beyond resource inputs to the setting of project targets, establishment of a schedule, and the outlining of implementation responsibilities.

Usually, local participation is enhanced through the existence of local organizations that represent peoples' interests. A World Bank study concluded that

a major contribution to sustainability came from the development of grass roots organizations, whereby project beneficiaries gradually assumed increasing responsibility for project activities during implementation and particularly following completion. Where grass roots organizations thrived there were certain distinct qualities inherent in their growth and in their relationships to project activities. These included some form of decision making input into project activities, a high degree of autonomy and self-reliance, a measure of beneficiary control over the management of the organization, and the continuing alignment of the project activities with the needs of the beneficiaries (World Bank, 1986).

In summary, the benefits of increasing local participation and of strengthening the links of local communities and groups with host governments and donors include coordinating local action with national priorities, insuring technical adaptability, and providing needed administrative and financial support. But this must be done in ways that retain local choice and deal seriously with local potential. The benefits will be better, more sustainable projects and a major step from the creation of local dependency to the support of local enterprise. It is upon this enterprise that authentic development depends.

Capacity

Management skills and leadership are the scarcest of the resources needed for development. Few project ideas are so compelling that they will perpetuate benefits without institutions and individuals equipped to carry them forward. When external resources end, local actors must be able to continue certain activities, often with fewer resources than before.

In many cases, this obvious point seems never to have been raised in the project design process. Even when institution building is a stated project objective, staff in the field may respond to success criteria of a more

traditional nature. For example, if staff are judged by how well projects are executed (often defined by whether they reach their quantitative targets or expend their budgets), there will be little motivation to achieve capacity-building objectives set by supervisors. What is needed is a consistent set of incentives to support targeted behavior at all levels of the project management structure. Compensation and promotion arrangements for local staff that reward efforts to work with local organizations and strengthen their capacity to address community needs will help generate that kind of behavior (Gow and VanSant, 1983).

For example, agricultural extension agents involved in organizing farmers' groups might be judged on the quality and independence of those groups rather than on such mechanistic measures as the number of groups formed or how often they meet. Moreover, evaluation standards should allow for differences in the circumstances in which agents operate. For some agents, working with existing groups may be more appropriate than forming new ones. Whatever incentive system is established, it must be well understood by the agents if they are to respond to its intentions. That is, staff need verifiable tasks to perform with specific target dates and standards of performance. These targets must be communicated effectively so that supervisor and staff expectations are consistent. Communication often will be enhanced if performance standards are set jointly in the light of shared commitment to a goal such as sustainability.

The pressure to achieve visible project results often has led to the creation of formal project management units (PMUs) to manage a development activity. This strategy historically has been associated with the World Bank which, however, now questions its efficacy.

In addition to the inevitable problems of coordination and conflicting areas of responsibility, project units suffered or caused serious staffing problems. The justification for establishing them is usually made on grounds of the weakness of the existing institutions. But then the project units, whose salary structures are usually more generous than regular civil service scales, are able to attract capable staff away from regular ministerial positions. Permanent structures are thus further weakened by a necessarily temporary device initially created just to

bypass those weaknesses. Positions in project units are not usually permanently established civil service posts. Project personnel have no assurance of continuing employment with the government after project completion, and higher salaries as well as frictions generated during the project, make it almost impossible for former project personnel to be re-integrated into the regular organization. Project units thus have an isolated and precarious existence, and hardly any institutional residue is likely to remain from their training and efforts after the project has been completed (The World Bank, 1980).

The Bank's comments suggest that it may be useful to distinguish early in a project cycle whether the project's primary objective is to deliver development benefits in the short run or to transfer the capacity to cope with development problems to the recipient country. If the former is the primary objective, then setting up an organization to make what is basically a resource transfer may be the best solution. On the other hand, if the primary purpose is to launch a sustainable development initiative, a much slower institution building process will be required. Ironically, some PVO projects are characterized by the creation of local PMUs with some of the same consequences noted above.

In current practice, project identification and design decisions usually are made by donors along with government officials of recipient countries. The primary donor interest is to program the expenditure of monies so as to conform to their foreign policy or organizational objectives. Host country officials are interested primarily in maximizing resource transfers. In neither case does the sustainability objective enjoy prominence. Nor is it communicated to staff.

Ultimately, sustainability is most critically important to beneficiaries. Their input in planning, implementing, and evaluating project activities will help ensure that measures of impact gain greater consideration.

Particular attention should be given to improving project evaluation procedures. For most donors and host governments, the horizons of evaluation are narrowed by bureaucratic needs to monitor funds expended and physical construction completed, usually according to centrally defined criteria. Two

relative consequences result. First, staff performance measurement is linked to short-term production targets, whatever institution building objectives may be stated. Second, evaluation becomes an end-of-project control exercise rather than an ongoing part of the development planning process. When careers, budgets, and donor reimbursements are keyed to these monitoring exercises, little incentive exists for project staff to invest time and money in the slow experimental process of building capacity in local administrative systems or among beneficiaries themselves.

Developing criteria as a basis for evaluation and incentives keyed to institution building objectives is more inexact than the use of traditional monitoring measures. Specifying targets of performance requires input from a variety of actors with an interest in the project, including beneficiaries.

The integral link between capacity-building and sustainable development suggests two things: First, simple resource transfers such as block grants are not likely to build capacity because as soon as funds are released they are likely to fall under the control of those who already have capacity. Second, although capacity building activities may be centered on one organization, it is necessary to involve all levels of the project hierarchy in the activity (Honadle, 1981).

PVOs and Sustainability

Lessons from Experience

PVOs have a mixed experience with sustainability. On the whole, the record suggests that many PVO initiated project benefits are not sustained. At the same time there are a number of success stories and the attention of the PVO community on the sustainability issue has increased noticeably in recent years.

More than in most development projects, benefit continuation after PVO initiatives depends on local people and organizations rather than government. Reasons why PVO approaches often are not picked up by government include

- o a relatively high concentration of resources, especially managerial and technical, relative to the scope of the project (Development Alternatives, 1979);
- o problems of continuity, that is, the risk that lasting benefits will be contingent on future external resources without any clear strategy to assure the availability of those resources (see SCF example above); or
- o narrow scale, with success tied to the smallness of an effort rather than an ability to expand coverage and go beyond modest beginnings.

Many PVOs have learned to overcome these constraints. Technoserve and the Pan American Development Foundation, for example, have made a point of setting up financially autonomous institutions to manage credit, training, and financial assistance programs in Latin America. SCF in Bangladesh is showing how private sector collaboration in community development can improve the financial sustainability of health services while increasing profits to small enterprises. (Village development funds are loaned to small businesses such as food processors or fish ponds which eventually return profits to the village development committee which in turn pays stipends to community health workers.) CARE in Cameroun has worked on an integrated program of water supply, health education, and latrine construction with a self-help philosophy that helps villagers develop a sense of ownership and concern for the continued operation of their facilities (AID, 1986).

Unique PVO Resources for Building Sustainability

Important segments of the PVO community currently are engaged in a reexamination of basic strategy issues relating to sustainability, breadth of impact, and recurrent cost recovery. At the heart of this reexamination is the realization that sustaining the outcomes of self-reliant development initiatives depends on systems of effectively linked local public and private organizations. In this context, the successful outcomes of a PVO development initiative may depend on the PVO accepting a catalytic role involving collaboration with government and a wide range of other institutions -- both

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Reasons why PVO approaches often are not picked up by government include

- o size (a service delivery strategy may be effective for a small number of selected clients, but not if it must be available to a broader group; government provision to a small group, in turn, may be difficult to justify politically);
- o values embodied in the service may be sectarian, controversial, or not popular;
- o there may be no parallel administrative jurisdiction operating at the level at which the PVO operates; and
- o the PVO clientele or service may be of low priority to the government. (Tendler, 1982, quoting Kramer, 1981).

Reflecting some of these factors, an otherwise complimentary review of the Community based integrated rural development program (CBIRD) of Save the Children (SCF) in Indonesia concluded that "there is no indication that government agencies will be prepared to assume the costs of a continuation of the SCF Indonesia superstructure or its equivalent at the conclusion of the externally-funded 5-year project, nor has SCF asked them to consider this." The same assessment concluded that key planning issues for SCF thus were "determination of how far and by what coordinating mechanism CBIRD can expand; how long the continued presence of an outside SCF management input will be required; what government or other mechanism can best provide coordination over the long term; and what directions future training should take to maximize this capacity" (VanSant and Weisel, 1979).

Other factors that can impede sustainability in PVO activities include:

- o the dependence of activities on the managerial and coordinating role played by the PVO, either directly or through a non-indigenous special project unit;
- o limited leverage over formal systems or access to top-level decision makers;

public and private -- to put into place new policies and institutional linkages that enable rather than constrain self-sustaining local initiative (Forten, 1986).

PVOs bring several strengths to this task:

- o PVOs adapt simple, often innovative, labor-intensive technology to local conditions. Such adaptation generally builds on existing services and infrastructure and reduces resource requirements (AID, 1986).
- o PVOs build long-term relationships with local communities, helping them to understand the real needs of project participants.
- o PVOs have wide information networks, local counterparts, and other institutional contacts, especially with private organizations in developing countries.
- o PVOs are less dependent on government inputs for most of their programs than are larger donors.
- o PVOs historically have made deliberate attempts to foster and draw on local capacities for self-help.

The challenge to PVOs is to draw on these strengths to give leadership to the continuing search for answers to one of development's most intractable problems -- the effective conversion of resources to sustainable benefit flows.

Conclusion

Achieving sustainable benefit flows has been an elusive goal in development experience, largely because sustainability has been treated as an afterthought as projects are implemented. Planning for sustainability will require new ways of thinking about project objectives, implementation strategies, and evaluation.

Important factors in achieving sustained benefit flows are reviewed below:

- o **Begin by carefully defining what ought to be sustained.** Activities are not the same as benefits, though some activities may have to continue to support lasting benefit flows.
- o **Plan projects in the light of sustainability criteria.** What resources will be required when external funding ends? What will be their source? How secure is that source?
- o **Consider the importance of local traditions and practices for sustainability.** Local involvement in defining needs and planning activities to address them is a critical source of expertise regarding what will and won't work in a particular setting.
- o **Pay particular attention to recurrent cost obligations.** Such costs lack glamor but are essential to benefit maintenance. Do not ignore depreciation of initial capital facilities such as buildings and equipment. When operating costs are temporarily subsidized by a project, avoid confusion of gross revenues with actual profits.
- o **Identify needs for organizational and administrative infrastructure.** Utilize slack resources where possible. In any case, targeted training and capacity-building efforts will be required.

- o **Emphasize local resource and management inputs.** Local control reduces dependence, and increases the predictability of inputs. Local government revenues, user charges, or direct beneficiary investment are possibilities.
- o **Create incentives to support staff attention to capacity-building objectives.** Pressure for short-term visible results should be balanced with recognition for efforts that build sustainable management systems.
- o **Use evaluation as a planning tool.** Link criteria to sustainability objectives and use evaluation as an ongoing information source to support redesign and other adjustments. Involve local staff and beneficiaries in the information system.
- o **Remember that a central aspect of development is the capacity of people to solve problems for themselves.** Plan and evaluate development initiatives accordingly.

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