

Achieving Sustainable Impact

shree Discussion Paper

February 2011

This paper brings together some ideas on what achieving sustainable impact of projects in the lives of the extreme poor means and what it could look like in practice. While it holds relevance to 2011 shree bidding rounds it is intended principally to provoke discussion and dialogue among the NGO community and beyond, around the meaning of sustainability in projects.

What does 'achieving sustainable impact' mean?

The term 'sustainability' is commonly heard in policy discussions on poverty. What does it mean in practice? How can sustainability be approached throughout the planning, design, implementation and closing of extreme poverty focused projects?

Achieving sustainable impact means ensuring that the **positive impact of a project on the lives of beneficiaries carries on after a project intervention has ended.**

A sustainability strategy refers to the *ways* a project sets about to achieve this goal: it is the activities or approach that are designed into the project with the specific intention of achieving sustainable impact. It is not possible to know with 100% certainty whether the impact of a project will be sustained before the project commences **but** the viability or robustness of the *sustainability strategy* adopted by the project can be assessed. Does it respond to the factors which typically limit sustainability? Are these factors analysed? Is it based on previous approaches and evidence from past projects? Is it clever and creative? Is there a way of testing it during the



project lifetime? Is the economic case on which the project intervention is based sound in the long term, beyond the period of project subsidy?



Beneficiaries tending a field in Northwest Bangladesh

Importance of sustainability: messages from the extreme poor

"After the disease of our sheep and cow we went to the Upazila livestock office but did not get any support or service"

NGO beneficiary, Sunamganj, September – November 2010 CMS 4 participatory change monitoring session

"UP representative demanded 2000 BDT to be enlisted for a VGF card"

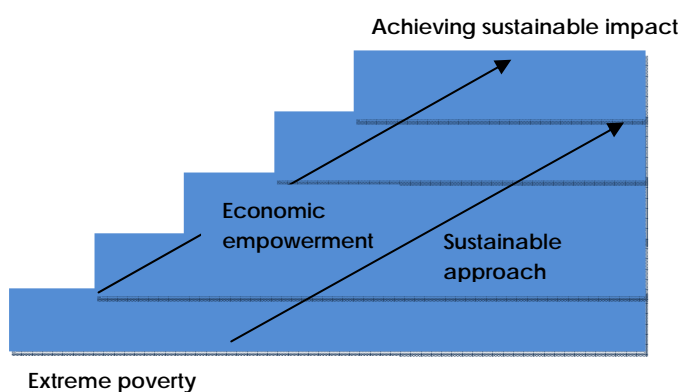
NGO beneficiary, Gaibhanda September – November 2010, CMS 4 participatory change monitoring session

What do we mean by extreme poverty?

While exact definitions of extreme poverty vary, the poorest 10% of the population who are **'at the bottom of the ladder'** are undoubtedly extreme poor. In fact, in 2005 about 20% of the population or 35 million Bangladeshis lived below the lower poverty line (Narayan et al., 2007). Many extreme poor remain chronically poor and require a long-term vision for moving out of poverty. They face particular challenges in making sustainable gains and this heightens the chances that extreme poverty is passed on intergenerationally.

Why focus on achieving sustainable impact?

NGOs across Bangladesh need to put the mechanisms that will protect gains for beneficiaries after their project has ended, at the core of the project design. These sustainability or 'exit' strategies are fundamental to ensuring that project interventions can be a defining turning-point in the lives of the extreme poor, with the potential to act as catalysts to enable households to reach 'the next rungs up the ladder'. The question then is: how can the successes of a project input become both maximised and self-sustaining, so that the climb up the ladder can continue?



Extreme poor households' lives are shaped by a wide range of influences often outside project control or time-scales, such as climate change, disaster, or overarching social and cultural beliefs and norms. Making a long-term difference to the lives of the extreme poor requires **a dynamic and innovative approach to economic empowerment**.

Questions for sustainable impact

- How can we meet the immediate and long-term needs of the extreme poor?
- What outputs from a project need to live on after it has ended?
- What issues need to be addressed to allow project outputs to be self-sustaining?
- How can we try to mitigate risk to assets and gains made by households?
- How can we make sure children in households do not inherit extreme poverty?
- What factors promote sustainability?
- What relationships and linkages are needed to maximise the potential of achieving sustainable impact?
- How can beneficiaries be empowered to demand ongoing access to the services they need?
- How can this be cost-effective?

Sustainability strategies in practice

There are many possible approaches to project sustainability strategy. These could include:

Continued productivity of an asset base:

Finding ways for continued access for beneficiaries to low-cost inputs and techniques for production after the end of the project; for example through integration with local governmental service providers.

Diversification of an asset base:

Encouraging the diverse use of increased capital during the project, through a range of asset or savings options and smoothing of income flows that would continue after the end of project.

Replication and intensified use of assets:

Methods to ensure that the asset base is renewed or enlarged so that assets can be managed in a way that generates a sustainable cash flow.

Confidence to adopt new technologies:

Forward planning during the project with beneficiaries to identify potential new technologies available, for example relating to technologies that improve resilience to the effects of climate change, and building confidence to adopt these technologies after the end of a project. There may also be relevant applications of fast emerging ICT technologies and novel financial instruments targeted to the needs of the extreme poor.

Continued market demand for beneficiary products and services:

Enabling beneficiaries to do their own market analysis and identify profitable gaps in local markets, avoid a group flooding one market with the same product, and branch out to other non-local markets by the end of the project.

Reasonable selling prices for beneficiaries:

Increasing the marketing options open to beneficiaries and sustaining their bargaining power beyond the end of the project. For example by building non-local market links or higher levels in the supply chain so that beneficiaries can access higher prices using more direct linkages or linking beneficiaries with responsible local middle-men. Also, mechanisms to sustainably enhance market information and the ability of beneficiaries to trade at favourable prices. Exploring creative partnerships with private-sector actors may be another way to achieve these goals.

Youth able to build on an improved economic position:

For example including post-school age youth in project activities to extend the potential gains of the project beyond the household head to the next generation.

Strong local and national institutions or organisations to support the process:

Encouraging institutional arrangements that are more inclusive and transparent. Addressing institutional arrangements for the extreme poor that are often weak and which make it hard for them to claim their rights and entitlements (e.g. with local government, the legal system, or the police) could be crucial for sustainable impacts. In particular, long term representation for the extreme poor in such institutions. It could also mean establishing sustainable organisations to manage activities after the project ends.

Enhanced social protection:

Addressing the lack of access for the extreme poor to social safety-nets even though they are most need of them (e.g. the physically challenged, chronically ill or the elderly). Creative strategies to work with vulnerable groups helping them to develop and implement strategies for long term socio-economic development.

Of the total number of *shiree* beneficiary widows eligible for social safety-nets supports (including the Old Age Allowance, Widow Allowance and Vulnerable Group Feeding Cards) just 29% are in receipt of these provisions.

shiree CMS 1: Household Profile (baseline data).

Civil society and government collaboration:

Poverty projects sometimes remain fragmented and work in separation from each other. Is there space to explore greater collaboration with and

between NGOs and government to encourage the long-term improvement of households through inclusion into other programmes?

Strong local collective capacity and representation:

Encouraging empowerment, protection and social integration of the extreme poor after a project ends. This may involve recognising the links between non economic dimensions such as governance, community mobilisation, social empowerment or reduced marginalisation and secure long term economic gains

Breaking the cycle of intergenerational poverty:

Taking into account of life-cycle vulnerabilities is crucial to sustainably reducing extreme poverty. How can projects halt the intergenerational transfer of extreme poverty by building a secure improved platform for the future progression of the household? This could mean linking children with education services, or directly addressing the nutritional needs of vulnerable groups such as pregnant and lactating women and under 2 year olds.

Improved gender relations:

Evidence shows that encouraging more equal gender relations at the household and community level can be crucial to making a sustainable impact on the lives of the extreme poor. For example, empowering women to have increased decision-making power has been shown to have positive effects for intra-household investments and distribution. This might involve a cultural shift from seeing women and youth as recipients of assistance to recognising them as key actors in sustaining the positive impacts on a household during the life of a project.

In a March survey sample of *shiree* baseline beneficiaries, 76.3% of household heads had not been to school compared with 50.3% nationally. Just under half of the under 5 year old children were stunted (48.9%) or underweight (45.9%) and nearly a quarter (22.8%) were wasted.

shiree (2010). 'Final Report. Socio-Economic & Nutrition Baseline Survey carried out in March/April 2010.'
shiree/Economic Empowerment of the Poorest Programme (EEP), Bangladesh, 1-40.

Narayan, A, Yoshida, N and Zaman, H (2007). 'Trends and Patterns of Poverty in Bangladesh in Recent Years.' A Background Paper for Bangladesh Poverty Assessment (2007) South Asia Region, World Bank, 1-29.