



Guide on Planning of Project Sustainability

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1. ABOUT THE GUIDELINES

1.1 Purpose of the Document

Project sustainability is a major challenge for implementers of projects in many countries with regard to secure impacts of projects after the end of individual projects. Large number of projects implemented at huge costs often tend to experience difficulties with sustainability. Many financiers of projects have been expressing concerns on this matter. According to several recently conducted studies, while the trend with implementation is showing significant improvement, the trend with post implementation sustainability is rather disappointing - increasingly, less projects are being sustained. This means that while huge expenditures are being incurred by these countries in implementing projects, poor sustainability is depriving them from the returns expected of these investments.

Several factors are responsible for poor sustainability. Some are simple. Some are quite complex. Some are within the control of the project management, while others come as external threats.

Some of the factors can be (and indeed ought to be) taken care of right at the design stage of a project, whereas, others can be tracked and corrected during implementation, through monitoring. It is, therefore important that the factors that affect sustainability are articulated well and incorporated, as far as possible at the design stage. Later, the same factors can be followed up through monitoring.

This document presents various definitions of sustainability, highlights issues that affect sustainability and introduces tools which can be used for enhancing sustainability both at the planning as well as at the monitoring stage of a project. These tools are generic in nature and by no means are complete. Similarly, social analysis is needed to measure equity element of a project etc.

Hopefully, the planners, managers and project sponsors find this document useful. Suggestions from users of this document will be highly appreciated as these will help in improving the quality of the document further, in future.





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It is expected that this document will assist the planners, the managers and the monitors of the project to become aware of issues that are important for project sustainability and help in incorporating the elements of sustainability right at the design stage. A tool has been also provided (Annex 1) for assessing the degree of presence of the elements of sustainability. This tool can be used, while designing a project. Similarly, a tool has also been provided (Annex 3) for monitoring the sustainability.

Section 2 of this report discusses the 'concept' and various 'dimensions' of sustainability. Section 3 talks about various analysis that are needed to be undertaken to compute the values of different dimensions of sustainability. Section 4 describes the methodology of sustainability monitoring.

2. What is Sustainability

2.1. The Concept

Sustainability can be defined as the ability of a project to maintain its operations, services and benefits during its projected life time.

However, the issue of sustainability should also be seen within time and changing social, economic and political contexts. A project that is seen as worth sustaining today, may not be so in future. However, what is also important to note is that if a government for reasons better known to itself, decides to provide support to a certain activity and maintain its sustainability without regard to its economic viability, then that is a choice that the government has made and that the issue of sustainability of such an activity should be seen purely from the perspectives of a decision taken by the government.

However, in some situation government may still be prepared to provide support to an activity which is economically unsustainable, but politically or otherwise justifiable. Thus when discussing sustainability, the question that needs to be asked:

What is it that one wishes to sustain?

In public sector activities this decision is crucial and should be made right at the planning stage. This will then help incorporating those elements that are relevant for 'sustainability'. However, in general project sustainability is defined as the percentage of project initiated goods and services that are still being delivered and maintained after five years of termination of implementation of the project; the continuation of local action stimulated by the project and generation of successor services and initiatives as a result of project built initiatives. This definition implies that sustainability concerns itself with:

- Level of continuation of delivery of project goods and services
- Changes stimulated / caused by the project
- New initiatives caused by the project

The core indicators that contribute to sustainability vary from sector to sector. For the economic sector projects, the core indicator will be economic and financial returns, whereas, the main indicator for social sector projects will be the extent and degree to which the





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delivery of goods and services, have been continued and the proportion of target area population that continue to receive the benefits from project activities.

2.2. Dimensions of project sustainability

There are several dimensions to project sustainability. Depending on the nature of a sector or a project each of these dimensions has the capacity to influence project sustainability in one or way or another. These dimensions are listed below.

- Continued operation and maintenance of project facilities - i.e., has the project received necessary support (both budgetary and institutional) to enable it to maintain required level of facilities ? (Logistics Dimension)
- Continued flow of net benefits - i.e., (for economic sector projects) has all the cost and benefits under varying conditions weighted properly and does the project guarantee an acceptable level of financial and economic return ? (Economic Dimension)
- Continued community participation (in projects where active community participation is crucial for both stimulating new actions as well as for cost recovery) - i.e., has the project involved the community ? has it succeeded in maintaining a desirable level of participation of the community in the project activities ? (Community Dimension)
- Equitable sharing and distribution of project benefits - i.e., has the project incorporated mechanisms that guarantee equitable access to and distribution of project benefits on a continuous basis ? (Equity Dimension)
- Institutional stability - i.e. has the project considered adequately the institutional requirements and thus made provisions so that management support to project operations continue, during the life of the project ? (Institutional Dimension)
- Maintenance of environmental stability - i.e., has the project considered environmental implications so that negative impacts on environment are either avoided or mitigated during the life of the project? (Environmental Dimension)
- Consideration of all these dimensions are Key to sustainability of projects. Experience suggests that weakening of any one of these has the potential to jeopardize the sustainability of the entire project, in the long run.

3. Sustainability Analysis

The multi-dimensional attributes of sustainability - as stated above, imply that to enhance project sustainability, a rigorous sustainability analysis is needed at the time of formulation of a project or a programme. It is expected that such an analysis which is to be followed up by development of a sustainability strategy will assist in incorporating the elements of sustainability, right at the design stage of a project.

