Empowerment sustainability and phasing out support to empowerment processes

Swiss Agency for Development and Co-operation

Katy Oswald and Laurent Ruedin

Empowerment processes function through projects and programmes, building capacity and transforming relationships. Donors' responsibility in phasing out funding includes transparency, inclusion, predictability, obligation and sustainability. "Phasing over" should be an integral part of design and implementation and should continue through local organisations. Sustainability must focus on both technical skills and institutional change in relationships, strengthening social capital, bargaining power and local government. Donors should work with existing organisations from the beginning, agree a clear exit strategy and emphasise capacity building of local partners and look for synergies among projects, governments and donors. Donors should commit to participatory knowledge management, systematisation and dissemination of learning.

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Key messages

- Empowerment processes function through projects and programmes, building capacity and transforming relationships. As an element of power relations donors must reflect on their role in empowering or disempowering beneficiaries.

- Donors' responsibility in phasing out funding of development interventions includes transparency, inclusion, predictability, obligation and sustainability.

- Donors should integrate "phasing over" into programme and project design, with emphasis on capacity building during design and implementation. Services should continue through local organisations to reduce any negative impact of phasing out.

- The "scaleability" and sustainability of phasing over must focus both on technical skills and processes of institutional change in relationships, and strengthening social capital, bargaining power and local government for greater transparency and responsiveness.

- Key messages to donors include:

    - Work from the beginning with existing organisations

    - Agree upon a clear exit strategy from the beginning

    - Communication and openness should be central

    - Emphasise capacity building of local partners

    - Commit to participatory knowledge management, systematisation and dissemination of learning

    - Look for synergies among projects, governments and donors

    - Empowerment should be integral to phasing out through provision of information, knowledge and decision making

Good practice in phasing out: the principles

Donors have responsibilities when funding development interventions. One important responsibility relates to phasing out support. Donors phase out support at country, programme, sector and project levels for a number of reasons. In many instances phasing out is a part of a carefully-considered approach to ensuring the long-term sustainability of a programme or project. In other instances there may be higher level "political" reasons that remove some or all of the control that programme managers have over investment decisions. A recent joint donor evaluation of exit strategies in bilateral aid programmes concluded that planning for a "proper exit" and sustainability is "the exception rather than the rule" (Heldgaar, 2008).

Whatever the context and motivation, a set of principles has emerged for good practice in phasing out (see for example DFID, 2006; Heldgaar, 2008; SDC, 2010). These principles centre on transparency, inclusion, predictability, obligation and sustainability:

- **Transparency**: planning for change as the basis for transparent communication of activities and timeline, while ensuring that everyone that should be kept informed knows when, why and how you are phasing out.

- **Inclusion:** building effective relations and including partners at all stages of the project process, with roles and responsibilities clearly defined, and including as many stakeholders as possible in discussions about the phasing out process.

- **Predictability**: using project performance and impact as the basis for making justifiable decisions about change or phasing out.

- **Obligation**: identifying and effectively managing the risks and opportunities associated with change, including the risk to country office staff, local partners and poor people.

- **Sustainability**: Inclusively designing project interventions that have a high probability of sustainable outcomes and impacts, backed by a gradual, sensitive and flexible process of phasing out, closely coordinated with donor partners.

Annex 10.A1 presents a checklist of guidance and prompts for good practice in phasing out against this set of principles. The remainder of this Good Practice Note discusses issues of operational good practice raised by these principles and summarised in Annex 10.A1.

Why focus on phasing out support to empowerment processes?

Empowerment happens "when people, individually or collectively, conceive of, define and pursue better lives for themselves (Policy Guidance Note, p. 19). From a pro-poor growth perspective, poor women and men need to change existing power relations and gain and exert influence over the political, economic and social processes that determine and, all too often, constrain their livelihood opportunities.

There are a number of characteristics of empowerment processes that provide a focus for this Good Practice Note:

- Empowerment processes tend to be supported through projects and programmes rather than through centralised sector or direct budget support.

- These programmes build capacity and transform relationships, for example through organisational strengthening and networking as the basis for more effective action by individuals and groups in their relationships with those with institutionalised power (policy makers, service providers, employers, patriarchs).

- Donors are part of these power relations and therefore have an added responsibility to reflect on their role in empowering – or disempowering – those they are seeking to support.

Significantly for the purposes of this note, the process of empowerment sustains the impact of donor interventions. At the same time, phasing out support for empowerment is something that should happen in order to avoid disempowerment and dependency. This means that good practice in phasing out support for empowerment is particularly important.

DFID in Peru, for example, were faced with a directive to exit the country within one year. The country office spent the whole year phasing out in a way that would sustain the rights-based approach at the heart of the country process. Joint critical reflection and mutual learning, allied to working closely with other donors to continue to fund DFID programmes – were central to an effective phasing out process.

A useful way to think about phasing out support to empowerment is to consider different competencies or capabilities associated with the empowerment process. The

Box 10.1. **Capacity building, empowerment and sustainability: the SDC approach**

A recent independent evaluation of SDC's empowerment impacts noted its policy of supporting empowerment indirectly through capacity building of local partner organisations and networks. The evaluation called for a systematisation of this partnership development approach, recommending that:

"In order to suitably assist their efforts, SDC HQ and COOFs could play a role similar to that of a 'venture capitalist' to build on field-tested partnership development models. A guideline for various stages of engagements with partners from identification and nurturing potential ideas to institutional support, assisting them in exploring partnerships with other donors and becoming a resource agency for other donor supported programs and evaluations need to be evolved. As a pre-requisite, SDC should formally acknowledge partnership development as an intended result of its involvement in recipient countries."

Source: Swiss Agency for Development and Cooperation (SDC) (2007), "Independent Evaluation of SDC's Performance towards Empowerment of Stakeholders from the Recipients' Perspective", SDC, Bern.

See "Empowerment of Pastoral Communities in Ngorongoro, Tanzania" in "Stories of Empowerment" at *www.oecd.org/dac/poverty/empowerment*.

Box 10.2. **Phasing out and sustaining a rights-based approach in Peru: the DFID experience**

The DFID Peru country office from 2000 had reflected: What role can and should foreign aid play in supporting the efforts by the Peruvian State and society to make a better country for all its citizens? DFID Peru developed a rights-based framework and a way of working that linked *theory* (rights and citizenship) with *strategy* (strengthening state-society relations) with *means* (supporting the development of alliances for change within and beyond Peru). In practice this meant:

• an emphasis on strengthening citizenship, establishing rights and promoting accountability as the key to the development of a more inclusive and equitable society in Peru;

• in supporting this agenda, urging donors to put themselves into the picture, and make themselves accountable to the Peruvian state and society;

• a commitment to effective communication and dialogue, and to open and critical reflexive learning as a cornerstone of taking this forward.

At the end of 2003, DFID decided to scale back bilateral programmes in some middle-income countries in Latin America, including Peru. This gave the Peru office one year to phase out support in a way that sustained as best as possible its way of working in that country. A review of this process concluded that the DFID philosophy and approach meant that it was well placed to sustain empowering processes in Peru. During the phase-out year DFID convened a series of meetings with its partners in government, civil society and the donor community in a process of critical reflection and mutual learning, with discussions concerning what DFID had contributed and how this could be sustained. A key aspect of the phasing out was encouraging other donors to continue to support DFID funded programmes

Source: Wilson, F. (2005), "Supporting Networks for Realising Rights", in *DFID Alliances against Poverty: DFID's experience in Peru 2000-2005*, pp. 101-144, *www.eldis.org/assets/Docs/18144.html*.

CapDev butterfly (SDC, 2006b), for instance, distinguishes between competencies built by individuals, organisations, networks and systems. These components provide an operational framework for considering the impact of phasing out on continuing empowerment processes on the ground.

Controversies in phasing out

Phasing out can often be controversial, particularly when the motivation is seen as political or out of the hands of programme managers on the ground. A joint donor evaluation of country exit decision making (Heldgaar, 2008) confirmed that country-level exit decisions tended to be politically motivated and did not involve a prior assessment of the sustainability of the activities supported. Furthermore, donors rarely explored the possibilities of other donors taking over and there were only a few examples of phasing out processes with a clear focus on ensuring sustainability. The consequences were sometimes "disastrous".

Within country programmes, politically motivated decision making on programming priorities can impact significantly on phasing out decisions and sustainability. These in-country processes are characterised by donors shifting from bilateral to (harmonised) multilateral budget support; or deciding on a shift in sector priorities due to domestic political pressure.

In these *force majeure* circumstances, the biggest challenge faced by country and programme managers in country offices can be that the political decision on exiting or phasing out is out of their hands and out of their control. This can make the operation of "ideal scenario" principles and the management of risk very difficult. Relationships with in-country partners can be jeopardised if they feel they have not been included or consulted in a decision to phase out; and the sustainability of programme impacts can be vulnerable if the phasing out is introduced prematurely in the programme cycle.

By its nature, however, support to empowerment processes enables donors in country offices to insulate themselves somewhat from these external risks by integrating a "phasing over" approach into programme and project design, transferring programme activities to local organisations and networks (C-Safe, 2005). During programme design and implementation, emphasis is placed on capacity building so that the services provided can continue through local organisations. Ensuring this approach is implemented from the start of a programme can reduce any negative impact of phasing out and better prepare programme partners for the unexpected.

Sustainable support to empowerment: towards a planning framework

In empowerment programmes the challenge is often to ensure that the shift in power relations is not eroded or undermined as a result of donor withdrawal. As discussed above, this challenge is also an opportunity. If donors get support to empowerment processes right, then this should assist with exiting as the emphasis shifts from phasing out to "phasing over", as illustrated by Danida's experience of phasing out support to a rural poverty reduction project in Tanzania (Box 10.3).

An important additional element to phasing over support to empowerment is to consider the challenge of supporting the "scaling up" of empowerment processes. Following donor exit, country partners tend to take up the technical "hardware" elements of programmes, with "soft" processes often underemphasised and devalued. Successful examples of "going

to scale" with empowerment processes are those that prioritise these process elements, as illustrated by the IFAD-supported Puno-Cusco Corredor Project in the Peruvian Sierra. *Concursos* are public (and publicly managed) competitions bringing economic empowerment on the back of access to citizenship through identity cards, access to bank accounts for women and legal status for thousands of rural people's organisations. The key to the "scaleability" and sustainability of this project has been to focus not simply on technical skills but on processes of institutional change in the relationship between rural groups, with strengthened social capital and bargaining power, and local government, with strengthened capacity to be transparent and responsive (Galina, 2010).

Box 10.3. Phasing over to independent organisations: Danida's experience in Tanzania

Danida's exit strategy for an 11-year-long poverty reduction project with pastoral communities in the Ngorongoro district in Tanzania was achieved through setting up self-reliant community-based organisations. By rooting these in customary institutions as well ensuring they had concrete development functions and access to resources independent of the donor-motivated community members to maintain these organisations after Danida closed the project.

Source: Eyben, R. (2010), *Good Practice Note on Natural Resource Management and Empowerment*, unpublished.

Using a suitable planning framework, programme managers can build a phasing-over process into programme design, with a clear "theory of change" as to how empowerment activities will be sustained. Figure 10.1 presents an indicative planning framework adapted from the CapDev butterfly metaphor. This emphasises the need to invest holistically in capacity building of individuals and organisations (the left side of the framework) and in relationship building through systems and network development (the right side of the diagram).

Figure 10.1. **An indicative planning framework for suitable support to empowerment**

Individual competencies	**Development of the system**
• access to information • access to services • knowledge and skills development • learning and self-reflection • independent thought and action	• development of normative parameters and relationships between actors • creating an institutional "enabling environment" for empowerment processes by promoting social and political inclusion and equal access to markets
	RELATIONSHIP BUILDING
CAPACITY BUILDING	
• performance improvement (efficiency, effectiveness) • good governance of organisations • adaptation to change • collective learning processes and knowledge management	• strengthening of collaboration between actors • collective action and mobilisation around an issue • informal and formal networking • good governance of networks
Organisational development	**Develpment of networks**

Source: Adapted from the CapDev "butterfly" in SDC (2006b), *Capacity Development in SDC*, SDC Working Paper, SDC, Berne.)

While skill and capacity gaps are often relatively easy to identify and support, social capital strengthening and network building can be easily overlooked. An ongoing DFID-funded project in Burma, the *Pyoe Pin* ("Green Shoots") project, illustrates well how a focus on capacity building and networking around issues of common interest can strengthen and sustain social capital and stimulate advocacy in its broadest sense.

Box 10.4. **The Pyoe Pin ("Green Shoots") project, Burma**

Pyoe Pin – funded by DFID and Sida – is an innovative programme to strengthen the capacity and cohesion of civil society in what is a highly constrained political context. The project's "theory of change" is that social capital can be built in Burma through social action around issues of common interest, such as rice production, HIV-AIDs advocacy or community forestry mobilisation. This social action involves varying degrees and levels of engagement with government and private sector depending on the issue context.

In addition to its "democratic deficit", decades of conflict and military rule have widened social divisions in Burma. The Pyoe Pin project supports initiatives that bring people together to create trust and understanding, and to make interventions and activities by local organisations more effective. Instead of simply strengthening organisational capacity, it takes an important step further by building social capital around policy processes that have a tremendous impact on people's daily lives.

The impact of the project is therefore not seen primarily in terms of "things delivered" but in terms of competencies, organisations and networks strengthened within a broader process of systemic change. Critically, there are points within this process at which project support can be consciously "phased over" in order to ensure the sustainability and empowerment of maturing organisations and networks

Source: Personal communication, Pyoe Pin management team, 11 August 2010.

Box 10.5. **Supporting markets as an enabling environment for economic empowerment: The M4P initiative**

Economic empowerment occurs when individuals or groups are able to participate fully and on an equal footing in markets. Markets are arrangements through which buyers and sellers exchange goods and services and are the central organising principle at the heart of successful economies. Markets matter for everyone. But for the poor – with weaker informal networks and links to government patronage – markets are especially important as producers, employees and consumers. Markets operating in an inclusive way offer the poor the things they need – jobs, opportunities, goods, services – to increase their incomes. Conversely, where markets are working exclusively or inefficiently, poor people have fewer chances to benefit directly from growth. Changing the lives of the poor – stimulating growth and expanding access – means changing the market systems around them. M4P recognises this reality and provides a coherent and unified approach to understanding and improving market systems by tackling transactions costs (including information asymmetries) and other institutional barriers to equality of market participation by the poor.

Source: DFID and SDC (2008), *A Synthesis of the Making Markets Work for the Poor (M4P) Approach,* *www.deza.admin.ch/ressources/resource_en_172765.pdf*;

Note: For further information visit *www.M4Pnetwork.org.*

The effect of holistic investment is to combine direct support to individual and organisational capacities with support to creating an institutional "enabling environment" for sustainable empowerment processes in social, political and economic spheres (Alsop *et al.,* 2006). One important systemic element of this enabling environment is ensuring that markets function in a way that supports economic empowerment of the poor (Box 10.5).

Reflections on phasing out experiences to date support this holistic planning approach and provide valuable lessons on what an effective and sustainable phasing over process would look like for support to empowerment. Lessons include:

- The key to phasing out support to empowerment is to work from the beginning with existing organisations, whether in government or in civil society. "Engineering" organisations/ networks at the grassroots level often fail to be sustainable (Good Practice Note 1. Empowerment of poor rural people through initiatives in agriculture and natural resource management). Support to empowerment should involve alignment with local ongoing processes (Clarke and Oswald, 2010). This has been noted in the operational approach of SDC's Bolivia office (COSUDE) which has developed enabling and empowering relationships with a variety of partners. In the case of SDC Ecuador, commitment to local organisations and to long-term themes also created predictability and enabled local actors to influence policy makers.

- Whenever possible a clear exit strategy should be agreed up on from the beginning and if donors are working with government or civil society partners this should be discussed and accepted by all partners.

- More broadly, communication and openness should be central to breaking down traditional – and often disempowering – patron-client relationships between donors and in-country partners. One local partner observed: "Communication has been one of SDC's achievements … It is important to say that we always found an open door at the co-operation office. Openness generates trust."

- As part of programme activities there should be a strong emphasis on capacity building of local partners. One of SDC's local partners in Ecuador, for example, commented: "SDC provided assistance on the fields of planning and monitoring, and facilitated the process. As a result we gained capabilities in those fields."

- There should be a commitment to participatory approaches to knowledge management and the systematisation and dissemination of learning. This can include participatory monitoring and evaluation of the phasing out process. In Ecuador, SDC implemented bi-annual monitoring in all projects (2008-09), with a scoring system used to analyse the sustainability of all processes within projects.

- There is an added obligation in empowerment programme design and implementation to look for synergies among projects, local governments and donors, exploiting administrative and financial resources and pursuing co-financing among local, national and regional organisations.

- Empowerment should be integral to information generation and reflection on phasing out. In this way, actors have access to information and knowledge and participate in decision making and rendering of accounts.

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Annex 10.A1

Phasing out support: A checklist for good practice

Principle	Principle explained	Guidance	Prompts
Transparency	Planning for change as the basis for transparent communication of activities and timeline, while ensuring that everyone knows when, why and how you are phasing out.	• Be transparent with concerned staff, partners and other in-country stakeholders. Explain clearly the reasons for phasing out; as a rule inform staff first, then partners and finally other stakeholders • Coordinate communication effectively with donor stakeholders • Don't wait until policies are formalised, keep communication lines open with all partners and stakeholders • Assure, through the necessary follow up, that communication reaches all relevant levels within partner organisations. Do not leave it up to the partners alone to do their internal communication.	• Are you using multiple communication channels and methods, including face-to-face communication? • Are you communicating regularly? • Have you made it clear that the consequences of the decision will be still discussed with each partner? • Are you allowing your partners to ask questions and are you responding to them? • Are you allowing an opportunity for dialogue? • Are you encouraging a two-way communication process that allows partners to share advice or ideas on how to proceed?
Inclusion	Building effective relations and including partners at all stages of the project process, with roles and responsibilities clearly defined, and including as many stakeholders as possible in discussions about the phasing out process.	• Include influential stakeholders at the inception of a project through to discussions on exit strategies. • Donors and their partners need to invest in the time and skills to manage the politics of the process.	• Have you designed the project/intervention with influential stakeholders? • Is the project/intervention/outcome sufficiently owned by key stakeholders? • Have you planned an exit strategy jointly with all relevant partners and identified specific needs of each partner for phasing out period?
Predictability	Using project performance and impact as the basis for making justifiable decisions about change or phasing out.	• Ensure that project design is informed by a "theory of change" with clear "effect assumptions" • Ensure that monitoring and evaluations systems collect information on outcomes and impacts that can test effect assumptions • Phase out support based on the assessment of the impact funding has had (e.g. when stakeholders decide that the goal of empowerment has been achieved) • Agree with all partners in advance the criteria by which this assessment is made • Make sure the rationale for phasing out is understood by all stakeholders • Communicate clear plans with roles and responsibilities spelt out.	• Do you have a policy framework: setting out a clear rationale for phasing out decisions? • Have you mutually agreed criteria for assessment of impact? • Have you included key stakeholders in the M&E process to ensure shared understanding of assessment? • Do partners understand that achievement of impact will mean the end of funding?
Obligation	Identifying and effectively managing the risks and opportunities associated with change, including the risk to country office staff, local partners and poor people.	• Carefully consider the risks and assumptions to project sustainability, including risks associated with stakeholder power/interests and institutions • Ensure that proposed organisations responsible for project implementation are (or become) resilient to shocks and changes in the political and social environment • Discuss and address the emotions of loss and frustration amongst project staff and other stakeholders • Build in lesson learning and ensure institutional memory for future phasing out processes.	• Is your project developed with a good understanding of the context? • Have you conducted stakeholder and institutional analysis to consider project risks and assumptions? • Have you invested in resilient local resources and capacities, by supporting organisational capacities and the formation of networks among partners? • Have you encouraged open discussion and reflection on the emotional implications of phasing out for local staff? • Will you support local staff in defining and finding alternative job and livelihood opportunities?

Principle	Principle explained	Guidance	Prompts
Sustainability	Inclusively designing project interventions that have a high probability of sustainable outcomes and impacts, backed by a gradual, sensitive and flexible process of phasing out, closely coordinated with donor partners.	• Design projects with self sustaining changes, such as knowledge, skills and asset transfers • Facilitate networking amongst NGOs or CSOs to plan common activities and proposals, thus pooling their capacities, and increasing their ability to secure alternative funding • Ensure that capacity building and asset creation support transformative changes in power relations • Identify which activities may go on without external support, which activities may need further external support and which donors may step in to replace you.	• Have you involved key stakeholders from the start of the project? To what extent does the community value project activities, and to what extent do specific stakeholders own it? • Do the proposed transferable skills and assets meet local demand? • Will the project enable poor people to challenge and transform power relations? • Do community members, groups and service providers have the knowledge and skills needed to implement the project activities? • Do the local organisations implementing the phased out activities have sufficient institutional and human resource capacity? • Have you involved donor partners in ongoing discussions on funding and sustainability?