



**SERVE Development Programme (SDP) 2012-2016
Mid-Term Review (MTR) Evaluation Report
December 2014**

Contents Page

1. Background	pg. 3
2. Methodology	pg. 3
3. Key Findings	
3.1 Programme Relevance	pg. 3
3.2 Programme Effectiveness	pg. 5
3.3 Programme Efficiency	pg. 7
3.4 Programme Impact	pg. 7
3.5 Programme Sustainability	pg. 9
4. Other Issues Raised by Partners	pg. 10
5. Recommendations	
5.1 Irish Aid Recommendations from YA Mozambique Monitoring Visit	pg. 11
5.2 Irish Aid Recommendations related to SDP Annual Reports	pg. 12
5.3 Recommendations from MTR Affecting SDP 2012-2016	pg. 12
5.4 Recommendations from MTR Affecting Potential New SDP	pg. 13

1. Background

The SERVE Development Programme (SDP) is working with 4 partner organisations - Tapologo, Tsholofelo (both South Africa), Young Africa Zimbabwe and Young Africa Mozambique. In broad terms the SDP is committed to helping those who are marginalised, vulnerable and have low levels of livelihood security. In South Africa, the SDP responds to the nutrition needs of orphans and vulnerable children and provides skills training and education opportunities for young people and adults who live in the informal settlements in the Rustenburg area. In Mozambique and Zimbabwe, the SDP is helping with the provision of vocational skills training to young people.

The SDP is funded by SERVE, Irish Aid and other smaller donors in Ireland and the UK. The SDP was originally planned as a four year programme (2012-2015). In late 2014, Irish Aid announced that their funding will be extended for an extra year. The SDP will now end on December 31st 2016. The initial planning and design of the SDP took place in late 2011 and early 2012. As we approach the half way point, SERVE believes now is a good time to analyse and reflect on the programme. In keeping with international best practice, SERVE will base this Mid Term Review Evaluation Report on the OECD's Development Assistance Committee (DAC) criteria of relevance, efficiency, effectiveness, impact and sustainability.¹

2. Methodology

The MTR was designed as a Peer Review process. The Evaluation Team consisted of the SERVE Development Programme Officer (based in Harare, Zimbabwe), the SERVE Operations Manager (based in Belfast) and key staff from each of the four partners. Methods used included (i) project visits between September and November 2014. Interviews with key partner staff were conducted; (ii) Partners completed the MTR Template in November and December 2014; and (iii) the SERVE Development Programme Officer completed an internal desk review focused on the Results Framework, Risk Register, M & E Plan and Programme Budget in November 2014.

This MTR Evaluation Report is also influenced by Irish Aid's Monitoring Visit to Mozambique in June 2014 and Irish Aid's feedback on the 2012 and 2013 SDP Narrative Reports.

3. Key Findings

3.1 Programme Relevance:

Tapologo state that the goal of the SDP is still very valid and to a high degree in support of the services that we provide to the OVC for the following reasons:

¹ Definitions provided in the Glossary

- The provision of nutritional support is an effective intervention that is fundamental to the development and wellbeing of children;
- Good nutrition may result in increased resistance to infection and disease, improved energy and a child that is stronger and more productive;
- Antiretroviral therapy should often be taken together with good nutrition and safe water, making access to adequate food important to effective treatment; and
- HIV infection has a significant impact on nutrition at the level of the family and community, as well. In places where HIV seroprevalence is high, food insecurity is often high as well.

Accordingly, day to day activities are still consistent with the key goals and attainment of results. No changes are required. The SERVE Volunteer Programme (SVP) also remains relevant to the needs of the community/partner.

Tsholofelo state the Skills Programme remains relevant to community needs (have just completed a survey recently at project sites to determine needs). Skills offered are those requested by the communities at the end of 2013. The more popular ones are welding, carpentry and construction because of the poor housing and lack of furnisher and burglar bars for protection. In the soft skills sewing has been requested at all sites. *(Official statistics related to squatter camps are very hard to come by. In SERVE/Tsholofelo's experience the vast majority of people in squatter camps are idle and living on a day to day basis. Women and children are especially vulnerable. HIV and AIDS is the biggest health issue - official statistics estimate a prevalence rate of 25% but Tapologo & Tsholofelo testing shows that 50%+ of pregnant women are HIV positive. Most children do not attend school due to cost and security issues - there are no government schools in these camps. It is very difficult for people in squatter camps to secure employment in the formal sector due to literacy/numeracy issues. The real need is to give people skills that can generate some additional income for them in an informal setting).*

YA Mozambique state that the goals are still very much valid for young people in the communities. *(National statistics show 40% youth unemployment, women worst affected - 56% unemployment. Good job opportunities are elusive. Vast majority of agriculture is subsistence level. Local employers in Beira are demanding higher standards from YA graduates).* The main issue is that beneficiary numbers at Agri Tech are substantially below target (which were very ambitious) but this should not reflect badly on relevance. YA is facing challenges of convincing young people to invest in their futures instead of instant results and lack of recognition in agriculture sector. In their report on the monitoring visit to YA Mozambique, **Irish Aid** state that the SERVE Volunteer Programme is particularly relevant to the needs of target communities and that the SDP (TVET in this case) is targeting young people as set out in the application.

YA Zimbabwe say that the goal is still valid because Zimbabwe's economy has and still is shrinking which means that the number of marginalised and vulnerable is increasing. *(National trends show that - unemployment estimated at 80%, young people the largest*

section of population. Most people reliant on informal economy/vending for survival). The economy has affected the young people of Zimbabwe the most because they constitute the highest proportion of the population and there are no new jobs being created in the economy. SDP is assisting these vulnerable young people with hand and life skills to give them a better life with dignity and hope. Activities are still consistent with the key goals and attainment of results. However, we need to step up the intervention and integrate other strengthening activities such as creating market linkages and widening the outreach coverage. YA need equipment in the new workshops that SDP assisted us to construct and in addition we require a vehicle in Epworth to be able to run the Centre efficiently as the demand for skills is increasing

Between 2012-2014, **SERVE** staff have undertaken a number of visits to the SDP partners and believe that the SDP is still relevant to the needs of the target communities. Living conditions in the squatter camps in **Rustenburg** are amongst the worst SERVE staff have witnessed and OVC, young people and unskilled adults are highly vulnerable. Tapologo and Tsholofelo are the only organisations working in these camps. Although the **Mozambican** economy is improving, employment and income generation opportunities for young people are very limited. Investing in traditional and agriculture focused vocational training makes sense in this context - many graduates can secure formal employment. For those that cannot secure a job they are helped to earn a living within the informal economy and are given the confidence that they can achieve something with their lives (many lack this belief due to a poor education system and lack of opportunities). The economy in **Zimbabwe** has stabilised but it is completely stagnant. It is very difficult to earn a living as there is not enough money in circulation. There is a very strong need to invest in skills training and employment linkages for young people who find it almost impossible to earn a living if relying on qualifications from a failing formal education system.

3. 2 Programme Effectiveness

Tapologo state that the chief factors for success to date are (i) financial assistance provided via the SDP to purchase food which enables us to provide a child with a meal per day (ii) The children have a place away from home which they can visit and be assured of receiving a nutrition meal daily and other psycho-social support (*Serve have invested in the Daycare Centres through the Volunteer to Build Capacity Programme & support to the O & M Team - added by JMC*); (iii) We have a group of dedicated Child Care Workers (from the Communities itself) and professionals which understand not only the needs of the communities, but more especially the child(ren) and households. Tapologo say that the SDP has made a "strong contribution" to the achievement of results to date (more than 50%). The flexibility of the SVP makes it effective in responding to the challenges faced by those in need.

The **Tsholofelo** Skills Programme is effective in terms of providing a service to beneficiaries with few learning opportunities. Results in literacy and numeracy for adults are particularly strong. It is exceeding target numbers set out in the application. Evidence shows that incomes

do increase for beneficiaries (by approx 15%) but the increase is lower than the target. In mitigation, Tsholofelo explain that the strikes in the mines affect cashflow at household level which has consequences for course graduates. Practical examples include, those enrolled in welding are making burglar bars for doors and windows in the tin shacks and selling these items. Four different groups of 2-5 people each have set up small welding businesses. Those in carpentry classes have made cupboards and shelves which they can sell to their neighbours. The construction classes have focused on building tin shacks and pit latrines, probably next year the need will be for brick houses. Tsholofelo say that the SDP has made a "strong contribution" to the achievement of results to date (between 50% - 80%).

YA Mozambique say that the SDP has made a "strong contribution" (more than 50%) towards the achievement of results. SRHR and income results are positive and more or less on target (e.g. income increases of 25-30% amongst graduates). Micro credit repayment is good but below target. The Entrepreneurship Promoter is having a positive impact on performance of Franchise Holders but more evidence is needed to convince Irish Aid. There is good progress in the physical development of Agri Tech, but beneficiary numbers in the first year are below target.

YA praise the respectful approach of SERVE as equal partners, including effective and ongoing communication and open mindedness. Some issues out of YA's control such as delays of equipment delivery and release of containers have had a negative impact. YA have also experienced some issues such as lack of commitment of some local staff in Mozambique leading to delays.

In general, the Irish Aid monitoring report on YA Mozambique acknowledges that development results are being achieved, with the Volunteer component seen as a particular strength. More work can be done to capture SERVE's contribution to these results. The target of young people is being met, although IA question whether these are the "poorest" in society. According to IA, Serve should ensure that the value and effectiveness of the volunteering component are more clearly articulated in reporting, and explicitly measured in the results framework

YA Zimbabwe state that the chief factors for success are (i) YA Zimbabwe's capacity in terms of training and equipment to provide training; Availability of funds to implement; and the vehicle- ensured we could reach to the outreach sites without difficulties. SRHR results are particularly strong with 15-20% increases in knowledge and improved behaviour amongst graduates. Micro credit repayment rates are also on target.

Difficulties include: (i) no equipment for the 2 of the 3 workshops constructed through SDP in Epworth; (ii) no vehicle in Epworth to assist in Marketing of YA as Epworth has grown quickly and there is no efficient transport system to reach these new areas; (iii) the cost of residential training is still beyond the reach of many vulnerable youths thus support is required for us to bring the training at a minimal cost (EU funding is now helping to subsidise the cost). The SDP has made a "strong contribution" (more than 50%) to the achievement of results to date.

SERVE believes the SDP is making good progress in the achievement of development results for the target communities. The content of the RF has stabilised after some changes in 2012 & 2013. SERVE can do a better job with regard to capacity building of partners, advocacy and capturing the "softer" elements of the SDP e.g. volunteer work, stories of success.

3.3 Programme Efficiency

The majority of results with **Tapologo** are on track as of end 2014 - see up to date Results Framework. This has been achieved within budget, which is deemed adequate. There is some carryover of funds from 2014 to 2015 which we will be requesting for Irish Aid to approve. With regard to the Volunteer Programme it has consistently met its objectives within the available budget. The challenge has been to determine or estimate the costs of the various projects when formulating the budget. The Tapologo approach in general is a community based response to the HIV pandemic which is generally seen as preferred to an institutional response. Local capacity and resources are maximised as all Child Care Workers, health care staff and Home Based Care Givers are from the target communities.

Tsholofelo have enough resources to continue at the present level i.e. Equipment, Material and funding for these. Two problems regarding resources- a. Qualification of facilitators needs to be greatly improved and b. Beyond our control are lack of water, electricity and good access roads. The projects depend completely on Tsholofelo religious Community for transport. Results regarding income are broadly on target. It has not been possible to collect SRHR information due to resistance from older beneficiaries. Local capacity & knowledge is maximised - all project staff are members of the target community.

Development results with **YA Mozambique** are broadly on target and within budget. Resources are adequate. We plan and execute successfully with what resources we are given, therefore they are certainly adequate, but there is always room for more, especially as the agricultural programme is so complex. The Franchise Model, which is working well, is cost effective and promotes efficiency compared with a more traditional way of offering TVET.

Results at **YA Zimbabwe** are on target, although Epworth is yet to reach maximum potential. The Epworth centre construction was completed timeously, also the skills training outreach with all its components have been achieved on time. Budgets have proved adequate - although there is a need to provide more equipment at Epworth. The Franchise Model is not working well at YA Zimbabwe with many franchisees owing substantial rent. This is forcing YA to reduce the FM from 2015 onwards and take more control of training courses, employment of teachers etc. This is part of their drive for "quality" from 2015 onwards.

3.4 Programme Impact

Tapologo describe impact as follows - for families & communities: increased HIV/AIDS and OVC awareness; increase in peoples' interest in helping OVC; empowered child-headed

households; skilled parents/guardians leading to happier families; and improved health seeking practices.

For OVC themselves: Increased responsibility and participation by OVC; Psychosocial Support-increased resilience and emotional stability; Food Security through vegetable gardens, food leveraged from companies, daily food plates, monthly food parcels; Economic Strengthening through social grants accessed and income generating activities started; Improved OVC academic performance through assistance with homework and holiday lessons and access to school due to fee exemption

Over the years the SDP has made a tangible positive difference to the circumstances and facilities through which Tapologo reaches out to those in need. This has been achieved improved clinical layout and function as is the case at Chaneng clinic, the new and improved kitchen at Freedom Park where food is prepared for patients on a weekly basis, the replacement of floor boards in a classroom at the Freedom Park TOVC Aftercare facility etc.

The results presented in the SDP RF show improved nutrition levels amongst OVC, increased user numbers at OVC Centres and Wellness Clinics.

Tsholofelo state that the skills programme is making a big difference to people's lives. The main need is money for food, accommodation and transport. Those enrolled in sewing classes are able to use their training to make clothes for themselves and their families, thus saving money. Results presented in the SDP RF show increased incomes for beneficiaries, although this is limited to operating in a struggling informal economy. It has not been possible to measure SRHR changes due to serious resistance from participants in the Skills Programme.

YA Mozambique state that the provision of infrastructure, such as utilities, farm development, staff housing and micro credit, adds value and impact to the services we provide. Graduates do have improved employment/income levels which is a very positive impact.

The volunteers' presence has a formative value to target group of young Mozambican people through the involvement of young people from Ireland in an African project such as this. It also provides motivation for Young Africa staff, through seeing young Irish people come here with no monetary reward, giving their time and themselves to meaningful work.

Irish Aid acknowledge impact at the micro level, but this can be improved by more advocacy at meso and macro level. The RF provides a "solid base" for measuring SDP impact. IA state that there was also evidence that the programme was having a positive impact on the livelihood security of franchise holders and local communities.

The SDP RF shows clear evidence for increased incomes, increased economic activity, improved SRHR knowledge and practices and increased levels of independence amongst graduates (not as dependant on families for resources).

YA Zimbabwe report the following impacts: (i) Increased knowledge on sexual reproductive health by our beneficiaries hence reduced cases of especially teenage pregnancies particularly at our centres; (ii) Increased resilience among young people especially on issues to do with sexual health where health seeking behaviour is being noticed against the previous times before life skills where young people would suffer with STIs for fear of being stigmatized ;

(iii) Young people are more business oriented even if they do not start a business in the skill they received they use the business skills gained in their new ventures; (iv) Young people have received work experience from their internships which they are using to seek for employment or pursue new ventures; and (v) The new skills acquired by the young people gives them a hope for a better future. These are consistent with the results of SERVE income, SRHR and microcredit monitoring as expressed in the RF.

From a SERVE perspective, the RF is focused at the outcome level. We believe that the SDP is having a positive impact with regard to livelihood security and reducing vulnerability. As we complete an external evaluation in 2015, the focus will be on impact which will involve capturing longer term impact from 2012, 2013 and 2014 beneficiaries. SERVE can do better in capturing "stories of impact" - qualitative and quantitative - that are not captured through the RF.

3.5 Programme Sustainability

The work of the SERVE Volunteer Programme are sustainable according to **Tapologo**. The benefits of the OVC Programme are sustainable but the programme is dependent on external donor funding. Tapologo has always enjoyed a very "personal" relationship with SERVE and its employees and volunteers. The support that we have received from SERVE in terms of applications for additional funding has also been greatly appreciated. We view SERVE as one of our strategic partners to achieving social empowerment / improvement to communities in the region.

Tsholofelo describes their work as sustainable because the programmes offer training which enable beneficiaries to generate income for themselves. A huge problem in the RSA economy is the high unemployment rate. It is up to 30-40% depending on the reporting source. Generally government agencies quote lower figures by not including those unemployed who are not actively seeking jobs and registering with the Department of Labour. Because jobs are so scarce a big number of those living in squatter camps cannot get employment and more and more must provide some form of self employment. A drawback is that the Skills Programme is almost entirely dependent on the SDP for funding.

YA Mozambique say that much of the help at Dondo has been infrastructural, with provision of utilities such as electricity ensuring that our projects can continue. At Beira, graduates have reported high levels of (self-) employment and healthy choices relating to sexual and reproductive health following their training at Young Africa which is supported by the SDP financially and in other ways. The YA Franchise Model makes a major contribution to sustainability and the SDP supports this model at the Beira campus.

Irish Aid acknowledge that the Franchise Model contributes to good sustainability at YA Mozambique - "the innovative franchise model which Young Africa uses is also clearly having an impact, underpinning the scale and sustainability of the programme in Beira". However, it is also stated that "the lack of established policies and procedures means that,

as current programme and administrative staff move on, there is a risk that good practice and institutional memory will be lost."

YA Zimbabwe state that 65% of the beneficiaries continue to use the skills they have acquired to enrich their lives. The other 35% have ventured into businesses not related their acquired skills as employees so that they raise income to start their own small projects in the skills they learned. The programme itself is sustainable and with EU funding secured for 2015-2017, YA are committed to improving the quality of its work so graduates have the maximum chance to benefit from their training.

Due to different intervention strategies, the benefits of the SDP are different per partner/component. The benefits of the nutrition support to OVC are dependent on a recurring service (dependent on donor funding). Without the TOVC these children would struggle to receive a service and would regress. The benefits of the TVET components have higher sustainability potential as beneficiaries receive skills that allow them to be independent and generate their own income. If they maximise this potential, the sustainability of benefits is very strong.

4. Other Issues Raised by Partners

Tapologo request Monitoring and Evaluation Training as well as Policy and Procedure development for monitoring OVC activities, outcomes and impact.

Tsholofelo request (a) further training for facilitators, (b). Increased salaries for facilitators (c). Purchase of a vehicle for projects (d). Finding a competent, reliable computer person.

YA Zimbabwe say that although the level of resources suffices for the work we commit to do, there are unforeseen costs that arise in the process of implementation on that will call for extra resources. For example, a smaller vehicle is required for monitoring purposes and marketing of the program.

SERVE can assist with capacity building in: (i) Supervisory skills training for managers; (ii) Team building; (iii) Monitoring and Evaluation; (iv) Policy development: (v) Result Based Management (RBM)

In its activities, YA Zimbabwe proposes to integrate the concept of Internal Savings and Lending (ISAL) so as to boost access to start up capital which is generated by the young people themselves in groups. This is included in the 2015 budget.

The benefits of SDP through vocational skills training and life skills have provided the much needed start to improved livelihoods. However there is need for creation of platforms for market linkages so that the beneficiaries of the program especially vocational training are aware of places they can easily sell their wares, or access raw materials at affordable costs and get information and mentoring on business development and growth. Our graduates are into production and usually face challenges of markets to sell their products.

YA Zimbabwe proposes to bring together through brainstorming seminars, the public and private sectors (large corporate and small to medium enterprises SMEs) and provide a

platform for the public and private sector to demonstrate the contribution that they make towards economic development and sustainable livelihoods. The key objectives of the seminars will be to: (i) Influence changes towards market driven programming especially at the activities of the informal sector; (ii) To create market linkages for our beneficiaries especially for employment and produce placement.

YA Zimbabwe propose a learning event with the other partners in the SDP program in order for us to share and learn from each other and also know what impact the others are making in this program.

5. Recommendations

This section is broken down into 4 sub sections: (1) Recommendations from Irish Aid's Report on their Monitoring Visit to YA Mozambique in June 2014; (2) Recommendations from Irish Aid's response to SERVE's annual narrative reports in 2012 & 2013; (3) Recommendations emerging from the MTR process that affect the remaining two years of the SDP; and (4) Recommendations emerging from the MTR process that affect any new SDP (after 2016).

5.1 Recommendations from Irish Aid's Report on YA Mozambique Monitoring Visit

Irish Aid recommendations, and SERVE's response, are dealt with comprehensively in SERVE's Management Response to Irish Aid's Monitoring Visit Report. Briefly, the recommendations were:

1. In line with the commentary in the report, Serve need to identify the gaps in its programmatic approach and demonstrate how they will work towards delivering a more comprehensive programmatic approach;
2. Serve should ensure that a comprehensive suite of policies, for example policies on thematic areas such as TVET and micro-credit, are in place to provide guidance for the organisation and its partners. This will also provide a level of quality assurance across the programme. Some existing policies should also be refined and updated, for example monitoring and evaluation;
3. Serve should consider developing country-level strategy papers to inform and guide its programming;
4. In its new Strategic Plan 2016-2020, Serve should include a plan for monitoring progress against targets set;
5. Serve should set out a clear approach to mainstreaming across its programmes, including clarifying what issues it mainstreams as an organisation;
6. Serve should ensure that the Results Frameworks only reflects the work that its makes a concrete contribution to;
7. Serve should ensure that the value and effectiveness of the volunteering component are more clearly articulated in reporting, and explicitly measured in the results framework;

- 8.** Serve should prioritise the development of results-focused programme management guidelines and share them with partners;
- 9.** Serve should prioritise the completion and dissemination of the Governance Manual, consider how it can be more focused on detailed guidance in specific areas, and support its adoption by partners in line with the timeframes set out in the results framework; and
- 10.** Serve should update the SDP risk register to include mitigation strategies and risks related to the partnership.

5.2 Recommendations from Irish Aid feedback to SERVE SDP Annual Reports

- 11.** SERVE's engagement with the Irish public (beyond SERVE network) needs to be improved;
- 12.** More information should be provided on the Board's role in Managing for Development Results;
- 13.** Context updates should cover all countries. Future reports should include details explaining how the contextual analysis informs programming;
- 14.** Going forward SERVE should report on a country basis on the Irish Aid funded elements to include budget, spend, variance information;
- 15.** Important that SERVE demonstrate that they are making clear efforts to build the capacity of its partners and that there is evidence of impact in relation to the programme direction for SERVE; and
- 16.** More evidence should be provided of alternative systems that are in place to ensure that fiduciary risk is being monitored and mitigated. Further clarity on Board Subcommittee oversight is required together with details of the internal Audit function which was requested in 2012;

5.3 Recommendations Emerging from MTR Process that affect SDP 2012-2016

- 17.** More regular discussions about results need to take place between SERVE and partners so that the RF becomes more of a "living document" rather than a document that is referred to on an ad hoc basis throughout the year;
- 18.** Tsholofelo's reliance on SDP funding for the Skills Programme remains a concern - co-funding needs to be secured;
- 19.** Develop a tool with Tapologo to measure impact of physical work done at OVC, Wellness Clinics - we have not managed to capture this adequately to date;
- 20.** Be more proactive in capacity building with partners;
- 21.** SERVE should invest in training equipment for YA Zimbabwe's Epworth campus so that it can maximise potential;
- 22.** The SERVE SDP Risk Register should be completed on a quarterly basis, instead of every six months. This process should involve the DPO, partners and a SERVE Board Member; and
- 23.** SERVE should prioritise working with Tsholofelo and YA Mozambique around governance issues considering upcoming transition of management/leadership;

Recommendations Emerging from MTR Process that affect a new SDP

24. Formalised needs analysis (using a consistent template) should be completed in advance of any new programme funding application;
 25. The SDP partners have different levels of ability to implement an RBM approach - Serve should carefully consider which partners we work with in any extension to the SDP. In the interim, formalised RBM guidelines and rolling these out with SDP partners will help fill in capacity gaps;
 26. Serve should coordinate applications to major donors for any new SDP - e.g. Irish Aid, DFID, Comic Relief. This can increase impact and Serve's funding contribution to partners work and lead to a strong case for attribution;
 27. Discussion about a new SDP need to start in the second half of 2015;
 28. Serve should consider the staffing requirements and ownership (within Serve) of the SDP - it is a risk to have one person responsible for the entire SDP. There is a very heavy workload. A more "team based" approach would be beneficial for the SDP and SERVE.
-

Glossary

Drawing from donor agency best practice, the OECD's Development Assistance Committee (DAC) established in 1991 several principles of evaluation to guide DAC member states. These principles have subsequently been developed into five specific criteria which are today widely used in development evaluation. These criteria include (i) relevance, (ii) efficiency, (iii) effectiveness, (iv) impact, and (v) sustainability.

Relevance: The extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor.

Effectiveness: A measure of the extent to which an aid activity attains its objectives.

Efficiency: Efficiency measures the outputs - qualitative and quantitative - in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted.

Impact: The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended. This involves the main impacts and effects resulting from the activity on the local social, economic, environmental and other development indicators. The examination should be concerned with both intended and unintended results and must also include the positive and negative impact of external factors, such as changes in terms of trade and financial conditions.

Sustainability: Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable.