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Low Emissions Development Program

LESSONS LEARNED REPORT

SOUTH AFRICA LOW EMISSIONS DEVELOPMENT PROGRAM (SA-LED)



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Cover photo: Municipal officials participating in walking tour at the Council for Scientific and Industrial Research, City of Tshwane (Photo Credit: SA-LED)

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ACRONYMS

CLEER	Clean Energy Emission Reduction
DMRE	Department of Mineral Resources and Energy
EEDSM	Energy Efficiency Demand Side Management
GHG	Greenhouse Gas
GoSA	Government of South Africa
IDP	Integrated Development Plan
LED	Low Emissions Development
SA-LED	South Africa Low Emissions Development Program

EXECUTIVE SUMMARY

The South Africa Low Emissions Development (SA-LED) Program is a \$14.9 million, five-year USAID-funded initiative aimed at supporting the Government of South Africa (GoSA) to achieve its green growth objectives. The Program aims to strengthen public sector-related development planning and project development capacity for low emissions (LED) projects and increase public sector core competencies through technical assistance and learning activities in high priority sectors. GoSA priority sectors include waste management, transport, energy efficiency and energy demand management, renewable energy, and water conservation and demand management. Direct beneficiaries include municipal government authorities, local communities, local private sector service and equipment providers, and civic organizations.

In October and November 2019, SA-LED conducted a lesson learned exercise covering a cross-section of the Program's beneficiaries for the purpose of providing recommendations for the design and implementation of future municipal-focused LED/green growth, governance, and/or institutional development technical assistance programs. The following summarize the five primary lessons gathered from the exercise:

ADAPTIVE MANAGEMENT

Beneficiaries spoke appreciatively of the Program's "flexibility" and cited instances in which it improved outcomes. As a form of adaptive management, SA-LED's flexibility was demonstrated in an ability to re-orient activities at various points in the Program. In more than one example, this enabled leveraging of existing or new resources that would not have otherwise been possible. In one case, the primary beneficiary counterpart first identified by the Program was unable to take advantage of the offered activities and the beneficiaries said they were able to reprogram the activity easily and with proactive support from the Program.

ITERATIVE LEARNING

While this kind of adaptive management created efficiencies in some instances, in others more iterative learning after some activities started would have increased impact. In one example, by bringing some of the trained personnel back to the second set of trainings to integrate what they had learned from using their new skills, the trainings would have improved for the second set of trainees. Because of the additional resources required for iterative learning of this kind, the cost of programming increases with the number of discrete activities to which it applies.

TARGETED COMMUNICATIONS FROM PROGRAM MANAGERS

Focused communications with SA-LED staff enabled beneficiaries to maintain momentum during unexpected challenges and to respond to changes in municipal leadership. In one case, Program senior management returned to a project during implementation and presented the project to new stakeholders. The action refreshed understanding among new municipal leadership and other stakeholders of the value of the purpose and value of the Program. The additional communications helped sustain

political support and break logjams in agency approval processes. In other instances, beneficiaries stated that a lack of more regular communications with the Program may have contributed to missed opportunities to improve the type or how technical assistance was delivered. In one instance, early or more frequent communication – a kind of “pause and reflect” exercise – could have helped avoid breakdowns during comparable leadership changes. Together the examples constitute evidence that targeted communications did, and in future programming can, improve outcomes.

CHAMPIONS IN THE POLITICAL ECONOMY

Leadership through so-called “champions” of the Program was critical to both (1) aligning and securing resources at various levels of government or (2) engendering ongoing leadership at lower levels of government. Champions in this context appear to be either visionary, providing legitimacy to the activities through their own charisma, or technocratically adept at navigating established processes and power relations to achieve measurable results. An ability to get LED programming into Integrated Development Plans (IDP), for example, was cited more than once as the success of champions around program activities. Other champions succeeded by mentoring successors to their positions, as well as lower level staff, to continue advocating for LED at different levels of government.

I. INTRODUCTION

South Africa is faced with the challenge of maintaining long-term sustainable economic development under the threat of climate change with an economy heavily dependent on fossil fuels. South Africa has set ambitious Greenhouse Gas (GHG) emissions reduction targets within its National Climate Change Response White paper (2011), and the Nationally Determined Contributions to the Paris Climate Agreement (2015/16). USAID partnered with the GoSA to provide support to its green growth agenda and expand LED in order to meet these reduction targets.

To remedy these challenges, the overall approach of SA-LED focused on helping South African municipalities move LED projects through the project development life cycle, operating as the vehicle to deliver technical assistance, capacity building, financial advisory services, and support in sourcing external finance. Under this approach, SA-LED identified municipal projects that were stuck in the project pipeline and provided the training and support needed to move these projects towards implementation. This approach provided opportunities for practical learning, using real project blockages as the training materials to build the capacity of municipalities. To support the implementation of South Africa's Climate Change Response Policy, SA-LED focused on the GoSA's near-term priority flagship programs of waste management, transport, energy efficiency and energy demand management, renewable energy, and water conservation and demand management. The Program was co-created with the South African Department of Environmental Affairs and the Department of Science and Technology.

In October and November 2019, SA-LED conducted a lesson learned exercise covering a cross-section of SA-LED's beneficiaries for the purpose of providing recommendations for the design and implementation of future municipal-focused LED/green growth, governance, and/or institutional development technical assistance programs. The following report lays out the method used for completing the exercise, the interview questions, and organizes the findings, as well identifies ideas for future programing in sustainable urban development. The report will also be annexed to SA-LED's final report.

II. METHODOLOGY AND LIMITATIONS

METHODOLOGY

According to recognized best practices of knowledge management, lessons learned exercises gather information from an existing body of work to inform design of future programs, as well as to improve the way development professionals deliver specific types of support in current and future work (see Annex C for more information “lessons learned” exercises in the field of knowledge management). A lessons learned exercise is highly qualitative and experiential, with minimal reliance on quantitative analysis. In contrast, evaluations or assessments are typically considered a balance of qualitative and quantitative analysis in reference to pre-determined indicators of successful impact. Rather than attempting to determine whether a program has objectively succeeded or failed, the main objective of a lessons learned exercise is open-ended and integrative, identifying ways to improve delivery of support in relation to the tools used in the project. In the case of SA-LED, these tools include, among others, embedded personnel, third party training programs, or project feasibility studies. Through direct interaction with a cross-section of SA-LED’s beneficiaries and stakeholders, we captured experiential learning in select activities and interventions, and identified strengths and weaknesses of *how* support was delivered.

The learning team was led by Michael Ashford, Director of Chemonics’ Water, Energy & Sustainable Cities Practice. He was supported by SA-LED Chief of Party Maria Olanda Bata and M&E Specialist Rosalia Mofolo. The exercise began with a literature review of SA-LED reports and general information on learning agendas and lessons learned exercises under the larger heading of knowledge management in international development. The first interview was held on October 8, 2019 and they continued until early November 2019. The interview portion comprised 18 total interviews, 16 of which were conducted in person in South Africa from October 14-25, 2019. Because the interviews often included more than one representative of a given municipality, department, or province, and because those individuals were in some cases the counterparty for more than one activity under SA-LED, the exercise was able to touch upon 41 total activities, representing 49% of the total 83 engagements under the Program.

Interviewees included national, provincial, district, and municipal level representatives of climate change mitigation policy making and program implementation. Of the 18 persons interviewed, two represented national level policy making, four provincial level, and nine municipal level. In addition, the interviewees included collaborating partners. The exercise covered the three types of support and six of the eight provinces where SA-LED activities were implemented. Annex A includes a table listing the interviewee, date and location of each interview and whether it was completed in person or over the phone.

The interviews were based on a set of questions pre-agreed with USAID (see Annex B). Each interviewee was given the opportunity to respond to each question or some form thereof. The questioning also allowed for discussion and expansion on specific topics which are detailed in the section “General Lessons Learned” below. Each interview explored the critical question: *Knowing what you know now, and looking back at what has happened, is there anything you would do differently (with “benefit of hindsight”)?*

LIMITATIONS

Interview-based surveys of this kind are vulnerable to positively biased responses because beneficiaries have incentives to seek further support from USAID and other donors. Beneficiaries do not want to appear ungrateful for the support which might endanger future access to funding faced with their own limited resources. The exercise attempted to mitigate this bias by prefacing each interview with explanations that constructively critical feedback would not have consequences beyond informing USAID and SA-LED program staff of what worked and did not work and to improve performance going forward. In most cases, interviewees did offer some constructive criticism in the form of suggestions for improving specifics of the Program, which are summarized in more detail below. Only one interviewee was predominantly negative in his responses, but even this interviewee made great efforts to discuss this in person and explain the circumstances and conditions for his disappointment.¹ In summary, the overall response to the list of questions, as well as the tenor of the discussions of strengths and weaknesses of the support delivered, was very positive. Time constraints were another limitation to the exercise as structured, combined with the challenges of travel and scheduling among many disparate locations in South Africa.

¹ The only interview consistently, and constructively, critical about how SA-LED support was delivered appears to have lacked the kind of communication reflecting best practices of project management.

III. LESSONS LEARNED

This section is organized by general lessons learned across all forms of SA-LED's technical assistance, followed by five key lessons learned.

GENERAL LESSONS LEARNED

For all but one of the 18 interviewees, SA-LED was considered positive and effective. Respondents were particularly appreciative of the Program's flexibility and ability to offer a "menu" of types of support services. Similarly, in many instances SA-LED was lauded for being adaptive to changes in circumstances or considering and responding to new information during implementation. Flexibility in the Program, according to respondents, enabled the beneficiaries to align SA-LED's support with existing LED-related workstreams, for example, and scale or replicate successful initiatives. In another example, the Program was able to quickly change the primary beneficiary and scope of work after initial contact was established with a department less able to respond. Another common positive observation was that the application process was straight forward and efficient, that once an intervention was identified, it was easy to formally apply and start work. Interviewees cited the ease of working with SA-LED in comparison with other donor programs which required more resources in preparation and offered less flexibility in implementation to meet program requirements.

Of the 18 interviews conducted regarding support delivery, 12 observed that the type of support provided would have benefitted from additional time and resources in program preparation before providing specific support. Successful delivery of any outside support must strike a balance between preparation and execution; over-preparation can make perfect the enemy of the good if it causes delays and planning fatigue. Planning and preparation also means different things for different types of support, so *additional* preparation and planning that is recommended in hindsight should be geared to the specific type of assistance provided. Nevertheless, the observation is generalizable in relation to the value of "pausing and reflecting" during the early stages of program implementation.

In this light, the output of a standard needs assessment – such as the Organizational Capacity Assessment – benefits from a secondary stage of preparation after the primary gap has been identified. For example, in cases where a lack of capacity for prioritizing actions was identified, the USAID's Clean Energy Emission Reduction (CLEER) tool appeared fit for purpose. However, after those gaps were identified and the CLEER tool chosen as a method to address the gaps, a second stage of vetting of – and getting commitments from – individual participants in the training could have improved outcomes in two ways. First, more time spent identifying specific participants and the capacity of those individuals to benefit from the CLEER training would have in some instances increased attendance and penetrated deeper into the municipality. Second, in at least one instance, further vetting and preparation would have likely revealed the value of a more basic informational exercise than that of the CLEER tool, one that focuses on what climate change is and why it is important. Similarly, additional preparation through discussion with the targeted participants could have shown that a shorter, higher level informational session for senior public or elected officials, together with the intensive CLEER tool training for staff under their purview, would

have built awareness among senior positions of the value in newly trained staff and helped their support.

Approximately ten interviewees observed that more, and more frequent, communication from SA-LED to the beneficiary and other stakeholders – about why and what type of support is being provided – would facilitate greater uptake and impact. They stated this was important *during* the period in which support was provided. After project initiation within organizations with complex political and economic environments, for example, brief check-in meetings with key stakeholders were identified as ways to bring newly elected leaders or senior staff up to speed during project implementation. Similarly, follow-up communications would have enhanced the targeted beneficiary to overcome organizational rigidities and “not invented here” reactions to the Program’s support. This reflects the general observation that municipal departments can be “siloed” and have difficulty seeing the systems-level costs of climate change and the related opportunities from collaboration across departments.

In the case of embedded personnel in Polokwane, for example, the beneficiary cited a follow-on visit from USAID and SA-LED staff as particularly beneficial in getting buy-in from shifting political leadership in the municipality. They said more frequent, shorter visits from SA-LED or USAID could have, similarly, helped overcome resistance to LED project activities in other departments still in the critical path to implementation (e.g. procurement officers). Additional communication from USAID or SA-LED, some interviewees said, would also help the disparate stakeholders reaffirm their alignment with the overall program goals.

LESSON 1: FLEXIBILITY CREATED EFFICIENCIES

In approximately ten instances, interviewees stated that flexibility was a positive characteristic of SA-LED, both in terms of the variety of support offered as well as the ability to change and adapt during implementation. In comparison, in approximately 16 instances the interviewees observed that their activities would have benefited from additional planning and preparation. SA-LED’s flexibility was often observed positively in comparison to the rigidity of other donor programs² working in similar technical areas (e.g. energy and climate change mitigation). Also, in comparison with other donor programs, SA-LED’s application and approval processes were praised for being easy and simple. The tension lies in the ease of the application process and later ability to change course and adapt, on the one hand, and on the other hand, the benefit of time and effort in planning upfront along with ongoing efforts to assess and adapt during implementation.

LESSON 2: CAPACITY WAS LOWER THAN ANTICIPATED

Several interviewees cited the need for awareness building and training in project management skills that is more basic than the kind provided by the Program. They described the need for more fundamental interventions in the face of intractably low levels of capacity among municipal employees. Not surprisingly, this was most

² Notably, representatives of other donor programs observed that the SA-LED programming could benefit from more extensive pre-assessment and planning, as well as unified structure during implementation.

prevalent in small, inland jurisdictions. One interviewee spoke of the awareness training as easy to obtain and generally valuable because it was delivered as a package of support for related projects. Yet because it was to some extent standardized and delivered quickly, it was mismatched with the attendees' level of decision making and, in some cases, their basic capacity to understand the relevance to their work. The interviewee suggested that after agreeing on a climate change awareness activity, but before delivery, more time should be spent on identifying a specific set of attendees, assessing their needs and roles in policy making or implementation, and customizing the awareness training accordingly.

Every municipal level participant in the lessons learned exercise either directly or indirectly expressed the desire for more support in building basic management skills and core competencies among municipal staff in association with support for LED projects. When expressed indirectly, this was evident in the appreciation for long-term capacity building and training through embedded personnel or, negatively, through frustration over inability to follow through on project recommendations from technical assistance. When expressed directly, interviewees often stated that their work would have benefitted from non-technical training in management and administration related to their day-to-day work within the municipality.

Reviewing instances in which interviewees observed a need for more training in core competencies helps inform how that may take shape in future programming. The City of George, for example, expressed preference that any future support for capacity building come in the form of embedded personnel or other programs that reflect the success of their own internship programs which includes building skills in department administration and management, as well as how to work collaboratively across departments to successfully complete distinct projects. Similarly, representatives of cities of Tshwane and Johannesburg discussed the desire to retain and then expand management skills and know-how that was associated with SA-LED trainings to more successfully deliver results in the technical area addressed (e.g. energy efficiency in buildings). The clearest expression of the value of additional project management and administrative skills training came from Polokwane Municipality. In this case, the embedded personnel stated that basic skills training in administrative management and budgeting would have enabled her to more effectively organize the Energy Efficiency Demand Side Management (EEDSM) application process.

LESSON 3: HIGH-LEVEL COMMUNICATION FROM SENIOR PROGRAM MANAGERS IS IMPORTANT

When interviewees were asked to describe the ways in which support was delivered in a particularly effective way, they often referred to the frequency of communication from SA-LED's senior managers and USAID, beyond the communications from Program technical leads. Arguably, interviewees were describing a way in which SA-LED's activities achieved and maintained a level of importance through personal, high-level communications that overcame, or, in cases they were not used, were expected to overcome, bureaucratic inertia, changes in leadership, potential meddling or obstruction, and other challenges of activities that were otherwise disadvantaged in competing with the existing political and economic system. Interviewees referred to direct communications from SA-LED and USAID staff to stakeholders affected by, or critical to, the success of the Program.

The value of these types of communication from senior managers was also clear from the number of times in which interviewees noted the need for more or improved high-level communications. Counting both the instances when it was described as impactful or lacking, the value of high-level communications was raised approximately ten times during the lessons learned exercise.

LESSON 4: MORE DIRECT FUNDING OR FINANCING WAS EXPECTED

In three instances, interviewees said they did not know until sometime after activities began that SA-LED's support did not offer specific opportunities for grant funds or third-party financing. In the case of some projects, as well, such as the support to the City of Tshwane for landfill gas capture and use and biogas to power generation at the city's waste water treatment plant, the interviewees said they were surprised to learn there was no grant funding or access to financing accompanying the project specific support. Representatives of the City of Tshwane and others noted that if they had understood this earlier in the program engagement, they might have been able to coordinate better with the municipal budgeting process to identify other funding sources.

“We thought we would get to financing faster; we have a lot of other donors, so we know what we are doing.”

- *Municipal department director overseeing external relations and program resources*

Regardless of whether that assumption was right or wrong, the fact that it existed and created expectations indicates the potential gap in understanding the role of capacity building support as well as, potentially, an opportunity to review the kinds of capacity building provided. Such a gap in understanding also reveals an opportunity to reconsider how and what type of capacity building delivered is aimed specifically at increasing access to financing and funding. This is explored further in the recommendations section below.

Interviewees in more senior positions of municipal government, as well as all interviewees working at the provincial and national level or in partner organizations, expressed frustration over not being able to secure financing or funding for continued project development. Among the 18 interviews conducted, the lack of a clear path to securing funding or financing was raised in some form approximately 30 times. One interviewee emphasized that successful adoption of LED planning should not be measured in terms of financial or economic metrics, at least not solely; large scale adoption also requires complex shifts in social value systems, for example. Overall thought, interviewees were largely unanimous in the observation that the inability to access funding or financing – the lack of tools such as basic information, knowledge and other business operation skills – was a major impediment to a given LED project's success.

Conversely, project activities or technical assistance that did result in securing funding of some kind were considered a success. An example for the latter is securing EEDSM funds for municipal street lighting or energy efficiency

“The technical training on biogas digester programming was spot on.”

- *Provincial Economist*

in buildings in Polokwane and George. The absence of funding or third-party financing was not always attributed to gaps in SA-LED support. In one example, the Program's support for biogas digester operations in George was lauded for being comprehensive and inclusive, both technically and in relation to stakeholder relations. Yet the project did not move forward because the National Treasury was unable to provide expected grant funds for purchase of a biogas digester, something outside of SA-LED's control. Similarly, in two interviews, resistance by ESKOM to the regulatory reforms or formal approvals for operating embedded generation was cited as an obstacle to advancing otherwise "bankable" small-scale installations. The program partner Sustainable Energy Africa also pointed out the larger challenge of financing local projects when individual and government agency customers are not contributing (i.e. this could be in the form of insufficient local revenue from fees or taxes or from customer service payments).

LESSON 5: CHAMPIONS ARE CRITICAL

Six interviewees discussed the value of having or finding "champions" that embodied the political will to make changes required for mainstreaming LED programming. This was usually expressed in terms of senior leadership within the beneficiaries' organizational structure. The way these champions contributed to a given activity's success varied. In some cases, they were described as visionaries, in others as effective managers of political systems; they either enabled others to organize around their leadership or inspired others to take leadership at other levels or agencies of government. In all cases, the importance of continuity of leadership was demonstrated by challenges arising from interruptions as newly elected officials – who are unaware or uncommitted to the Program – displaced established leaders.³ Conversely, the leadership of a Director in Eastern Cape's Department of Economic Development, Environmental Affairs & Tourism over several years – successfully coordinating LED programming at the provincial level – contributed significantly to the success of sub-activities at the district and municipal level.

In the Chris Hani District, for example, the mayor was referred to as an inspiring, visionary leader on climate change policy, whose influence remains in the leadership of his chancellors who are coming up behind him in political rank. Notwithstanding the anecdotal nature of this reference, the interviewee was emphatic that the "championing" roles of the mayor, herself and others were essential for long-term success. As evidence, she pointed out the creation and funding of an Environmental Management Unit with four staff to implement policies and projects.

Long-term leadership in Mpumalanga has similarly been critical to securing funding from national level for projects in the provincial and municipal level. A deputy director championing climate change programming has been active in the arena for over 10 years and was able to describe the growing awareness and commitment among political leaders and staff in the province. When asked if funding or financing was the primary indicator of success, she responded that larger social and political awareness of the problems was more important. She noted that her ability to persuade the Director General of the economic (e.g. employment) opportunities that accompany LED programming, for example, in supporting a new solar market as coal plants in the province shut down, enabled the Program to move forward. In another case, a

³ As noted in earlier, targeted communications from senior managers in SA-LED and USAID overcame the loss of "champions" resulting from an election.

municipal deputy director explained differently how his role in championing LED programs was successful. He persisted, despite several setbacks, in finding ways to work through the rules, processes and power dynamics of getting his agenda, climate change programming, into the municipality's IDP. He cited the Cambridge awareness training as a turning point for his engagement, motivating him to explain and persuade throughout the municipality the need and value of mainstreaming low emissions planning more broadly.

Finally, in Johannesburg and Tshwane, senior leadership's commitment to the Program's activities – in the offices of city planning and mayor, respectively – has led to greater coordination among city agencies and with other donors.

IV. RECOMMENDATIONS FOR FUTURE, SIMILAR PROGRAMMING

Should USAID consider future, similar programming or if opportunities present themselves from other donors, the lessons learned exercise uncovered opportunities and challenges to LED programming that are useful in several ways. By methodically discussing specific interventions in a setting that is not conditioned with normative rules, the interviewees were able to prioritize independently “what works and doesn’t work” for them as actors. At the same time, by structuring interviews with a standard set of questions, the exercise revealed common observations that are translatable to recommendations for future programming in municipal development. Finally, while the lessons learned exercise focused on ways in which support was delivered for municipal development, the larger objective was to lower GHG emissions measured in relation to what would occur in the absence of the interventions. As a result, the exercise reveals recommendations for both improving the ability to deliver support services to municipal development *and* how to support LED in the future.

RECOMMENDATION 1: ADOPT FLEXIBILITY IN PROGRAM OPTIONS AND DURING IMPLEMENTATION

LED is a multi-faceted process, captured by a combination of market forces and positive and negative incentives posited by public authorities (i.e. regulations). Recognizing this, SA-LED offered different options to municipal actors in selecting different types of support for their work in light of their own objectives and limits, for example, transaction support as well as long-term capacity building. SA-LED in some cases also shifted resources after implementation to meet unforeseen challenges as articulated by the beneficiaries. This flexibility was cited almost unanimously as a positive characteristic of the Program.

In the future, LED programming should therefore intentionally identify specific ways in which flexibility and adaptivity is built into programming as a distinguishing characteristic from other capacity building programs focused on urban sustainability. This was recognized as an advantage of the Program not only in its ability to shift activities in relation to new or changing opportunities, but also in the simplicity of applying and administering the Program. One clear example is the choice between technical assistance that is transaction focused versus capacity building devoted to institutional sustainability. These are not mutually exclusive in relation to achieving the desired outcomes, so allowing beneficiaries more options in subscribing and shifting during implementation can accelerate progress.

RECOMMENDATION 2: PRIORITIZE ITERATIVE LEARNING AT THE SUB-ACTIVITY LEVEL

Future programming should build in more iterative learning at the sub-activity level. Specifically, in the case of SA-LED, using more intentional “pause and reflect” assessments between standardized trainings, for example, would likely lead to a

greater impact of those tools, in terms of depth of knowledge transferred and efficacy in application.⁴

RECOMMENDATION 3: DEDICATE PERIODIC HIGH-LEVEL COMMUNICATIONS ON PROGRAM VALUE AND RELEVANCE

The lessons learned exercise revealed challenges with maintaining support from local political leaders, agency and department leaders, and across siloed units within agencies for interventions of longer duration, such as embedded personnel. Political leadership changed, in some cases, or applications for LED project funding reached the desks of department offices long after the activity began. As a result, activities could lose momentum, in some cases, and new political or bureaucratic obstacles arose. Beneficiaries stated that targeted communications from senior management of SA-LED and USAID helped overcome these challenges during implementation. The communications comprised a high-level iteration of the importance of the SA-LED intervention at a global level and the value it brings to the local context (e.g. economic growth; project installations; job creation, etc.).

Future LED programming should find a way to identify and elevate challenges that arise during implementation that can be addressed by targeted communications from senior Program managers. The senior program managers or USAID representatives should continuously re-emphasize the value and importance of the interventions and reiterate the need to maintain support and organizational structure to keep them moving forward. This could be in the form of scheduled “check-ins” for senior management and, as merited, focused communications by the Chief of Party and/or USAID Contract Officer Representative/Senior Technical Advisor. The value is in either correcting lingering misunderstandings from the program launch or, more importantly, addressing unexpected challenges among the stakeholders in the critical path to implementation.

RECOMMENDATION 4: IDENTIFY AND SUPPORT PROGRAM CHAMPIONS

The lessons learned exercise revealed the value of champions who provided leadership, enthusiasm, and influence to the benefit of LED initiatives. These were individuals at different levels of regional and local government who learned the value of LED programming early on and maintained their support over the project period. Future LED programming should employ methods, such as small-scale political economic analyses, to identify champions early in program design and launch. In some cases, champions rose organically from the awareness campaigns in the Program’s initial stages. This could be an opportunity to more intentionally use awareness campaigns to recruit champions associated with program activities.

To effectively introduce tools and methods specific to identifying and fostering champions associated with program interventions and/or activities merits additional investigation. As mentioned above, it could be integral to program activities around assessments and awareness or stakeholder campaigns. Recent efforts to demystify

⁴ As noted elsewhere, it was only after trainees put their new knowledge to use did they realize how their training could be slightly changed to benefit future trainees, but there was no process to capture those insights. Having some trainees take the course again with the a group of new attendees could be a vector for that in the future.

“political will” include consideration of political economic analysis that identifies and supports champions in this way. Further investigation could generate more prescriptive tools to identify and sustain champions such as publicizing detailed description of their roles, ways to stay in contact and support them during program implementation, and general guidelines oriented to program objectives that staff can refer to on an ongoing basis.

RECOMMENDATION 5: ESTABLISH FINANCIAL SUSTAINABILITY TARGETS FOR SELECTED INTERVENTIONS

LED requires sustained funding or financing to continue beyond the programmatic period of support. The lessons learned exercise included review of some interventions that were oriented towards securing funding or financing. Additionally, some interviewees said they had hoped for clearer paths to funding or financing for specific installations or projects, despite or regardless of other types of progress (e.g. assessing climate impacts as part of planning process). Alternatively, interviewees consistently considered those interventions successful which resulted in national grant funding, municipal budget support, or third-party financing. In this light, LED programming going forward should look beyond indicators of “leveraging” and more explicitly orient activities around securing sustained funding or financing as an objective.

Not all program activities need sustained funding or financing as a primary objective because they focus on awareness building or intangible outcomes. Therefore, new programming that builds in sustainable funding or financing should be on a case-by-case basis for specific interventions. Before programs begin or as part of initial work planning, LED could categorize certain interventions according to their ability to identify specific sources of funding or financing. For example, national grants for energy efficiency installations were an orientation point for the Program’s embedded Polokwane Municipality staff member and the sub-activities of that individual were further oriented around the steps necessary to secure those grants. In another case, technical assistance in the form of a feasibility analysis and management consulting were provided to secure a private financing transaction. Moving forward, interventions and related programming can more closely follow these models to enhance their success as measured by sustained funding or financing. Categorizing interventions by funding or financing goals requires initial assessment that determines what is more appropriate for the circumstance. Funding and financing are very different and require, respectively, distinct types of capacity.

Since this is a recommendation in relation to some reported confusion or disappointment around access to funding or financing, but connected to broader discussions of private sector engagement and the Journey to Self-Reliance, further details are included below in Annex D.

RECOMMENDATION 6: IDENTIFY A LIMITED NUMBER OF SPECIFIC SECTORS AND APPLY SA-LED TYPE TOOLS

SA-LED was successful as a demonstration of how flexible use of a menu of support can accelerate LED at the municipal level. A future program could take best practices and lessons learned of *how* capacity development and technical assistance was delivered under SA-LED and dedicate the same set – improved and adapted – to two

or three sectors with the greatest likelihood of scaling. These could include, for example, continuation and expansion of SA-LED work on distributed solar PV systems within municipal utility models, “wheeling” dedicated clean power generation in peer-to-peer contracts, continued support for biogas production at waste water treatment facilities, or energy efficiency investments in energy intensive sectors that result in lower operating costs.

An important component of dedicating the support to a few, select sectors is intensive assessment and coordination in the pre-funding phase to avoid duplication with other national or donor-directed programs, on the one hand, and on the other, ensuring alignment through jurisdictions (local, provincial, national) with already identified strategic, national objectives. SA-LED did this successfully with support for municipal programs that accessed national EEDSM funds. A future program along these lines could align support for local capacity and project development with the strategic objectives of South Africa’s new carbon tax.

In a similar way, a future program could select a limited number of projects – as opposed to sectors – which have received initial support from SA-LED to comprise a project pipeline served further with the flexibility and adaptiveness of SA-LED’s existing tools. This pipeline could be augmented with appropriately aligned projects among other donor and national programs. In this way, transaction support and capacity building, for example, applied in the complementary and flexible fashion of the current SA-LED program could lead to further LED project completion at the municipal level.

ANNEX A. TABLE OF INTERVIEWS CONDUCTED

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
10/8/19	<i>Skype call</i>	Sustainable Energy Africa (SEA)	Collaboration Partner	Ms. Megan-Euston Brown; Director SEA
10/14/19	<i>In person meeting</i>	Department of Science and Technology (DST)	National	Henry Roman - Director: Environmental Services and Technologies
10/14/19	<i>In person meeting</i>	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Collaboration Partner	Ms Marlett Balmer - Senior Energy Advisor: South African German Energy Programme (SAGEN), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
10/15/19	Teleconference call (from SA-LED office)	Garden Route District Municipality	Western Cape	Mr. Morton Hubbe - Manager: District Waste Management
10/15/19	Skype call/phone	Cacadu Development Agency (CDA)	Eastern Cape	Mr. Chris Wilken; Former CDA CEO
10/16/19	In person meeting	Eastern Cape Provincial Government: Department of Economic Development, Environmental Affairs and Tourism (DEDEAT)	Eastern Cape	Mr. Alistair McMaster - Director: Sustainable Energy
10/17/19	In person meeting (in East London – DEDEAT's office)	Chris Hani District Municipality (CHDM)	Eastern Cape	1. Ms. Yoliswa Sinyanya - Director: Health and Community Services 2. Mr. Qaphela Mpotulo - Manager – Environmental Management Unit
10/17/19	In person meeting	The Green House (TGH)	Consortium Partner	Dr. Brett Cohen - Director: The Green House

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
10/18/19	<i>In person meeting with both municipalities combined</i>	1. George Local Municipality 2. Hessequa Local Municipality	Western Cape	1. Mr. Steyn van der Merwe - Manager: Planning and Design 2. Mr. Justin Lesch - Manager: Electrical and Mechanical Services
10/21/19	<i>In person meeting</i>	Polokwane Local Municipality	Limpopo	1. Mr Dennis Mokoala - Assistant Manager Planning: Energy Services 2. Ms. Dephney Mphahlele - Energy Efficiency and Demand Side Management Coordinator
10/22/19	<i>In person meeting (at Govan Mbeki municipality)</i>	Mpumalanga Provincial Department of Economic Development and Tourism	Mpumalanga	1. Nomusa Madonsela - Deputy Director - Economic Policy and Planning

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
10/22/19	<i>In person meeting</i>	Govan Mbeki Local Municipality	Mpumalanga	<p>1. Mr. Hendrik van der Merwe - Deputy Director: Solid Waste & Environmental Services</p> <p>2. Ms Xoliswa Memela, Snr Engineering Technician-Region 2</p>
10/23/19	<i>In person meeting</i>	eThekweni Metropolitan Municipality	Kwazulu-Natal	<p>1. Mr. Dhevan Govender - Snr Manager: eThekweni Water and Sanitation</p> <p>2. Mr Titus Cohen Kasie - Mechanical Engineer</p> <p>3. Mr Logan Moodley Pr.Eng - Senior Manager: Engineering, Cleansing & Solid Waste Unit</p>

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
10/24/19	<i>In person meeting</i>	City of Tshwane Metropolitan Municipality	Gauteng	<p>1. Ms. Kedibone Modiselle (SANS 10400-XA) - Acting Director- Mitigation: City Sustainability Unit</p> <p>2. Mr.Colbert Rikhotso – Engineering Consultant</p> <p>3. Nkele Thamaga – Engineering Consultant; (standing in for Mr. Mokale Rasetlola - Director: Technical Support & Technology, Management, Energy & Electricity Department</p>
10/24/19	<i>In person meeting</i>	City of Johannesburg Metropolitan Municipality	Gauteng	<p>1. Ms. Liana Strydom (<i>EcoDistricts</i>)- Assistant Director: Regional Planning, City Transformation and Spatial Planning</p> <p>2. Mr. Sibusiso Langa (SANS 10400-XA) - Chief Plans Examiner</p>
10/24/19	<i>In person</i>	Mpumalanga Province - Department of Agriculture, Rural Development, Land	Mpumalanga	<p>1. Ms. Duduzile Sibiya - Deputy Director: Department of Agriculture, Rural Development and Environmental Affairs</p>

DATE	ACTIVITY	PARTNER	GEOGRAPHICAL	CONTACT INFORMATION
		and Environmental Affairs (DARDLEA)		
10/25/19	<i>In person meeting</i>	Department of Mineral Resources and Energy (DMRE - DoE)	Gauteng	1. Mr. Xolile Mabusela - Director: Energy Efficiency 2. Mr. Clifford Rikhotso – GIZ Advisor Energy Efficiency, seconded to DMRE
11/4/19	<i>Email exchange</i>	Aquaculture Innovations	Partner	1. Leslie Ter Morshuizen – Consultant and Trainer

ANNEX B. LESSONS LEARNED EXERCISE

INTERVIEW QUESTIONS

1. Can you please describe to me what your understanding of the SA-LED Program is/has been trying to achieve?
2. Can you please describe to me your understanding of what your role in the project is/was?
3. What is/was, in your view, the SA-LED team expecting you to do in relation to the project?
4. What were/are the things you expect(ed) to happen from your/our contribution to the project?
5. On the other side of that same coin, what do/did you expect the project to be able to do/have done with your participation in the project?
6. How did you do your work with SA LED, for example, what were the processes and formats? In other words, what happened and how did it happen?
7. If you had all the time and money you wanted to do this [and everything else you wanted to do professionally = no limits on resources], would you WANT to do it? And, if so, how would you do it differently?
8. What value did SA-LED add to your immediate work, stakeholders and industry?
9. Keeping South Africa's "green carbon" in mind, how did SA-LED's technical assistance help you to promote low emissions development in your organization/country outside of the immediate project?
10. Knowing what you know now, and looking back at what has happened, is there anything you would do differently (with "benefit of hindsight")?

ANNEX C. ADDITIONAL RESOURCES ON WHAT IS A LESSON LEARNED AND OTHER KNOWLEDGE MANAGEMENT TOOLS

1. USAID (2019, March) [So you want to propose a learning agenda question?](#)
2. USAID (2018, August) [Tips for Creating a Learning Agenda](#)
3. USAID (2018, October) [Straight off the Shelf: Unpacking your Utilization-Focused Learning Agenda](#)
4. Smith Nightingale, D., Fudge, K. and Schupmann, W. (2018, March). [Evidence Toolkit: Learning Agendas](#)
5. USAID (TOPS Program) (2018, November) [Learning Agenda Workbook for Food Security and Nutrition Programming](#)
6. USAID Learning Lab (2017). [Establishing a Learning Agenda](#)
7. USAID Learning Lab (2017). [Implementing a Learning Agenda Approach](#)
8. USAID learning Lab (2014). [USAID's Leveraging Economic Opportunities Project Takes Stock of its Learning Agenda](#)
9. Griswold, S. (2017, 3 September). [Creating Learning Agendas that will be Used](#)
10. Baker, M. (2017, 26 April). [Learning Agendas: The Five Most Important Things You Need to Know](#)
11. DFID talks about [Learning Journeys](#)

ANNEX D. REFRAMING HOW TO PROVIDE CAPACITY BUILDING FOR FINANCIAL SUSTAINABILITY

The statement “lack of financing” has become part of the litany of challenges to sustainable development writ large. Numerous donor and bilateral donor programs focus on improving public financial management to increase general revenue to ultimately, in turn, provide sustained public funding for development, whether urban or rural, local, national or transboundary. Other program activities are dedicated to small enterprise development coupled with micro-financing, or technical assistance facilities coupled with concessional debt financing, in ways that develop a project through early stages to a readiness to service concessional debt or manage budgets. The SA-LED Program also anticipates some conversion of program activities into successful private financings, for example, as in support for eThekweni’s public private partnerships in small-scale hydro power and small-scale solar generation.

The problem, however, is not addressed by identifying the lack of financing or funding, but by working differently or better in building beneficiaries’ capacity to get funding or financing. The EEDSM program, for example, was praised by one beneficiary (i.e. municipal department) for its rigorous accounting requirements enforced by periodic audits. But the national level manager of the same program, sitting in the Department of Mineral Resources and Energy (DMRE), emphasized that municipalities were unable to submit enough quality applications and/or demonstrate enough ability to manage grant funds to take up the available national-level funds; only 40-50% of the program funds to the DMRE due to lack of local capacity to find and manage projects.

This raises the question of how municipal development programs such as SA-LED may be designed and implemented in the future to more effectively secure increased and/or sustained funding or financing. Part of the solution may lie in reframing the problem. Instead of by securing funding or financing, success is measured by the beneficiaries’ ability to identify and create an asset that can return value from further investment. The further investment may be public or private, something which needs to be identified *before* project or program implementation, but both funding (which is budget oriented) and financing (which is revenue oriented) require the same alignment around an asset that generates value. By orienting around this goal, the capacity gaps are defined more directly in relation to what was often expressed by interviewees at the national level and more senior level of municipal administration as lacking at the local level: business administration and operation skills, human resource management skills, value for money procurement rules, and transparent, accountable processes and procedures for cost accounting in budget management and reporting.

At the municipal level, then, reorienting around asset creation and management could create more defined – or what economists call “real” – demand for increased public funding, as well as provide incentives to find those resources through typical public methods (e.g. federal transfers, local fees and taxes, etc.). In the case of financing, which is largely the same for public and private sources except for the terms and tenor, the orientation would be explicitly around an ability to identify and manage an asset that generates positive cash flows for a return on investment. In either case, this approach

identifies which activities are funded for their public benefits and which activities are funded or financed for their ability to generate revenue. The program support would then be provided according to those desired outcomes.

In this light, future programming that aims for secure, sustained funding or financing as an objective could include targeted grants and technical assistance in the form of a “technical assistance facility” that in turn creates real demand for a dedicated source of investment funds, public or private. Technical assistance facilities of this kind are already operating successfully with the goal of decarbonizing energy systems and building climate resilient infrastructure under the aegis of other donors and development finance institutions. For example, this type of sustainable financing for development is also envisioned for the recently created US International Development Finance Corporation (IFDC).

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