4.6. Exit Strategy

Development cooperation projects aim to bring permanent and sustainable changes. This means the changes the project brings should not be left dependent on the external support once the project is over. For lasting changes, a well-managed termination of the project needs to be planned in advance. The project termination should always be considered in its exit strategy to ensure that the project results will remain to benefit its beneficiaries or right-holders even after it is completed. So, exit strategy is also called as project sustainability plan.

Any project with the rights based approach can be considered to be sustainable when there is somebody capable enough to bear the responsibility, and the right-holders are familiar with their rights and can influence the decisions that concern their own lives.

The basis for sustainability of the changes is created during the project planning stage. If the project does not appear sustainable during the planning stage, there is no reason to implement it because the mistakes made during the planning stage are always difficult, and sometimes even impossible to rectify afterwards.

Exit strategy is a process that follows through all stages of the project cycle. The preliminary exit plan is drafted together with the partner during the project planning stage and the plan is defined during the project. The necessary modifications to the exit plan are made with the help of the follow-up data. During the project implementation, monitoring and evaluation process, the exit strategy also puts emphasis on learning together with the partner, and so ultimately on the improvement of the operations of both parties.

The exit strategy that is planned and implemented together with the partner from the beginning of the project:

- Increases chances of the project to achieve better and sustainable results.
- Clarifies roles of the donor and implementing agency.
- Clarifies the project planning and the possible planning of follow-up projects.
- Reinforces the commitment of stakeholders to the project.
- Reduces dependence on external financing at its best.
- Compels to consider the operational environment and stakeholders in the planning stage.
- Increases the ownership of the project.

**Key questions of exit strategy**

1. What should exist strategy accomplish? What activities and results of the project should be maintained once it is over?
2. What exit strategy will be followed in the project?
3. What are the reasons for the project termination?
4. What early measures are required in the project to ensure that the objectives of the exit strategy shall be achieved?

5. Who (partners, stakeholders) should implement actions and when? Utilising the stakeholder analysis. The indicator monitors actions and results of the exit strategy.

6. What are the indicators, monitor actions and results of the exit strategy?

7. Who monitors the indicators and when?

What is the cost of actions and indicators in the exit strategy? The exit strategy budget is a part of the total project budget

**Table for planning of activities and follow-up of the exit strategy**

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