



Capacity is Development

'Capacity is Development' 2009

The Urgency of 'How' - What works for Capacity Development?

This note is a brief summary of a campaign 'of sorts' that involves the gathering of more evidence, a call to partners for engagement, a convening of the global community of experts, thinkers and practitioners - on capacity development. What policy choices drive successful capacity development? What investments are most effective? Why do some work... while others falter? How best to capture and measure capacity development results? During the course of the year, we will partner with the global community of capacity development experts and practitioners to analyze choices and investments made, and unbundle the components of success... and failure. Through this partnership, we hope to examine what drives national capacities for human development and make the learning accessible to all. We will host a series of events to foster this research and dialogue – ranging from virtual conversations through online communities to (sub) regional meetings and partnership opportunities; culminating in a global event; and sustained by a Global Capacity Development Facility.

The Campaign and the Convening Event – what is the take away?

- ✓ Evidence on what works for National Capacity Development Strategies.
- ✓ South-south solutions to public management capacity challenges during times of economic and environmental crises.
- ✓ A Global Capacity Development Facility that will provide quality services on capacity development 'know how' – from methodologies to assessments, design to review.
- ✓ A Capacity Development Knowledge and Expertise Network – the know 'who'.



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The 'shocks' to human development and the MDGs

The world of the development practitioner has been subject to some shocks lately. The instances of weak capacity in the working of the nation state continue to manifest in consequences that are diverse but uniformly invidious in their impact. Even as the finish line of a self-imposed set of goals approaches, the task of pulling people out of poverty is not happening fast enough. Development delivery, as it were, has stalled. In the last half-decade, if all the symptoms that have beleaguered development effectiveness were to be aggregated, two major culprits begin to emerge: the varyingly weak status of institutional capacity all over the world; and the new global shocks emerging from a combination of nationally and trans-nationally originated factors – food crisis, climate change, financial crisis and so on.

Institutional capacity can be identified as the ability of state institutions to manage the business of the executive, judiciary and the legislature towards human development ends. The measure of effective state capacity would be how national policies are made, how services are delivered, how markets are developed and justice and security is provided, and how the rights of all people are protected. Where this is done well, where the largest numbers of people benefit over time from development, where an economy grows and a society is engaged in the democratic process and feels secure – there state capacity is effective. Countries all over the world are struggling to do these simple things well and with speed. War has returned to Afghanistan and the Democratic Republic of Congo and Sudan. The impact of environmental degradation affects middle income and low income countries alike. Malaria and AIDS continue to kill, floods continue to ravage, and cyclones occur ever-more routinely. The income poor are also the energy poor and the opportunity poor, and often the most insecure. The argument for an enhanced capacity development response – the ability to manage affairs of the State better – has never been more compelling. And this is not to detract from the broader realm of national capacities that must continue to be strengthened, including those of civil society and the private sector. The capacities of the state as an enabler and facilitator of non state capacities, to ensure that civil society, the private sector and international development partners contribute to the country's development agenda is a key part of this equation.

A new set of challenges have arisen that lie at the intersect of the fact that most human and natural processes now play out in an increasingly interconnected and co-dependent world. Climate change belongs to none in the mainstream, yet to all at the margin. The oil shock has revealed a world cripplingly dependant on a finite natural resource. Rising food prices have hit hard both Begum Rokeya in Bangladesh and Fulufelo Netsewera in Kenya. The rise in food prices alone threaten to reverse all of the gains in reducing poverty by pushing higher the poverty line to anywhere between \$ 5 to \$ 7 a day.

And development continues to flounder. The Millennium Development Goals look more and more like goals too far. The UN, charged in so many countries with security, peace-keeping and development, continues to face a challenge of credibility in the face of these overwhelming odds. So, should there be a rethinking of HOW development is done? A time, then, for pause, reflection, and chalking the way



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forward. A time to convene a marketplace of new ideas, examine evidence of what has worked, and test the boundaries of what we know and how we support national capacity development in public management, respond to evolving challenges and make effective development delivery.

From SMART and Capable States to SMART and Capable Societies: getting the basics right and 'building back better'

Capacity Development has long been seen by its practitioner as the HOW of development. Capacity development, in its widely accepted interpretation, can strengthen the state by improving the domains of institutions and their arrangements; of leadership and of people management; of knowledge and of information systems; and of voice and accountability. These then need to be complemented by fully functioning and effective national systems; capacities to deliver basic services; and capacities to manage development resources effectively. The core cross-cutting capacities to dialogue and negotiate, to plan and design, to manage and implement, to monitor and evaluate - how do these compendia of doing the basics right - link to the innovative and expanded responses needed in match the world's complex development realities?

Two issues have continued to resurface time and again in the effort to bring the discussion on capacity development to the mainstream. Capacity development enjoys little political commitment in too many countries. Put differently, there is strong evidence to suggest that where the highest levels of political decision makers have taken a long-term, capacity development-oriented stance of their own accord, countries have done well on development results. This has often meant consciously embracing the trade-offs that exist between political expediency and populism on the one hand, and steadily investing in capacities on the other – the latter often coming with little near-term political dividend. The second issue is that when external actors invest in capacity development, it is frequently without reference to, and an adequate mapping of, existing base capacities. The proverbial wheel has been reinvented far too often. In combination, the expedient often crowds out the important.

The 'levers of capacity change' have been studied and captured, by UNDP, in four areas: **leadership, institutional arrangements, knowledge, and accountability mechanisms**. The evidence denotes that a shift in focus from ad hoc scatter of training type actions, to a systematic development of capacity - is clearly the starting point in a shift of mindsets and garnering political commitment. The dialogue on the 'How' should look widely at existing and emerging good practice and assess the evidence thoughtfully. It should share and receive feedback. It should convene many to the market place for shared ideas and shared actions. The daring to revisit the 'HOW' is an audacious venture. But now, more than ever before, it needs to be undertaken.



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The role of inclusive multilateralism in reinforcing transformation

The United Nations Development Programme (UNDP) and the United Nations (UN) development system have six years to make a contribution to developing countries in their drive to achieve the MDGs. The demand for capacity development is being expressed clearly and insistently through the Triennial Comprehensive Policy Review (TCPR 2007), Accra Agenda for Action (AAA 2008) and in regular dialogue at country level. To not repeat the mistakes of the technical assistance era, inclusive and impartial platforms are needed that move with, but beyond bilateral action. A focus of the UN and UNDP's capacity development support, over time, has been to reinforce state and civil society capacities to withstand, manage and overcome 'shocks', be those through independence struggles, economic downturns, wars or natural disasters. The theme of this engagement has been to support the SMART and Capable State to support engaged, capable, and resilient societies.

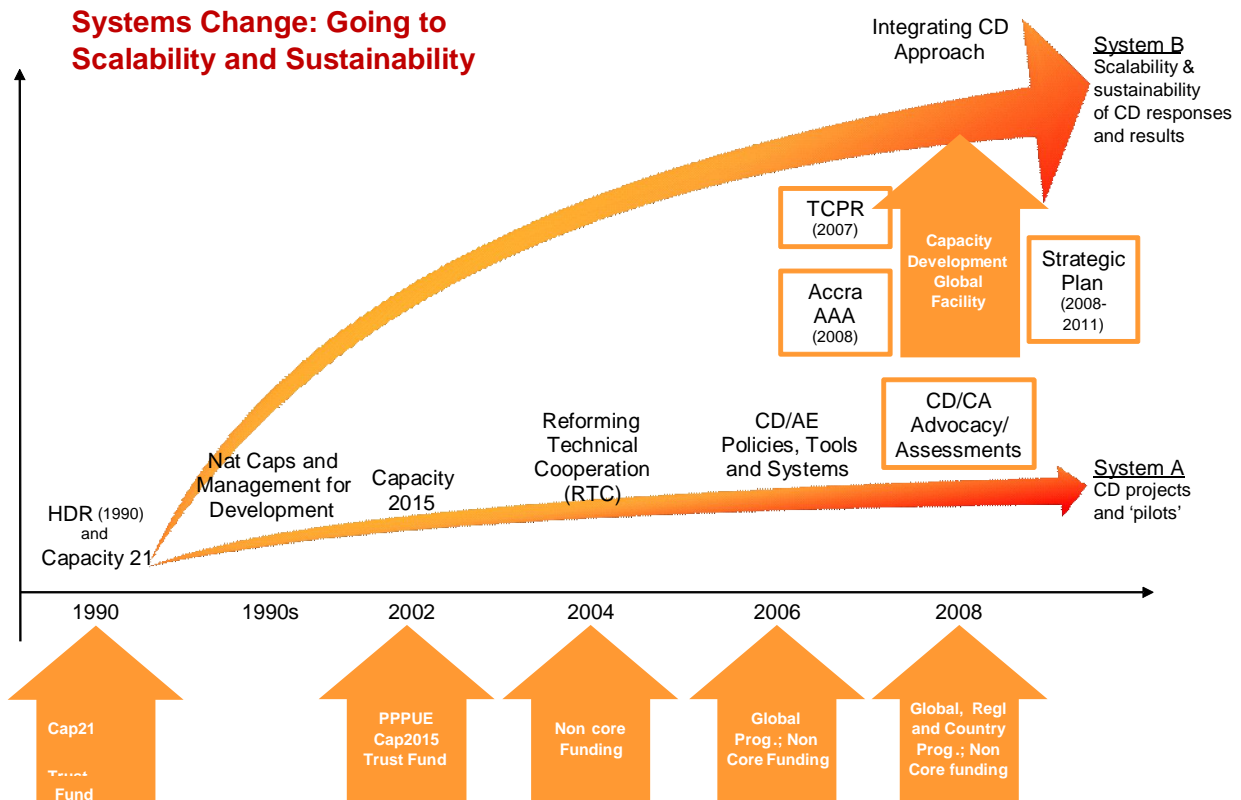
The need for the United Nations system to respond vigorously and predictably to the call for strengthening national capacities is more compelling today than ever. And the UN General Assembly and the Accra High level Forum on Aid Effectiveness articulate this decisive trend. They provide a clear, principled and consistent line on the expectations that member states, both north and south, have of the UN system to deliver on strengthening national capacity development. How does a multilateral platform of action, supported by national interests, bring a value added to this agenda of reinforcing capacity development? How did UNDP and the UN System as a whole participate in the epochal investments, through history, in successful capacity development? It stands to reason that if the UN is to engage as a legitimate actor in the development of successful capacity outcomes in the future, it needs to revisit its own role of the past and examine what if any of its contributions may have influenced, by degrees of tenuous or definitive causality, the successful investments in capacity development that are reaping benefits to those countries today. As also about what mistakes have been made that have regressed capacity.

The Partnership Dimension

The problematique of this challenge is not limited to the responsibilities of the UN or UNDP alone. Capacity development, sustainable state institutions, energetic state-citizen accountability interfaces are the concern of the development community writ large. These include southern development actors, actors in civil society, donors, research and knowledge institutes and networks, and a host of other non-state actors. That is why this initiative will act as a market-place, a convening platform that brings together the diverse actors on to a partnership platform of evidence and actions. Specifically the intention is to work in partnership with other multilateral organizations such as the MDBs and the OECD-DAC, with learning networks such as the Learning Network on Capacity Development (LenCD), Southern institutions of excellence on capacity development, with bilateral partners such as JICA, GTZ the Netherlands and others with whom UNDP has a long-standing partnership and a history of close collaboration on issues of capacity development and aid effectiveness.



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The content framework for 'Capacity is Development'

A hard look at the capacity development practice and its links to effective development results, leads us to the following framing questions for the evidence research, knowledge networking, learning and policy events throughout the campaign:

- What policy and implementation decisions have worked for growing sustainable capacity?
- What capacity development responses work in a world of new or complex challenges – climate change and cyclical disasters, the food and energy crises, the financial crisis, the unemployment and capacity erosion ushered in by epidemics like HIV/AIDS, and in intensifying wars and ongoing conflict?
- How does one invest and re-invest in capacity development through the current and changing development finance architecture? Does the call for a renewed multilateralism work for capacity development?
- Does the reframing and re-emergence of South-South solutions point to an underexplored potent capacity development strategy?
- What have we as the UN system learned through the evolution of concept and practice, policy and programmes? What have others learned, and how best is such shared?
- What do we need to learn more, and how best do we put such into planning and action?



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These broad questions will be framed in three specific contexts:

- ✚ **The middle income capacity question** - role of middle income countries as solution facilitators, suppliers of capacity and requesting agents for own capacity needs to meet emerging roles as donors and collaborators on multilateralism and regional and global platforms. The pointers exist in the development lexicon. Countries across the globe have made policy choices and put in investments in capacity development that have paid off, or are in the process of paying off. India's investments in tertiary education, Botswana's sustained commitment to leadership and public management capacity, Malaysia's investments in a rapid upgrading of the civil service, China's investments in strengthening capacities for production at the township and village level, Chile's and South Africa's policies in tapping Diaspora energy as a powerful driver of change within the country, Philippines' investments in local NGOs and community capacities to hold local government to account, and so on, are seminal - if sometimes under-celebrated – demonstrations of nationally and locally led action that set up sustainable capacities . It is possible therefore, to create a body of knowledge that informs what has worked in capacity development. This is a call for current capture and codification, followed by translation into better policies and programmes on the workings of the HOW. Even better, there are resources and people in the MICs who know about the HOW, from their own experiences; MICs therefore can offer much – both among themselves as well as to other developing countries.

- ✚ **The sub national capacity conundrum** – We have said above that at times of profound challenges to existing paradigms, what works is often an approach of investing back in the basics and doing them right. This is all the more true for sub-national development and MDG achievement where human development is truly tested and must be delivered. Yet, inevitably, capacities are weakest at this level. The drive is to find local-to-local solutions for basic capacity needs and prime utilization and sharing of capacity assets. The story of the efforts at accession of a number of countries to the European Union and the focus on functional capacities at local level to manage, plan and deliver as per agreed standards, across countries, is a telling one. Would the same principles apply for the MDGs and climate action?

- ✚ **Capacity destruction, substitution and under-utilization** - what are those threats to building and retaining and nurturing capacities....evidence of the 'must not do's' that have left equally lasting lessons to be reaped and learned from. Given highly contextual situations and local specificity, we know we cannot look for 'fit' when there is no one size that fits all. So what is 'good enough' and what informs those norms and standards, if any? At minimum, what are those 'do no harm' principles that have underpinned capacity development?



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Elements of the 'Capacity is Development' continuum

We have stated above the call to convene to a global marketplace of ideas. This is however, more than a call to an event. It is a call to systematically review, capture and discuss some of the lessons of the past and look on to the future. It is about a series of learning initiatives, a convening of communities of practitioners, and discussions with diverse constituencies. This is then brought together at a seminal global event. The global event is followed by the establishment of a Global Capacity Development Facility that takes some of the key emerging ideas forward at the country and regional levels.

It is expected that this global market place for ideas and actions, around what has worked for capacity development in the above contexts, will be a combination of the following kinds of activities:

- a) *Applied research and analysis* – to cast a keen eye on the policy and investment choices made over time, the institutional and leadership dimensions that helped or hindered, a stocktaking that motivates forward planning on capacity development, and the UN role in supporting this process.
- b) *Multimedia advocacy* – to provide a diverse dialogue and interaction space that uses event moments, posters, video, knowledge fairs, social networking sites, public website and work spaces, interviews and more to capture the imagination and the voices of people engaged deeply, or still to be engaged, in supporting the capacities of their organizations, communities and countries.
- c) *Learning seminars and knowledge fairs*: a series of country, regional and global consultations and dialogue sessions, around specific themes, that build upon each other and contribute to the thinking and collective ideas, opinions and lessons to share and take forward. Examples are the CD learning week and Ministerial event with ESCAP and SNV in Asia; UNDP and UNDG consultations on use of national systems; Regional CD Communities of Practice meetings in Africa and ECIS; Philippines President's Awards for Local Capacity Innovations; OCHA/CADRI/UNDP workshops on capacity for disaster risk reduction; CD for Climate Change workshop with UNFCCC; Implementation of the Accra Agenda for Action initiative with ADB, WBI, JICA and others; LenCD, UNDP and WBI CD Learning Initiatives in Africa and Asia; and so on. Such "moments and markets" information will be regularly updated on the web site.
- d) *Partnership opportunities* – this is an agenda for all interested in and contributing to human development. The space is defined, therefore, by partnerships – through the sharing of ideas and joint knowledge products, joint funding of programmes and expertise, teamed facilitation of events, co-hosting of workshops and learning spaces, institutional twinning arrangements, public access to data and information, and so on.
- e) *A convening Global Event* - a culmination at year end, of all that has gone before, through a global event. Participation (approx 150 +), with Ministerial level keynotes and special sessions from north



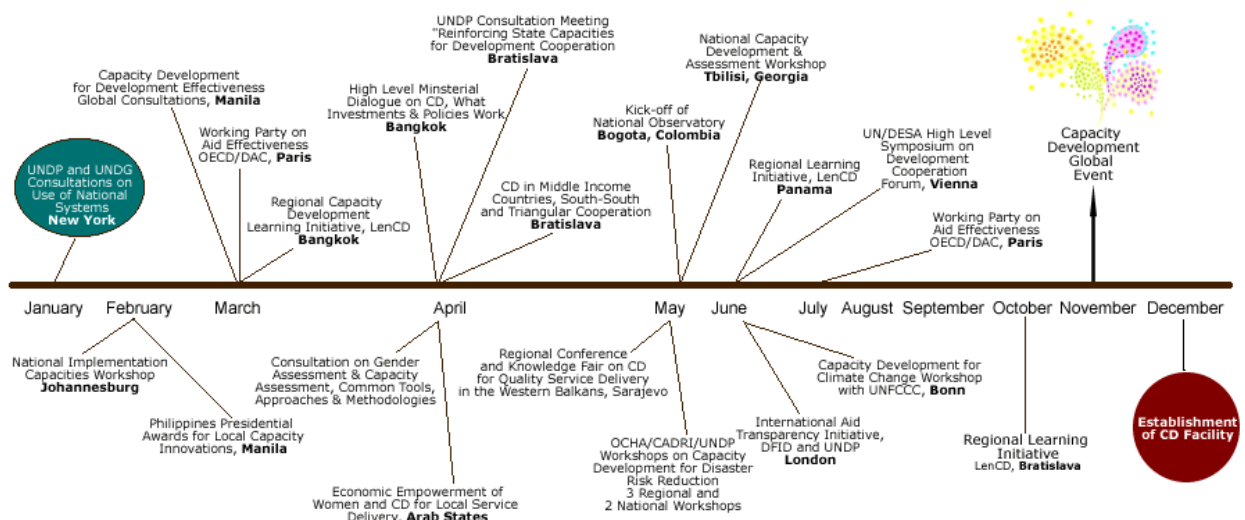
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and south; developing country technical level representation; bilateral donor organization and IFI representation; regional and national policy institutions, independent experts and capacity development practice organizations; private sector and CSO representation; UNDP global, regional and country office representation etc.

- f) *A Global Capacity Development Facility* – It is useful to seed interest and convene a dialogue and exchange of thoughts and experiences. There is however a commitment to do more than that. As a follow up mechanism to pursue the ideas and lessons emerging, a Global Capacity Development Facility will be set up to serve as a resource to ensure capacity development innovations are seeded; serve as a resource pool and a center of excellence for capacity development know how and know who; to serve as a provider of policy advisory and technical support to partner countries on demand; to serve as a growing repository of evidence for researched knowledge of what works for capacity development; and to provide a helpdesk and solutions’ platform for all to access and contribute to. *(Please refer to the companion document on the Global Capacity Development Facility.)*

A Calendar of Events, a dynamic process

A snapshot of the milestones in the campaign from dialogue and learning ‘moments’, to convening event and to follow-up, is captured below. *(Please refer to www.lencd.org for a composite global listing of events relating to capacity development)*





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