

FAST FACTS

United Nations
Development Programme



Capacity Development and UNDP

The task of cutting world poverty in half is not happening fast enough, even as the deadline for reaching the Millennium Development Goals approaches. Development delivery has stalled and least developed and middle income countries alike cite limited capacity as a major reason why.

Even those countries with well-designed and funded poverty reduction plans point to in-country leadership and knowledge gaps, a shortage of technical and managerial know-how and difficulties retaining talented staff in an environment with few incentives. Another recurring challenge is insufficient capacity to implement the laws, regulations and policies necessary to put development strategies into action.



Women in rural Senegal attend literacy classes, UN Photo/Evan Schneider

The problem is being compounded by external shocks including the food crisis, climate change and the global economic crisis. Nurturing and strengthening the capacity of developing nations to plan long-term but also act immediately in times of crisis is essential to reduce poverty and withstand global shocks. Without fundamental investment in the capacity to negotiate, plan, manage and deliver, nations lack the foundations on which to transform for a better future. Filling those gaps -- developing that

capacity -- is the 'how' of making development work.

UNDP's response

As a trusted multilateral partner serving 166 countries around the world, UNDP has the global scope and presence to help nations enhance their capacity to reach their development goals.

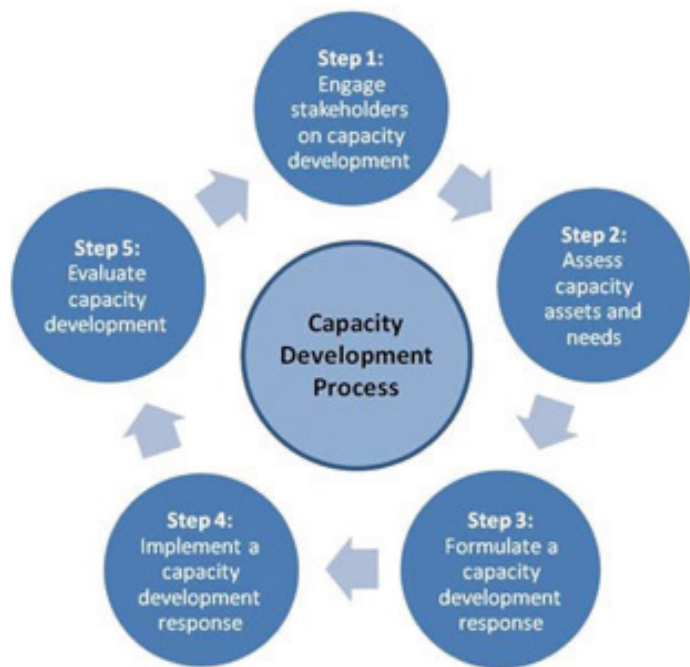
As state institutions in Afghanistan and Mozambique consider how to operate more effectively, as local governments in Indonesia and Serbia invest in better technical and managerial capacity to deliver on development and as civil services in Tanzania and Bangladesh seek to incentivize their staff, UNDP is called on for advice and support.

Driven by the priorities of and requests from the country in question, UNDP works through a five-step capacity development process (illustrated overleaf) to help analyze what capacity exists and what can be improved upon and to advise on policy and investment choices that protect, retain and grow national capacity.

Levers of change

UNDP has identified four 'levers of capacity change' around which its systematic, five-step approach is built:

1. **Institutional arrangements**, including better business processes, human resource management practices, evaluation mechanisms and monetary and non-monetary incentive mechanisms;
2. **Leadership**, including leadership skills development, coaching and mentoring programmes and strategies to manage risks, transitions and succession planning;
3. **Knowledge**, including education reforms, training and learning methodologies, 'brain gain' strategies, peer learning networks and sharing technical solutions between developing countries -- or 'south-south' solutions;
4. **Accountability**, including institutional accountability systems, independent monitoring and evaluation mechanisms and citizens' participation and access to information.



UNDP's five-step approach to capacity development

UNDP designs, tracks and evaluates capacity development programmes for these four levers across the organization's focus areas of democratic governance, environment and energy, crisis prevention and recovery and poverty reduction. Our overall aims are to:

- Strengthen countries' ability to conduct their own capacity assessments, formulate and implement capacity development interventions and evaluate results;
- Improve national capacity to manage and coordinate aid and other development finance to reach the MDGs;
- Increase the number of countries that have integrated capacity development strategies into their national and local development plans;
- Leverage cross-country solutions on what has worked to managing capacity shocks in times of economic and environmental crisis and moving to longer-term human development;
- Support 'national capacity development facilities' -- funding mechanisms that help provide short-term training, coaching and incentives while investing in long-term reforms.

Capacity development in action

Liberia, Rwanda, Sierra Leone and Ethiopia are among the African countries investing in **national capacity development to underpin their long-term development goals**. For example, UNDP supported the Government of **Liberia** in creating a national capacity development strategy based in the country's Poverty Reduction Strategy. It looks at

how key entities such as ministries are able to define and fulfill their mandates and how their human resource strategies manage and support talented staff.

UNDP is also working with countries to ensure that development aid is used effectively, based on the principles of **national ownership, harmonization and managing for results and mutual accountability**. For example, the Government of **Tanzania** invited UNDP to partner with Development Gateway Foundation to introduce an online aid information management system. This system now tracks official development assistance and links it to MDG-related results, enhancing national capacity to track and oversee aid flows while building systemic transparency and accountability.

UNDP helps to develop the **capacities of non-state actors to be more effective in delivering services** like clean water and electricity to local communities. In **Namibia**, UNDP helped the Government to develop guidelines on how local governments and the private sector could share responsibilities in delivering municipal public services. UNDP helped the government to identify the capacity gaps and to reframe the roles, rights, responsibilities and incentives of all actors involved in a public-private partnership, laying the foundations for better services for the communities involved.

Capacity development is built on and sustained by partnerships. UNDP drives a common UN approach to capacity development and works in concert with other multilateral, regional and bilateral actors. For example, in partnership with the Danish Development Corporation (Danida), UNDP created the UN Procurement Capacity Development Centre to share knowledge on public procurement systems and policies for countries including **Ethiopia, Jordan, Papua New Guinea and Sierra Leone**, promoting transparency in the use of public resources. Other partners with whom UNDP works closely include the New Partnership for Africa's Development (NEPAD), the Asian Institute of Technology, the Council of Europe and the Arab League of States.

For more information visit:

www.undp.org/capacity

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