

FAST FACTS

United Nations
Development Programme



Capacity Development

The task of cutting world poverty in half is not happening fast enough. As the deadline for reaching the Millennium Development Goals (MDGs) approaches, the delivery of poverty reduction plans has stalled in too many countries, often due to limited capacity to address poverty effectively.

Among countries with well-designed and funded poverty reduction plans, the ability to reduce poverty is still being hindered by 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. A recurring challenge is insufficient capacity to implement the laws, regulations and policies necessary to put development strategies into action. These problems are being compounded by external shocks including the food crisis, climate change and the global economic crisis.



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

Nurturing and strengthening the capacity of developing nations to plan long-term, as well as acting swiftly in crises, are essential to reduce poverty and withstand global shocks. Without investing in the capacity to negotiate, plan, manage and deliver, nations lack the foundation they need to develop. Filling those gaps – developing that capacity – is the “how” of making poverty reduction and development work.

UNDP's response

As a trusted multilateral partner serving 166 countries around the world, UNDP uses its global presence and experience to help nations strengthen their institutions.

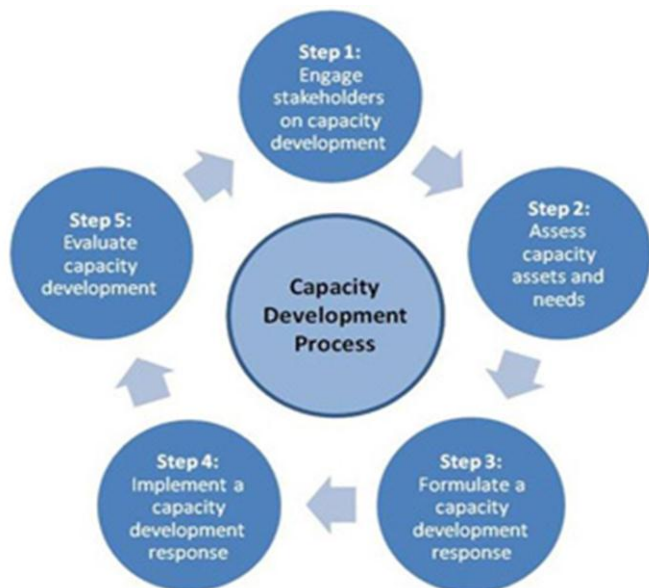
As state institutions in Afghanistan and Mozambique consider how to operate more effectively, as local governments in Indonesia and Serbia invest in better managerial capacity, and as civil services in Tanzania and Bangladesh seek to motivate their staff, UNDP is called on for advice and support.

UNDP researches, develops, champions and provides evidence-based capacity development approaches, methodologies and innovations. Customizing its advice and support based on the priorities of and requests from partner countries, UNDP works through a systematic capacity development process (illustrated overleaf) to help analyze what capacity exists, pin-point what can be strengthened, and advise on policy and investment choices that protect, retain and grow national capacity.

Levers of change

UNDP focuses on four “levers of capacity change”, proven to strengthen national institutions:

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 and sharing technical solutions between countries - or “south-south” solutions; and
4. **Accountability** - including accountability systems, independent monitoring and evaluation mechanisms and citizens’ participation and access to information.



UNDP's five-step approach to capacity development

UNDP designs, monitors and evaluates capacity development investments in the areas of democratic governance, environment and energy, crisis prevention and recovery, and poverty reduction.

Our overall aims are to:

- Strengthen countries' ability to conduct 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; and
- Support 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 long-term development**. For example, UNDP supported the Liberian Government to create a national capacity development strategy based on 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, alignment, 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, thereby enhancing national capacity to track and oversee aid flows and promote transparency and accountability.

UNDP helps to develop the **capacities of non-state entities 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 involved in a public-private partnership.

Capacity development is built on and sustained by partnerships. UNDP drives a common UN approach to capacity development and works with other multilateral, regional and bilateral agencies. For example, in partnership with the Danish Development Corporation, UNDP created the UN Procurement Capacity Development Centre to share public procurement expertise and foster transparency for **Ethiopia, Jordan, Papua New Guinea and Sierra Leone**. Other partners with whom UNDP works include the New Partnership for Africa's Development, the Asian Institute of Technology, the Council of Europe and Arab League of States.

For more information visit:

www.undp.org/capacity

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Resilient nations.*

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