

Capacity Development in Europe and the Commonwealth of Independent States

2009



Capacity Development Practice
United Nations Development Programme
Regional Bureau for Europe and CIS

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The Capacity Development Practice
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Foreword

Dear colleagues,

The second year for the Capacity Development Practice has seen our community of practice grow from approximately fifty members to over 100. Our relationships and partnerships are also growing – with Country Offices, UN Country Teams, national partners, those working in other practice areas, and external development partners. Past training on capacity development and capacity assessments as well as our growing joint body of work is paying off, and we are seeing some trends across the region. Requests are moving towards more targeted training on matters such as programming for capacity development, revising programme frameworks, and helping conceive entirely new institutional transformation approaches that lead to systemic change for better human development. This accompanies efforts of many Country Offices to fully integrate the capacity development approach into their programme portfolios, as in the case of Montenegro, the Former Yugoslav Republic of Macedonia, Georgia as well as several Country Offices in Central Asia, where capacity development has come centre stage in the last year. More and more, UNDP initiatives across the region integrate the capacity development approach in support of nationally owned and sustainable development.

Government requests have constituted a mix of short-term measures to upgrade the skills of civil servants, provide monetary and non-monetary incentives, and infuse policy advice and technical know-how, and long-term strategic interventions supporting state reform and social transformation.

Generally, requests for direct support are related to capacity assessments, but there is a move towards formulating and implementing capacity development responses, as in the case of Georgia and Macedonia, as well as measuring change in capacity which is a priority for many Country Offices. The change management process underpins the capacity development cycle, and we are using our increased understanding of the key factors that must strengthen countries' resilience to effectively manage public affairs, do so consistently and adjust and adapt better to shocks over time to further support nationally owned and prioritized development strategies and policy choices.

We have much to learn from each other, and the Practice has partnered with all 22 RBEC Country Offices and national partners to document work at the country level, not only to help create a common vision of capacity development and its relevance, but to also share experiences in the region with each other and those working on similar initiatives around the world. Communicating practical examples and results of capacity development at the country level is a priority and we will continue in this direction. In an effort to leverage the wealth of knowledge within UNDP on capacity development in specific areas, the coming year will also see members of our community of practice joining capacity development missions as experts and advisors.



Podgorica, Montenegro

Capacity development is a cross-practice issue, and the Capacity Development Practice is a cross-practice team that integrates the capacity development approach into UNDP's policy and programme work, and provides capacity development services to our country clients through Country Offices.

As we all know, the capacity development approach only becomes relevant when it is applied to substantive work. In addition to working with Country Office staff across all thematic areas, we have also partnered with our regional Practice teams on 13 joint initiatives, working with our colleagues in: the Democratic Governance Practice in Tajikistan; the human rights and justice team in Moldova; the anti-corruption team in Kosovo; the HIV/AIDS Practice on local capacities to respond to the epidemic in the region; the Environment and Energy Practice on Green Jobs; the Crisis Prevention and Recovery Practice in Armenia and on improving national systems and institutions in transition and post conflict countries; aid effectiveness and emerging donors teams in the Russian Federation and Turkey; and the Poverty Practice in Turkmenistan and on the upcoming regional human development report on social inclusion.

The Capacity Development team, in partnership with Country Offices, other Practices and development partners, has continued to support underlying long-term reforms that are fundamental to systemic change for better human development. In particular, we have contributed to:

- Local authorities who are able to plan strategically, to budget and to coordinate inter municipal activities; and to implement, monitor and evaluate municipal plans;
- National partners and systems that are now stronger in the areas of procurement, financial management, human resources, programme and project management and monitoring and evaluation;
- New development partners who have established their growing development cooperation agendas;
- National and sub-national authorities who are accessing and absorbing Instrument for Pre-Accession Assistance (IPA) funding;
- Central and local level partners who are proposing and implementing projects that address geographic disparities; and
- National partners who are able to link national policies with local implementation.

Developing national capacities which include the capacity of state and non-state actors for managing public affairs is one of the most effective ways of fostering human development. At times of profound challenge such as the global and complex crisis which has hit our region the hardest, the argument for an effective state and reinforced and enhanced state capacity to respond and react to the crisis has never been more compelling. Strengthening state capacity is part and parcel of the solution to this global crisis. The financial crisis has led to some adjustments, but while the social consequences of the crisis are appreciated by some, the capacities to respond are limited.

The following report provides an overview of the results achieved in support of institutional reforms; capacity development services provided, lessons learned for 2009 as well as priorities for 2010.

The Capacity Development team thanks you for your valuable contributions throughout the year and also congratulates you for your hard work. We look forward to next year to continue efforts already underway and to the new partnerships and initiatives still to come.

Sincerely,

Dafina Gercheva



Capacity Development Practice Leader
UNDP Bratislava Regional Centre, RBEC

Overview of the region – Europe and the CIS

Countries across the region share many of the common influences of 20 years of transition to democracy and a market economy: changing political and economic systems and a move to privatizing public resources; decentralization; and formation of new states from the dissolution of Czechoslovakia, the Soviet Union and Yugoslavia – and this involving conflict for roughly half of the countries in the region.

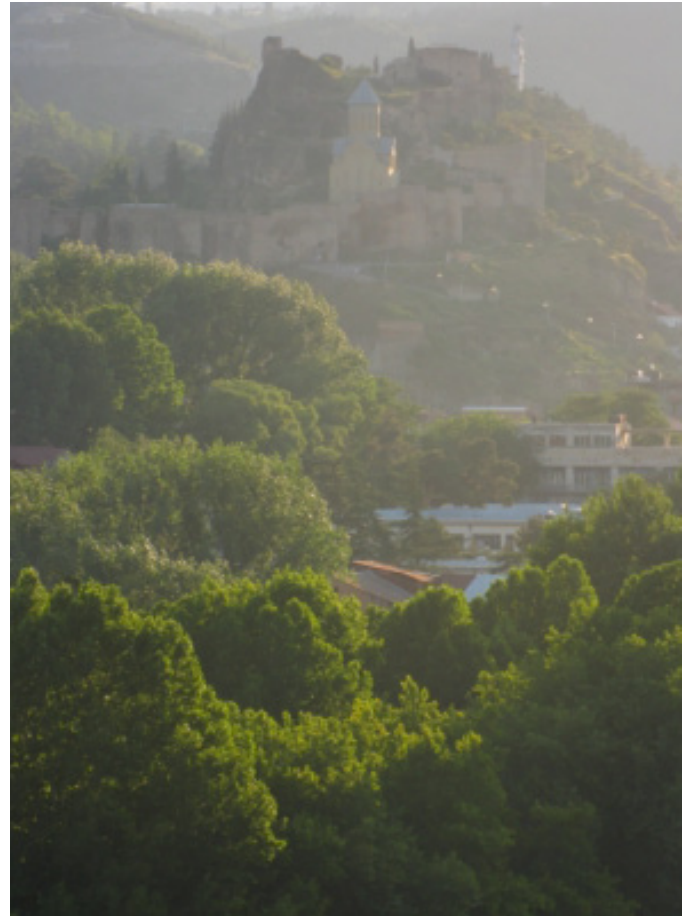
Most are middle income countries – only Kyrgyzstan, Tajikistan and Uzbekistan are classified as low income countries. Nevertheless, human development challenges are substantial and vary widely by sub-region, and all transition countries in the region suffered a deep recession in the 1990s. Some recovered quickly and joined the European Union, and have since made substantial gains in prosperity. For many others, recovery has taken much longer, and any gains are being reversed, or are at risk of being reversed, by the impact of the global economic crisis. The crisis has highlighted the extent to which the various countries have evolved in different directions and now face different challenges.

Poverty and marginalization remain concentrated in geographic and ethnic groups; there is growing inequality between rich and poor, and among regions; large numbers of vulnerable households rely on remittances, rather than social protection, to make ends meet. In many of these countries, the quality of education has deteriorated which, together with the brain drain, may be wearing down human capital.

Across the region, there is a need to develop institutional capacities to develop long term strategies and make the right policy choices and investment decisions and to successfully transform public institutions for better human development.

Opportunities include developing capacities for investing in energy efficiency and renewable energies, and working with public and private sector companies to identify, implement and capitalize on greenhouse gas emission reduction projects. Across the region, countries are working to address public sector institutional capacity needs at both the national and local level in order to improve the quality of public services and to ensure human development. This need is more pronounced at the local level. The need for resilient institutions is more compelling than ever as countries face complex and multiple challenges such as climate change, and economic and food crises. Strong and capable national institutions can protect societies and economies from global shocks.

UNDP is working with national and local governments and citizens to develop capacities that support national priorities, with a strategic and country-led approach to ensure sustainability, while also advocating for inclusive citizenship, human rights, accountability and transparency.



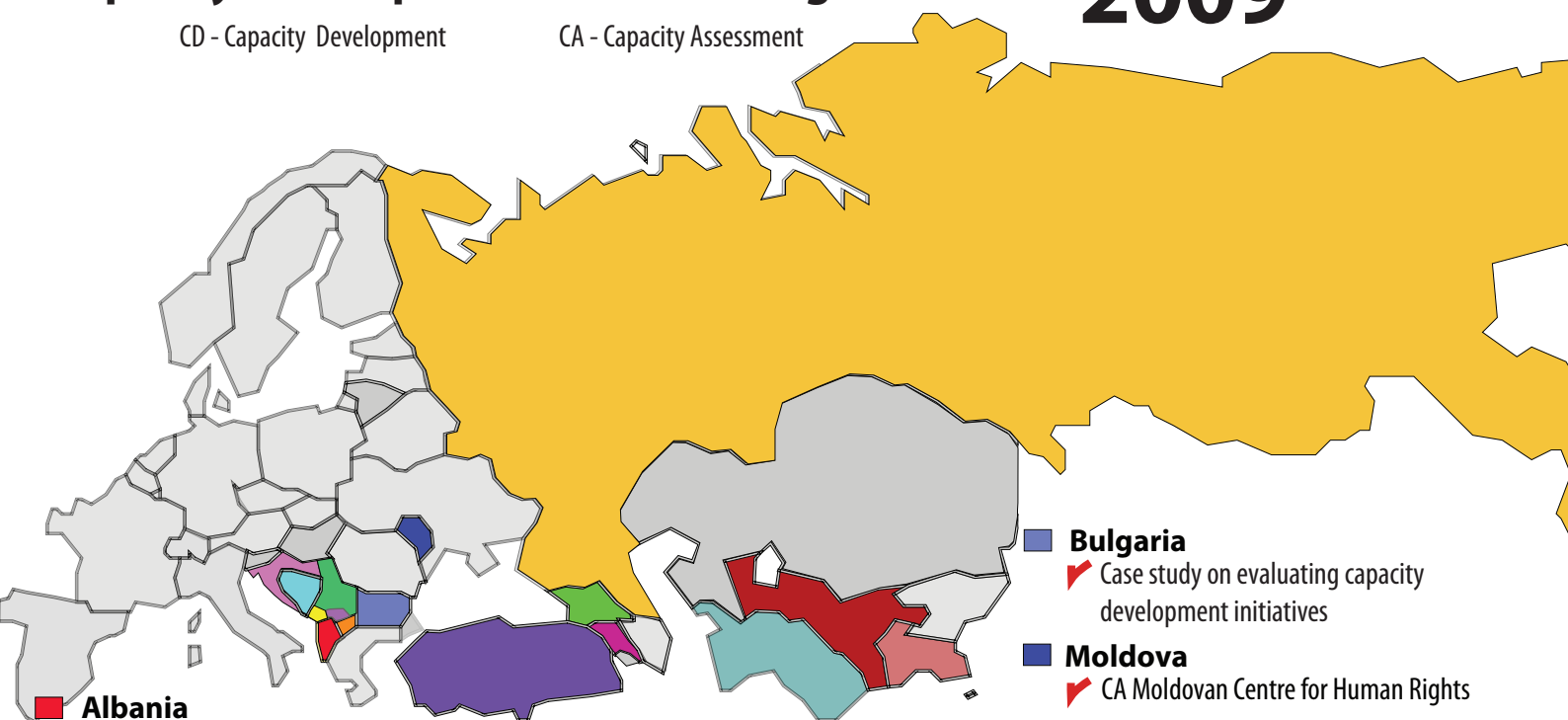
Tbilisi, Georgia

Capacity Development Practice at a glance

2009

CD - Capacity Development

CA - Capacity Assessment



Albania

- ✓ CA of municipal institutions for local service delivery
- ✓ Training - assisting national and sub national government counterparts to access CD/CA
- ✓ Regional training for Instrument for Pre Accession Assistance (IPA) funding

Bosnia and Herzegovina

- ✓ CAs of municipal institutions for local service delivery

Croatia

- ✓ CA of municipal institutions for local service delivery
- ✓ Hosted and participated in: Western Balkans local service delivery workshop, CD community of practice meeting and regional IPA training

Kosovo UN Administered Territory under UNSC 1244

- ✓ CA of municipal institutions for local service delivery
- ✓ CA of Ministry of Trade and Industry
- ✓ CA anti corruption institution
- ✓ 3SD (security sector) project support, and Kosovo Returns project support
- ✓ High level support to Provisional Institutions of Self Government for CD response
- ✓ Regional training for IPA funding

The former Yugoslav Republic of Macedonia

- ✓ UNDAF review
- ✓ CA of municipal institutions for local service delivery
- ✓ CA of Bureau for Regional Development
- ✓ Communication strategy for the Bureau for Regional Development (CD response)
- ✓ CA Equal Opportunity Commission
- ✓ CD/CA training for IPA absorption, regional IPA training

Montenegro

- ✓ CA of municipal institutions for local service delivery
- ✓ CD programme support for country office
- ✓ CA Ministry of Foreign Affairs
- ✓ CA Ministry of Justice

Serbia

- ✓ UNDAF review
- ✓ CA of municipal institutions for local service delivery
- ✓ Regional training for IPA funding
- ✓ Knowledge sharing on CD for judicial education

Bulgaria

- ✓ Case study on evaluating capacity development initiatives

Moldova

- ✓ CA Moldovan Centre for Human Rights

Belarus

- ✓ UNDAF review

Russian Federation

- ✓ ODA management workshop for *Rosstrudnichestvo* and Ministry of Finance

Tajikistan

- ✓ Programme support: CD for good governance

Uzbekistan

- ✓ UNDAF review
- ✓ CD/CA training for UNDP and UNICEF
- ✓ CA of sub national authorities for service delivery

Turkmenistan

- ✓ CA Institute for Strategic Planning and Economic Development

Azerbaijan

- ✓ CCA/UNDAF review
- ✓ Programme support

Armenia

- ✓ CA - crisis prevention and recovery
- ✓ Programme support

Georgia

- ✓ UNDAF Review
- ✓ Training on CD programming
- ✓ Training on adaptation of CA methodology
- ✓ Methodology for Quick Capacity Assessments
- ✓ Programme and project support
- ✓ CD response strategy support

Turkey

- ✓ Training on aid effectiveness for UNCT
- ✓ Training on CD programming for UNDP
- ✓ CA Turkish Development Cooperation (TIKA)

Strengthening the capacities of UNDP Country Offices and UN Country Teams

Training and direct support for capacity development and assessments has led to accelerated application of the capacity development approach throughout programmes and projects, with Country Offices initiating and leading capacity development efforts. This in turn has led to increased ability of national partners to articulate long term, strategic solutions and requests for support. Simply put, capacity development is going to scale through investments made in Country Offices, and through their considerable efforts and innovative work.

This year, nine Country Offices in the region have carried out 12 capacity assessments, with support from the Capacity Development Practice – of the Ministry of Foreign Affairs, the Judiciary and municipalities in Montenegro; the Ministry of Local Governance and the Ministry of Trade in the UN administered territory of Kosovo under UNSC 1244¹; municipalities in Bosnia and Herzegovina; the Equal Opportunity Commission as well as the Bureau for Regional Development in the Former Yugoslav Republic of Macedonia²; municipalities in Uzbekistan; the Turkish Development Cooperation (TIKA); the Institute for Strategic Planning and Economic Development in Turkmenistan; and the Moldovan Centre for Human Rights. The Capacity Development Practice is assisting with quality assurance criteria throughout each stage of capacity assessments and with tools to gauge client satisfaction on services provided.

Capacity development initiatives are starting to move beyond capacity assessments, as partners have begun to formulate capacity development responses and some are also implementing responses, as in the case of municipalities in Georgia and the Bureau for Regional Development in Macedonia.

Assistance is also going towards reviewing of methodologies, matching specific expertise from within the capacity development community of practice to the needs of Country Offices and integrating the capacity development approach into programmes and projects. In fact, Country Offices are in the midst of undergoing profound transformation, fully integrating the capacity development approach into their programme portfolios. Requests for capacity development training are also becoming more targeted and specific.

1 Hereinafter referred to as Kosovo

2 Hereinafter referred to as Macedonia

- **Montenegro** is the first ever “CD CO” in the region: All programmes and projects have a substantive capacity development focus and new projects are based on a capacity assessment. Furthermore, the staff has completed online training courses on capacity development and capacity assessment. The Country Office has utilized capacity development to establish its value-add vis-à-vis donors and the Government, to further position UNDP as the “go to” agency for institutional transformation and to mobilize resources for programming.
- Support has gone to UNDP **Tajikistan** as they restructure their governance portfolio to position capacity development as the central pillar of all interventions and thus ensure systemic, coherent and coordinated support to state reforms. The Capacity Development Practice teamed up with UNDP Tajikistan and the [Democratic Governance Practice](#) to develop a capacity development strategy for good governance. The strategy is being incorporated into the new country programme action plan (CPAP) for Tajikistan (2010 – 2015) to support the central level governance reform agenda. The strategy proposes to address key human resources constraints in the civil service through proposed initiatives such as: a capacity development facility (*short term*) with a significant anti corruption focus through business process reengineering and simplified administration; a (*medium term*) brain gain initiative that maps key groups of the Tajik diaspora and then develops the mechanisms to facilitate their return in key areas of the state; and a (*long term*) tertiary education programme that provides state-subsidized education for students on the condition that they serve within the state administration when they have completed their studies.
- In **Georgia**, training with programme staff was carried out and covered the capacity development framework and integration of capacity development into programming. A one day training workshop was held for project staff on the adaptation and application of the capacity assessment methodology. The Georgia Country Office is integrating the capacity development approach into their programme portfolio, building on practical experience with a Capacity Development Fund as well as the Kvemo Kartli project, which has advanced to

the stage of direct beneficiaries implementing their regional capacity development response strategy.

- Twenty three participants from seven UNDP Country Offices in the official and potential candidate countries for European Union membership (**Turkey, Croatia, Macedonia, Albania, Montenegro, Serbia and Kosovo**) attended a two day training event hosted by UNDP Croatia, aimed to strengthen the knowledge and skills necessary to assist national and sub national government counterparts to develop sound projects under the Instrument for Pre Accession Assistance (IPA).

The Capacity Development Practice also supported UN Country Teams during Common Country Analysis (CCA) and United Nations Development Assistance Framework (UNDAF) formulation in: **Uzbekistan, Azerbaijan, Georgia, Belarus, Serbia and Macedonia**, bringing the total to **13** countries in the region that have integrated capacity development into their country programmes.

Assistance included ensuring that capacity development is reflected as per guidelines, providing recommendations on how to integrate capacity development in the CCA analysis, as well as illustrating how capacity development can be a common platform for many UN agency priorities such as the human rights based approach, gender mainstreaming or environmental sustainability.

Training was also provided for UNICEF project staff in **Uzbekistan**, and included an introduction to the capacity development approach, as well as a session on how to design a capacity assessment. (UNICEF and UNDP in Uzbekistan carried out the first ever comprehensive capacity assessment of sub-national authorities' service delivery capacity in Uzbekistan.)

Training on aid effectiveness was also provided for the UN Country Team in **Turkey** and another on capacity development for UNDP Programme and project staff.

Increased capacities of Country Offices and UN Country Teams means that more and more UN and UNDP initiatives across the region integrate the capacity development approach, which supports nationally owned and sustainable development; And increased capacities of national partners leads to countries that can take care of their own development needs and states that are able to deliver quality public services, develop and regulate markets, provide justice and security and promote and protect the rights of all people.

- **16 Country Offices and partners supported remotely (Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Croatia, Macedonia, Georgia, Kosovo, Moldova, Montenegro, the Russian Federation³, Serbia, Tajikistan, Turkey, Uzbekistan)**
- **16 direct country support missions so far this year (Armenia, Kosovo x2, Azerbaijan, Macedonia x3, Uzbekistan, Russia, Turkmenistan, Tajikistan, Turkey x2, Georgia, Montenegro, Moldova)**

3 Hereinafter referred to as Russia



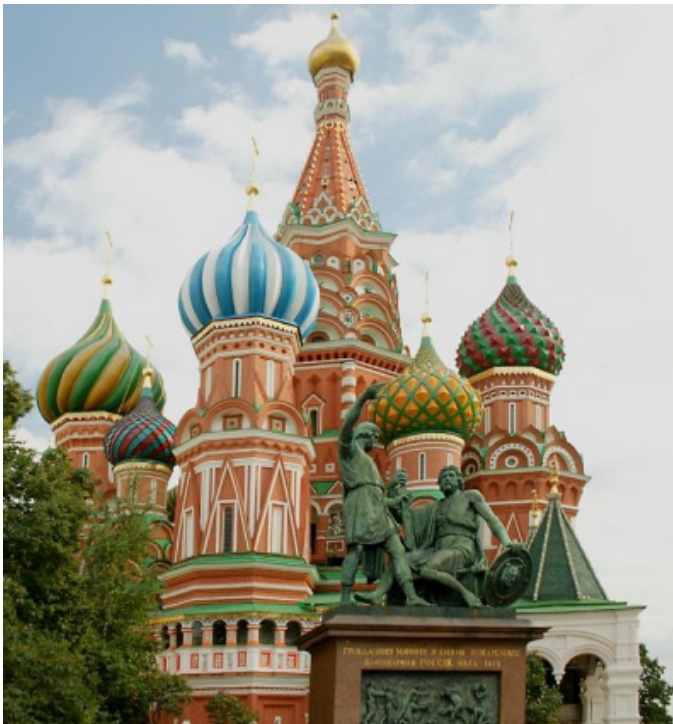
Zagreb, Croatia, capacity development community of practice meeting, October 2009

- This year saw the **second capacity development community of practice meeting**, bringing together UNDP capacity development practitioners from across the region. This's year's meeting focused on the development of institutional capacity of national partners for managing change processes, coordinating development aid, implementing projects and delivering public goods and services. Due to the current economic downturn, and possible decreases in official development assistance, countries are compelled – now more than ever – to make optimal use of limited human and financial resources. By developing capacity for procurement, financial management, human resources, programme and project management and monitoring and evaluation, existing resources can be used with greater efficiency and effectiveness.

Capacity development policy and programme support: Thematic priorities

Capacity development for aid effectiveness and east east exchange

With the ability to bring together potential partners who can share relevant solutions – knowledge, expertise and resources – UNDP builds partnerships that focus on peer-to-peer engagement and capacity development. This includes support to strengthening the capacities of new development partners in their growing development cooperation agendas. The Capacity Development Practice is working closely with UNDP aid effectiveness global and emerging donor regional teams.



In response to **Russia's** growing role as a provider of official development assistance (ODA), representatives from the country's new development cooperation agency, *Rossotrudnichestvo* (within the Ministry of Foreign Affairs), as well as representatives from the Ministry of Finance, participated in a workshop on ODA management organized by UNDP in June 2009. The workshop covered topics such as institutional and legal arrangements and structures for setting up a development agency, ODA budgets and consultative mechanisms. UNDP Russia, in partnership with the Capacity

Development Practice will assist *Rossotrudnichestvo* in its efforts to enhance organizational effectiveness, improve performance and position itself as a powerful and prominent ODA agency. Relevant investments will be made in establishing new institutional arrangements and incentive systems, promoting strategic leadership and commitment, enabling access to knowledge and good practices and facilitating power and relational shifts. The main focus will be on strengthening country ownership and capacity to manage ODA through the articulation of national policy frameworks and action plans, aid management and corresponding tools, capacity development investments, and an exchange of experience with countries undergoing, or having undergone, a similar process.

Similarly, the **Turkish** Development Cooperation (TIKA) is increasing its development aid, delivering \$780 million in development assistance in 2008. While TIKA's main geographical focus remains the Caucuses, Central Asia, the Balkans and the Middle East, it may scale up support to Africa, Latin America and the Caribbean. TIKA is currently in the process of increased decentralization, looking to provide more institutional flexibility particularly in terms of procurement. It will also revise staff rules and incentives. The development agency has teamed up with the Ministry of Foreign Affairs and UNDP, now in the process of undergoing a capacity assessment that will serve as a basis for responses that will strengthen the capacities within TIKA, to make the best use of its resources and experts as it delivers its development assistance.

"TIKA's activities and fields of activity are growing but its organizational structure is not growing in parallel. Accordingly, we wish for an organizational structure that will work more efficiently against the increasing work-load demand. We are also conducting legislative proceedings on the matter. Our main aim is to establish an active and effective organizational structure. ... Our second aim is to create a system that proves our effectiveness through scientific methods."

TIKA President Musa Kulaklıkaya, October 2009

Capacity development for local and regional development and IPA absorption

Capacity development for local service delivery.

Western Balkan countries have been modernizing public institutions, establishing market economies and achieving some human development outcomes. However, challenges remain, particularly with respect to governance, democratization, the rule of law and addressing poverty and social inclusion. In light of these challenges and to aid in the overall European Union accession process – a main driver of ongoing reforms – capacity assessments were carried out in 14 municipalities in Western Balkan countries (**Albania, Bosnia and Herzegovina, Croatia, Macedonia Serbia**) and **Kosovo**. The assessments looked at five areas of local public service delivery – drinking water supply, primary education, basic health care, waste management and sewage. Improvements in the affordability and quality of these basic services can significantly contribute to reducing poverty and social inclusion. Findings from the assessments are helping municipalities to develop and implement responses that will allow them to deliver these vital services to all citizens through improved cooperation and coordination with central level structures and local government associations, as well as through more effective planning, human resources and performance management, and organizational learning.⁴

UNICEF and UNDP in **Uzbekistan** carried out the first ever comprehensive capacity assessment of sub-national (regional and district) authorities for service delivery specifically related to access to water, sanitation, gas and electricity. The assessment was carried out in partnership with local authorities, the Ministry of Economy, the Academy of State and Social Construction, who also received training on the capacity assessment methodology. This builds on a strong relationship with local partners, who, with the support of the UNDP *Enhanced Living Standards* project (financed by the European Union), developed 50 community development plans that have been presented to the central Government and have received allocations from the 2010 national budget.

⁴ As part of a regional project: *Strengthening Decentralized Service Delivery in the Western Balkans - the Path to EU Integration*



Kukes, Albania

“It made it possible for the local population to see the government could support them in their effort. For the Government, it was important because they saw that they could really do something even though it was really difficult. It made them feel that in the context of this very centralized governance, there is space for those who want to do something. In my opinion, that was the best result that we could possibly achieve.”

Laura Rio
Programme Coordinator, UNDP Uzbekistan

The Governor's Office as well as all municipalities in the Kvemo Kartli region in **Georgia** are now implementing several activities from the regional capacity development response strategy. Some of the capacity development activities were included in the municipal planning and budgeting for 2009, and all seven municipalities prepared municipal development plans as part of developing capacities in the area of strategic planning, a need that was identified during capacity assessments. A need for improved and targeted communications was also identified during capacity assessments, and currently municipalities are preparing communication strategies. So, although only after a two year project cycle, activities are leading to increased capacities of local authorities to plan strategically, to budget and to coordinate inter municipal activities. Strengthening capacities for implementing, monitoring and evaluating municipal plans is well underway.

Capacity development for IPA absorption at regional and local levels.

In the **Western Balkans** and **Kosovo**, municipal capacity assessments focused on local service delivery in the context of EU integration, and capacities to absorb Instrument for Pre-Accession Assistance (IPA) funding. The information gathered was also used to update the existing [methodology for assessing local authorities' capacities to absorb IPA funding](#). These countries are now following up with country level responses. For example, UNDP **Macedonia** is scaling up support to capacity development of regional development centres and municipalities to make strategic choices; prioritize projects ideas; prepare project proposals; implement, monitor and evaluate projects; and report back to the European Commission (EC) Delegation. This follows consultations with the Ministry of Local Self-Government, the Ministry of Labour and Social Policy, the Secretariat for European Affairs, as well as two Regional Development Centres (Vardar and North-East) and the Brussels Liaison Office on how to ensure effective absorption of EU pre accession funds.

Capacity development for sustainable and equitable regional development.

A capacity assessment of the Bureau for Regional Development was carried out in **Macedonia**. The Bureau, UNDP Macedonia and the Capacity Development Practice teamed up to assess the capacities of the Bureau and provide forward looking recommendations

to ensure effective performance.

Following up on a recommended capacity development response that came out of the capacity assessment, the Bureau decided to develop a communications strategy, with support from UNDP. The process included Bureau partners at the municipal and regional level, eight ministries whose work is able to positively benefit regional development, as well as civil society and international partners. The communication strategy formalizes regular communications between the partners working in the area of regional development. In this way, the Bureau can provide consistent and easy to access information for Bureau partners on its services related to the regional development process. The Bureau is now better positioned to provide expert support to municipal and regional authorities as they propose and implement projects intended to address regional disparities across the country.

"The Bureau wants to position itself as an independent organization. Capacity strengthening is a priority, including communications – with other ministries and about its services to regional centres, municipalities and local authorities, with the message that: All regions will receive the means and support to plan and implement sustainable, quality projects, in an informed and timely manner."

*Xhemail Elmazi,
Director of the Bureau for Regional Development,
Macedonia*

Capacity development for strategic planning

UNDP has become a key supporter of the national social and economic policy making body in Turkmenistan: Staff from the Institute for Strategic Planning and Economic Development (ISPED) teamed up with UNDP **Turkmenistan** the [Poverty Practice](#) and the Capacity Development Practice to identify the Institute's capacity assets and needs as a research centre responsible for designing socio-economic development strategies for the country.

Capacity development for social inclusion

In partnership with the [Poverty Practice](#), a paper on capacity development and social inclusion in Europe and CIS was developed, illustrating the importance of capacity development in addressing issues related to social inclusion, to feed into the upcoming Regional Human Development Report on Roma and Social Inclusion. The paper provided an innovative look at how the capacities for service delivery can have an impact on achieving social inclusion outcomes.

Capacity development for human rights

In addition, the Capacity Development Practice teamed up with the [Human Rights and Justice](#) team ([Democratic Governance Practice](#)) to carry out a capacity assessment and functional review of the **Moldovan** Centre for Human Rights. This is the second such assessment of a human rights body that the Capacity Development Practice has supported (the other being in Croatia in 2008).

Capacity development for anti-corruption

The Capacity Development Practice worked closely with the [anti corruption team](#) ([Democratic Governance Practice](#)) to develop a [capacity assessment methodology for anti corruption institutions](#), and has provided support to capacity assessments of anti corruption institutions, such as in **Kosovo** and **Montenegro**.

Capacity development for HIV/AIDS

It is notable that much of the international and national government response to the AIDS epidemic in the Europe and CIS region has been focused at the national level, with little recognition given to the role that local authorities can and do play. What is also clear is that the epidemic in the region is manifesting itself amongst specific groups of the population that local authorities are potentially in the best position to serve due to their proximity. The risk has also risen due to the massive influx of migrant labourers to their home communities in Central Asia as a result of job losses from the economic crisis. In collaboration with the [HIV/AIDS Practice](#), the Capacity Development Practice developed a study on local authorities' responses to HIV/

AIDS as an exploratory research piece. The discussion paper makes a persuasive argument based on ongoing small scale initiatives in the region for strengthening local authorities to combat the epidemic.

Capacity development for climate change

Green Jobs: The Capacity Development Practice has been working in close cooperation with the [Energy and Environment Practice](#) to develop a Green Jobs regional project concept focusing on improving the energy efficiency of multi-family dwellings, strengthening local authorities role in the planning, procurement, and policy formulation processes, and improving social cohesion and sustainability of the repairs by developing the capacities of housing associations. Using the capacity assessment methodology and other corporate guidance, the capacity development team conducted a capacity assessment of Habitat for Humanity – an NGO which has the potential to be a strong partner in the regional project. The Capacity Development Practice has also provided substantial support in drafting the concept using capacity development as the integrating element for the various activities of the proposed project.

Capacity development for crisis prevention and recovery

The [Crisis Prevention and Recovery Practice](#) and the Capacity Development Practice are adapting and applying the institutional capacity development approach in support of efforts to reduce the impact of natural disasters, prevent armed conflicts, and assist in recovery from crises.

A capacity assessment is being carried out in **Armenia**, to be followed up with a capacity response, to also be used for work planning in [Strengthening of National Disaster Risk Reduction Capacities](#), as well as future programming. In **Kosovo**, support has gone to strategic planning for the 3SD (security sector) project, as well as to interpreting municipal capacity assessments and elaboration of the capacity development approach by the Kosovo Returns project. In addition, the Capacity Development Practice is working closely with the Country Offices in **Georgia** and **Tajikistan** to integrate the capacity development approach into the country programme.

Capacity development communication, advocacy and knowledge products

The Capacity Development Practice is implementing its communication strategy “Capacity Matters,” which defines target audiences, messages, information channels and materials intended to increase awareness of the capacity development approach and the results it can bring. The strategy is intended to support the [UNDP service delivery model](#), providing opportunities for members of the capacity development community of practice to interact and participate – sharing information, ideas, and experience – and sets the stage for collaboration. Two-way dialogue also allows the Capacity Development Practice to anticipate client needs and demands.

The key objectives are to illustrate the process and results of the capacity development approach using country level examples, as well as to strengthen and create partnerships through increased participation, engagement and information sharing. Strategic and dynamic information materials are leading to a common understanding of the overall concept of capacity development, as well as its relevance to development assistance:

The [Capacity Development in Europe and CIS web site](#) has attracted approximately 5,000 visitors so far this year, visiting approximately 7,000 times with over 18,000 page views. Visits are tracked and the site is evolving based on user patterns. For example the home page was redesigned to feature more dynamic and clickable content on the very latest activities, events and publications since it is the most visited page.

The site features multimedia information such as, written articles, photos and photo galleries, a [Capacity Matters blog](#), [video and audio podcasts](#) (and RSS feeds for the site and for podcasts) including a very popular series of video interviews with a growing team of capacity development advocates including Ministers, Mayors, local government representatives, development partners such as representatives of the European Commission, as well UNDP staff in Country Offices, regional centres and headquarters – providing insights on capacity development in both theory and practice. A feedback mechanism was also created so that the Practice is better able to tailor methodologies to client needs.



The Capacity Development Practice also has a [workspace](#) for over 100 members of the community of practice and other partners to meet virtually, find out about the latest events, access resources, share work and collaborate on projects. Currently, it features information in the areas of national implementation capacities, change management, capacity for aid effectiveness, and capacity development for local service delivery.

The Practice also produces a quarterly electronic newsletter [Capacity Development in Action](#), shared with members of the capacity development community of practice and partners via e-mail and content is also posted on the web site. It features interviews with partners and community of practice members, video stories, and articles on capacity development initiatives in the region, as well as resources, events and what's next.

All content for information materials (case studies, articles, interviews and podcasts) is produced in collaboration with Country Offices and national partners, (in **Bulgaria, Uzbekistan, Serbia, Azerbaijan, Georgia, Montenegro, Macedonia, Croatia, Kosovo, Russia, Turkey, Tajikistan, Turkmenistan** and even **China**).

The Practice is also featuring the work of countries that are championing capacity development, such as [Georgia](#) and [Montenegro](#).



Miladin Brko Mitrovic, Mayor of Mojkovac, Montenegro: Capacity development advocate >> watch the video



In collaboration with UNDP **Bulgaria**, the Capacity Development Practice produced a case study *From pilot to policy: Introducing community-based social services in Bulgaria (pdf)* – intended to generate ideas and discussion on how to best evaluate capacity development initiatives.

A research paper was produced to illustrate the importance of capacity development in addressing issues related to social inclusion, and will feed into the upcoming Regional Human Development Report on Roma and social inclusion.



Strengthening Decentralized Service Delivery in the Western Balkans - the Path to EU Integration (pdf) looks at common trends, challenges and opportunities related to capacity development for local service delivery in the Western Balkans – in the context of EU integration processes.



Local Action for Universal Access in the Response to AIDS looks at the capacity of local authorities in Europe and the Commonwealth of Independent States to respond to the epidemic. The discussion paper is a result of collaboration between the Capacity Development Practice and the HIV/AIDS Practice.



Capacity development: Complex solutions for a complex world (pdf) provides a simple overview of the capacity development approach, its relevance to development assistance and the role of UNDP in this area, all in one easy to read page.

UNDP Georgia's new Methodology for Quick Capacity Assessment(s) (pdf) was designed to further support the capacity development approach in the Georgian context. It is used in conjunction with the UNDP corporate capacity assessment framework and enables the country office to make rapid evaluations of capacities and propose the most priority actions. This tool has proven useful, when a more targeted or scaled-down approach is desired.

Lessons learned

- Supporting regional and local level partners leverages UNDP presence on the ground and contributes to much needed capacity development, with a more direct impact on citizens –important as communities deal with the social effects of the economic crisis. Work at the sub national level helps to strengthen the links between policy reforms at the central level with implementation at the local level. While the potential for development impact is high at this level, generally speaking sub-national authorities also have the weakest capacities. Thus in 2010 the Capacity Development Practice must further engage with local authorities from multiple new perspectives (such as integrating climate change planning, the role of local authorities in combating the HIV epidemic and others).
- National implementation capacities (NICS), which as articulated through the 2009 capacity development community of practice (CoP) are of great interest to the many countries in the region, but this service line, must be developed further. NICS enable partner countries to deliver projects and services effectively and efficiently making optimal use of available resources; they focus on the use of country systems where possible to create ownership and sustainability of results; they aim to ensure accountability through transparent financial management, procurement and reporting systems; and ensure human resources are managed to maximize results. These are key requirements for many of the countries in the region (e.g. those that are on an EU accession path are keen to develop in these areas) and as demand is increasing, so must the Practice's ability to respond.
- UNDP internal mechanisms, such as yearend resource and delivery targets, lack of proper incentive systems. In addition, expectations for short term results are obstacles in the shift from direct implementation (DIM) to national implementation (NIM) even though this supports the development of national capacities, uses country systems, and provides opportunities for UNDP to offer new services (as well as being in line with the Paris Declaration and Accra Agenda). There is not always political will or capacities to support NIM, both in partner institutions and in UNDP.

- For UNDP operating in middle income countries, core resources are low and decreasing, and there is a need to secure increasing amounts of co-funding from donors and government to implement programmes that integrate the principles and steps of the capacity development approach. Capacity development is being utilized by some Country Offices (as in the case of Montenegro) as a clear articulation of UNDP's unique approach and value added, which can be of benefit in resource constrained environments.
- Training and direct support for capacity development and assessments has led to accelerated application of the capacity development approach throughout programmes and projects, with Country Offices initiating and leading capacity development efforts, which in turn has led to increased ability of national partners to articulate long term, strategic solutions and requests for support. Simply put, capacity development is going to scale through the investments made in the Country Offices, and through their considerable efforts and innovative work. As Country Offices apply the approach, their experience is valuable to other capacity development practitioners and needs to be documented and shared.
- UNDP's ability to bring together partners who can share relevant solutions – knowledge, expertise and resources as well as our capacity development approach can benefit partner countries that are establishing systems of development cooperation such as Russia, Turkey, the Czech Republic and the Slovak Republic. East-east exchange is developing as a priority for the Capacity Development Practice through the strengthening of ODA providers; interestingly the "emerging donors" see their greatest value in the ideas and experiences they can share with recipient countries and not necessarily the financial contribution they can make. There is a clear fit then with UNDP's role as a facilitator to a global network of experience and knowledge, and underlying this, the capacity development that is required to access and apply this knowledge.
- Capacity development is essentially a change process, and there is a need to develop change management services and tools throughout the capacity development cycle to support organizations to be ready, willing, and able to successfully adopt changes. Successful change management requires an appreciation of the complexity of the context within which the change is to take place, aided by systems theory which is inherent to the capacity development approach that looks at multiple levels of capacity and their interactions (enabling environment, organizational and individual levels).
- UNDP's capacity development approach focuses on national ownership and supports a process which applies local knowledge and expertise to assess capacity assets and needs and prioritize responses, thereby helping to identify institutional development challenges and opportunities in complex systems. It is clear that the key to complexity is national ownership – as national counterparts are best placed to know the challenges they face, potential opportunities, and most critically the less-tangible dynamics of power and politics that can stymie interventions.
- The need for strategic communication is becoming more pronounced in many areas of capacity development work: many capacity assessments identify the need for establishing systems of strategic communications (as in Georgia and Macedonia); strategic communication support of change processes; and strategic communication to highlight and share the capacity development work of Country Offices in the region.

The way forward: Priorities for 2010

National implementation capacities

1. Further develop the evidence base on national implementation capacities in Europe and CIS and draw on work already underway by the [Procurement Capacity Development Centre](#) in Copenhagen and the Bratislava Regional Centre in the areas of human resources management and procurement to establish a regional service line in this area.
2. Explore opportunities to support the shift from DIM to NIM as a vehicle through which we can begin to develop national implementation capacities. As part of this, examine previous experience with ATLAS External Access (EA) as a tool to develop capacities for national counterparts. (EA is still often perceived as an “operations tool” rather than a truly integrative platform that combines operations and programme) and is underutilized as a tool through which to engage in substantial support for organizational level capacity development.

Capacity development for good governance

1. Continue to work with government partners on initiatives that support quality public service delivery in the context of the current economic downturn. This will be conducted jointly with the [Democratic Governance Practice](#).
2. Further support nationally led governance reforms in the region in areas such as internal audit, public financial management, and other key areas (also conducted in cooperation with the Democratic Governance Practice).

Capacity development for managing aid and emerging donors programmes

Continue work with Russia and Turkey to assess and develop the capacities of the respective ODA bodies, and link this capacity development work to ongoing efforts to build a mechanism for east-east exchange (“knowledge ODA”, rather than “financial ODA”).

Capacity development to adapt to and mitigate the effects of climate change

1. Support development and implementation of the Green Jobs project in partnership with [Energy and Environment Practice](#), [Democratic Governance Practice](#), Country Offices, national, regional and local partners.
2. Help strengthen links between policy reform at the national level with implementation machinery in

both state (ministries and municipalities) and non state bodies.

1. Continue development of the local absorption and service delivery capacity development methodologies so as to integrate a climate change perspective based off the pioneering work presented in the primer [Charting a New Low-Carbon Route to Development](#).

Capacity development for Country Offices

1. Further support capacity development of Country Office staff through training, coaching and quality control (e.g. for capacity assessment processes), and the integration of capacity development approaches in UN programming efforts at the country level.
2. Strengthen Country Office capacities to carry out key low-cost/high impact tasks such as business process mapping and reengineering.
3. Provide further guidance and tools on how to monitor and evaluate capacity development.
4. Continue review of UNDAFs, CPDs, and other strategic documents to ensure a capacity development perspective is reflected.

Service delivery platform

1. Strengthen the capacity development community of practice service delivery platform by enhancing the regional capacity development expert roster (e.g. by increasing access to and feedback from Country Offices on expert performance)
2. Facilitate staff exchange and peer-to-peer learning (e.g. through disseminating information on available initiatives and funds, joint missions).

Change management

1. Develop change management services and tools for Country Offices and integrate change management into the capacity development process.
2. Identify strategic communication priorities throughout the change management process.

Capacity development and communication

1. Further develop capacity development communication services for Country Offices.
2. Document and share good practices and results across the region.
3. Promote a common vision and understanding of capacity development.
4. Support Country Offices to communicate strategically on capacity development to various audiences.

Partners

Capacity Development Practice partners coordinate and align development activities, share information, partner on training activities or jointly implement projects. Some are also members of our community of practice, and together we pool our strengths to benefit the development of national capacities.



Council of Europe



European Union



Development Partners Working Group



Habitat for Humanity



Network of Associations of Local Authorities in South East Europe



The Dutch Development Organization, SNV



Standing Conference of Towns and Municipalities (Serbia)

Resources at a glance

Methodologies:

Capacity Assessment for IPA Absorption methodology
<http://europeandcis.undp.org/cd/show/597CC74B-F203-1EE9-BDF33583B47EF1D5>

Local Service Delivery Capacity Assessment methodology
<http://europeandcis.undp.org/cd/show/597CC74B-F203-1EE9-BDF33583B47EF1D5>

Methodology for Assessing the Capacities of Anti-Corruption Agencies pdf
http://europeandcis.undp.org/uploads/public1/files/Methodology_for_Assessing_the_Capacities_of_Anti_Corruption_Agencies_to_Perform_Preventive_Functions.pdf

UNDP Georgia's Methodology for Quick Capacity Assessments pdf
<http://europeandcis.undp.org/cd/show/DE8AFDDF-F203-1EE9-B783D4BCA77B7D6E>

Capacity development resources

Presentation: "Overview of UNDP's Approach to Supporting Capacity Development" (August 2009) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=2083490

Frequently Asked Questions on Capacity Development (June 2009) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=2072460

Practice Note on Capacity Development (October 2008) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=1654154

Presentation: "United Nations Development System: A Collective Approach to Supporting Capacity Development" (August 2009) pdf
<http://www.undg.org/docs/8948/Capacity-Development-UNDG-August-2009.pdf>

UNDG Position Statement on Capacity Development (December 2006) pdf
<http://www.undg.org/docs/7144/UNDG-Position-Paper-on-CD---FINAL-sent-out-21-Dec-2006.pdf>

Capacity Assessment Resources

Presentation: "Overview of UNDP's Capacity Assessment Methodology" (August 2009) pdf
http://content.undp.org/go/cms-service/stream/asset/?asset_id=2083495

Frequently Asked Questions on Capacity Assessment (June 2009) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=2072475

Lessons Learned on Capacity Assessment (June 2009) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=2072515

Practice Note on Capacity Assessment (October 2008) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=1684933

Capacity Assessment User's Guide (November 2008) pdf
http://content.undp.org/go/cms-service/download/asset/?asset_id=1670219

Capacity Assessment Supporting Tool (December 2008) xls
http://content.undp.org/go/cms-service/download/asset/?asset_id=1670203

Quick and useful links

Capacity Development in Europe and the CIS
<http://europeandcis.undp.org/cd>

Capacity Matters blog
<http://europeandcis.undp.org/cd/blog>

Capacity Development global public website
<http://www.undp.org/capacity/>

Capacity Development in Europe and the CIS Workspace
http://ws.undp.sk/capacity_development

Toolkit for Managing Change
<http://managingchange.undp.org/>

Mission Log 2009

| Country or territory | Services | Strategies | Input provided | Partners |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Moldova <i>December 2009</i> | Assess capacity assets and needs | Capacity assessment | CA of Moldovan Centre for Human Rights | Moldovan Centre for Human Rights, UNDP Moldova, Human Rights and Justice Team (Democratic Governance Practice) |
| Turkey <i>October 2009</i> <i>July 2009</i> | Assess capacity assets and needs Advocate and advise on CD policy | Capacity assessment Knowledge services and learning | Roadmap for Turkish Development Cooperation TIKa reviewed Self assessment questionnaire developed and revised together with TIKa staff Engage stakeholders for CA of TIKa Training on aid effectiveness for UNCT CD training session for UNDP program and project staff | UNDP Turkey; TIKa UNDP Turkey; TIKa; UNDP Aid Effectiveness team; Emerging donors team; UN Country Team |
| FYR Macedonia <i>October 2009</i> <i>July 2009</i> <i>March 2009</i> | Advocate and advise on CD policy Advocate and advise on CD policy Assess capacity assets and needs | Knowledge services and learning Knowledge services and learning Capacity assessment | Developed communication strategy for the Bureau for Regional Development (response to CA) CD/CA Training for IPA Absorption Exploratory capacity assessment of the Regional Development Centres for effective IPA programming and management CA of Bureau for Regional Development as well as broad initial CD responses | UNDP Macedonia; Bureau for Regional Development; Ministry of Local Self Governance; Association of the Units of local self-Government of Macedonia (ZELS); Municipality of Veles; Planning Region of Vardar; USAID; EC Delegation; Macedonian Centre for International Cooperation UNDP Macedonia; Regional Development Centres UNDP Macedonia; Bureau for Regional Development; Chief of Cabinet and Advisor on Regional Development; EC Delegation; Planning Region Development Centres; ZELS; Ministry of Local Self Governance |

| Country or territory | Services | Strategies | Input provided | Partners |
|--------------------------------------------|----------------------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Montenegro <i>September 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | Produced multimedia public information on CD initiatives in the country, shared with partners in the region | UNDP Montenegro; Ministry of European Integration; Ministry of Foreign Affairs; Municipality of Mojkovac; EC Delegation |
| Georgia <i>July 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | CD/CA training – programming for CD (programme staff); and adaptation and application of CA methodology (project staff) Coaching and guidance for CA specialist on “Quick CA methodology” Chaired session on capacity development concept and its practical application in Europe and the CIS region, at event for local governance capacity development Produced multimedia public information on CD of local government partners to share with UNDP country offices in the region | UNDP Georgia; Kvemo Kartli project; national, regional and local counterparts, SIDA Tajikistan June 2009 |
| Tajikistan <i>June 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | Prepared CD for Good Governance Strategy (to be incorporated into CPAP (2010-2015) | UNDP Tajikistan; Democratic Governance Practice |
| Croatia <i>June 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | Presented and validated findings of regional study on CD for local service delivery in Western Balkans | UNDP Country Offices and local government partners in Croatia, Albania, Bosnia and Herzegovina, FYR Macedonia, Montenegro, Serbia, Kosovo ;SNV |
| Turkmenistan <i>June 2009</i> | Assess capacity assets and needs | Capacity assessment | CA of Institute for Strategic Planning and Economic Development (ISPED) | UNDP Turkmenistan; ISPED |

| Country or territory | Services | Strategies | Input provided | Partners |
|---------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Russian Federation <i>June 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | Training on aid effectiveness for Russian ODA agency Rossotrudnichestvo Developed strategy for ODA management project implementation for UNDP Russia Explored opportunities for CA/CD | UNDP Russia; Rossotrudnichestvo; UNDP aid effectiveness team |
| Uzbekistan <i>April 2009</i> | Advocate and advise on CD policy Assess capacity assets and needs | Knowledge services and learning Capacity assessment | CD/CA training for UNDP and UNICEF colleagues Design of CA for regional and district authorities' service delivery capacities | UNDP Uzbekistan; UNICEF Uzbekistan; UNDP Uzbekistan; UNICEF Uzbekistan; Enhanced Living Standards Project Team |
| Kosovo <i>March 2009</i> <i>January 2009</i> | Advocate and advise on CD policy Advocate and advise on CD policy | Knowledge services and learning Knowledge services and learning | Support to Finalization of Kosovo Returns Project Inception Report CD Support to UNDP Kosovo 3SD Project | UNDP Kosovo |
| Azerbaijan <i>March 2009</i> | Advocate and advise on CD policy | Knowledge services and learning | Programme development for 2009-2010; method (SOPs) for identifying, formulating and securing funding and approval for new projects | UNDP Azerbaijan; UNDP Deputy Regional Director and Regional Centre Director (RBEC) |