Capacity Development in EU Development Cooperation

An Overview of the PPCM Chapter on Capacity Development

Background

To be read in conjunction with other PPCM chapters and not as a stand-alone

Two parts: (1) conceptual and (2) operational

Supported by hyperlinks, annexes and training course

Draws on EU's Backbone strategy, existing EU guidance on CD, and CD community of practice (LenCD)

Positioning Capacity Development

A key driver of aid and development effectiveness

A central theme that shapes the way the EU provides development assistance

CD features in most if not all projects and programmes – much more than TC

A distinct area of work or a key cross-cutting theme?

Part 1: Conceptual

» Definitions

» Capacity

» Capacity Development

» Support to Capacity Development

# Definitions

Capacity *is:*

"The ability of people, organisations and society as a whole to manage their affairs successfully"

Capacity Development *is:*

"The process whereby people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time"

Capacity Development Support*:*

Refers to what outside partners (domestic or foreign) can do to support, facilitate or catalyse country partners to develop their capacity(ies)
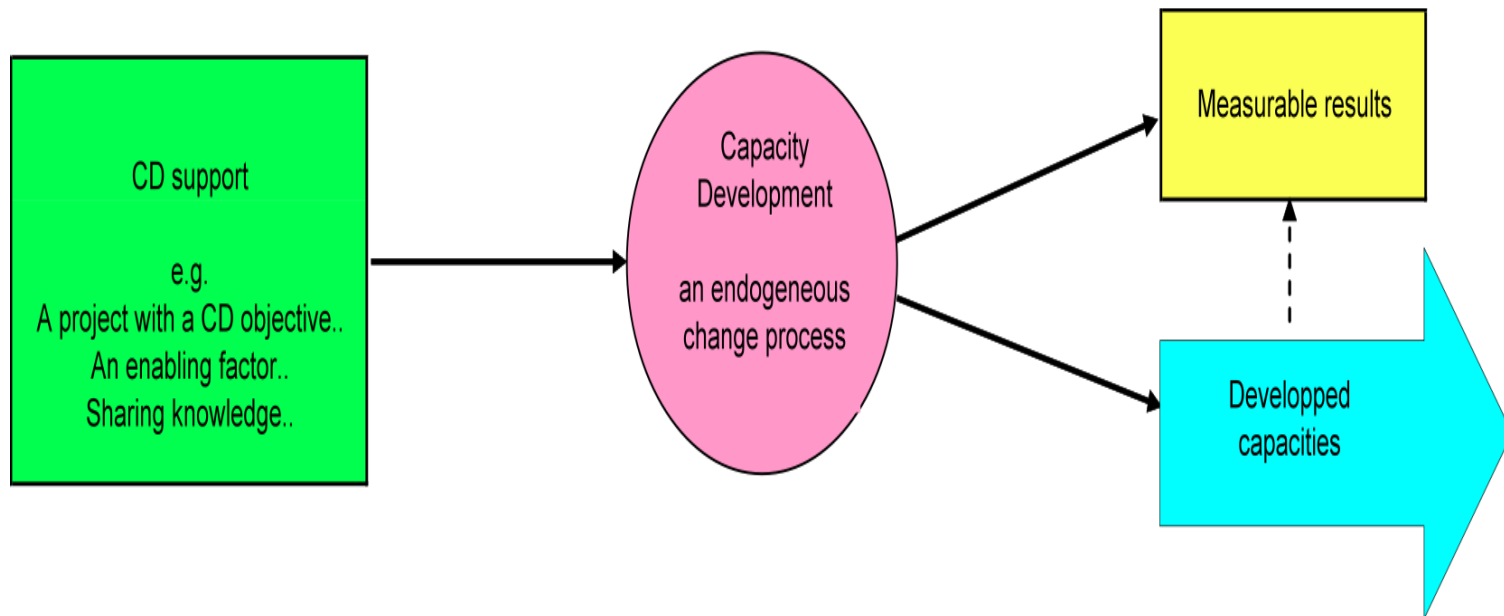
Capacity

*3 levels: (i) **individual** (ii) **organisations** or **networks / sector** and (iii) **societal** or **enabling environment***

*A combination of **tangible** and **intangible** elements*

*Capacity **"to do what**?" entry point for considering the mix of capacities required*

Capacity Development

*a **change** process*

*has a strong **endogenous** dimension*

*involves **complexity** and **uncertainty***

*relies on **knowledge** sharing*

*influenced by **incentives** and **opportunity***

Support for Capacity Development

Quality criteria offer guidance on how on to apply good practice for supporting capacity development

Applying quality criteria raises questions for the EU:

- *What expertise does it require?*
- *What scope to adapt procedures to realities on the ground?*
- *How to manage trade-off between investing in complex and long CD processes and meeting short-term expectations for quick concrete results, and meeting disbursement targets*

Part 2: Operational

» Quality Criteria and Programme Cycle
» The 5 Quality Criteria

The Quality Criteria
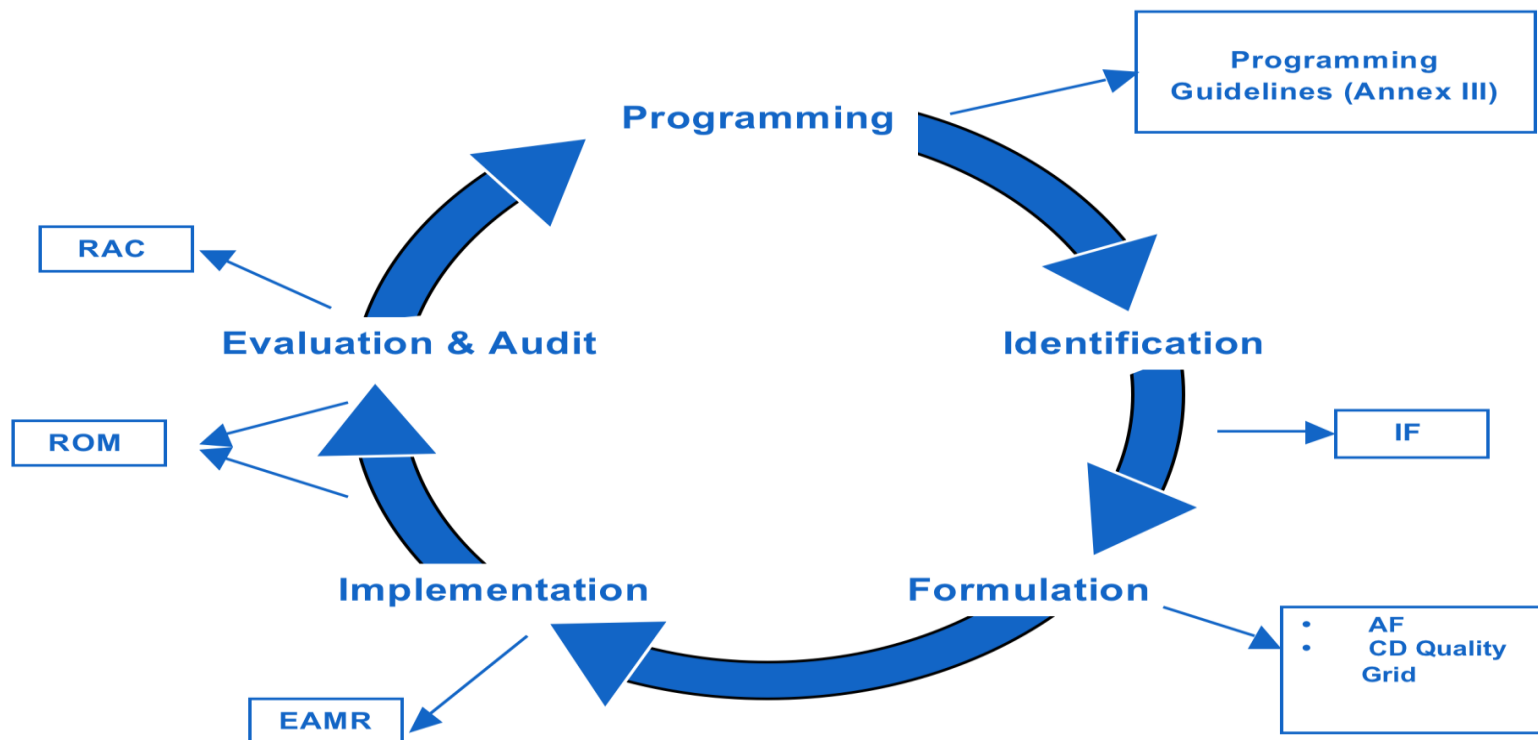
QC 1: Fit to the context and existing capacity

QC 2: Adequate demand, ownership and commitment

QC 3: Clear link to results and expected outcomes

QC 4: Harmonised support

QC 5: Appropriate Programme Implementation Arrangements

Programme Cycle

QC 1: Fit to Context and Capacity

key task *throughout the life of programme, not just design*

Assessing *context*: *understanding drivers, opportunities and constraints to change; what can/ cannot be done*
- **PEA and Opportunity Framework**

Assessing *capacity*: *unpacking nature of capacity challenge but other purposes too*
- **Multiple instruments**

Beyond formal assessment – *investing in dialogue and relationship building*

QC 2: Demand, Ownership and Commitment

Success depends on partner ownership of and commitment to the change process.

Facilitating not leading change - EU support in absence of ownership and commitment will not work

Three perspectives:
- **Change Readiness**
- **Effective Ownership**
- **Demand for external support**

When there is disagreement......

QC 3: Clear link to Results

3 challenges:

    (i) defining CD results not TC inputs

    (ii) uncertainty and complexity of change process

    (iii) delivery vs. capacity

Getting process right:

    (i) specify results

    (ii) choose CD strategy

    (iii) decide who does what

>**Specify Results**

Specify capacity and performance change

Link CD results to sector plan

Seek balance between delivery and capacity

Relationship between capacity and performance

Avoiding too much detail - Balancing programming needs and managing a change process

>Choose CD strategy

Depending on type of results envisaged, transactional vs. transformational:

- **Simple vs complex**

- **Technical vs political**

- **Entry points: Internal vs external**

Delivery vs learning and experimentation

Retaining Flexibility to changing context

Aligning to context and ownership incl. change readiness

Theories of change/ mental models critical = change management

>Decide Who Does What

Begin with what partner brings in:
- **change management responsibilities**
- **practical actions**

Then consider EU and other partners contribution:
- **Beyond inputs**
- **link to theory of change = change mgt**

Looking beyond TC:
- **all instruments; money, expertise dialogue, partnerships, learning**

QC 4: Harmonised Support

Harmonising CD support:

- **an effective way to strengthen local ownership and accountability for change**
- **strengthen local processes and institutions.**

Consider options early in the identification process, and continue to identify throughout the programme cycle.

where there are PBAs/ SWAPS in place or being planned, include external CD support as part of the wider donor coordination

Providing stand-alone support where other donors are involved should be considered as a last resort

Put all harmonization options on the table:

- Full partner implementation
- Pooling of funds, administered by the partner
- Harmonisation around objectives/results, individual supply
- CD support delegated to one agency (not an end in itself)

Keep other donors in the loop when CD is considered as stand alone:

- share info on design, TORS etc,
- encourage coordination

Start harmonizing CD around analytical agenda, joint reviews and evaluations

QC 5: Appropriate Programme Implementation Arrangements

Parallel PIUs highlight aid practices inconsistent with good CD practice:

- Donor driven focusing on donor-supplied inputs
- Overambitious, focus on quick delivery of results
- Poor design, especially concerning change management
- Based on parallel donor procedures

Well conceived PIAs can make an important contribution to sustainable capacity development. Poorly designed arrangements can undermine the integrity of a CD intervention

Basic safeguard against parallel PIUs is to tackle this issue as a key design consideration

Design Considerations

- Focus on combined inputs of the partner and the donor rather than on the donor portion of the change process
- Designed/ decided on by the partner with donor input
- Work towards partner-owned and managed
- Embed in the local institutional context
- Vary between more autonomous or more integrated structures depending on type of result envisaged

Key Parameters to take account of:

- Governance and accountability
- Management set-up
- Logistical Autonomy & Embeddedness
- Relations between technical cooperation experts, partners and the EU
- EU's and other donors' roles