Introduction

The 2005 World Summit reiterated the determination of United Nations Member States to ensure timely and full realization of the development goals and objectives agreed at the UN conferences and summits, the Millennium Development Goals (MDGs). These Goals have helped to galvanize efforts towards poverty eradication and sustained human development. The summit outcome specifically called for global partnerships for development and reaffirmed that each country must take primary responsibility for its development. It also recognized that national efforts should be complemented by supportive international programmes, measures and policies aimed at expanding the developmental opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty.

Specific resolutions have called for the UN funds and programmes and the specialized agencies to support the efforts of developing countries through the common country assessment and the United Nations Development Assistance Framework, and to enhance their support for capacity development. The UNDG/ECHA Working Group on Transitions has underlined the need for the UN system to develop national capacities during transition processes.

National capacity is key to efforts to accelerate economic growth, reduce poverty and achieve the MDGs on an equitable and sustained basis. This applies to both functional capacities - the ability to plan and manage organizational change and improve service delivery to families and communities - and technical capacities in critical fields for development, such as public finance management and health.

The present paper draws on the ongoing work of UNDG Executive Committee agencies and preliminary outputs of the UNDG working group on capacity development. It also provides illustrative examples of capacity development initiatives at different levels, focusing on how the UN Country Team (UNCT) is supporting Member States in building capacity for the achievement of national development goals and in national instruments such as Poverty Reduction Strategies.

The UN system and Capacity Development

“Capacity building” has been central to United Nations operational activities from their beginning. The concept has evolved over time and continues to do so, leading to the more common use of the term “capacity development”. This is now widely understood as an

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1 General Assembly Resolution 60/1. 2005 World Summit Outcome, para 22 (f).
2 Capacity development refers to the ability of individuals, communities, institutions, organizations, social and political systems to use the natural, financial, political, social and human resources that are available for the
endogenous country-driven, long-term process at the core of development, which requires the involvement of all sectors of the society. Capacity development involves much more than enhancing the motivation, abilities and skills of individuals. It depends crucially on the procedures and management systems of the organizations in which and with which they work.

The UN system plays an active and supportive role in four major ways – policy dialogue, advocacy, capacity development and technical assistance. It is recognized that while the UN agencies are not major financial contributors, UNCTs have the responsibility to promote the effective use of national and international resources to help meet the MDGs, and related internationally-agreed commitments and priorities.

Until recently, capacity development was viewed mainly as a technical process, involving the transfer of knowledge or models from North to South. Insufficient attention was given to the broader political and social context within which capacity development efforts occur, leading to an approach that overemphasizes ‘right answers’, as opposed to approaches that best correspond to and help address country circumstances.

It is also recognized that capacity development is highly relevant in ‘fragile states’. Focusing on capacity development at both national and sub-national levels may be a good way of engaging different parts of society in new development efforts in such contexts. Lessons have been learnt on the value of focusing on core state functions; engaging in joint planning with the participation of a range of security and development actors; fostering country leadership even where the conditions appear not to be promising; and taking extra care not to undermine existing, less visible capacities.

The promotion of the human rights-based approach by the UN system through its country-level support is seen as a means of bringing substantive coherence to the UN Country Team response to national development needs. Using this approach, the United Nations system is committed to assisting countries achieve the Millennium Development Goals on an equitable and sustained basis. Adequate country capacity in each of the steps in national planning process - situation analysis, policy formulation, strategy formulation and budget allocation, implementation, monitoring and evaluation, as well as in resource mobilization - is critical for sustained development. In addition to ensuring adequate funding to reach the MDGs, giving greater and careful attention to capacity development ensures sustainability. The work of UNICEF, UNDP, UNFPA and WFP contributes to national, sub-national and local capacity building strategies that are part of poverty reduction strategies and pursuits of MDGs.

The Paris Declaration³ on Aid Effectiveness (March, 2005) commits partner countries to ‘integrate specific capacity strengthening objectives in national development strategies and pursue their implementation through country-led capacity development strategies where needed’.

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³ High Level Forum on Aid effectiveness (28 Feb – 2 Mar, 2005), Paris built upon the consensus at the Rome Declaration on Harmonization (February, 2003) and Second Round Table on ‘Better Measuring, Monitoring, and Managing for Development Results’, Marrakech, February, 2004, paving way for agreed results and indicators of progress that will be measured nationally and monitored internationally.
Donor countries have committed to ‘align their analytic and financial support with partners’ capacity development objectives and strategies, make effective use of existing capacities and harmonize support for capacity building accordingly’. Various indicators for measuring progress have been agreed upon. According to the vision articulated in the Paris Declaration, political leadership and the prevailing governance system are critical factors in creating opportunities and setting standards for capacity development efforts. Further, the 2005 Triennial Comprehensive Policy Review (TCPR)\(^4\) *emphasized* that the operational activities for development of the United Nations system should be assessed on the basis of their impact on the recipient countries as contributions to enhance their capacity to pursue poverty eradication, sustained economic growth and sustainable development.

The United Nations system is increasingly positioning itself to provide effective support to national planning mechanisms, including the Poverty Reduction Strategies – the principal vehicle for translating national goals, commitments and priorities into coherent and sustained programmes. Increasingly, countries are using the MDGs as a centre-piece for the poverty reduction strategy process, bringing various agencies and actors together for shared goals. Capacity development is critical to national ownership and aid management; for enhancing the absorptive capacity of programme countries; and to both scale and replicability as central elements of the vision that underpins the MDGs. The work of UNICEF, UNDP, UNFPA and WFP should contribute to capacity building at national, sub-national and local levels as part of poverty reduction strategies in pursuit of MDGs.

**Harmonized programme approaches and principles**

To enable a more systematic and unified UN response from the UNDG Executive Committee agencies, changes have been adopted in virtually every aspect of programme procedures and cycles, including: (a) formulation of common country assessments and UNDAFs; (b) use of joint programmes; (c) resource transfer modalities; (d) Country Programme Action Plans and Annual Workplans; and (e) meeting the challenges of conflict and post-conflict environments.

The differing mandates of UN system organizations provide a source of strength for the system. The growing efforts of all funds and programmes as well as the specialized agencies of the system to incorporate capacity development considerations as a central element of programmes of cooperation offer an excellent basis for mutually supportive action.

The UNDAF provides for coherence and complementarity of efforts and the adoption of shared approaches and strategies for capacity development at the country level. Significant progress is being reported but more efforts are needed to arrive at the ‘unity of purpose and action’ of a well-integrated system, based on MDG-focused national plans and UNDAFs, and to more systematically document and learn from experience with these approaches.

**Capacity development and inter-agency efforts**

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\(^4\) General Assembly Resolution 59/250. Triennial comprehensive policy review of operational activities for development of the United Nations system contains a set of decisions on ‘capacity building’ : (see Annex 1)
Capacity development initiatives require a comprehensive approach, with a wide variety of actors contributing their particular skills and resources. They require creative partnerships, alliances, networks and joint ventures both within the UN system and with national and international development partners, including civil society, NGOs and private sector. Recognizing that country contexts differ widely and that simple prescriptions do not work, a set of underlying principles have evolved from collective learning on capacity development. These principles are not meant to be prescriptive but rather, provide some initial starting propositions to facilitate a genuine exchange on specific approaches and options. Rather than accepting business-as-usual approaches, the partners at country level can customize their co-operation for more effective support to capacity development. Annex II outlines these underlying principles for capacity development.

An inter-agency working group of the UNDG is defining a framework and developing a system-wide matrix to map potential niches and possible areas of work for the United Nations in country-level capacity-development initiatives; and compiling an inventory of existing capacity-development tools. By mid-2006, the tools will become part of the operational methodologies for use by United Nations country teams. The work of the group will also contribute to the strengthening of guidance to country teams.

Drawing on the UN system’s particular strengths, a number of possible roles that UNCTs might play in enhancing national capacity have been identified. These roles include:
- Support to analysis of policy options
- Support to need assessment/mapping of national capacity at various levels
- Support to equity and distributional analysis and the promotion of inclusion and empowerment of communities and families
- Promotion of international norms and standards
- Provision of international good practice and promotion of knowledge networking
- Facilitation of the participation of different social and government actors (‘neutral broker’ role) and coordination and management of development and humanitarian assistance
- Support to the development and generation of information, data, monitoring tools and systems, disaggregated by sex, regions and population groups and the building of quality assurance systems
- Catalytic material support for innovation.

A draft matrix on how these generic roles may be carried out through various stages of the national planning cycle has also been proposed (see Annex III). The specific roles suggested in the matrix are intended to provide illustrations of the potential roles that UNCTs can play, depending on the national context and their own capacities. These roles will vary according to country circumstances and needs. This often may mean enhancing capacities of families and communities at sub-national levels for ensuring sustainable results and outcomes. It is expected that UNCTs will use these generic roles as entry points for agreement with Governments on the strategic roles that will enable the UN to be most effective in strengthening national and local capacities. Funds and programmes, as well as the specialized agencies, will adopt a collective approach to maximize individual agency strengths at country level, as well as including non-resident agencies in these efforts. The approach recognizes that it is not only relatively limited
financial resources that the UN brings to the capacity development process, but also knowledge, human resources and relationships of trust derived from its multilateral mandate and long-standing collaborative presence at country level.

The following section outlines some major initiatives being carried out as a part of the UN effort to support capacity development at global, regional and country levels.

**Global and Regional action**

**Capacity development for monitoring of the MDGs through DevInfo** - Reliable, age-specific and sex disaggregated data are essential for effective planning and monitoring of PRSs and other national initiatives related to the MDGs. DevInfo, a tool adapted from the Child Info technology developed by UNICEF, is promoted by UN country teams and forms an important form of capacity development support for achievement of the country targets, particularly in relation to data on social indicators. Its technology has been specifically designed to support governments in MDG monitoring. The MDG goals and targets are imbedded in the system, linked to the 53 MDG indicators in a goal monitoring framework. Now used by more than 80 countries, the system has been adapted by the National Statistical Bureaus at the country level to include indicators for monitoring poverty, as in Tanzania, Malawi; to analyse and release Census data for wider use and dissemination, as in India; to identify pockets of multiple deprivation, as in Angola; to develop regional databases and regional capacity to monitor trends and gaps in MDGs, as in Latin America, East Asia and Pacific and Africa; and to develop in-depth thematic analyses as a basis for systematic UN response, such as for Child Protection in East Asia and for HIV/AIDS and food insecurity in Southern Africa. By serving as a common repository, DevInfo is adding value to national statistics systems by complementing existing databases, identifying and bridging data dissemination gaps.

**Capacity development for reliable data on key indicators** – The UN system has the responsibility to assist countries in developing their capacity for monitoring social development through strengthening statistical systems and household surveys. UNDP, UNICEF, and UNFPA have been engaged in developing the capacity of countries through Demographic Health Surveys (DHS), Human Development surveys and Multiple Indicator Cluster Surveys (MICS) in a number of countries to collect age- and sex-disaggregated data on key indicators. In southern Africa, WFP leads the UN system efforts in regular data and information as a part of the UN system’s efforts for developing country capacity around vulnerability assessment and mapping (VAM), around the triple threat of governance, HIV/AIDS and food insecurity.

**Capacity development in Eastern and Southern Africa** - UNDP leads UN efforts to support and strengthen the capacity of governments to enable them to better negotiate, coordinate and manage funding to achieve the Millennium Development Goals, including through direct budget support, sustainable debt management and remittances. These efforts also include independent monitoring and peer-review mechanisms.

**Capacity development for assisting children affected by HIV/AIDS** - The UN Country teams, within the theme group on HIV/AIDS and in partnership with bilateral agencies and regional NGOs, have assisted several countries in sub-Saharan Africa to conduct rapid assessments of the
response to children affected by HIV/AIDS. These assessments revealed specific capacity gaps in the UN, civil society, and government agencies partnerships which are critical to developing and implementing national action plans. UN agencies and regional NGOs are collaborating to build skills to support national action through regional workshops with broad based participation. Skills-building workshops in Kampala and Dakar were followed in 2005 by the first workshop in Asia. Monitoring and evaluation are areas of particular weakness in planning and programming for children affected by HIV/AIDS. A number of UN agencies, through the UNAIDS Monitoring and Evaluation Reference Group, have developed a set of indicators for use in national monitoring. The UN system has also assisted countries to develop an estimate of the costs of meeting the basic needs of orphans and vulnerable children. The recently launched ‘Unite for Children, Unite against HIV/AIDS’ campaign will support partnerships at all levels to advance action for children, adolescents and young people affected by HIV/AIDS.

Supporting capacities for young people’s health development in CEE/CIS - The UN Interagency Group on Young People’s Health Development and Protection in Europe and Central Asia is a major UN joint partnership (involving UNFPA, UNICEF, WHO, UNAIDS and UNESCO) for the provision of guidance, training, research and good practice in comprehensive rights-based approaches to young people’s health development and protection. It serves as a resource both for the UN system and its partners in the region. Major areas of cooperation include: the facilitation of joint training programmes to build skills and knowledge of national partners; development of guidance tools for enhancing access among young people to voluntary counseling and testing; efforts to increase national capacity for establishing youth friendly health services; and support for development of measurement tools for adolescent health programmes.

Transition and post-conflict situations – Building on its experience in humanitarian crises, the UN system is strengthening its partnerships with civil society organizations in post-conflict situations, by developing their capacity to engage in dialogue to promote peace and participate in the recovery of democratic and civilian institutions. This is being pursued through the UN country teams’ contribution to interim PRSPs, the development of CAPs and recovery plans as well as through CCAs and UNDAFs.

National action

National Strategic Development Plan – Cambodia – The UNDAF and national plan for 2006-2010 are already aligned. Although capacity development support is still largely fragmented, efforts are under way to reduce fragmentation through a multi-donor public financial management SWAp, which is helping in the implementation of key recommendations of the 2003 Integrated Fiduciary Assessment and public expenditure review. The World Bank, ADB, DfID and UN agencies have followed a joint process for preparing their country assistance strategies.

Action plan for reduction of absolute poverty – Mozambique – The UN in collaboration with the African Capacity Building Foundation is undertaking a capacity needs assessment to serve as a baseline for future monitoring. Capacities for strategy formulation and implementation are stronger at central than at provincial and district levels. The UN, World Bank and several other
external cooperating partners are supporting a public sector reform programme and specific Sector Wide Approaches, based on the comparative advantage of individual agencies.

**Social expenditure in Paraguay** – an initiative supported by UNDP and UNICEF within the UNDAF framework is promoting the allocation of public financial resources for social sectors and the MDGs and the establishment of a national programme to combat malnutrition. The initiative provides an important tool for the monitoring and advocacy efforts of the UN system, and for government and non-governmental institutions in the social sectors. The initiative is likely to be further expanded to municipal and departmental levels.

**Capacity development in Tanzania** – A number of well-developed SWAps already exist and these include joint procurement, financial management and disbursement through multi-donor pooled funds. Capacity building is increasingly in line with national priorities and needs. Capacity development is addressed through a series of government programmes for financial management, public service, local government, legal sector development and anti-corruption. UN supports several of these initiatives. In addition, within the Roll Back Malaria partnership, WHO and UNICEF, together with the Acumen fund and the private sector, have helped strengthen private sector capacity for manufacture of long lasting insecticide-treated nets. This was achieved through transfer of technology and support to quality assurance and has also established a model for helping African industry compete on the global market.

**Community capacity development – Uzbekistan** – A joint programme involving UNDP, UNFPA, UNICEF and the national Women’s Council of Uzbekistan aims to strengthen Government and civil society capacity and partnerships for more effective governance. It also provides an enabling environment for civil society to participate in development processes. Community based advisors, tasked by the National Government to consult the population on various issues, act as moderators on family issues and provide advice to young people. They also contribute to promoting health, culture and traditions among the local population.

**Assessment of capacity development needs in Yemen** – The UN system with the support of DfID have provided assistance for the assessment of capacity development needs for the third national plan of Yemen. Specific areas of capacity development - in finance, health and education - have been identified for support from external partners.

**Looking ahead**

The UNDP and UNFPA Multi-Year Funding frameworks for 2004-2007, the End Child Hunger Initiative jointly being prepared by WFP, UNICEF and the World Bank as well as the recently approved Medium Term Strategic Plan 2006-2009 of UNICEF and the Strategic Plan 2006-2009 of WFP are all examples of current strategic instruments and initiatives which provide for collaborative and joint action to support nationally-led Poverty Reduction Strategies and plans for achieving MDGs, with a focus on the poorest and most marginalized populations. The focus of UN support is increasingly on helping countries to scale up their efforts to achieve their Goals, while project-based support is being provided mainly to help learn lessons from innovation and to identify areas requiring scaled up response and joint action for capacity development. Building organizational capacity is an essential element of moving forward in this direction.
Mainstreaming capacity development in a more systematic manner within the focus areas and practice areas of each agency, through both the development support that UNCTs provide for the MDGs as well as through internal results and performance management systems, is now a major challenge. It underpins the approaches and methodologies that the UNCTs should use in both functional and technical areas.

Some of the internal challenges that have been recognized by the UNCTs and on which the agencies are moving ahead include:

- Strengthening the effectiveness of the UN system in support of policy advocacy and partnerships and in supporting counterpart capacities to manage and implement national development processes, beyond ad hoc approaches within UN-assisted programmes and projects alone. Shifts in the competencies and profile of staff in UNCTs are needed to ensure high quality ‘upstream’ policy advice, where requested in key sectors and across sectors.

- South-South cooperation as a key element in capacity development, and facilitating the transfer of proven technologies in key programmes for the MDGs, are emerging clearly as areas where UN agencies need to pursue more dynamic approaches;

- Further acceleration and scaling-up of national and sub-national actions to achieve the MDGs requires integrated action at all stages of the programme process – from support to situation analysis and programme implementation to monitoring and evaluation. This calls for UNCTs to go beyond input-based programming to more strategic and innovative forms of cooperation at macro, meso and micro levels, while remaining clearly focused on results.

The UN system fully recognizes and is making greater progress in helping countries achieve sustainable development results through a capacity development approach. On the one hand, reaching the MDGs required rapid progress and clear, demonstrable results; while at the same time, developing the institutional capacities necessary to sustain these results in future is a complex and not necessarily short-term challenge. Measurement and assessment of the impact of UN and other development cooperation on the growth of national capacity is a further challenge, and is linked to the question of attributing results to different actors within often broad and multi-leveled partnerships. These are areas that need further work and understanding. Work to identify indicators that will enable the improved measurement and monitoring of the impact of UN support for capacity development is currently underway.
Contains the following set of decisions on ‘capacity building’:

26. Recognizes that capacity development and ownership of national development strategies are essential for the achievement of the MDGs, and calls upon United Nations organizations to provide further support to the efforts of developing countries to establish and/or maintain effective national institutions and to support the implementation and, as necessary, the devising of national strategies for capacity-building;

27. Urges all organizations of the United Nations development system to intensify inter-agency sharing of information at the system-wide level on good practices and experiences gained, results achieved, benchmarks and indicators, monitoring and evaluation criteria concerning their capacity-building activities;

28. Encourages all organizations of the United Nations development system to include reporting on their capacity-building activities in their annual reports to their respective governing bodies;

29. Requests the United Nations System Chief Executives Board for Coordination to analyse the capacity development efforts of the United Nations development system and to make recommendations on measures necessary to enhance their effectiveness, including through the improvement of the assessment and measurement of results;

30. Calls upon United Nations organizations to further strengthen the capacity of developing countries to better utilize the various aid modalities, including system-wide approaches and budget support;

31. Also calls upon United Nations organizations to adopt measures that ensure sustainability in capacity-building activities, and reiterates that the United Nations development system should use, to the fullest extent possible, national execution and available national expertise and technologies as the norm in the implementation of operational activities;

32. Stresses that developing countries, in order to meet the internationally agreed development goals, including those contained in the Millennium Declaration, should have access to new and emerging technologies, including information and communication technologies, which requires technology transfer, technical cooperation and the building and nurturing of scientific and technological capacity to participate in the development and adaptation of these technologies to local conditions, and in this regard urges Member States and the United Nations system to ensure the promotion and transfer of new and emerging technologies to developing countries;

33. Encourages the United Nations development system to support the national development strategies and plans of countries with economies in transition that face continuing difficulties in economic and social development, specifically to assist them in addressing the challenges of achieving the internationally agreed development goals, including those contained in the Millennium Declaration;
Principles for Capacity Development

1. **Don’t rush.** Capacity development is a long-term process. It is not amenable to delivery pressures, quick fixes and short-term results seeking. Engagement for capacity development needs to have a long term horizon and be reliable.

2. **Respect the value systems and foster self-esteem.** The imposition of alien values can undermine confidence. Capacity development requires respect. Self-esteem is at the root of capacity and empowerment.

3. **Scan locally and globally; reinvent locally.** There are no blueprints. Capacity development means learning. Learning is a voluntary process that requires genuine commitment and interest. Knowledge transfer is no longer seen as the relevant modality. Knowledge needs to be acquired.

4. **Challenge mindsets and power differentials.** Capacity development is not power neutral and challenging vested interest is difficult. Frank dialogue and moving from closed curtains to a collective culture of transparency is essential to promote a positive dynamic for overcoming them.

5. **Think and act in terms of sustainable capacity outcomes.** Capacity is at the core of development. Any course of action needs to promote this end. Responsible leaders can inspire their institutions and societies to effectively work towards capacity development.

6. **Establish positive incentives.** Distortions in public sector employment are major obstacles to capacity development. Governance systems respectful of fundamental rights are a powerful incentive.

7. **Integrate external inputs into national priorities, processes and systems.** External inputs need to correspond to real demand and need to be flexible to respond effectively to national needs and possibilities. Where such systems are not strong enough they need to be reformed and strengthened, not bypassed.

8. **Build on existing capacities rather than creating new ones.** This implies the use of national expertise as prime option, resuscitation and strengthening of national institutions, and protecting social and cultural capital.

9. **Stay engaged under difficult circumstances.** The weaker the capacity the greater the need. Weak capacities are not an argument for withdrawal or for driving external agendas. People should not be hostage to irresponsible governance.

10. **Remain accountable to ultimate beneficiaries.** Any responsible government is answerable to its people, and should foster transparency as the foremost instrument of public accountability. Where governance is unsatisfactory it is even more important to anchor development firmly in stakeholder participation and to maintain pressure points for an inclusive accountability system.

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5 From ‘Ownership, Leadership and Transformation’ – Carlos Lopes and Thomas Theisohn, UNDP, 2003
### Potential roles for the UN in support of national and local capacity development during the national planning process

<table>
<thead>
<tr>
<th>Step</th>
<th>Situation analysis</th>
<th>Policy formulation</th>
<th>Strategy formulation and budget allocation</th>
<th>Implementation</th>
<th>M&amp;E and Learning</th>
<th>Resources/Mobilization</th>
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<tr>
<td>UN’s role in developing national capacity with regard to Human Resources</td>
<td>Mapping and assessment of the country’s human resource (HR) endowment and capacity gaps for: undertaking country analytical work – including data generation and disaggregation (gender, ethnicity, age) of population and demographic trends, migration and employment trends, situation assessment, analysis and policy development; HR gaps in the human resource requirements to deliver MD/MDGs and other international goals and commitments.</td>
<td>Identifying the HR capacity gaps in policy issues relating to HRD including understanding and applying the internationally-agreed standards and norms. Facilitating HR assessments in niche areas including for example cross sectoral HR supply and demand linkages, gender and human rights aspects.</td>
<td>Bringing together in a holistic manner all the players (governmental and Non-governmental) to develop a comprehensive HR development strategy. Developing adequate skills to manage budgetary processes and analysis; to help negotiate allocations and trade offs between different resource allocations and develop alternative funding schemes. Amplify the role of the budgetary implications of HRD/training.</td>
<td>developing adequate human resources for cross sectoral programming and scaling up implementation of best practices for achievement of MD/MDGs. Quality assurance of HRD/training.</td>
<td>Support the country in monitoring trends in the HR capacities and productivity enhancement. Support the country in strengthening its HR capacity for monitoring and reporting progress in the achievement of MD/MDGs and the HR implications. Developing training and capacity building exercises including through training workshops in HRD. Supporting networks of institutions of excellence in HRD to exchange of learning.</td>
<td>Examination of issues in unemployment, underemployment, quality of life in working environment and their impact on sustainable development processes. Facilitate partnership with private sector and industry groups in sharing HRD facilities and expertise.</td>
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**Annex III**

Potential roles for the UN in support of national and local capacity development during the national planning process
| Public sector accountability | Identifying capacity gaps and constraints to improve public services delivery and to build/strengthen institutional capacity dealing with public services at the national and local levels. Developing capacity indicators and benchmarks Introducing international standards or comparative benchmarks | Being aware of and compliance with international agreements/frameworks/norms and standards related to PSA; Setting up legislative frameworks and creating an enabling environment for PSA; Empowering civil society. | Building on experiences and good practices available at the local/national/regional and international levels to build public trust and enhance PSA; Cost measurement exercises. Identifying priority programmes/projects to foster PSA; Factoring in externalities. | Launching Start-up projects that could be replicated nationally; Ensuring that local/national capacity exists/is built to provide sustainability to programmes/projects related to PSA. | Building/strengthening capacity of oversight institutions (Parliament, Ombudsman, Audit General, Consumer Groups, etc.), including community-based auditing |
| Access to information and knowledge | Access to good practice in information and knowledge management for  
- Quality assurance and standards  
- Awareness of relevant and appropriate technology options  
- Behavioral development and change (e.g. health and nutrition good practice information packages for families)  
- Valorization of indigenous/local knowledge  
- Provision of strategic information for productive activities of poor people (market access, input and output prices, etc.)  
Capacity to assess and analyze knowledge and capacity gaps (especially among the poor) for better targeting of programmes, including use of community-based information systems (e.g. needs maps) | Capacity to protect indigenous and local knowledge (IPR) and its management, including the legal framework  
Empowerment of poor people and marginalized people, including indigenous communities, their organizations and their influence in local and national government through information resources and technologies, and enabling legal framework | Government’s capacity to identify entities/partners who can best provide knowledge and information (partnership “due diligence”)  
Government’s capacity for managing partnerships with the private sector, media, civil society organizations, especially those specializing in knowledge management, information dissemination and communication | To ensure capacity for communicating knowledge through  
- Knowledge networking  
- Use of IT  
- Use of private sector and mass media | To ensure government capacity to monitor and generate feedback on use of information and knowledge  
To strengthen the role and effectiveness of inter-community knowledge networks and information-sharing | To support community and grassroots organizations in mobilizing for local knowledge management and programme participation |
<table>
<thead>
<tr>
<th><strong>Inclusion, participation, equity, empowerment</strong></th>
<th><strong>Capacity of local, national and non-governmental organizations to adopt a rights-based approach</strong></th>
<th><strong>National capacity to assess the benefit of strategies for the poor/disadvantaged/excluded and to set priorities to meet their needs.</strong></th>
<th><strong>National capacity to develop institutions for poor/marginalized peoples participation</strong></th>
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<td>Capacities to expand opportunities and institutional arrangements for participation of the poor, marginalized and excluded people.</td>
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<td>National capacity to extend access of basic service and empowerment programmes to the poorest and most marginalized people and to monitor outreach on a participatory basis.</td>
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<td><strong>National capacity to ensure broad/inter-ministerial involvement and coordination</strong></td>
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<td>Capacity for inclusive democratic governance at national and local levels.</td>
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<td>To ensure national capacity for parliamentary processes, legislative oversight, including at the local level.</td>
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<td><strong>Capacity of legal system to protect human rights of all according to international norms and standards and reflect these in national policies.</strong></td>
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<td>Capacity to enable community impact monitoring.</td>
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<td><strong>National capacity to undertake and use distributional impact assessments that target the poor, the disadvantaged and the excluded, both women and men.</strong></td>
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<td><strong>National capacity to assess the impact of legislation and budgets on the poor, disadvantaged and the excluded.</strong></td>
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<td><strong>Country’s development finance needs, and sources, are best suited to reaching the MDG targets in a cost effective and sustainable manner</strong></td>
<td>To support negotiation capacities on direct budget support, SWAPs and untied technical cooperation and debt-reduction schemes.</td>
<td>To support national and local level budget management processes that are transparent; anti corruption measures.</td>
<td>To enable community participation to monitor projects and ensure decision-makers are accountable for infrastructure development.</td>
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<td><strong>To ensure equitable burden sharing of financing schemes (among income groups, and between national and local)</strong></td>
<td>To facilitate transparent budget allocation processes, that are inter sectoral, and have legislative oversight.</td>
<td>To support vulnerability information systems and information re access to infrastructure.</td>
<td>To support mapping of development finance needs and sources.</td>
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<tr>
<td><strong>Financial Resources</strong></td>
<td>To facilitate MDG costing exercises.</td>
<td>To support negotiation capacities on direct budget support, SWAPs and untied technical cooperation and debt-reduction schemes.</td>
<td>To enable community participation to monitor projects and ensure decision-makers are accountable for infrastructure development.</td>
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<td><strong>National capacity to assess the benefit of strategies for the poor/disadvantaged/excluded and to set priorities to meet their needs.</strong></td>
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<td><strong>National capacity to develop institutions for poor/marginalized peoples participation</strong></td>
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<td><strong>Country’s development finance needs, and sources, are best suited to reaching the MDG targets in a cost effective and sustainable manner</strong></td>
<td>To support negotiation capacities on direct budget support, SWAPs and untied technical cooperation and debt-reduction schemes.</td>
<td>To support national and local level budget management processes that are transparent; anti corruption measures.</td>
<td>To enable community participation to monitor projects and ensure decision-makers are accountable for infrastructure development.</td>
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<td><strong>To ensure equitable burden sharing of financing schemes (among income groups, and between national and local)</strong></td>
<td>To facilitate transparent budget allocation processes, that are inter sectoral, and have legislative oversight.</td>
<td>To support vulnerability information systems and information re access to infrastructure.</td>
<td>To support mapping of development finance needs and sources.</td>
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<td><strong>Financial Resources</strong></td>
<td>To facilitate MDG costing exercises.</td>
<td>To support negotiation capacities on direct budget support, SWAPs and untied technical cooperation and debt-reduction schemes.</td>
<td>To enable community participation to monitor projects and ensure decision-makers are accountable for infrastructure development.</td>
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<td></td>
<td>Distributional analysis.</td>
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<td>To support vulnerability information systems and information re access to infrastructure.</td>
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<td><strong>Material Resources</strong></td>
<td><strong>Environme ntal Resources</strong></td>
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<td>National capacity to use MDGs Needs Assessment methodologies in the area of infrastructure are decentralized and respond to community needs National capacity for infrastructure analyses address the issue of sustainability, cost-effectiveness, and equitable distribution</td>
<td>Provide quantifiable data on the economic value of ecosystems preservation (i.e. forests, wetlands, aquifers, coral reefs, etc) in the project planning process. Assist in producing baseline assessment, data and maps</td>
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<td>Multi-sectoral integrated approach to infrastructure investment and maintenance decisions To ensure that norms of social infrastructure and social equity are taken into account when formulating policies To provide technical advice to national counterparts on policy and technological options, including promoting the use of local technologies and resources, when making decisions re infrastructure</td>
<td>Awareness of benefits associated with investment in natural capital and ecosystems. Assistance with legislative frameworks related to, i.e. genetic diversity, cleaner technologies, sustainable production and consumption patterns, etc. Promoting compliance with international agreements</td>
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<td>To ensure local input to infrastructure decisions when defining strategies and deciding on budget allocation To develop alternative private sector and community co-financing schemes</td>
<td>Promote understanding of nature’s protective ecological infrastructure and life support systems and specific strategies dealing therewith. Illustrate how the poor are disproportionately affected by ecosystems losses Assistance with cost measurement of environmental services, i.e. carbon absorption and storage capacity of tropical forests provides more revenue than short term deforestation gains. Demonstrate the economic returns of conservation policies, i.e. improved health, decrease in displaced persons, etc Promote community-based ecosystems management and stewardship</td>
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<td>To ensure that transparent and international standards of procurement (of goods and services) are applied</td>
<td>Ensuring that policies and strategies are implemented coherently and in a sustainable manner, through continuous measures for the protection of natural safety nets that healthy ecosystems provide</td>
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<td>To support community implementation and maintenance of infrastructure fostering ownership and sustainability of projects</td>
<td>Ensuring systematic stakeholder involvement in above steps and follow up / lessons learnt. Addressing gaps in encouraging a holistic public sector approach to project planning and implementation Disseminate best practices and foster a continuous learning by doing culture. Did the poor benefit at community levels, did the country gain at national level?</td>
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<td>To support independent monitoring of the development budget, that involves different government agencies, civil society, and donors To facilitate national channels for public access to information on budget/finance To support identification of performance benchmarks and indicators for monitoring</td>
<td>Provide advice on resource mobilization strategies linked to ecosystems protection, i.e. debt for nature swaps, market-based instruments, etc. Does sustainable ecosystems preservation release project funding in other sectors?</td>
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<td>External/International Relations</td>
<td>Mapping and SWOT analysis of existing economic, knowledge and people-to-people linkages with key global and regional actors. This would include information technology, aid-trade-debt-capital flow patterns, migration, relations with regional bodies and with international treaty and human rights bodies.</td>
<td>National capacity to develop public policy to enable advantageous approaches to international opportunities and to minimize external threats, based on situation analysis.</td>
<td>Promote awareness of and strategies to take advantage of external opportunities where the UN has a brokerage or facilitating role, including national strategies for regional cooperation, aid management, debt reduction, information technology access, South-South cooperation, relations with treaty bodies and international civil society partnerships.</td>
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