Capacity Development was one of the very vibrant sessions which took place on day 1.

Talaat Abdel-Malek, co-chair of the WP on Aid effectiveness, opened the session by saying that the notion of Capacity has considerably evolved since 2008. We have changed the mindset of professionals but not yet the one of policymakers. Capacity is the number one bottleneck to sustainable development. He noted that Capacity Development is a cross-cutting issue within the Busan Outcome Document, right, left and center.

Doctor Mayaki, the CEO of NEPAD agency explained that the African Union and NEPAD had developed a Development Effectiveness and Capacity Development strategy, which includes the citizen as key actor. The role of the State is central, but complementary to the citizen. According to Dr Mayaki "Capacity Development should be mainstreamed in all programmes and all sectors" [because] "Without transformational capacity, the continent will not develop!"

Answering a question from the floor, Doctor Mayaki said that self-determination has two components: A shared vision and results. But Results alone are not enough. Tunisia had achieved results, in fact all possible results. The missing link was inclusiveness and democratic governance. What African countries need is a shared and inclusive vision, especially given their young demography. In that case, "Capacity Development" means a State which includes strategic engagement with Civil Society and the private sector. Therefore developing country capacity means address the needs of non-state actors so that they can understand public policy, contest it, and participate in it.
The short intervention of Aki Nishio, WBI Director, echoed these views: It is critical to promote citizen participation through IT technologies. That is one of the most transformational forms of Capacity Development.

There was an emotional account of the Rwandan experience (Stella Mugabo, Director Public Sector Capacity Building Secretariat) regarding 3 key phases of the country’s evolution over the last 17 years since the genocide:

- **Rebuilding Rwandan society to get out of the crisis**: the capacity to belong, the capacity to be Rwandan, and the capacity to identify a common enemy (poverty). This phase was characterised by much emphasis on reconciliation and tolerance.

- **Rehabilitation, and building a common vision**: developing a policy framework, basic infrastructure, and a shared vision for change, together with consultants’ effort.

- **Development**: Donors have to align their Capacity Development support through the "Strategic Capacity Building Initiative", which covers 4 key strategic sectors.

Wonhyuk Lim, Director at the Korean Development Institute emphasised the value of learning. Effectiveness cannot be reached if we overlook Capacity Development and Political Economy Analysis. "We cannot assume a functioning State." Capacity Development relies on Knowledge Exchange. Therefore we have to invest in Knowledge Exchange, but we cannot substitute for host country ownership and leadership, because it is the one which has the local knowledge to make things work.

Nils Boesen of UNDP highlighted the role of the "Learning Network for Capacity Development" (LenCD), an open network of donors, governments and civil society. We have to work more on the subject of linking Capacity Development to Results. Different capacity results arise at different levels with different time horizons. Capacity Development is about change, and change is not linear. After Busan, we need to continue to learn and share. LenCD is a possible forum for that. "It takes Capacity Development to make aid history !"

Doctor Beier, Managing Director of GIZ started with the slogan of Talaat Malek that "Capacity is the Number one bottleneck for Development". Capacity Development should become an integral part of country compacts between country leaders, stakeholders and development partners. We have plenty of sector strategies and policies in place, but implementation is weak. CD processes are often very complex, it is important to define actors and drivers of change. For Knowledge Sharing, we need to strengthen existing networks like LenCD. For example, there are similarities between the Korean Development Institute approach on knowledge exchange and the European Commission’s twinning and peer support in the EU neighbour countries. Finally CD is not just technical, it is inherently political and requires political commitment (examples of Rwanda and Cambodia).

M. Otieno, Kenyan Minister of State for Public Service called on the donors to make more use of country systems with 2 striking formulas: "If you do it through your system, then do it, but don't call it aid !". "If you want to hold us accountable, then do it through our systems..."

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Those minutes are not official. The full video record of the session is available at: http://www.liveto.com/busanhlf4/index.html
(See details below)
The CD session should be accessed by this VOD link (although it is wrongly labelled as “fragility”)