**Proposal: Building Block for Country-driven, Results-focused Capacity Development (draft August 18th 2011)**

**Issue**: Putting principles for effective capacity development into practice – a concerted country-centered and action-focused effort to convert broadly-accepted principles (such as those in the Accra Agenda for Action, the Cairo Consensus on Capacity Development, Capacity Development Strategy Framework) into action with the potential for engaging a whole new set of actors – in a horizontal partnership of doing and learning.

**Proposal:** The preparation for Busan has put capacity development high on the political agenda, reflecting that many developing countries see capacity development as critical for both aid and development effectiveness. The central issue is operationalize the principles that have already been broadly agreed. The Partner Country Contact Group position paper (12 June 2011), along with numerous studies, point to the problems when capacity development efforts are not country-driven, lack a results focus or are an afterthought in the development process. These problems include insufficient attention to ensuring effective country ownership and leadership, poor alignment with strategic country priorities, fragmentation and duplication of efforts by external partners, poor fit to country context, insufficient attention to the change process and empowerment of local stakeholders, bypassing of country systems, and failure to monitor and learn from results.

The initiative will provide catalytic support in several key action areas:

* ***Countries putting country-driven, results-focused capacity development into practice:*** National stakeholders could form a compact to adopt country-driven, results-focused approaches to the strategic planning, design, implementation and monitoring of capacity development programs, partnering as relevant with external partners from the region or other parts of the world. This would involve:
	+ Country stakeholders, led by change coalitions and champions, defining capacity development priorities and results that support their development results, making capacity development central to national and sector policies and development strategies, and fitting the design of the capacity development activities and the change management process to the unique country context.
	+ A focus on sustainable and progressive strengthening of national institutions and systems.
	+ Measuring and monitoring results, particularly at the levels of intermediate results and institutional and systems improvements, drawing on relevant standards and peer performance where possible.
	+ Demand-driven support by external partners that is aligned and harmonized with the country capacity development strategy.
* ***Application of innovative tools for country-driven, results-focused capacity development:*** In order to implement the country-driven, results-focused capacity development strategies and plans noted above, tools and activities will be required that go well beyond traditional approaches of training and technical assistance, for example strengthening change coalitions, connecting to knowledge in middle-income countries and strengthening leadership teams. The initiative will provide catalytic support to countries for the adaptation, application and learning on the use of these tools.
* ***Knowledge and exchange on what works***: The initiative would be a knowledge connector – sharing new learning, linking to multiples sources of global knowledge, enabling peer exchange, working with other networks, and facilitating learning, utilizing different media such as web platforms, video-conferencing and conference learning events. In addition, the experimentation and innovations indicated above will be underpinned by a rigorous process of learning what works. Measuring capacity development results and investigating the links to service delivery and impact on people’s lives could be examples of future areas of joint study.

It is proposed that a partnership in the form of a Capacity Development Compact be established to take forward this initiative and these action areas. Country ownership would be central to all country-level activities, with catalytic support available from the compact based on minimum agreed requirements. Other funding support for the country-level activities would be from country-level development partners. The Compact would also fund joint analytic work, knowledge exchange and learning events. A small central function could facilitate the activities, under the guidance of a multi-stakeholder steering group. The Compact would not establish a new permanent structure, but work through existing networks and organizations.

**Session Leaders:** TBD

**Costs of implementing the initiative:** The cost is estimated at $500,000 to $1m per annum.

**Partners :** This is a joint proposal of .. developing country leaders…southern institutions… civil society organizations…existing networks(such as LenCD, CD Alliance, other) … development partners.