



Regional Inception Workshop:
Learning by Doing: Capacity Development Approaches at the Local Level
26-27 November 2007
Amari Watergate Hotel, Bangkok, Thailand

Workshop Report

As the deadline for achieving the MDGs draws closer, there has been an increased focus on their contribution to local level development. It is recognized that localised development programs can improve accountability mechanisms, enhance local ownership and governance, strengthen sustainability, and make the MDG targets more tangible and relevant to the constituencies they would seek to benefit. Yet the pitfalls of poorly planned and implemented localisation efforts are not insignificant, ranging from unnecessary duplications of effort to wasted resources. The challenge of designing an effective model for MDG localisation can be approached from a number of perspectives: decentralisation frameworks, local development financing, multistakeholder partnerships (private sector, civil society) democratisation, etc. A crucial factor common to these approaches, however, is the imperative of assessing capacity constraints within, and between, levels of localised development efforts as well as the design, implementation and evaluation of capacity development responses. Indeed, the failure to identify and address capacity constraints can lead to poor implementation and coordination, mismatched competencies between the national and local level, inadequate monitoring and results measurement, weak sustainability and inadequate participation from relevant stakeholders, among others.

Introduction

On 26-27 November 2007, UNDP and SNV (Netherlands Development Organisation), with support from the UNDP Asia Regional Governance Programme (ARGP), convened a Regional Inception Workshop, “**Learning By Doing: Capacity Development Approaches at the Local Level**” in Bangkok, Thailand. The primary workshop objectives were 1) to share lessons learned on capacity development strategies and development efforts aimed at contributing to the MDGs at the sub-national/local level; and 2) identify critical knowledge gaps that need to be addressed to support sub-national/local capacities for reaching the MDGs.

This learning event was attended by over 40 participants from 13 countries: project focal points from UNDP and SNV country and regional offices, government (national/local) partners, and representatives from civil society organisations, as well as other development organisations.

By way of background, UNDP and SNV signed a cooperation agreement to jointly support the formulation and implementation of MDG-based National Sustainable Development Strategies globally. This agreement, referred to as Activity Agreement IV (or AA4), has focused on strengthening national-local linkages in development planning and implementation, and strengthening local level capacities for achieving the MDGs.

Towards this end, country engagement plans (CEPs) in four AA4 focus countries in the Asia region (Bhutan, Lao PDR, Nepal, Vietnam) were developed, with inputs from UNDP, SNV, and government and non-government counterparts. In addition, two regional engagement plans

(Learning for MDG Localisation: Towards Learning and Networking on Capacity Development Approaches; and Advocacy for Local Capacity Development for MDG Progress in Asia) were also developed by UNDP and SNV to support the CEPs as well as consolidate lessons learned from local capacity development programs in the regions, and to inform and guide the implementation of the CEPs. This Regional Inception Workshop was the first major activity under the two Regional Engagement Plans (REPs).

Workshop Strategy and Mechanics

The workshop consisted of plenary presentations and working group discussions over a period of two days. Sessions examined lessons learned in the AA4 countries, both within and beyond the CEP context. Other countries were also asked to provide their insights and contribute to the body of knowledge. Representatives from AA4 focal countries presented project updates and workplans, while other invited speakers presented lessons learned from relevant projects and programs in the region.

Overview of Workshop Outputs and Discussions

As the governments of developing countries in Asia attempt to budget and plan for effective local service delivery, it is clear that their efforts are often hindered by a variety of capacity needs. Discussions during this workshop identified a number of these capacity gaps, including: coordination failures between national and sub-national levels, the lack of data disaggregated for local-level policy implementation, capacity bottlenecks between CD entry points (individual, organisational, and policy/enabling environment), and barriers to the emergence of effective local leaders and champions. Both during working group sessions and through presentations that shared lessons learned, a number of CD strategies were brought forward. These discussions included how CSOs can play a role in promoting the MDGs as a framework for local development planning, how unified human resource policies can help bridge coordination challenges, how non-monetary incentive mechanisms can promote the development of leadership skills and utilize local knowledge, and that there must be investments in local capacities to budget, plan, and monitor- in order to address coordination gaps.

Over the course of the two days, participants also considered several overlying themes that must inform the development of CD strategies. First, although it is useful to identify CD strategies generally, there can be no blueprint or uniform strategy because each must take into account local stakeholders, local knowledge, and existing local resources. Second, CD must be a participatory process that includes marginalised groups. Third, there is no substitute for the sharing of knowledge; case studies and lessons learned from across the region can offer guidance in the formulation of CD strategies and, ultimately, the achievement of the MDGs at the local level. However, while it is critical to develop strategies that address local capacity needs, more research needs to be done to support governments and other stakeholders in making appropriate investments in CD. As such, a follow-up workshop will be held in June 2008¹ and will focus specifically on advocacy and investment in local-level capacity development.

¹ Final date of the workshop has not been decided so this tentative date is subject to change.

Day One: 26 November 2007

The first day of the workshop began with an overview of local-level capacity development (CD) efforts taking place globally as well as regionally. Professor Alex Brillantes, Dean of the National College of Public Administration and Governance of the University of the Philippines, delivered the keynote address, “Why Bother About Local Capacities”. He gave a comprehensive overview of the links between good governance, regional decentralisation reform and the importance of building local-level capacities. Following Professor Brillantes’ remarks, participants considered perspectives on local-level CD from a variety of actors, through both plenary and working group sessions.

Plenary Session One: The CD Localisation Puzzle: Global/Regional Efforts and Perspectives

Key points that emerged from this session were:

- CD is now largely accepted as a prerequisite for attaining the MDGs but care needs to be taken to see that it does not become a catch-all phrase for all kinds of development efforts;
- There has been an increased focus on identifying and clarifying exactly which capacities are key to local development efforts and which key capacities are missing;
- From a global perspective, decentralisation is a driving factor of local development so it is critical to understand the linkages between decentralisation frameworks and capacities at all levels (individual, organisational, policy/enabling environment);
- At the regional level, the AA4 collaboration between UNDP and SNV addresses the issue of “CD for MDG localisation” through country engagement plans that develop local capacities for national development strategies to be adapted, implemented and monitored;
- CD needs to be more integrated with aid effectiveness efforts;
- It is important to not incapacitate local actors and entities at the expense of incapacitating the same at the national level: CD must be an integrative process;
- A critical challenge is that of understanding the financial/budgetary investments in CD: in Asia, ODA is a declining proportion of budgets and governments are being given more responsibility for managing aid and budgeting accordingly. Are CD allocations being appropriately considered within this framework?
- More data is needed on what is actually being spend on CD in the region;
- Case studies are extremely important because they illustrate what is often a situation of services being delivered least effectively at the *local* level;
- The MDGs need to be defined in terms of the needs of local people; it is important to unblock resources available at the local level rather than only importing external resources.

Plenary Session II: Towards MDG Achievement: Local Level Capacity Development Stories from the Field

This session was made up of presentations by civil society and government representatives from “reference countries” (Asian countries not involved with the UNDP/SNV Activity Agreement IV initiative): Bangladesh, Cambodia, Indonesia, Philippines and Sri Lanka. Key points included:

- (Bangladesh) There is an inappropriate mix of individual, organisational and enabling environment capacities at the local level. While there are some best practices and good local initiatives, the existing local capacities must be capitalised on through sharing of lessons learned. The capacities of local government bodies and functionaries is, however, being developed through trainings on the MDGs in Bangladesh;
- (Cambodia) Although the government of Cambodia has incorporated the MDGs into the 2006-2010 National Strategic Plan, they have been insufficiently localised at sub-national

levels, partly due to capacity gaps for local planning. Similarly, there are capacity gaps for monitoring and evaluation (M & E), and a lack of coordination between national, sectoral, and sub-national planning processes. These capacity gaps have made it difficult to achieve policy priorities;

- (Indonesia) There has been significant progress made on localising the MDGs, although there is still quite a high level of disparity between districts with regard to MDG achievement. One area that has been emphasized is building capacity for local-level budgeting and planning. Approaches to this end include knowledge sharing (through exchange experiences and a national newsletter) and developing guidelines for replication of localised MDG targeting for sharing throughout the country;
- (Philippines) The Philippines has provided excellent examples of successful MDG localisation. The presentation given by Mayor of the Science City of Munoz (one of 13 UNDP-UN-HABITAT MDG Localisation Resource Cities in the Philippines) illustrated several effective participatory strategies, including use of participatory MDG Baseline and Targeting, mainstreaming the MDGs in local plans and budgets, non-monetary incentive mechanisms, and creative ways of disseminating information about the MDGs (through social artistry), and setting up local systems for MDG monitoring;
- (Sri Lanka) A quick assessment of capacities of local service delivery institutions in Sri Lanka has just been completed and a CD strategy is being developed to address the lack of systematic planning/budgeting at the local level. There are also capacities lacking for coordination between national and local authorities, unified human resource frameworks, and lack of harmonisation of M & E frameworks.

Plenary Session III: Local-Level Capacity Development Stories from the Perspective of Civil Society Organisations

Three civil society representatives from the region (from Philippines, Nepal and Vietnam) gave presentations on the role of CSOs in local level CD efforts; key points that emerged included:

- In Nepal, conflict and political instability have weakened capacities for coordination and participatory planning processes. Civil society organisations have supported excluded groups in local development processes, acted as a watch-dog for accountability, and contributed to developing monitoring systems that localise the MDGs;
- Similarly, in the Philippines, CSOs such as Social Watch have become champions in the CD process by promoting the MDGs as a framework for development planning and fiscal management. CSOs in the Philippines have generally played a key role in the successful MDG localisation and awareness campaigns throughout the country;
- The Vietnam presentation focused on efforts to overcome capacity gaps in financial management at the individual and organisational levels. Assessments of local-level capacities have revealed gaps in basic budgeting/monitoring/planning skills, economic literacy, and budget negotiation skills. This presentation showcased the fact that CSOs can have an impact by brokering dialogue between communities and local authorities on budget issues, conducting trainings to develop capacities for budget planning/monitoring and promoting accountability for local budgeting bodies.

Working Group I: Situational Analysis: Emerging Capacity Gaps at the Local Level

Participants were separated into three working groups and asked to identify local-level capacity gaps at the three entry points of individual, organisational and policy/enabling environment. The following were among the key gaps/needs that were identified:

- Individual
 - Capacity gaps differ depending on the kind of frontline worker (CSO, government, etc.), on the level of decentralisation, and on the number of stakeholders involved;
 - Capacity gaps emerge as a result of gender disparities: men are more likely to take part in trainings, women may be excluded from certain professional fields and may be hindered by language abilities due to limited exposure;
 - Gaps may emerge due to limited local understanding of laws, regulations and policies;
 - Capacity gaps of frontline workers may emerge when leadership styles and modalities are not tailored to local knowledge, traditions and culture;
 - There are significant capacity needs of lower level government staff and CSOs: there are shortfalls of staff in terms of quantity and quality at the local level.
- Organisational
 - There is a widespread lack of MDG awareness at the local level and CD efforts need to be focused on line ministries in addition to local government units. There is also a lack of understanding of the role of CBOs and the private sector in MDG achievement;
 - There are capacity gaps for mobilizing resources and creating partnerships;
 - Even when there are accountability guidelines and tools, there is a lack of skills to apply them; however, it is often also the case that capacity gaps emerge as a result of a lack of frameworks/guidelines for local planning;
 - There is a lack of vertical/horizontal coordination mechanisms; in general there is also a lack of mechanisms to link planning between national and sub-national levels.
- Policy/Enabling Environment
 - There are serious capacity gaps in terms of planning and budgeting that stem from bottlenecks/inadequate mechanisms between national and sub-national levels. These gaps include:
 - Roles and responsibilities between different levels of government not clear;
 - Inadequate time to review plans and budgets;
 - Lack of mechanisms to align local priorities with national priorities;
 - Decentralisation can hamper flow of information and data between levels;
 - Lack of awareness of the importance of monitoring the results of budgeting and planning cycles;
 - There is a lack of capacity to harness the resources and knowledge of the private sector in terms of achieving the MDGs; there may be no formal mechanisms to engage with the private sector;
 - There are problems with coordinating CD activities between vertical and horizontal levels of government.

Day Two: 27 November, 2007

Plenary Session V: Country Engagement Plans (CEPs) of the UNDP/SNV Partnership- Accelerating Progress Towards MDG Achievement

During this session, representatives (UNDP, SNV or government partners) were asked to make short presentations on the overview/objectives of the CEP in their country, as well as to comment on how the CEP workplan addresses capacity needs at the local level:

- The Bhutan CEP is already in the implementation stage and focuses on equipping block and district-level functionaries with skills to plan, implement and manage resources in accordance with MDG principles. Key challenges/issues include:
 - Creating clear planning and budgeting guidelines and a strong monitoring and evaluation system;
 - Building strong transparency and accountability mechanisms;
 - Developing incentives for local government staff through capacity building initiatives;
 - Building a strong information database.
- The CEP for Lao PDR is in the beginning stages of implementation and has the objective of strengthening the monitoring and reporting capacities at the village and district levels in line with the 2006-2010 National Socio-Economic Development Plan (NSED). The CEP will be implemented in three stages:
 - Review existing monitoring and evaluation (M & E) systems and develop new guidelines and a monitoring tool to improve current system;
 - Consult with stakeholders and test the new tool;
 - Roll out new tool throughout the country.
- The Nepal CEP recognizes that the national conflict has taken a toll on local-level capacities; the primary objective is to enhance local MDG-based planning processes. Specifically:
 - The planning process should include marginalised groups;
 - Planning will include an element of accountability through the involvement of CSOs and NGOs as watch-dog groups;
 - A successful planning process will rely on solid information management including baseline assessment, access to information and reliable reporting.
- The Vietnam CEP will be piloted in Thua Thien Hue province and will address the fact that many local-level development plans in Vietnam lack an M & E component. In particular:
 - In order to create an M & E framework, there will be a process of identifying stakeholders, establishing baseline data and indicators;
 - M & E guidelines will be drafted in line with Vietnam's SEDP (Socio-Economic Development Plan) and tested in Thua Thien Hue province;
 - Lessons learned will be shared with other provinces in the country.

Plenary Session VI: Facilitating Advocacy and Knowledge-Sharing

This session was made up of two presentations: the first on knowledge sharing and follow-up activities related directly to AA4; the second on general guidelines for successful e-networking:

- Bill Tod of SNV made a presentation with the following key points:
 - This November 2007 workshop is only the first of several activities that will take place under the AA4 Regional Engagement Plans (REPs);
 - Of particular note is the workshop planned for June 2008 that will look at investment in and advocacy for CD at the local level;
 - The June workshop will build on case studies of the CEPs, as well as other general research on investment in CD being done in the region.
- Robert Jukham, Knowledge Services Team Leader at UNDP RCB, made a second presentation during this session to share insights on how workshop participants might think about structuring e-communications to create a successful and sustainable platform for networking and knowledge sharing. Based on suggestions made during this presentation, participants have opted to start an informal e-network that was launched in mid-December. It

will serve as an information-sharing platform, as well as a forum for a moderator-led discussion on key issues of local-level CD that emerged from the workshop.

Working Group II: Strengthening Capacities for MDG Localisation: Strategies and Experiences for Addressing Local Capacity Gaps

The plenary of workshop participants were again asked to break into three groups (CD entry points of Individual, Organisational and Policy/Enabling Environment). During this session, each of the groups considered the capacity gaps identified in Working Group I and came up with strategies to address these gaps:

- Individual:
 - Good coaches, advisors and mentors are key (skills and knowledge are not all that is needed);
 - Knowledge sharing can be fostered through joint learning events (but must take care not to have “MDG tourism”) and can show that progress is possible
 - It is crucial to recognize traditional power relations and therein create room for leaders to emerge;
 - There is no blueprint for CD strategies: each strategy must be developed with local stakeholders and make use of human resources that already exist;
 - Incentives can also encourage innovation, balance the formal with informal, encourage people to take risks, and create an atmosphere of trust;
 - Existing capacity assessment tools must be reviewed to see that they do not look only at skills for planning, budgeting and monitoring, but also at coping mechanisms and leadership;
 - CD must be a participatory process that takes into account local knowledge, encourages local creativity, and fosters ownership and empowerment.
- Organisational:
 - There needs to be a clear framework to link national and sub-national systems; for this to happen there will need to be credible data, legal guidelines, and participatory planning tools to monitor and evaluate progress on key indicators;
 - Institutions to encourage participation by the people (including NGOs, CSOs, and CBOs) can strengthen the planning process;
 - Job descriptions need to be clear and unified human resource frameworks can also be of great benefit;
 - Local governments must have a very clear mission and not one based on political appointments and relationships- although local recruitment should be given priority;
 - It is important to remember that a ‘perfect policy framework’ is not an end to itself: there needs to be a regular evaluation of whether service delivery is happening in the local communities.
- Policy/Enabling Environment:
 - A bottom-up participatory planning process can help address the issue of national and sub-national priorities being poorly aligned;
 - Similarly, there needs to be clear feedback mechanisms that leave some flexibility to the local governments;
 - When there are gaps in capacities to coordinate between levels of government, there needs to be an assessment of which level is making the plans so an intervention strategy can be designed;
 - There needs to be an understanding of the fact that the planning and budgeting processes must necessarily be linked;

- In order to address the capacity gaps of local authorities, it is critical to make information available (for example, introducing scorecards for monitoring);
- There needs to be a high level of statistical integrity; this process may be helped by establishing an independent statistical agency;
- Budgeting for CD should be considered during allocation processes.

Day Three: 28 November 2007 (Internal Discussions with CEP Countries)

During a half-day of internal discussions, representatives from the four CEP countries (Bhutan, Nepal, Lao PDR, and Vietnam) were convened to discuss implementation of their CEP workplans in more detail. Key areas of discussion included revising timelines for implementation of the CEPs, considering modalities for scaling up the CEPs, and thinking ahead to knowledge products that will come out of this AA4 initiative in each of the CEP countries.

Conclusion

The discussion over two days of this workshop yielded valuable insights on the importance of focusing on capacity development at the local level in order to meet MDG targets. As work is done to identify local capacity needs, as well as to identify appropriate strategies for addressing these needs, it has become increasingly clear that more research needs to be conducted into advocacy and investment in local-level CD. Specifically, several key questions have emerged:

- What tools are needed to assist both national and sub-national budgeting/planning processes to allocate appropriately for local CD?
- What case studies in the Asian region illustrate good practice with regard to successful advocacy for investment in local CD?
- What lessons can the CEPs contribute to the question of appropriate CD investment?
- Are there existing frameworks that can guide local governments in allocating for CD investments?
- What role can civil society play in advocating for investment in local-level CD?

Under the second of the Regional Engagement Plans (REPs), “Advocacy for Local Capacity Development for MDG Progress in Asia”, a workshop is planned for June 2008. This workshop will be organised as a clear follow up to this November workshop and will look to address the important questions listed above on budgeting and advocating for local-level CD investment. In the intervening period (December-May), UNDP and SNV will jointly be undertaking research on the types of efforts underway in the region to address gaps in local CD investment.

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