

Capacity development and challenges for donors beyond 2005

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The year 2005 is seen by many as a make or break year for accelerating progress towards the Millennium Development Goals. We have the prospect of significant increases in aid ? possibly by an additional US\$50 billion per year by 2010. At the same time, the Commission for Africa, the Millennium Review and the G8 Gleneagles meeting reached a clear conclusion: capacity development is one of the most critical issues for both donors and partner countries. With both the resources and the pressure for results, this is possibly the best opportunity donors have ever had to help developing countries address the long-term challenges of capacity development.

Some areas of consensus seem to be emerging. One of the most important, as set out in the 2005 Paris Declaration on Aid Effectiveness, is that capacity development is the primary responsibility of developing countries, with donors playing a supportive role. Developing countries must lead the process by setting specific objectives in their national plans. Donors should then mobilise their financial and analytical support around credible partner country objectives, plans and development strategies, making full use of existing capacities. To support commitments under the Declaration, donors and partner countries have agreed on indicators to measure progress, with targets for 2010. While this broad consensus is very welcome, donors will face some significant challenges over the coming decade.

First, much of what we have learned about capacity development over four decades points to a lack of a persistent and patient approach, with donors' short-term project goals displacing longer-term incremental changes. The scaling up of aid provides an opportunity to set more realistic timescales for this endeavour. But donor agencies still find it hard to plan beyond the electoral and budget cycles in their own countries and to ride out the ups and downs with partner country governments, particularly where human rights are at stake.

Second, there is a need for a more rounded approach to state building in which donors can help facilitate change for pro-poor development. Donors could look more closely at facilitating interactions between states and their societies, including the institutions of representative democracy, rather than being locked into fragmented approaches that support either governments or civil society groups, to the exclusion of the other.

A third challenge will be to improve policy coherence between different parts of OECD governments, in particular to reconcile policies that support capacity development and training,

with those that encourage emigration. About 70,000 African professionals and academics leave the continent each year. [1] Some of this is genuine 'brain gain' from which all can benefit, but in some fields, such as health care and IT, OECD government policies threaten to strip developing countries of essential skills.

Finally, a question remains about how to convert the international rhetoric on capacity development into changes in donor behaviour on the ground. Much depends on changes in donor agencies in terms of internal incentives, skill profiles and operational procedures if capacity is to be given high priority in policy and practice.

A new era featuring significant scaling up of aid presents opportunities for capacity development, but also magnifies the need to learn lessons from experience. What is needed is a determined concerted effort, by donors and partner countries, to implement what has been learned and to ensure that good practice becomes common practice.

[1] World Bank (2005)

[Capacity Building in Africa: An OED Evaluation of World Bank Support.](#)