Capacity Development – Sida Working Paper No. 10

Methods for Capacity Development

A report for Sida's project group "Capacity development as a strategic question"

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Foreword

This study is an attempt to analyse and present Sida's practices when selecting methods for capacity development. The point of departure of the study is the new policy for capacity development that was approved in February 2001. In connection with the preparation of the new policy, it became clear that Sida lacked a common language for capacity development. Therefore the policy presents an approach to learning and defines the central concepts.

This study has had the ambition of analysing and presenting Sida's practices when selecting methods for capacity development. Terms such as "implementing consultant", "human resource development", "institutional cooperation", "twinning", "networks" etc. are common in assessment memoranda and at meetings, but what is meant be these terms can vary considerably. The report presents an attempt to categorise and make a precise definition of these methods with the aim of making it possible for members of staff at Sida to learn from each other, over divisional and departmental borders.

The study has been made by Lage Bergström, Utbildning & Video, on behalf of the project group "Capacity Development as a Strategic Question".

The report is No. 10 in the series of reports on capacity development published by Sida's Methods Development Unit.

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Abbreviations

ADEA	Association for the Development of Education in Africa
ITP	International Training Programme
IUCN	World Conservation Union
LFA	Logical Framework Approach
LVRLAC	Lake Victoria Regional Local Authorities Cooperation
NGO	Non-Governmental Organisation
PAG	Permanent Advisory Group
PER	Public Expenditure Review
PMU	Project Management Unit
PRS	Poverty Reduction Strategy
SALA IDA	Swedish Association of Local Authorities - International Development Agency
SLU	Swedish University of Agricultural Sciences
TA	Technical Assistance
UBC	Union of Baltic Cities

In addition, Sida's internal abbreviations for its departments and divisions (SAREC, NATUR, DESA, etc) are used without explanation in the text.

Summary

"Our principal method is capacity and institutional development." This was laid down in Sida's mission statement of 1995 and has been reaffirmed in the new policy for capacity development that was approved in February 2001. The policy provides a foundation for making a better analysis of contributions since it specifies priorities, presents a concept of knowledge, and defines concepts and target levels for capacity development.

With the policy as its point of departure, this study is an attempt *to analyse and describe Sida's practices for the selection of methods for capacity development*. One obvious problem is the lack of a common language over divisional and departmental borders. Words and expressions such as "implementing consultants", "human resource development", "institutional cooperation", "twinning", "networks" etc are common in assessment memoranda and at meetings, but the meaning of these terms can vary considerably.

The study is based on a small series of "interview meetings" held with programme officers at different departments in the summer of 2001, and on the analysis of a number of assessment memoranda and other documents.

The study shows that *a significant proportion of the capacity development that takes place is implemented by Sida itself in its role as a "dialogue partner".* The active capacity builders are Sida's staff – in Stockholm and at the embassies – with the support of in-house consultants.

The regular dialogue concerns both supporting the development ambitions of partners in cooperation and making demands on them based on agreements concluded with them. It is a case of striking a *balance between stimulating internal driving forces and exerting external pressure*. The report provides a number of examples of this which show, among other things, that the capacity development to which Sida contributes in its dialogue partner role can refer to all target levels – individual, organisation and institution. One impression gained is that *a shift has taken place in recent years and that now it is increasingly a question of exerting an influence at the organisation and institution level*. Hence, there are greater requirements in respect of professional skills and experience, and one conclusion that can be drawn is that greater efforts are necessary to enable Sida's programme officers to cope with these growing requirements.

A great deal of space in the report is devoted to an attempt to *categorise the methods used by Sida in cases where it is decided that Swedish/international resources need to be engaged in a certain contribution.* The table below summarises the five main categories, A–E.

A	**Education and training: Courses, study visits and other forms of training** Education and training is a method that is usually included in all of the other categories listed below. But education and/or training itself can be the method selected for a certain contribution.
B	**Twinning: Genuine and quasi** "Twinning"[1] means that an organisation in a developing country is paired with its sister organisation in Sweden or another "developed" country. In order to strengthen and build up the recipient organisation, the sister organisations work together through a combination of the following: exchanges of staff, education and training, support for equipment, long-term placement of experts and the supply of expertise in the form of short-term consultants, Twinning has proved to be particularly successful for building up professional capacity in an organisation, either to create necessary foundation for the implementation of organisational changes of different types or in connection with an ongoing process of change. But the twinning method does not seem to be so successful where concrete measures for management development or administrative/organisational changes are concerned.
C	**International expertise for participation in implementation: Implementing consultants, "technical advisers", high level advisers and the "consultant mix"** In the daily work at Sida, reference is often made to *"implementing consultants"*. But the term is almost always misleading since external expertise is primarily used for advisory services/supportive tasks. Nevertheless, there are some examples of projects where the entire implementation process has been the responsibility of a Swedish company/organisation that has thus been given responsibility for the entire project.The use of *"technical advisers"* was common in Swedish development cooperation up to the beginning of the 1990s. Now they are less common and are usually to be found in the form of *high-level advisers*, often successful. In the development cooperation programmes of NGOs the use of technical advisers can still be found, under headings such as "seconded staff", "volunteers" or "experts".The *"consultant mix"* has become common in country programme support – instead of the old system of technical advisers. The crucial difference is that it is a consulting firm that is given the assignment of achieving something in accordance with the terms of reference (not just to provide experts). The consulting firm then provides the mix of consultants it considers necessary to fulfil the assignment, normally a combination of a number of short-term consultants (who sometimes return to the project with some degree of regularity), and sometimes one or more long-term consultants.
D	**Support for networks** The network concept is vague, but interesting evidence is available that shows that network approaches can be successful, particularly in exerting an influence on a organisation system – principally through making it possible to create a framework/meeting place for learning from experience. Hereby, support for networks has proved to have advantages in mobilising the capacity of partner organisations and building further on it.
E	**National/regional development funds** National/regional development funds offer one way of fulfilling the ambition that decisions on the focus and construction of contributions should be placed as close to their needs and their uses as possible, both in terms of time and geography. Funds can make it possible to build in mechanisms to enable the partner country to have an increasing degree of influence over the allocation of available development cooperation resources.

[1] Compare "institutional cooperation" which was originally synonomous with "twinning" of central government agencies but, in recent years, has been the heading given to many other Sida contributions of different types. Today, therefore, it would appear to be impossible to demarcate the term "institutional cooperation" in a way which would make it practical and useful for comparisons of experience.

One main issue for the study has been whether the different methods (A–E) can be related to the target levels described in the policy – profession – unit within the organisation – organisation – system of organisations – institutional framework. Unfortunately it has not proved possible to do this in a clear-cut way.

Another conclusion is that the methods used by Sida today focus primarily on the "lower" target levels, i.e. the profession and organisational level. Where exerting an influence on systems of organisations and institutional frameworks is concerned, there is little concrete experience.

A further conclusion of the study is that *Sida does not participate to a great extent in the process of identifying suitable methods to achieve learning in the contributions. Sida is primarily active in defining conditions and establishing frameworks for participating parties. Then it is up to these parties to develop effective methods within the stipulated and agreed frameworks. This has the effect that Sida has the critical task of setting the frameworks to ensure that they provide reasonable opportunities for the participating parties to succeed.* For example, it is not realistic to contrive a twinning arrangement if the objective is to change the system of organisations that the selected developing country organisation is a part of. A framework of this type is determined by standpoints of a fundamental nature – based, for example, on concepts of knowledge and perspectives of rights – and by administrative/financial regulations (for example procurement rules and forms for financial follow-up).

One central issue is how Sida handles the power that is associated with being the financier. The financier has a legitimate right – and a responsibility – to stipulate terms for the use of development cooperation funds, based on Sweden's overall objective of poverty reduction. But the method chosen to define these terms creates in turn limits for the type of learning that can be achieved. This applies, for example, to the conditions that stipulate how agreed funds can be allocated and by whom. In twinning arrangements, the normal procedure is that the funds are transferred to the Swedish organisation that is responsible for the budget and financial reports. What would be the difference (for organisational learning, for "ownership", for the possibility of exerting financial control, etc) if budgeted funds were transferred instead to the sister organisation in the developing country?

Introduction

"Our principal method is capacity and institutional development." This was laid down in Sida's mission statement[2] and has been further affirmed in the new policy for capacity development[3] that was approved in February 2001. The policy provides a basis for making a better analysis of contributions since it specifies priorities, describes a concept of knowledge and defines concepts and target levels for capacity development. But, in the links between target levels and methods, no specific compilation has yet been made of Sida's experience or of the thinking and considerations used in the selection of methods.

What types of methods for capacity development are used by Sida today? Is it possible to classify different methods in relation to the target levels that are described in the policy?

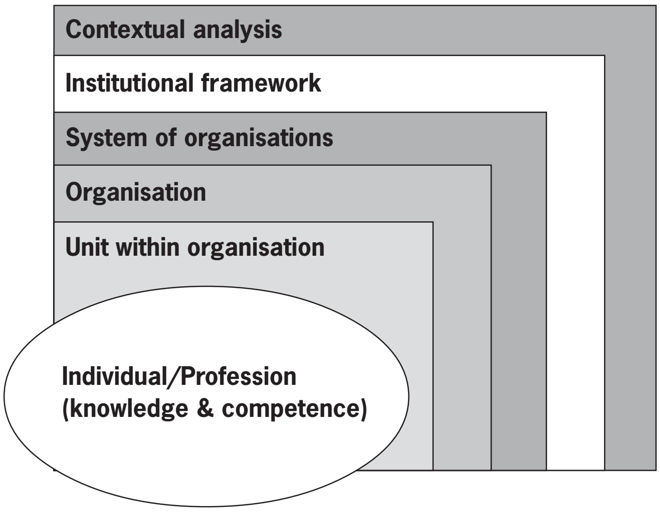
These are the main questions taken up in this study. The study is an attempt to analyse and present Sida's practices for the selection of methods for capacity development. One obvious problem is the lack of a common language over divisional and departmental borders. Words and expressions such as "implementing consultants", "human resource development", "institutional cooperation", "twinning", "networks" etc are common in assessment memoranda and at meetings, but the actual meaning of these terms can vary considerably. Therefore, a great deal of space in the report is devoted to an attempt to categorise the methods for capacity development used today.

The study is based on a small series of "interview meetings" held with programme officers from INEC, DESO, NATUR and SAREC in the summer of 2001, and the analysis of a number of assessment memoranda and other documents. A draft report was drawn up in September. This was discussed internally at Sida during the autumn. The discussions have resulted in revisions and clarifications in this report.

[2] *"Sida Looks Forward",* Sida, 1995.

[3] *"Sida's Policy for Capacity Development",* Sida, 2001.

Target levels according to the policy for capacity development



The diagram below is a summary of the thinking in Sida's policy for capacity development in respect of target levels.

In a certain, given external environment there is capacity in the form of

- individuals/professions
- organisational units
- organisations
- systems of organisations, and
- institutional frameworks

Everything is related, but depending on the analysis of the problems and Sida's ambitions, Sida can choose to support capacity development at one or several of these levels.

The policy includes definitions of the different concepts. The idea is that this conceptual structure shall also provide a model for analysing and comparing different contributions/projects. It shall provide a language for exchanging experience and show how conclusions drawn in one area can be applied in another.

In the text below, it is assumed readers are conversant with the policy, its concepts/definitions and its standpoints.

Capacity development through "the dialogue"

A considerable proportion of the capacity development that takes place within the framework of development cooperation is implemented by Sida itself in the role of a "partner in the dialogue". The active capacity builders are Sida's staff, at Stockholm and the embassies – with the support of in-house consultants. Several questions of principle in this matter were raised at the interview meetings held in June.

Internal driving force and external pressure

The regular dialogue includes both supporting the development ambitions of partners in cooperation and of making demands that are based on agreements concluded with these partners. It is a question of striking a balance between stimulating internal driving forces and exerting external pressure. Some examples:

- For several years, the *Mekong Commission* had institutional and organisational problems since the rules had not been laid down and agreed. In the dialogue with the Commission and with the countries represented, it was therefore necessary to use external pressure to force the necessary steps to be taken to transform the Commission into a functioning organisation. The concrete measures were implemented by the Commission itself with the aid of consultants engaged as "facilitators".
- *The need for an "Indian university" in Latin America.* Research workers studying the indigenous peoples in Latin America have had problems hitherto in obtaining support for their research. It has not been possible for each individual country to establish creative research environments for this research. But if, instead, one looks at the entire Andean area, there are different possibilities. With this extended perspective as its point of departure, SAREC is now making contributions on a trial basis to a centre for "Indian research" attached to a university in Bolivia. One important task in the preparation phase is to contribute to defining existing research and coordination needs – and to create opportunities for various interest groups to meet and express their views – with the aim of getting those responsible for research in the countries to understand and support the work.
- *Donor coordination in cooperation with the Ministry of Education in Mozambique.* Several important steps have been taken in this sector to develop a strategic plan and to link it to the country's overall programme for combating poverty. The donors in the sector have held talks and reached agreement on those matters they regard as necessary institutional/organisational measures for the achievement of their undertakings. With this proposed action plan as the point of departure, discussions are now being held with management at the Ministry to find measures that can be implemented by the Ministry with the support of the donor group.
- *Initiative for a Public Expenditure Review (PER) in Nicaragua in respect of allocations of resources in the social sectors.* In connection with the ongoing PRS process in Nicaragua, there are ambitions to steer donor financing to priority areas in the social sectors. During the discussions it became clear that there was no reliable information on how resources were allocated today. Sida then took the initiative for a special PER in order to obtain information on which a realistic dialogue and discussion of priorities could be based.
- *Exerting an influence through different types of "missions" – appraisals, feasibility studies, monitoring, etc.* The terms of reference for missions of this type often contain questions on whether contributions are consistent and compatible with Sida's policies and strategies. In this way information is produced for a dialogue on human resource development, both within the framework of the missions and in the follow-up meetings that Sida has with representatives of the partner countries.
- *Exerting pressure within the framework of international organisations.* Sida cooperates with UN agencies and other international organisations, both as a co-financier in different projects/programmes and as a dialogue partner in the development of policies and strategies. It is important that Sida is able to pass on, in these contexts, the experience it has gained and the approaches it has developed within the framework of Swedish development cooperation. This, in turn, is of importance in the UN organisations' future contacts with partners in cooperation in the countries concerned.

Increase awareness of the importance of organisational learning

There is a tendency, both among donors and decision-makers in partner countries, to overestimate contributions that provide operational improvements in the short term (for example increases in agricultural production or investments in road construction), rather than long-term sustainable change. At the same time an understanding is emerging internationally on the necessity of making a relative increase in contributions for capacity development in order to make investment projects meaningful, particularly at organisation and institution level. In this matter in particular, Swedish contributions to the dialogue can be of great importance. Here are a few examples.

- *Exert an influence on the partner country so that it develops its own capacity to make sector analyses.* As a basis for a decision on contributions, there is normally a need for an analysis of the situation in the sector. Perhaps the partner country has made an analysis of this type, but normally this is not the case. The donors' needs of data for decision-making purposes are met in the first place by short-term consultants who fly in and compile reports on the data that is available. This method has its shortcomings and it is therefore important to support countries to enable them to build up their own capacity to make sector analyses of this type. In Mozambique the Nordic countries have taken an initiative to influence the Ministry of Education to make, as a first step, a survey of sector studies that have already been made, to analyse their methods and to compile conclusions. The work has been done by Mozambicans under the supervision of ADEA's working group for sector analyses. (Where ADEA is concerned, see section on network support.) In the second phase the Mozambican group will make its own overall study.
- *Exert an influence the partner country so that it develops its capacity for planning by objectives and results.* In Sida-financed projects and programmes there is generally an aspiration that the LFA method should be used to improve quality and efficiency. Sida shall use the method itself in its assessments of ideas and project proposals. Sida's partners shall be encouraged to use the method for planning, implementation and follow-up. Hereby, partners in cooperation can also be stimulated to use the same method in their other planning of operations. The crucial role of explaining the advantages of the method to the partners in cooperation and of motivating them to use it rests with Sida's programme officers.
- *Efforts to counteract a "focus on the individual".* SAREC has a deliberate strategy to counteract a focus on individuals – in the sense of providing support to individual researchers – and to contribute instead to building up national research capacity in the partner countries. One thing that is of critical importance in this respect is that the contributions are organised in such a way that the universities function as organisations, partly in respect of "research infrastructure" (libraries, laboratory resources IT systems etc) and partly in respect of management questions. Therefore, in their assessment and follow-up work, SAREC staff have an important task to influence their partners in cooperation to assimilate this thinking.
- *Need of a "consolidation phase" in the projects.* In several of NATUR's contributions in Asia, organisational learning has not been taken seriously enough in the regular project work. Therefore, in several cases, it has proved necessary to insert a final consolidation phase with two main questions: "What have we learnt through the project?" and "What institutional/organisational consequences need to be implemented?" Where the forestry programme in Laos is concerned, for example, Sida's representatives have actively contributed to the planning of this consolidation phase.

Advisory groups provide support for Sida's analyses

Several divisions have introduced a system of permanent advisory groups (PAGs) to support Sida's work as a dialogue partner. Each PAG consists of a small group of well-informed persons who are given the opportunity to follow the processes in a specific programme in order to give Sida advice prior to annual reviews and negotiations on agreements. Experience gained from these groups seems to be overwhelmingly positive, but the concrete methods used differ between the divisions using the system and there is therefore reason to analyse experience gained and to make it generally available to all divisions.

Dialogue with Swedish partners in cooperation

One main task of SEKA's Division for Cooperation with NGOs (SEKA/EO) is to assess the capacity of the Swedish organisations to achieve development with the grants provided by Sida. The aim is to strengthen civil society in the partner countries. SEKA/EO works exclusively at organisation level with the provision of support to Swedish organisations, which, in turn, cooperate with partners in the South and East. The assessments of the organisations are combined with direct controls when SEKA, for example, draws up new directions and conditions for grants from the appropriation for NGOs. Assessment/controls are intimately related to supportive measures for the methods development work done by the organisations themselves. One topical discussion, for example, concerns striking a balance between the responsibilities of the public sector and the various parties in civil society: should cooperation with NGOs in the South/East focus solely on social services or should Sida work instead with a long-term perspective to improve the influence of the poor and to exert an influence on the state to assume its responsibilities?

SEKA's dialogue with the Swedish organisations is conducted in several ways – with information from special capacity analyses, in regular contacts between the programme officers and representatives of the organisations, etc. Through the creation of the Civil Society Centre in Härnösand – as a division in SEKA – a special resource has been created that further strengthens the supportive role for the organisations.

Where Sida's relations with other Swedish partners in cooperation – government agencies and private companies – are concerned, there is, in principle, the same need of both control/assessment and support. PEO/RIU functions as a resource for Sida's departments for seminars/training programmes etc. But the responsibility rests with the departments and the supportive role is performed primarily through regular contacts between programme officers and the government agencies/companies – in the formulation of terms of reference, implementation of procurements, and in connection with follow-up and reports during the contract period. The framework for the dialogue is determined to a certain extent by the rules for procurements. It seems obvious that these rules do not provide scope in all respects, either for control purposes or for the supportive dialogue laid down in, for example, the policy for capacity development. What also seems obvious is that the sector departments' attitudes towards Swedish partners in cooperation vary in respect of the support provided to participating personnel where giving them the requisite skills to implement their assignments is concerned.

Growing demands on the skills and qualifications of Sida's programme officers to succeed in their dialogue role

The examples given above show that the capacity development that Sida contributes in its role as a dialogue partner can refer to all target levels – individual, organisation and institution. One impression gained is that a shift has taken place in recent years. Now, to a greater degree than before, it is a question of exerting an influence at the organisation and institution level. Therefore greater demands are being placed on the skills and qualifications of staff and one conclusion that can be drawn is that greater contributions are needed to enable Sida's programme officers to meet these growing demands.

There is considerable experience at Sida of working at project level, but the demands are considerably different when the dialogue refers to PRS processes, institutional conditions and various forms of programme support. At this level, parallel dialogues take place with the partner country and other donors, and the complexity of the issues that are dealt with increases considerably. At the same time the scope for mutual learning also increases. The responsibility for presenting relevant experience and approaches on the Swedish side rests, in particular, with the programme officers at the embassies who have the regular contacts. This task cannot be delegated to consultants and it cannot be executed solely in connection with high level reviews.

The aspects I have taken up here need to be linked to other important discussions that are taking place at Sida. Here are a few examples:

- How does the conclusion for a greater emphasis on Sida's capacity development role correspond with the emphasis placed in recent years on Sida's role as an intermediary? How can an individual programme officer strike the correct balance between Sida's three roles (dialogue partner, intermediary and financier) that his/her position requires?
- How is it possible to create consensus between, on the one hand, the concept of knowledge which is given emphasis in the policy for capacity development and, on the other hand, the rules for procurements? What can be done to enable managers and staff at different divisions to adopt the same approach in the dialogue with Swedish partners in cooperation?
- How is it possible to treat Sida's capacity development role in the dialogue with the partner countries so that it becomes a positive factor in the aspiration to strengthen the countries' "ownership" of development processes – and does not become a demand that the partner in cooperation submits to since it wants Sida funding? (Example: how is it possible to present arguments for using the LFA method in Sida-financed projects so that it becomes an tool for the partner in cooperation in its development of a system for goal-oriented operational planning – and not simply something that is done in the project to ensure that it is approved by Sida?)
- What types of skills and qualifications does Sida really need to have in its organisation for its capacity development role? That is to say: what is it that Sida cannot outsource to other organisations/companies/administration?
- If Sida chooses to use in-house consultants (for example in advisory groups, as an additional resource in annual reviews, etc) to act in Sida's name, how is it possible to ensure that the in-house consultants have the requisite skills and qualifications?

When shall Swedish/international expertise be engaged in contributions for capacity development?

One central concept of Swedish international development cooperation is that contributions shall enable poor countries to work towards sustainable, self-supporting development. In keeping with this concept, the point of departure of the policy for capacity development is a concept of knowledge that is based on the understanding that there are no ready-made solutions to the complicated problems that development cooperation shall contribute to solving. The solutions cannot be imported from Sweden or the western world. Instead, the solutions must be sought in the environment where the problems exist, as far as possible with the aid of expertise that is available locally. Swedish/international expertise is often needed to support this process but, if the contributions of Swedish/international experts are to be meaningful, it is necessary that their methods should be based on the same concept of knowledge[4].

The basic rule is that Swedish-financed development projects shall be implemented by local, national expertise and that Swedish/international consultants/advisers shall only be engaged when there are not sufficient experts in the country. Therefore, most of the projects are organised in such a way that an organisation in the partner country has the responsibility to implement the development work in accordance with agreed objectives – with the aid of its own personnel and/or expertise that is available in the country. Here is an example:

– The National Agricultural and Livestock Extension Programme (NALEP) is a programme in Kenya that has the aim of changing agricultural extension services so that they are governed by demand from farmers. Sida is financing the programme, but the responsibility for implementation, on the basis of the objectives that have been agreed, rests with the Ministry of Agriculture. The objectives are capacity development and are at the organisation and institution level. Most of the activities in the programme are being implemented by Ministry staff.

The same basic rule also applies in cases where the Swedish contribution is tied to Swedish resources (e.g. in the contract-financed technical cooperation projects). Therefore support of this type shall not be granted if it is possible to procure requisite expertise in the country.

Sometimes the participation of Swedish organisations can also be justified by needs in the partner country to create contacts with Sweden: not that there is a lack of local expertise for specific projects, but for other reasons. A government agency in a partner country possibly feel a need, or has the intention, to create relations with a corresponding agency in Sweden, and relations of this type can be a way of extending the perspectives and increasing the capacity of both organisations.

It has also been stated, in instructions and letters of appropriations, that Sida shall promote the participation of Swedish organisations, institutions and companies. This promotional activity is important for Sida, which needs to have access to a broad and experienced Swedish resource base

[4] This statement does not imply a criticism of the overall use of Swedish resources in development cooperation. On the contrary, in the policy emphasis is given to the ambition of increasing cooperation with the many Swedish parties that have – and will continue to have – an important role. But it is important that the Swedish resources are used in a way that really enables the countries to be successful in their development efforts in the future. Unfortunately, there are many examples where the participation of field workers/consultants has prevented/delayed the development processes – even in cases where their participation has led to short-term improvements within the framework of projects financed by Sweden.

in different subject areas. (Compare also the previous section on Sida's dialogue with Swedish partners in cooperation.) But when weighing up the promotion of Swedish interests and the objectives of development cooperation, it is always development in the partner country that shall have precedence.

Earlier studies have questioned whether this basic rule is applied in practice[5]. There is a great deal that indicates that Swedish/international parties participate in projects to an extent that cannot be motivated by a lack of expertise in the partner country concerned or by the need to create contacts to extend perspectives. If, for example, it was the case that Sida were to take the objective of strengthening civil society in the partner countries seriously, it is doubtful whether the Swedish organisations that receive grants today from Sida's appropriation for NGOs would continue to receive so much support. Here there are other aims such as information activities in Sweden and the engagement of the Swedish people in Swedish development cooperation.

This issue has not been examined in this study, but it can be noted that several of the persons interviewed consider that if support for capacity development needs to be provided in a contribution, Swedish resources should be used in the first instance – in other words, completely contrary to official Sida policy.

An attempt to categorise approaches/methods

Below an attempt is made to categorise the approaches used by Sida in cases in which it is decided that Swedish/international resources need to be engaged in a contribution.

I would emphasise that the following preliminary classification of categories A-E is by no means clear-cut. It is difficult to draw specific borderlines for each individual method, partly since there is a difference in the meaning of the words and expressions used by different divisions/programme officers and partly since the concrete applications vary due to the prevailing conditions in each individual case. In addition, the categories do not merely differ in one dimension – it is a matter of methods to achieve learning and of administrative/organisational forms of control and demarcation.

Another complication of this type of categorisation is that few contributions are strictly limited to the types of objectives that are included in the concept of capacity development. Often capacity development is combined with measures that have the aim of investments or increases in production. One central issue is therefore the relationship between investments/increase in production and capacity development in individual contributions.

A. Education, study visits and other forms of training

All capacity development presumes learning in one form or another. On the other hand, it is not the case that all learning presumes education and training.

[5] See, for example, *"Advisors in Institutional Development"* by Lage Bergström, Sida, 1998

Nevertheless, this means that educational arrangements of different types are natural components in contributions, regardless of the target level that is aimed at. In all the following categories (B–E), education and training is often included as a component.

There are also a number of contributions in which *courses/seminars* are the main method selected. Here are some examples:

- Courses on human rights, for example organised by the Raoul Wallenberg Institute. Can be held in Sweden or in the partner country. Can be included in Sida's International Training Programmes (ITP). Courses of this type have the objective of contributing to capacity development at any one of the five target levels, depending on the group of participants involved and the other contexts that the courses are a part of.
- Series of seminars on the relationship between the state and the market (experience of privatisation projects and the need for governmental regulating agencies, etc) for state secretaries and other decision-makers at top level in Namibia. These seminars were held in 1999 with the objective of contributing to an ongoing process of change in respect of the institutional framework.
- Regional training programmes for teams from different countries working with PRS processes, implemented by the World Bank in an ambition to link training with the work on change. Since the different country teams have made varying progress in their own countries' PRS processes, the training programmes are more a forum for the exchange of experience and development of knowledge, rather than the traditional transfer of know-how. The objectives concern exerting an influence on the institutional framework.

Study visits are a form of capacity development that is emphasised in an entirely different way in the world of development cooperation compared to other learning environments. It was obvious during the interviews that it is a method that many Sida programme officers name first of all when asked to talk about their personal "tool kit" for capacity development. It is especially common to organise study visits to Sweden when there is a felt need that the ongoing dialogue should be strengthened.

Contributions for training programmes of different types are drawn up by all departments. To summarise experience gained, it can be said that the same contribution, for example a "standard course" on human rights, can be of great importance in one context but totally meaningless in another. Therefore there is good reason, prior to making a decision, to analyse the context for a certain training programme – it is just as important as making an assessment of the content and organisation of the training programme.

To assist assessments of relevance of this type of individual training programme, an instrument has been produced, the so-called *obstacle analysis model*[6]. It has proved to be useful, both in itself and in combination with the LFA method. The obstacle analysis model can also be used as a starting point for devising check lists for use within clearly defined educational areas. For example Save the Children has produced a checklist of this type[7] to assist in the assessment of training programmes on the Convention of the Rights of the Child, based on conclusions of evaluations, placed in relation to the obstacle analysis model.

[6] *"Analysis of Needs for Capacity Development",* Sida Working Paper No 4 on Capacity Development, March 2000.
[7] See: "Lessons Learned on Child Rights Training. Conclusions from Evaluation Reports", Save the Children Sweden, Stockholm 2001.

B. Twinning: Genuine and quasi

A twinning arrangement means that an organisation in a developing country is paired with its sister organisation in Sweden or another "developed" country. "The sisters work together to strengthen and build up the recipient organisation through a combination of the following: exchanges of staff, training, support for equipment, long-term experts, and the supply of expertise in the form of short-term consultants."[8]

The twinning concept was adopted at SIDA, during the 1980s, primarily by the public administration department which called the method "institutional cooperation", since the department worked principally with the central government administration (tax collection, audit and statistics) and with its institutional framework. Later the term "institutional cooperation" has been given to many other Sida contributions that lie far from the original definition given above. Today it seems impossible to demarcate and define the term "institutional cooperation" in a way that makes it practically useful for comparisons of experience gained.

On the other hand, the meaning of the term "twinning" has not been extended in the same way, and DESA recently made an ambitious attempt to describe experience gained from twinning arrangements in its own field, in two reports and a fact sheet.[9]

If the experience reported on by DESA were to be supplemented with the experience gained of twinning in other departments/divisions, it would seem meaningful to differentiate between two types of twinning arrangements: genuine and quasi. Some examples:

Genuine twinning:

- Statistics Sweden and the National Statistics Centre, Laos (DESO)
- Political party cooperation between a Swedish political party and its sister party in a partner country (DESO)
- The stock exchange in West Bank/Gaza and the Stockholm Stock Exchange (INEC)
- The Swedish Maritime Administration and its sister organisation in Romania (Sida-East)
- Red Cross Gävleborg and a Red Cross district in Nepal (SEKA)
- The scientific faculties at Uppsala University and the University of Asmara, Eritrea (SAREC)

Quasi twinning:

- The Institute for Health Economics in Lund and the Department of Economics, University of Zambia, Lusaka (DESO)
- The National Museum of Ethnography in Stockholm and the National Museum, Monuments and Art Gallery in Gaborone, Botswana (DESO)

The basic idea of twinning arrangements is that there should be a high degree of similarity between the two sister organisations. DESA formulates it in the following way in its fact sheet on

[8] *"Att utbilda organisationer* – kompetensutveckling och institutionell uppbyggnad", by Anton Johnston & Lennart Wohlgemuth. Included in the anthology "Bistånd på utvecklingens villkor", Nordic Africa Institute, 1994.

[9] *"Twinning as a Method of Capacity Building"*, by Merrick L Jones & Peter Blunt, August 1998, Sida. "Lessons Learnt on Twinning. Possibilities and limitations of the twinning method as an instrument for organisational learning and institutional development". Report from a seminar by Lage Bergström & Anne Ljung, January 2000, Sida. "Twinning. Erfarenheter från organisationssamarbete inom statlig förvaltning." Fact sheet, DESO/DESA, 2000, Sida.

twinning: “The organisations have comparable mandates from their respective governments, a similar responsibility in society and personnel with the same type of education, experience and duties. They are colleagues and have a common professional knowledge and cultural knowledge.”

When it is a question of genuine twinning, these criteria are met to a high degree in respect of the character of the organisation, and the personnel regard each other as colleagues.

Genuine twinning arrangements can of course also be built up outside the government sector (see the examples above) and then the criteria in respect of similarities are formulated in different ways.

”Quasi twinning” is, for example, when the Swedish organisation is an independent research institute while the sister organisation is one unit among several in a university institution (health economics in Zambia). Or when, for example, a Swedish ethnographical museum cooperates with a museum that covers many more fields than ethnography and is organisationally part of a ministry.

Twinning (genuine and quasi) is a method that is used primarily when the objectives are at organisation level, sometimes also at organisational unit level. Advocates of the method are of the opinion that it is easier for sister organisations to create a greater degree of dynamism in their cooperation and contacts than what would be possible if, for example, a consulting firm was given the assignment of participating in a corresponding development process. In other words, it is easier for an auditor employed by the Swedish National Audit Office to create an effective learning dialogue with his colleagues at an audit authority in a partner country than an auditor with corresponding qualifications and experience who is engaged via a consulting firm. The difference is the so-called “corporate skills”. It is assumed that corporate skills are easier to pass on between employees at the two sister organisations. The sister organisations have of course the same tasks and responsibilities, use similar instruments and face similar demands from government and society. On the other hand, it has not been possible to verify this argument in the studies and evaluations made.

Twinning has proved to be successful particularly in building up professional capacity in an organisation, either to create the requisite conditions for organisational change of different types, or in connection with an ongoing process of change. But twinning arrangements are felt to function less well in respect of concrete measures for management development or administrative/organisational change. On the other hand, twinning arrangements can provide an effective framework for measures of this type in the following way.

In a successful twinning arrangement, a high degree of mutual trust is developed between the parties that makes it possible for the donor sister organisation to identify needs and propose measures for change/developing leadership and forms of cooperation. Based on this trust, special management consultants can be engaged who assume the responsibility for guiding management and staff through a process of change. A process of change of this type can sometimes leads to strains and would erode trust if the donor sister took on this role.

Twinning does not normally function well when its objective is to develop a system of organisations. In such cases all organisations in the system are naturally affected and one specific organisation does not have the mandate to work with change in the other organisations. Therefore, where the development of systems of organisations is concerned, network support or consulting services are to be preferred.

Sometimes successful twinning cooperation between central government agencies can also constitute a platform for exerting an influence on the institutional framework, by extending cooperation to functions in the immediate environment of the agency, for example parliamentary committees and civic organisations. For example, a programme of twinning cooperation between the Swedish National Audit Office and an audit authority in a partner country can be extended to developing the "national audit" as such. On the other hand, the twinning method is not suitable for objectives that refer to development of institutional frameworks.

The reasoning above is based primarily on experience gained from twinning programmes with partners in cooperation in the South. Twinning is also a common method in cooperation with the East, and special regulations have been drawn up for the participation of Swedish government agencies, both in the EU's Phare programme and in other forms of twinning. For example, there is a form of twinning that has been given the name "twinning light". This is a limited programme in which twinning arrangements have a duration of no more than six months. No systematic comparison has been made of experience gained and conclusions drawn between Phare twinning, "twinning light" and Sida's other twinning arrangements. However, a comparison of this type would be very useful and could contribute to improving the quality of twinning cooperation in both the East and South.

C. International expertise for participation in implementation: implementing consultants, technical advisers, high-level advisers and the "consultant mix"

In the daily work at Sida, reference is often made to *"implementing consultants"*. But the term is almost always misleading since external expertise is primarily used for advisory services/supportive tasks. The formulation of these assignments is always different as a result of the problem analysis made in each individual case, but one common feature is that the term "implementing consultant" is misleading. The normal picture is of course that organisations in the partner country are responsible for implementation, with a greater or lesser degree of external support. When a firm of consultants is engaged, it is therefore, primarily, for advisory and supportive duties.

Nevertheless, there are some examples of projects where entire implementation has been the responsibility of a Swedish company/organisation that thus been given a contract for the entire project. There are also individual examples of this type in areas where one would not perhaps expect to find them. One is "Vi Planterar träd", which is a Swedish NGO connected with a Swedish magazine, "Vi-Tidningen". "Vi Planterar Träd" has established different agro-forestry projects in Kenya, Uganda, and Tanzania that it runs itself – in direct interaction with the people and authorities in the project areas. Thus, "Vi Planterar Träd" does not have a national partner in cooperation. Swedish personnel work on a long-term basis as managers responsible for line operations with national staff as employees. For example, in the Vi Agroforestry Project in Mwanza, two Swedes are running the project with the aid of some 100 Tanzanian employees who work as training officers, instructors, extension workers etc.

Earlier it was common to have *long-term technical advisers* stationed in the country, either as contract employees of Sida or recruited via a firm of consultants and placed at the disposal of an organisation in the partner country. During the years after the Nordic technical assistance evaluation[10] that

[10] *"Evaluation of: The effectiveness of technical assistance personnel financed by the Nordic Countries",* by Kim Forss, 1988

was made in 1988 – which drew attention to crucial shortcomings – a radical reappraisal was made of this method.

Today there seem to be relatively few technical advisers in the old sense of the term. There are only about ten contract workers recruited by Sida, but considerably more people with functions of this type are recruited with a firm of consultants as their formal employer. Most of them can be classified as high-level advisers. An adviser of this type has a long-term assignment in a personal capacity as an adviser to top management in a ministry, government agency or similar. The objectives are primarily organisational development and the development of institutional frameworks. Two examples:

– Advisers to the Ministry of Transport in Namibia, to participate in drawing up a road sector reform. (INEC)
– Advisers to the management of the Central Board of Health in Zambia, to participate in building up a central health authority. (DESO)

Another group that have advisory roles, but at lower levels in the social hierarchy, are the development cooperation workers engaged by Swedish NGOs for long-term assignments at partner organisations in the South. They are normally financed by the so-called "standard grant" for volunteers. Today, the work of most of these advisers concerns organisational development. The types of shortcomings revealed by the Nordic technical assistance evaluation more than ten years ago are also common in this context. See, for example, the study made by Sida-Sandö in 1998[11]. Therefore, there is also a clear trend that this category is diminishing in numbers.

What, on the other hand, is common – and perhaps the most common method for capacity development in country programme support is a *"consultant mix"*, adapted to the needs of support in the project. A firm of consultants is engaged to provide consultants for the various supportive duties that are requested, short-term or long-term (some weeks/months and sometimes returning to the project once or several times each year). The outstanding characteristic of the "consultant mix" is that it is the firm of consultants that assumes responsibility for the mix of professional expertise required to fulfil the assignments that the firm has undertaken.

Some examples:

– *Consultant support for the forestry programme in Laos.*
  During the last two phases of the forestry programme in Laos, a consortium consisting of two Swedish companies had the main contract to provide support for capacity development. The consortium employed eight long-term advisers and also used a number of short-term consultants for specific inputs. Several of the short-term consultants came from the region. The short-term and long-term inputs varied over time. For example, the advisory services for the mainstreaming of gender issues were first performed by a long-term consultant. When the Laotian Ministry of Forestry had built up its own capacity in this field, the long-term adviser was replaced by a short-term consultant who supported the officials responsible for gender questions in the ministry. When the project entered its final stages it was realised that an input of a more continuous nature was needed and the gender consultant became a long-term adviser. After having concluded their assignments, several of the long-term advisers made short-term

[11] *"At the End of the Day"*. Case Study Report from Zimbabwe for the Research Project "Preparing Personnel for Institutional Development", by Marianne Witteberg & Florence Tendai Pawadyira, Sida-Sandö, 1998.

contributions later in the project, as sounding boards or speaking partners to their former Laotian colleagues. In addition to the long-term advisers and short-term consultants provided by the consortium, the forestry programme also had contracts with SLU, IUCN and Swedesurvey. The IUCN provided two long-term advisers and some short-term consultants. SLU and Swedesurvey contributed short-term consultants. SLU also arranged study programmes of varying duration for Laotian students.

– Municipal development in Northern Cape Province in South Africa

The second phase of this programme runs for the period 2001–2003 and comprises further support to the provincial government's Department of Housing and Local Government and the municipality of Kimberley, as well as to the local association of local authorities. During the first phase, 1997–2000, the programme was administered as two separate projects, but with the same consultant and in close cooperation with each other. The project has the aim of strengthening the local government sector in Northern Cape Province and has a special emphasis on advisory services and the training of politicians and officials in connection with the reform that was implemented at the end of 2000 when the number of local authorities in the province was reduced from over 100 to 28.

A coalition of SIPU and SALA IDA has been contracted to provide consulting support for the implementation of the programme.

During the first phase (1997–2000) a Swedish long-term consultant was stationed in Northern Cape and use was also made of a number of short-term consultants from both Sweden and South Africa. In the ongoing second phase, the same Swedish consulting organisations are participating, but the project is now being run to a greater extent by personnel from the municipality of Kimberley and a development unit from the Department of Housing and Local Government.

The former Swedish long-term adviser is still involved as the coordinator of the project, but is now stationed in Sweden with short-term assignments in South Africa. Consultant support shall be adjusted to the needs that have been identified – all in all it is estimated that 140 consultant weeks will be needed during the three-year period. The Swedish consultancy organisations have identified a resource base that includes five persons in the Swedish Core Team, five South African long-term advisers, fifteen short-term local advisers, nine Swedish short-term advisers, and some twenty local resource persons.

The "consultant mix" method can be adjusted to all the different target levels. The advantage of this method is its flexibility, both in respect of specialists and allocations in time so that inputs can be planned in relation to needs and the possibility of contributing efficiently to the learning process of the right persons.

One subject for discussion is the need of long-term advisers in the "consultant mix" that is created for individual projects. Many people assert that a coordinator or team leader employed on a long-term contract is an important instrument in major cooperation projects – both to create long-term relations and continuity and to make it possible to assess the need of the right short-term inputs at the right points in time. Others maintain that long-term advisers stationed at the project make it difficult for the organisation in the developing country to assume real ownership of the project. This issue is topical in the same way for twinning arrangements. In general, the borderline between this form of "consultant mix" through a firm of consultants and quasi twinning is very small in practice.

Contract-financed technical cooperation is a form of cooperation for capacity development in which the "consultant mix" method is used systematically. Contract-financed technical cooperation means that a Swedish party and a party in the partner country sign a contract to implement a project that is financed by Sida. In connection with the procurement of the Swedish organisation (which can be, for example, a company, a government agency or a university) the organisation presents, in its tender, the mix it offers to fulfil the assignment. Special regulations have been drawn up which include, for example, requirements in respect of cost sharing, that the parties should be competent, etc.

D. Support to networks

Network support is a method that has been given attention in recent years and which, in particular, is considered to be an efficient method for the development of systems of organisations. Some examples.

– *The Association for the Development of Education in Africa (ADEA)*, a network for African Ministers of Education and donors, conducts a dialogue on education policies. ADEA has a formal structure with a governing body and formal, half-yearly meetings, as well as working groups in different subject areas that are more operational. On the other hand, the network does not have a budget for running projects. The projects initiated by the working groups apply for financing from donors/development funds. Sida is participating in the network (through DESO/UND) and is, among other things, co-financing the working group on educational statistics.
– *Collaboration for capacity development at health training institutions in Zambia*, a network providing support for organisations working with health education in Zambia, i.e. approximately twenty schools of nursing that are attached to different hospitals, that have different organisations responsible for them (public authorities, missions and mining companies), and that are under the supervision of either the Ministry of Health or the Ministry of Education. Some central functions are also included – nurse tutor training at the university, the General Nursing Council (which is responsible for examinations, among other things), Chainama College with, for example, the training of medical officers, and the Central Board of Health. The network is organised in the form of a so-called Core Group and a large number of working groups. It receives funding within the framework of Sida's sector programme support. Karolinska Institutet participates by providing consultants.
– *The Lake Victoria Regional Local Authorities Cooperation (LVRLAC)* is a network between three towns in the three countries around Lake Victoria. LVRLAC receives support for the development of its network through cooperation with the Union of Baltic Cities (UBC), which is a corresponding network of cities/municipalities around the Baltic Sea.
– *The African Economic Research Consortium*, a university network between African economic institutions. Eight of the 20 participating institutions have been selected to give master's courses in national economics for students from all institutions. Thereby the master's courses can maintain international quality at the same time as capacity is gradually built up at all 20 universities.

The examples reflect the fact that the network concept is not clear-cut. The term "network" can mean many different things at different levels. Accordingly, there is reason to specify what is meant in each individual case. What can be focused on in particular in this connection is the importance of the network form for creating a framework/meeting place for learning from experience.

Providing support to networks similar to ADEA has proved to have advantages in that it mobilises the cooperating organisations' own capacity and builds further on it. The point of departure of the ADEA example is that expertise exists in Africa that is not being utilised. As a consequence, the working groups in ADEA have been organised by engaging the expertise available in the countries and including decision-makers in the process from the very outset. When external persons have been engaged, it has solely been to stimulate and facilitate the work.

Network support is an established working form in the research world, but fairly untested in other areas. Conceptions vary in respect of the attitude a donor/financier should adopt. Here are some questions for discussion:

Is it correct to channel development cooperation funds to networks? If so, how should funds of this type be used, compared to the resources that are channelled through normal bureaucratic channels?

Is there a risk that the network form takes away strength and resources from essential work in the organisation and that, relatively speaking, too much time and money is spent on air tickets and discussions at seminars and conferences?

Twinning between two networks with a similar structure – as in the example above between LVRLAC and UBC – is an interesting method that makes it possible for the more highly developed network to function as a type of model for the sister network. But is it realistic to believe that the Swedish/Western sister can really provide the best developmental support that may be needed?

E. National/regional development funds

On the basis of the concept of knowledge that permeates Sida's policy for capacity development, it is essential to develop forms of work that result in decisions on the focus and organisation of development projects being made as near to needs and applications as possible, both in terms of time and geography. National/regional development funds offer a way to achieve this. Some examples:

– Rwanda Fund for Capacity Development

When the regional strategy was being devised in 1999, the lack of capacity in Rwanda's administration was regarded as a serious obstacle to the country's development ambitions. The lack of capacity is, in the first place, a result of the genocide that took place in Rwanda in 1994. Since this lack of capacity is to be found in all parts of society, Sida chose a form of support that is not limited to a certain sector, namely a fund for capacity development. Capacity development projects in sectors in which Sida makes special contributions are administered by Sida. Other projects, principally of strategic or cross-sector character, are financed through the fund. It is possible for Rwandan agencies to apply for financing from the fund. The fund has two parts: one in Rwanda – that is administered by the Human Resource Development Agency in cooperation with a special governing body. The other is administered at Sida, by AFRA, with the support of a special reference group.

– *The General Development Fund for the Lake Victoria Region* will, according to plan, be established in 2002, as part of the Swedish support to the Lake Victoria region. The fund shall focus on strengthening civil society in the region. It shall be possible for NGOs operating in the area (based at Lake Victoria, in Sweden or elsewhere) to apply for support from the fund. The construction and methods of the fund are currently under review.

As a financier, Sida has a legitimate right, and a responsibility, to establish frameworks and conditions on how development cooperation funds shall be used, based on the overriding Swedish objective of poverty reduction. However, further assessments of needs and priorities should be governed as far as possible by experience gained of ownership and partnership that has proved to be important. An interesting dimension of the construction of funds of this type is that they can make it possible to build in mechanisms that give the partner country a growing amount of influence over the allocation of the available development cooperation funds.

Reflections and conclusions

Extensive and deep knowledge, but…

One overall impression gained from the interviews is that Sida staff distinguished between a rather small number of methods when describing their administration of various approaches for capacity development. They were also unused to systematising their experience in relation to the target levels described in the policy. It was not the case that the target levels were perceived as theoretical or not known, but that considerations in respect of contributions are normally discussed in other terms. This impression was reinforced when I read a number of assessment memoranda. The consideration that preceded the selection of a certain method for the capacity development part of the contribution had not been described.

My conclusion is therefore that individual members of staff seem to have an extensive and deep tacit knowledge of these matters, but, since this knowledge is only given consideration and processed to a small extent, it is very seldom made explicit. Therefore it is difficult to make specific use of it in the divisions' methods development and in arriving at decisions. And it is difficult to communicate to new members of staff. What are needed therefore are opportunities for reflection that increases awareness. This can be done by helping members of staff in groups to put words to their own experiences and to put them in relation to policies and theories.

The categories cannot be linked to target levels

One main issue for this study has been whether it is possible to classify different methods in relation to the target levels described in the policy. The answer is: "*No, the methods that can be distinguished in Sida's work today are not defined in such a way that they can be linked to the different levels.*" Instead the application of a certain method can differ, depending on the picture of the problem and the target level. There is one exception, namely "genuine twinning", which is a method that is directly adapted to objectives at organisation level.

Another conclusion is that the methods used by Sida today mainly focus on the "lower" target levels, in other words individual and organisation level. Where exerting an influence on systems of organisations and institutional frameworks is concerned, there is less concrete experience of how it is possible to select a suitable combination of methods and to adapt it to the concrete objectives in each individual case. The experience gained can be said to have been collected in rather limited "islands" in certain divisions and has been collected in connection with contributions for civil service reform and sector programme support (DESO), and reforms for the privatisation of government operations (INEC). Here there is thus considerable reason to systematise existing experience to make it available to all at Sida, and to make studies for further methods development.

Contextual analysis is necessary regardless of target group

In the policy for capacity development it is emphasised that there are shortcomings in the analyses that precede decisions on contributions for capacity development. "Sida should improve its competence for contextual analysis as a prerequisite for the approval of contributions to capacity development."

This study has not encompassed methods for contextual analyses of this type, but the interviews have confirmed the earlier picture that awareness of the importance of these analyses varies considerably, as well as levels of skills in making them and access to practical working models. It is worth pointing out that a contextual analysis is an essential step prior to reaching decisions on contributions, regardless of target level.

An analysis of this type must be related to something and, in Sida's case, the normative framework is always poverty reduction. It is not possible to link each individual project directly to the poverty objective, but the activity that the project is part of must nevertheless always have a link of this type. A contribution for organisation development may focus perhaps on improving financial administration routines – then the contextual analysis should indicate how a more efficient organisation could contribute to reducing poverty (perhaps by making services for the poor more easily accessible, by counteracting corruption, by speeding up the administration, etc). The contextual analysis shall thus put the contribution into its context. For small projects one should always ask oneself: "OK, this project takes us a further step on the road but it is not sufficient in itself – what more is needed and how can it be provided?"

The scope of the analysis, and the method that is possible/suitable, are thus dependent on the planned contribution's character and scope, and the target group concerned.

If the contribution concerns providing support to a clearly defined education project (for example, a project on the application of the Convention on the Rights of the Child in the police force), a so-called obstacle analysis model (see page 8) provides a point of departure for the analysis required. If, instead, the contribution refers to support for an ongoing process of reform, for example for the development of the legal system in a partner country, a more extensive institutional analysis is necessary, but here the availability of working methods that have been tested in practice is more limited. An interesting model for analysis purposes is the so-called "Institutional Analysis and Development Framework"[12], but there is no experience available on this method and no skills available to use it in the practical preparation of contributions.

[12] See, for example, *"Institutions and Poverty Reduction"* by Pernilla Sjöquist, Sida, 2001.

Frameworks and conditions set limits on what is possible

A further conclusion of the study is that Sida does not work so much with the selection of methods for learning in the contributions, but that Sida participates and defines conditions and sets up frameworks for the parties that participate. Then it is up to these parties to develop successful working methods within given, agreed frameworks.

This means that one decisive challenge faced by Sida is to establish frameworks so that they provide reasonable opportunities for the participating parties to succeed. For example, it is not realistic to organise a twinning arrangement if the objective is to change the system of organisations that the selected sister organisation in the developing country is a part of.

The frameworks that Sida establishes for the parties are determined by fundamental standpoints that are based, for example, on the concept of knowledge and the rights perspective and by administrative/financial rules.

How frameworks/conditions of this type can best be formulated to mutually support each other is a central issue. Here are some examples of problem areas/considerations:

- In twinning arrangements, the normal procedure is that funds are transferred to the Swedish organisation that is responsible for the budget and the financial reports. What would be the difference – for organisational learning, for "ownership", for the possibilities to exert financial controls etc – if the budgeted funds were transferred instead to the sister organisation in the developing country?
- Cost sharing is a central idea in contract-financed technical cooperation projects. At the same time the contract-financed technical cooperation form is tied to Swedish resources. What differences for learning would arise if it was also possible to procure national consultants within the framework of a contract-financed technical cooperation project, possibly combined with the national party paying a higher proportion of the cost?
- According to the procurement rules, it is essential to avoid a situation in which a consultant who performs the pre-study also submits a tender for consultancy services in the implementation phase. However, from a learning perspective, it is important that the consultants who participate in the implementation have also participated in the preparations. Is it possible to devise other conditions that solve this conflict?
- The problems associated with project management units (PMU) are well known in development cooperation[13] and this is one of the main reasons why Sida consistently has the ambition of channelling its support to an organisation in the partner country that is the "project owner" and which assumes responsibility for project implementation and follow-up. This solution is rarely suitable when the support refers to exerting an influence on a system of organisations. How is it possible to solve this without falling into the trap that the PMU solution turned out to be?
- How is it possible to strike a balance between support for "internal" and "external" capacity development. Support for "internal capacity development" means for example, in this context, a contribution to developing capacity in an environmental administration, so that the administration can better manage to fulfil its duties in respect of, for example, environmental impact

[13] The issue was discussed intensively in connection with (and after) Sida's study of roles and responsibilities made in 1988–89. See also, for example, *"Rethinking Technical Cooperation"* by Elliot Berg, UNDP, 1993.

assessments in connection with the establishment of industries, etc. Support for "external capacity development" means, for example, a contribution where the environmental administration implements training programmes etc designed to build up capacity outside its own organisation (for example at municipalities in the country to enable them to make, independently, environmental impact assessments).

- Monitoring is a necessary step in most capacity development projects since, by definition, capacity development is a long-term process. Therefore, it is increasingly common to have monitoring teams that monitor the process. What difference would it make to a team of this type if it worked on behalf of Sida or on behalf of the "project owner" in the partner country? Or if the team was expected to report to both Sida and the "project owner"?

Sida

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