

**SCOPING STUDY ON CAPACITY DEVELOPMENT FOR SERVICE DELIVERY IN PAKISTAN**  
**Draft**  
**28 July 2007**

**I. BACKGROUND AND ISSUES**

**A. Overview of Capacity Development in the Context of the International Development Effectiveness Discussion**

1. Despite huge external investments over many decades, progress in enhancing capacities in developing countries has been disappointingly slow. Since 2000, when the United Nations (UN) Millennium Development Goals (MDGs) were adopted, the challenge of accelerating capacity development (CD) has taken on a new urgency. Monitoring reports on MDG progress have consistently revealed that public sector capacity lagged behind all other MDG benchmarks.

2. In the Paris Declaration on Aid Effectiveness<sup>1</sup> partner countries, including Pakistan, committed to capacity strengthening objectives and country-led implementation strategies. In turn, donors committed to align support with partners' CD objectives, to make greater use of country systems and to harmonize support. To help implement these commitments ADB has adopted a CD Framework and Action Plan in January 2007 aiming at strengthening ADB's assistance for CD in DMCs so that it becomes more demand-driven, effective and efficient.<sup>2</sup>

3. Since the adoption of the Paris Declaration, a number of follow-up initiatives have been taken to strengthen the effectiveness of CD programs. A recent publication by Organization for Economic Co-operation and Development (OECD)'s Development Assistance Committee (DAC) Network on Governance<sup>3</sup> reviewed 40 years of development experience and concluded that donors and partner countries alike have tended to look at CD as mainly a technical process, or as a transfer of knowledge from North to South. The publication explains how donors have failed to recognize the critical importance of country ownership and leadership, and how they underestimated the importance of the broader political context within which CD efforts take place. The European Centre for Development Policy Management (ECDPM) has analyzed the linkages between capacity, change and performance through a study that began in 2003.<sup>4</sup> The study includes 18 field studies, two of them on Pakistan.<sup>5</sup>

4. Increasingly, partner countries and donors are reviewing their CD experience to improve country-wide, sector-wide or local-government-wide strategic CD planning and the effectiveness of future CD interventions.<sup>6</sup> Future challenges and open questions include (i) modes of delivery

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<sup>1</sup> Organization for Economic Co-operation and Development (2005). Paris Declaration on Aid Effectiveness: Ownership, Harmonisation, Alignment and Results. Paris, March.

<sup>2</sup> ADB. 2007. IN.9-07. Integrating Capacity Development into Country Programs and Operations. Medium-Term Framework and Action Plan. Manila.

<sup>3</sup> Organization for Economic Co-operation and Development. Network on Governance (2006). The Challenge of Capacity Development. Working Towards Good Practice.

<sup>4</sup> ECDPM Interim Report.

<sup>5</sup> David Watson, Adnan Qadir Khan (2005), Capacity building for decentralized education service delivery in Pakistan, July and David Watson (2005), Capacity building for decentralized education service delivery in Ethiopia and Pakistan, June.

<sup>6</sup> For instance Pacific countries are in the process of conducting a Scoping Study on Capacity Development supported by ADB and Aus-AID. Numerous studies have been conducted by donors to evaluate the role of project administration units, the provision of technical assistance, and the provision of technical assistance personnel. See for instance ADB. 2005. *Special Evaluation Study on the Role of Project Implementation Units*. Manila: and ADB. 2007. *Special Evaluation Study on the Performance of Technical Assistance*. Manila.

in the future aid architecture (role of long-term experts, can financial aid be CD?); (ii) does mutual accountability imply mutual ownership, can ownership be a process?; (iii) monitoring and evaluation of CD and of non-tangible issues, such as ownership, leadership, legitimacy, credibility, trust, confidence; and (iv) methodologies and scaling up of capacity needs assessments.

## **B. Overview of Capacity Development for Service Delivery in Pakistan**

5. A recent workshop on CD conducted by the working group on Sector Wide Approaches and Capacity Development confirmed an earlier finding<sup>7</sup> that there is no agreed official definition of CD in Pakistan. CD is usually seen in a narrow way limited to individual skills development to perform jobs better. A CD strategy that prioritizes future CD interventions is lacking, but the Economic Affairs Division (EAD) has recently recognized that in the context of implementing the Paris Declaration there is a need to improve strategic oversight and guidance on CD for service delivery.

6. However, if service delivery data are taken as a proxy for capacities it does not appear that this support has been successfully targeted at CD. Pakistan is classified by the World Bank as low income country with a GNI per capita of \$690 in 2005 and a Human Development Index ranking of 134 out of 177 countries.<sup>8</sup> In 2004, primary school enrolment stood at 82.1%, secondary school enrolment at 27.2% and the adult total literacy rate at 49.9. Every 10<sup>th</sup> child did not reach his or her fifth year.

The ECDPM study on capacity building in the education sector<sup>9</sup> concluded that

*“The government faces a real capacity building dilemma. There is an urgent need for effective and rapid development of capacities in civil society (citizen community boards and elected councilors) and the public sector (...). However, there are severe constraints on enhancing capacities to design and deliver programmes that will induce sustained behaviour change and more effective organisational performance.”*

7. Such constraints comprise:<sup>10</sup>

- Incomplete devolution in the sense that district roles in relation to provinces and federal authorities have been inadequately defined, districts have little fiscal discretion, and conflicts between members of national and provincial assemblies and district councilors persist.<sup>11</sup>
  - There is little incentive to perform at all levels of the delivery system, particularly at the district level and accountability to client is lacking.
  - The bureaucracy still exhibits characteristics forged during colonial times which is prone to political pressure, patrimonialism, and interference.
  - The socio-economic context with relatively low literacy rates, with huge gender disparities and no tradition for popular pressure on politicians or service providers, especially in rural areas.
  - There is little experience and learning among key players about capacity building.

<sup>7</sup> Watson/Khan p. vi.

<sup>8</sup> UNDP. 2004. Human Development Index database.

<sup>9</sup> Watson, Khan. 2005, p. viii.

<sup>10</sup> Based on Watson, Khan. 2005, p. vii and viii.

<sup>11</sup> In August 2001, the President introduced a devolution plan, to be implemented through the National reconstruction Bureau (NRB). The aim of the plan was—through community empowerment—to enhance bottom-up accountability, and thereby improve service delivery. See for details: ADB, World Bank, DfID, Devolution in Pakistan, 2004.

8. There are indications that faced with unsatisfactory results from earlier CD initiatives, donors are increasingly adopting more innovative approaches to CD. Such approaches include:

- Stimulating accountability for service delivery
- Analysis and policy dialogue on operational aspects of devolution
- Experimenting with organizational development approaches to enhance local government capacities
- Experimenting with organizational development approaches to enhance sector agency capacities.

9. The more recent and innovative initiatives have not been systematically analyzed<sup>12</sup> and “success” will have to be defined and often qualified. This achievement may have been due to certain strong leaders and other individuals. It may have arisen through an independent status that freed operations from social or political constraints. After decades of extensive effort and expenditure including external assistance to build domestic capacities in the public sectors in Pakistan, it is time that the main stakeholders better understand how capacity can be successfully built and sustained.

### C. Defining Capacity Development in Operational Terms

10. Given that there is no agreed concept of capacity and CD in Pakistan it is suggested that the concepts which have been discussed in the Capacity Development Seminar of the Pakistan Working Group on Sector Wide Approaches and Capacity Development will be used. The discussion was based on ADB’s CD Framework and on the Action Plan and the European Commission’s aid delivery methods concept paper which provides useful insights on how to operationalize CD concepts.<sup>13</sup> The main concepts are defined in box 1.

#### **Box 1: Main Concepts**

Capacity: ‘the ability of people and organizations to perform tasks and produce outputs’

CD is defined as a process by which people and organizations create and strengthen capacity over time.

Support to CD is defined as inputs and processes that external actors use to support capacity development.

Source: EC Institutional Assessment and Capacity Development. Why, what and how?

11. The CD concept employed here presupposes that public sector agencies will remain the key entry points for CD operations, but that other key organizations and groups in the private sector, nongovernment sector and civil society will be given larger roles. Organizations are seen as open systems and entry points for CD interventions exist at individual, organizations/networks of organizations, institutional/enabling environment levels.

<sup>12</sup> However, there are indications in an ADB special evaluation study on the social sectors in Pakistan that they have been more successful than previous approaches.

<sup>13</sup> European Commission (2005). Institutional Assessment and Capacity Development, why, what and how? September.

## **II. SCOPE OF THE ASSIGNMENT**

### **A. Objective and Scope of the Study**

12. The objective of the study is (i) to enhance understanding of CD processes that have been employed to strengthen service delivery in Pakistan; (ii) to provide recommendations to support the effectiveness of interventions in Pakistan, both domestic and external, aimed at improving capacity and service delivery performance. This will input into country development strategies and donor programming and operations.

13. The study will provide a mapping of CD interventions for service delivery conducted since the devolution plan came into effect. Based on the mapping, 8-10 case studies will be identified for a more detailed analysis of capacity and CD support. Emphasis will be placed on a comprehensive range of CD entry points (individual, organization/organizational network, institutions/enabling environment and more innovative support, such as the four areas described in section IB).

14. Given the importance of the devolution context for service delivery, capacity and CD of provincial and local government agencies and other stakeholders will be a key entry point of the study, building on the findings of the Devolution in Pakistan study conducted by World Bank, DFID and ADB<sup>14</sup> and a follow-up study that was recently conducted by ADB.

15. Service delivery will be defined for the purposes of the study as comprising health and education, water and sanitation, and access to justice and dispute resolution. This is consistent with the concepts employed in the Devolution in Pakistan study.

### **B. Methodology and Key Activities**

#### **Phase 1 (August – September 2007)**

16. This phase would aim to a) establish key issues from literature and working group experience; b) prepare a comprehensive mapping of CD interventions implemented from August 2001 to 2006; c) produce a long list of possible “successful” case studies covering a range of approaches used by different donors; d) validate the proposed focus and methodology of the study; e) propose an initial framework for further case studies; and f) present the proposed framework and discuss with the working group.

#### **Phase 2 (October 2007 – January 2007)**

17. The second phase will consist of field visits and would result in the preparation of 8–10 case studies. It is anticipated that the case studies would be prepared by international and local CD specialists with strong inputs by those directly involved in the respective CD interventions. One write-shop will be held in each of the provinces from which cases are selected or involving specialists in comparative studies in a single sector to help finalize the first drafts of the case studies. (For a short overview of the write-shop methodology see Attachment 1.) The donor working group would be briefed on the initial findings of the write-shops and on the themes evolving through them and will assist with creation of a framework and agenda for a conference including likely invitees, venue, and costing. The aim of the meeting would also be to further validate the focus of the study, establish some provisional, general, common themes.

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<sup>14</sup> Devolution in Pakistan. 2004. Overview of the ADB/DfID/World Bank study, p. 3, figure 1.

### **Phase 3 (January – April 2008)**

18. Phase 3 will consist of the further elaboration of issues, themes, possible best practices and principles and the preparation and conduct of a conference on “Capacity Development for Service Delivery – Building on Experiences” to be held in Islamabad in April 2008 under the auspices of the Working Group on Sector Wide Approaches and Capacity Development. The 2–3-day conference will serve to discuss the findings of the study. The objectives of the conference will be (i) to enhance understanding of past experience of CD for service delivery in Pakistan in order to generate recommendations for improved CD support from development partners; (ii) identified ToRs for a joint process of diagnosis and design of joint CD support. The workshop and study will be documented in a publication.

19. The case studies will include an assessment of the following aspects of CD:

- (i) Capacity Assessment – what was assessed at the design stage? The part focuses on external as well as internal factors which shape capacity and begins with a focus on the outputs of the organization(s).
- (ii) Capacity Assessment – How was the capacity assessment conducted? The part focuses on the capacity assessment process, including ownership and participation issues.
- (iii) CD and Change-Enabling Environment and Commitment. In how far was the feasibility and likely success of CD and change determined by the domestic drive for and commitment to change, as well as by resistance and constraining factors in the context.
- (iv) CD and Change-Goals and Design Issues. In how far did the CD process benefit from clear results identification. Did the design consider promotion of change by working both on internal and external factors, and on both functional/technical and political dimensions of capacity.
- (v) External Support to CD – the demand and supply side. To what extent did the demand for external support, as well as the quality of design and delivery of the external support analyzed. Were development partners aligning to domestic processes, and harmonizing initiatives and approaches?

20. The analysis will be broadly based on the checklist for Assessment for Capacity and Capacity Development Support which is based on the European Commission’s Aid Delivery Methods Concept Paper. It is intended to further analyze lessons learned with a view to isolating key issues and themes, and best practices, if not principles, that might guide future CD operations in Pakistan and to summarize and promote the same as a guide to future CD.

### **C. Implementation Arrangements**

21. The study will be supervised by the Working Group on Capacity Development which is jointly chaired by the Economic Affairs Division and ADB’s Pakistan Resident Mission.

22. The study will be conducted on an intermittent and phased basis over the period September 2007 to April 2008. The consultants will work closely with all relevant ADB and other funding donor staff, Resident Missions and Offices and will support ADB and the other donor’s staff to engage in the study as and when available during the course of other work.

23. It is intended that both the consultancy and the workshop(s) seek the involvement of all relevant development partners in Pakistan, including the provincial and local levels.

24. It is proposed that ADB hire a CD systems specialist/Team Leader who has strong CD experience and at least some experience of working in Pakistan and a local consultant with extensive experience in social sectors in a devolved context on an intermittent basis.

#### **D. Detailed Tasks of the Consultant(s)**

##### **Consultant A (international): Capacity Development Specialist (international, 2 person-months)**

25. The CD specialists will have a degree in social science, political science, or public administration and at least 15 years' experience in designing and implementing CD programs in the region. Experience with local government service delivery is required. The consultant will have contributed to the recent CD debate and should have experience in developing and applying capacity assessment tools at the local or sector level. The position requires strong facilitation and communication skills and long-term experience in the Asia and Pacific Region. The consultant will be responsible for the following tasks:

- (i) Review all relevant documentation and other literature pertaining to CD in service delivery in Pakistan. This will include: a) the ECDPM and DFID studies on Capacity Building for decentralized education service delivery in Pakistan and Punjab;<sup>15</sup> b) The Devolution in Pakistan study conducted by ADB/DfID/World Bank and the follow up study conducted by ADB; c) ADB and other donors evaluations of CD and service delivery in Pakistan, ADB and other donors evaluations of CD and modalities; d) CD policy papers of various donors.
- (ii) Review and report on new and emerging approaches to CD, including any which have not been trialed in Pakistan.
- (iii) Review ADB's and other development partner CD documentation pertaining to service delivery in Pakistan. This will include documentation to be requested from EAD, provincial governments, World Bank, DfID, UNDP, CIDA, GTZ, and JICA through the working group on Swaps and CD.
- (iv) Discuss successful CD in Pakistan with EAD, ADB and other major donors with a view to preparing a long list of potential case studies.
- (v) Analyze lessons learned based on review of the literature and personal communications with a view to isolating possible key issues (in particular those issues that are likely to influence the demand for CD and incentives in a devolved context), themes, good practices and principles that might guide future CD in Pakistan and summarize them in a way which could be used as a guide to further conduct of the study, including possible case studies, possible workshop(s) agenda, and future CD in Pakistan.
- (vi) Review the CD checklist and propose a common set of questions and otherwise prepare an initial methodology for the preparation of proposed case studies of more successful CD.
- (vii) Visit two provinces and solicit the views of provincial and local governments and civil society stakeholders as to which CD interventions in service delivery were considered successful, what makes CD successful and sustainable, how development partners might better assist CD, and identify examples of more successful interventions.

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<sup>15</sup> David Watson and Adnan Khan. 2005. Capacity and Capacity Building in the Punjab for Devolved Education Service Delivery: Comparing current approaches with international experience.

- (viii) Draft a summary of possibly 8–10 initial example case studies of more successful CD. Selected case studies should reflect stakeholder interest to contribute to the study, coverage of a variety of CD circumstances, and ability to represent more innovative CD processes. Identify local case study writers, subcontract and support them during the initial drafting process.
- (ix) Conduct two write shops (one in each of the Provinces involved). Prepare a detailed outline, agenda, suggested invitees, facilitators, program of support and management, and costing for two writeshops on CD in service delivery in two Provinces that are likely to be held in the provincial capitals in December 2007 to January 2008.
- (x) Prepare a detailed outline, agenda, suggested invitees, facilitators, resource persons, program of support and management, and costing for a workshop(s) on CD in the Pakistan that is likely to be held in Islamabad in April 2008.
- (xi) Consult widely throughout Pakistan with government agencies, civil society and donor agencies to incorporate views and to build support for the proposed workshop(s).
- (xii) Serve as presenter and supervise the conduct of the workshop(s) and report on same.
- (xiii) Based on all works undertaken (literature review, interviews, case studies and workshops), analyze lessons learned with a view to isolating key issues, themes, good practices and principles that might guide future CD in Pakistan and summarize them in a way which could be used as a guide to future CD in the region.
- (xiv) Briefly analyze and comment on the demand for CD, including for specific forms of CD, in the Pakistan and any patterns of demand apparent at the Provincial and local level.
- (xv) Rationalize and provide tentative suggestions as to what characterizes more successful CD in Pakistan with a clear focus on the necessary supporting actions of development partners, governments and other stakeholders.
- (xvi) Ultimately identify by the end of the consultancy any changes needed in the roles and responsibilities of governments and development partners to build more successful partnerships to guide more effective CD interventions in the future.
- (xvii) At the completion of the study, review CD definitions and develop a proposed taxonomy of the different forms of CD, their objectives, different approaches, and other characteristics that meet the demands of successful CD in Pakistan and in the light of the findings of the study.
- (xviii) Produce a report on the entire exercise with executive summary detailing major lessons and directions to improve CD in Pakistan.

26. The CD specialist will prepare an initial report to be presented to the funding donors at the end of the second phase, possibly end January, 2008. Report(s) on each workshop(s) will also be prepared. A draft final report will be prepared toward the end of the third phase, possibly by mid April 2008. This will be submitted to funding donors for review and comment prior to finalization of the report.

### **Consultant B (national) Service Delivery/Devolution Specialist (6 months, intermittent)**

27. The service delivery/devolution specialists will have a degree in social science, political science, or public administration and at least 15 years experience in designing and implementing service delivery/devolution programs in Pakistan. Experience with local government service delivery is required. The consultant will have contributed to the recent service delivery/devolution debate and should have a good understanding of CD and CD

concepts. The position requires strong facilitation and communication and writing skills. The consultant will be responsible for the following tasks:

- (i) Review all relevant documentation and other literature pertaining to CD in service delivery in Pakistan. This will include: a) the ECDPM and DFID studies on Capacity Building for decentralized education service delivery in Pakistan and Punjab;<sup>16</sup> b) The Devolution in Pakistan study conducted by ADB/DfID/World Bank and the follow up study conducted by ADB; c) ADB and other donors evaluations of CD and service delivery in Pakistan, ADB and other donors evaluations of CD and modalities; d) CD policy papers of various donors.
- (ii) Collect and review of ADB's and other development partner CD documentation pertaining to service delivery in Pakistan. This will include documentation to be requested from EAD, Provincial governments, World Bank, DfID, UNDP, CIDA, GTZ, and JICA through the working group on Swaps and CD.
- (iii) Participate in discussions on successful CD in Pakistan with EAD, ADB and other major donors with a view to preparing a long list of potential case studies.
- (iv) Support analysis of lessons learned based on review of the literature and personal communications with a view to isolating possible key issues (in particular those issues that are likely to influence the demand for CD and incentives in a devolved context), themes, good practices and principles that might guide future CD in Pakistan and summarize them in a way which could be used as a guide to further conduct of the study, including possible case studies, possible workshop(s) agenda, and future CD in Pakistan.
- (v) Liaise with the international consultant, PRM, ADB headquarters, and stakeholders at the national, provincial and local government levels.
- (vi) Conduct mapping exercise of CD in service delivery from August 2001 and end of December 2006.
- (vii) Support review of the CD checklist and propose a common set of questions and otherwise prepare an initial methodology for the preparation of proposed case studies of more successful CD.
- (viii) Support identification of long lists of good practices in the two Provinces, including carrying out field work at the provincial and district levels.
- (ix) Make advance preparations and conducting follow-up activities for write shops, Working Group on Sector Wide Approaches and CD briefings, and conference follow-up activities, including preparing materials in Urdu.
- (x) Contribute to knowledge management activities in the respective countries, including updating provincial government web sites and information brochures and feeding material into ADB and other donor dissemination activities.
- (xi) Contribute to reports as required.

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<sup>16</sup> David Watson and Adnan Khan. 2005. Capacity and Capacity Building in the Punjab for Devolved Education Service Delivery: Comparing current approaches with international experience.

## **Writeshops: A Brief Introduction<sup>17</sup>**

A “writeshop” is a participatory workshop where people share their experiences in a particular area of interest through written cases; analyze their experiences, and relate them to larger concepts (literature and models). The writeshop allows participants to refine and deepen their understanding of an issue through reflection on practice. The lessons learned then help strengthen practice at the level of action (organization or community) and government and donor policy and support to a particular area. A writeshop normally leads to written products including policy briefs, case summaries, and sourcebooks for practice, case studies, training manuals, or brochures. Pioneered by the International Institute of Rural Reconstruction, other groups have adapted the basic writeshop process to suit their own needs. Development organizations have used writeshops for nearly twenty years.

The writeshop assembles people from various backgrounds with a common interest in the topic. No single person has a monopoly on knowledge—most is embedded in the collective memory and experiences of the group. Participants will also gather some knowledge from available data, such as reports and articles. Beyond those with direct experience, the organizers invite resource people to participate providing a complementary lens or perspective to the group. The writeshop provides the setting for validating information and exchanging ideas, resulting in improved cases and emerging conclusions for policy, practice, and better frameworks.

The writeshop process is characteristically iterative, normally subject to three rounds of discussions among all participants depending on the particular needs and objectives. The writeshop is rigorous, demanding significant amounts of time and effort from its participants—not only during the day, but often during some evening hours as writers struggle to revise and strengthen their cases. Before and after the writeshop, the participants will need to spend time editing, circulating, and revising their cases. Organizers normally engage a support team to take the final drafts and edit, illustrate, and publish them into desired products.

### ***The Benefits of the Writeshop Method***

The distinguishing feature of the writeshop is its emphasis on participation. Although getting everyone actively involved is challenging, the rewards are great. The writeshop method typically accomplishes much more than standard workshop models, for various reasons. First, it recognizes the participants themselves are the most important resource having much to contribute. By constantly engaging the participants in the discussions, they find opportunity to learn from one another. Second, it builds consensus among the participants. Finally, its design helps build up momentum creating synergies among participants—there is a general feeling of collective ownership of the publication, and thus a stronger desire to deliver results. Successful CD (and projects) includes participation. The writeshop becomes in itself a capacity enhancing experience by empowering a group of people.

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<sup>17</sup> Pete Malvicini, excerpt from a background document prepared for a workshop on the Pacific Scoping Study.