

CAPACITY DEVELOPMENT CHAMPION IN THE ASIA-PACIFIC REGION

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Q1: HOW DO YOU SEE UNDP CHANGING BECAUSE OF THE FOCUS ON CAPACITY DEVELOPMENT? WHERE ARE WE IN COMPARISON TO WHERE WE NEED TO BE?

At the outset, an important distinction needs to be made, that is, capacity development has always been a UNDP corporate agenda, and country offices have long been working on this agenda. While this is the case, the definitions of capacity development need to be broadened to include analytical capacity development, in particular. This is particularly important for us to ensure our work is both sustainable and has a long term impact in the societies that we work with.

That said, we have been seeing a noticeable shift in commitment with more concrete and streamlined efforts towards the capacity development agenda in recent times, more so since the agenda was explicitly highlighted in the UNDP Strategic Plan. As the Strategic Plan serves as a guiding framework for our work globally, the agenda has naturally received greater impetus and this has directly enabled greater institutional acknowledgement and understanding of capacity development approaches and tools.

So what has changed really is the fact that we have organized internally and are now actively using a coordinated, coherent set of assessment tools, methodologies and approaches that will ultimately lend itself to the goal of long term institutional building and critical analysis and policy planning for. And naturally, since these tools and approaches are developed internally, they will directly reflect our core development principles and organizational ideologies.

However, while there is wider realization within the organization that institutional capacity development could perhaps become one of our strongest legacies down the road, the reality is there is currently little coordinated effort amongst the various practices and agencies.

The good news is that I believe we are slowly underway to take the right positive steps in moving forward and evolutionary stage of acceptance, incorporation and mainstreaming of capacity development within the larger development framework.

Q2: HOW WILL THE SHIFT FROM TECHNICAL COOPERATION TO CAPACITY DEVELOPMENT IMPACT DEVELOPMENT WORK?

The shift from technical cooperation to capacity development has to be contextualized, so firstly, one has to identify the broad parameters of overlaps. For example, just like capacity development efforts, technical cooperation also aims towards working with national stakeholders and counterparts to identify challenges, trends and needs; to establish targets and benchmarks; and to collaborate in finding appropriate national solutions. The primary difference between the two is, the capacity development approach takes an active role in identifying, designing, and equipping the national counterparts with specific pre-determined skills and capabilities via capacity development efforts. This assistance enables national counterparts to determine their indigenous strategies and tools, hence laying down a stronger foundation for success, while fostering an environment where long-term impact will thrive.

Q3: WHY CAPACITY DEVELOPMENT FOR THE NATIONAL HUMAN RIGHTS COMMISSION OF MALAYSIA (SUHAKAM) IN YOUR OPINION?

The Human Rights Commission of Malaysia (SUHAKAM) was established in 2000 under the Human Rights Commission of Malaysia Act (Act 597)1999. As SUHAKAM nears its tenth anniversary in April 2010, it has become well established for its productive activity, earning themselves local and international reputation for its work. The challenge for them would now be to move beyond the establishment phase, into a consolidation phase, in its institutional life.

The capacity development undertaken for SUHAKAM is centered on a Capacity Assessment exercise that was designed to assist SUHAKAM understand their capacity strengths and needs, and to develop tailored capacity development strategies to address capacity gaps on a continuing, comprehensive basis. It involved a multi-disciplinary team comprising the Justice and Human Rights Team and Capacity Development Team of the UNDP Regional Centre in Bangkok, the Asia Pacific Forum of National Human Rights Institutions (APF), the National Institutions Unit of the Office of the High Commissioner for Human Rights and the UNDP Country office in Malaysia.

Typically, successful organizations go through many phases of development. They are able to adapt to changing external circumstances and they are also able to respond to differences in internal needs and opportunities as the organization itself, with its leaders and staff, grow in knowledge, experience and capacity. During the establishment phase of an organization, the primary concern is gaining operational efficiency as quickly as possible, then work towards achieving solid achievements so that the organization's profile and reputation are cemented for being responsive and effective. During this phase, therefore, internal organizational issues by necessity will take a lower priority. As a result, typically, operational systems and processes are basic and informal, decision making is ad hoc and often reactive, and procedures are undocumented. Because of the number of issues to be addressed, a new organization will feel the need to undertake as much as possible as quickly as possible, leaving little time and resources for following up on completed projects and activities.

Once it is well established, a successful organization moves on to the next phase, consolidation. Typically a well-consolidated organization has good planning, settled policies and procedures, operational manuals, clear roles for management and staff, as well as good relations with key stakeholders. The efforts to undertake a coordinated effort on capacity building for the SUHAKAM was timely and much needed, as it provided SUHAKAM with an opportunity begin its consolidated phase by undertaking a structured process of reflection, and systematically reviewing its operational effectiveness and processes, while providing a platform for consultations and feedback from its Commissioners, staff and national stakeholders.

The recommendations that were developed were also shared with the UN Country Team (UNCT) in Malaysia, whereby a follow-up meeting was held in July 2009 with SUHAKAM and the UNCT to identify and explore areas of collaboration and a joint workplan to be developed between the UNCT and SUHAKAM in selected areas of long term capacity development exercises and joint programming.

However, it must also be stated that while the capacity development exercise in itself was a highly relevant and extremely useful exercise to strengthen the institutional arrangements in SUHAKAM, there are many other issues that continue to hamper the success of SUHAKAM in Malaysia. These challenges are related to the larger socio-economic fabric in the country and the political dimensions of domestic laws which continue to pose significant challenges to the process and progress of human rights in Malaysia. We need to also keep in mind that capacity development itself will not be able to address these issues in the short or medium term.

Q4: WHAT DOES MALAYSIA HAVE TO OFFER IN TERMS OF CAPACITY STRENGTHS, ASSETS OR LESSONS THAT OTHER COUNTRIES COULD DRAW ON OR LEARN FROM?

On the whole, Malaysia has had a long successful history of poverty eradication, universal healthcare, universal education and sound macro economic policy planning. At the aggregated level, Malaysia has officially announced that it has achieved 7 out of the 8 MDGs with regression only taking place within MDG 6 on HIV/AIDs. Despite the shock of the 1997 Asian financial crisis, the country's economy has recovered and grew at an annual average of 5.3 per cent between 2000 and 2006. The national poverty rate halved between 1990 and 1999, from 16.5 per cent to 8.5 per cent, and was just 3.6 per cent in 2007. Hardcore poor is also estimated at 0.7 in 2007. Malaysia also continues to promote gender equality and the empowerment of women, with the enrolment rates of girls exceeding those of boys at all levels of education.

Analysis at the disaggregated level of the MDGs however reveals a significant and growing inequality and will continue to pose challenges for all stakeholders to bridge these issues. Although Malaysia has come close to ending extreme poverty, there are pockets of hard-core rural poverty remaining, especially among the indigenous communities of Sabah, and Sarawak. Income inequalities have been rising; the Gini rose from 0.446 in 1990 to 0.462 in 2004. There are also growing spatial disparities in income and other human development indicators, as well as between, and within, Malaysia's main communities. Participation of Malaysian women in administrative, political and management positions remain a challenge and within the Ninth Malaysia Plan, 2006-2010 (9MP), the government has set a target to achieve at least 30 per cent of women in decision making positions in all sectors. Gender mainstreaming and gender budgeting which was supported in the past few years through the UNDP country office has progressed forward but at a slow pace.

These challenges remain and Malaysia's efforts to tackle and address them through innovative and well designed sectoral programmes are excellent examples for other countries to learn from, both success and challenges.

Malaysia has been a strong proponent of South-South cooperation since the 1980s. The country's first support for this modality arose when it began to emphasize the significant role of economic policy in its foreign policy. Today, Malaysia continues to support efforts to transform unequal international economic relations between developing and developed countries, and to gradually eliminate the dependence of the former on the latter. It also supports the objective of cementing developing countries' political and economic independence and increasing their collective economic strength and political bargaining power in the international system as a means of reshaping global economic governance.

Much of Malaysia's support to SSC has been through the MTCP, a platform through which it shares its development experience and expertise with other developing countries in line with the policy of "prosper thy neighbour" - the philosophical basis of Malaysia's bilateral technical cooperation programme. Malaysia's engagement is built on the premise that the development of a country depends on the quality of its capacity development (human capital) rather than the traditional and narrowly focused approach of technical and infrastructure assistance. Malaysia encourages developing countries to study each other's and in particular Malaysia's experience in nation building and development planning. In the early days, the support provided by Malaysia was confined to ASEAN, OIC and Pacific Island countries but later expanded to include other developing countries, particularly those that are categorized as economies in transition.

It must also be stated that although there are many areas in which Malaysia can share its experience (e.g. poverty reduction, access to healthcare and education, gender empowerment, etc), there are a number of areas that it can significantly also learn from other countries to further strengthen its own development progress (e.g. governance, human rights, anti-corruption, environmental management, climate change, etc). There is room for two way learning for both Malaysia and other interested countries.

Q5: MALAYSIA (AND NATIONAL INSTITUTIONS IN THE COUNTRY) IS EMERGING AS A STRONG CAPACITY DEVELOPMENT PROVIDER FOR COUNTRIES IN SOUTHEAST ASIA, WHAT DOES THIS MEAN FOR THE UNITED NATIONS?

In line with Malaysia's active role in assisting other countries within the region, via existing bi-lateral and multilateral platforms, it is envisioned that the role of the United Nations is to play an active role as an independent broker of knowledge and capacity development in key and selected areas of development success that Malaysia has undertaken. There are numerous examples of best practices that can be shared with other developing countries.

The country office is well positioned to partner with the national counterparts in Malaysia and assist other UN agencies in identifying the most appropriate partners and programmes that can be best shared with other countries in the region.

However, it is essential that adequate analysis is undertaken in reviewing the actual enabling factors that have led to the success of certain programmes that is being reviewed as a best practice. As we are well aware that although best practices are desirable, it is not necessarily implementable unless the localized factors that contributed to its success are also evident in the adopting country.

A clear example has been the desire from many developing countries to learn from Malaysia on its strategies to chart and undertake a transition to a knowledge based and high-income economy. It must be noted that in Malaysia, the commitment and leadership played by the Prime Minister and the government in setting out clear development agendas and goals has led to support, coordination, commitment and funding from various Ministries to take the agenda forward. This element of high level political commitment has been one of the central success factors on the quick adoption and roll out of Malaysia's move towards the knowledge based economy. In addition, enabling factors such as financial funding, institutional structures, structured human capacity building programmes, information infrastructure and revisions to national domestic regulatory frameworks are not necessarily replicable in other countries without such political and financial backing.

At the same time, while a significant degree has been achieved, there are several key challenges that continue to hamper the progress of the Malaysian economy, namely in some areas of governance. For example the newly established Malaysian Anti Corruption Commission which was established early this year is a significant and necessary step by the government to address and stem the issue of corruption both in the public and private sector.

At the same time, Malaysia is seemingly also stuck in what is commonly termed the 'middle income trap' and efforts and strategies are currently being deliberated and discussed to make the transition to the knowledge economy. It has to be contextualized that while many of these strategies have been developed for quite some time, the weakness has also been with the implementation and the lack of a strong monitoring and evaluation mechanism within the system which has led to abuse and leakage within the public delivery system.

As such, the role of the UN in such context is apart from brokering and bridging the global partnership but more importantly, the provision of in-depth analysis for the benefit of the other interested countries that outlines the building blocks of socio-economic development and also providing in-depth analysis of the challenges and issues that continues to exist in Malaysia.

Q6: WHAT IS THE ROLE OF UNDP IN A COUNTRY LIKE MALAYSIA THAT HAS SUCH SUBSTANTIAL HUMAN AND FINANCIAL CAPITAL?

Adopting measures to enhance effectiveness and repositioning itself have important implications for UNDP's on-going Country Programme. To ensure the relevance of the UNDP country office to Malaysia, the Resident Representative has led several substantive discussions with the Economic Planning Unit based in the Prime Minister's Department, senior level government officials and also with the UNDP country office Management Team and the staff to outline the new development areas which needs to be prioritized by the UNDP Country office in the coming years. Emphasis has been placed on upstream policy with projects as illustrations of the policies that are desirable.

Alongside this, an independent evaluation on UNDP Malaysia's Country Programme Outline 2003-2007 was undertaken in early 2009. The purpose of this independent evaluation was to help sharpen the implementation of the CPAP 2008-2012. The report encompasses UNDP's contribution to development results, comparative advantages, key findings, and also recommendations for the UNDP country programme 2008-2012. Many aspects of a repositioning has already been initiated by Resident Representative starting in 2009 – and are underway.

UNDP Malaysia aims to articulate a clear role for itself in a middle income country like Malaysia. UNDP's value-addition will not likely come from the mobilization of financial resources, but from the organization's ability to access and provide technical expertise and knowledge to provide strategic policy advice, global networking, and while at the same time work towards addressing deep-seated inequalities and emerging national and global challenges.

In Malaysia, the country office is also working with the Government of Malaysia to develop a results framework for South-South cooperation initiatives with clear benchmarks and indicators to assess its contribution to South-South cooperation. To support this assessment, an effective monitoring and evaluation mechanism is also to be developed to track future performance of programming activity in the areas of South-South cooperation. In addition, the country office will continue to work on areas that include addressing issues of inequality and regional disparities, increased participation in key dimensions of globalization, participatory political processes and responsive institutions, and the global challenge of climate change.

It must be contextualized that although UNDP has access to global resources in terms of international expertise and technical assistance, as a middle income country, Malaysia has specific unique development needs that require specialized and in-depth expertise and experience that is not easily available from UNDP/ UN offices. As such UNDP Malaysia needs to establish and work in close collaboration with various development partners to identify the appropriate high-level experts who should be engaged to assist with Malaysia's development needs.

It is envisioned that the role of UNDP in Malaysia is evolving as the nation progresses both economically as well as in terms of social development. While capacity deficits do not exist within the public and private sector, there is a strong need to assist countries such as Malaysia to undertake the necessary steps to avoid being stuck in a 'middle income trap' and being unable to innovate and transform its economic base to move up the economic value chain and as such emphasis has to be placed on medium and long term economic restructuring efforts.

At the same time, the UNDP office cannot neglect to continue working on the inequalities that continue to exist both at the ethnic and spatial levels. Priority will still be placed on addressing the challenges faced in the rural areas, particularly in the poorer states. Initiatives to improve equity between states, population groups and the rural-urban divide are also be prioritized with a focus on indigenous communities and other population groups which exhibit widespread and deep-rooted poverty incidence. In the coming years as reflected in the Country Programme Document (2008-2012), there will continue to be areas of work within the realms of gender empowerment,

governance and human rights, HIV/AIDS, environmental management, and energy security. Increasingly so in the coming years, the role of the UNDP office in Malaysia will also be geared towards strengthening Malaysia's assistance to other developing countries through a structured and strategic development-oriented South-South cooperation programme that is able to share Malaysia's experience in attaining the MDGs with other countries.

Q7: FROM YOUR EXPERIENCE, WILL COUNTRIES HAVE TO DEVELOP NEW CAPACITIES TO DEAL WITH THE FINANCIAL CRISIS? AND WHAT IS THE ROLE OF UNDP?

Yes.

In the short term, support is being provided by the UNDP Country office to strengthen analytical and empirical research capacities to understand the transmission belts of the crisis in the Malaysian economy while the medium and long term support through UNDP will prioritize areas of structural change likely to be necessary if Malaysia is to make the transition to a high value-added, globally competitive knowledge-based economy and achieve its Vision 2020.

In line with desire to enhance its economic competitiveness, the Government of Malaysia announced in April 2009, its decision to liberalise the services sector to '*attract and increase investments, bring in more professionals and technology as well as strengthen competitiveness of the sector*' in 27 services subsector in the areas of health and social services, tourism services, transport services, business services and computer and related services. The government is of the position that the liberalization of the services sector is expected to enhance the level of competitiveness of the Malaysian economy through the creation of a '*conducive business environment to attract investments, technology and to create higher value employment opportunities*'. A persistent challenge in Malaysia is the capacity gaps that exists in terms of moving to the 'new high income economic model' that the Government seeks to attain.

In line with this, UNDP Malaysia and the Economic Planning Unit of the Prime Minister's Department and the Economic Council Secretariat organized a series of sectoral consultative meetings and focused brainstorming session in June 2009 involving various government Ministries, representatives of the private sector and professional associations.

The country office has and will continue to engage highly technical international experts with a vast experience of global experience to provide technical advice to the Malaysian government and support and moderate consultative meetings with various stakeholders to identify the trends, issues, challenges and the potential recommendations as an input to the government's long term strategies.

Q8: YOU PLAYED A CRUCIAL ROLE IN THE CA FOR SUHAKAM, AND NOW YOU ARE THE FIRST UNDP CO CD CHAMPION; ANY LAST WORDS YOU WOULD LIKE TO SHARE WITH YOUR CAPACTE-NEWSLETTER READERS?

The experience of facilitating the CA for SUHAKAM was a very positive experience for the UNDP country office as we this was our first time of engaging with the UNDP RCB on a substantive engagement of capacity development and the tools that were deployed. We acknowledge the positive value add of having a multidisciplinary team for the exercise. The perspectives of colleagues from outside the UNDP country office were significant steps forward for the UNDP country office in identifying areas of support both individually (from the UNDP perspective) as well as collectively with the UNCT. The structured methodology and approach was also successful in focusing the vast amount of in-depth thematic experiences and knowledge that was brought to the exercise by the various team members and stakeholders. We would like to say a big thank

you to the capacity development team and the governance team from RCB for working with us in taking this agenda of strengthening the national institutions forward.

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