

New York, 28 April 2008

Dear Colleagues,

It is my pleasure to provide you with the Capacity Assessment Methodology adopted by the UNDG (formerly the combined Programme Group/Management Group) on 24 April 2008. This methodology is an important part of the UNDG's overall approach to capacity development and follows from the UNDG Position Statement on Capacity Development (December 2006) which outlined when and how UNCTs can address capacity development in their work. The methodology is based on a comprehensive review of approaches available from both within and beyond the UN system and has benefited from the valuable input from many agencies through the UNDG Task Team on Capacity Development.

Capacity development is a core function of the United Nations system and is integral to the support UN Country Teams provide to national partners. Last December, the <u>Triennial Comprehensive Policy Review</u> (TCPR) reiterated its importance, calling upon UN organizations to "provide further support to the efforts of developing countries to establish and/or maintain effective national institutions and to support the formulation and, as necessary, the devising of national strategies for capacity building."

The Capacity Assessment Methodology can be applied throughout the UN planning and programming process at country level: UN Country Teams can use it to guide their discussions with national counterparts in the articulation of UNDAFs, PRSPs or SWAPs, as well as in the design, implementation and evaluation of specific programmes and projects. The methodology can be used in conjunction with a number of other technical and functional assessment methodologies, including, for example, the Harmonized Approach to Cash Transfers and the Post-Conflict Needs Assessment.

Given that capacity assessment is critical to the CCA/UNDAF process, I expect that those countries initiating the UNDAF cycle this year will apply this approach to help determine their priority interventions in consultation with national partners.

The Capacity Assessment Methodology is a living document that will benefit from the regular exchange of good practice. If you have any questions or comments, please contact Kanni Wignaraja as Chair of UNDG Capacity Development Task Team (Kanni.Wignaraja@undp.org.). Advice on using the methodology can be obtained from members of the Task Team through the Development Operations Coordination Office (marco.baumann@undg.org). For further information and resources, please see the Capacity Development section on the UNDG website.

Yours sincerely,

Kemal Derviş

Chair

To: UNDG Heads of Agencies, Resident Coordinators, UNCT members

cc: CEB secretariat, HLCP secretariat, coordination officers