## **NEW RELEASE**

## THE CONCEPT OF INSTITUTIONAL CAPACITY BUILDING AND REVIEW OF ROAD SECTOR PROJECTS 2010R02

Institutional capacity building (ICB) is one of the leading challenges in developing countries and countries with economies in transition. Road sector-related ICB refers to investment in people, institutions and practices that will enable these countries to achieve their road sector development objectives. It is an important means of improving road conditions and ultimately, helping to alleviate poverty. ICB is achieved by acquiring resources, whether they be human, financial, networks, knowledge, skills, systems and culture, and integrating them in a way that leads to change in individual behaviours and ultimately, to more efficient and effective operations of institutions and organisations.

The report identifies that in order for ICB to be successful, it must focus on tangible and non-tangible resources. The tangibles include physical assets such as infrastructure, machinery, natural resources, health of the population, education, organisational structure and systems, legal frameworks and policies. The intangibles include social skills, experience, creativity, social cohesion, social capital, values, motivation, habits, traditions, institutional culture, etc. These are normally more difficult to quantify, however the intangibles are equally as important as the tangibles because they determine how well a given society uses the resources at its disposal and what allows them to realise their human and social potential.

The report provides a history of the focus of ICB and highlights some of the general successes and failures, noting that the experiences of developing countries can be quite different to those with economies in transition. The report also presents five case studies from different developing countries to highlight how ICB is perceived and addressed, to what extent the cases relate to the ICB concept and the lessons learnt.

Strategies for capacity building are described, including the provision of assistance (through financial or physical resources), improving organisational and technical capabilities, setting strategic goals and strengthening the interrelations between organisations, individuals and groups.

The report also highlights the close relationship between ICB and good governance.

This report can be accessed through PIARC's Virtual Library at: <a href="http://publications.piarc.org/ressources/publications">http://publications.piarc.org/ressources/publications</a> files/6/6833,2010R02 WEB.pdf

