

Defining Institutional Capacity Building

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Why focus on ICB ?

- **Institutional Capacity Building (ICB)** - a leading issue for road development in developing countries and in countries with economies in transition.
- PIARC has decided to put ICB on the agenda in its 2004-2007 work period.
- The Technological Exchanges and Development Commission of PIARC is charged with promoting the ICB issue.

This presentation addresses the ICB according to PIARC position paper 2005.

The position paper on ICB

- The position paper addressed the following issues:
 - What ICB is and how it is to be understood
 - Strategies for ICB
 - Experience with ICB
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What is ICB and how is it to be understood?

- The most frequently used definition of ICB in World Bank documents is that it encompasses three main activities:
 - Skill upgrading
 - Procedural improvements, and
 - Organizational strengthening

Thus, road related ICB refers to investment in **people**, **institutions** and **practices** that will enable developing countries and countries with economies in transition to achieve their road transport development goals.

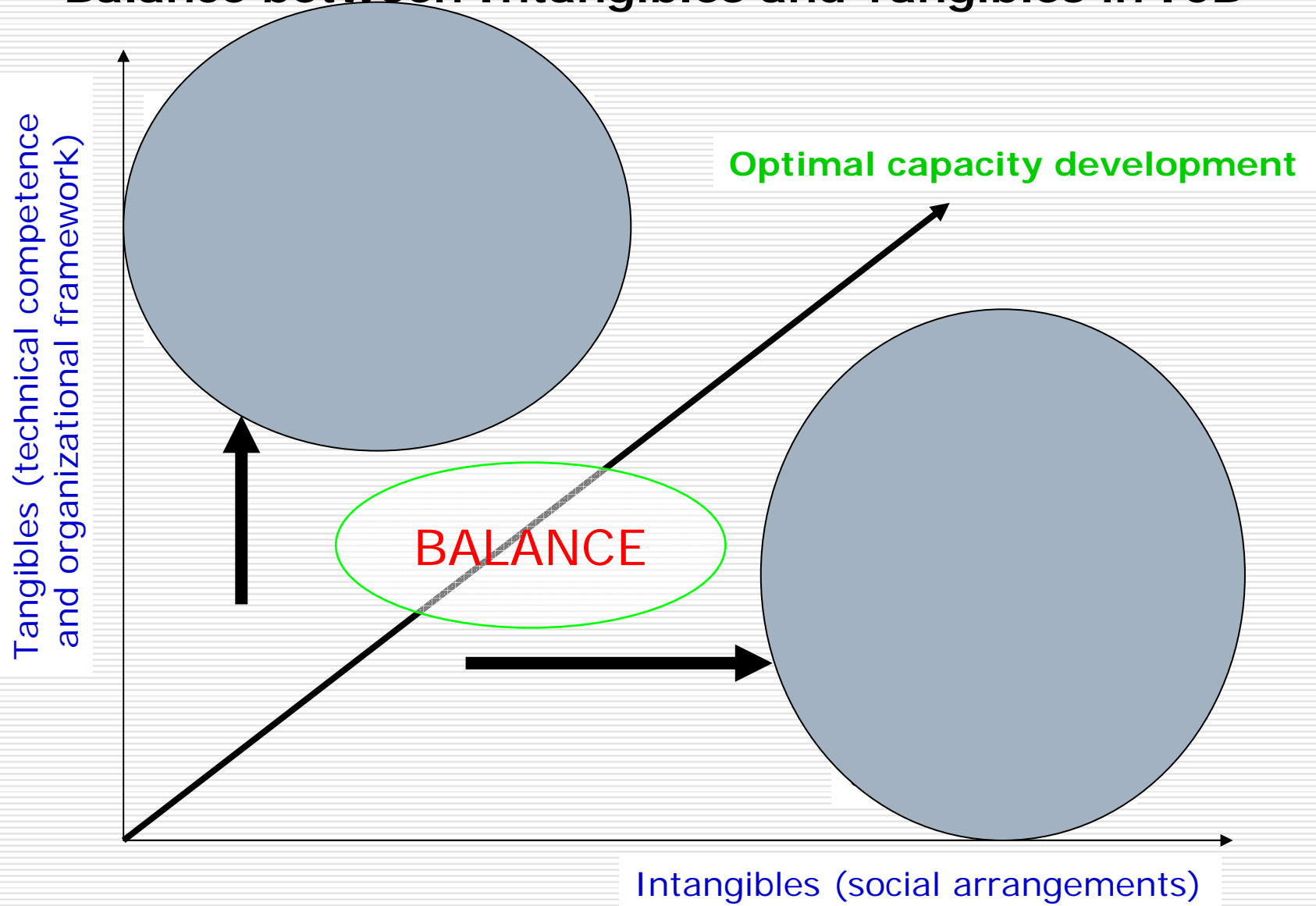
How does ICB occur?

- By acquiring a large spectrum of resources and integrating them in a way that lead to change and development:

All are equally important

- Financial
- Human
- Network
- Knowledge
- Culture
- Systems

Balance between Intangibles and Tangibles in ICB



Two types of capacities

- **Tangibles**: Physical assets which are easily measurable either in physical terms or indices. Includes infrastructure, machinery, training, economic resources, legal framework etc.
- **Intangibles**: Soft factors but equally important factors such as social skills, experience, creativity, social cohesion, values and motivations, habits and traditions, institutional culture etc.

Why ICB?

- ICB is about creating efficient and effective institutions.
 - Hence it pursues the objectives of Good governance and Integrity
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Relationship between ICB and GG&I

Intangibles

ICB

- Motivation
- Values
- Traditions
- Culture

Tangibles

- Legal Framework
- Economic & human resources
- Functioning organization

GG&I

- Transparency
- Accountability
- Predictability
- Credibility

The ultimate is goal creating efficient and effective institutions and reliable transport systems

In conclusion

- ICB is about integrating tangibles and **intangibles**
 - ICB and GG&I are inseparable
 - How has ICB previously worked?
 - Answers to this question will help in forming strategies for future ICB
 - **That is the next presentation**
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