



## United Nations Development Programme/Cambodia

### Project to Support Democratic Development through Decentralization and Deconcentration (PSDD)

01-02-2007 – 30-06-2011

#### PSDD FINAL REPORT:

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**Project Title:** Project to Support Democratic Development through  
Decentralization and Deconcentration (PSDD)

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**Implementing Partners/Responsible parties:** National Committee for  
Democratic Development (NCDD), SIDA and DfID

**UNDP Country Programme Outcome:** Improving the delivery of social services  
and increasing participation of the poor in decision making

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<b>Abbreviations</b>	
<b>ADMAC</b>	Agriculture Development in Mine-affected Areas of Cambodia (Canada)
<b>C/S</b>	Commune Sangkat Council
<b>C/SF</b>	Commune Sangkat Fund
<b>CAR</b>	Council for Administrative Reform
<b>CAU</b>	Contract Administration and MEI Unit (PRDC ExCom)
<b>CDP</b>	Commune Development Plan
<b>CDPD</b>	Commune Development Planning Database
<b>CIP</b>	Commune Investment Plan
<b>DDLG</b>	Democratic Development and Local Governance Project (EC-UNDP)
<b>DfID</b>	United Kingdom Department for International Development
<b>DfGG</b>	Demand for Good Governance Project (World Bank)
<b>DFT</b>	District Facilitation Team
<b>DIW</b>	District Integration Workshop
<b>DOLA</b>	Department of Local Administration
<b>DOP</b>	Department of Planning
<b>DRD</b>	Department of Rural Development
<b>DSA</b>	Daily Subsistence Allowance
<b>DWoA</b>	Department of Women's Affairs
<b>ExCom</b>	Executive Committee (of M/PRDC)
<b>FU</b>	Finance Unit (PRDC ExCom)
<b>IFAD</b>	International Fund for Agricultural Development
<b>LASED</b>	Land Allocation and Socio-Economic Development Project (World Bank)
<b>LAU</b>	Local Administration Unit (PRDC ExCom)
<b>M&amp;E</b>	Monitoring and Evaluation
<b>M/PRDC</b>	Municipal/Provincial Rural Development Committee
<b>MDLF</b>	Multi-Donor Livelihood Facility (supporting NRM&L Program)
<b>MEF</b>	Ministry of Economy and Finance
<b>MLMUC</b>	Ministry of Land Management, Urban Planning and Construction
<b>Mol</b>	Ministry of Interior
<b>MoP</b>	Ministry of Planning
<b>MRD</b>	Ministry of Rural Development
<b>MoWA</b>	Ministry of Women's Affairs
<b>NCDD</b>	National Committee for Democratic Development
<b>NCDDS</b>	Secretariat of the NCDD
<b>NCDDS/PST</b>	Program Support Team of the NCDD Secretariat
<b>NCDDS/PT</b>	Policy Team of the NCDD Secretariat
<b>NGO</b>	Non-Government Organization
<b>NPRS</b>	National Poverty Reduction Strategy
<b>NRM&amp;L</b>	Natural Resource Management and Livelihoods Program
<b>OWSO</b>	One Window Service Office
<b>PFT</b>	Provincial Facilitation Team
<b>PID</b>	Project Information Database
<b>PIF</b>	Provincial Investment Fund
<b>PLG</b>	Partnership for Local Governance

## Abbreviations

<b>PSDD</b>	Project for Support to Democratic Development
<b>RGC</b>	Royal Government of Cambodia
<b>RILGP</b>	Rural Investment and Local Governance Project (World Bank)
<b>RPRP</b>	Rural Poverty Reduction Project (IFAD)
<b>RULIP</b>	Rural Livelihood Improvement Project (IFAD)
<b>NCD</b>	National Contracts Database
<b>Seila</b>	A Khmer language word approximating to “foundation stone”
<b>SIDA</b>	Swedish International Development Cooperation Agency
<b>STF</b>	Seila Task Force
<b>STFS</b>	Seila Task Force Secretariat
<b>TOR</b>	Terms of Reference
<b>ToT</b>	Training of Trainers
<b>TSO</b>	Technical Support Official
<b>TSU</b>	Technical Support Unit (of ExCom)
<b>UNCDF</b>	United Nations Capital Development Fund
<b>UNDP</b>	United Nations Development Program

## EXECUTIVE SUMMARY

### PROJECT TO SUPPORT DEMOCRATIC DEVELOPMENT THROUGH DECENTRALIZATION AND DECONCENTRATION (PSDD)

#### Introduction

This PSDD Final Report documents the Project's inputs, approach and major achievements in the implementing and supporting the Royal Government's agenda for D&D reform. The Report covers the period from 2007 to 2010 as the one of the most significant UNDP-administered project before the launch of the Royal Government's National Program for Sub-National Democratic Development (NP-SNDD) and its first three-year Implementation Plan (IP3).

The Report is structured into three Sections. The first section documents and summarizes key outcomes in select PSDD areas over the four year period. The second section provides summary information on major activities in chronologic order against each of the five PSDD's outputs. The last section of the Report, Section III, documents and summarizes the overall historical record of UNDP and its development partners -- with a focus on the PSDD -- to advance democratic development at the national and sub-national levels in four key reform dimensions of capacity development, accountability, participation and gender mainstreaming.

#### Background

Cambodia is a unitary state in which Sub-national Administrations<sup>1</sup> (SNAs) have been established at Provincial, Capital, Khan, Municipal and District levels by the Organic Law on Sub-national Administrations (2008). When these are considered together with the Commune/Sangkat Councils established by the Law on Commune/Sangkat Administrations (2001), two general types of sub-national governance and administration systems emerge: Provincial administrations and *local* systems (for Capital, Municipal and District levels). Local systems consist of two-tiers (District-Commune/Sangkat and Municipality-Sangkat) and one three-tier system (Capital-Khan/Sangkat). Before 2008, there were 21 Provinces, 3 Municipalities and 185 Districts/Municipalities with 1,621 Communes/Sangkats.

#### Governance and Administrative Structures of the Kingdom of Cambodia

SNA	Sub-Type	Level of Administration	Number
Provinces		Provinces	23
Local	<i>Metropolitan</i>	Capital- Khan (9)- Sangkat	1
	<i>Urban</i>	Municipal-Sangkat	26
	<i>Rural/Mixed</i>	District-Commune/Sangkat <sup>2</sup>	159
Local	<i>Commune/Sangkat</i>	Commune/Sangkat	1,621

<sup>1</sup> In Cambodia, the expression "sub-national administration" actually covers all three components constitutive of a sub-national authority: (i) an elected policy-making Council, (ii) an appointed Executive Governor and Board of Governors and (iii) an appointed administration headed by a Director.

<sup>2</sup> This refers to a Sangkat within the District (Article 5 of Organic Law) which has not been established yet.

Below is a Map of the Kingdom of Cambodia showing the spatial distribution of the Provinces and one Capital (Phnom Penh) along with the Provincial centers and major waterways.

### MAP OF CAMBODIA



UNDP has supported decentralization reforms since the period following the 1991 Paris Peace Accords when it helped in the repatriation, resettlement and reintegration of Cambodian refugees. Communities across the country gained from quick impact interventions in the resettlement areas that prompted the Royal Government to experiment with decentralized planning, financing and management of rural development in five Provinces between 1996 and 2000. The success of these pilots set the direction for additional democratic development reforms that continue today.

The Royal Government's National Strategic Development Plan 2006-2010 (NSDP) regards good governance as vital for poverty reduction. In this regard, Royal Government implemented reforms related to decentralization of public services to enhance responsiveness, accountability and provide voice to its citizens at the lowest sub-national tiers. The Royal Government conducted elections of Commune Councils, the lowest of the tiers of government, in 2002 and 2007 to elect over 13,000 Councilors. The Organic Law that gave direction to the D&D reform process was adopted by the National Assembly at the close of their legislative mandate and officially enacted by the King in May 2008. At the national level, establishment of the National Committee for Sub-national Democratic Development (NCDD) was yet another milestone event that helped to create the initial institutional framework to better manage D&D reform. The adoption of the Organic Law represented a major milestone for D&D reform in Cambodia, enhancing the pace of reforms at all levels of government.

As part of the provisions of the Organic Law, indirect elections of Provincial and District Councils were conducted in 2009 to provide the other tiers of government with representative legislative bodies. Subsequently, the Royal Government commissioned an international consulting firm to formulate the 10-year National Program for Sub-National Democratic Development (NP-SNDD). The adoption of the National Program by the Senate and subsequent endorsement by the Prime Minister (August 2009) signified the Royal Government's commitment to sub-national reform through the creation of D&D road map in the form of a National Program. This Government owned document set the stage for the issuance of the first three-year Implementation Plan (IP3) to guide the provisions found in the adopted National Program.

### **Commitment to D&D Reform by the Royal Government and Development Partners**

UNDP, in partnership with SIDA and DFID, supported decentralization and deconcentration (D&D) since the end of the internal conflict in the Kingdom of Cambodia. The partners supported participatory planning at village level to help bring areas that had been held by opposition parties back into national administrative structures. The success of these experiments was a major factor in the Royal Government of Cambodia's decision to establish processes that would allow "bottom up" decision-making directly from the villages and Communes. This reform agenda has been advanced and institutionalized by the Royal Government over the past 15 years.

UNDP through a joint agreement with SIDA and DfID, established the Project to Support Democratic Development through Decentralization and Deconcentration (PSDD) over the 2007 to 2010 period to further lend support to the Royal Government in implementing sub-national reforms. The PSDD developed the capacity of the Royal Government of Cambodia to meet its democratic development goals and objectives through improved participatory governance, service delivery and delivery of investment funds for the rural poor. The Project focused on three main objectives to: (1) strengthen local government systems and structures to enable better pro-poor investments; (2) improve the quality, accessibility and equity of services at the sub-national level; and (3) support a policy, legal, political, institutional and administrative framework that gave the rural poor greater access to and benefits from local services.

As stated in PSDD's Project Document (2007), the overarching goal of the Project was to contribute towards the reduction of poverty in Cambodia through support to D&D reform. The specific purpose of PSDD was to improve governance, service delivery and development for the rural poor. The structure of the project's LogFrame (LFA), which was substantially revised during the first year of the project, was as follows:

**Goal:** Poor people benefit from functioning sub-national institutions in Cambodia.

**Purpose:** State and social institutions reconstructed at the sub-national level to engage with and empower poor and excluded citizens as measured against five outputs:

**Output 1:** Cambodian owned sub-national structure agreed and in place that promote voice, responsiveness, delivery capability and accountability;

**Output 2:** Systems developed and integrated into new national structures and systems;



**Output3:** Investment funds delivered through mechanisms that promote accountability (on-budget) and which enables debate (largely discretionary in nature to allow choice);

**Output 4:** Aid effective mechanisms in place; and

**Output 5:** Monitoring and Evaluation (M&E) system strengthened and tracking LFA indicators.

To maximise efficiency, PSDD funds were programmed annually by National Committee for Democratic Development (NCDD) through, and as an integral component of the overall NCDD's Annual Work Plan and Budget (AWPB). The preparation of the NCDD's AWPB, which commenced during the latter months of each year culminated in the National Workshop on Formulation of NCDD's AWPB under the chairmanship of the Deputy Prime Minister. The AWPB integrated resources for D&D and sub-national development investments from the Royal Government of Cambodia (RGC) and 21 donor-funded projects and grew in size each year to reach \$ 92.3 million in 2010. The PSDD AWPB, therefore, must be understood as one of a number of AWPB documents specific to the various funding sources, which were subsumed within the overall NCDD AWPB. The table shows the yearly contributions from SIDA and DfID (DfID's lack of contribution to the PSDD reflects it's the withdrawal from Cambodia) under the UNDP-administered PSSD along with the level of NCDD funds contributed by various donors committed to D&D reform.

**Table : PSDD Funding Partner Contribution Overview, 2007 to December 2010**

Donor	2007	2008	2009	2010	Total
UK/DfID	5,200,000	5,200,000	8,000,000	0	<b>18,400,000</b>
Sweden	3,556,055	4,950,880	7,027,430	9,922,130	<b>25,456,495</b>
UNDP	1,200,000	1,700,000	1,700,000	3,006,653	<b>7,606,653</b>
Carryover	0	600,000	600,000	2,398,122	<b>3,598,122</b>
<b>PSDD Total</b>	<b>\$9,956,055</b>	<b>\$12,450,880</b>	<b>\$17,327,430</b>	<b>\$15,326,905</b>	<b>\$55,061,270</b>
<b>NCDD Total</b>	<b>\$59,167,222</b>	<b>\$77,937,170</b>	<b>\$82,508,674</b>	<b>\$92,269,982</b>	<b>\$311,883,048</b>
<b>% PSDD</b>	<b>17%</b>	<b>16%</b>	<b>21%</b>	<b>17%</b>	<b>18%</b>

The inputs for the Project's achievements were found in the PSDD's annual budget with contributions from UNDP, SIDA and DfID. In 2007, the PSDD was funded at about \$10.0 million. Funding rose to \$17.3 million in 2009. During its last year of operation, the budget decreased by about \$1.7 million due the withdrawal of DfID's from country operations. PSDD supported the financial and managements systems and fiduciary assurances that enabled Royal Government and an array of development partners to target investments to sub-national administrations. \$312 million from some fourteen donors was enabled by PSDD support under Royal Government's framework between 2007 and 2010.

The unique features of the PSDD were twofold:

- The provision of discretionary resources to government which, against the project design and priorities identified through participatory measures, were allocated, planned and programmed by the mandated governance structures at national, Provincial, Municipal, District and Commune/Sangkat levels; and

- The assumption of core technical assistance, capacity development and program operation costs at national and sub-national level which enabled nearly all other projects under the NCDD framework to realize their objectives.

As demonstrated over the past years, support to the core technical assistance, capacity development and operations costs through a single project resulted in enhanced operational efficiencies, improved coordination, and reduced transaction costs, particularly in regard to technical assistance and capacity development. As well, it encouraged donors to “buy in” to the harmonized systems created for most part with PSDD support at the sub-national level. Over the four year period, PSDD lent support to other donor funded projects. In 2010 alone, the PSDD supported 13 donor-funded projects at the sub-national level.

The investment funds capitalized by PSDD resources were characterized by a high degree of flexibility and programming discretion by sub-national governments that enabled:

- a) Implementation of horizontal management mechanisms and functions so critical to the future reforms to be practiced and strengthened; and
- b) Responsiveness to setting local priorities, incorporated into the whole system of sub-national planning and service delivery.

As the table above shows, PSDD’s share of this total was 18%, indicating that it leveraged more than \$ 4.5 for every dollar invested. As to the amount human resources PSDD allocated to channel these funds to the sub-national levels, the PSDD’s Final Independent Evaluation Report concluded that: “At the sub-national level, the cost of PSDD Advisory services represented only 4% of the total resources transferred to Sub-national Administration (SNAs) through Provincial structures, which represents a highly cost-effective use of resources”.

The overall scope of PSDD’s support was nationwide. At the national level, resources were programmed to support the NCDD, its Secretariat (NCDDS) and 10-12 cooperating Ministries/Agencies. At the Provincial level, financial, capacity development and technical support was provided to mandated management structures under the authority of the Governor in support to local governance and development objectives in the 24 Provinces (in 2009, a redefinition of sub-national administrations took place that created 23 Provinces and one Capital without a change in boundaries). PSDD’s operation under the Provincial framework was comprised of the 24 Provincial Rural Development Committees (PRDCs) and their Executive Committees (ExComs). This mechanism provided a link between the government at the national level and the Commune Councils at the local level as the ExComs served as a highly effective mechanism for coordinating the delivery of public infrastructure and services to Cambodians across the country. At the District level, PSDD provided support to the Multi-Donor Livelihood Facility (MDLF resourced the natural resource and environment management Program) and to the District Initiative Program in 106 of the 185 Districts/Municipalities. This support came in the form of discretionary funds and capacity development along with support for creating systems for planning/budgeting that were extended to all 185 District/Municipal Councils in the country.

### **Main PSDD Activities**

- Enhanced the operational strength and viability of existing structures and systems for sub-national development as well as contributed to the design of new structures that were established through regulations in line with Cambodia’s Law on Administrative Management of the Capital, Province, Municipality, District and Khan (Organic Law, May 2008). This work focused on strengthening capacity and performance of staff at both

the national and sub-national level through strategic placement of 168 PSDD advisors, working with representatives of government, non-government organizations and the private sector to advance local governance and development.

- Supported the National Committee for Democratic Development (NCDD) in formulating an integrated approach to sub-national democratic development. As part of this work, the PSDD enhanced aid effectiveness and harmonization particularly within the context of the 10-year National Program for Democratic Development at the Sub-National level, under which the Organic Law will be implemented.
- PSDD provided much needed technical assistance for formulation of regulations and other legal instruments in light of reforms at all levels of government but especially those that will have the greatest impact on the three sub-national tiers of government: Provinces, Districts/Municipalities and Communes/Sangkats. During 2010, PSDD Advisors provided input to the design of the Government's first three-year Implementation Plan of the National Program.
- Developed capacity of sub-national administrations to better administer planning and financing related to allocation of resources across a variety of sectors (infrastructure development, natural resource management, gender mainstreaming, agriculture services, etc.) in order to enhance delivery outcomes of infrastructure and non-infrastructure projects.
- Supported the delivery of numerous investment funds that enabled development to take place at the sub-national level and provided a contribution of discretionary funds for investments such as the Commune/Sangkat Fund and Provincial Investment Fund. To support Districts, PSDD's District Initiative Program (DIP) provided much needed capacity development and discretionary finance for the weakest of sub-national level units but those that are identified in the National Program/IP3 as the primary providers of public services in the future. The type and level of PSDD funded activities varied, depending upon the situation and expressed needs of each Province, the overall intensity of D&D program investments in each Province and the level of technical assistance and capacity development needs.
- PSDD responded to the Royal Government's leadership to encompass a wide range of activities aimed at promoting democratic development at the sub-national levels. The over-riding goal has been to enable authorities at the Province, District (Municipality) and Commune/Sangkat levels to assume ownership, leadership and accountability for a participatory and transparent local development processes that can be recognized and financed by both the national authorities and the donor community. A reform process that will lead to decentralization of public services under the National Program to lower tiers of government, acting with authority and autonomy and responding to the needs of local citizenry.

### **Key Project Results against PSDD's Objectives**

#### **Strengthen Local Government Systems and Structures to enable better pro-poor investments:**

- New accountability systems were developed, including revision of guidelines for establishment and operation of the Accountability Working Groups at the national and sub-national levels, revision of the Commune/Sangkat Project Implementation Manual and, with the World Bank, implementation of a new monitoring system for safeguards related to land acquisition, environment and protection of highland peoples. In addition, accountability was strengthened through the establishment of permanent Accountability Working Groups at the national and provincial levels with oversight mechanisms. [boxes, resolution complaints, awareness raising numbers?]

- Approximately \$312 mil. from 16 different donors through 21 projects were disbursed over the 2007 to 2010 period at the sub-national level through NCDD mandated structures and systems with the assistance of the PSDD advisory team. Anywhere from 10 to 14 projects, depending on the year, were supported by the PSDD. These PSDD supported projects experienced twice as high delivery rates than projects receiving only partial assistance. The final independent PSDD evaluation report estimated that savings in technical assistance (transaction costs) over the same period was conservatively estimated at \$4 mil., representing a savings of \$1 mil. for each year of the Project.
- The District Initiative Program (DIP) is mandated to coordinate and facilitate all projects or program components focused at the District level ensuring policy cohesion and direction. PSDD provided technical and financial support to the DIP which financed the AWPB in 28 Districts in 14 Provinces through an annual allocation of \$ 12,500 per District per year. The management, planning and implementation guidelines developed under the DIP applied equally to 94 Districts while specific programming guidance related to Natural Resource Management (NRM) applied to 66 Districts. Of the total \$2.3 mil. allocation, 90% was programmed for infrastructure and service delivery and 10% for administration and capacity development. The DIP funds were used to implement both infrastructure and non-infrastructure projects at the District level (that varied from road repair to irrigation system construction and from agricultural service provision to support for tourism under the non-infrastructure project category). PSDD's support was vital to support Districts at time when this tier of sub-national administration was emerging as the focal point of future public service delivery envisioned under the IP3.
- The District Integration Workshop (DIW) continued as an effective market-based mechanism that allowed effective coordination and exchange between Commune/Sangkat priorities for infrastructure and non-infrastructure projects identified through a participatory planning process and suppliers of funds in the form of line departments, International Organizations (IOs) and Non-Government Organizations (NGOs). As a reflection of the scale of this exercise, on a national basis in any given year DIWs involve a combined estimate of 80,000 participants from Communes and potential supporters; an average of 50 participants per DIW. During 2010, 68,246 priorities were submitted by all Communes in the country with an average of 2,843 priorities per Province and, on a country-wide basis, on average, 42 priorities per Commune. Against the five components (otherwise labeled sectors) of the 2010 Commune Development Plans, 28 % of the total priorities were related to proposals in the Economic sector, 33% in the Social sector, 11% in the Natural Resource Environment Management (NREM) sector, 13% in the Gender sector and 15% in the Local Administration and Security sector. In response to "demand" from the Communes, 40,924 country-wide temporary agreements (on average, 26 per Commune) were signed. This type of market-based inter-governmental exchange of goods and services serves as a model for other countries as it is unique for Southeast Asia region.
- The Provincial Investment Fund (PIF) is allocated to all Provinces and Municipalities according to a formula based on administrative territories and population. Part of the Fund is earmarked for support to planning activities of the Provincial/Municipal Department of Planning; and to gender mainstreaming activities of the Provincial Department of Women's Affairs. The remaining "un-earmarked PIF" with support of PSDD advisory services as of 2010, the total cumulative number of 772 implementation contracts had been signed with cooperating line departments in the 24 Provinces against

\$ 6,928,087 in commitments; over the four year period, 88% of the committed funds had been disbursed. The major sectors that received support through the PIF include water resource management, water and sanitation, education, health in addition to planning and targeted allocation to gender mainstreaming (that over the four year period, allocated the second largest amount of PIF funds of all sectors/sub-sectors).

**Improve the quality, accessibility and equity of services at the sub-national level:**

- On a yearly basis, capacity development was provided at the sub-national level through the design of curriculum, training materials and delivery of training on more than 30 topic areas. PSDD led or facilitated at least 8,000 training events to more than 320,000 trainees on a yearly basis with over 41 percent of whom were women with a combined four year total of \$2.8 mil. allocated for capacity development. This represented about 3 million training days per year across all sub-national levels for a variety of beneficiaries, including ExCom members, government officials at all levels, non-government organizations/community groups, and private sector entities in their implementation of projects. These figures do not capture the totality of PSDD's capacity development initiatives as some are found in the outputs of discretionary non-infrastructure funds as well as the tremendous amount of coaching and mentoring by the Project's advisors at all levels along with the undocumented multiplier effects of capacity development that extend well beyond the reported training events.
- PSDD created 1,200 Commune Committees on Women and Children in 18 Provinces to enhance gender mainstreaming through awareness raising, training, access to productive resources and expanding the role of women in decision making processes at the sub-national level. This led to numerous gains at the lowest sub-national level for delivery of basic social services to local residents such as improved health services, enhanced access to education opportunities, better sanitation facilities and use of localized Cambodian Millennium Development Goals scorecards to gauge progress. In the last year of its operation, PSDD-led CCWC initiative led to support for over 10,000 CCWC meetings, establishment of 704 pre-schools with as many pre-school teachers, enhance health networks at the Commune level and improved sanitation through capacity development initiatives.
- In line with the natural resource management challenges of the Kingdom of Cambodia, PSDD provided assistance to sub-national administrations to better manage their natural resources. This assistance took many forms such as issuance of thousands of manuals (for example, the dissemination of 3,000 copies of Green Book as resource of service providers), guidelines and resource material, leading to better management of the Kingdom's precious natural resources for sustainable development. As part of the District Initiative Program (DIP), PSDD advisory services provided much needed support for Districts to implement nearly 1,100 NRM projects and services.
- PSDD's objectives to mainstreaming gender were to promote gender-responsive sub-national democratic development by engendering all aspects of institutional, organizational, programming and administrative functions of SNAs (legislation, policies, projects and services). This included efforts to enhance the capacity of all SNA structures, NCDDs, WCCCs, and the Provincial Departments of the Ministry of Women's Affairs (PDoWA) at the sub-national and national levels for advancing gender mainstreaming as means to primarily increase women's voice and representation along with their access to productive resources. To achieve these objectives, PSDD undertook

a number of strategic actions. These included financial support (\$1 mil.), capacity development and collaboration with DPs, NGOs and government, particularly the PMoWA. Over the Project's first two years, it helped to establish 221 gender mainstreaming partnerships, led or facilitated over 650 gender-related training events at the sub-national level with over 151,000 participants (of which 60% were females), and supported an ever expanding number of 24+ gender networks in each Province.

**Support a policy, legal, political, institutional and administrative framework that gave the rural poor greater access to and benefits from local services:**

- Through PSDD's assistance to the Policy Team of the NCDDS, the issuance of over 41 regulations and decrees in support of the provisions of the Organic law and other reforms related to sub-national administrations. In 2009 alone, this assistance resulted in the issuance of 30 legal documents required for the implementation of the Organic Law and establishment of foundation in support of the National Program for Sub-National Democratic Development and its IP3. This type of capacity development enhanced the enabling environment for reforms to proceed and impetus for future reforms to be sustainable.
- Support for monitoring and evaluation to enhance evidence based decision making at the NCDD and its Secretariat. The results of this work used innovative approaches to monitor and measure change at the sub-national level. These innovations came in many forms; one being "Champions Development Project" that provided incentives for conducting evaluations of development needs at the sub-national level. As well, PSDD advisors lent support to creation of a NCDD Management Information System (MIS) for senior government managers and donors to use a web-based application to generate summary reports, graphical representation of data and a geographic information system, using all major NCDD databases.
- Additionally, PSDD lent support in the design, maintenance and update of all major NCDD-supported databases. These were made accessible to all stakeholders as web-based applications for the purpose to monitor and evaluate investments in both infrastructure and non-infrastructure projects and progress toward meeting outcomes. One database is used for local planning purposes (Commune Database or CDB); while another, the Commune Development Planning Database (CDPD) is used to record agreements arranged at the DIWs and yet another database (NCD) is used to record contracts entered into by the Commune Councils with specific development partners. The Project Information Database (PID) is used by the Government, donors and others to monitor and report on the use of the C/S Fund.
- During any given year, PSDD supported at least 17 studies and consultancies conducted on a variety of topics, including studies on budget execution, gender mainstreaming, capacity development, planning, cost benefit analysis of investments, database analysis and functional assignment analysis for decentralization among a host of other topics. The studies were used to further refine all government-owned systems, processes, procedures and programs over the course of the PSDD. For example, in 2010 alone, PSDD advisors issued Terms of Reference (ToRs) for 25 consultancies/studies financed by the Project and WB/RILGP (with an aggregate value of \$ 1.4 million). The Advisors oriented and guided the consultants, facilitated meetings and conducted field visits and provided follow up on agreed recommendations.

- As noted in all PSDD's AWPBs programming meetings, PSDD allocated funds to the 13 NCDD member-ministries tied to specific outputs. For those Ministries/Agencies serving as chair of NCDD Sub-Committees it was agreed that the allocation would include activities related to both the Sub-Committee work and the Ministry's own work. When reviewing the numerous achievements of the very broad range of activities against planned outputs related both to D&D and to specific institutional mandates, the strategic value of this discretionary financing window clearly provided incentives for the Ministries to align themselves under the D&D reform agenda and propel them to a more inclusive "whole of government" reform under the Nation Program and its IP3.

The PSDD gave rise to series of important steps that led to forward looking Government-owned program for deconcentration and decentralization (D&D) of public services. These included the finalization and adoption of the Organic Law in May 2008, the formulation and adoption of the Royal Government's National Program for Sub-National Democratic Development in 2009 that was subsequently followed by the issuance of the Program's first three-year Implementation Plan (IP3) at the end of 2010. In unison with the outcomes of past reform efforts, they provide a historic opportunity to consolidate progress on democratic development and D&D reforms in Cambodia, establishing a long term framework for strengthening local governance and development as well as harmonizing the substantial and increasing levels of external financial support around reformed governance structures and systems. Additionally, it presents an opportunity to begin the process of functional and budgetary reassignments to sub-national administrations along with developing a more effective approach to capacity development for future reforms under the National Program, transforming 10 years of experience in sub-national development into a new regulatory framework and operational systems governing inter-government reform.

### **Looking forward**

The PSDD is one of the last UNDP-administered projects before the launch of the National Program for Sub-National Democratic Development and its first three-year Implementation Plan (IP3). As such and given the scale of the Project, there are lesson to be learned from its implementation. Section III of this report covers four important dimensions of local governance and development that UNDP played a major role in contributing to in Cambodia. These include: 1) accountability, 2) capacity development, 3) participation and 4) gender mainstreaming.

Below is a listing of the main challenges related to these four major dimensions in the context of D&D reform in Cambodia that are drawn from the experience of the PSDD.

Challenges for accountability in Cambodia include:

- Strengthening the downward accountability of Provincial and District Councils to their electors, who are the Commune/Sangkat Councilors;
- Working out any possible direct accountability of the District and Provincial Councils to the citizens;
- Strengthening the accountability of the Boards of Governors to their Councils, with a clear separation of powers and functions;
- Maintaining focus on the accountability of Commune/Sangkat Councils to citizens;
- Designing the District/Municipal Fund, financial system and manual of procedures to enable District/Municipal Councils and their Administrations to increasingly assume their mandate as autonomous local bodies focused on improving the welfare of their constituents;

- Expanding the role of the National League of Commune/Sangkat Councils (NLC/S) into a National League of Sub-National Councils, and developing its capacity to provide quality services and capacity development to the Sub-National Councils;
- Developing modules for civic education to ensure that citizens understand their roles in holding the C/S Councils accountable in a constructive manner; and
- Developing a communication strategy that will ensure the provision of appropriate information through various means to Sub-National Councils, Sub-National Administrations, civil society, the private sector and citizens.

Challenges for the delivery of capacity development in Cambodia include:

- At sub-national level, the lack of a clear separation between the political and administrative spheres creates a situation where the accountability of institutions and leaders to citizens may be blurred;
- A neo-patrimonial human resource management and development system that inhibits qualified, creative and motivated staff from emerging in the public service;
- An older civil workforce still in control of the political and economic levers of society, frustrating the ambitions and efforts of younger generations for upward mobility, more efficiency and better accountability; and
- Slow progress in moving towards adopting a sub-national financial management law, defining functions that should be reassignment from sector ministries to the local governments.
- Public and civil society participation in decision making needs to be strengthened to allow greater expression of community needs and the allocation of resources to meet identified needs. This requires new information channels and communication strategies at both the national and sub-national levels;
- Inadequate salaries paid to civil servants result in low motivation to work and to learn new skills. Donor supported salary incentive structures that try to promote motivation might inhibit capacity development, as the division between “government” staff and those receiving salary incentives from donor projects has disrupted work at the organizational level;
- The adoption of the Organic Law and development of the National Program for Sub-National Democratic Development moves the reform to the next stage of this cross sectoral public administration reform creating immense new challenges in terms of capacity development; and
- Since the inception of the D&D policy in the mid-1990s, capacity development has been mostly concentrated at Commune/Sangkat and Provincial levels with the exception of the PSDD’s District Initiative. Consequently, staff and councilors in this second tier - the District and Municipality – require greater level of capacity to be able to effectively meet their objectives under the provisions found in the NP-SNDD and its three-year Implementation Plan (IP3).

Many challenges remain in the process to ensure inclusive, genuine, and empowered participation of the Cambodian people in local governance. These challenges include the following:

- A persistent finding of nearly all assessments is that there is a serious need for civic education and citizen empowerment in Cambodia. These assessments note that while UNDP has been widely successful in helping to establish the structures of local participatory planning, “processes will not build governance.”;



- A pivotal part of encouraging genuine participation is ensuring that sub-national administrations increasingly have the resources to deliver services. Nearly all assessments find that, where there is dissatisfaction and lack of interest among citizens in the decision-making processes, a large part of this comes out of a sense that “there is not enough at stake”;
- There is still room to improve on some practical weaknesses in the existing decision-making process. Villagers are sometimes not sufficiently prepared, have a limited understanding of the process or lack access to information. These weaknesses can be addressed by relatively simple measures such as changing the time when the Commune decision-making process takes place, altering the length of time allowed for meetings, ensuring that all villagers are actually invited to meetings, ensuring that villagers understand the processes and encouraging different forms of deliberation during meetings;
- The early phases of UNDP support to decentralization offered the important lesson that having a long-term vision, even in a post-conflict context, can help carry programs. At the same time, UNDP exemplified the importance of a “learning by doing” approach. Being flexible, open-minded, and responsive to short-term issues helped CAREERE and other UNDP projects to be more efficient and effective programs. Such flexibility implies listening to, understanding, and considering what citizens and local communities are expressing. This, then, is the challenge: to have a long-term vision while at the same time being flexible enough in an environment constantly subject to change. With the advent of the National Program, the largest and most complex reform processes is now underway for changes in the inter-government system where at the core are citizens expression of their needs;
- The efforts to improve participation will need to be accompanied with possibilities for citizens to hold governments accountable for their actions; and
- The establishment of indirectly elected Councils at District and Provincial levels in 2009 and the introduction of the National Program on Sub-National Democratic Development and the first three-year Implementation Plan in 2011 provide a vision for future processes, but also imply new challenges that will need to be addressed to assure meaningful citizen participation in the future.

The mechanisms, laws, policies and commitment from the Government to support gender mainstreaming and gender equality are now in place. Development partners are also increasingly using the established government structures to channel their support for gender mainstreaming. However, continued commitment, leadership, coordination, funding and harmonization are required to achieve better gender results.

- The most important need is a greater allocation of resources to strengthen technical capacity, raise awareness, implement identified priorities, and coordinate the work between all levels of sub-national administration and NGOs/donors;
- Women are under-represented in local administrations and elected bodies. While efforts to increase female representation in local administration (including the gender quotas for village representatives and civil servants) are promising, there is no such measure for the elected bodies.<sup>3</sup> In some cases, political parties have placed women on the top of the candidate lists to increase their chance of being elected to the council. However,

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<sup>3</sup> With the quota of one out of three village representatives have to be female and, women now make up 30 percent of all village representatives. The recently approved gender guideline for civil servants sets a quota in which women have to constitute between 20 to 50 percent of all new civil servant recruits. This led to the increase of women civil servants from 32 percent to 34 percent in 2009.

once elected, women tend to become marginalized. Often they lack the support they need to build leadership skills to perform their new functions;

- Where senior local officials have participated in gender related work, this has sent a signal to lower ranking officials about the importance of this work. In some cases, the absence of senior representatives in gender-related meetings and processes has led to weaker results than expected, despite extensive line department participation. Better outreach, as well as increased capacity development and awareness raising at the higher levels of sub-national government is needed, in addition to better monitoring of participation rates, improved content, methodology and quality of networks, sustained follow-up actions and improved budget allocations;
- Training of gender focal points need to be more practical and better tailored to sectors and country context. Better coordination is also required to ensure that the training activities being supported by different government bodies and development partners at the sub-national level are implemented to meet expected outcomes;
- Monitoring and evaluation systems at the local level require refinement, as do the responsibilities assigned for tracking gender related indicators. The Commune Database provides an exceptional entry point for the establishment of a gender responsive statistical system at the sub-national level. However, the data base will need to become gender responsive, and data-collectors will need to be gender aware, to ensure that the data that is collected is gender sensitive;
- Better coordination is needed among gender networks (such as those found in larger Provinces and the Capital where more than one exists) and among their members. There is need for coordination meetings to be held frequently and regularly, and they should include a wider set of institutions. This will require a more intensive outreach to ensure the involvement of NGOs, IOs and other groups, including efforts to increase the participation rates of men where the networks are aligned with other cross cutting social issues; and
- Financial commitment to address gender concerns at the sub-national level should be increased. For instance, an allocation of relatively modest costs related to travel expenses would help data collectors reach remote areas, and thus improve the quality of data collected.

## **SECTION I.**

### **PSDD's Achievements to Strengthen Local Governance and Development, 2007 to 2010**

#### **THE DECENTRALIZATION AND DECONCENTRATION REFORM CONTEXT, 2002-2010**

Before 2002, Cambodia had no tradition of autonomous, empowered local administrations with a mandate to engage in local development and governance. As is the case in many countries after a post-conflict period, the Kingdom was highly centralized. Local communities had generally low expectations of the Commune authorities. In turn, Commune authorities had very limited administrative or financial management capacity and were not used to working within the context of transparent, participatory and accountability frameworks required for democratic local governance. Most public services were delivered through central government structures throughout the country with little accountability nor responsiveness to the needs of the citizenry.

In the early to mid-decade, the key sub-national levels for planning, budgeting and execution of development activities were the Province/Municipality and the Commune/Sangkat, with the District being regarded as an administrative sub-division of the Province. However, over time, a growing number of activities were carried on at the District level; including the annual District Integration Workshops; logistical organization of bidding meetings for C/S Fund contracts and day-to-day coordination of activities in support of the Communes, often through a semi-formal committees, including provincial facilitation teams, District facilitation teams, and technical support officers assigned to the District. In addition, some Provinces held regular coordination meetings for C/S Council Chiefs at the District level. All of these activities took place under the oversight of the District Governor. Nonetheless, the District Administration had limited capacity in most cases with no budget or mandate.

In 2005, the Government promulgated the Strategic Framework for Decentralization and Deconcentration Reforms that stated the intention to create a unified administration at the District level, empowered to prepare, adopt and implement development plans and budgets, manage staff and coordinate the development and delivery of public services within their territories. This led to renewed interest in piloting mechanisms for coordination, planning, budgeting and implementation at the District level and in particular to experiment with a District Initiative Pilot (later relabeled as the District Initiative Program). By the end of 2006, there were no formal institutions established for D&D at the District level but it was anticipated that District Development Committees with limited executive functions would be established on a pilot basis in 2007, ahead of formal creation of the District administrations under provisions of the anticipated Organic Law. Nonetheless, through 2007, much progress was made in short time to promote, enhance and create the basis for a system of local governance and development at the sub-national level.

As of 2006, all 1,621 Commune Councils neared completion of their first Council mandate (after elections that took place in 2002), having formulated local development plans,

investment programs and annual budgets, learned basic administrative and financial management skills, and successfully implemented development projects directly and in cooperation with multiple development partners. To varying degrees depending on the types of assistance received, Councils had developed local strategies for cross-cutting issues such as gender and environmental management. More importantly, there was good evidence of a changed relationship between local authorities and communities, with local residents increasingly perceiving the elected Council as a potential source of advice and assistance for a diverse range of challenges. However, administrative capacity of Councils, particularly in remote areas, remained weak, as did the confidence of Councils to act independently of advice and of direction from higher level authorities. Much work remained to be done on defining the powers and functions of the Councils in relation to higher tiers of government and to increase their financial strength and autonomy. Given that capacity development efforts had focused on elected Councilors (in the absence of professional administrators at this level) it was inevitable that new elections would have a short-term impact on the overall capacity of Councils.

The National Consultation on the Principles of the Draft Organic Law carried forward into 2008 with subsequent drafts of the law debated within the newly created National Committee for Sub-National Democratic Development (NCDD) and the Council of Ministers before submission to the National Assembly for approval in April 2008. The Organic Law was adopted by the National Assembly at the close of their legislative mandate and officially enacted by the King in May 2008. Soon after, the campaign period for the national elections of the fourth National Assembly commenced with the new government sworn in September 2008. The adoption of the Organic Law represented a major milestone for D&D reform in Cambodia.

The National Workshop on Formulation of the 2009 NCDD AWPB was successfully organized in the fall of 2008 with overall allocations from the Royal Government and 15 development partners reaching a level of \$ 82 million. As agreed between the Royal Government and development partners, the formulation of a ten-year National Program for Sub-National Democratic Development commenced in fall with a target date for completion set for mid-2009. With the indirect elections of the sub-national Councils scheduled for May 2009; in the fourth quarter of 2008, the NCDD prepared a Preliminary Implementation Framework covering the core legislative actions required during the interim period before the National Program was expected to commence in 2010. Finally, on the last day of the year, the Royal Decree on Establishment of the new National Committee on Democratic Development at Sub-national Level (NCDD) was approved by the Royal Government. With the passage of the Organic Law, agreement on the preliminary regulatory framework to be adopted in 2009, the establishment of the new NCDD and the beginning of the formulation of a ten-year National Program, the stage was set for another phase in the evolution of the D&D reforms in Cambodia.

The indirect election of Councils at the Capital, Provincial, Municipal, District and Khan level took place in May 2009 represented another watershed event in sub-national governance in Cambodia. By the early part of the 2009, 217 new governing Councils, with an aggregate of 3,237 Councilors, assumed their mandate under the Organic Law. Initial orientation training of all 217 new Councils and the 217 Boards of Governors within their administrative territories on their respective mandates and key governance principles contained in the Organic Law was completed by mid-2009. Against the 30 legal documents (one Law, four Royal Decrees, 18 Sub-decrees, and seven guidelines/decisions) contained in the NCDD Preliminary Implementation Framework with one Royal Decree, ten sub-decrees, five Prakas, five guidelines, seven information notice letters and two decisions were drafted and

approved by the NCDD by the end of the year. Progress was slow on drafting the much anticipated Law on Sub-National Finance, the Sub-Decree on Sub-National Planning and the implementation of the Sub-Decree on Sub-National Administrative Structures -- all of which were essential for the D&D reforms under the provisions in the Organic Law to fully commence.

The formulation team for the NP-SNDD delivered the fifth draft of the National Program by end September 2009. During the last quarter in 2009, the ownership of the NP-SNDD was fully assumed by the NCDD. Through a series of consultations within national government institutions, sub-national administrations, development partners (DPs) and non-government organizations (NGOs); consensus on the design was largely achieved by end November 2009. The final draft was submitted to the NCDD for review and approval by mid-January 2010. While the design process took longer than originally envisioned, the contents of the final National Program document was fully owned by the government.

The NP-SNDD was finalized by the NCDD Secretariat, endorsed by the NCDD and presented and approved by the Council of Ministers on 28 May 2010 presided over by the Prime Minister. In August 2010, the NP-SNDD was officially launched at a ceremony presided over by the Prime Minister and attended by the entire Cabinet, all Provincial/District/Municipal Council Chiefs and Governors, senior Ministry officials, the diplomatic corps, development partners and NGOs. The adoption of the National Program represented yet another watershed event in the annals of D&D reform in Cambodia as it is the Royal Government's policy toward advancing accountable, transparent and participatory governance at the sub-national level. In this regard, it was a major accomplishment that will serve as the basis of future reforms using a "whole of government" approach involving all tiers of sub-national government across all sectors for decentralizing public services.

In order to support the National Program with a detailed implementation plan, the Government commissioned a team of experts to formulate the first three-year Implementation Plan (IP3) of the NP-SNDD. The design of the IP3 commenced in February 2010, a Zero Draft was presented for broad consultation with DP's and Government in August and a final draft completed on November 2010 based on the comments received from development partners and further consultations within government. The IP3 document that contained six sub-programs each supported by six ministries/agencies as a "whole of government" reform. The draft IP3 was reviewed in November at a technical meeting between the NCDD and the six implementing agencies and submitted for approval to the 16 November meeting of the NCDD and adopted in late December. In the 4 November letter from the Deputy Prime Minister/Chairman of the NCDD to Development Partners it was determined that the IP3 document will be subject to revisions throughout the three year implementation period as both the reforms and the donor modalities to fund the IP3 evolve.

With the approval of the IP3 by the NCDD, attention shifted to the preparation of the first year implementation plan drawing upon the first IP3 AWPB (IP1) for 2011. Based on the work prepared by the IP3 design team, the format for the work plan was outcome based. As the estimate of resources available is expected to be considerably lower than the 2011 budget requirement within the IP3 document, a process of prioritization of outputs and their associated activities began. A draft work plan was prepared for broad consultation in December 2010 and was finalized by the end of the year with revisions expected to take place in early 2011.

## 1. FINANCIAL STATUS AND UTILIZATION: INPUTS FOR PSDD's IMPLEMENTATION

The PSDD AWPBs have been prepared in accordance with the revised Project LogFrame structure. Each year, against all Project activities detailed calculations were prepared based on: estimated time allocations per activity for all PSDD Advisors as well for about 65 NCDDDS staff and estimated allocations of operations budgets per activity. The aggregated summary 2007 to 2009 PSDD Budget, broken down by component, is provided in Table X on the following page.

Numerous assumptions must be made in preparing a budget in this conceptual manner but the results are nevertheless considered realistic. As nearly the entire PSDD budget is contracted out in one form or another to Ministries, Provinces, Departments or individuals against work plans or terms of reference, budget management under the NCDDDS/PST follows a contractual approach. There is some incongruity between management of a conceptual budget requested by individual donor projects and contractual budget which is more suitable for a national program based approach.

**Table : PSDD Funding Partner Contribution Overview, 2007 to December 2010**

Donor	2007	2008	2009	2010	Total
UK/DfID	5,200,000	5,200,000	8,000,000	0	<b>18,400,000</b>
Sweden	3,556,055	4,950,880	7,027,430	9,922,130	<b>25,456,495</b>
UNDP	1,200,000	1,700,000	1,700,000	3,006,653	<b>7,606,653</b>
Carryover	0	600,000	600,000	2,398,122	<b>3,598,122</b>
<b>PSDD Total</b>	<b>\$9,956,055</b>	<b>\$12,450,880</b>	<b>\$17,327,430</b>	<b>\$15,326,905</b>	<b>\$55,061,270</b>
<b>NCDD Total</b>	<b>\$59,167,222</b>	<b>\$77,937,170</b>	<b>\$82,508,674</b>	<b>\$92,269,982</b>	<b>\$311,883,048</b>
<b>% PSDD</b>	<b>17%</b>	<b>16%</b>	<b>21%</b>	<b>17%</b>	<b>18%</b>

**Table: Cumulative Expenditure by Budget Line : February 2007 to December 2010**

No.	Budget Line	Total Project Budget	Cumulative Expenditure	Balance	Delivery
1	CS Fund	4,400,000	4,400,000	0	100%
2	CS Targeted (CCWC)	1,688,895	1,688,895	0	100%
3	District Initiative	2,122,223	2,122,223	0	100%
4	Provincial Investment Fund	5,799,255	5,760,174	39,081	99%
5	Provincial Program Support (ExCom)	12,893,653	12,903,571	-9,918	100%
6	PSDD Advisory Services Operations	1,962,468	1,935,598	26,870	99%
	<b>subtotal</b>	<b>28,866,494</b>	<b>28,810,460</b>	<b>56,034</b>	<b>100%</b>
7	National Ministries	2,214,800	1,583,567	631,233	71%
8	NCDDDS Staff Allowance	1,823,681	1,659,983	163,699	91%
9	NCDDDS Equipment	805,604	783,604	22,000	97%
10	NCDDDS Consultancies/Studies	1,752,621	1,747,577	5,044	100%

11	NCDDS Audit	129,092	129,092	0	100%
12	NCDDS Operations	2,153,691	1,979,610	174,081	92%
	TA Cost	1,709,043	1,427,967	281,076	
<b>subtotal</b>		<b>10,588,532</b>	<b>9,311,400</b>	<b>1,277,133</b>	<b>88%</b>
<b>Total NEX Budget</b>		<b>39,455,026</b>	<b>38,121,860</b>	<b>1,333,166</b>	<b>97%</b>
13	National TA Provincial Level	6,813,202	6,998,885	-185,683	103%
14	National TA National Level	2,040,365	1,548,498	491,867	76%
15	International TA National Level	3,355,000	3,355,000	0	100%
16	Consultancies	607,195	674,195	-67,000	111%
18	GMS	2,790,483	2,959,387	-168,904	106%
<b>Total UNDP Budget</b>		<b>15,606,245</b>	<b>15,535,965</b>	<b>70,280</b>	<b>100%</b>
<b>GRAND TOTAL</b>		<b>\$55,061,271</b>	<b>\$53,657,825</b>	<b>\$1,403,446</b>	<b>97%</b>

**Table: PSDD Project Allocations by Budget Line by Year: 2007-2010**

No.	Budget Line	2007	2008	2009	2010	TOTAL
1	CS Fund	500,000	500,000	1,900,000	1,500,000	<b>4,400,000</b>
2	CS Targeted (CCWC)	0	250,095	1,438,800	0	<b>1,688,895</b>
3	District Initiative	262,139	296,094	723,990	840,000	<b>2,122,223</b>
4	Provincial Investment Fund	1,462,778	1,754,563	2,165,678	416,236	<b>5,799,255</b>
5	Provincial Program Support (ExCom)	2,719,198	3,459,389	3,450,333	3,264,733	<b>12,893,653</b>
6	PSDD Advisory Services Operations	454,685	502,110	515,673	490,000	<b>1,962,468</b>
<b>subtotal</b>		<b>5,398,800</b>	<b>6,762,251</b>	<b>10,194,474</b>	<b>6,510,969</b>	<b>28,866,494</b>
7	National Ministries	339,978	408,131	446,391	1,020,300	<b>2,214,800</b>
8	NCDDS Staff Allowance	292,404	342,404	363,763	825,110	<b>1,823,681</b>
9	NCDDS Equipment	72,358	137,554	455,692	140,000	<b>805,604</b>
10	NCDDS Consultancies/Studies	415,896	305,515	399,196	632,014	<b>1,752,621</b>
11	NCDDS Audit	35,796	35,796	27,500	30,000	<b>129,092</b>
12	NCDDS Operations	264,031	594,000	618,841	676,819	<b>2,153,691</b>
	Unprogrammed				1,709,043	<b>1,709,043</b>
<b>subtotal</b>		<b>1,420,463</b>	<b>1,823,400</b>	<b>2,311,383</b>	<b>5,033,286</b>	<b>10,588,532</b>
<b>TOTAL NEX BUDGET</b>					<b>11,544,255</b>	
13	National TA Provincial Level	1,590,122	1,731,251	2,257,512	1,234,317	<b>6,813,202</b>
14	National TA National Level	385,249	674,433	525,000	455,683	<b>2,040,365</b>
15	International TA National Level	600,000	700,000	940,000	1,115,000	<b>3,355,000</b>
16	Consultancies	168,195	124,000	150,000	165,000	<b>607,195</b>
18	GMS	393,226	635,545	949,061	812,651	<b>2,790,483</b>
<b>subtotal</b>		<b>3,136,792</b>	<b>3,865,229</b>	<b>4,821,573</b>	<b>3,782,651</b>	<b>15,606,245</b>
		<b>\$9,956,055</b>	<b>\$12,450,880</b>	<b>\$17,327,430</b>	<b>\$15,326,906</b>	<b>\$55,061,271</b>

<b>GRAND TOTAL</b>					
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**Table: PSDD Expenditures by Year: 2007 - 2010**

No.	Budget Line	2007	2008	2009	2010	TOTAL
1	CS Fund	500,000	500,000	1,900,000	1,500,000	<b>4,400,000</b>
2	CS Targeted (CCWC)		250,095	1,438,800	0	<b>1,688,895</b>
3	District Initiative	262,139	296,094	723,990	840,000	<b>2,122,223</b>
4	Provincial Investment Fund	1,462,778	1,754,563	2,165,678	377,155	<b>5,760,174</b>
5	Provincial Program Support (ExCom)	2,719,198	3,459,389	3,450,333	3,274,651	<b>12,903,571</b>
6	PSDD Advisory Services Operations	454,685	502,110	515,673	463,130	<b>1,935,598</b>
	<b>subtotal</b>	<b>5,398,800</b>	<b>6,762,251</b>	<b>10,194,474</b>	<b>6,454,935</b>	<b>28,810,460</b>
7	National Ministries	339,978	408,131	446,391	389,067	<b>1,583,567</b>
8	NCDDS Staff Allowance	292,404	342,404	363,763	661,411	<b>1,659,983</b>
9	NCDDS Equipment	72,358	137,554	455,692	118,000	<b>783,604</b>
10	NCDDS Consultancies/Studies	394,363	305,515	399,196	648,503	<b>1,747,577</b>
11	NCDDS Audit	35,796	35,796	27,500	30,000	<b>129,092</b>
12	NCDDS Operations	264,031	594,000	618,841	502,738	<b>1,979,610</b>
	Unprogrammed				1,427,967	<b>1,427,967</b>
	<b>subtotal</b>	<b>1,398,930</b>	<b>1,823,400</b>	<b>2,311,383</b>	<b>3,777,686</b>	<b>9,311,400</b>
13	National TA Provincial Level	1,590,122	1,731,251	2,257,512	1,420,000	<b>6,998,885</b>
14	National TA National Level	385,249	435,249	525,000	203,000	<b>1,548,498</b>
15	International TA National Level	600,000	700,000	940,000	1,115,000	<b>3,355,000</b>
16	Consultancies	168,195	124,000	150,000	232,000	<b>674,195</b>
17	GMS	400,000	710,944	1,127,606	720,837	<b>2,959,387</b>
	<b>subtotal</b>	<b>3,143,566</b>	<b>3,701,444</b>	<b>5,000,118</b>	<b>3,690,837</b>	<b>15,535,965</b>
	<b>GRAND TOTAL</b>	<b>\$9,941,296</b>	<b>\$12,287,095</b>	<b>\$17,505,975</b>	<b>\$13,923,458</b>	<b>\$53,657,825</b>

[Scott to develop text around these tables on PSDD funding sources, levels of funding by year, budget line and aggregate figures]

## 2. PSDD's CAPACITY DEVELOPMENT AT NATIONAL AND SUB-NATIONAL LEVELS

Over the course of the PSDD, following a consultative meeting with key stakeholders who supported D&D capacity development, the NCDD Capacity Development (Building) Plan was finalized through assistance provided by PSDD Advisors working in both DoLA and the NCDDS Policy Team's Capacity Development unit. The Plan, which was disseminated each year to the



wider donor community, includes the inputs from a range of development partners who share the cost of financing the Plan.

PSDD advisors worked closely with the DoLA’s Capacity Building Team and the NCDDS Policy Team’s Capacity Development Unit to: designed the curricula and training materials for training courses regardless of funding source; organized Training of Trainers (ToT) courses; conducted capacity development needs assessments; participated as trainers; and prepared reports on the extent and type of capacity development and number of beneficiaries. At sub-national level, PSDD advisors collaborated with the Local Administration Units (LAUs) to: schedule and organize sub-national capacity development activities; formulated the targeted courses under the management of the Provinces; participated as trainers for provincial TOTs; and monitored C/S training. NCDDS’ Capacity Development and Information Unit coordinated with donors who support capacity development of sub-national administration units (this included PSDD, JICA, ADB, UNICEF, UNFPA, GTZ, DANIDA and the EC) for the design and implementation of the NCDD’s Capacity Building Plans from 2007 to the 2010.

For example, in 2009, DoLA and the NCDDS Policy Team’s Capacity Development Unit, working with PSDD advisors, designed orientation training workshops for all newly elected Provincial, District/Khan and Municipal councils. For this purpose, a comprehensive Guidebook on Basic Principles for Sub-National Administrative Management (covering topics on general principles of D&D, Management at the Sub-National Administration and Internal Regulations of the Council) was designed and implemented through a ToT program. In total, 4,500 newly elected councillors and board members participated in these events.

During the course of the PSDD, a significant amount of PSDD-led and facilitated capacity development was conducted at sub-national level. Participants at these training events numbered into the thousands. Females constituted about 23% of the recipients of these capacity development events with variation from one province to the next. The vast majority of capacity development that was conducted focused on the Commune level, representing about 86% of the total capacity development events, with variation among the Provinces.

With technical support from PSDD advisers, each year a training needs assessment for national and sub-national levels was conducted (most of these were directed at the C/S level). The output of the needs assessment fed into the formulation of the annual NCDD Capacity Development Plans that were developed with the full participation of the DPs and the Government. PSDD’s financial contribution represented about 33% of the total funding for NCDDS capacity development over the four year period. However, it should be noted that PSDD’s contribution to capacity development increased each year from roughly \$238,000 in 2007 to a nearly \$1 mil. in 2010. The table below shows the total 2007-2010 budget and PSDD’s contribution toward the NCDDS’ Annual Capacity Development Plans:

**NCDDS Capacity Development Budget, 2007-2010**

Year	Budget (in US\$)	
	Total	PSDD
2007	681,683	237,956
2008	1,671,392	793,444
2009	2,003,802	853,587
2010	2,027,479	937,167
<b>Grand Total</b>	<b>6,384,356</b>	<b>2,822,154*</b>

**\*excluding TA and cost of PSDD Advisors providing other capacity development interventions to government, non-government and private sector entities at all three entry points (individual, organizational and enabling environment) for developing capacity.**

These funds were used to support a variety of capacity development events, ranging from operational topics related to infrastructure investment to gender mainstreaming. The table below shows the type and subject of capacity development events conducted at both the national or sub-national level and the percentage of female participants and supporting donor agency/project from 2007 to 2010.

### **NCDD Capacity Development Events at the National and Sub-National Level 2007 to 2010<sup>4</sup>**

Subject	Participants			Supported By:
	Total	Female	%	
C/S decentralization management	117	16	14	PSDD
CDP and CIP process	127	13	10	PSDD
C/S fund project implementation (PIM)	134	17	13	PSDD
Safeguards of C/S project fund	108	9	8	PSDD/WB
Refresher training on C/S financial system	38	8	21	PSDD
Workshop on CCWC functions, 082	120	21	18	PSDD/UNICEF
Workshop on CCWC function in social development, 051	126	32	25	PSDD/UNICEF
M&E of C/S project, administration and finance	113	15	13	PSDD
Monitoring and reporting system for PLAU	60	12	20	PSDD
Leadership for C/S councils	86	15	17	PSDD
Concept of development for C/S	74	10	14	PSDD
Conflict resolution	93	16	17	PSDD
Facilitation and training skill	153	24	16	PSDD/CCDP2
Gender in decentralization	203	54	27	GTZ/CCDP2
Forum on local women leadership and CCWC	297	297	100	PSDD/GTZ
Sharing experiences among C/S councilors	10	2	20	CCDP2/GTZ
Population, reproductive health, gender and youth issues	307	28	9	UNFPA
ICC projects preparation and implementation	608	65	11	DDLG
The progressive of D&D in Cambodia	873	37	4	PILAC
Lecture on D&D for civil servants and civil society	2,031	411	20	GTZ
Provincial accountability dissemination	104	8	8	PSDD
Civil registration correction	50	8	16	PSDD & CCDP2
Legal documents to support OL implementation	851	17	2	PSDD
Integration structure and personnel from existing to new structure	103	4	4	PSDD
Guideline on the TSSLP project	25	9	36	TSSLP
Study Tour CCWC at Seth Koma program	68	20	29	PSDD/UNICEF
Orientation on Organic Law	1,213	47	4	PSDD/GTZ/PILAC
Orientation on National Program	24	4	17	PSDD

<sup>4</sup> Limited to CD events reported by Local Administration Advisor and Provincial Local Administration Unit for the ExCom. See remainder of Report for other types of capacity development that was led or facilitated by the PSDD.

Subject	Participants			Supported By:
	Total	Female	%	
Royal government's powers and functions database	294	38	13	GTZ
Human resource management in civil service in D&D policy	272	35	13	GTZ
Sub-national administration management	889	98	11	PSDD/CCDP2/GTZ
Guideline on community livelihood fund	34	10	29	TSSL
Natural resource concept and management	691	89	13	NRML
OPERACY (critical thinking)	60	11	18	PSDD
Household data collection	28	12	43	TSSLP
Research methodologies	33	6	18	PSDD
District data book	70	11	16	PSDD
Community organizing	33	13	39	TSSL
Khmer Unicode for DoLA staff	56	11	20	PSDD
C/S Action on social development	192	50	26	PSDD/UNICEF
Small scale project proposal writing	71	10	14	PSDD
<b>National Capacity Development: Sub-Total</b>	<b>10,839</b>	<b>1,613</b>	<b>15</b>	PSDD and other donor projects
C/S decentralization management	21,055	3,348	16	PSDD
CDP and CIP process	37,654	7,152	19	PSDD
C/S fund project implementation (PIM)	14,916	2,265	15	PSDD
Safeguards of C/S project fund	5,478	970	18	PSDD/WB
Refresher training on C/S financial system	6,801	999	15	PSDD
Workshop on CCWC function implementation 082	17,959	5,460	30	PSDD/UNICEF
Workshop on CCWC function in social development 051	7,297	2,934	40	PSDD/UNICEF
M&E of C/S Project, administration and finance	7,001	1,854	26	PSDD
Monitoring and reporting system for PLAU	906	171	19	PSDD
Leadership for C/S Councils	9,785	1,673	17	PSDD
Concept of development for C/S	3,981	685	17	PSDD
Conflict resolution	14,068	2,233	16	PSDD
Facilitation and training skill	1,201	197	16	PSDD/CCDP2
Gender in decentralization	716	211	29	GTZ/CCDP2
Forum on focal women leaders and CCWC	3,355	1,064	32	PSDD/GTZ
Sharing experiences among C/S councilors	779	159	20	CCDP2/GTZ
C/S clerk evaluation	1,698	141	8	CCDP2
Population, reproductive health, gender and youth issues	25,330	13,553	54	UNFPA
Refresher training on UNFPA finance procedure	1,010	302	30	UNFPA
C/S action on education	251	32	13	PSDD/CCDP2
CS action on health	251	32	13	PSDD/CCDP2
Making child rights reality	5,135	1,043	20	PSDD/CCDP2
C/S action on child protection	2,983	619	21	PSDD/CCDP2
ICC projects preparation and implementation	10,371	1,851	18	DDLG
District initiative project management	1,837	288	16	PSDD
The progress of D&D in Cambodia	555	171	31	PILAC
Provincial accountability dissemination	574	67	12	PSDD
Civil registration correction	4,016	370	9	PSDD & CCDPII
Project generator, small-scale irrigation	15	-	0	WB
Guideline on the TSSLP project	236	49	21	TSSLP
C/S association establishment	669	49	7	DDLG

Subject	Participants			Supported By:
	Total	Female	%	
Orientation on Organic Law	120	35	29	PSDD/GTZ/PILAC
Sub-national administration management	7,574	979	13	PSDD/CCDP2/GTZ
Workshop on 017 The preparation for transfer from the existing administration to 1st mandate of council and board of governor	91	5	5	PSDD
Legal documents to support OL implementation	225	32	14	PSDD
Integration structure and personnel from existing to new structure	238	67	28	PSDD
Guideline on community livelihood fund	468	157	34	TSSL
Natural resource concept and management	5,076	829	16	NRML
OPERACY (critical thinking)	38	5	13	PSDD
Household data collection	125	34	27	TSSLP
District data book	3,696	471	13	PSDD
Community organizing	135	28	21	TSSL
C/S action on social development	11,786	2,986	25	PSDD/UNICEF
Small scale project proposal writing	3,488	581	17	PSDD
<b>Capacity Development Participants: Sub Total Sub-National Level</b>	<b>240,943</b>	<b>56,151</b>	<b>23</b>	PSDD and other donor projects
<b>Grand Total:</b>	<b>251,782</b>	<b>57,764</b>	<b>23</b>	

PSDD's overall capacity development effort was focused on not only designing, organizing and implementing capacity development interventions but it also focused on developing institutional infrastructure such as creating structures, developing operational systems, guidelines and procedures (such as those created for the establishment of the NCDD Secretariat). PSDD can point to a number of areas where capacity of institutions was strengthened, including the establishment of Commune Committees for Women and Children (CCWC) and NCDDs along with District Initiative Program (DIP) that focused on developing the overall organizational capacity of Districts. The development of operational systems grew over the course of the PSDD and was supported by a concerted effort to develop capacity on their use throughout the four year period.

The scale and extent of PSDD's capacity development is not easily captured given the vast number of undocumented cases of PSDD-led coaching and mentoring sessions, facilitated events, workshops and study tours to mention a few examples. The target groups that were recipients of PSDD-led and facilitated capacity development were not only government counterparts but also included NGOs, private sector entities, CSOs, etc. These capacity development initiatives yielded outcomes and impact that were difficult to capture and document but in their totality they went well beyond the recorded number of participants attending training events. As well, PSDD could not capture the numerous multiplier or spill over effects of each capacity development intervention that led to even greater outcomes of PSDD's capacity development effort at both the national and sub-national level.

A 2010 perception survey of ExCom's capacity showed an increase in this institutions capacity as a direct result of PSDD's interventions. The table below shows the 2007 summary (averages for 23 Provinces and the Capital) baseline scores (ranging from 1 to 5, with 1 denoting no evidence of relevant capacity up to 5 denoting fully developed capacity) and the 2010 score for the ExCom as whole and each Unit. While the last column in the table shows the extent of capacity that still needs to be developed (5 minus the 2010 score) for the

ExCom as a whole and each Unit to be deemed fully functional/capacitated. The table represents the combined totals of the survey scores from all 24 Provinces and includes a summary score for organizational development (ability of organization to function at the an optimal level in terms of use of human resources, internal communication, leadership, systems, use of financial resources, and other organizational factors).

**Summary Table of Capacity Developed for the ExCom by Unit, 2007 to 2010**

24 ExComs by Unit	2007 Baseline (1-5)	2010 Assessment (1-5)	Capacity Gap Score (5 – 2010 Score)
Technical Support Unit	2.2	3.6	1.4
Finance Unit	3.1	4.5	0.5
Local Administration Unit	2.8	4.0	1.0
Contract Administration Unit	2.9	4.1	0.9
Accountability Working Group Unit	1.9	3.7	1.3
PRDC/ExCom Overall	2.8	4.4	.06
ExCom Organization Development Score	2.9	4.3	0.7

Scoring Legend:

1. No evidence of relevant capacity
2. Some evidence of capacity (need for constant external support)
3. Partially developed capacity (request for support on occasion)
4. Good capacity (needs for support are less)
5. Fully developed capacity (conduct duties/tasks without external support)

As the numbers show, on average, there has been an improvement in the functioning of the ExComs across all of its units. The Accountability Working Group unit scored the lowest in 2007 (1.9) but improved its performance to reach an average of 3.7 in all Provinces and the Capital in 2010, representing a deficiency of 1.3 points by the end of 2010. The Unit with the highest baseline score in 2007 was the Finance Unit with an average score of 3.1. This Unit showed an improvement over the four year period to reach a score of 4.5, representing only 0.5 deficiency score to meet fully developed capacity. In terms of organizational development, there was an overall improvement from the 2007 period to 2010 (from 3.2 in 2007 to 4.4 in 2010). The overall score (highlighted in the table) shows that the ExCom made improvements in its capacity to delivery on its objectives/goals (from 2.8 in 2007 to 4.4 in 2010) along with an increase in its organizational performance (from 2.9 in 2007 to 4.3 in 2010) as shown in the last row of the table. PSDD can claim much, if not all the credit, for the improvement of the working of the ExCom through its four year effort to develop the capacity of this all important institution at the sub-national level.

**Box 1.**

**Capacity Development for the Commune Committees for Women and Children (CCWC).**

PSDD, in cooperation with UNICEF, assisted the NCDD and DoLA/MoI in the preparation of Guideline Number 082 CNN/CNDD (August 2007, on the establishment of the Commune Committees for Women and Children (CCWC)). Based on this Guideline, CCWC in all 1,621 Communes/Sangkats in all 24 Provinces were established with technical support from PSDD and UNICEF in 422 Communes/Sangkats in six targeted Provinces (Kampong Speu, Kampong Thom, Very Veng, Svay Rieng, Stung Treng and Otdar Meanchey).

To help the CCWC to carry out their functions, PSDD, with cooperation of UNICEF/Seth Koma, developed a “Hip Pocket” Handbook on the functions of CCWC. The Handbook was disseminated and subsequently capacity development was conducted on its contents to the District/Provincial Facilitation Teams (DFT/PFTs) as well as for CCWC members. In total about 20,000 participants (of which about 7,000 were females) attended these events. This was followed by the issuance of another Guideline (no. 051) in July of 2010 on the implementation of CCWC’s functions in the areas of maternal health, community pre-school, hygiene/sanitation, gender equity and child protection at Commune/Sangkat level. This Guideline and its manual were used as a basis to develop the capacity of DFT/PFTs and CCWC members to implement the provisions of the Guideline with a total number of participants who attended these capacity events included about 8,000 persons (of which about 3,000 participants were females).

From 2008 to 2010, PSDD allocated funds to 1,199 CCWS in 18 non-UNICEF targeted Provinces for a total \$ 719,400, (\$ 200 per CCWC), to cover their operational costs. The funds also covered preparation of a work plan with defined outputs; social advocacy activities within the Commune/Sangkat, including child protection and increased attention within the C/S development plans on social issues affecting women and children. In 2010, PSDD allocated additional funds targeted to 1,199 CCWS in 18 non-UNICEF targeted Provinces for a total of \$ 959,200, (\$ 1,000 per CCWC), for implementation of the social development based on the CCWC model at the Commune/Sangkat level.

With assistance of PSDD, Decision number 019 SSR/NCDD (March 2010) on the Establishment and the Functioning of the National Social Services (NSS) was formulated and issued by the NCDD, that led the establishment of a CCWC Working Groups to address the following:

- Meet to review and agree the 2010 work plan; review the Guideline on the Implementation of CCWC’s functions in Social Development; and to review the training manual and materials;
- Implement a joint study tour in six UNICEF target Provinces to learn best practices on Social Development Activities; and
- Facilitate capacity development on the social development related to the maternal health, community pre-school, hygiene/sanitation, gender equity and child protection at Commune/Sangkat level.

The National Working Group on Social Services was established under the chairmanship of the NCDD Secretary with representatives from all social sector ministries. A new

national guideline was drafted and approved with a focus placed on CMDG goals related to maternal health, sanitation, pre-schools and gender issues. A cross province study tour was organized with representatives from 18 Provinces, gaining exposure to the activities of CCWCs in the six UNICEF-supported Provinces in preparation for capacity development that took place at the end of 2010. The capacity development curricula were developed in collaboration with PSDD, UNICEF, DoLA and the concerned ministries; this capacity development package included the CMDG scorecards that were developed with assistance from UNDP. As an indication of the extent of interest in the CCWCs, approximately 4,200 CCWC monthly meetings and 1,800 District meetings of all CCWC were held in the first semester of 2010 alone.

As a direct result of PSDD's policy and capacity development interventions, the CCWCs were established and strengthened to meet their mandate to help women and children through a variety of interventions in Communes/Sangkats throughout the country. Though it is too early to report on the longer term impact of the work of all 1,621 CCWC in the country, the UNDP-commissioned Independent Evaluation of the PSDD, reports that "in UNICEF's Seth Koma Program target CCWCs, the proportion of children under one year of age immunized against seven vaccine-preventable diseases has increased from 59.9% in 2005 to 82% in 2007, 89% in 2008, and 90% in 2009 (estimate); the proportion of children aged six to eleven years enrolled in primary school has increased from 87.8% in 2006 to 88.5% in 2008, and 89% in 2009; and the proportion of rural households with access to safe drinking water has increased from 38.2% in 2003 to 47.6% in 2007, 49.4% in 2008, and 50.3% in 2009". These data show a tremendous increase in the social well being of target communities that have been funded through Seth Koma Program and reflects similar data for those CCWC funded by the PSDD. Early indications show that PSDD-supported CCWC showed tremendous progress over a very short period. Some examples of PSDD's support to CCWC in 2010 point to:

- **Monthly CCWC meetings:** Over 10,000 CCWC monthly meetings were held (85%) chaired by the C/S Chief and attended by CCWC members including the Gender Focal Point and representatives from the Health Center, School Committees and police to formulate work plans and priorities and review progress on implementation.
- **Quarterly District meetings:** Nearly 400 District coordination meetings were held (90% of planned meetings) with representatives of all CCWC, District Governors and representatives from relevant line offices to coordinate line department support to the local level and provide feedback on service delivery performance.
- **Education:** 704 pre-schools were established, 704 teachers recruited (569 by C/S Council with the rest by the Education Department), an average of 10 days training was provided to the teachers by Province/District Education Department, and 14,572 children attended these pre-schools (of whom 47% were girls). In some C/S campaigns, children were encouraged to attend both pre-schools and primary schools.
- **Health:** All C/S implanted activities relating to maternal health, including monitoring of pregnant women, provision of transport and food support to poor women for delivery and dissemination campaigns. Health networks strengthened in coordination with the health centers and through village health volunteers. A pilot was undertaken in Takeo Province with support from the Swiss Red Cross on modeling a local health networks that showed promising results.

- **Sanitation/Hygiene:** Primary activities included provision of support for water filters and latrine construction and in some places village sanitation agents were being established.
- **Gender Mainstreaming:** Through the Department of Women’s Affairs training was provided to C/S Gender Focal Points, strengthening of local gender networks, including village focal points and advocacy on civil registration and domestic violence.
- **CMDG scorecards:** CMDG scorecards were introduced through training of C/S and CCWC with monitoring indicators that showed they are easily understood for use by local residents. Training was delivered at the Provincial level on generating the scorecards and it is expected that they will be used as part of the upcoming C/S planning cycle.

### 3. PSSD’s SUPPORT TO THE POLICY AGENDA AND LEGISLATIVE FRAMEWORK

The provisions found in the Organic Law (April 2008) and the Preliminary Implementation Framework (December 2008) dictated all the necessary transition steps in terms of issuance of legal documents and the transfer of authority over finance and property to sub-national units in line with provisions found in the National Program for Sub-National Democratic Development and its IP3. In fact, to establish the enabling environment for D&D reforms related to implementation of the Organic Law and the 10-year National Program for Sub-National Democratic Development. As part of this work, the NCDD Secretariat was required to formulate at least 30 legal documents (one Law, four Royal Decrees, 18 Sub-decrees, and seven other legal documents such as guidelines/decisions). This framework, issued in August 2008, identified the priority regulations, guidelines and decisions that were required to implement the Organic Law prior to the commencement of the National Program and its IP3; many of which the NCDD called upon the PSDD for support. Thus, the PSDD contributed immensely to establish the enabling environment for reforms under the overall D&D framework and set the ground for future reforms envisioned under the NP-NSDD and its IP3.

Below is a table that lists (50 in total) all of the regulatory frameworks, guidelines, legal instruments and policy documents facilitated or directly supported by the PSDD from 2007 to 2010.

#### PSDD-supported Regulatory Framework from 2007 to 2010

Date	Inst./ No.	Description
05/07	NCDD	Manual on the C/S Decentralization Management
01/07	NCDD/13	Guideline: budget revision for the District Initiative Program (DIP)
02/07	NCDD	Guideline: reporting on the DIP
07/07	Mol/MoP 2423	Inter-Ministerial Prakas on C/S Development Planning and C/S Investment Program
08/07	NCDD 082	Guideline on the establishment of the Commune/ Sangkat Committees for Women and Children (CCWC).
08/07	NCDD	Gender in PLAU
09/07	NCDD	Guideline on process for identification of inter-Commune projects
09/07	NCDD	Guideline on the DIP implementation
01/08	NCDD/008	Decision on establishment of District support teams (DST)



Date	Inst./ No.	Description
01/08	NCDD	Manual on the Civil Registration Correction
03/08	NCDD	Manual on Training Skills
05/08	NS/RKM/0508/017	Law on the Administrative Management of the Capital, Provinces, Municipalities, Districts and Khan
08/08	NCDD	Manual on the Functioning of C/S Committee for Women and Children
09/08	NCDD 068	Prakas on the Revision of PRDC and ExCom Structure, Roles and Duties
09/08	NCDD/52	Guideline on expansion of DIP implementation in 2009
09/08	NCDD	Manual on the Conflict Resolution at C/S Level
12/08	NCDD 012	Decision on the Establishment of National Accountability Working Group
12/08	NCDD 013	Decision on the Establishment of national Support Group of National Accountability Working Group
12/08	NCDD 014	Guideline on the Revision and Establishment of Capital/ Provincial Accountability Working Group
01/09	NCDD 001	Commune/Sangkat Fund Project Implementation Manual (PIM)
03/09	NCDD/009	Decision on Utilization of Environment and Highland People Watch List
04/09	NCDD 017	Guideline on the preparation for transferring rights and responsibilities from current Capital, Province, Municipality, District and Khan's Administrations to the first mandate of Council and Board Governors
05/09	Mol	Revised Guideline on Municipal, District and Khan Information System (DIS) questionnaire and data collection
05/09	NCDD	Decision on Establishment of Safeguards Working Group
06/09	NCDD/029	Letter on Restructuring of Provincial Accountability Working Groups
07/09	NCDD 030	Internal Rules of National Accountability Working Group
07/09	NCDD/12	Letter on Strengthening of Provincial Accountability Working Groups
05/09	Mol/1119	Instruction on Municipality, District and Khan administrative data collection for 2009
08/09	NCDD 060	Manual on the C/S Monitoring and Evaluation of Project, Administration and Finance
08/09	Mol/233	Instruction on data collection of private sector activities and infrastructure in Municipalities, Districts and Khans
11/09	NCDD 084	Decision on the Complaint Investigation and Resolution Procedure of the Capital/Provincial Accountability Group
11/09	NCDD	Guideline on Municipality/District/Khan Initiative Program Implementation
12/09	NCDD	Manual on the Leadership for C/S Councils
12/09	RGC 214	Sub-decree on the Determination of the Remuneration for the Capital, Provincial, Municipal, District and Khan Councilors
12/09	RGC 215	Sub-decree on the Roles, Duties and Working Relationship of the Phnom Penh Capital Council and Board of Governors, and the Khan Council and Board of Governors of the Phnom Penh Capital
12/09	RGC 216	Sub-decree on the Roles, Duties and Working Relationship of the Provincial Council and Board of Governors, Municipal Council and Board of Governors and District Council and Board of Governors
12/09	RGC 217	Sub-decree on the Establishment, Organization and Functioning of the Technical Facilitation Committee of the Phnom Penh Capital Council and the Technical Facilitation Committee of the Khan Council of the Phnom Penh Capital

Date	Inst./ No.	Description
12/09	RGC 218	Sub-decree on the Establishment, Organization and Functioning of the Technical Facilitation Committee of the Provincial Council, the Technical Facilitation Committee of the Municipal Council and the Technical Committee of the District Council
12/09	RGC 219	Sub-decree on the Development Plan and Three-Year Rolling Investment Program of the Capital, Provinces, Municipalities, Districts and Khans
12/09	Mol 4273	Prakas on the Establishment of Offices under Divisions of Phnom Penh Capital Hall, Establishment of Offices under Sala Khan; and the Determination of Roles, Duties and Working Procedures of these Offices
12/09	Mol 4274	The Establishment of Offices under Divisions of Sala Khet, Establishment of Offices under Sala Krong and Establishment of Offices under Sala Srok; and the Determination of Roles, Duties and Working Procedures of these Offices
12/09	Mol 4275	Prakas on the Establishment and the Functioning of the Women's and Children's Consultative Committees at Capital Council, Provincial Councils, Municipal Councils, District Councils and Khan Councils
02/10	Mol 005	Guideline on the Integration of Existing Structure and Personnel into new structure of sub-national administration
03/10	NCDD 019	Decision on the Establishment and Functions of National Social Service Working Group
05/10	RGC	National Program for Sub-National Democratic Development 2010-2019
07/10	NCDD 015	Guideline on the Implementation of CCWC's Functions in Social Development related to the Maternal Health, Community Pre-School, Hygiene/Sanitation, Gender Equity and Child Protection at C/S Level
07/10	NCDD 057	Instruction on Feasibility of C/S Fund Projects, 2010, Environmental Analysis
08/10	Mol	Guideline for Municipal, District and Khan Information System (DIS) questionnaire and data collection
08/10	NCDD	Manual on the Concepts of C/S Development
09/10	NCDD	National Program for Sub-National Democratic Development
12/10	NCDD	First three-year Implementation Plan for the NP-SNDD (IP3)

#### 4. PSSD's SUPPORT TO COMMUNE/SANGKAT FUND: OPERATIONS AND SYSTEMS

The Commune Sangkat Fund (C/S Fund) was introduced in 2002 by the Royal Government and was based on experience with Seila's Local Development Fund (LDF) in the late 1990s. While the LDF was managed by a donor funded project, the C/S Fund on the other hand is national fiscal transfer facility to which the Royal Government is legally bound on a yearly basis through a percentage of total domestic revenue. Immediately after the adoption of the Commune Law, UNDP assisted the Ministry of Economy and Finance to design the C/S Fund. Through continuous capacity development, evaluations, reviews, database systems and annual audits since 2003, the C/S Fund has become one of the most transparent and predictable components of the national budget with the national authorities demonstrating a high degree of accountability to the C/S Councils. Increasing incrementally year by year, by 2011 the annual, national budget allocation for the C/S Fund had increased to 2.4 % of total domestic revenue. The allocation of the C/S Fund to the 1,621 Communes and Sangkats is based on a formula comprised of an equal share, population size and a poverty index. Approximately 30 % of the C/S Fund is spent for general administration and 70% for

development investments, identified through a participatory planning exercise in each of 1,621 Communes/Sangkats.

Significantly, in the last year of the project, 2011, the two external sources of financing, UNDP and the World Bank, came to an end and yet the volume of the C/S Fund increased according to the agreed percentage and was entirely financed by the government. This is a major achievement in sustainability.

The following tables reflect the total financing of the C/S Fund over the life of the PSDD Project, 2007-2011, in both Riels and US Dollars and the financing percentages over this five year period.

#### C/S Fund Financing: 2007-2011

Commune Sangkat Fund Financing (Riels)				
Year	RGC	UNDP	Total	WB Reimbursement
2007	87,500,000,000	2,050,000,000	<b>89,550,000,000</b>	23,100,607,046
2008	91,000,000,000	2,025,000,000	<b>93,025,000,000</b>	47,243,345,840
2009	107,190,000,000	6,150,000,000	<b>113,340,000,000</b>	50,185,099,745
2010	142,424,000,000	6,225,000,000	<b>148,649,000,000</b>	5,590,215,010
2011	158,945,000,000	0	<b>158,945,000,000</b>	0
<b>Total</b>	<b>428,114,000,000</b>	<b>16,450,000,000</b>	<b>603,509,000,000</b>	<b>126,119,267,641</b>

Commune Sangkat Fund Financing (US Dollars)				
Year	RGC	UNDP	Total	WB Reimbursement
2007	21,341,463	500,000	<b>21,841,463</b>	5,634,294
2008	22,469,136	500,000	<b>22,969,136</b>	11,665,024
2009	26,730,673	1,533,666	<b>28,264,339</b>	12,514,987
2010	34,319,036	1,500,000	<b>35,819,036</b>	1,347,040
2011	38,300,000	0	<b>38,300,000</b>	0
<b>Total</b>	<b>143,160,309</b>	<b>4,033,666</b>	<b>147,193,975</b>	<b>31,161,345</b>

CS Financing as Percentage			
Year	RGC	UNDP	WB
2007	72%	2%	26%
2008	47%	2%	51%
2009	50%	5%	44%
2010	92%	4%	4%
2011	100%	0%	0%
<b>Total</b>	<b>68%</b>	<b>4%</b>	<b>29%</b>

## CS Targeted Resources

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### Total CS Targeted Resource Allocations: 2007-2010

Source	Project	2007	2008	2009	2010	Total
Danida	NRML	2,000,006	1,996,000	2,544,000	5,634,000	<b>12,174,006</b>
ADB	TSSL		4,118,537	5,847,603	564,348	<b>10,530,488</b>
ADB	CCDP	1,825,000	3,993,000	1,925,140		<b>7,743,140</b>
UNDP	DDLG/ICC	1,320,000	2,216,210	1,680,000	2,001,596	<b>7,217,806</b>
UNDP	CCWC		239,800	300,000	1,600,000	<b>2,139,800</b>
IFAD	RPRP/CBRDP	938,299	758,223	466,000	638,458	<b>2,800,980</b>
USAID	LAAR	391,507	595,475	1,105,640	0	<b>2,092,622</b>
World Bank	LASED		300,000	1,306,047	500,000	<b>2,106,047</b>
UNICEF	Seth Koma	510,827	581,804	926,153	781,835	<b>2,800,619</b>
GRET	PACAPAC	60,000	139,410	362,200	280,000	<b>841,610</b>
UNFPA		75,500	100,500	223,000	242,000	<b>641,000</b>
<b>Total</b>		<b>7,121,139</b>	<b>15,038,959</b>	<b>16,685,783</b>	<b>12,242,237</b>	<b>51,088,118</b>

### Total Resources Allocated to CS Councils: 2007-2010

YEAR	CS Fund	CS Targeted	Total	Avg/CS
2007	21,341,463	7,121,139	<b>28,462,602</b>	17,559
2008	22,469,136	15,038,959	<b>37,508,095</b>	23,139
2009	26,730,673	16,685,783	<b>43,416,456</b>	26,784
2010	34,319,036	12,242,237	<b>46,561,273</b>	28,724
<b>Total</b>	<b>104,860,308</b>	<b>51,088,118</b>	<b>155,948,426</b>	<b>96,205</b>

Against the overall C/S Fund allocation, the annual transfer schedule developed by the Ministry of Economy and Finance includes five transfers in the months of February, April, June, August and October with each transfer amounting to 20% of the total C/S Fund resources. As of end 2010, the first three transfers, amounting to xx% of the total 2009 C/S Fund, were made. The predictability in C/S Fund transfers continues to be a very positive indicator of both the government's commitment and C/S Fund performance.

Under the World Bank/Rural Investment Local Government Project (RILGP), a prior review of the first Commune project in each of the beneficiary Provinces is carried out in the first part of the year to ensure and reinforce the procurement procedures outlined in the C/S Fund Project Implementation Manual (PIM). Subject to a satisfactory prior review, the rest of the Commune projects in the Province proceed with bidding. With an expansion of RILGP coverage from 14 Provinces to 23 Provinces in 2008, this included virtually the entire country. The prior review involves four packages including the update of the pre-qualified

contractor's list; the advertisement or tender for works; the report of the bidding meeting; and finally the signed contract. The first three packages require no objection letters from the World Bank involving a great deal of documentation, translation into English, communication to Phnom Penh to the Bank and back. Prior review performance in 2009 and 2010 declined with the average duration between the submission of the bid documents and receipt of a no-objection letter from the World Bank to allow the bid process to commence for all other projects experienced increases from eight weeks to 10.5 weeks. Delays at each stage were compounded and caused in some cases delays in contract implementation until the commencement of the next dry season as many C/S Fund projects rely on good weather for their prompt execution.

**2009 C/S Project Bidding and Implementation:** As indicated in the table below, against 1,811 planned projects in 2009, as of end June: 719 contracts (40%) have been bid of which 695 (96%) have been awarded with only eight (1%) through negotiation. A total of 32 bids (4%) have failed and 101 contracts (14%) have been completed as of end June 2009. Compared to previous years there is a slight decline in performance mostly due to the delays in the prior approval process.

**2009 CSF Projects Overall Implementation Status as end of June 2009**

ITEM	PROJECTS	%
Total number of CSF Projects planned for 2009	1,811	
Total number of CSF Projects bid as of end June 2009	719	40%
Total number of CSF Contracts signed awarded through competitive bidding	687	96%
Total number of CSF Contracts signed through negotiation	8	1%
Total number of Failed bids as of end June 2009	32	4%
Total number of CSF Contracts completed as of June 09	101	14%

**2009 C/S Fund Resources:** The table below reflects the allocation of 2009 C/S Fund Resources and the source of funds in comparison to 2008.

**2009 C/S Fund Transfers:** Against the overall 2009 allocation, the annual transfer schedule developed by the Ministry of Economy and Finance includes five transfers in the months of February, April, June, August and October with each transfer amounting to 20% of the total 2009 C/S Fund resources. As of end June, the first three transfers, amounting to 60% of the total 2009 C/S Fund, were made. The predictability in C/S Fund transfers continues to be a very positive indicator of both the government's commitment and C/S Fund performance.

The table below, derived from the National Treasury, reflects: the total aggregate approved budgets of the C/S Councils in 2009; the actual revenue to date (including 2008 carry over and 2009 authorizations); the actual disbursement in the first semester and the cash balance on hand in the C/S accounts as of end June 2009. Against total revenue of \$ 45 million, disbursement at the end of June stood at \$ 14.5 million or 32% which is higher than in previous years. It should be noted, however, that a high percentage of the disbursements in the first semester are for final payments against 2008 CSF projects carried over into 2009. Budget execution varies widely from 66% in Phnom Penh to 14% in Stung Treng Province which reflects both capacity in delivery and the fact that Phnom Penh does not require prior review.

Item	Cambodian Riel	US Dollar
Approved Budget	196,328,461,683	47,884,991
Actual Revenue	184,489,370,099	44,997,407
Actual Disbursement	59,214,317,127	14,442,516
Cash Balance	85,814,101,104	20,930,269

ITEM	PROJECTS	%
Total number of CSF Projects planned for 2009	1,811	
Total number of CSF Projects bid as of end June 2009	719	40%
Total number of CSF Contracts signed awarded through competitive bidding	687	96%
Total number of CSF Contracts signed through negotiation	8	1%
Total number of Failed bids as of end June 2009	32	4%
1.1.1 Total number of CSF Contracts completed as of June 09	101	14%

### PSDD's Support to C/S Fund Systems Development

The RGC Commune/Sangkat Fund's Project Implementation Manual (commonly referred to simply by its acronym, PIM) was first promulgated as the basis for the implementation of the Fund in 2003 by the Co-Chairmen of the National Committee to Support the Commune/Sangkat. This was followed the issuance of various sub-decrees and inter-ministries Prakas in 2001 to establish the C/S Fund. The PIM requires that all "Commune/Sangkat Chiefs and other officials involved in the process of implementing C/S Fund development projects" follow the guidelines and procedures contained in the Manual. The PIM was subsequently revised and reissued in 2005 by the National Committee for Support to Communes/Sangkats.

As early as 2008, PSDD advisors advised and assisted NCDD and the PIM review team (which was comprised Mol/DoLA, MEF and MRD representatives) to maintain, periodically review and update the PIM. The latest revision of the PIM was a collaborative effort between the advisors, the PIM review team and World Bank staff. This comprehensive review took place in mid-2008, resulting in the World Bank issuing a "No Objection Letter" in late 2008 and the promulgation of the PIM in early 2009. This lent to its use for 2009 C/S Fund allocation. The process to issue the new revised PIM with enhancements relied on considerable dialogue between PSDD advisors and World Bank to ensure that the realities of practical implementation of the PIM at Commune and Sangkat levels could be assured. The PSDD Advisors at national level and representatives of DoLA along with concerned ministries formed a team to not only provide input to the revised PIM, but also to incorporate issues and challenges identified by PSDD's Provincial Advisors and Provincial and Commune/Sangkat officials.

The main topics and issues that the revised 2009 PIM took into consideration were the following:

- **C/S Fund Project Preparation:** Guidelines for preparation of materials standard price lists for infrastructure projects and for cost estimation. Guidance on technical clearance of projects. Guidance on environmental assessments was improved by

strengthening mechanisms for identifying long term and short-term impact of projects.

- **Environmental and Social Safeguards:** PIM was revised in line with the establishment of Project Safeguards Units for environmental and land acquisition and the development of a National Commune and Sangkat Environmental Safeguards “watch-list”.
- **Procurement:** Additional emphasis on contractor prequalification (advertising for applicants, screening of applicants for prequalification, disclosure of results of prequalification); Commune Bidding Process (clarification of bidding documents, provisions to reduce risks of collusion, guidance on cost estimation of projects exclusive of taxes introduced and examples provided to the satisfaction of the MEF, provision for correction of errors and Provisions to increase civil society participation and oversight including enhancing the procurement filing and disclosure procedures.
- **Project Implementation:** Strengthened arrangements for maintenance planning, construction supervision, and technical audits.
- **Financial Management:** Enhanced procedures for collection of, and accounting for, local contributions. For this, additional forms were added to the PIM and many more examples on how to complete the various forms were included in the revised PIM. Some technical forms were removed from the PIM and placed in the complimentary C/S Fund technical manuals so that future revisions to the PIM can be made more easily. As well, the revised PIM provided greater advice on “Service Projects (non-infrastructure)” and “Integrated Projects” that consist of a combination of services, goods and small-scale infrastructure.

### **Technical Manual for Infrastructure Projects**

PSDD advisors contributed largely to the preparation of a *Technical Manual for Infrastructure Projects*, to the introduction of technical design tool such as the project generator, and revised and improved technical specifications and construction quality checklists.

### **PSDD’s Support to Safeguards**

The safeguard procedures that were in place before the PSDD that related to environment and land acquisition were regarded as cumbersome by the C/S Councils, the Provincial Facilitators and Technical Service Officers. This resulted in variation of the quality of implementation of the safeguard guidelines among the Communes/Sangkats. Nevertheless the treatment of these issues within the C/S Fund appeared to be on a par with or more advanced than was the case with most sectoral rural infrastructure programs in Cambodia.

### **System Development for Safeguards**

PSDD set out to strengthen project implementation guidelines, following a review of the effectiveness of social and environmental safeguard mechanisms. A National Safeguard Advisor was recruited to strengthen the system in 2007 and helped review the Safeguard system. This was combined with PSDD’s operational support for Provincial Rural Development Committees that also aimed at improving the regulation and management of land and environmental resource use according to laws governing the rights of citizens and responsibilities of the state and CMDG targets. Following a WB/RILGP-financed study in

2007, that concluded that (i) the existing mechanisms embodied in the C/S Fund PIM were often not followed correctly and (ii) some clearly inappropriate projects had been implemented, a revised and expanded Safeguards Monitoring system was established in 2008.

PSDD began in earnest in to advance Safeguards Monitoring on several fronts. Three Regional Safeguards Advisers (RSA's) were recruited in January 2009 under World Bank financing based in Kratie Province (covering the five north eastern Provinces), Kampong Speu Province (covering the 10 southern Provinces) and Siem Reap Province (covering the eight western Provinces) while another Adviser was recruited in 2010. The role of these advisors was multifaceted. One, they provided guidance on safeguards and trained staff and others who are involved with safeguards. Second, they reviewed safeguard documentation and provide safeguard clearance for projects in Communes that are on either the Environmental or Highland People Watch List. As part of this work, intensive delivery of capacity development to over 100 key staff drawn from all Provinces was provided through three regional Training Workshops funded by the World Bank.

The National Safeguard Advisor provided support and guidance to the RSA's, taking the lead in field missions on safeguards implementation throughout the country and liaising with authorities at the national level. Additionally, the National Safeguard Working Group (NSWG) was established in June 2009. This Group consisted of the four Safeguards Advisers and three staff drawn from DoLA, and provided a broader foundation for safeguard work and, in the longer term, to anchor the work at the national level.

As part of safeguard monitoring, a great deal of attention was given to field checking of land related safeguards, after it became known that these safeguards were wrongly applied in a Commune in Kampot Province. The result of this monitoring was that the application of safeguards for 2009 projects had greatly improved in this Province over what was reported during previous years. Additionally, a contract was signed with Buddhism for Development (NGO) for conducting a campaign in seven Provinces to increase awareness on land rights. This work was done in 178 Communes that were carefully selected as representative of different social and physical conditions found in Communes. This work served as a pilot project on how to address sensitive land right issues found in the country.

In 2009, the NGO Mekong Think Tank was selected to conduct a pilot project to increase environmental awareness among Commune Councilors and villagers. This activity, financed by DANIDA, continued through October 2009. Existing visual materials on environment safeguards were developed and a baseline study on environmental safeguards was conducted in ten Communes located in five Provinces. New materials were developed and an awareness-raising campaign was conducted in 50 Communes. Following these activities, an assessment was conducted to evaluate the impact of the campaign and the new visual materials related to environmental awareness.

The combination of several factors ensured better safeguard monitoring and enforcement. These included the inclusion of safeguards procedures in the PIM, the employment of Regional Safeguards Advisers and the contracting of an NGO to closely monitor the application of the improved PIM procedures for identifying potential environmental impacts in the high risk Communes and disseminating public information materials.

The new procedures in the PIM pertained to the following:

- A more systematic approach to identify any environmental risks caused by C/S Fund projects and the development of mitigation measures to ensure safeguard



compliance;

- Clauses were introduced in the PIM to prevent villagers to hand-over their land for C/S fund projects, especially roads, without their explicit consent and, possibly, with compensation for expropriated land; and
- The involvement of Highland People and explicit steps to ensure that they were fully informed about possible C/S Fund projects to take into account their specific circumstances.

The safeguard system was also strengthened by the compilation of a Watch List in which Communes that were socially or environmentally sensitive were identified. This list facilitated the targeting of the most vulnerable geographic areas. The list was updated in 2009 and, once more in 2010, to include the most recent developments.

The following table presents the number of C/S Fund projects that required safeguard clearance in the areas of environment, land, highland people or in combination. The implementation of the newly revised PIM along with the others measures mentioned above contributed to the addition of more C/S Fund projects that were under safeguard scrutiny. This is reflected in the table with increasing numbers of safeguard projects from 2009 onward. Clearly, land safeguards projects were the most common project type under C/S Fund safeguard mechanism.

**Table: C/S Fund Safeguard by Area and Watch List, 2007-2010**

Safeguard	2007	2008	2009	2010
Environment	27	27	257	420
Land	390	541	383	460
Highland People	N/A	N/A	8	14
Environment and Land	N/A	N/A	424	364
Environment and HP	N/A	N/A	26	25
Land and HP	N/A	N/A	9	14
Environment, Land and HP	N/A	N/A	56	64
<b>C/S Fund Projects under Watch List</b>				
Environment	0	0	459	89
HP	0	0	89	117

#### **Accountability Working Groups**

Following the disclosure of collusion during the C/S Fund bidding process and less than adequate quality of project implementation in 2004, a complaint mechanism was established in 2005 in tandem with a system of C/S Provincial/Municipal Accountability Working Groups (PAWGs). These Working Groups were chaired by the Governor and consisted of 14 members drawn from the ExCom (as a government agency), private sector, CSOs and Commune Councils. At beginning 2006, a unified internal Provincial AWG's framework was established in all Provinces to ensure a transparent, accountable and effective use and implementation of the C/S Fund.

## Accountability Working Group System Development

In 2006, 2,065 accountability boxes were produced and placed at C/S offices, District/Khan, ExCom, along with NGOs offices. For each accountability box, there was a slot with leaflets that provide information about the complaint mechanism and a form to submit a complaint (either anonymously or identification of the complainant).

**Table : Accountability Boxes and Locations**

Box Location	Number
Capital/Province Offices	72
Municipality/District/Khan Offices	194
Commune/Sangkat Offices	1,863
NGO Offices	141
Public places	275
<b>Total</b>	<b>2,545</b>

In 2007 and 2008 these PAWG became inactive as there were no resources available to thoroughly investigate the complaints. In order to revitalise this mechanism, NCDD with PSDD support undertook a number of actions.

- In 2008, NCDD issued three new AWG guidelines (#012, #013 and # 014) to expand the mandate and functions of Accountability Working Groups at both the national and provincial levels. The new mandate under these guidelines was to ensure that **all funding sources** under NCDD Annual Work Plan and Budget were used in a transparent, effective and accountable manner.
- Following the recommendations of an AWG assessment, the National Accountability Working Group's (NAWG) roles and responsibilities were better defined with membership to comprise of key relevant ministries and two Civil Society Organizations representatives. A National Support Group consisting of six officials from Local Department of Administration (DoLA) was established. Additionally, in April 2009, two National Support Officers were contracted to support the day-to-day activities under the NAWG workplan.
- The Manual on Complaints Resolution and Investigation (under NCDD guideline # 84) was developed in 2009 by a team comprising of a local and an international consultants. Since 2009, the PAWGs were directly responsible for complaint resolution and reporting to NCDD.

PSDD argued that the complaint mechanism's effectiveness hinges on the people's awareness about (i) the procedure and (ii) the fact that complaints can be submitted anonymously. To raise this type awareness among local residents, a number of activities were undertaken starting in 2009 under RILGP's workplan.

Activity	Timing	Numbers	Financial Support
Video Spots (TVK and other)	Q4/2010	270	WB/RILGP
Radio Spots	Q4/2010	1,114	WB/RILGP
Dissemination of Leaflets	2009	16,600	WB/RILGP
Leaflets	2010	32,580	WB/RILGP

Posters	2010	30,000	WB/RILGP
Regular updates of information of N/PAWG on NCDD's website	2010	on demand basis	PSDD
Production of annual (2009) and quarterly reports (2010)	2009/2010	10	DoLA/PSDD

**Table : Complaint Resolution Awareness Campaign**

The accountability system was also been strengthened by a number of consultancies commissioned by NCDD, such as the formulation of the Manual of the Promulgation of Complaints Investigation and Resolution of Capital/Provincial Accountability Working Group (as an annex to NCDD Decision no. 84) in 2008 and the design and implementation of the Hand Book on Investigation Techniques in 2010 that was accompanied by capacity development on its use organised by MEF and the World Bank. Lastly, the Accountability Boxes were praised as the best functioning complaint mechanism in the country. The following table presents the number of complaints received and their status of their resolution at the end of the year.

**Table : Complaints Received and Status of their Resolution, 2007 - 2010**

Year	Complaint Resolution				Total
	Outside	Inside the Resolution Process			
		Resolved	On-going	Total	
2007	208	27	0	27	<b>235</b>
2008	123	34	0	34	<b>154</b>
2009	335	111	110	221	<b>576</b>
2010	352	156	385	541	<b>893</b>
<b>Total</b>	<b>1,018</b>	<b>328</b>	<b>495</b>	<b>823</b>	<b>1,858</b>

Following the resolution of the complaints, each PAWG recommends sanctions. These are announced at all levels. Over the years, these recommended sanctions included requests for dismissal of a Commune Clerk, termination of contracts of Technical Support Officials (TSOs), transfer of TSOs to other Districts, removal of contractors from the list of qualified companies to bid for C/S Fund contracts and enforcement of repayment of funds to the Communes.

#### **Capacity Development of Accountability Working Groups**

Since its establishment, the highest body of the AWG is the National Accountability Working Group (NAWG), housed in the Department of Local Administration and chaired by the Secretary of State of the Ministry of Interior. Since 2008, the NAWG met five times to decide about policies and mandates and to approve manuals or handbooks. The NAWG mandate is to oversee and monitor the functions of the PAWGs, who submit monthly and annual reports on their activities to the NAWG. Additionally, the National Support Group conducts field visits to monitor the PAWGs and to improve their performance.

The Provincial Accountability Working Groups were restructured in all Provinces in 2009. Each Capital/Province appointed its Provincial Support Group with members from different work units to support the PAWGs activities. A total of 42 Provincial Support Officers were

recruited and supplied with requisite capacity development for their operation. By 2009, all PAWGs adopted their internal rules and operation procedures.

In 2008, NCDD held its annual national meeting at which the new guidelines for AWGs were presented to all selected participants from PLAUs and PSDD advisors at the Provincial level for reinforcing the new procedures. This was followed by a one-day workshop for 42 PSOs/PAWGs drawn from all 24 Provinces to provide orientation on the roles and responsibilities in order to ensure consistent operation of PAWG structures for complaint resolution. In 2009, a three-day training course in three regions on the contents of the Complaints Investigation and Resolution Manual was conducted for all 42 PSOs and 15 key PAWG members. During 2010, a national workshop with 42 PSOs participants was organized to follow up on their progress and introduce the PAWG report format for tracking complaints. As well, a national workshop was launched to sensitize 120 PAWG representatives in regard to the AWG guidelines. This was subsequently followed by capacity development of PAWG staff in complaint investigation techniques. PSDD advisors supported all PAWG operations, activities and capacity development from 2007 to 2010.

## **5. THE DISTRICT INITIATIVE PROGRAM (DIP)**

The District Initiative Program (DIP) was designed and initiated by the Ministry of Interior in 2005 with financial and technical support provided through the Seila Program and Partnership for Local Governance (PLG) Project. At that time, the Strategic Framework on Decentralization and Deconcentration (D&D) had been approved by the Royal Government and the Organic Law, defining the powers, structures and functions of the sub-national administrations, was being drafted. With a vision of where the sub-national reform was heading and a well-developed capacity through the Seila Program and PLG Project to pilot initiatives that both test policy dimensions and inform policy direction, the Ministry of Interior viewed the DIP as a chance to develop experience and deepen understanding of the challenges and opportunities ahead to strengthen the Districts.

Since January 2007 the DIP has been implemented under the authority of the NCDD Secretariat and its Program Support Team (PST) with policy coordination provided through the NCDD District Support Team (DST) assisted by a Technical Advisory Group comprised of representatives from different Ministries and PSDD advisors. The DST is mandated to coordinate and facilitate all projects or program components focused at the District level ensuring policy cohesion and direction while leaving implementation aspects to the NCDD/PST.

The District Initiative Program had the following key objectives to:

- Strengthen the structure, role and responsibilities of the Districts<sup>5</sup> for public service delivery and local development activities;
- Enhance the capacity of the District in facilitating with line offices and C/S Councils for identifying and implementing priority development activities or inter-Commune/Sangkat projects, and addressing challenges related to the management and use of natural resources in a sustainable manner within its jurisdiction; and
- Develop the capacity for the Districts in the management of their budgets and contribute to poverty alleviation through allocation of funds for investment projects.

Financing of the DIP in 2007 continued under two projects; the PSDD and the MDLF NRM in D&D. In 2008, the DIP was in its third implementation cycle having expanded from 24

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<sup>5</sup> The DIP is comprised of mainly of Districts but after the territorial redefinition that took place in 2009 the DIP was comprised of not only Districts but also Municipalities and Khans. The term “Districts” will be used for economy of words to denote Districts as well as Municipalities and Khans that participated in the DIP.

Districts in 2006 to 94 Districts in 2008 (66 Districts in 10 Provinces supported by MDLF NRM in D&D and 28 Districts in 14 Provinces supported by PSDD). Through the four years of implementation, PSDD provided technical assistance to develop and revise guidelines covering planning, programming, financing and implementation procedures and the ToRs for the District management structures based on lessons learned from earlier experience in monitoring and reporting of its implementation.

PSDD provided technical and financial support to the DIP which financed the AWPB in 28 Districts in 14 Provinces through an annual allocation of \$ 12,500 per District per year. The management, planning and implementation guidelines developed under the DIP applied equally to all 94 Districts while specific programming guidance related to NRM applied to 66 Districts. Of the total allocation, 90% was programmed for infrastructure and service delivery and 10% for administration and capacity development. At the District level, DIP was under the authority and management of a District Development Committee (DDC) which signed annual work plans and budgets with the PRDC ExCom. Under the DDC, a District Permanent Committee (PC) was established to carry out day-to-day execution of the DIP and its budget, including cooperation and coordination with other development agencies such as technical departments of line offices, NGOs and private sector entities.

### System Development for DIP

Following regular monitoring visits and specific internal surveys during the first half of 2007, the Guideline on the Implementation of DIP was revised and approved on in late 2007, covering improved procedures and practices for planning, programming and implementation in 2008-2009. With the election of Capital, Provincial, Municipal, District and Khan Councils in May 2009, the guideline was further revised with PSDD technical assistance and approved on November 2009 for implementation in 2010. PSSD Advisors were called upon to issue, review and revise related guidelines and procedures, and practices such as C/S Fund Project Implementation Manual (PIM), NCDD Administration and Finance Manual, and mainstreaming of gender and natural resource management in programming of all inter-Commune projects and activities. In total, 11 legal documents related to the DIP were developed, revised and issued with technical support from PSDD from 2007 to 2010 (see table x above for a listing of PSSD-supported legal instruments).

### Resource Allocation and Use for the DIP

With regard to use of resources, the DIP supported projects were assigned to either Commune/Sangkat projects, District/Municipal line offices, NGOs and CBOs within the District with sufficient capacity to implement the DIP projects. The following table summarizes the level of investments in DIP target communities, the distribution between PSDD and NRM, the type of projects implemented and the total budget/disbursement rate over the 2007 to 2010 period.

**Table: DIP Projects, Budgets and Disbursement by Province, 2007-2010**

Province	Target Districts			Projects			Budget \$	Disbursement \$	
	NRM	PSDD	Total	Infra	Serv.	Total	Total	Total	%
Banteay Meanchey		3	3	3	25	28	81,000	75,613	93
Battambang		4	4	6	23	29	108,000	78,188	73
Kampong Cham	13		13	14	22	36	351,000	324,516	100

Province	Target Districts			Projects			Budget \$	Disbursement \$	
	NRM	PSDD	Total	Infra	Serv.	Total	Total	Total	%
Kampong Chhnang		2	2	3	18	21	58,995	43,663	82
Kampong Speu	7		7	10	28	38	189,000	161,952	99
Kampong Thom	6		6	3	18	21	175,860	148,540	93
Kampot	6		6	6	22	28	162,400	139,262	92
Kandal		2	2	4	7	11	58,722	47,858	90
Koh Kong	6		6	4	16	20	154,440	152,898	100
Kratie	5		5	1	8	9	130,136	92,575	99
Mondul Kiri	5		5	1	8	9	133,892	45,014	94
Phnom Penh		2	2	2	3	5	54,955	46,038	85
Preah Vihear		3	3	3	12	15	80,558	77,211	99
Prey Veng		2	2	2	13	15	54,000	34,014	63
Pursat	6		6	2	25	27	144,030	138,794	97
Ratanak Kiri	9		9	0	21	21	238,695	130,228	63
Siem Reap	10		10	14	26	40	269,670	215,533	98
Preah Sihanouk	3		3	0	15	15	86,208	80,527	100
Stung Treng		2	2	3	7	10	54,000	43,970	80
Svay Rieng		2	2	3	26	29	53,964	53,310	99
Takeo		2	2	2	9	11	54,061	37,855	70
Otdar Meanchey		2	2	2	18	20	54,000	27,867	52
Kep	2		2	6	4	10	55,551	53,568	100
Pailin		2	2	2	17	19	56,201	37,496	67
<b>Total</b>	<b>78</b>	<b>28</b>	<b>106</b>	<b>96</b>	<b>391</b>	<b>487</b>	<b>2,859,337</b>	<b>2,286,489</b>	<b>90</b>

### Capacity Development and DIP

With PSDD-led technical support, an annual capacity development needs assessment for DST officials and target DIP communities was conducted and used to formulate the annual capacity development plan. PSDD advisors were involved in the design of capacity development materials as well as the delivery of capacity development. The focus of capacity development orientated itself on project management, planning, monitoring, and reporting. The design of capacity development interventions for DIP communities orientated itself on the specific procedures for project identification (Inter Commune Council projects and the DIP Project Implementation Manual). Capacity development was delivered through a cascade method, emanating from Phnom Penh to Provincial clusters and final delivery by the Provincial capacity developers of ExCom's LAU (PFT) and PSDD advisors to DIP target communities. As an adjunct to capacity development in these areas, capacity to collect data for District Information System (DIS) was delivered directly to all 193 Municipalities, Districts and Khans.

Through the implementation of DIP, considerable effort was devoted to the role, responsibilities and capacity of target DIP communities. Officials in these communities improved their skills in collaboration and coordination between themselves and Communes/Sangkats officials in project planning and implementation to better respond to the needs of the lowest level of sub-national administration. At the same time, the target DIP communities gained a better understanding of development in general, planning, budget management and implementation of projects within their jurisdiction. Additionally, PSDD-

advisors supported the capacity development efforts of the PLAU for DIP communities to better respond to line departments, NGOs and private sector entities that were interested in developing and investing in the DIP communities. The DIP Development Committee members received support from the ExCom’s four units in the areas of contract preparation; financial procedure and management; civil work and goods procurement; project implementation and; project monitoring and evaluation.

2010 was the final year of the District Initiative which was designed in 2005-6 to develop capacity at the District/Municipal level in assessing the status of development in their jurisdiction; enhancing coordination between line offices, C/S Councils and District administrations; and managing the prioritization of local activities raised by the C/S Councils, preparing an annual investment plan, procuring services and overseeing the implementation of local infrastructure and services. Based on external and internal reviews, there is no doubt that capacity in target Districts has been considerably enhanced; the interaction between administrations, line offices and C/S Councils strengthened; and fundamental management skills developed. The lack of a clear division in functional assignments and the relative lack of capable service providers at the sub-Province level are weaknesses to be addressed in the National Program and its IP3.

#### **6. PSDD’s COMPREHENSIVE SUPPORT TO THE PROVINCIAL INVESTMENT FUND (PIF)**

The Provincial Investment Fund (PIF) is allocated to all Provinces and Municipalities according to a formula based on administrative territories and population. Part of the Fund is earmarked for support to planning activities of the Provincial/Municipal Department of Planning; and to gender mainstreaming activities of the Provincial Department of Women’s Affairs. The remaining “un-earmarked PIF” is allocated by PRDC to sectoral technical departments against established criteria and in response to proposals with prioritization taking into account: priorities formulated by the C/S Councils and aggregated by District into District Priority Activities Matrices (DPAM); alignment with national planning and poverty alleviation criteria, complementarily with other planned activities; and performance of the Department concerned in implementation of activities in previous years.

As reflected in the table below, with PSDD advisory services as of 2010 a total cumulative number of 772 implementation contracts had been signed with cooperating line departments in the 24 Provinces against \$ 6,928,087 in commitments; over the four year period, 88% of the committed funds had been disbursed. As might be expected, the value of the PIF was the highest in Provinces with the highest populations. These include in order of value, Kampong Cham, Kandal, Prey Vihear and Phnom Penh. Alternatively, the value of PIF was the lowest in the least populated Provinces of Kep, Pailin and Monulhiri. The major sectors that received support through the PIF include water resource management, water and sanitation, education, health in addition to planning and targeted allocation to gender mainstreaming (that over the four year period, allocated the second largest amount of PIF funds of all sectors/sub-sectors).

**Table: PIF Contracts, Allocations, and Disbursement by Province, 2007 to 2010**

No.	Province	Provincial Investment Fund 2007-2010			
		Total Contracts	Total Value \$	Total PIF Disbursed \$	Pct. Disbursed
1	Banteay Meanchey	44	314,824	294,791	94
2	Battambang	49	386,995	381,925	99
3	Kampong Cham	35	680,002	550,799	81

4	Kampong Chhnang	43	256,832	245,347	96
5	Kampong Speu	22	287,854	269,422	94
6	Kampong Thom	42	309,085	262,233	85
7	Kampot	32	369,078	275,723	75
8	Kandal	38	498,146	444,795	89
9	Koh Kong	21	180,077	161,787	90
10	Kratie	22	266,661	186,504	70
11	Mondulkiri	18	141,560	126,290	89
12	Phnom Penh	29	433,330	386,622	89
13	Preah Vihear	27	174,462	156,976	90
14	Prey Veng	30	480,114	358,790	75
15	Pursat	39	237,977	222,257	93
16	Rattanakiri	26	171,098	162,048	95
17	Siem Reap	41	364,878	333,242	91
18	Sihanoukville	28	175,372	149,543	85
19	Stung Treng	22	134,545	123,560	92
20	Svay Rieng	37	263,349	235,062	89
21	Takeo	45	379,315	357,393	94
22	Odar Meanchey	26	144,158	136,909	95
23	Kep	25	137,663	120,057	87
24	Pailin	31	140,712	130,057	92
<b>Grand Total</b>		<b>772</b>	<b>\$ 6,928,087</b>	<b>\$ 6,072,129</b>	<b>88</b>

The collective PIF disbursement rates increased over the four year period from 82% in 2007 to 92% in 2010, reflecting increased capacity to manage and deliver funds by ExComs in Provinces. However, the disbursement rates varied by Province reflecting other factors; over the four year period, the highest rate of 99% was found in Battambang Province and the lowest rate of 75% was found in Kampot and Prey Veng Provinces. In virtually all Provinces the disbursement rates increased year by year with only a few exceptions. The highest increase in the disbursement rate from 2007 to 2010 was found in Odar Meanchey and Pailin Provinces that went from 54% in 2007 to 94% in 2010 and from 54% in 2007 to 96% in 2010, respectively. This translates into significant increases over the four years; 74 percent of the PIF disbursements in Odar Meanchey Province and 77% in Pailin Province. In some Provinces, the PIF disbursement rate remained steady, reflecting only minor changes from year to year (for example, Kampong Cham and Battambang Provinces).

## 7. PSDD's SUPPORT TO GENDER MAINSTREAMING

PSDD's objectives to mainstreaming gender were to promote gender-responsive sub-national democratic development by engendering all aspects of institutional, organizational, programming and administrative functions of SNAs (legislation, policies, projects and services). This included efforts to enhance the capacity of all SNA structures, NCCDS, WCCCs, PDoWA at the sub-national and national levels for advancing gender mainstreaming as means to primarily increase women's voice and representation along with their access to productive resources.



To achieve these objectives, PSDD undertook a number of strategic actions. These included financial support, capacity development and collaboration with DPs, NGOs and government, particularly the Provincial Departments of the Ministry of Women's Affairs (PMoWA). The resources used to support these objectives amounted to nearly \$1 million over the course of the PSDD. Combined with UNICEF's contribution, this resulted in about \$207,200 total yearly allocation for gender mainstreaming activities. This included annual allocations to the Ministry of Women's Affairs, tied allocations to the PIF for the Provincial Departments of Women's Affairs as well as support to capacity development on gender related topics.

The results achieved directly and indirectly as a result of PSDD's inputs to gender mainstreaming were many and various. With PSDD's support, legislation was enacted to authorize C/S councils to establish Women and Children Committees (CCWCs) in all Communes/Sangkats. PSDD recruited national and international gender experts to help implement PSDD/NCDD objectives related to gender mainstreaming and ones that contributed to enhancing gender equity mechanisms the gender mainstreaming strategy found in the NP-SNDD and its IP3. PSDD funding was used to support creation of gender disaggregated data in all data bases, ongoing advocacy to ensure women participate in planning processes and representation on decision making bodies along with access to productive resources through the planning process.

The PSDD issued a progress report on its work to support gender mainstreaming. The PSDD Gender Progress Report was based on a survey shared among project advisors and representatives from various line departments foremost the Provincial Departments of Women's Affairs, along with gender focal persons, non-government organizations (NGOs) and International Organizations (IOs) at all levels of sub-national administration. The data from the survey (over 200 pages of information) were compiled into one report that focused on 10 key topics related to gender mainstreaming over the past several years at the sub-national level (such as the extent of capacity development, partnerships, types of gender networks, use of gender mainstreaming strategy, etc.). The objective of the report was to provide an update for NCDDs, PSDD and its donors on overall PSDD's progress in support of gender mainstreaming and to document relevant information on gender mainstreaming to strengthen future support. In summary, the Report documented significant progress made toward gender mainstreaming when contrasted to targeted resources for gender mainstreaming. The results of the report showed that with PSDD support over the 2007 to 2010 period, gender equity (women's empowerment and greater access to productive resources) was enhanced due to the following factors:

- Enhanced capacity of government institutions to mainstream gender;
- Increased activity of gender focal points;
- Increased number of gender mainstreaming partnerships (221 in total);
- Increased number and type of capacity development events (over 650 PSDD-led or facilitated training events with many focusing on prevention of domestic violence); and
- Expanded gender networks in all Provinces (with more than one network in some Provinces) that included representatives from Districts, Municipalities and Communes.

Table 3 lists the number of training events by type and includes the number of participants by gender for each type of event. These are: Gender Mainstreaming, Domestic Violence, Trafficking of Women/Children and Commune Children Women Committees. Gender Mainstreaming training captures a variety of different topics

related to mainstreaming such as gender analysis, gender in economic development, training for gender focal points, etc. There were 444 gender mainstreaming training events across all Provinces over a two year period with over 82,000 participants (60 percent were Females). Domestic violence registered the second largest number of training events (89 events) with about 30,000 participants (60 percent were females) followed by trafficking of women and children and CCWC (with 23,282 and 15,224 participants, respectively).

**Table: Training Events by Type and Number of Participants**

Type of Training Event	Number of Events	Participants		
		Male	Female	Total
<b>Gender Mainstreaming *</b>	444	31,401	50,761	82,162
<b>Domestic Violence</b>	89	12,379	18,488	30,867
<b>Trafficking of Women and Children</b>	59	14,468	8,814	23,282
<b>Commune Children Women's Committee</b>	57	7,621	7,603	15,224
<b>Grand Total</b>	<b>649</b>	<b>65,869</b>	<b>85,666</b>	<b>151,535</b>

\* includes different categories of training events on gender mainstreaming such gender analysis, gender in economic development, gender mainstreaming for focal points, gender concepts, gender analysis, etc.

As such, PSDD was a major contributor to building a base for launching gender initiatives. This base will lay the foundation for gender mainstreaming as part of the implementation of the 10-year National Program to address inequality in country where significant changes in attitudes toward gender equity are taking place from the not so recent past when gender was not even a concept at the sub-national levels.

## **8. NATIONAL MINISTRY CONTRACTS WITH NCDD SECRETARIAT**

As noted in all PSDD's AWPBs programming meetings, PSDD allocated funds to the 13 NCDD member-ministries tied to specific outputs. At these meetings, the breakdown of resources allocated to National Ministries/Agencies, for activities related to their respective mandates, were discussed. For those Ministries/Agencies serving as chair of NCDD Sub-Committees it was agreed that the allocation would include activities related to both the Sub-Committee work and the Ministry's own work.

When reviewing the achievements of the very broad range of activities against planned outputs related both to D&D and to specific institutional mandates, the strategic value of this discretionary financing window is evident. As the government moves forward with the implementation of the National Program and its IP3, these relatively modest budgets will have an even more strategic value as they enabled a level of engagement in policy and program dimensions and built a constituency for the anticipated reforms envisioned in the National Program and its first IP3.

The table below shows for three of the 14 NCDD-member Ministries/Agencies their achievements against agreed upon outputs for 2010. The largest allocation of the core

Ministry services funds supported by the PSDD was to the Department of Local Administration (DoLA) of the Ministry of Interior. The principle outputs of the cooperation were related to capacity development and dissemination of materials for C/S Councils and data base management. The major outputs of cooperation with the Council for Administrative Reform (CAR) included development of the new Priority Operating Costs (POC) scheme, site visits to Provinces for specific sector guidance and employment agencies. For the Ministry of Women’s Affairs, the principal components of cooperation were related to the development, implementation and monitoring of the gender mainstreaming and capacity development activities focused on the Provincial Departments of Women’s Affairs. These few examples show the strategic value of engaging with NCDD-member Ministries/Agencies through a financing mechanism for outputs/activities intended to promote a “whole of government” approach to D&D reform and contributed to enhance the approach the IP3 took towards implementation of the first three years of the National Program. (See Annex 1 for a complete listing of outputs and select achievements by the 14 NCDD member Ministries/Agencies from 2007 through 2010.)

**Table: Select 2010 Ministry/Agency Outputs and Achievements  
(Ministry of Interior, Council for Administrative Reform and Ministry of Women’s Affairs)**

<b>Ministry of Interior (DoLA) 2010 Outputs:</b>
<ul style="list-style-type: none"> <li>• Output 1: Operational Support in D&amp;D strategies implementation.</li> <li>• Output 2: Training and capacity building</li> <li>• Output 3: Support to Accountability Working Group</li> <li>• Output 4: Support to monitoring activities</li> <li>• Output 5: District Initiative Program Support</li> </ul>
<b>Select Ministry of Interior (DoLA) 2010 Achievements:</b>
<ul style="list-style-type: none"> <li>• MoP continued its effort to develop capacity for its provincial staff on facilitation skills, Commune/Sangkat financial management, Khmer Unicode, Leadership along with disseminating the Anti-corruption Law;</li> <li>• MoP held training sessions for Provincial and Capital trainers on Commune/Sangkat development concepts, C/S small scale project writing, C/S activities in social development, editing C/S report formats and monitoring tools;</li> <li>• MoP designed and published booklets on CCWC in social development, development concepts, small scale project writing, social development and leadership development;</li> <li>• MoP organized and implemented its National workshop on the processes and functions of the Accountability Working Groups; and</li> <li>• Held training events on Commune data collection in Districts, Municipalities and Khans for MoP officials and staff.</li> </ul>
<b>Council for Administrative Reform (CAR) 2010 Outputs:</b>
<ul style="list-style-type: none"> <li>• Output 1: National Program disseminated and Administration reforms related to procedures to improve the public service provision</li> <li>• Output 2: Dissemination through meetings on Priority Operation Costs (POC)</li> <li>• Output 3: Support and facilitate the improvement process of public service provision at sub-national level</li> <li>• Output 4: Operational support to implement D&amp;D strategy</li> </ul>
<b>Council for Administrative Reform (CAR) 2010 Achievements:</b>
<ul style="list-style-type: none"> <li>• CAR officials conducted a meeting in June to disseminate rules and regulations related to Priority Operation Costs (POC) and special operating agency at national level;</li> </ul>

- CAR staff conducted visits to MKR, TAK, PVH, SRP and OMC Provinces in June and July to move forward, coordinate and monitor the implementation of special operating agency of the health sector;
- CAR staff conducted site visits to SVR, SHV and KAM Provinces in June 2010 to enhance, coordinate and monitor the implementation of job centers and national employment agencies; and
- CAR officials conducted visits to KAM, BMC and OMC Provinces to study the implementation of community healthcare projects.

**Ministry of Women’s Affairs (MoWA) 2010 Outputs:**

- Output 1: Training and capacity development on gender mainstreaming
- Output 2: Meetings and workshops to support the implementation of D&D policy and program
- Output 3: Monitoring and evaluation

Ministry/Agency	\$ 2007	\$ 2008	\$ 2009	\$ 2010	Total \$ Allocation	Total Pct. Disbursed
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**Ministry of Women’s Affairs (MoWA) 2009 Achievements:**

- MoWA prepared a draft sub-decree on establishment and functions of the Committee on Women and Children Affairs of the Capital, Provincial, Municipal, District and Khan Councils;
- MoWA revised and prepared concepts and tools for monitoring and evaluation of gender mainstreaming activities at the sub-national level, especially for the Provincial Department of Women Affairs;
- The Ministry working group cooperated with the Provincial Department of Women Affairs in Ratanakiri Province and UNFPA/UNICEF’s Seth Koma in Svay Rieng, Prey Veng, Kampong Thom, Otdor Meanchey and Steung Treng Provinces to organize and facilitate forums for Commune Women and Children Focal Points and female village leaders; and
- MoWA conducted a training needs assessment for capacity development to female members of Board of Governors of the Capital, Provinces, Municipalities, Districts and Khans so that they can perform their functions more effectively.

As the table below shows, allocations to Ministries/Agencies varied from year to year not only in terms of which Ministry/Agency received funds but also in terms of allocated level of funds. The Ministry of Interior (DoLA) was the major receipt of allocations among all NCDD-member Ministries/Agencies. Over the four year period, the Ministry of Interior (MoI) received, on average, \$180,000 per year with increasing allocations from 2007 onwards, reaching \$ 190,000 in 2010. The Ministry of Interior also used nearly the entire allocation to meet it’s agreed upon outputs. This same pattern was followed by Ministry of Planning but with lesser amounts and slightly lower disbursement rates than those for the MoI. As might be expected, the Ministry of Economy and Finance’s disbursement rate was the lowest of all NCDD-member Ministries/Agencies. On the other hand, the National Audit Authority received the second lowest total allocation but used 94% of the funds allocated to this Agency. Combined, the NCDD-member Ministries/Agencies were allocated nearly \$2 mil. over the four year period, and used about \$ 1.52 mil. of these fund for activities against their agreed upon outputs with an overall

Interior	166,500	175,000	186,000	190,000	717,500	97
Economy and Finance	40,000	40,000	30,000	25,000	135,000	39
Planning	60,000	70,000	70,000	55,000	255,000	96
Women's Affairs	55,000	50,000	40,000	35,000	180,000	65
Rural Development	55,000	50,000	35,000	35,000	175,000	55
Social Affairs	20,000	20,000	20,000	20,000	80,000	92
Education	10,000	-	20,000	20,000	50,000	64
Health	20,000	-	20,000	20,000	60,000	78
CAR	20,000	25,000	20,000	20,000	85,000	74
SCSC	-	25,000	25,000	20,000	70,000	73
Agriculture	20,000	20,000	20,000	-	60,000	77
Industry	20,000		20,000	-	40,000	71
National Audit Authority	12,000	15,000	15,000	-	42,000	94
Land Management		10,000	15,000	-	25,000	87
<b>Grand Total:</b>	<b>\$498,500</b>	<b>\$500,000</b>	<b>\$536,000</b>	<b>\$440,000</b>	<b>\$1,974,500</b>	<b>76%</b>

disbursement rate of 76 percent.

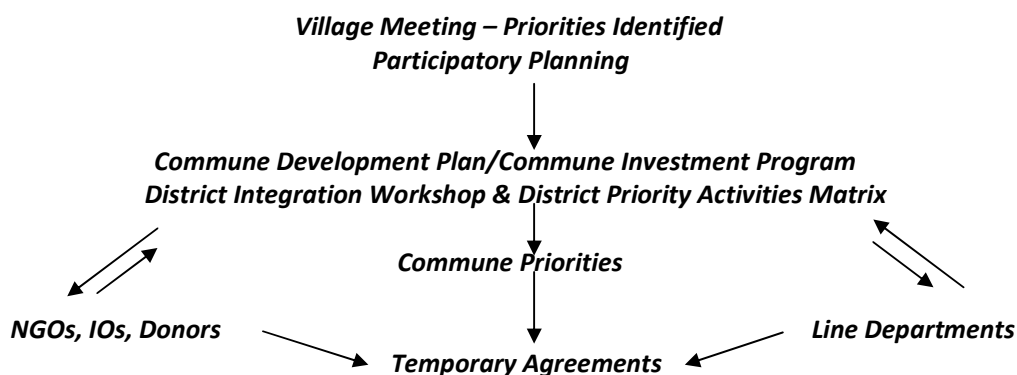
**Table: NCDD-member Ministry/Agency Allocations and Disbursement Rates, 2007-2010**

### **9. PSDD's SUPPORT TO THE DISTRICT INTEGRATION WORKSHOP: A MARKETPLACE FOR INTER-SUB NATIONAL ADMINISTRATION EXCHANGE OF GOODS AND SERVICES**

All Communes submit on a yearly basis an updated list of their highest priority requests (otherwise labeled as "priorities" for the purpose of this report) for infrastructure and non-infrastructure projects to the Provincial Departments of Planning for consideration at annual District Integration Workshops (DIWs). The set of priorities received from all Communes within each District are entered into a District Priority Activity Matrix (DPAM) reflecting both the sum total of priorities and the incidence of common priorities across all Communes within the District. The DPAM for all Districts within each province are distributed to all provincial line departments, non-government organizations, international organizations and

private donors through preparation meetings organized in advance of the DIWs to enable the “supply side” to review and analyze the collective “demand”, identify the set of priorities which may be supported and prepare their response at the individual DIWs.

DIWs represent the interaction of *demand* for development needs, as expressed through priorities identified by citizens and *supply* in the form of supporters who have the means to implement the priorities or their own proposed “activities” related to local development. At the DIWs, the Commune council representatives display their detailed, prioritized requests for development needs through maps and posters to department and agency representatives and the overall DPAM is presented. Responses from the “supply side” are announced and Temporary Agreements (TAs) are signed on the spot reflecting the intention of support that, subject to further planning and budgeting; materialize in actual agreements later. With an indication of those priorities that will be supported by local development partners, following the DIWs Commune Councils make final decisions on the use of their own resources (C/S Fund and other allocations) and annual work plans and budgets are finalized for the subsequent year.



Annual DIWs have been organized in all 185 Districts of the country since 2003 in order to encourage a more responsive planning process on the part of government departments and development agencies. The DIWs have undoubtedly increased the frequency of structured interaction among sub-national administrations and local development agencies and reinforced the role and ‘voice’ of the elected Commune Councils as the representation of local demand. In bringing together the ‘local development community’ within each District to participate in a transparent programming exercise, both the supply side and the demand side have developed a greater understanding of their respective opportunities and constraints. This interaction has enabled the Communes to argue for *greater accountability* in both decision making on local development programming and in the implementation of local activities within their jurisdictions. The DIWs, therefore, serve a purpose for launching the kinds of inter-administration interaction envisioned in the D&D reforms.

As a reflection of the scale of this exercise, on a national basis DIWs involve a combined estimate of 80,000 participants from Communes and potential supporters; an average of 50 participants per DIW.

During 2010, 68,246 priorities were submitted by all Communes in the country with an average of 2,843 priorities per Province and, country-wide, on average, 42 priorities per Commune. Against the five components (otherwise labeled sectors) of the 2010 Commune Development Plans, 28 % of the total priorities were related to proposals in the Economic sector, 33% in the Social sector, 11% in the Natural Resource Environment Management

(NREM) sector, 13% in the Gender sector and 15% in the Local Administration and Security sector. In response to “demand” from the Communes, 40,924 country-wide temporary agreements (on average, 26 per Commune) were signed. Of these, 21% were in the Economic sector, 47% were in the Social sector, 5% were in the NREM sector; 13% were in the Gender sector; and 14% were in the Local Administration and Security sector. Finally, of the total number of temporary agreements (TAs) signed, 36% directly responded to infrastructure or non-infrastructure *priorities* raised by the Communes in their development plans while the remainder were for *activities* proposed by supporters and not identified by the Communes themselves.

The mix of Commune priorities that were put forth at DIWs varied from year to year. As Table x shows (on the following page), in 2010 – as was the case in 2004, 2005, 2006, 2008, and 2009 – the majority of the Commune priorities were within the Economic and Social sectors. At the sector level, priorities under the Social sector increased from 29% in 2004 to 33% in 2010 while priorities in the Economic sector declined from 33% of all Commune priorities in 2004 to 28% of all priorities in 2010. This differs from the other sector areas as there was little change in the distribution of Administration/Security and NREM sector priorities with the exception of the Gender sector; there priorities experienced a 56% increase in the overall number of priorities over this period. But more importantly, as portion of all priorities, in 2008 the percentage of Gender priorities stood at 8% while during 2010 the percentage of Gender priorities as a total of all priorities stood at 13%. Notably, there was a significant increase in the absolute number of 2010 priorities identified by Communes related to NREM and Gender sectors when compared with their 2004 figures.

The data in Table x clearly show that the number of priorities proposed by Communes in each province was correlated to some extent with the number of Communes within each province (and, thus, correlated to some extent with the population of the province). For example, Kep Province, with only five Communes and population of 35,000 persons, Communes proposed 333 priorities while Banteay Meanchey Province, with 64 Communes and a population of 772,216 persons, the proposed priorities stood at 4,037. The Communes within the Province with the highest population, Kampong Cham Province (1.27 mil. persons and 173 Communes) proposed the high number of priorities (4,592) but the number of priorities was lower than the proposed priorities in Battambang and Kampong Speu Provinces. Somewhat surprisingly, Communes proposed fewer priority projects in 2008 (approximately 60,000) than in 2007 (62,000) due the price increases of inputs during this period. Furthermore, as the table shows, there was a significant increase in the number of proposed priorities from 2004 (the first year in which priority projects were recorded) to 2010, representing an overall 44% increase (or in absolute numbers from 47,216 to 68,246 priority projects) over a seven year period.

There was variation in the number of Commune priorities across sectors and Provinces. For example, some Provinces with a similar number of Communes had a different distribution in number of priorities by sector. For example, Mondul Kiri Province with its 21 Communes proposed only 62 Gender sector priorities while Preah Sinhanouk Provinces with 22 Communes proposed 120 Gender sector priorities. This type of variation was found in other Provinces such as Battambang, with its 96 Communes, and Kampot Province, with its 92 Communes. In these Provinces, the number of priorities proposed varied across most sectors (for example, Battambang’s Communes proposed over 400 more Social sector priorities than did the Communes located in Kampot Province).

**Table : Proposed Commune Priority Projects by Sector by Province , 2010 DIWs**

GIS	Province	No. Comm. /Sang.	2010 Commune Priority Projects by the Sector, DIW					
			Economic	Social	NREM	Admin./ Security	Gender	Total
1	Banteay Meanchey	64	887	1,532	396	697	525	4,037
2	Battambang	96	1,432	2,005	539	870	723	5,569
3	Kampong Cham	173	1,569	1,228	561	649	585	4,592
4	Kampong Chhnang	69	674	572	209	268	235	1,958
5	Kampong Speu	87	1,381	1,422	575	644	641	4,663
6	Kampong Thom	81	798	1,092	314	675	617	3,496
7	Kampot	92	656	754	331	321	270	2,312
8	Kandal	147	1,604	1,570	501	874	694	5,243
9	Koh Kong	29	492	400	189	215	157	1,453
10	Kratie	46	659	697	298	334	190	2,178
11	Mondul Kiri	21	314	227	88	99	71	799
12	Phnom Penh	76	257	1,026	366	881	506	3,036
13	Preah Vihear	49	656	591	201	239	191	1,878
14	Prey Veng	116	1,761	2,761	351	664	646	6,163
15	Pursat	49	1,058	845	460	519	390	3,272
16	Ratanak Kiri	49	745	889	262	269	300	2,465
17	Siem Reap	100	1,053	1,016	401	493	392	3,355
18	Sihanoukville	22	410	467	233	265	180	1,555
19	Stung Treng	34	489	631	202	218	219	1,759
20	Svay Rieng	80	978	1,332	326	465	519	3,620
21	Takeo	100	999	776	286	342	306	2,709
22	Otdar Meanchey	24	495	455	116	168	144	1,378
23	Kep	5	101	100	48	44	40	333
24	Pailin	8	141	138	31	64	49	423
<b>2010 TOTAL</b>		<b>1,621</b>	<b>19,609</b>	<b>22,526</b>	<b>7,264</b>	<b>10,257</b>	<b>8,590</b>	<b>68,246</b>
2010 Percentage of Total			28%	33%	11%	15%	13%	100%

**Table: Proposed Commune Priority Projects by Sector by Year, 2004-2010**

Year	Economic	Social	NREM	Admin/ Security	Gender	Grand Total
<b>2010</b>	<b>19,609</b>	<b>22,526</b>	<b>7,264</b>	<b>10,257</b>	<b>8,590</b>	<b>68,246</b>
2009	19,743	20,935	7,000	9,646	8,039	65,363
2008	18,357	19,275	6,649	8,903	7,170	60,354
2007	20,003	19,326	6,822	9,071	6,839	62,061
2006	15,874	13,606	5,383	6,568	5,803	47,234
2005	16,754	14,008	5,608	7,126	5,791	49,287
2004	15,923	13,696	5,086	7,025	5,486	47,216

## 10. PSDD FUNDED OR FACILITATED STUDIES, REPORTS AND MANUALS



As noted in all PSDD's AWPB, irregardless of the source of consultancy funds PST officials and PSDD advisors spent considerable time preparing ToRs; managing or participating in procurement processes; briefing consultants; arranging and facilitating field visits and stakeholder meetings; and providing comments and input on draft and final reports.

Progress against the 2007 to 2010 Consultancy Plan is shown in the table below. The table lists 71 select studies, manuals and reports supported or issued by the PSDD during its period of operation. The list is order by functional categories of systems design (17), accountability (14), monitoring and evaluation (26) and 13 documents related to the National Program and its first three-year Implementation Plan (IP3). The list does not include PSDD's Annual Reports, AWPBs, Semi-Annual Reports and other interim in-house documents such as Annual Provincial reports generated by the Project over the 2007 to 2010 period.

As such, the outputs contained in the recommendations of these reports, studies and other documents gave added strength to the implementation of D&D reforms over the PSDD period. For example

<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
<b>SYSTEMS DEVELOPMENT</b>	<b>DESCRIPTION</b>	<b>FUND SOURCE</b>
Process Audit: C/S Planning System	The Process Audit reviewed the implementation of the C/S Fund planning process. It was successfully completed in April 2010.	World Bank
Process Audit: C/S Project Implementation	This quantitative assessment of the process for implementing C/S Fund projects in order to identify the most important factors in projects succeeding or failing to achieve their objectives.	World Bank
Joint Audit of Accounts	A two year contract with Grant Thornton was signed and the joint audit of accounts under the WB/ RILG, MDLF/NRM, PSDD, UNICEF and IFAD/RPRP projects was completed. In 2010, UNDP decided to conduct its own independent audit for the PSDD.	Various UNDP
Technical Audit	This forward looking study measured the effectiveness of revised procedures, processes, templates and tools related to infrastructure design and implementation. It concluded that most of the technical designs had improved compared to 2005.	World Bank
Technical Support Options	Pilots to replace the governmental Technical Support Officers with private sector Technical Services Consultants were designed in 2009-2010 and implemented in 2010 (and first quarter of 2011) in 4 Provinces that showed promising results.	World Bank
Safeguards Monitoring Support	In each of the three Safeguard Regions, an NGO was recruited to support the Regional Safeguard Advisor and to develop the capacity of Communes and Provincial Officials in Safeguard screening and monitoring in 2009. At the end of their assignment, the NGOs submitted a Final Report. In 2010, the same process was repeated in four other regions.	World Bank
Technical Manual Revision	The review and update of the Technical Manual and Templates that were developed under Seila Program to support the quality design and technical monitoring of small C/S Fund infrastructure projects was completed with piloting conducted in 2009.	World Bank

PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS		
Project Generator	This software was produced with the intention to streamline the designs of C/S Fund infrastructure projects, following improved templates in 2009. In 2010 it was tested in a few Districts and further improved.	World Bank
Revised Study Design and Protocol: Formative Evaluation and Outcome Monitoring Study	This document contained the design and approach used to conduct the Formative Evaluation and Outcome Monitoring Study.	PSDD
Sub-National Planning System and Guidelines.	The UNCDF consultant completed the design and preparation of both a draft sub-decree and detailed guidelines on sub-national planning. The Planning Guidelines were reviewed in NCDD Sub-Committee on Planning and Investment and the Ministry of Planning issued them in 2010.	UNCDF
Development of NCDD 2010 MIS Prototype	A prototype GIS-based NCDD Management Information System (MIS) was completed by the end of 2010. The prototype will serve as a model for a full scale MIS envisioned under the IP3 to incorporate NP/IP3 indicators.	DANIDA
NRM Package Project Menu	This consultancy resulted in the procedures and guidelines for the design, procurement and implementation of NRM Packages of assistance. 17 NRM related information packages were designed for publication and dissemination.	MDLF
<i>Green Book</i> Reviewed and Sustainable Business Plan Developed	The C/S Service NRM Delivery Handbook (Green Book) was issued in 2008 as resource for SNAs. In 2009 a consultancy to create a sustainable business plan that will cover the costs of the revisions and its updates. 3,000 copies of the final edition of the Green Book were published and distributed to national and sub-national levels.	MDLF
Analysis of the Data Management System and Needs for the NP-SNDD	This Report provided the NCDD with a comprehensive overview of the data needs for the National Program for Sub-National Democratic Development, using existing databases supplemented with surveys/other data to measure the outcomes from implementing the National Program.	UNDP
Assessment of the NCDD MIS Prototype and Recommendations for Further Development in Context of the NPDD Data Management Needs	This Report assessed the existing NCDD MIS Prototype and how it could be modified to better meet user needs (through the implementation of user surveys) and recommended that future work on the MIS is conducted as an in-house project.	UNDP

<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
Design and Delivery of Training on NREM&L and Integrated Planning Concepts	A consultancy to development procedures and enhance skills on NREM&L and Integrated Planning Concepts for NREM-TA and NREM-PFT was designed and implemented. A Manual was produced served as a basis for capacity development on NREM&L.	MDLF
<b>ACCOUNTABILITY</b>	<b>DESCRIPTION</b>	<b>FUND SOURCE</b>
Finalization of Environmental and Social Watch lists	The existing watch lists of Safeguards for Communes was updated in 2009 and again in 2010 through consultation with the Ministry of Environment, Fisheries Administration and Forestry Administration.	World Bank
Awareness Raising for Commune Councils and Training for NGOs in Citizen Ratings Reports	Civil Society Support Program (CCSP) was implemented by a Cambodian NGO, raising the awareness of Commune Councils on the benefits of using Citizen Ratings Reports as a feed back mechanism regarding their service provision.	World Bank
Small Contractor Studies	This assignment studied the extent of corruption and collusion practices related to the use of Commune/Sangkat Fund. Its recommendations focused on how to further counteract collusion among contractors. These recommendations were adopted by NCDD.	World Bank
Awareness Raising Campaign for the N/PAWG	The Women Media Centre of Cambodia (WMCC, an NGO) designed a media campaign and drafted an approach to its implementation. The design was implemented by the WMCC that included broadcasting of radio and television spots to raise the public's awareness on the work of the Accountability Working Groups.	World Bank
Awareness Raising of Civil Society and the Media about the NP-SNDD	PACT in cooperation with VBNC designed and implemented an awareness raising campaign for Civil Society (as well as the media) in all 24 Provinces on the NP-SNDD.	World Bank
Annual Work Plan and Budget 2011 for IP3 (IP1)	This assignment was a logical follow up to the M&E / Reporting Framework and was completed in 2010, listing all IP3 activities sequenced for 2011 as outputs, with costs associated with each output.	World Bank

<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
Impact Assessment of the Environmental Campaign	An NGO (Kasssko Th'mey) implemented a second environmental awareness campaign in 2010 and an individual consultant, under this assignment, assessed the impact of this campaign on the awareness and knowledge of citizens and Commune Councillors.	World Bank
Assessment of Commune/Sangkat Funds Accountability Working Groups	This consultancy conducted by members of the Support Group of the National Accountability Working Group under leadership of an international consultant produced a set of recommendations that led to improvements in the functioning of the PAWGs in 2009 – 2010.	World Bank
Land Users' Rights Campaign	Buddhism for Development (NGO) was contracted to conduct a campaign focused on increasing awareness of rights of land users in context of the C/S Fund. The campaign itself was carried out in the second half of the year 2009 in 8 Provinces.	World Bank
Design and Delivery of Training on Complaint Resolution	The consultancy to development procedures and enhance skills on investigation and complaint resolution within the context of the Provincial Accountability Working Groups mechanism produced a Manual for Complaint Resolution.	World Bank
Handbook for and Training in Complaint Investigations; and Assessment of Provincial Accountability Working Group (2010)	Two consultancies were combined and produced (i) an Assessment of Provincial Accountability Working Groups and (ii) a Handbook on Complaint Resolution and Assessment of the Provincial Accountability Working Groups.	World Bank
PIM Revisions	PSDD staff regularly revised the Project Implementation Manual for the C/S Fund. A major revision was conducted in 2009 leading to a new publication. In 2010 amendments were made to improve the management of the C/S Fund projects.	PSDD
2008 Baseline Survey Report on Accountability, Transparency, Responsiveness and Citizens Perceptions	A baseline survey on accountability, transparency, responsiveness and citizen perception was produced in 2008. The output of this survey was used to measure changes in the indicators associated with each governance topic.	PSDD
Report on the 2009 Follow Up to 2008 Baseline Survey on Accountability, Transparency, Responsiveness and Citizens Perceptions	This Report was the follow up conducted one year after the 2008 baseline of the governance indicators was conducted to show appreciable changes in the indicators pointing to better governance at the Commune/Sangkat level.	PSDD

<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
<b>MONITORING AND EVALUTION</b>	<b>DESCRIPTION</b>	<b>FUND SOURCE</b>
Returns on Investment Study, Economic Pre-Appraisal of Projects, Economic Post Evaluation of Projects Manual	Phase 1 and 2 of the design of a simple cost benefit analysis methodology and application to selected PSDD investments was completed and a report issued.	PSDD
Formative Evaluation/ Outcome Monitoring	First round piloting of tools/methodology was completed in Siem Reap. Revisions and preparation for second round of piloting Formative Evaluation and Outcomes in Kratie was completed.	PSDD
Mid-Term Review of RILGP- Additional Finance	The Mid-Term Review of the RILGP started in November 2009 and was completed in January 2010.	World Bank
M&E / Reporting Framework for IP3	This Assignment was one part to create a baseline for M&E of the implementation of the NP-SNDD. The second step, compiling the baseline was cancelled since the EU SPACE program will collect many of the required baseline data in 2011.	World Bank
District/Municipal Data Books and Provincial Data Books.	These data books that, for the first time in Cambodia compiled geographical and socio-economic data for all of the 195 Districts/Municipalities and Khans. As well, separate data books were produced for Provinces. These were disseminated in hard copy to all Districts/Municipalities/Provinces along with their access through the NCDD website.	PSDD
Manual for Provincial "Champions" for M&E Capacity Development	A Manual on how develop the capacity for M&E monitoring at the Provincial level was produced using the "Champions" approached developed by the M&E Unit of the NCDD.	PSDD
M&E Training Program Workshop Manual	An M&E Manual for designing a training program on M&E was issued and disseminated to Provincial M&E staff.	PSDD
Manual on Concepts, Methods, Skills and Attitudes Essential for the M&E Trainer/Facilitator	A training of trainers manual was produced on concepts and skill development for facilitators and trainers as it relates to M&E.	PSDD

<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
Handbook on M&E on Result-Based Management for PRDC ExCom Officers and M&E Advisers.	A Handbook on result-based management for M&E officials in Provinces was produced and disseminated to all ExCom Officers to help guide their work using results based management techniques.	PSDD
Manual on Sub-Contract (Project) Design, Monitoring, Evaluation and Reporting	A Manual as part of the “Champions” trainers program on topics of sub-contract monitoring and reporting was produced disseminated to all Provinces.	PSDD
Manual on Sub-Contract (Project) Design, Monitoring, Evaluation and Reporting	Separate Training Manuals were produced for the M&E focal persons were produced and disseminated to all M&E officers and focal persons.	PSDD
PRDC ExCom Sub Contract Evaluation Guidelines	M&E Unit issued guidelines on the sub-contract monitoring for PRDC M&E officials which were disseminated to all Provinces.	PSDD
Sub-national M&E Needs Assessment Report	The M&E Unit of the NCCDS produce a needs assessment report on capacity development for Provincial M&E focal points.	PSDD
2008 follow up to 2003 Baseline of Socio Economic and Infrastructure: Report on Investments Survey Design	This survey was based on the sample of socio-economic impact of investments made in 2003 as an update on progress in outputs of Commune investments.	PSDD
Yearly Progress Reports: PSDD LFA	This yearly LFA Indicator Report was issued on an annual basis for PSDD donors on progress made toward the Project’s objectives.	PSDD
Poverty and Select CMDGs Maps and Charts 2003-2008 – Preliminary Results of The CDB-Based Research and Analysis Report	This Report was the precursor to the final poverty and CMDGs comparison for the 2003 to 2008 period that led to generating select localized (at all sub-national levels) CMDGs indicators.	PSDD
M&E Champion Coaching Report covering Module 1 and Module 2	The Report documented the coaching capacity development approach used by the M&E “Champions” at the Provincial level.	PSDD
Master Trainer’s Report on M&E Training Module 1 and Module 2	This Report documented the work (and the approach) of the Master Trainer used to develop skills of the M&E “Champions” at the Provincial level.	PSDD
An Analysis of the Commune Development Planning Database Priority Requests and Responses: 2004 to 2008	This was a comprehensive report on the data found in the CDPD on Commune priority requests put forth at the District Integration Workshop (DIW) during 2008. The publication also contained a section on the comparison of 2004 data with 2008 data drawn from CDPD.	PSDD

**PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS**

<p>Poverty and Select CMDGs Maps and Charts 2003-2009 – Preliminary Results of The CDB-Based Research and Analysis Report 2010.</p>	<p>This report documented an innovative measure of how to estimate poverty rates using the CDB that can be applied to all levels of sub-national administration in Cambodia. It is complete with maps/charts, showing the spatial distribution of poverty in the country. Based on the output of this work, the Ministry of Planning adopted this measure for determining C/S Fund allocation in future years.</p>	<p>PSDD</p>
<p>Local Governance Index 2008-2009 Trend and Impact of Commune / Sangkhat Fund on Local Governance: Statistical evidence from NCDs follow-up and baseline surveys on governance indicators and related database analysis.</p>	<p>This publication documented the method used to create a Local Governance Index. As well, it showed how the index could be used to measure the impact of C/S Fund against development outcomes.</p>	<p>PSDD</p>
<p>Impact of Development Processes and Performance of Commune Councils on Development Outcomes Evidence from Formative Evaluation and Outcome Monitoring Study.</p>	<p>This Study reported on the impact of development and performance of Commune Councils through evidence from the Formative Evaluation and Outcome Study.</p>	<p>PSDD</p>
<p>Evaluation of GOV Sub Contract No. 21/AGR/0901-00 Supporting Integrated Agriculture, Takeo Province</p>	<p>This was a case study evaluation of the sub-contract at the Provincial level on the impact of agricultural services in Takeo Province on livelihoods of its residents.</p>	<p>PSDD</p>
<p>National Training Workshop Report on Statistical Evidence-Based Practice for Sub-National Development Planning and Decision Making</p>	<p>In order to develop capacity of the Provincial M&amp;E focal persons and monitoring, this survey documented the impact of decision making on development planning and their outcomes. The report was disseminated to all PMESAs, PST M&amp;E and DoLA M&amp;E Officers.</p>	<p>PSDD</p>
<p>Evaluation of one GOV Sub Contract per Province (24 sub-contracts)</p>	<p>This evaluation measured the impact of project sub-contracts against their outcomes in all Provinces.</p>	<p>PSDD</p>
<p>Final Report on Formative Evaluation and Outcome Monitoring Study</p>	<p>The formative evaluation and outcome monitoring study was conducted in three Provinces. The study's methodology, relating technical support and resource requirements were observed to be unsustainable and as such future replication was not feasible without substantial modifications of the study scope and methods.</p>	<p>PSDD</p>



<b>PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS</b>		
<b>NATIONAL PROGRAM DESIGN</b>	<b>DESCRIPTION</b>	<b>FUND SOURCE</b>
Design of the National Program for Sub-National Democratic Development	PSDD assisted the NCDDS to issue the Terms of Reference for the National Program for Sub-National Democratic Development. Three amendments to the contract were prepared with PSDD's assistance; one to add a consultant on gender mainstreaming, one on a no-cost extension basis and the final amendment to extend the contract to mid-September 2009.	World Bank
Mainstreaming of Gender in the National Program for Sub-National Democratic Development	PSDD assisted the NCDDS to prepare a ToR for a gender mainstreaming consultant. In agreement with DPs the consultancy was incorporated into the National Program design contract using the PSDD prepared ToR.	World Bank
PSDD Gender Mainstreaming Progress Report	The PSDD Gender Mainstreaming Progress Report documented the work of gender mainstreaming at the sub-national level, showing the number and type of capacity development events, the extent of partnerships, and gender networks found in Cambodia. The Report was extensively used as input for incorporating gender mechanisms as part of the NP-SNDD and the IP3.	PSDD
Pathways to Gender Equality and Women's Empowerment in Sub-National Democratic Development	A comprehensive report was produced by a PSDD consultant on mainstreaming gender as part of the IP3. The report documented the different types of mechanisms that could be used to better integrate gender mainstreaming as part of the IP3 reforms at all levels of sub-national administration.	PSDD
Functional Assignment for Small-scale Infrastructure	This study was designed to develop functional assignment clarity regarding the transfer of the most common small-scale infrastructure projects at the Commune and District levels.	World Bank
Gender Mainstreaming Strategy for the IP3	PSDD developed the Terms of Reference for a gender mainstreaming specialist to work with the IP3 team to incorporate gender mainstreaming along with a strategy as part of the IP3 design.	PSDD
Functional Assignment for Small-scale Infrastructure	This study was designed to develop functional assignment clarity regarding	World Bank

PSDD FUNDED OR FACILITATED STUDIES, REPORTS, MANUALS AND PROJECT DOCUMENTS		
	the transfer of the most common small-scale infrastructure projects at the Commune and District levels.	
Review and design of NCDD Incentive Scheme POC for the IP3.	The 2009 PMG incentive scheme was replaced by the Priority Operating Costs in 2010. PSSD worked to design how the POC could be utilized as part of the IP3.	PSDD
Natural Resource Management Policy Options	This study evaluated policy options for natural resource management in Decentralization and Deconcentration (NRM in D&D) for sub-national administrations. The study focused on the forestry and fisheries sectors.	MDLF
Integrated Data Management for the NP-SNDD	This Report documented the data needs for the NP-SNDD using existing databases and made recommendations on how the existing databases could be modified to better monitor the outcomes of implementing the National Program.	UNDP
National Capacity Development Framework for the IP3 as part of the National Program for Sub-National Democratic Development	PSDD advisors working with a NCDD consultant produced the first draft of the National Capacity Development Framework for the IP3. The Framework document was incorporated as part of the IP3 for use in aligning, harmonizing and implementing all capacity development interventions for the IP3.	PSDD
Organizational Development (OD) Manual for Sub-National Administrations.	PSDD/NCDD Advisors formulated the first Organizational Development Manual for Sub-National Administration as called for under sub-program 2 of the IP3. The Manual will guide OD interventions and is complete with templates, handouts and user friendly methods to implement OD.	PSDD
Results Framework and M&E Strategy for the IP3	This IP3 results framework and M&E strategy describes what the IP3 expects to achieve and how achievement will be measured and assessed. It describes results, indicators, and processes used to collect data. It identifies the program logic in terms of five main types of results: (i) citizen level results, which include improvements in welfare, (ii) SNA service delivery results, (iii) improved local governance, (iv) improved internal operations of SNAs, and (v) program implementation results.	World Bank?
2011 AWPB for the IP3 (IP1)	Against all IP3 outputs, the draft 2011 AWPB was produced as a tool for sequencing and costing all outputs/activities identified in the IP3 for its first year of implementation.	EU/World Bank?

## **11. PSDD/NCDDS AUDIT OF ACCOUNTS**

### **Internal Audit**

NCDDS established effective internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are properly authorized and recorded. Finance, Administration and other Manuals were developed to properly guide the implementation of PSDD and other NCDD-supported projects. The installation of internal auditor positions at the National and Sub-National levels indicated the commitment of the top management to ensure that PSDD's operations were carried out in accordance with the relevant agreements and conducted with transparency, fairness and cost efficiency. In line with this, the capability and scope of the internal audit enabled external auditors to refer to internal the audit as resource.

PSDD did not perceive capacity development for the audit procedures as a one-time activity. PSDD created an annual capacity development plan and accompanying set of interventions. These were delivered as changes in NCDD context evolved along with aligning them with the provisions of international accounting standards. Capacity development focused on competencies based on a variety of procedures such as testing cash controls and examining bank deposit slips; performing analytical procedures of conducting direct tests of balances and transactions by tracing details from receipts/invoices to the journal as reflected in the ledger accounts.

### **External Audit**

NCDDS explicitly managed the finances of six projects, including the RILGP, NRML, RULIP, RPRP, SETH KOMA and PSDD. With assistance from PSDD national and international advisors, detailed transitional arrangements were compliant with predefined standards, including transfer of functions and assets, revision of legal agreements and new partnership arrangements for these projects. In general, the external audit should be conducted by an independent auditor in accordance with the terms of reference acceptable to all donors. The grant agreement specified the timeframe for the submission of audited financial statements to donor partners. Broadly, the tasks of the external auditors were to;

- Express an opinion on whether the financial statements present fairly the operations of the project for the period covered by the audit; and
- Report on compliance with project agreements and adequacy of the internal control procedures.

For each year of PSDD's operation, the term of reference for the appointment of the auditors was reviewed by the donor partners prior to the final procurement. In 2006 and 2007, the donor partners of NCDD projects such as UNDP, World Bank, UNICEF and IFAD initially agreed to procure a single contract for the audit of their respective project accounts within the framework set out in AWPB. KPMG was the auditing firm engaged to carry out the joint audit of the PSDD, World Bank/RILG, IFAD/RPRP, Danida CCB-NREM and UNICEF/Seth Koma projects from 2006 to 2007.

This procurement process turned out to be less than ideal due the time element for the formal approval from all partners. KPMG was able to commence the audit of 2006 accounts in August 2007 with completion by November 2007. Responses from 24 Provinces to management letters resulted in further delay. The final audit report for 2006 was only submitted by KPMG in December 2007 and immediately distributed to the relevant

development partners. Despite these delays, the quality of conducting a joint had reduced transaction costs. This auditing modality was clearly accepted and incorporated into the new National Program design as part of aid effectiveness measures.

In 2007, another joint audit was conducted with completion of the audit in October 2008. The audit findings were disseminated to concerned stakeholders, especially at the sub national level to reduce, if not to eliminate, any deficiencies in the future audits. Audit findings were used to refine the NCDDS systems and procedures.

In 2008 and 2009, the joint audit of project accounts was done by Grant Thornton with one exception. In 2009, PSDD that was audited by the PriceWaterhouseCoopers engaged directly by UNDP. The procurement of the Auditor for the 2010 Joint Audit as of the end of 2010 was still in progress.

Each year, the final audit report was sent to all participating donors. As well, during the field audit in each province, a wrap up meeting was held with ExCom staff at the conclusion of each audit. Similarly, at the national level, presentation of audit findings was openly discussed with the management and agreed actions were taken on any deficiencies reported by the external auditor.

The audit report contained clear written expressions of the opinion on the reliability of the financial statements. Over the years, the reports were submitted by the auditors to NCDD and to relevant donors. A management letter on the financial statements for each project was prepared in addition to the audit report, itself. This letter identified any weaknesses in the internal control systems of NCDD or project that have been found during the audit along with recommendations on how to address the weaknesses.

A few months after submission of the final audit report in May 2010, NCDDS Finance Unit put in place follow up mechanisms, through which the issues and recommendations of the auditors as outlined in the Management Letter. These were reviewed with the Excom staff and other relevant stakeholders. In a timely manner, the Finance Unit ensured that all identified weaknesses were appropriately addressed. This work was conducted with support from PSDD's International Financial Management Advisor who has responsibility to ensure that the issues and recommendations as articulated in the Management Letter were given appropriate attention by staff and management alike.

With the lessons learned in the audit process and their findings, NCDDS National Finance Unit conducted internal checks as pre-audit tests to assist the sub-nationals in preparation for the next external audit. This will have significant impact in the smooth implementation of the next audit. The finance units at the national and sub national levels were also advised to do the following for efficient and effective financial management.

- Check and verify supporting documents prior to disbursement to ensure that donor funds are being used in accordance with grant agreements and only for the purposes of the project;
- Examine procurement documents for goods and services to ensure that they are being procured in accordance with the relevant procurement guidelines and government regulations;
- Financial management staff carry out regular reviews and monitor financial management and procurement functions to ensure compliance with the relevant policies, procedures and practices and appropriateness of system for the project;

- Undertake random visits to Provinces and assess the adherence of the established procedures at all levels;
- Ensure that there is proper control and safeguarding of cash and portable assets; and
- Review fixed assets procured, including verification through physical checks of inventory and ascertain whether the vehicles and other equipment are appropriately identified as being funded by respective donors.

UNDP/PSDD relies on NCDDS resource management systems and procedures. Adjustment in the systems and procedures was done on an on-going basis to accommodate compliance to the current project contexts and new regulations. Resource allocation was done at the national level through equitable balance across sub-national administrations, ministries and program support. At the sub-national level, resources allocated to Provinces were managed through the PRDC ExCom, who prepared and executed the provincial AWPB according to NCDD guidelines and procedures and C/S Fund regulations. Additionally, NCDD Secretariat conducted oversight for overall budget execution and expenditure management/ control.

PSDD funds were channeled to NCDDS account for transfer to national and sub-national implementing agencies. Resource use management was based on activity and output based contracts executed at a number of levels, e.g. between NCDD and ministries/PRDCs, between PRDCs and provincial line departments, etc. Expenditure accountability was based on these contracts, which were managed by the appropriate contracting entity and monitored by the PST on behalf of NCDD. Internal and external audit contributed to the sustainable management of resources as well as in maintaining accountability and transparency at all levels.

## **12. PSDD's SUPPORT TO NCDDS MONITORING AND EVALUATION (M&E) UNIT**

### **PSDD M&E framework finalized, baselines established and reporting on the joint monitoring indicators implemented**

PSDD started out with a provisional LogFrame, pending its finalization and staffing of the International M&E Advisor position. In the second half of 2007, the position was procured and consultations were carried out with PSDD donors, D&D TWG, NCDD and its stakeholders. This resulted in the approved PSDD's LogFrame that contained a set of joint monitoring indicators. Data collection systems and baseline values of the LogFrame indicators were established in 2008. Baseline and follow up surveys were designed and implemented during 2008-2009 period for tracking progress, reflecting indicators on accountability, transparency, voice and participation and citizens' perceptions of governance. Survey findings were disseminated nationally in 2008 and 2010. Progress with PSDD M&E LogFrame and the joint indicators was duly documented and routinely reported as part of PSDD's semi-annual performance review and in all PSDD annual progress reports.

### **Cambodian owned M&E structures, mechanisms, M&E research and related capacity strengthened and supported**

In the first half of 2007, the newly established NCDD PST M&E Unit was deemed as having low level of capacity to conduct M&E on a scale required by the NCDDS. Without clear ownership, direction, technical assistance, the M&E Unit experienced early start up costs for the Unit as a whole. In the second half of 2007, M&E Unit's mandate, strategy and its role and responsibilities were re-defined based on the output of an M&E needs assessment

exercise. At the same time, job descriptions were revised and vacant positions were procured. Since the start and leading up to the end of 2010, PST M&E Unit acquired a relatively high degree of ownership and capacity to deliver on its mandate. Thus equipped, it planned, delivered, documented and accounted for the following major M&E activities and outputs:

- PSDD LogFrame and joint monitoring indicators (2007-2010) issued and used as input to guide the direction of the Project/NCDD.
- National Program for Sub-National Democratic Development supported by way of an M&E Advisory group (2007-2010) consisting of NCDDS, DoLA, donors and relevant stakeholders.

The M&E Advisory Group was established and maintained as the principal mechanism for NCDD Secretariat to bring together its development partners and key stakeholders as input to M&E for the National Program that guided M&E strategic issues and the need for consultations to gain consensus on outputs of the Program. Accordingly, the M&E Advisory Group was involved in the process leading to the PSDD LogFrame indicators finalization; to the drafting and reviewing of the M&E components of the NP-SNDD and contributing to the M&E, results and reporting frame of the National Program's first three year Implementation Plan.

- PRDC ExCom and Provincial Line Department M&E capacity was measurably strengthened through the sub-national "M&E Champions" project (2008-2010)

The 2007 sub-national M&E needs assessment identified the priority needs for upgrading M&E knowledge, skills and competencies of the PRDC ExCom M&E Officers and of the line department M&E Focal Points. The M&E Unit responded by first establishing a sub-national M&E capacity development interventions, comprising two M&E Champion Trainers per province (21% of which were female) and then by designing and delivering customized M&E competency improvement capacity development to all 48 PRDC ExCom M&E Officers (474) line department M&E Focal Points. M&E Unit designed four training modules and delivered them through a ToT. The modules consisted of 1) Essential Management and Professional Skills Development, 2) Sub-Contract (Project) Design, 3), Monitoring, Evaluation and Reporting, and 4) Sub Contract Evaluation. Also, as part of the capacity development process, a functional analysis of the ExCom M&E Officer positions was undertaken.

The M&E Unit formulated a range of customized M&E training materials, manuals and tools. These were implemented with the capacity development approach of training that resulted in relatively good responses from the trainees. 80% of the participants rated the training on sub- contract design, monitoring and reporting as "most useful" and 93% of the participants to the sub-contract evaluation training responded that they could do the sub contract evaluation by themselves at the end of the training session. By the end of 2010, a systematic evaluation of one sub-contract per province was underway. The sub-national Champions project yielded enhanced capacity of M&E. The Champions had provided a total of 43 "non-M&E" training events to their own agency officials, other agencies, NGOs and other projects in 21 Provinces.

- PRDC ExCom and Line Department M&E supported through PMESA (2008-2010).

To assist the PMESA with M&E at PRDC ExCom and line department levels, M&E Unit designed and delivered following training events for the PMESAs: Refresher on M&E Principles and Essentials in 2008; Results Based Management, M&E and Reporting in 2009 and Application of Descriptive Statistical Analysis Using PASW Statistics 18.0 in 2010.

Through the above interventions, there were measurable improvements in M&E human resource and institutional capacities at PRDC ExCom and at provincial line departments. Consequently, improvements in sub-contract planning, monitoring, progress reporting and in sub-contract evaluations were detected.

- M&E Unit created an M&E Task Force to review and revise tools, templates and procedures used at sub-national level for M&E needs (2008).

A cross-section of sub-national M&E practitioners and users were assembled to review all former Seila M&E tools, templates and reporting formats to align with the NCDD and PSDD management needs. The Task Force review and recommendations were then presented to the NCDDS and disseminated to the sub-national level.

**Pro-poor policy, planning, and investment-support studies, research and analysis conducted and disseminated.**

In regard to PSDD's Objectives, the M&E Unit carried out the following:

- The M&E Unit designed and carried out poverty analysis and produced yearly poverty estimates for level of sub-national administration covering the 2004 – 2009 periods. These data were used by the Ministry of Planning in the C/S Fund allocation and contained in the District Data Books of distributed to all 185 Districts/Municipalities. The M&E Unit produced "Poverty and Select CMDGs Maps and Charts 2003-2008" in 2009 and updated this publication in 2010 in both Khmer and English languages. This was used by the joint Ministry of Planning and UNDP project on localizing the CMDGs. This was used by the joint Ministry of Planning and UNDP project on localizing the CMDGs. The poverty scores for all sub-national administrations were based on a regression model using data from the Commune Database and IDPoor.
- To assist with improved sub-national planning, the M&E Unit produced and disseminated "An Analysis of the Commune Development Planning Database – Priority Requests and Responses: 2004-2008" in 2010. This was the first analysis of the CDPD data conducted since 2004, yielding a comprehensive look at the interaction of Commune priority requests and suppliers of funds to meet the investment needs of Communes/Sangkats over the 2004 to 2008 period.
- As part of broader policy and institutional support under PSDD Component 3, the M&E Unit supported UNDP Cambodia's National Human Development Report with the analysis of Cambodia Human Development Index and with the methodology for projecting climate change impact scenarios.

### **D&D performance and outcomes monitored, analyzed and disseminated.**

To track the progress of PSDD's LogFrame indicators on accountability, transparency and responsiveness, the M&E Unit with PSDD's assistance implemented a citizen perception survey in five sample Provinces. The results of the survey yielded the following:

- Only 9% of the survey respondents used the Accountability Complaint Box, partially due to the lack of understanding of the term "accountability" as it is difficult to translate into Khmer language;
- There were very few complaints about the work of Commune Councils and about the allocation of C/S Fund projects;
- Commune Council transparency is improving;
- Half of citizens within a Commune participate in meetings where the Commune Council reported on development projects; and
- One third of citizens participate (based on a sample of survey respondents) in Civil Society Organizations activities and exhibited an improved perception that local administrations address priority needs of citizens.

These findings were used to report progress against relevant PSDD LogFrame indicators and to inform key NCDD policy makers. The survey findings were disseminated nationally in 2008 where as the meta analysis of the survey findings that were disseminated in 2010.

- Outcome monitoring and analysis of results attributable to sub-national investments.

The M&E Unit carried out a follow up survey on Commune Council Infrastructure Investments in four Provinces covering four types of investments and citizens' perceptions of these investments. Some of the key findings of this survey were:

- The average length of road from a village linking it to the Commune Centre has increased from 2006;
- Village roads in general have improved in terms of their foundation and longevity;
- Road utilization by motorcycle, bicycle and oxcart has increased; and
- Access to clean water has improved as well as access to markets, schools and health centers have improved.

The M&E Unit issued the survey report together with its key findings that were disseminated nation-wide in 2008.

- The Return on Investment Study.

To better develop PSDD M&E tools, the M&E Unit facilitated the Return on Investment Study in two phases. The study methodology and tools were piloted in four Provinces with related capacity development. A sample of 32 investment projects was studied as to their socio economic benefits and results. However, the methodology and the tools were found to be too technical and complex for adoption and implementation by the PRDC ExComs. The key findings of the Study were that investments in rice agriculture, farmer capacity to produce vegetables, community fisheries and handicrafts are relatively successful when compared with investments in compost making and animal banks. The findings were documented and disseminated by the NCDs for future refinement of the methodology.



- Formative evaluation and outcome monitoring study and analysis.

The M&E Unit managed the implementation of this PSDD formulated Formative Evaluation and Outcome Monitoring Study in three Provinces over a 22 month period. In the 12 study Communes, improvements to the Commune planning and management processes were carried out based on a self-assessment, citizens' feedback and process learning. However, the tool, by its nature, required intensive technical inputs, resources and sustained local ownership and commitment. As such, this tool was found to be non-sustainable and non-replicable in the sample Provinces. The study findings were documented and were nationally disseminated in 2010 by the NCDDDS.

- Further research and analysis of outcomes and impact attributable to D&D policy, program and investments:

Based on available databases and surveys, the M&E Unit conducted a series of analysis and issued summary reports based on these analyses.

- Statistical Evidence of Development Outcomes from NCDD Formative Evaluation and Outcome Monitoring Study 2008-2009.

Household survey data from the Formative Evaluation and Outcome Monitoring Study was used to measure influence of the Commune Council processes and Commune performance on development outcomes as perceived by the citizens. Key findings are of these analyses were that there was higher awareness of the Commune Council roles and responsibilities. The findings showed that these are influenced by:

- Commune Council's clerk education level;
  - Council Chief's experience and Commune residents literacy rate;
  - Increased perception of Council transparency was positively correlated to Council clerk's education and experience, Council expenditures, Council adherence to the planning and M&E guidelines;
  - Council information sharing is influenced positively by the degree of adherence to the "transparency, accountability and grievances" criteria; and
  - Citizen perceptions of "priority needs are being addressed" was correlated with the Council expenditure levels.
- Local Governance Index, 2008-2009 Trends and the Impact of Commune/Sangkat Fund on Local Governance.

The NCDDDS M&E Unit assisted by the PSDD, created Local Governance Index using available data and NCDDDS managed databases. This was done by using baseline and follow up perception survey data on accountability, responsiveness and citizens' perceptions together with Commune Database, Commune Development and Planning Database and NCD Database. The Local Governance Index (LGI) was constructed and applied as a measure of trends and impact of the C/S Fund on local governance. The key findings of this work were that the LGI rose in 2009 from 2008 baseline by 11%; The C/S Fund investments influenced the LGI movement positively. In other words, a 10% increase in C/S Funds in any Commune will translate into 0.93% rise in the LGI per year.

Below is the PSDD's LogFrame along with their description, method of data collection and outcomes by year.

**[Mairs to insert text on tables below? ]**

Project Narrative	Progress Indicator	Baseline 2007	Progress Reporting (Month, Year)			Information Source / Notes
			December 2008	November 2009	October 2010	
Goal: Poor people benefit from functioning sub-national institutions in Cambodia	<b>Rural incomes (in terms of consumption expenditures)</b>					
	Year-on-year decline in number of rural people with incomes below the "National Poverty Level"	34.7% below national poverty line in (2005)	28% people in rural households (2008)	27.4% households (2009)	25.8% (2010)	Baseline: Report from Cambodia MDG tracking biannual, 2007 Progress: 2008 Follow Up to 2003 Socio Economic Baseline Survey, NCDD/PST 2009-2010 Progress: CDB-based poverty estimation model, NCDD PST M&E Unit.
	<b>Infrastructure built (World Bank Rural Investment for Local Governance Project indicator)</b>					
	Year-on-year increase in settlements (>100 people) reached by rural roads	16.2% of additional settlements reach by new investment in rural roads in 2006 (2006).	17% of additional settlements reached by new investments in rural roads (2007).	16% of additional settlements reached by new investments in rural roads (2008).	16% (2009)	Baseline: Commune Development Planning Database (MoP) and Project Information Database (NCDD).
	<b>Better service provision (UNICEF Seth Koma Program Indicators)</b>					
	Year-on-year % increase in children under one year of age are immunized against seven vaccine-preventable diseases	59.9% (2005)	82% (2007) 90% (2008)	90% (2009 estimate)		Baseline: Cambodia Demographic and Health Survey 2007: Health Information Survey, Ministry of Health. 2008: 2008 Follow Up to the 2003 Socio-Economic Baseline Survey, NCDD/PST 2009: Estimate based on DPH-MOH EPI data to June.
	Year-on-year % increase in children aged six to eleven years enrolled in primary school	87.8% (2006)	87.8% (2007)	88.5% (2008)	89% (2009)	Source: The Commune Database, MoP and NCDD/PST
	Year-on-year % increase in increase in rural households with access to safe drinking water	38.2% (2003)	47.6% (2008)	49.4% (2008)	50.3% (2009)	Baseline: 2003 Socio-Economic Baseline Survey. 2008: Follow Up to the 2003 Socio Economic Baseline Survey, NCDD/PST Source: The CDB (2008/2009), MoP and NCDD/PST
	<b>More secure access to productive natural resources for rural poor (Danida/DFID Multi-Donor Livelihoods Facility)</b>					
	200,000 ha of additional community access and use rights secured to land, forest and aquatic resources by 2009	Not available	Not available.	Not available	Not available	Note: Data specific to the indicator and its collection via Danida/DFID Multi-Donor Livelihoods Facility is not available.
<b>Distributional fairness (NSDP indicator)</b>						
Year-on-year cumulative % of investment funds allocated to "citizens in poor villages" >= % of "citizens living in poor villages" <sup>6</sup>	26.4% allocated to poor villages (2006)	21% allocated to poor villages (2007)	23% allocated to poor villages (2008)	20% allocated to poor villages (2009)	The Commune Database and the Project Information Database 2009 Progress: CDB-based poverty estimation model, NCDD PST M&E Unit, 2009 and 2010.	

<sup>6</sup> The "poor village" is identified by using CDB indicators that are statistically significant determinants of consumption expenditure as used in Cambodia Socio-Economic Survey 2003/2004 and using the poverty estimation model developed by the NCDD PST M&E Unit in 2009. The total amount invested is taken from the NCDD Project Information Database.

Project Narrative	Progress Indicators	Baseline 2007	Progress Reporting (Month, Year)			Information Source / Notes
			December 2008	November 2009	Oct 2010	
<b>Purpose:</b> State and social institutions reconstructed at the sub-national level so as to engage with and empower poor and excluded citizens	<b>Increased accountability (voice and oversight):</b>					
	Year on year % increase in active accountability mechanisms in place in Commune/Sangkat Councils and Provincial Rural Development Committees.	16 out of 24 Provincial Accountability Working Groups Active (2006)] <sup>7</sup>	7 active AWGs (2007)	6 active AWGs (January-September 2009)	24 active AWGs (Jan-Aug 2010)	Definition: "Active"= Provinces with minimum of 3-5 meetings of the AWG in previous 12 month period.  Source: National AWG Desk, DoLA, Mol.  Note: In 2009, "active" province status requirement is changed to minimum of 6 meetings.
	Year on year increase in % of public complaints resolved through investigation	860 complaints received and 35 resolved (4.1%) (2006).	235 complaints made 27 complaints resolved (11.4%) (2007)	255 complaints made (Jan-Sept 09) 25 complaints resolved (Jan-Sept 09)	625 complaints made (Jan-Aug 2010); 109 resolved (Jan-Aug 2010)	
	Year on year increase in attendance at Commune/Sangkat-related meetings <sup>8</sup>	a) 46% of the respondents (n=787) (2008 revised)	N/A	a) 42% respondents (n=787) (2009)		a) Baseline Perception Survey on <i>Select Outcome Dimensions of the NCDD/PSDD Program</i> , 2008 and 2009 follow up survey. b) Commune Council records. c) NCDD PST M&E Unit Survey on Commune /Sangkat meeting attendance.
	<b>Increased responsiveness</b>					
Year on year increase in % of citizens in target Communes who feel that local government is addressing their priority concerns disaggregated by income, gender, age <sup>9</sup>	62% of the respondents (n=787) agree to some degree that their Commune Council is responsive to their priority needs (2008 rev)		85% of the respondents (n=787) agree to some degree that their Commune Council is responsive to their priority needs (2009)		Table 3, Baseline survey on <i>Responsiveness of the CS Development Plan and Investment Program to the Commune Socio-Economic Development Needs – A Study</i> , NCDD/PSDD, 2008. Table 3, Follow Up Survey on <i>Responsiveness of the CS Development Plan and Investment Program to the Commune Socio-Economic Development Needs – A Study</i> , NCDD/PSDD, 2009.	
Year on year increase in % of identified Commune priorities that are: agreed (=Temporary Agreements); contracted; and completed	29,643 temporary agreements, 23,336 (78%) projects implemented (2006)	29,643 temporary agreements; 19,245 (65%) implemented (2007)	38,924 temporary agreements; 19,782 (51%) implemented (2008)	43,462 temporary agreements; 10,390 (24%) implemented (2009)	Source: NCDD Commune Development and Planning Database. Note: CS Fund contracts are not included in figures and not captured in CDPD but in PID.	

<sup>7</sup> A better indicator capturing improvements in accountability may be added following the formative evaluation study in 2009.

<sup>8</sup> In addition, village meeting attendance records were compiled and analyzed for all provinces (see Annex-1). Operational definition used: **village meeting** as per step 1.2 (before 2006, Step 2) of the Commune Investment Planning process requirement. Information collected on a) the number of meetings held by the year and b) the number of people participated the village meeting in the CIP Process. Summary findings are presented in Annex-1. Methodological and technical notes are on file with NCDD/PST M&E Unit.

<sup>9</sup> The data presented here are from the baseline survey 2008 and follow up survey 2009.

Project Narrative	Progress Indicators	Baseline 2007	Progress Reporting (Month, Year)			Information Source / Notes
			December 2008	November 2009	Oct 2010	
Purpose (contd.)	<b>Increased capability of sub-national authorities</b>					
	(a) Governance roles (voice and oversight) <i>See above</i>	<i>See above indicator</i>	<i>See above indicator</i>	<i>See above indicator</i>	<i>See above indicator</i>	
	(b) Service delivery roles: Year-on-year increase in number of Front Line staff managed/paid by Government	1,789 Provincial Rural Development Committee Executive Committee Staff with incentives (2007).	1,820 ExCom staff and 400 sector staff with incentives (2008)	1,824 ExCom staff and 410 sector staff with incentives (2009)	1,882 ExCom staff <b>without</b> incentives (2010)	NCDD/PSDD AWPBs (2007, 2008, 2009 and 2010) and records.
<b>Social cohesion, identity and “security” promoted</b>						
Year-on-year increase in expectations of elected leaders and civil servants.	<p>Expectations of the CC:</p> <p>1) To address top two village/ Commune needs: roads renovation (63%) and social security (32%). (2008)</p> <p>2) CC transparency, top two issues: - public disclosure of all Commune projects (32%) and - Provide opportunity for citizens to express ideas (24%). (2008)</p> <p>3) C/S Fund accountability: - Want CCs to use the Fund reasonably (42%). (2008) - CCs to use funds in the right direction (25%). (2008)</p>		<p>Expectations of the CC (2009):</p> <p>1) To address top two village/ Commune needs: roads renovation (60%), bridges, and culverts (36%). (2009)</p> <p>2) CC transparency, top two issues: - Provide opportunity for citizens to express their ideas (34%). (2009) - Public disclosure of all Commune projects (28%) (2009) and</p> <p>3) C/S Fund accountability: - CCs to deliver with high quality and responsibility (20%). (2009) Want CCs to use the Fund as per the plan and reasonably (13%). (2009)</p>		<p>768 villagers in 25 Communes across five study Provinces were asked about their expectations of the CC with respect to:</p> <p>1) Top five village/Commune needs to address; 2) CC transparency and 3) accountability. Baseline Perception Survey on <i>Select Outcome Dimensions of the NCDD/PSDD Program, 2008</i> and Follow Up survey in 2009</p>	

PSDD Outputs	Progress Indicators	Baseline 2007	Progress Reporting (Month, Year)			Information Source / Notes
			<i>December 2008</i>	<i>November 2009</i>	<i>Oct 2010</i>	
Output #1:	National level					

1. Cambodian-owned sub-national structure agreed and in place, that promote voice, responsiveness, delivery capability and accountability.	Preparations for the National Program supported by multi-donor arrangements through Technical Working Group in place by April '09	Preparations in progress (2007)	Design and formulation in progress (2008)	Formulation completed. Draft National Program (2011-2020) is awaiting RGC acceptance.	NP-SNDD Approved by RGC in May 2010.  3 Yr Implementation Plan (IP3) drafted and finalized.	NCDD Secretariat and its PST records.
	<b>Provincial/District/Commune</b>					
	Organic Law on decentralization and deconcentration enacted (by end 2008).	Preparations in progress (2007).	Signed into Law by the King on 28 May, 2008.	Implementation underway. Elected Provincial, Municipal and District Councils are in place (2009).	Recruitment/ staff transfer to unified administration started.	1) RGC Gazette. 2) Sub-Decrees
<b>Output #2:</b>  Planning, finance, implementation and monitoring systems in place and integrated into new national structures and systems	<b>1. Planning processes</b>					
	Revised Commune planning process in place by Dec '07	Revised (2007)	Implemented (2008)	Implemented (2009)	Revised Planning Guideline in place.	NCDD/PST records.
	<b>2. Funding processes</b>					
	Compliance/audit arrangements in place (by Feb '07)	Joint Audit of 2007 accounts including C/S Fund undertaken	Joint Audit of 2008 accounts including C/S Fund undertaken	Joint Audit of 2009 accounts including C/S Fund planned for February 2010	Joint audit implemented.	- RILG project and NCDD/PST records. - Audit compliance progress records.
	<b>3. M&amp;E systems in place</b>					
	M&E program agreed by Dec '07	2008 M&E program developed (2007)	2008 M&E program implementation in progress and as planned (2008).	2009 M&E program implementation in progress and as planned (2009).	2010 M&E program implementation as planned.	PSDD Semester and Annual progress reports covering 2008, 2009 and 2010.
	Effective Management information system in place by Dec '08	In progress (2007)	Phase II in progress (2008)	Phase II completed. MIS Review and alignment undertaken (2009)	MIS and Databases reviewed and 2010 NCDD MIS completed	NCDD/PST records.
Formative evaluation program in place and methodology tested (x3 studies by Dec '08)	Designed (2007)	Formative evaluation in progress (2008)	Formative evaluation in progress (2009)	Formative evaluation completed (2010)		

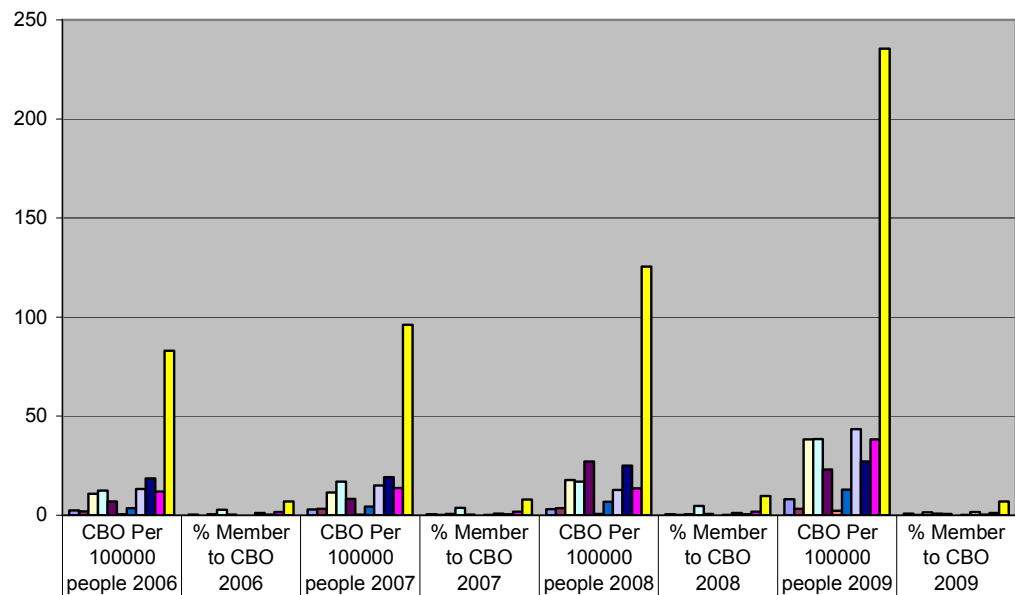
PSDD Outputs	Progress Indicators	Baseline 2007	Progress (Month, Year)			Information Source / Notes
			December 2008	November 2009	Oct 2010	
<b>Output #2: (contd.)</b>	<b>3. M&amp;E systems in place</b>					
	Outcome monitoring system established by Feb '08	Designed (2007)	Outcome monitoring study in progress (2008)	Outcome monitoring study in progress (2009)	Outcome monitoring study completed (2010)	PSDD records on file.
	Perception surveys (x10) completed by Dec '08	Designed three perception surveys (2007)	Baseline surveys completed on accountability, responsiveness and on citizens' perceptions (2008)	Follow up surveys completed on accountability, responsiveness and on citizens' perceptions (2009)	Survey findings disseminated nationally.	
	Impact evaluation studies (x 6) completed by Dec '08	Two surveys designed (2007)	Completed Follow Up to 2003 baseline (2008) The Return on Investment/ Cost Benefit Analysis in progress (2008).	Completed the Return on Investment/ Cost Benefit Analysis (2009).	Findings reviewed by NCDD management for possible replication.	
<b>Output #3:</b>  Investment funds delivered through mechanisms that promote accountability (i.e. on-budget) and which enables debate (i.e. largely discretionary in nature to allow choice)	<b>Promoting accountability</b>					
	Declining year on year percent of sub-national investments through off-budget mechanisms (outside government system)	US\$ 9.4 million or 16% of \$ 59 million NCDD AWPB outside govt. systems (2007)	US\$ 15.9 million or 20% of \$ 77.9 million NCDD AWPB outside govt. systems (2008)	US\$ 13.6 million or 17% of \$ 82.5 million NCDD AWPB (2009)	US 12.3 million or 13% of \$ 92.3 million NCDD AWPB (2010)	NCDD/PSDD AWPBs (2007-2010)
	<b>Promoting political discourse (discretionary funds)</b>					
Increasing year on year proportion of total Commune funds available in discretionary form using the government system	US\$ 24.8 million or 89% of total Commune funds discretionary and using government system (2007)	US\$ 25.9 million or 69% (2008) of total Commune funds discretionary and using government systems	US\$31.2 million or 72% (2009) of total Commune funds discretionary and using government systems	US \$ 41.2 million or 87% (2010) of total Commune fund discretionary and using government systems	Seila PLG and NCDD/PSDD AWPBs: 2007, 2008, 2009 and 2010.	



PSDD Outputs	Progress Indicators	Baseline 2007	Progress (Month, Year)			Information Source / Notes
			December 2008	November 2009	Oct 2010	
<b>Output #4:</b>	<b>Programme based approach</b>					
Aid effectiveness mechanisms in place	Partnership principles/code of practice agreed by June '08	Assigned to DP's to develop (2008)	Task reassigned to National Program design team	In progress	Considerable progress was made.	Records of TWG, D&D.
	Basket fund with MEF in place with >50% of donor funds by April '09 (to support the National Program)	No progress (2008)	Incorporated into National Program design TOR	Consultations with the DPs on-going	Consultations in final stage with provisional agreements.	Records on new NP-SNDD formulation and related consultations and of NCDD-DPs consultations during 2009-2010.
	<b>Effective TWG<sup>10</sup></b>					
	Joint audit completed by mid 2008	Joint Audit of 2007 accounts including C/S Fund completed Oct 2007	Joint Audit of 2008 accounts including C/S Fund completed Oct 2008	Joint Audit of 2009 accounts including C/S Fund planned for February 2010 and completed June 2010	Joint audit completed.	D&D TWG records and reports.
	Agreed action plan by Dec. 2007	In progress (2007)	Action Plan formulated	Action plan formulated	Negotiations underway	
	Regular meetings of TWG with attendance by both Functional Ministries and by service delivery ministries	1 meeting held	3 meetings held	4 meetings held (2009)	4 meetings to September, 2010	

<sup>10</sup> D&D TWG to report progress on the following indicators.

### Year on year increase in number and membership of civil society/interest groups, 2006-2009



	CBO Per 100000 people 2006	% Member to CBO 2006	CBO Per 100000 people 2007	% Member to CBO 2007	CBO Per 100000 people 2008	% Member to CBO 2008	CBO Per 100000 people 2009	% Member to CBO 2009
A) NRM and Environmental Conservation	2	0.37	3	0.41	3	0.39	8.12	0.73
B) Citizens' Rights and Entitlements	2	0.04	3	0.09	3	0.11	3.22	0.08
C) Health, water, sanitation, education	11	0.42	11	0.53	18	0.44	38.28	1.37
D) Users' and maintenance groups/associations	12	2.67	17	3.63	17	4.64	38.39	0.78
E) Growers'/ producers'/ agricultural groups / associations	7	0.24	8	0.38	27	0.62	22.88	0.68
F) Culture, sports and recreational groups	0	0.03	0	0.03	1	0.04	2.11	0.03
G) Community safety and security	4	0.06	4	0.09	7	0.13	12.97	0.21
H) Self Help Group (active in the Commune)	13	1.09	15	0.74	13	1.13	43.40	1.51
I) Committees (composed of citizens only on projects, initiatives, issues)	19	0.35	19	0.38	25	0.44	27.12	0.30
J) Any other groups/associations that fit the definition but are not included in the above	12	1.58	14	1.70	14	1.70	38.32	1.11

- A) NRM and Environmental Conservation
- B) Citizens' Rights and Entitlements
- C) Health, water, sanitation, education
- D) Users' and maintenance groups/associations
- E) Growers'/ producers'/ agricultural groups / associations
- F) Culture, sports and recreational groups
- G) Community safety and security
- H) Self Help Group (active in the Commune)
- I) Committees (composed of citizens only on projects, initiatives, issues)
- J) Any other groups/associations that fit the definition but are not included in the above
- Total Year on year increase in number of CBOs

### 13. INFORMATION TECHNOLOGY AND MAINTENANCE OF NCDD DATABASES

The NCDD relied on a variety of databases to track investments, monitor project execution and track internal financial management. Additionally, it has access to the Ministry of Planning's Commune Database that is used to track demographic and socio-economic trends, including estimators of poverty. During the span of the PSDD, its advisors supported these databases in their maintenance, updates, redesign and dissemination.

- **Commune Database (CDB):** This data base records and annually updates a set of socio-economic information collected from all 13,000 villages in the country, maintained in village data books, and aggregated by Commune. Thus, the CDB is only database in the country that contains core information regarding demographic, socio-economic and physical assets of each Commune and village that can be aggregated to higher tiers of sub-national levels. The data is used to generate socio-economic profiles for Communes, District and Provinces. These are used as part of the annual planning exercises along with creating the allocation formula (the poverty index) to determine the level of C/S funds for each Commune/Sangkat. Additionally, the CDB is accessed by a wide range of researchers, evaluators, program/project designers and others. All profiles are publicly accessible through <http://db.ncdd.gov.kh/cdbonline>. With PSDD's assistance, the CDB now includes a sub-national scorecard that can be used to track Cambodia's (7) Millennium Development Goals at the sub-national level.
- **Commune Development Planning Database (CDPD):** This database was created to help Provincial Departments of Planning to prepare District Priorities Activity Matrix (DPAM) for distribution before District Integration Workshop (DIW) that is the market place to fund C/S priority activities identified through a participatory planning exercise. Key challenges in CDPD are to manage thousands of proposed projects and produce summary report known as DPAM tables that record the temporary agreements reached at the DIW between C/S and the donors/line departments/NGOs/IOs. MoP has worked with various stakeholders to initially identify 773 standard project names in 111 project types, 19 sub-sectors, and 5 sectors.
- **Project Information Database (PID):** The PID contains data on the projects that are implemented by the C/S with their C/S Fund allocation. Beginning in 2003 to the present, the database provides detailed information on nearly 14,000 contracts in all 1,621 C/S, containing about 30 fields of information on each project that include outputs, costs, implementation progress, etc. In early 2009, with PSDD's assistance the database was revised to make it compliant with new Project Implementation Manual (PIM) procedures. Additionally, the PID was redesigned from a desktop application as a web-based application, enabling public access to C/S project information at the following location <http://db.ncdd.gov.kh/pid>. The database is invaluable as it is the sole source of data to monitor and track C/S Fund investments in each C/S.
- **National Contracts Database (NCD):** This data base is used by implementing agencies to *design* Provincial and District contracts in a logical manner, recording budgets by activities and outputs, and then used by the ExCom Contract Administration Unit to monitor and report on contract implementation progress with all information entered into the system. The NCD is user-friendly and flexible. For this reason it has been continuously adapted for use by the different donor projects. As of the end of 2010, the NCD was being used by PSDD, DANIDA NRMLP, UNICEF SETH KOMA, IFAD/RPRP, CCJAP, WB/LASED, WB/OWS projects to record information on contract execution.

- **District Information System (DIS):** The DIS contains data on population, infrastructure, land use, physical assets, human resource, income, NGOs/IOs and distribution of councilors at the District/Municipal level. The purpose of this database is to serve as a baseline for District/Municipal administrations and provide input to District/Municipal development planning and investment programs. Data entry was previously done at the national level; in 2010 the function of entering data into the DIS was transferred to the Provincial IT Officer (PITO).
- **National Inventory Database (NID):** The NID is the successor of Seila Program's Inventory Database (SID). PSDD Advisors supported this Internet-based application through improvements through an application that allowed better control over the use of fixed-asset under NCDD from various fund sources. In its final form, the NID can rapidly generate complete inventory reports, namely lists of inventory, inventory purchased by year, and inventory by province. At national level, there is a focal person from NCDD/PST Administration Unit who is responsible for the overall operation of the database. At sub-national level, CAU Focal Person is in charge of managing the data while PFA helps to verify the integrity of data. The NID can be accessed as a web-based application at: <http://db.ncdd.gov.kh/nid>.
- **Provincial/District Data Book:** District Data Books were compiled by NCDDS and PSDD from a wide range of available socio-economic and administrative data bases. The Data books were disseminated in 2009 to all District/Municipality and Provincial Councils. Evidence from the Districts/Municipalities and Provinces indicate that these data books, of which over 16,000 copies were distributed to Councilors, have been closely studied and discussed as means of familiarizing newly elected councilors with their territory and as baseline for the first year of the implementation of the National Program/IP3. The complete set of 193 District/Municipal Data Books was tailor made for each SNA and is available on the NCDD website in English and Khmer languages. The Data Books provide all available data for Districts/Municipalities/Provinces in easily accessible format. In addition to the printed version, they are available in CD-ROM format and at the NCDD Website <http://www.ncdd.gov.kh/resources/documents/district-and-provincial-data-books>.
- **Complaint and Resolution Database (CRD):** Data management is required to record and document PAWG's Complaint Mechanism. With PSDD's assistance, this new database was designed to register all collected citizen complaints from a variety of sources. The CRD will also record the resolution process that will facilitate up-to-date progress reports on complaints and their resolution, thus be able to monitor progress made in this all important area. CRD was under development in late 2010 with deployment expected in 2011.

Apart from supporting and improving the primary database systems mentioned above, the national IT team of the NCDDS also provides support to DoLA in developing the National Gazetteer; an unique Identification Number for all sub-national administrations.

#### **IT Human Resource Development**

Given that NCDDS uses more than six databases that contain a massive amount of data for all levels of government (national and sub-national) throughout the country, in order to ensure the highest quality of data collection, the National NCDD IT Department expanded its work to include sub-national administrations. The task of managing this vast amount of data is tremendously time consuming and requires precision to ensure quality control. During the course of the PSSD, at the national Level, there were four PSDD IT advisors and two PST IT officers. One PSDD Senior IT Advisor led in database development, two PSDD IT Advisors maintained a minimum of two databases, one PSDD LAN System Advisor managed the whole of NCDDS's IT network infrastructure, and one PST IT

Officer provided general database and computer maintenance services. As well, the NCDDS dedicated one person to update and maintain its website (located at [www.nccd.gov.kh](http://www.nccd.gov.kh)).

At the sub-national level, NCDD recruited 23 Provincial IT Officers (PITO), who received three weeks Training of Trainer (ToT) on capacity development related to IT and database maintenance. PITO's responsibilities are to provide IT support to all sub-national levels in managing local area network (LAN) and especially providing immediate support to NCDD database end-users. At District/Municipal level, 188 out of 193 District IT Assistances (DITAs) were recruited by the end of the PSDD to support District/Municipality offices in preparation of legal documents, data collection and its verification, and information dissemination. All newly appointed DITAs received one week training from PITOs before they were posted to their duty stations. In 2009/2010, with the expansion of IT human resources, NCDDS purchased 23 laptops for PITOs along with an additional 43 laptops for DITAs. Moreover, NCDDS with PSDD support installed solar systems in 54 Districts that did not have access to electrical connections.

### **NCDD Management Information System (MIS)**

In 2008, preparations were made for a MDLF-financed consultancy to carry out a scoping mission on the work required to incorporate the NCDDS databases as part of one IT platform and create Management Information System (MIS) that would incorporate a Geographic Information System (GIS). GIS based software would provide the interface needed for the various existing data bases to be linked and the foundation upon which to build the NCDDS MIS. The scoping mission for the consultancy was divided into four phases.

After the second phase was completed, a review of the development of the MIS by a consultant was conducted to provide technical recommendations on future design of the NCDD MIS. The recommendations were to enhance the NCDD MIS outputs and continue its development as an in-house activity in line with the needs of users (technical staff and management). Therefore, the NCDDS decided that the development of the MIS would be more efficiently conducted as an in-house project as opposed to a consultancy with an outside firm.

DANIDA, the funding agency for programming the NCDD MIS, approved a work plan to move forward with the recommendations. In light of this, the NCDDS contracted three expert programmers to begin work on developing the NCDD MIS in collaboration with PSDD advisors and the NCDDS IT team by using pre-defined templates/graphs. The development of the MIS would also include GIS capabilities to display spatial data by each level of sub-national administrations. Procurement of additional computing equipment was completed and work to finalize the NCDD MIS went ahead.

In 2010, the final NCDD MIS 2010 Prototype was created with user friendly features, GIS capabilities, and in such a manner so that it could be readily modified to accommodate the M&E needs of the National Program/IP3 along with the incorporation of localized CMDGs, using data drawn from the Commune Database (CDB). At the end of 2010, the NCDD MIS Prototype was tested as a web-based application by NCDDS technical and management staff to better gauge user needs in light of the M&E for the IP3's output/outcome indicators. The MIS will inform decision-making that is evidence based; create a better understanding of the dimensions of the issue/problem that might potentially lead to misdirection of funds; and provide more information in summary form for making policy decisions.

## SECTION II.

### **PSDD's Contribution to National and Sub-national D&D Reform Agenda Against Project Outputs**

#### **PSDD's Agenda and Achievements in 2007**

The PSDD Project was approved on 24 January 2007 and officially commenced one week later on 1 February. Preparatory work for the transition from previous projects and programs to the NCDD/PSDD was undertaken in the last quarter of 2006; a new management structure under the NCDD including the Program Support Team (PST) was designed and approved by the beginning of the year. There were considerable challenges in finalizing, staffing, orienting and operationalizing the new NCDD management arrangements, the new PSDD project and the revisions to execution arrangements for other donor projects in order to ensure momentum and continuity. The timing of the second Commune/Sangkat elections at the beginning of April 2007 also presented considerable challenges to the overall annual program cycle and AWPB implementation. On the one hand, considerable priority attention had to be placed on preparing and implementing the transitional arrangements from the old to the newly elected C/S Councils; while on the other hand, nearly all aspects related to implementation of the 2007 C/S budgets had to await for the official establishment of the new C/S Councils at the end of April.

Finally, the decision by the Royal Government to move forward with the finalization of the draft Law on Management and Administration of the Capital, Province, Municipality, District and Khan (the Organic Law) nearly one year ahead of what had previously been anticipated diverted considerable attention away from implementation and programming of the PSDD/NCDD. Notwithstanding, the national consultation on key principles of the Organic Law accelerated the critical national debate on the vision, policy and scope of the D&D reforms; required forward momentum on the design of the sub-national regulatory framework to implement the Law; and set the context for the design of new National Program for Sub-national Democratic Development (NP-SNDD) in 2008.

Given these immensely important transition developments, considerable attention from both NCDDs and PST officials and PSDD advisors were seen as "distractions" from a "normal" first year of implementation. Nevertheless, the achievements against the 2007 PSDD AWPB were considered satisfactory. The NCDDs PST and the PSDD Project were staffed through intensive recruitment processes along with orientation and familiarization of individual staff and advisors to their respective duties. The three largest projects under PST execution, PSDD, World Bank/Rural Investment for Local Governance Project (RILGP) and Danida/DfID Natural Resource Management in D&D, were successfully transferred to the new management arrangements under PST. The IFAD/RPRP project was successfully transferred to the Ministry of Agriculture. All four projects had a full year of implementation and were largely able to achieve the objectives laid out in their respective 2007 AWPBs though overall delivery was affected by the transition and constraints noted above.

Despite the four month delay in implementation of investments in 2007, owing to the late finalization of the PSDD's AWPB and delays in donor fund transfers, total delivery for the year

reached 93% of the planned budget by the end of December 2007. The C/S Fund transfer schedule, prepared in January 2007 by the Ministry of Economy and Finance, was adhered to with 100 % transfers by the end of the year. The majority of 2006 C/S projects carried over into 2007 were completed by the time of the C/S elections in April. Largely due to the late start in implementation of 2007 C/S projects under the newly elected C/S Councils, the overall C/S Fund disbursement in 2007 declined in percentage terms. The 2007 NCDD annual capacity development plan initiated the delivery of capacity and orientation for the 1,621 newly elected C/S Councils and included training on the revised C/S Planning System and guidelines. The annual work plans and budgets of all 24 Provinces and all 94 District/Khans under the District Initiative Program were implemented involving an aggregate of nearly 1,000 sub-contracts for public works and non-infrastructure projects. There were seven completed studies financed by World Bank/RILG focused on strengthening efficiency and effectiveness of decentralized regulations, procedures and support.

In the area of resource mobilization and harmonization, achievements were considerable with a combined total of \$ 67.5 million mobilized during the year under the NCDD/PST. The 3-year, \$ 37 million extension of the WB/RILGP was successfully negotiated and approved by the World Bank in 2007 and the project agreement was signed in August 2007. Preparations for the new, six year \$ 15 million IFAD Rural Livelihoods Improvement Project (RLIP) were completed, the project agreement was signed in May and implementation commenced in the second half of the year. The 3-year, \$ 15 million, first phase of the WB/Land Allocation for Socio-Economic Development (LASED) project was successfully appraised in 2007 and began its operation in early 2008. Under the WB/Demand for Good Governance (DfGG) Project, the four-year, \$ 3 million One Window Service Office (OWSO) component under the NCDD/PST was successfully appraised and commenced implementation under preparatory funding in 2008. Finally, the three-year, \$ 1.5 million UNCDF Innovations in Decentralization and Local Development (IDL) project was designed and approved in January 2008.

Progress against the PSDD milestones/outputs was mixed. The redesign of the project's LogFrame was delayed pending the recruitment and orientation of the new PSDD M&E Advisor but with support from a DfID consultant was largely completed by the end of the year. The drafting of the TOR for the design of the new National Program was supported by PSDD advisors. This was completed and revisions based on consultations with donors finalized by October 2007. Due in large part to the acceleration of the Organic Law and the national consultation in December, the TOR for the National Program was not formally approved by the Chairman of the NCDD until January 2008. Initial drafts of the TORs for the two planned studies on technical assistance and incentive payments had been prepared by development partner sub-committees.

In summary, PSDD first year of operation did not meet all of its ambitious milestones, expectations and time frames. However, the achievements of the NCDD, its Secretariat and Program Support Team in 2007 were considerable in that they:

- Assumed ownership and management of the multi-donor support to the D&D reforms;
- Supported the transition and training of 1,621 newly elected C/S Councils;
- Revised the draft of the Organic Law and organizing national consultations;
- Completed the TOR for the design of the new national program;
- Delivered on initial capacity development for newly elected Commune/Sangkat Councilors;
- Maintained continuity and forward momentum in implementation of the \$ 48 million, 2007 sub-national program of local governance and development supported by 15 donors;