



***A Partnership between the Royal Government of Cambodia,  
the European Union and the United Nations Development Programme***

**Strengthening Democratic and Decentralized Local Governance in  
Cambodia: *building local capacity through networking and local-local  
cooperation***

# **FINAL PROJECT NARRATIVE REPORT JANUARY 2006 – DECEMBER 2011**

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## Abbreviations

|         |  |
|---------|--|
| AWP     | Annual Work Plan   |
| CC      | Commune Council  |
| C/S     | Commune / Sangkat  |
| CDP     | Commune Development Plan   |
| CIP     | Commune Investment Plan  |
| CPAP    | UNDP Country Programme Action Plan                                   |
| CSP     | EC Country Strategy Paper  |
| D&D     | Decentralization and De-concentration                                |
| DDLG    | Strengthening Democratic and Decentralized Local Governance Project  |
| EC      | European Commission  |
| EUD     | Delegation of the European Union                                     |
| ICC     | Inter-commune cooperation projects                                   |
| IP3     | D&D 3 years Implementation Plan 2011-2013 for NP-SNDD                |
| LGA     | Local Government Associations  |
| MOI     | Ministry of Interior   |
| MTR     | Mid-term review  |
| NCDD    | National Committee for Democratic Development at Sub-National Level  |
| NIP     | EC National Indicative Programme                                     |
| NLC/S   | National League of Commune/Sangkat as LGA in Cambodia                |
| NSDP    | National Strategic Development Plan 2006-2010                        |
| PAC's   | Provincial Associations of Communes/Sangkats                         |
| PCM     | Project Cycle Management   |
| PPR     | Annual Project Progress Report                                       |
| Pro-Doc | UNDP Project Document  |
| PSC     | Project Steering Committee known as Project Board                    |
| RBM     | Results Based Management   |
| RGC     | Royal Government of Cambodia   |
| NP-SNDD | National Programme for Sub-National Democratic Development 2010-2020 |
| TOR     | Terms of Reference   |
| TSO     | Technical Support Officer (Provincial Government Tier)               |
| UNDP    | United Nations Development Programme                                 |
| UNDAF   | United Nations Development Assistance Framework                      |
| VET     | Vocational Education Training  |

## Executive Summary

*Looking back, DDLG has achieved considerable tangible results, which, as reported in the DDLG Mid Term and Final Evaluation<sup>1</sup>, contributed<sup>1</sup> to the strengthening of good local governance practices in Cambodia. Designed in 2004, in support of the demand-side of local governance, DDLG has strategically used commune councils, the lowest level of government, as its entry-point.*

*Six* years after its inception, the project helped local voices and citizen's concerns to be raised and better responded to relevant tiers of administration. System and individual capacities were developed to facilitate dialogues and interactions between citizens, councils and administrations. As described in the following pages, district fora have helped solve local problems impacting life of villagers.

*In 2006*, the project was proud to be associated to the establishment of Cambodia's first Local government association (LGA), the National League of Communes and Sangkats (NLC/S). Since then, the project provided technical assistance and capacity development to help the League better define its mandate and position itself as an important institution for local governance in Cambodia. As reported in evaluations, and by concerned development partners, the NLC/S is now a recognized Cambodian institution.

*Looking back*, DDLG has also played a very important role at the policy level. It has helped the Government (NCDD) finalize its first ten year National Programme (2010-2019) for Sub-National Democratic development (NP SNDD) and develop a three year implementation plan (IP3: 2011-2013).

*Equally* important DDLG introduced innovative concept such as inter-commune cooperation and encouraged demand-driven approaches to service delivery. As a result of these pilots, Government has, at the end of the project, requested that the ICC concept and system be mainstreamed in RGC local planning and budgeting policies. This is another major achievement that will also help address local development needs and as reported by evaluation missions will improve livelihoods.

*Despite* these results and the impact at central and local levels, many challenges are still ahead, in terms of accountability, access to information and citizens' participation in the country's development. Councils themselves still need to be strengthened and the project's achievements must be consolidated.

*This* report, intends to highlight results achieved from 2006 to 2011 and share some of the development and management lessons learnt. The DDLG team developed it with inputs taken from the DDLG Final Evaluation Report (December, 2011) and from previous consultancies, audits and evaluations, including EU Result Orientated Monitoring Missions.

*"There has been a great change, a huge change. We have not just made a difference; we have changed the entire system. And councilors and communities agree. There are structures. There is funding. There is infrastructure. Above all, there is will and there is initiative—at all levels. H.E Mr. Prum Sohka, Secretary of State, Ministry of Interior, Chair of the DDLG Board.*

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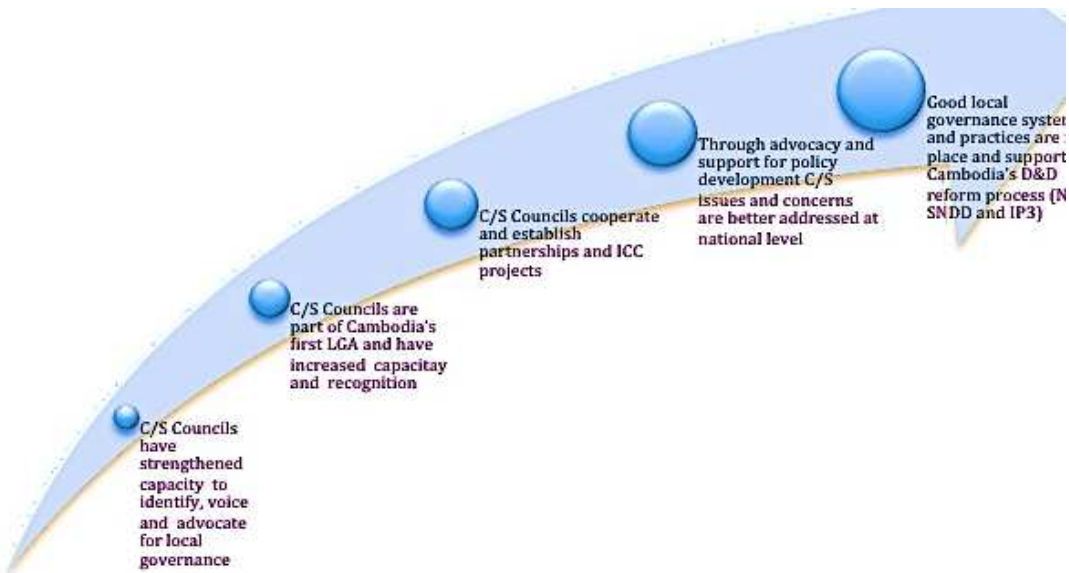
<sup>1</sup> DDLG final evaluation, December 2011

## Background on the project

DDLG is a joint European Union & UNDP projects “contributing to poverty reduction in Cambodia by strengthening democratic and decentralized local governance institutions, systems, and processes”. Designed in 2004 (and overlapping with two UN programming cycle), DDLG was linked to the (2006-2010) UNDAF Outcome 1: “Increased participation of civil society and citizens in decision making for the development, implementation and monitoring of public policies” and has directly contributes to achieving the UNDP CPAP outcome “Improving the delivery of social services and increasing participation of the poor in decision-making”.

DDLG activities are implemented by the Ministry of Interior (MoI) and the National League of Communes and Sangkats<sup>2</sup> (NLC/S). Both MoI and the NLC/S benefits from the support of a UNDP project team composed an international and national staff. With a total budget of Euro 1,900,295 Million, the project was launched in January 2006 and ends in December 2011. In 2008, a Mid-Term Review (MTR) confirmed the relevance of the project and proposed an adjustment of the LFA taking into account Cambodia’s latest development in D&D and the promulgation of an Organic law (2008) that established two new tiers of sub- national administrations.

## DDLG’s strategy: a Bottom-Up approach starting from Communes



<sup>2</sup> Cambodian Local Government Association

As stated in the project document, strengthening local democratization processes and development is to be achieved through co-operation between Commune and Sangkat Councils (local government)<sup>3</sup> and other stakeholders for more effective and responsive policies, greater local ownership, participation, civic engagement, and implementation of pro-poor inter-commune projects.

DDLG's LFA states that its goal (expected Outcome) is to contribute to having: "Strengthened decentralized process that promote voices, accountability and partnership". The project uses Commune and Sangkat Councils as the entry-point and has four distinct components (with the following expected Outputs):

1. Commune/Sangkat councils use appropriate processes to share experience, raise interests and advocate for them;
2. NLC/S and PAC/S have basic capacities in communication, advocacy and provision of common LGA services for communes;
3. Communes/Sangkats have appropriate systems and capacities to plan and manage inter-commune projects that respond to local needs, especially poor members;
4. DDLG influences the D&D policy development, and DDLG key priorities are mainstreamed in the NP-SNDD. (Note: This fourth component was added following the MTR and at the request of Government to support the NCDD/S).

## Performance review

### Situation and Performance Overview

Cambodia has for the last decades achieved important results in respect of voice and accountability mechanism. Two decades after the Khmer Rouge Regime, Cambodia is today a dynamic South East Asian country that would soon qualify as a MIC (2008 general Population Census: population of 13.4 millions, with a rural population rate of 80.5%). Over the past decades, the country achieved impressive growth and significant reduction of poverty. The country's strong economic performance averaging 9.3 per cent growth annually from 1997 to 2008 helped reduce poverty from 47 per cent in 1993 to 30 per cent in 2007 (the National Institute of Statistics of Cambodia sets the national poverty line at USD 0.61). However, the decline has been slow and inequalities have increased alarmingly. In respect of the MDGs, although Cambodia made good progress reducing child mortality and responding to HIV, malaria and other diseases, major attention is still required to respond to MDG1, 2, 3, 5 and 6 (Update on Cambodia MSG, Ministry of Planning, 2010).

For the last twenty years, the RGC conducted a number of major Sector reforms and has embarked in a Public Administration Reforms process that also covers political and administrative Decentralization and De-concentration and Fiscal Decentralization.

The Cambodian society has of course also transformed itself impressively and again demonstrated its resilience and capacity to adapt to changes. Maintaining traditional socio-cultural norms and strong family centered networks, the Cambodian society is increasingly showing a greater interest for

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<sup>3</sup> Commune Councils exist in the countryside; Sangkat Councils cover the urban areas

governance issues (at local and national level) In support of the RCG's endeavor to strengthen voice, accountability mechanisms and local partnerships, DDLG has since its inception in 2006 contributed to the strengthening of an democratic enabling environment (mainly focusing on the "demand side"), that supported voices to be raised at local level but also partnerships to be developed between communes. In this regard, the project also helped formulate national decentralization and local governance policies and design systems for governance issues to be documented, tracked and addressed to the appropriate administrations and/or councils.

As part of this, the project provided strategic advice and supported the NLC/S to have a stronger voice within the NCDD and be associated to policy dialogues and decisions. As a result, the NLC/S is since 2009, recognized as a permanent member of the NCDD Sub-committees and can now participate in the committee's discussions and deliberations. Very encouraging, Government has not limited the League's to a consultative and advisory function but has recognized the League as its IP3 implementing agent (for Sub-programme 6). Furthermore, Mol recognized the value of DDLG's policy work and innovative approaches, and has as for example, mainstreamed the ICC concept and systems under national policies.

### Progress towards the UNDAF and CPAP outcomes and outputs:

DDLG's contribution to Cambodia's UNDAF and to the UNDP's CPAP outputs are met. As noted in the final evaluation (December 2011), the introduction of RBM (results planning, monitoring and reporting) since 2008, has enabled greater clarity and emphasis being placed upon alignment of DDLG planning and implementation to UNDAF and the CPAP. As a result, "DDLG sustainable outputs, have contributed the UNDAF and CPAP outputs respectively".

In terms of 2005 UNDAF (Outcome IV) *"...the promotion of accountability and responsiveness to the needs and rights of people and participation in democratic decision-making"*, the outputs of the DDLG project (components 1, 2, & 3) have substantially and practically supported this outcome area. The Final evaluation has found that "with the establishment of the LGA networks that promote and support the communes/sangkats and the implementation of over 300 community led local government development projects (ICC component) the actual contribution to the UNDAF can be verified "The Final evaluation also concluded that the CPAP 2005 Outcome (IV) *"...Improving the delivery of social services and increasing participation of the poor in decision-making"*, has also been addressed through activities conducted under component 1, 2 and particularly under component 3 which responded to local infrastructure and service needs, while strengthening citizen's participation in decision making, access to public information and downward accountability.

### Final Evaluation (Extracts from the Executive Summary)

**"The evaluation mission confirms that the DDLG project has substantially contributed to the UNDAF/ CPAP 2006-2010 and will continue to contribute to the UNDAF and CPAP (2011-2015).** In terms of UNDAF (Outcome IV) *"...the promotion of accountability and responsiveness to the needs and rights of people and participation in democratic decision-making"*, the outputs of the DDLG project (components 1, 2 & 3) have substantially and practically supported this outcome area.

In a national context considering its overall design, DDLG has provided not only an extensive contribution to the policy and levels of the D&D but has managed to introduce evolutionary change to the D&D environment, influencing the strategic options for reform and the modalities in which the reform can be implemented. **A key factor to its success has**



**been its flexibility to adapt to changes witnessed in the D&D environment in Cambodia, which has been fully supported by the UNDP-EU partnership.**

**At commune level;** though the ICC component and the local government network that has been developed and solidified by the NLC/S and the PACS, the project has been able to build horizontal cooperation's amongst communes, has helped to build confidence in terms of citizens perceptions of local government, and has been able to improve livelihoods at commune level.

This has been achieved through the application of a multi-faceted approach that has built local government capacity through small project works, in parallel to training and D&D dialogue support provided through the NLC/S and PAC's. (...)

**At national level;** there has been significant institutionalization of the processes and systems developed by the project which has provided not only substance to the overall D&D process, but through component 4 has inbuilt sustainability for project outcomes.

Given the conservative pace of the D&D reform in Cambodia and the flexibility of the UNDP/EC partnership, the intervention and associated activities have remained relevant for the project cycle. Issues with the project design, which did not include cross-cutting policy support to mainstream component outputs into national D&D policy and implementation practices nor a gender integration component has slightly reduced the overall impact of the intervention.

***The unique mixture of project components that assimilate government development planning and financing systems to citizen participatory planning, link together communes through effective councils that can exchange experiences, ideas and expertise to solve problems, and also assist the government to develop policies and practices that can better serve local government through continuous enhancement of D&D policy has assured that the DDLG intervention has maintained relevance and leverage throughout its project cycle, having impacted well upon the D&D environment, developing a sustainable and measurable outcome.***

The overall evaluation of the DDLG project cannot emphasize enough the high **level of qualitative outputs that have been attained and which have impacted greatly upon the Cambodian D&D process. Within Components 1&2 the work of the project has assisted to elevate the LGAs to being an essential D&D institution. DDLG as through effective capacity building developed with the NLC/S a comprehensive M&E system that is being utilized to assess and monitor the capacity of the CC's'. The ICC component has produced innovative and suitable guidelines, introducing new practices that are being mainstreamed into RGC policy and an updated of the MoI PIM.**

The overall outcome of the project, the combination of the successful realization of outputs (components 1, 2, and 3) in the context of quality and alignment to the RGC D&D strategy has helped to improve the livelihoods of local citizens through; increases in household budgets, access to markets, access to education and health care, and improvements in social conditions.

**Output performance has been high.** Using individual component analysis techniques (see sections 4.0 to 7.0 of the Final Evaluation) an overall **output performance of 82% for the DDLG project is estimated.** On a component basis, all components performed at a similar level, except for component 4, which due to various reasons some within and some outside the control of the project did not meet delivery as per the log frame indicators



The **qualitative impact of the DDLG intervention as a whole should be considered high** within the context of; (1) the changes witnessed within the D&D environment, (2) the operations of the Mol in terms of commune development project planning and implementation, (3) the mainstreaming of project outputs into the national D&D policy through an internal project output related to a component, and (4) livelihood benefits at commune level through the implementation of pilot and effective pro-poor inter-commune micro development projects.

## Capacity development

Capacity development (CD) was at the core of DDLG's strategy and the approach used by its team. For the project management team, capacity development was always considered as a mean to build commitments, implement activities and sustain good practices and project results.

Sue Graves (in the UNDP Technical Assessment study, 2008), noticed that the project had a flexible approach to capacity development and was able to respond adequately to surfacing needs (e.g.: provincial trainings on ICC procedures). While addressing "surfacing needs" (of institutions and individuals), the project also played a key role in shaping enabling environments and supporting the formulation of policies that were conducive for good local governance practices.

Addressing comprehensively these three elements (policy/environment; institutions/systems and individuals) proved to be critical to help national counterparts implement the programme and subsequently sustain its results. Equally important, DDLG has for the last six years systematically prioritized the use of national systems and argued against developing/using so-called projectized systems.

As described in the final evaluation: "the project's strategic development approach that focused upon national ownership, the utilization of existing systems, and the institutionalization wherever possible of project activities and outputs, provides a unique example of capacity building that should serve as best practice in Cambodia".

These results cannot only be attributed to DDLG. For instance, while DDLG led the commune needs assessment and drafted a capacity development plan, the capacity gains should also be attributed to the League itself, Government, development partners, local government associations and civil society partners.

As a result of this CD approach, the final evaluation stated that: "Components 1 and 2 reflect the successful capacity building strategy of the project. The project has supported this process providing; (1) visioning, practical advice based upon international best practice, (2) the development and introduction of administrative/organizational structures and systems and internal rules of business, and (4) dedicated trainings." The evaluation also refers to the results achieved under Component 3 "the ICC process, which is considered as being fully owned by the Mol, has introduced a new modality of local development planning. The system has been fully developed by the Mol, with direct assistance from the project, and associated training of sub-national Mol staff and communes/sangkats to allow for the full national implementation of the ICC component".

Similar CD results were found by the MTR in December 2008, when it reported that "impact on capacity development seems high" through addressing "capacity development needs by focusing on institutional needs of Mol and the LGAs as well as individual needs and expectations at project level".

### **South-South Cooperation:**

In addition to the CD interventions mentioned above, the project recognized south-south cooperation as an effective way to strengthen understanding, commitments and share experiences

particularly on issues related to organizational development of LGAs. Since 2007, the project supported its implementing partners (mainly the NLC/S, the PAC/S and DoLA Mol) to attend regional conferences and thematic network events. The League as a relatively new and fresh institution has used these exposure opportunities to build strong links with partners outside of Cambodia and networked both within the region and internationally. In 2007, the NLC/S became a member of the Asia-Pacific chapter of the global United Cities and Local Governments association and a full member of the World Council of the association (in 2010).

International study tours have also proved to be very fruitful. The project has for instance designed and conducted two study tours on municipal cooperation (Indonesia, 2008 and 2010) for Mol senior officials and technical staffs. As developed in the following section, these visits later helped Mol leadership and technical staffs mainstream ICC systems under RGC's local planning, budgeting and project management systems.

*"Visits abroad have been very useful in building the capacity of the League. Trips have been made to Indonesia, the Philippines, Europe, Canada, to help officials to see how things can be done. They have all been particularly good from the point of view of strengthening the League's ability to do what it's supposed to do."* Pok Sokundara, Secretary-General, National League of Communes/Sangkats.

## Impact on direct and indirect beneficiaries

As the project ended in December 2011 and although it is too early to assess the long-term impact and sustainability of DDLG's interventions, a review of the findings from the 2008 MTR and 2011 Final evaluation shows that DDLG has effectively contributed to the strengthening of good local governance practices (policy and institutional strengthening) and that the project improved livelihoods. These evaluation findings corroborate with the anecdotal observations gathered by the project for its case studies 2010-2011<sup>4</sup>.

Looking at the project's immediate impact on direct and indirect beneficiaries, the fact that DDLG's key priorities are mainstreamed under the NP-SNDD, the IP3 and the NLC/S Second Strategic Plan 2011-2015 is a strong indicator of the impact that project had at policy level (see details in following sections). For Final Evaluation "DDLG has provided not only an extensive contribution to the policy and levels of the D&D but has managed to introduce evolutionary change to the D&D environment, influencing the strategic options for reform and the modalities in which the reform can be implemented". Reference is for instance made to the support provided for the formulation of the NP SNDD, the IP3, the development of the NLC/S 2<sup>nd</sup> Strategic Plan but also the introduction of a Commune Best Practice Award, a series of fora (national, regional, provincial and district levels) and the introduction of innovative local partnerships between communes and other partners (e.g: NGOs).

As reflected in the seven human stories produced by UNDP and the EU Delegation, DDLG has reached-out to communities and improved life of ordinary Cambodian citizens. In 2008, after conducting ICC field visits; the MTR concluded, "ICC projects have good potential poverty alleviation impact<sup>5</sup>". Three years later similar statements were made and reported in DDLG human stories.

Progress was also made in respect of community voices being raised and better responded by relevant authorities and councils. The local fora initiated by the project (see next section) allowed

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<sup>4</sup> DDLG produced a set of case studies on district forums and ICC. These stories and video clips can be access from the UNDP global website.

<sup>5</sup> The MTR quoted a commune councilor who mentioned that a road project in Kampong Chnngang has allowed local residents to have better access to school, rice paddies, markets and to the district health centre.

commune councilors raise issues with representatives from central and sub-national governments and councils. This problem-solving mechanism led to the resolution of a multitude of local issues and to stronger confidence and interactions between elected representatives and their constituents. The case of the Preah Vihear Lake (see following section) illustrates the effectiveness of a district forum to solve a local governance issue and improve living conditions for local residents.

Despite these encouraging results in the field of decentralization, civic participation remains limited in Cambodia and there is only a recent tradition of local government and downward accountability. Women in particular remain less visible in the public sphere, as a result of deeply embedded gender norms.

#### DDLG Key Milestones:

|      |  |
|------|--|
| 2006 | <ul style="list-style-type: none"> <li>• Launch of the project: Slow start - HR challenges</li> <li>• ICC Guidelines (infra) - ICC piloted in 5 Provinces - Creation of NLC/S</li> </ul>   |
| 2007 | <ul style="list-style-type: none"> <li>• ICC expanded to new Provinces (+5)</li> <li>• Assignment of International Advisors (team 1)</li> </ul>  |
| 2008 | <ul style="list-style-type: none"> <li>• Organic Law – Formulation of NP SNDD</li> <li>• ICC Guideline adjusted to allow “cross-district cooperation” and “service projects”</li> <li>• Assignment of new International advisors (team 2)</li> <li>• MTR conducted and Log-frame revised (+RBM)</li> </ul> |
| 2009 | <ul style="list-style-type: none"> <li>• DDLG 1 year extension approved, project indicative budget amended</li> <li>• ICC last cycle (+300 projects) – Best Practices identified and shared</li> <li>• NLC/S member of the NCDD (Sub-Committees)</li> </ul>  |
| 2010 | <ul style="list-style-type: none"> <li>• DDLG AWPB aligned with NP and IP3</li> <li>• ICC last cycle (+300 projects) – Best Practices identified and shared</li> <li>• NLC/S adopts its 2<sup>nd</sup> Strategic Plan</li> </ul>   |
| 2011 | <ul style="list-style-type: none"> <li>• ICC integration process initiated</li> <li>• First C/S Best Practice awards handed by the Prime Minister</li> <li>• Project closure – Terminal Evaluation (and formulation of new supporting project, so-called ACCESS in support of NLC/S)</li> </ul>            |

## Implementation strategy review

### Participatory and consultative processes

As mentioned in the previous section on Capacity Development, DDLG placed national ownership at the heart of its interventions. Engaging with national counterparts through planning, decision-making and implementation was found to be essential to strengthen capacities, ownership and sustain the project’s results.

In 2008 the MTR found that participation issues have *“been addressed through strengthening project teamwork, building trust and cooperation”*. This observation was again validated in 2011 by the final Evaluation.

It should be recalled that because national implementing partners have in the initial phase (2006 and 2007) expressed concerns over decision making process, the project team initiated a review of the consultation/decision making process aiming at increasing national ownership at all levels. As a result, the team adopted what is now referred as the *“working together approach”*. As reported by EU

ROM auditors, this approach improved communication within the project and contributed to stronger national ownership.

Since then, all strategic and management decisions have been taken following a consultative process involving a Government, NLC/S representatives the project team and when needed the UNDP Country Office and the EU Delegation at level of project board for overall policy guidance and decision making. As a result, DDLG annual work-plans were increasingly aligned to the annual work plans and budget of NCDD Secretariat. To illustrate this “working together approach” the following two examples describes consultative processes at policy and management level.

At the policy level, the approach used by the project to support the formulation of the NLC/S second Strategic Plan as well as the inclusive methodology used to build an inter-ministerial consensus for the integration of ICC concept and system under national policy are two examples of how DDLG worked with national counterparts at central and sub-national levels (Capital of Phnom Penh and 11 targeted provinces). In 2008, following the MTR recommendation, DDLG logical framework was also revised following a brainstorming session and three consultative workshops (RBM, M&E and HRBA) conducted with project stakeholders.

Similarly, at the project management level, a consultation process was established to associate government officials and project teams in the preparation of annual work-plans and budgets, monitoring and problem solving. As mentioned by EUROMs, this has contributed to greater commitment of all project stakeholders to achieve the project’s goals<sup>6</sup>.

## Quality of partnerships

Partnerships have surely improved during the lifespan of the project. As reflected in the Final Project Board (16 December 2011), the three executive board members (MoI, UNDP and the EU) expressed high level of satisfaction on the quality of the partnership. Beyond mutual trustful working relations, national implementing partners have throughout the project recognized the comparative advantages of UNDP and the EU in supporting DDLG.

Both organizations are valued for their long lasting contribution to Cambodia’s D&D reform, for their technical expertise on local governance, and very important, for their capacity to adapt and respond to changes. This capacity was also recognized by the final evaluation. Looking back, and whilst it can be argued that the project made great effort politically and technically supported since its first year, the level of interest and commitment of project stakeholders has then grown as activities were implemented, systems designed, rolled-out and results produced. This of course contributed to improve the quality of the partnership at national and sub-national levels.

Relations and partnerships with development partners (mainly EU member States, UN Agencies, the World Bank, ADB and JICA) were also strengthened, mostly through the consultations initiated during the formulation of the NP SNDD, the consultations hold for the drafting of a Programme Based Approach (PBA), the commune needs assessment and the design of the second NLC/S Strategic Plan. As a result, joint activities were initiated and new partnerships established, including with foundations (eg: KAF), NGOs (e.g: PACT, CCSP, CFD, PyD) as well as with local government associations in Europe, Canada and in South-East Asian countries.

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<sup>6</sup> In support, a number of planning RBM tools and practices to stimulate strategic thinking, help plan/coordinate and monitor activities and budget were developed.

## National ownership

UNDP, in the development of DDLG project as a successor of its previous supporting project, so called “Decentralization Support Project 2001-2005”, was able to meaningfully engaged concerned ministries, particularly MOI and partners in consultation and appraisal of this project document. Ideally, the MOI clearly oversaw the intended results, strategic direction and partnership approach of the project in the light of D&D reform process. This was obviously one of critical steps toward the success of DDLG project. During the implementation, as a result of the project’s CD approach, the MTR has in 2008 found that “the high level of ownership to the DDLG outputs from all levels of government was in itself a precondition for long term sustainability”.

Given the fact that local councils, after its first election in 2002, need to establish its networking across the country for strengthening downward and upward local accountability, therefore, the emerging national league of communes/sangkat, founded in 2006 as umbrella of all provincial associations of communes/sangkats, took its strategic step in the capacity development and advocacy with central government on the matters related to local governance issues, challenges and systems/policies. In 2010, the recognition of the League as a permanent member of the NCDD sub-committees and the Government’s decision to integrate the ICC concept and systems under national policies (PIM and CSF) are major breakthroughs that demonstrates government’s commitment to sustain the project’s results. Equally important, the MTR also found as early as in 2008 “a high level of national (technical) ownership” for the development processes and systems developed by the project.

Three years later, this observation is validated by the final evaluation for which: “It was discovered that the foot-print of DDLG at this level is almost invisible<sup>7</sup> illustrating high levels of national ownership and the utilization of existing RGC systems and processes, verifying the deliberate and effectiveness strategy of the project and UNDP”.

Finally, level of national ownership can also be addressed looking at the project’s annual delivery rates which as shown 70% in 2006, 97% in 2007, 89% in 2008, 110% in 2009, 140% in 2010 and 76% in its final year of operation 2011, demonstrating the absorbed capacity of implementing partners at central and sub-national levels to implement activities according to annual work-plans and budgets.

## Sustainability

DDLG has addressed sustainability from different angles, looking at political commitments, national ownership, context and trends of democratic development policies, systems and capacities developed as well as funding issues. As earlier mentioned, the 2008 MTR stated that: *“One important aspect of the findings is the high level of ownership to the DDLG outputs from all levels of government. This in itself is a precondition for long term sustainability”.*

Based on well-defined implementation strategy at the initial phase of the project and considering that the project’s goals and systems are now mainstreamed under the NP SNDD, the IP3 and the NLC/S Strategic Plan, clearly indicate the very high level of national ownership and the importance government and project stakeholders have for sustaining the results achieved by DDLG.

Of course, such work can become redundant if finances are not made available for example to fund ICC projects, or additional sources of finance are not realized to support and implement the strategic plan of the NLC/S and PAC’s. Financing therefore remains a challenge for the RGC and the NLC/S,

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<sup>7</sup> Results reveal that 76.39% of the focal group respondents indicating that they had not heard of DDLG. However, when questioned about ICC 100% of the respondents knew of this “project”.



however, it is safe to assume that the modality of project information, the utilization of existing government systems and the technical acceptance and official approval of some project outputs has provided sustainability for each project component area.

## Management effectiveness review

After a slow start in 2006 due to the delay in recruitment, DDLG had smooth delivery of outputs during the last years. It is also noted that the delayed transfer of the fifth EU installment in 2010 has caused delay in some planned activities such as ICC construction projects and forums, which have to be postponed to 2011. At project level weakness within the context of indicator formulation, utilization and maintenance of the log frame as a project management tool, and inconsistent progress reporting are evident. However, the DDLG management did update the log frame in 2008 and introduced RBM planning, monitoring and reporting mechanisms in alignment to UNDP enhanced project management systems. Such issues, especially in relation to the utilization of non UNDP project management tools (i.e. PCM) can be mitigated through internal training and support that can be effected through the mobilization of short-term expertise.

## Resource Allocation and Financial Delivery

The total project commitment provided by the EU and UNDP, which amounts to 10,900,295 Euro. Out of this figure, EC Delegation covered Euro 10,000,000 (92%) and UNDP covered only Euro 900,295 (8%). As the project ends in December 2011, DDLG disbursed Euro 10,804,815, which is equal to 99% of total project indicative budget, placing DDLG the highest delivery rate through its lifespan. This delivery rate is an indicator of the effectiveness of the project, which implemented activities and delivered results according to project framework, annual work-plans and anticipated budgets.

Based on grant contract no. ASIE/2005/111-145, the EU Delegation disbursed six pre-financing tranches in the total amount of Euro 9,000,000 covering the period of 2005-2010. Final payment amounts to 1,000,000 would have disbursed upon the completion of project and submission of final narrative report and final financial report. UNDP frontloaded Euro 999,486 from its own resource to cover the funding gap and to ensure that project activities were timely completed for the final year of DDLG operation in 2011. The total interest of Euro 112,959.65 earned from all disbursements during 2005-2010 is deducted from the incurred expenditures in 2011. The outstanding balance due by EC therefore amounts to Euro 886,526.35.

|                            | Planned Budget    | Actual (in EURO)       |             |
|----------------------------|-------------------|------------------------|-------------|
|                            |                   | Expenditures 2006-2011 | Utilization |
| Human Resources            | 2,543,542         | 2,502,698              | 98%         |
| Travel/Mission             | 198,800           | 209,134                | 105%        |
| Equipment and Supplies     | 167,224           | 167,566                | 100%        |
| Local office/Project costs | 220,777           | 213,054                | 97%         |
| Other Costs or Services    | 1,320,171         | 1,263,539              | 96%         |
| Pro-poor investment.       | 5,796,157         | 5,794,773              | 100%        |
| Administrative costs (7%)  | 653,623           | 654,051                | 100%        |
| <b>Total</b>               | <b>10,900,295</b> | <b>10,804,815</b>      | <b>99%</b>  |

**Note:** please see the enclosed DDLG Final Financial Report in Annex One of this report.

## Human Resources

The Ministry of Interior (the Department of Local Administration) as the national implementing partner (IP) has at the start of the project assigned central national officers to the project. Under the leadership and supervision of the Mol Director General (National Project Manager), a total of nineteen national counterparts were assigned (part-time) to three working groups (NLC/S; ICC and Operations).

Although members had different levels of capacities and commitments, national counterparts (in close cooperation with the UNDP project team) have not only implemented and monitored activities but have, in a number of occasions, substantively contributed to the design, formulation and revision of systems and procedures (eg: ICC guidelines and District Forum methodologies). In 2011 policy inputs were provided for integration of ICC under national policies. The group should also be congratulated for having developed and coordinated CD activities (eg: development of training documents, cascade trainings and substantial field coaching) at sub-national level and has therefore effectively contributed to the strengthening of local capacities.

As for other UNDP projects in Cambodia, salary incentives (average USD 150/month) were paid based on a monthly performance assessment (team level). This system was terminated in 2009 in line with Government decision and replaced in 2011 with the POC. In an absence of incentive scheme in 2010, national counterpart staff remained committed to maintain the momentum of project implementation. In this regard, the project provided them training opportunities for the development of their skills and capacity including international exposure visits through south-south cooperation to Indonesia in order to motivate them to play proactive roles toward the final year of project operation in 2011.

The opening year 2006 was very critical for the inception and mobilization of both national counterpart and project team. The recruitment of project staff, assignment of national counterpart and procurement caused upstart delay in getting full project teams on board. Only three national project officers were recruited (1. Project Operation Manager/as an interim project coordinator, 2. Project Finance Officer and 3. Networking/Advocacy Advisor) and took office in May 2006. The three national officers were able to put technical guidelines (ICC and LGA networking) and internal operations systems in place and guided the implementation since then with the backstopping from UNDP Country Office. As mentioned in a previous section and in the two external evaluations (MTR and final evaluation), a new team of international advisors (3) was assigned from 2008 and has worked till the end of the project. The new international Project Coordinator took his assignment in May 2008, followed by the Policy Advisor to the Policy Unit of NCDD Secretariat who arrived in August and then by the Local Government Association Advisor based in the NLC/S who joined the team in November 2008. The same year, a national project assistant (component 1 and 2) was recruited and a national M&E Officer in 2009. The project since then comprised of a total of 14 staffs (3 international staff), 11 national staff (4 project officers; 3 project assistants and 4 support staff). A UNDP Young Professional officer (YPO) was assigned to the NLC/S for a year.

## Transfer of Project Inventory

The final board meeting held on 16 December 2011 decided to transfer all project assets to the ministry of interior and the National League of Communes/Sangkats in further support of their mandates. UNDP, as part of financial, procurement rules and asset management guidelines, completed all requirements for the transfers of DDLG assets and managed to sign the transfer agreement in April 2012 with the Ministry of Interior. In an exception case, one vehicle (Toyota Land cruiser 2006) as listed in annex one of the inventory lists was transferred to DDLG successor project, entitled " Association of Councils Enhanced Services Project 2012-2015".



**Note:** Please refer to annex 2 of this report – agreement of transfer of assets and inventory lists.

## Consultancies and Studies

As of December 2011, 8 consultancies (international and national experts) were commissioned for the formulation, execution and quality assurance of DDLG activities (see Reports for additional information):

1. Formulation of guidelines for ICC non-infrastructure project (Social Services Projects)
2. DDLG Project Mid-Term Review (international and national consultants)
3. Re-formulation of DDLG log-frame (international consultant provided by UNDP)
4. Design of a theory driven M&E system for NLC/S (international consultant)
5. Comparative assessment of multi-tiers LGA (international, desk review)
6. Mapping of ICC opportunities for integration under national policies (international)
7. Consultation and integration of ICC under national policies (National consultant)
8. DDLG Final Evaluation (international consultant)

## Visibility of the donors' contribution

For the last six years, DDLG complied with the EU Information, Communication and Visibility guidelines. Through DDLG's lifespan, the project was undoubtedly identified as the Joint EU-UNDP project for local governance. In addition to EU and UNDP signs and emblems on publications, documents, reports, posters, offices, vehicles, websites (NCDD, MOI/DoLA, UNDP: successful stories) and project signboards (e.g.: roads, bridges, etc), the donors' visibility has considerably grown from 2008 with the use of national, local and international media to cover activities and results. The project also used the UNDP Equity TV programme to raise awareness on its work.

From 2009, four video spots (7-12 minutes) were produced to highlight results achieved at the local level through district forums and ICC projects. These videos were uploaded on UNDP Cambodia's website and two of them selected for the UNDP Global website. The EU Delegation also produced a TV spot on ICC at the occasion of the 2010 EU Day. As the project was ending, a publication<sup>8</sup> was drafted to review the project's contribution to Local Governance in Cambodia. As reported in the following sections, DDLG also supported the NLC/S develop a communication strategy and recruit a national communication officer.

## Project Final Results Summary (Output level)

### Component 1: Creation of Voice and Accountability Mechanisms

In support of the RCG's and NLC/S endeavors to strengthen voice, accountability mechanisms and local partnerships, DDLG has since its inception in 2006 contributed to the strengthening of a democratic enabling environment (mainly focusing on the "demand side"), that supported voices to be raised at local level. The project also helped formulate national decentralization and local

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<sup>8</sup> HE. Prum Sokha, Secretary of State, Ministry of Interior signed the forward.

governance policies and design systems for governance issues to be documented, tracked and addressed to the appropriate administrations and/or councils.

Looking at the overall accomplishments of DDLG with regards to component 1 are the successful design of methods/process and implementation of the interrelated forums at district, provincial, regional and national levels.

**Raising local voices:**

As found in the final evaluation, the district fora concept has fundamentally changes the traditional decision making processes, moving away from a highly centralized system to a citizen orientated method of governance and localized development practices. "A total of 152 district forums were held, representing coverage of 82% of the districts". The district forum was recognized as a good practice to engage local citizens in the decision making process as well as to hold local governments accountable to them in the light of responsiveness and day to day impacts on their livelihoods.

Table Activity Implementation (Final Evaluation, 2011)

|                         | Base Line* | Base Line** | Target | Actual | Performance | EC PC |
|-------------------------|------------|-------------|--------|--------|-------------|-------|
| National NLC/S Congress | 0          | 0           | 2      | 2      | 1.00        | C     |
| Regional Fora\$         | 0          | 0           | 7      | 8      | 1.14        | A     |
| Provincial Fora         | 0          | 0           | 24     | 24     | 1.00        | A     |
| District Fora           | 0          | 0           | 120    | 152    | 1.27        | D     |
| Overall Performance     |            |             |        |        | 1.10        | B     |

\* Baselineproject start (2006)  
 \*\* Baselineset (2008)  
 not included within the updated Log Frame

As captured in different success stories, fora provided the basis for enhancing the democratic process and environment in Cambodia in alignment to the UNDP definition of Good Governance and the concepts of democracy as advocated by Elgstrom and Hayden<sup>9</sup>. District forums have for instance helped solve local governance issues affecting the life of poor villagers and local residents. The case of the lake in Preah Vihear (see story next page) that was returned to local communities illustrates how this activity helped raise the voice of the poorest.

*\*\* Extract from human story produced by UNDP, 2010.*

**In Preah Vihear province, villagers celebrate the return of a community lake**



<sup>9</sup> There are institutions and procedures through which citizens can express effective preferences about alternative policies at the national level and there are institutionalized constraints on the exercise of power by the Executive (competition); - There exists inclusive suffrage and a right of participation in the selection of national leaders and policies (inclusiveness/participation).

*Luck wasn't on her side as Chan Thi, a villager, laboriously navigated her fishing basket in the water trying to catch fish in Boeung Prei Lake. She moved from spot to spot, making her bet by scooping the basket in the water. But each time she lifted it, mud was all she caught. "Disappointing," moaned the 55-year-old, a resident of Romchek village, Romney commune, Preah Vihear province in northern Cambodia.*

*But after a pause she said she was happy too – happy that her community of mostly Kuoy indigenous people has won a battle to reclaim the lake from a better-off local farmer. The lake is now a community asset on which the villagers can pin hope for livelihood in the future. It took them more than two years to win. Their victory was an isolated case, yet it signified a success story of Provincial Association of Commune/Sangkat, a network of governing bodies at sub-national level, in acting as a springboard to address local concerns.*

*Seng Chheang, 59 and the chief of Romney commune where the lake is located, was at the forefront of this battle.*

*"We have a duty to address the local issues as the people have entrusted us with their votes. We have to do our utmost to help to build our communities; we cannot just hang around until our term expires," he said. The contention over the lake started as long ago as 1998. Back then a village chief signed off the 30-ha lake to a local farmer named Bin Nhep, 61, to grow lotus. Over the years, he added a fish farm. Two dykes were built to divide the lake into three parts to make fishpond. He built a large wooden house on the lake to guard against trespassers. He said that by investing his own resources in the lake projects he had also contributed to protecting the surrounding forest from being logged.*

*The lake was off-limits not only to the villagers who used to depend on it for fish, but also to their cattle, which used to graze nearby and drink water from it. As such, villagers were denied a key source of livelihoods. Together, they collected thumbprints and filed a complaint with Romney commune office, about 225 km from Phnom Penh, Cambodia's capital. The commune chief, Seng Chheang, admitted that he first felt powerless to act. But after taking part in various meetings for members of Provincial Association of Commune/Sangkat, he found the strength to advocate for his community's cause. Those meetings were part of the forums of municipal and district authorities under the project Strengthening Democratic and Decentralized Local Governance in Cambodia (DDLG), which is jointly supported by the European Commission and UNDP.*

*"Without the forum, I would not have dared to fight that hard. I would have felt cold because I did not have enough support. It has given me confidence. It is a place I can go to for help when I have a problem," he said. "This lake could have become unrecognizable if we did not act on time and if we did not have the National League of Commune/Sangkat to raise the issue," he added.*

Relations between the NLC/S and the Senate were also strengthened as another channel to advocate for local governance and mobilize parliamentarians' attention. Since 2006, the two institutions conducted ten joint forums to address concerns related to the country's D&D reform process, the implementation of the Organic Law, MDGs and Women empowerment. These interventions have reinforced relations between local councilors and senators and helped solved problems that required a political decision at the national level<sup>1015</sup>.

In 2010, DDLG and the NLC/S designed a Communication Strategy to support the League's communication and advocacy's work. Since then, a NLC/S newsletter is produced and the League developed a set of communication tools (e.g: posters, leaflets) and is maintaining its own website.

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<sup>10</sup> NLC/S has for instance, in collaboration with DDLG, VNG and GTZ organized training events on the Organic Law for all the 24 PAC/S. The trainings provided ample opportunity to discuss and identify key issues of the new law, and to find ways forward to advocate these to NCDD and other stakeholders.

When conducted at national, regional and provincial levels with partners such as the Senate, Mol, MEF and MoP, fora have also proved their importance to mobilize attention of parliamentarians and central government officials on important local governance issues that affect councils.

The two national fora organized by NLC/S with the project's support have for instance promoted voice of local councilors at the highest level of the government. Organized in 2009 and 2010 these two fora were presided by the Cambodia's Prime Minister (2010) and the President of the Senate (2009). They were unique chance for local councilors to address the Cambodia's top political leaders and interact groups such as civil society organizations, development partners, the media and academics.

The eight regional fora conducted in 2008 and 2009 provided C/S Councilors the opportunity to raise issues and concerns requesting intervention from representatives of the Senate, Mol, MoP and MEF. The eight regional fora covered all 24 provinces. One of the results of the regional fora has been that the MOI started providing courses on C/S management, administration and finances to (newly elected) C/S Councilors<sup>11</sup>.

Through provincial forums, the NLC/S conducted (in 2009 and 2010) a national assessment of Commune council's needs. Findings were used by the NLC/S as evidence-based to initiate discussions internally and with Government. They were also integrated in the NLC/S second Strategic Plan (2011-2015).

### ***Sharing practices and lessons learnt:***

The Best Practice Award (BPA) programme designed as one of DDLG's key activities was initially planned to start in 2007. Although it received highest attention and was referred by the Deputy Prime Minister, as a tool to strengthen Commune councils' performances through local-local exchanges and exposures, the launch of the PBA suffered from a major issue of discussion regarding national ownership of the programme and the incorporation of a strategy that would secure the replicability and sustainability of the programme. It was only in March 2008 once the NCDD has officially approved the PBA outline and concept that the project could provide technical assistance for the formulation of the scheme and the establishment of an associate system<sup>12</sup>.

Launched in 2010<sup>13</sup>, the first round of the BPA attracted 618 applications from the CCs, with an additional 12 applications from CSOs representing a countywide response ratio for CC's of 2.5:1. During this process, all 630 applications were received, processed and analyzed through the PAC/S network, with associated Provincial BPA awards being presented. Using the results generated at provincial level, national awards were handed by the Cambodian Prime Minister to the winners, three Commune Councils and three CSOs at the occasion of the Commune Council's National Congress securing wide media coverage (August 2011). To sustain the programme, a BPA manual was improved based on lessons learnt and practices from the first round of implementation with technical support provided by DDLG.

With these results, the final evaluation expressed the opinion that: "this BPA activity should have been

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<sup>11</sup> One of the major complaints of the C/S Councilors in the Regional Fora was that they had not received any training since the last C/S elections in 2007.

<sup>12</sup> Inclusive of procedures, application and scoring forms and assessment criteria to "grade" applications.

<sup>13</sup> Launched by the Chair of the NLC/S and the Director General of the Ministry of Interior, in presence of the Provincial and District Governors and C/S Councilors

identified as the “flagship action” within its component area, proving high visibility and impact”. The report further points out that the Cambodian BPA rate “is a very high rate when compared to BPA schemes that are run in Europe”.

Associated to the BPA, the local-local exchange programme was linked to the identification of the Commune PBA scheme and could only start after the first Best Practices were awarded in 2010. Since then 3 province-cluster workshops were organized and gathered over 290 C/S and D/M/K councilors. Similar exchange visits and initiatives to share and promote local councils experiences have taken place across the country at the occasion of Mol, NLC/S and PAC/S activities and events (eg. Councilors field visits, NLC/S Congress; M&E review workshops and PAC/S trainings).

Reviewing this activity, the final evaluation suggested that ICC good practices could have been part of this exchanges programme “the results from the ICC component could also have been utilized to support this activity area, thus creating synergy across the project component areas. Although some “ICC best practice” studies have been developed, the dissemination of such information internally across the project cannot be determined”.

## Component 2: Establishment of Commune/Sangkat Associations

For the last six years, far-reaching results have been accomplished in Component 2. Most importantly the NLC/S, was established in 2006 and registered by the Ministry of Interior as Cambodia’s first Local Government Association.

As stated in the final evaluation, “the relevance of this output is in full alignment to the 2005 RGC D&D policy, which provides the rationale for the establishment of the CC network, clearly calling for “new levels of cooperation and coordination” to be developed between national and sub-national institutions”....“Additionally this component conforms to the relevant prevailing EC strategy as defined within the CSP-NIP (2002-2006) being identified as being an importance instrument for effective and efficient policy alleviation”.

### Setting systems to perform:

Founded in 2006, the League is today a young and dynamic membership organization which has established itself as the national advocate of C/S Councils’ interests providing a modest scope of other services to the Councils as well. Its leadership architecture (Congress, National Council, Executive Committee and Board) is supported by the League’s Secretariat in Phnom Penh. Its members, the Capital and 23 Provincial Associations (C-PAC/S) each have provincial secretariats including, in some cases, staff funded by the League to strengthen the Provincial Associations’ structures, systems, procedures and activities. The financial system of the League was not comprehensively developed and League oversaw the need to develop a robust Standard Operations Procedures for proper management of all sources of funds including its membership fees. Therefore, NCDD’s administration and financial management system was strongly recommended by the project board to be applied under DDLG project since the opening year 2006. UNDP’s hired auditing firms have annually audited the financial operation of the Mol, the League and 12 sub-national administrations. The League has recently developed and endorsed its new Strategic Plan 2011-2015 “Releasing Local Council Capacities” which guides their interventions

C2.1 / C2.2

|                            | Base Line* | Base Line** | Target | Actual | Performance | ECPC |
|----------------------------|------------|-------------|--------|--------|-------------|------|
| Establishment of NLC/S     | 0          | 0           | 1      | 1      | 1.00        | A    |
| Establishment of PACS      | 0          | 2           | 24     | 24     | 1.00        | A    |
| Instituting of member fees | 0          | 0           | 1      | 1      | 1.00        | A    |
| National Fora (C1.1)       | 0          | 0           | 2      | 2      | 1.00        | C    |
| District Fora (C1.1)       | 0          | 26          | 120    | 152    | 1.27        | C    |

|                                  |   |   |   |      |      |   |
|----------------------------------|---|---|---|------|------|---|
| Information Dissemination (C1.3) | 0 | 0 | 1 | 1.05 | 1.05 | A |
| Overall Performance              |   |   |   |      | 1.05 | A |

\* Baseline project start (2006)  
 \*\* Baseline set (2008)

For the last 6 years, DDLG mobilized a large part of its assistance (one international advisor, two national project staffs and an annual activity budget of approximately USD 400,000/year) to support the NLC/S develop and strengthen internal management systems. It has for example helped the NLC/S revised (2008) its internal administrative and financial guidelines, and developed two strategies, one for Human Resource and another one for Communication<sup>14</sup>. In 2009 the project supported the League design a theory-driven M&E system to monitor progress and improve performance in areas such as operations, capacity development, advocacy and policy formulation. A consultancy was conducted (2010) to map options for the NLC/S to possibly accommodate new sub-national councils. The study reviewed six country cases and made recommendations that were discussed within the League and later integrated in its 2nd Strategic Plan.

As a result of systems being designed, leadership and capacity being addressed, the NLC/S is today recognized as an important institution for local governance in Cambodia and enjoys respect and attention from local governments, councilors, central government and development partners. Initially only supported by two development partners (DDLG being in the lead role), the league has developed relations and joint activities with more than six institutions (international and regional) and is since 2010 one of the Government’s implementing agents for the IP3 (sub-programme 6)<sup>15</sup>.

**Capacity development and Strategic planning:**

Since the beginning of DDLG, in 2006, an estimate of three thousand councilors and PAC/S members benefitted from the DDLG supported NLC/S capacity development interventions. These capacity development interventions were reviewed in 2009 with the results from the C/S capacity assessment (see previous section). The new approach include orientation on role and responsibilities of councilors, awareness sessions on the organic Law, the NP SNDD, the IP3 and on new rules and regulations, training on PAC/S mandate, key functions and internal processes and administration, financial management, procurement and communication skills. Since 2009, the NLC/S conducted thematic trainings and coaching sessions for councilors to collect and analyze information, advocate and communicate on local governance issues, and better respond to women needs. In 2009 over 300 commune councilors attended orientations on the second Strategic Plan and have learned from the C/S Best Practice Award programme.

As indicated in the previous Capacity Development section, the project also considered study tours and exposure visits as a tool to develop capacities. Since 2006, four visits and study tours<sup>16</sup> were

<sup>14</sup> Events such as the NLC/S Excom meetings, the National Council meeting, PAC/S consultation and training workshops, and PAC/S congresses have been broadcasted by national TV and radio. Two thousand bulletins have been published and distributed amongst C/S Councils, 5000 posters on C/S Council functions, more than a thousand booklet containing the 2008 organic law, and 2000 NLC/S information folders.

<sup>15</sup> Recognized as an implementing partner of the IP3, the first MoU between NCDD and NLC/S was signed in 2010 to help implement the IP3’s sub-program 6. In this initial phase, most of the expected work is related to expansion of NLC/S membership.

<sup>16</sup> DDLG including with other partners, have also supported NLC/S chairpersons, PAC/S chairpersons, and NLC/S secretariat staff traveled abroad to learn from other Local Government Associations participating in workshops in the Republic of Korea, Lao PDR, Indonesia, Thailand, China, Germany and the Philippines.



funded and exposed NLC/S and PAC/S members to LGAs experiences in Indonesia, Nepal, Canada, and the Philippines. The project also provided support for the League to attend global and regional forums such as those organized by UCLG, which NLC/S has become member. In 2008, the project supported the League host its first international workshop in Siem Reap. The workshop aimed at sharing experiences regarding the management of Local Government Associations and decentralization processes and was attended by participants from Indonesia, Nepal, and the Netherlands and development partners.

In 2010, DDLG supported the NLC/S formulate its second Strategic Plan (see below). As indicated in the previous section, the plan was formulated using the findings from the Commune need assessment conducted in 2009 and 2010. Recognizing its role and responsibilities as Cambodia's unique LGA, this second Strategic Plan is aligned with the country's latest progress on D&D, particularly taking in account the ten year National Programme for Sub-National Democratic Development (NP SNDD) and the first three year implementation plan (IP3). The new strategic plan is articulated around seven priorities, also addressing issues related to capacity development, gender<sup>17</sup>, local economic development and climate change.



The project's role in advising the NLC/S to actively contribute to the formulation of the 10 year national programme for Sub-National democratic development and to the first three year implementation plan (IP3) must be highlighted. Using DDLG's strategic advices, the League was able to assume one of its main aims: to raise the voice of its local members at the highest national level. Through these interventions, the NLC/S demonstrated its capacity and readiness to draw the attention of the RGC as a serious governance and partner representing the voice of local

<sup>17</sup> Considering gender mainstreaming as one of the League's crosscutting priority, the NLC/S signed in 2010, a MoU with an NGO (with Pazy Desarrollo) developed its first annual work plan aiming at gender equity in local politics.



government. However, as reported in the final evaluation “much remains to be done in this area and special focus need be placed upon the provision of NLC/S and also PAC revenue generating services”.

With these results, the final evaluation found that: “DDLG has positively contributed to the creation and operationalization<sup>18</sup> of a network of CC’s at both the national level and sub-national levels, through the legal establishment of the NLC/S and 24 PACS. (...) Qualitatively, today there is full recognition of the NLC/S and the LGA network as an indispensable institutional arrangement to support the D&D process”.

### **Way forward:**

In the coming years, the League would need continuous technical and financial assistance, particularly considering the pace of the D&D reform and the limited resources that the League can generate internally<sup>19</sup>. It would also be critical to support the organizational development of the 24 PAC/S<sup>20</sup>. To this end, UNDP Country Office has helped the NLC/S formulate a proposal (see below) that would cover these needs.

The ACCESS programme – “Association of Councils Enhanced Services” – is aimed at the League turning it into an effective representative of the local voice for democratic development. The programme endeavors for the League to make a qualitative leap forward, building on the experiences of the previous five years. It focuses on the advocacy of Local Council and citizen interests contributing to the RGC’s policy reforms; advocacy is the core function of any LGA. The intention is that the association will turn from a political actor, which has mostly been reactive – to RGC proposals and citizen demands – to one that can proactively and constructively develop policies and interventions. In this regard it will promote the enhancement of democratic local governance (citizen participation in decision-making processes, effective council oversight of the executive, access to information, accountability, etc.) contributing to the League’s progress to excellence.

## **Component 3: Inter-commune cooperation (ICC)**

Under output 3, DDLG provided systems, capacities and grants for communes to collaborate in implementing projects involving two or more communes, which are referred to as Inter-Commune Cooperative joint undertakings or ICC projects. Under the *Law on Commune/Sangkat Administration and Management* of 2001, communes also receive funds for recurrent expenditure and investment. This DDLG “joined-up” component was to serve the needs of C/S citizens especially the rural poor, whilst also “piloting” a different modality of small scale development projects which promotes confidence and trust building amongst communes and the sharing of resources.

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<sup>18</sup> The Evaluation report states that “the project has additionally assured the provision of conducive capacity building support especially to the NLC/S that has included; (1) the development of organizational rules of business and associated structures, (2) formulation and update of strategic plans, (3) provision of resources inclusive of budget, personnel and equipment’s, and (4) support for visioning and training”.

<sup>19</sup> Financial sustainability: Recognizing the importance of securing its resources as a means to maintain operations and an independent position, the League has with DDLG and VNG initiated a process to design a strategy towards financial sustainability. In October 2008, a VNG international consultant mapped out the possibilities of such a strategy recognizing that it cannot be achieved in the short or middle term.

<sup>20</sup> DDLG provided support to 12 PAC/S, using two modalities: on the job training (including exchange visits) and more traditional training courses. On the job training focused on the development of annual work plans and budgets, activity implementation, development of administration and financial guidelines, daily management, administration and operation, and filing systems. Training workshops centered on conflict resolution, communication skills, and TNA.

As stated in the final evaluation, “the new modality, itself has had policy and operational implications for the RGC, as new systems and processes had to be developed and followed. Towards the end of the project these are being integrated into the RGC local planning, budgeting and project implementation systems, with ICC projects also being identified within the RGC 10-year National Programme of Sub-National Democratic Development (NP-SNDD)”. The evaluation also concludes that “The relevance of the ICC component is very high, in terms of the UNDAF, CPAP, and ECCSP / NIP. The ICC component is also integral to the RGC D&D strategy, which mainstreams citizen oriented local governance and participatory planning processes”.

***Rationale for DDLG support for inter-commune cooperation projects:***

As developed in Huges Evans’s Report on ICC (2008), DDLG is the only programme that provides funding specifically for inter-commune cooperative (ICC) projects. Other programmes may allow communes to use funds for such activities but have other primary goals. The original rationale for the ICC component of DDLG stems from two factors. One was the virtual absence (until the adoption of the Organic law<sup>21</sup> in 2008) of a district authority to cater for inter-commune needs<sup>22</sup>. The second purpose was to complement the other 3 components of DDLG, the main aim of which was to strengthen local democratization and development processes through co-operation between commune councils and other stakeholders.

As a unique system (under DDLG) decisions on inter-commune projects are made by communes acting collectively. Although the Organic Law may now allow for commune participation in decision-making, the ICC approach has gone much further by empowering communes to make such decisions. As reported by H. Evans, this remains in line with Section 6 of the Organic Law on Special Provisions of the District and Commune Councils which specifically states that “The district council shall be accountable to the commune councils” (article 93, emphasis added), and that “The district council and the relevant commune councils shall integrate identified strategies, programs and activities for responding to the needs and requests of the commune councils in a special section of the (annual and three year development plans and budgets) of the district and communes”.

Initially designed (in 2006) as a “project system”, the ICC Guidelines were tested in five provinces in 2006 and revised in 2008<sup>23</sup> to cover infrastructure and service delivery projects but also to allow communes located in different districts to cooperate beyond their boundaries<sup>24</sup>. The document, known as Guideline on ICC Project Management Process (cross-district) aligned<sup>25</sup> itself closer to the RGC Project Implementation Manual (PIM), where the entire ICC project selection and management responsibilities fall over the commune/sangkat mandates.

This report should also note that the ICC guidelines (2006, 2008 and 2011 versions) were

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<sup>21</sup> Under the Organic Law, the authority and resources of districts are to be substantially enhanced. Districts are also to have their own budgets, although their specific responsibilities for service delivery and corresponding fiscal resources have yet to be defined by NCDD.

<sup>22</sup> The district administration, as the local branch of the provincial Governor’s office, was mainly responsible for matters of national security and administration. A district office of provincial line departments have, in most cases, no budgets of their own and mainly serves as field agents for their parent departments.

<sup>23</sup> DDLG also formulated a specific ICC guideline for service delivery which was integrated in 2008 the ICC guidelines for infrastructure.

<sup>24</sup> This revised guideline was approved in May 2008 and adopted by 102 communes.

<sup>25</sup> The 2008-approved guideline was presented to concerned NCDD and DIP working group members to improve its quality and recognition and at the same time to ensure its consistency and harmonization with existing formal commune/sangkat guidelines.

systematically designed and revised in line with Cambodia's existing local planning, budgeting and project management processes (e.g: PIM, CIP, CSF). This approach significantly helped strengthen capacities, national ownership and accountability. As reported in the final evaluation, "The ICC guidelines have been developed through clear and continuous involvement with the RGC, taking in to consideration already installed systems has ensured that not only suitable guidelines that can be managed by the RGC have been developed and utilized, but full ownership has also been propagated by the project team during the process".

By 2010, ICC projects were implemented in 11 Provinces and in the Phnom Penh Capital. With a total disbursement of almost Euro 5,794,773, 371 projects, including 91 service projects were implemented. An analysis of the use of DDLG funds for investment in inter-commune projects reveals again an emphasis on physical infrastructure.

During this period, it is estimated that 10,338 central and sub-national officers and councilors were trained, including 2,272 women. To increase the efficiency of local governance and project implementation training sessions were organized at different levels to cover all essential project stakeholders. The project also supported ICC national working group members attended project planning trainings conducted by private Cambodian training institutes (SILAKA, VBNK).

The 2008 MTR reported the project has contributed to stronger capacities at sub-national levels. "The councilors and C/S clerks also seemed well conversant with the preparation and procurement procedures, which are not particularly simple. This is a direct attribute of the capacity development activities under DDLG and it demonstrates potential benefits for the local communities and positive impact on the ground".

### ***ICC impact on livelihoods:***

Looking at the impact of ICC projects on livelihoods, the MTR (Dec, 2008) found that: "ICC projects have good potential poverty alleviation impact"<sup>26</sup>.

Two years later, the DDLG final evaluation (December 2011) also reported "good examples have been found, improvement to actual livelihoods can be found as described within the case studies"<sup>27</sup>. However, the final evaluation also concluded, "ICC projects should refrain from financing gravel and earthwork road rehabilitation since although immediate easing of travel may be experienced the nature of construction sees such roads being severely eroded during the wet season".

### ***Way forward: Institutionalization of ICC:***

At the policy level, the last year of DDLG was marked by a major breakthrough with the decision of Government (Mol and NCDD) to integrate the ICC concept and systems<sup>28</sup> under national policies (PIM and CSF) and therefore sustain the cooperation mechanisms beyond the project lifetime. As indicated in the Final evaluation, "much work within this area has been undertaken by the project in terms of dedicated TA and the facilitation of extensive dialogue meetings".

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<sup>26</sup> At the site, it was explained by the commune councilors of the three communes involved, that considerable improvements were achieved after completion of the project (a four-km road). These included better access to school, rice paddies, markets and the district health centre"(MTR, Dec 2008).

<sup>27</sup> The Final evaluation found that, in the case of the construction of a bridge joining a coastal commune to an adjacent

<sup>28</sup> During consultation, participants have systematically reiterated the importance of ICC as local good governance practices that help strengthen downward accountability and gradually build stronger interactions between local residents and their councilors.

Now referred in the IP3 as “inter-administrations cooperation” the NCDD expects in the next three years to expend the ICC concept vertically and allow inter-cooperation between different sub-national administrations. In this context, DDLG has in 2010 and 2011, supported the Ministry of Interior<sup>29</sup> map options to integrate ICC under the existing commune planning and budgeting mechanisms<sup>30</sup> but also considering District options.

Although the original designers may not have thought of it in such terms, DDLG has in practice tested one form of a demand-driven approach to the provision of public services. As developed in H. Evans ICC Report (2008), “the ICC approach which consists of allocating resources to consumers (communes) rather than to suppliers (line departments or service providers) may produce better results”.

This is an experiment that was well worth pursuing and which is certainly not rendered obsolete by the passage of the Organic Law. On the contrary, the rationale for the ICC component of DDLG is even enhanced, as an opportunity to compare two different modes of delivering public services to district constituents.

### ***Communication and sharing lessons:***

Since 2010, the project started to document ICC success stories as best practices and a mean to share experiences and advocate for the benefit of local cooperation. Videos (on You Tube) were placed on the UNDP Global website and on the UNDP-Cambodia site. The European delegation also produced an ICC video reportage at the occasion of the EU day. Three additional case studies, including one on an innovating cooperation mechanism (in Koh Kong) that involved ICC, CSF, villagers contribution and a charity are produced.

## **Component 4: DDLG policy support**

The addition of Component 4 in 2008 was a direct response from DDLG to the need for support to the policy development function in the NCDD Secretariat, at a critical juncture in the Sub-National Democratic Development reforms. The Organic Law had just been passed, and that law set out the broad policy direction; established the NCDD; and required the NCDD to develop a ten-year National Programme for Sub-National Democratic Development. DDLG provided an International Policy Adviser to assist NCDD/S in developing D&D policy and formulating a National Programme; and to ensure that DDLG key priorities were mainstreamed in both policy and programme. The Policy Adviser was embedded in the NCDD Policy Unit at Mol.

The key tangible results to which Component 4 directly contributed can be summarized as follows:

- The National Programme for Sub-National Democratic Development 2010 – 2019 (NP-SNDD) was formulated and approved by the RGC
- First phase Implementation Programme 2011 – 2013 (IP3) of NP-SNDD was formulated and approved by the RGC.

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<sup>29</sup> An ICC inter-ministerial working group was setup in 2010 to help Mol coordinate with Ministry of Planning, Ministry of Economy, National Treasury and the NLC/S.

<sup>30</sup> Discussions held amongst the ICC inter-ministerial working group stressed importance for ICC projects to be identified, planned, budgeted and implemented as part of the regular local planning process and as other projects managed by communes. In respect of future funding opportunities, the use of the CSF remains a priority while other options are envisaged considering the future establishment of District Funds and the possible SNIF mechanism.

- A Memorandum on a Programme Based Approach to support the IP3 was developed and agreed by the contributing Development Partners
- The legal and regulatory framework to implement the Organic Law and related policies, strategies and programmes was largely put in place by end 2011

### ***The National Programme for Sub-National Democratic Development 2010 – 2019:***

Policy development after the Organic Law was effected through the consultations and dialogues that took place during the development of the NP-SNDD. The formulation of this programme was the responsibility of the NCDD-S, assisted by a team of international and national consultants (funded by the World Bank). As reported in a 2009 World Bank Aide Memoire, it was found that the report was unsatisfactory and that it required additional inputs. It is in this context, that DDLG's assistance was requested to provide substantive and strategic advices but also to help NCDD/S coordinate with the design team and other stakeholders. The project together with other partners has therefore, provided inputs for the finalization of the NP-SNDD that was approved by the RGC in 2010, and was responsible for the inclusion of a Human Resources element in the Programme. Latter DDLG Policy Advisor assisted NCDD and Development partners lead the national Policy Dialogue on Human Resources. As reported in previous section of this report, DDLG also advocated within government for the inclusion of the National League of Commune Sangkat Councilors as a key stakeholder in the policy dialogues and in the policy development process generally. As a result, the National League became a strong advocate for D&D issues on behalf of its members.

### ***The Implementation Plan 2011 – 2013:***

Following the experience of the NP, the NCDD-S recruited a small team of international consultants, who were tasked with re-working the first three years of the NP-SNDD to effectively develop D&D policies and strategies that were clear and agreed by both government and development partners. The NP-SNDD was taken as an overall source document, and the programme was essentially re-written. At the request of NCDD/S, this work was with other partners supported by DDLG.

### ***The Programme Based Approach:***

As a number of European Development Partners, led by SIDA and DFID, were keen to move away from an initial "projects approach" towards a programme-based approach that was more in line with the Paris Declaration and the Accra Accord. NCDD-S requested UNDP/DDLG support to facilitate liaison with DPs generally on D&D policy issues; and to advice on developing and implementing a PBA. For this process, UNDP/DDLG facilitated consultations in line with the policy of government as expressed by CDC and was involved with the drafting of the PBA Memorandum. The Memorandum was signed by four development partners and others have committed to support the IP3 rather than imitating individual projects. Given the situation in 2008, and as recognized in the final evaluation, this was a considerable achievement.

### ***The Legal and Regulatory Framework:***

The target of fifty pieces of legislation required to implement the Organic Law was met and, as reported in the final evaluation, DDLG has to varying degree, contributed to the policy aspects of many pieces of legislation. On the contrary the NCDD/S Policy Unit itself is still not properly established, and by the end of 2011 was still staffed primarily by advisers. Although this

establishment was, and continues to be, outside the control of DDLG, this resulted in an ad-hoc approach in Moland NCDD to the development of legislation, and meant that capacity building of government officials was unfortunately neglected. It is in this context that DDLG, as part of the IP3 formulation team, was operated and on an ad hoc basis assisted in the development of organization structures, systems, terms of reference and job descriptions for the NCDD/S Policy Division, which is now expected to be staffed by government in early 2012. The project has for instance helped NCDD/S draft the entire 1st draft Sub-Decree on functional assignments, made a substantial contribution to the Sub-Decree on the Structure and Functions of the NCDD-S but had little input to the legislation on sub-national planning.

## Lessons learnt<sup>31</sup>

Various lessons learnt can be drawn from the intervention, which mainly relate to the operations within the UNDP CO, project management, and coordination, recommendations include: -

- (1) Since the UNDP seeks to strategically partner with EC within a number of areas, a need arises whereby specific EC PCM and F&C knowledge and systems knowhow need be internally owned, training should therefore be organized internally.
- (2) UNDP, given their unique position should seek to greater influence the EC CSP/NIP (2007 – 2013) since the area of D&D has been omitted as a focal area for funding. This of course can be addressed through a follow-on partnership funding arrangement for the ACCESS Project. Given the positive contribution that DDLG has made to the D&D reform process and its high impact in terms of the strategic area of poverty reduction, similar partnership arrangements through ACCESS ideally should be undertaken by both IPD's.
- (3) At project level weakness within the context of indicator formulation, utilization and maintenance of the log frame as a project management tool, and inconsistent progress reporting are evident. However, the DDLG management did update the log frame in 2008 and introduced RBM planning and reporting mechanisms in alignment to UNDP enhanced project management systems. Such issues, especially in relation to the utilization of non UNDP project management tools (i.e. PCM) can be mitigated through internal training and support that can be effected through the mobilization of short-term expertise.
- (4) It is essential, that any future project should during its inception phase develop a coherent monitoring system based upon verifiable indicators. Emphasis through the project cycle should be placed upon capturing best practice and success stories.
- (5) Cohesion within multi-national project teams is sometimes difficult to develop and maintain. Within the context of Cambodia, with an ever-growing level of national capacity such issues have become important to manage within the context of development projects. Therefore, greater effort needs to be placed upon team work and internal coordination of projects, especially those that have multiple components such as the DDLG which include the utilization of retreats and formal monthly project meetings that involve CO and project staff.
- (6) Given the positive output of the DDLG project, the UNDP should commission a consultancy to capture some of the most important best practices that have been initiated and realized

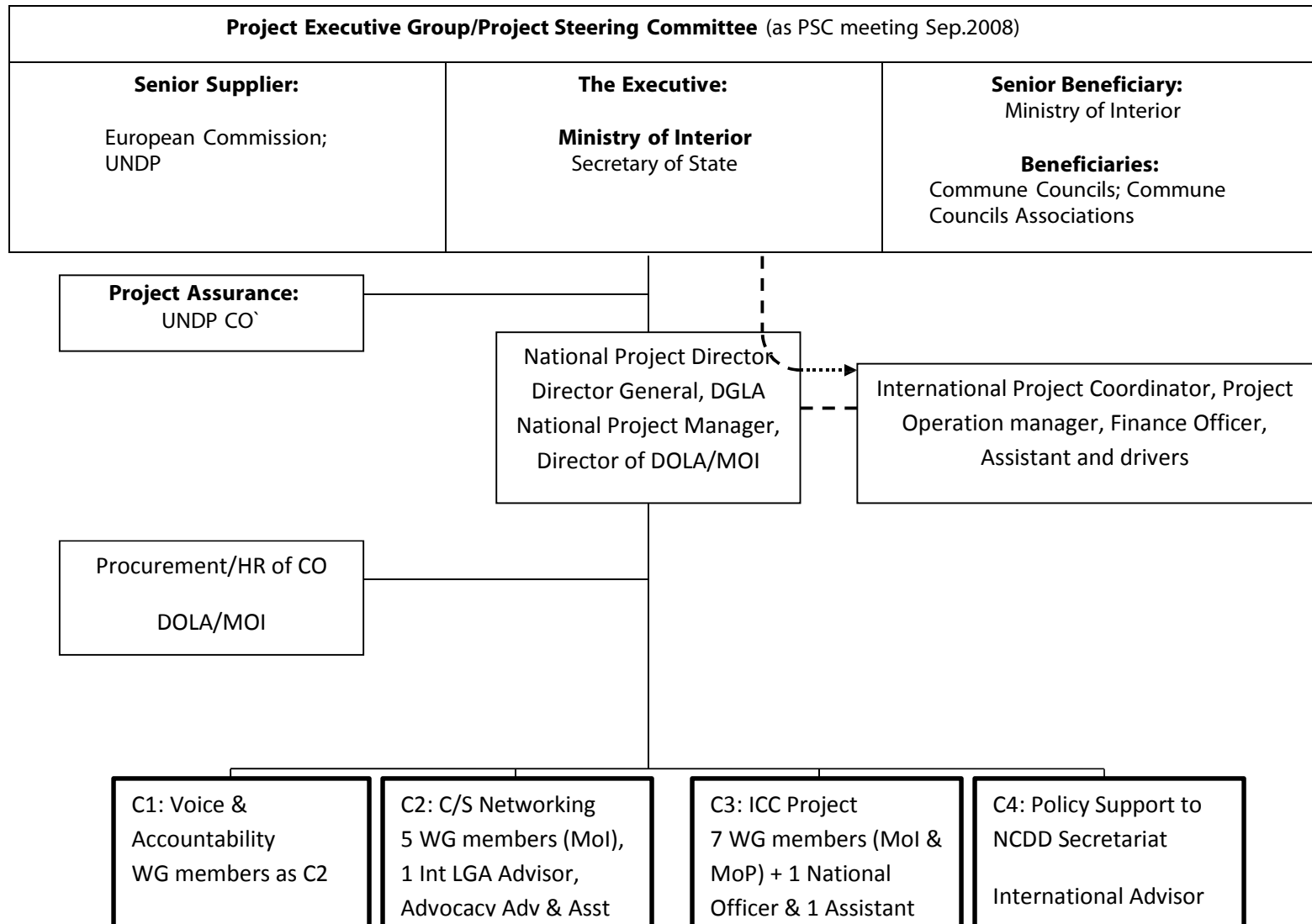
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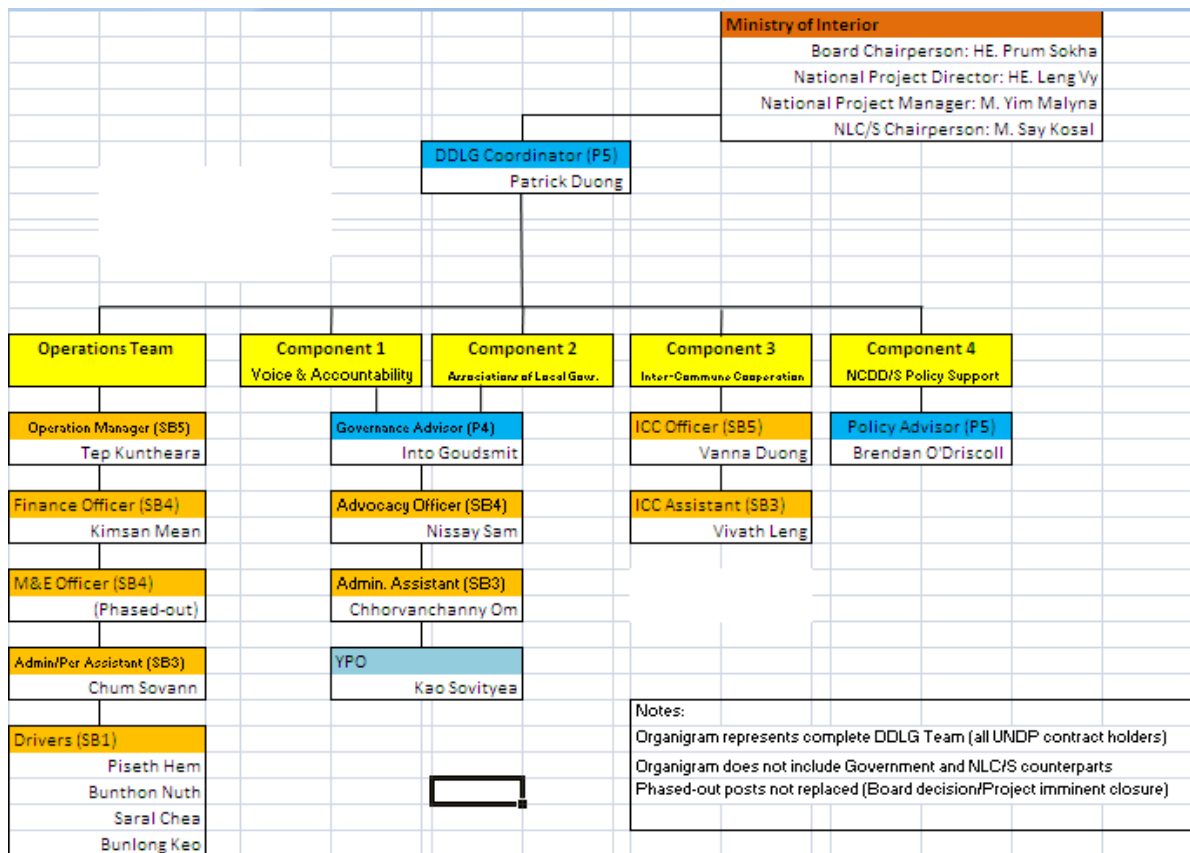
<sup>31</sup> DDLG Final Evaluation, Dec. 2011.

given that much information has not been efficiently recorded. Such examples should also be offered for inclusion in the Global UNDP knowledge base, under pinning the outcome of the DDLG that has verifiably though promoting good governance practices in Cambodia improved the livelihoods of the rural poor.

- (7) Based upon the positive achievements that have been realized by the DDLG project, especially in the context of the promotion of democratic voice at the sub-national level and the successful establishment of the NLC/S and PAC's, the identified follow-up project (ACCESS) which is being funded by UNDP provides an ideal opportunity for the IDPs' to further support the D&D process in parallel to supporting the IP3 thus assuring an essential counter-balance to the RGC within the context of democratization and sub-national governance reform and capacity building.







## Annex One: Final Financial Report 2006-2011

## Annex Two: Inventory Listing and Agreement of Transfer of DDLG Assets

Approved by: Elena Tischenko, UNDP Country Director

Signature: \_\_\_\_\_

Date: \_\_\_\_\_