

Aid Effectiveness Priorities in Cambodia

**Chhieng Yanara
Secretary General CRDB/CDC**

**Royal Government of Cambodia / Government of Australia
High-Level Consultations
20 May 2009**

Evidence: What have we learned from the Paris Declaration indicators?

Cambodia Paris Declaration Indicators

No.	Indicator	2005 Baseline (2006 survey)	2007 Status (2008 survey)	2010 Target
1	Implementation of national works	C	C	B or A
2	Quality of PFM systems	2.5	3.0	3.5 or higher
3	Aid reported on budget	79%	85%	90%
4	Coordinated technical cooperation	36%	35%	50%
5a	Use of country PFM systems	10%	12%	thc
5b	Use of country procurement	6%	16%	
6	Parallel PIUs	49	12%	
7	In-year predictability of aid	69%	184%	
8	Untied aid	86%	52%	88%
9	Use of programme-based approaches	24%	28%	66%
10a	Coordinated missions	26%	12%	50%
10b	Coordinated country analytical work	60%	17%	70%
11	Sound performance assessment framework	C	C	B or A
12	Reviews of mutual accountability	Yes	Yes	Yes

Clear Improvement

Worse

No clear change

Note. Figure for untied aid provided by OECD/DAC (2008 survey figure derived from Cambodia ODA Database data for reference)

Evidence: Aid Effectiveness Report

1. Good progress in establishing tools and processes yield few results. Political leadership is required
2. Focus on simpler results-based measures relevant to sector priorities and central planning/budgeting processes
3. Improved partnership dynamics are required to complement technical capacities in order to make partnership effective
4. Broader and higher level engagement - RGC, DPs, civil society - will support implementation & accountability
5. The development partnership must focus on capacity development (including to strengthen national systems)

⇒ National experience & AAA to guide future direction

Identifying joint priorities

Joint Monitoring Indicator on Aid Effectiveness

“For both the Royal Government and development partners, to come together in the first quarter of 2009 to negotiate a limited number of practical and verifiable actions that are based on the H-A-R Action Plan and represent a consensus for joint action.”

Priority actions at central and line ministry level should be:

- Endorsed at the highest level (RGC & development partners)
- Relevant to the needs of the sector
- Realistic and achievable
- Linked to present and future capacity efforts
- “Good enough” (not excessively ambitious)
- The application of AAA commitments in Cambodia

⇒ **Priorities to be identified by RGC and negotiated with DPs**

Nature of identified priorities

1. Programme-based approaches identified to:
 - Promote alignment with nationally-owned priorities
 - Strengthen and use national systems
 - Promote increased harmonisation & common approaches
 - Manage high levels of fragmentation
 2. Capacity development
 - Effective management of technical cooperation
 - Strengthening national systems (esp. financial management and M&E)
 3. Mutual accountability and ownership
 - Effective partnership arrangements
 - Exchange of information and data
 - Joint review mechanisms
- ⇒ Implementation and M&E led by RGC in the context of TWG & JMI work

Complementary priority activities for 2009

- Promoting the integration of central planning, budgeting processes & aid management processes
- Development and delivery of a training on 'Managing for Development Results', linked to the JMIs
- Development of a 'partnering initiative' to that enhance ownership, complement technical AE approaches and promote mutual accountability
- Application of the Guideline on Technical Cooperation to promote more effective capacity development practices
- Leveraging PBAs to focus on the use of national systems and capacity development initiatives linked to the strengthening of these systems
- Maintaining efforts to ensure in-year and medium-term predictability of development assistance to support PIP and budget processes

Next steps in aid management

- Work in TWGs to implement identified priorities:
 - focus on PBAs, national systems capacity, & mutual accountability frameworks
 - Support to consolidation and advancement of progress in health, PFM, agric & water
- Ensure impact and coherency with complementary initiatives (e.g. partnering and JMIs)
 - strengthen capacity and results focus of development partnerships (esp health, PFM)
 - manage the adverse effects of aid fragmentation (e.g. through PFM platform 2)
 - coordinate technical cooperation with sector capacity development priorities (e.g. A&W)
 - strengthen and use national systems in line with AAA commitment
- Monitoring of disbursements and project performance that are critical to supporting the economic response (e.g. A&W)

Conclusion

- National experience, combined with the consensus reached in Accra, informs identification of evidence-based aid effectiveness priorities in Cambodia
- Priorities are results-focused, endorsed at senior management level and relevant to the needs of the sector
- Main areas of focus are:
 1. Programme-based approaches identified to:
 2. Capacity development
 3. Mutual accountability and ownership
- Implementation and monitoring to be led by RGC, with dialogue and monitoring through the TWGs