

**MINUTES OF THE FIFTH MEETING
OF THE
PARTNERSHIP AND HARMONIZATION TWG
HELD ON
8 DECEMBER 2005, 8:30 AM AT CDC**

1. Mr. Chhieng Yanara, Chairman of the P&H TWG opened the meeting by welcoming all participants to the fifth meeting of the P&H TWG. He proposed the following four agenda items for the meeting and asked the participants if they would like to add any additional items:

- i. Status of the revised Strategic Framework for Development Cooperation Management; and a Multi Donor Support Program to implement the Strategic Framework for Development Cooperation Management and Funding of the Program;
- ii. Updated H-A-R Action Plan and briefing of the last meeting of OECD/DAC Joint Venture on Monitoring the Paris Declaration.
- iii. CDC/CRDB's ODA disbursements website.
- iv. Activities to be included in the P&H TWG workplan for 2006.

2. No additional items were raised and the proposed agenda was adopted.

3. In his presentation on the first agenda item, Mr. Yanara provided an update on the current status of the RGC's Strategic Framework for Development Cooperation Management. He informed the meeting about the steps that have been completed so far. These included: (i) preparation of the first draft of the Strategic Framework by CDC/CRDB; (ii) a review of this draft by an inter-ministerial meeting on 1 August 2005, and preparation of a revised second draft based on inputs from the inter-ministerial group; the submission of the revised second draft to SNEC for its review and approval; (iii) the preparation a revised third draft to incorporate SNEC's comments which was formally approved by SNEC in September; (iv) a review of the draft by development partners that was organized by Mr. Douglas Gardner -- as the Lead Donor Coordinator of this TWG. He thanked Mr. Gardner for organizing these consultations and providing him a consolidated version of development partners' comments. He informed the meeting that a revised draft incorporating development partners' comments/suggestions that fall within the parameters endorsed by SNEC has been finalized. He said that a copy of this revised draft was sent to Mr. Douglas Gardner early this week to share with all development partners. He informed the meeting that the final draft Strategic Framework is being sent to the Council of Ministers for approval.

4. He then proceeded to outline a multi-donor support program to support the implement the Strategic Framework. He said that the underlying concept of the Program is to enhance government ownership and leadership of development cooperation management processes and to manage ODA to achieve targeted development results. He said that the overarching objective of the Program is capacity development of CDC/CRDB as the focal

point within RGC for ODA mobilization and aid coordination and the capacity development of line ministries and agencies to effectively manage external assistance. On behalf of the Royal Government, he urged development partners who are interested in aid coordination and aid management issues to consider contributing resources to implement this Program, which will be managed by CDC/CRDB. He noted that RGC's preferred modality for funding this Program is a "pooled resources modality". He added that for those development partners who because of their internal rules and procedures are unable to contribute through the pooled resources modality, the option of making contribution directly to CDC/CRDB will be available and governed by separate bilateral agreements between CDC/CRDB and the contributing partners. He informed the meeting that the total costs of implementing the Multi-Donor Support Program over the next five years are estimated at over USD 4.2 M and UNDP has agreed to contribute USD 1.16 M to the pooled resources. He said that the document on the Multi-Donor Support Program that is being circulated will also serve as the Program Document for all interested development partners.

5. On the second agenda item, Mr. Yanara provided an update on the H-A-R Action Plan and a briefing on the last meeting of OECD/DAC Joint Venture on Monitoring the Paris Declaration held on 21-22 November 2005. With respect to the work on updating the H&A Action Plan, he said that already two workshops have been held, the first on 4-5 July at CDC that was supported by the World Bank, and the second on 1-2 September 2005 in Sihanouk Ville that was supported by UNDP. He said that since the last workshop in September, the Government has also been looking at what other countries have done in this area, and he shared with the meeting the Royal Government's concern over the progress made over the last year in implementing the Action Plan. He noted the limited progress in areas where development partners were to take actions. He said that according to a recent finding of a study commissioned by DFID on harmonisation and aid coordination, both the Government and development partners have not yet fully understood the internationally agreed commitments made in Rome and Paris Declarations, and that actions need to be taken to correct the situation. He informed the meeting that CDC is now looking at the issues and the implications of these findings for updating the H-A-R Action Plan.

6. In his briefing on the meeting of the last meeting of the OECD/DAC Joint Venture on Monitoring the Paris Declaration that was held on 21-22 November 2005 he began by highlighting the key features of the Paris Declaration. He said that the Paris Declaration were signed on 2 March 2005 by over 100 countries and 25 development agencies who attended the second HLF in Paris. It consists of five Partnership Commitments, namely Ownership, Alignment, Harmonisation, Managing for Results and Mutual Accountability. He said that the OECD/DAC through its Working Party on Aid Effectiveness (WP-EFF) was designated to monitor progress on the implementation of the Paris Declaration's commitments, and two rounds of monitoring are planned to be carried out before the third HLF in 2008. The first round will be conducted in 2006.

7. He then proceeded to brief the meeting on the first round of monitoring that is scheduled to be launched in 2006. He said that the Joint Venture on Monitoring the Paris Declaration (JV-MPD), which was established following the October 2005 meeting of the WP-EFF, will carry out a survey at the country level through a questionnaire which is now being designed by the JV-MPD. He informed that the first round will be launched in May and responses are expected to be provided by September 2005. He said that the questionnaire package, which includes an Explanatory Note, Donors' Questionnaire, Government's Questionnaire, Consolidated Questionnaire, and a Technical Guidance Note, is to be finalized by January 2006. He added that the most difficult part of the package is the Technical Guidance Note for building a common understanding of the terminology that will be used in the questionnaires. He informed the meeting that a field test of the questionnaire package will be conducted by OECD/DAC in selected countries from mid February to April. He informed the meeting that at request of RGC, Cambodia has been selected as one of the countries for field testing the draft questionnaire. He said that UNDP headquarter in New York has indicated its willingness to support and coordinate the field testing in Cambodia. He said that the field testing will provide an opportunity to take corrective action on the finding of the DFID study about the lack of awareness of Paris Declaration's commitments and implications for both Government and development partners.

8. Regarding the third agenda item, he informed the meeting that CDC/CRDB's preliminary work on developing a CRDB/ ODA disbursements website has now been completed and it is now ready for testing. He said that the website is designed to enable development partners to report their ODA disbursements data directly to the website, as well as to provide access on ODA disbursements information to the general public. He said that a presentation on the website will be made by CDC/CRDB ICT expert at the end of the meeting.

9. Prior to elaborating on the fourth agenda item, Mr. Yanara informed the meeting that DFID has expressed an interest in taking the role of Co-lead Donor Facilitator of the P&H TWG. He asked the meeting to consider the request and said that if there are no objections CDC/CRDB would like to welcome DFID in this new role.

10. He proceeded to make a presentation on the annual progress report of the P&H TWG that is to be submitted for the Fifth GDCC meeting next week. Mr. Yanara highlighted again that limited progress is being made on the specific activities where development partners' actions are needed.

11. In discussion following the Chair's presentation, with respect to the Strategic Framework for Development Cooperation Management, Mr. Mogens Christensen said that there is not yet a clear understanding among donors on the roles and functions of Government ministries and agencies involved in international cooperation area, namely among Ministry of Foreign Affairs and International Cooperation, Ministry of Economy and

Finance and CDC, and that the role of CDC within the Government as a focal point for aid coordination should be clearly specified. Mr. Shyam Bajpai of ADB pointed out that while the overall roles and functions of Government ministries and agencies involved are stated in the Strategic Framework, clarification on some operational implications of their roles and functions should be further provided. He said that some elaboration at the operational level would not only benefit donors, but it would also enable them to align their support to the Government.

12. Regarding the Multi Donor Support Program, Mr. Christensen said that CDC must own and manage the program and at the same time build capacity so that CDC can accommodate support from a number of donors. Ms. Helen Appleton said that DFID is committed to supporting the program in implementing the Strategic Framework though she could not say how much financially. Mr. Eiichiro Hayashi of JICA indicated that JICA is also willing to support the program and suggested that a small meeting among interested donors should be held to explore options for cooperation. Mr. Daniel Costa of the EC delegation said that the EC will consider providing support to the program from 2007 if the program is included in the PIP as one of the priority of the Government.

13. In response, Mr. Yanara said that the Government is well aware of the problems that may arise out of the overlap functions among ministries and agencies involved in development cooperation management. He said that the problem will be partly solved once the Strategic Framework is adopted by the Government so that there will be a common understanding on what each government institution should do regarding development cooperation. He also emphasized that the Multi Donor Support Program to implement the Strategic Framework is a National Program that will be fully owned and managed by CDC/CRDB. He said that the Government wants to see support to the program from more than one donor and that there are two options for funding modality namely through pooled resource modality or direct funding to CDC/CRDB by development partners who are unable to contribute through the pooled resources modality.

14. Referring to the discussion on the Strategic Framework, Mr. Vongsey Vissot of the Ministry of Economy and Finance said that dealing with international cooperation is a complex and enormous task. He said that a clear division of labor among government institutions in dealing with different natures of international cooperation is very important. He also noted that in some cases, as part of legal requirements and protocols from their capitals or headquarters, development partner must work with a specific Government agency; in this case, there must be a degree of flexibility.

15. In the discussion on the second agenda item, Mr. Douglas Gardner, as Lead Donor Coordinator, welcomed the partnership with DFID in co facilitating the P&H TWG. He also remarked that UNDP is ready to help in the field testing and that field testing and the survey should be organized in a way that minimizes transaction costs. He suggested that

reviewing the H&A Action Plan could be conducted simultaneously with field testing of the questionnaire and the survey.

16. Mr. Yanara thanked the meeting for agreement on DFID to be the Co-Facilitator of the P&H TWG. He said that CDC/CRDB is considering organizing these various activities in one, rather than as separate events. He also raised the question for consideration by the P&H TWG of whether the H&A Action Plan should be approved by the Government and presented to the upcoming CG meeting or wait until the completion of the questionnaire in September 2006. The group unanimously decided that the Action Plan should be finalized and presented to the CG meeting.

17. Related to the third agenda item, Ms. Fleur Davies of AusAid inquired about the way development partners could provide information on disbursement data to CDC/CRDB so that it can be reported to the upcoming CG meeting. She said that development partners are willing to provide ODA information to the government but that it does take some time to pull that information together.

18. Mr. Yanara responded that the main objective of the development of CRDB's ODA disbursements website is to enable development partners to provide information on their ODA directly through the website. He said that CRDB's ICT expert would present the main features of the website and guidance on how to use it, and that CRDB will provide technical support to development partners to enable them to operate the website effectively. He also said that a formal request will be sent soon to all development partners to provide information on their ODA disbursements data in the near future.

19. Commenting on the final agenda item, the activities to be included in the P&H TWG work plan for 2006, Mr. Christensen proposed that the four listed activities should be merged into only two activities because some activities appears to be sub activities. In addition, Mr. Christensen also asked the Chair to circulate the government's Strategic Framework for Development Cooperation Management, the details of the national program to support the implementation of the Framework, estimated budget, planned activities, objectives and the like to development partners so that they can be discussed.

20. Mr. Yanara said that CDC/CRDB will take note of the suggestion made by Mr. Christensen on the workplan of the P&H TWG for 2006. He also assured the meeting that the final draft of those documents will be available to all development partners in the next two weeks. To close the meeting, Mr. Yanara invited the ICT expert to make a presentation on CRDB's ODA disbursements website.

21. The meeting adjourned at 10:30.