

## **18<sup>th</sup> Meeting of Government-Donor Coordination Committee (GDCC)**

### **Key notes on overall progress of the Sub-National Democratic Development Reform**

**HE Sak Setha**  
**Secretary of State, Ministry of Interior**  
**Head of the NCDD Secretariat**

His Excellency Deputy Prime Minister, Keat Chhon, Chairperson of the GDCC,  
Excellencies Ambassadors and Development Partner Representatives,  
Excellencies Chairpersons of the TWGs,  
Excellencies, Ladies and Gentlemen.

On behalf of the NCDD and the TWG on D&D, I would like to make a brief report on progress of the Sub-National Democratic Reform since the 17<sup>th</sup> GDCC meeting in October last year.

#### **Formulation of the IP3:**

Based on the 10- Year National Program for Sub-National Democratic Development, 2010-2019, the first Three-Year Implementation Plan, referred to as the IP3, has been formulated and approved in principle by NCDD during its fifth meeting on 30 Nov 2010.

The main focus of this IP3 is on strengthening the capacity and developing the functions of the District/Municipal level while at the same time continuing support to the Commune/Sangkats.

The IP3 was jointly appraised by our development partners in the first quarter of this year. The appraisal team in general agreed with the overall IP3 document but made several important recommendations to government. These recommendations focused on:

- developing further a budgeted, gender mainstreaming component;
- refining the democratic accountability framework with clear indicators;
- developing a social accountability framework;
- ensuring that the capacity development strategy would place greater emphasis on skills transfer to enable technical assistance to be reduced over time;
- reviewing overall costs of the IP3 as well as the cost sharing arrangements between government and development partners; and
- ensuring that progress would be made on compensation reform so that the POC within the IP3 could be phased out or phased in to a new arrangement by the middle of next year.

In responding to these recommendations, the NCDD is taking necessary action in close coordination with concerned government ministries all of which were discussed in the most recent TWG on O&O meeting held on 7 April 2011. In particular it has been agreed that a new component will be designed for implementation by the Ministry of Womens Affairs related to gender mainstreaming particularly at sub-national level.

#### **Sub-National Finance Law:**

The Law on the Financial Regime and Property Management for Sub-National Administration has already been endorsed by the Council of Ministers and has been sent to the National Assembly. The 2nd Commission of the National Assembly is planning to meet on 26 April to review the Law before it is submitted for adoption. As such it is likely that the Law will be enacted in May.

#### **2011 AWPB:**

The 2011 AWPB, totaling \$ 71 million of government and development partner financing, is under process of finalization. Following adjustments to the activities, time frames and costs the main document will be

ready for submission to development partners by the end of this month. At the same time, the draft MoUs with the six sub- program implementing agencies and the 24 provinces/capital are nearing completion and will then be subject to final review and agreement between the NCDD and the respective sub-program implementing agencies by the end of this month.

### **Financial Status**

While we were previously concerned about a break in financing during the transition to the new program, with the recently confirmed support from the Government of Sweden together with other development partners contributions we are now confident that the program can move forward. In addition, various design missions resulting from the positive findings of the joint appraisal are scheduled in 2011 in order to secure additional funding for 2012 and beyond.

### **PBA Arrangement**

There is full consensus amongst the government and development partners that the national program will be implemented under PBA arrangements. A draft memorandum on the PBA has been prepared and discussed with the concerned development partners and we are confident that the memorandum will be agreed to in the near future.

### **IP3 Implementation Progress in the first quarter of 2011**

**SNA Planning:** The formulation of the first, five-year development plans at the province and district/municipal levels is well advanced. The formulation of the first three year investment program is expected to commence in the second half of April in most places. As the guidelines and process are new there are understandably some weaknesses in quality and it will be important this year that an evaluation of the process is undertaken to address issues related to both the guidelines and capacity.

**Support to CS Councils:** Support to CS Councils for the 2011 CS Fund cycle is ongoing primarily through the existing ExCom arrangements. It was acknowledged that performance in the first quarter of the year has been affected by the uncertainty associated with the transition arrangements but nevertheless a large number of 2010 carryover activities are under implementation and preparations are being made for 2011 CS projects.

**MIS and M&E design:** Considerable work has been carried out in the first quarter on the overall NCDD management information systems for the IP3. This includes software programming for monitoring of the AWPB implementation linked with financial management and the development of a human resource data base linked with payroll and performance reviews. As regards M&E and reporting, the base line and target values for indicators are being finalized and separate reporting frameworks for implementing agencies and advisors developed.

**CCWC Financing:** The efforts to promote ongoing support for the Commune Sangkat Women and Childrens Committees and continuation of local social development activities through the CS Fund itself have been successful. An internal survey carried out in March revealed that a total of \$ 1.3 million has been allocated by the CS Councils from their 2011 CS Fund allocations for ongoing support to CCWC operations and social development activities related to the Cambodian Millennium Development Goals (CMDGs). The NCDD is planning to follow up with the key social development Ministries concerned as well as the United Nations Agencies to discuss the 2011 support arrangements to the Women and Children Committees at all sub-national levels and the significant opportunity that this provides for functional assignment in the social sectors.

Thank you for your attention to this brief report and I am ready to respond to any questions from your Excellencies, Ladies and Gentlemen.