

## **The 2<sup>nd</sup> Cambodia Development Cooperation Forum**

Le Palais du Gouvernement (CDC), 3-5 December 2008

**Topic on:** *"Strengthening public sector management through sub-national democratic development"*

Presented by **HE. Sak Setha**,  
Secretary of State, Ministry of Interior

- **Your Excellence DPM, Minister of Economy and Finance**
- **Excellencies, Senior Officials of National Ministries,**
- **Distinguished Delegates from our development partners,**
- **Ladies and Gentlemen**

It is my great honor on behalf of the Ministry of Interior and the National Committee for the Management of D&D Reforms to participate in this session of the 2<sup>nd</sup> Cambodia Development Cooperation Forum focused on "Strengthening public sector management through sub-national democratic development". As you are all by now aware, in May 2008 the Organic Law on Administrative Management of the Capital, Province, Municipality, District and Khan was adopted by the Royal Government representing an historic step forward in our governance reform efforts.

### ***Vision, policies and principles***

The overall vision of the government in relation to the establishment and functioning of a multi-tiered system of local government has been well articulated. In line with the Rectangular Strategy, the Strategic Framework for Decentralization and Deconcentration Reforms of the Government of Cambodia envisions the implementation of a system of sub national government to "promote local development and delivery of public services to meet the needs of citizens and contribute to poverty reduction within the respective territories." The policies and principles guiding the implementation of the necessary reforms are also set out in the Framework, have been incorporated into the Organic Law, have been discussed in various fora over the last number of years and I will not repeat them here. However, perhaps it is timely today for me to recap a little on our overall approach to D&D before I talk about progress towards our D&D policy goals.

### ***Government's approach to D&D***

Decentralising and deconcentrating government functions is of course a massive, complex, long-term change process, involving many challenges. It involves a fundamental change in the way government carries out its business. Many developing countries around the world have embarked on the decentralization journey, seeking improved local democratic governance, improved public services and, ultimately, a reduction in poverty. All have found it a difficult journey, but there is broad agreement that it can bring many benefits to the nation and its people. While there are many generic issues to be faced, and lessons to be learned, there is no one international model that we can follow, and each country must develop its own approach to fit its own circumstances.

To understand fully our approach to D&D we must understand the context or environment in which the policy exists. When the government first began to look at reforming the local government system, it was in the context of ensuring continuing national unity and stability, after years of conflict. These imperatives remain a central consideration for government. Secondly, unlike many developing countries, Cambodia was faced with the challenge of establishing virtually a new local government system, rather than reforming an existing, fully functioning one. These considerations, together with other unique features of the Cambodian context, have meant that the government has had to chart out its own unique course on D&D. The government has taken the view that change cannot be rushed, rather adopting a 'learning by doing' approach, which has served us well, and continues to inform our decisions.

### ***Progress to date***

Development and implementation of the D&D policies have been necessarily slow, but we have made impressive progress to date, especially since 2002. We now have fully functional, democratically elected local authorities, the Commune and Sangkat Councils. These Councils are close to and accountable to the people and as their capacity is built, they are growing in capability and importance regarding service delivery. The National League of Commune and Sangkat Councillors is now established country-wide, and has the potential to become an important national focus for local government in terms of improved advocacy, representation, local voice and accountability.

Of course the Commune / Sangkat level cannot provide the full range of public services envisaged for local government. The Organic Law has been promulgated and now provides the legal basis for implementing D&D through the Capital, Provincial, Municipal, District, Khan, Commune and Sangkat councils. The Organic Law also provides for a very powerful, well-resourced and representative national implementation body, the National Committee for Democratic Development at Sub-National Level (NCDD). The NCDD has the overall responsibility for ensuring the implementation of the Law, and is given the specific task of reviewing 'the responsibilities and functions of ministries, institutions, departments, offices and authorities at all levels to identify functions to be transferred to sub-national councils'. The Royal Decree to formally establish the new NCDD has been drafted and after one last round of high level discussions is expected to be approved soon.

### ***National Program for Sub-national Democratic Development***

The next necessary stage is the development of a comprehensive national implementation plan, to be known as the National Program for Sub-national Democratic Development for 2010-2019. This national program will set out a 10-year strategy and implementation program that will cover both short term implementation of the Organic Law and longer term strategies necessary to achieve the strategic vision articulated in the Strategic Framework on D&D. Work on the development of the programme began in September 2008, and the national design team is currently engaged in facilitating a series of policy dialogues. Three levels of dialogues are planned: the internal dialogue within government, involving concerned ministries and agencies with representatives of sub-national levels; the expanded dialogues with our development partners; and consultations with the wider audience of sub-national levels and civil society. The first dialogue on the overall objectives and strategies has already taken place, and the second, on functional assignments to sub-national level, is currently underway. The remaining three dialogues on local finance and budget, accountability and oversight, and local management and administration will take place early in 2009. Through this dialogue, consensus and understanding among stakeholders will be developed which will guide and inform the new programme formulation.

### ***Council Elections 2009***

As provided for in the Organic Law, the government has decided to hold the indirect elections for the Capital, Province, Municipality, District and Khan Councils on 17<sup>th</sup> May 2009. The Organic Law is, by its nature and design, a broad framework law, and requires further definition and expansion in law, through Sub-Decrees, Prakas and other instruments. The Ministry of Interior, in support of the NCDD, is currently working on some of the preliminary requirements, and on the preparations for training and information dissemination, both before and after the elections.

### ***Ongoing implementation issues***

In seeking to achieve our objectives under the Vision, we need to be optimistic and positive, but also realistic. The current position in Cambodia is that virtually all delivery of basic social services in areas such as health, education, agriculture, infrastructure and other pro-poor sectors is handled by central government ministries and institutions. Financial, human and other resources are firmly in the hands of the line ministries and institutions. The passing of the Organic Law has been an important milestone in the implementation of the D&D policy, and fundamental changes to the roles and responsibilities of both central / line ministries and local authorities are now required. Making these changes will be difficult, and will have to involve a change of attitude as people adapt to their new roles and responsibilities. This will not happen overnight and we will have to design good transition strategies so that momentum is sustained while change is introduced. Capacity requirements will change dramatically and will have to be addressed through well conceived capacity development plans.

### ***Excellencies, Ladies and Gentlemen,***

The success of the D&D reforms depends on the active involvement from a wide range of institutions in both policy design and program implementation. We know from experience that one Ministry or sector alone will never be able to implement the wide ranging reforms necessary for D&D to contribute to national goals laid out in the Rectangular Strategy and the National Strategic Development Plan.

In closing, I would like to express my sincere appreciation for the valuable contributions all of you have made to the D&D reform. I want to pay a special tribute to our development partners for their continuing keen interest in, and support of D&D; for their continuing participation in dialogue with government, and for their generous financial and technical support. The Royal Government can count on this support as we face the great challenges ahead and, through D&D move towards achieving our common goals, including the Millennium Development Goals.

**Thank you**