

**A Capacity Development Strategy
For The
Cambodian Rehabilitation And Development Board
Council For The Development Of Cambodia**

**CAMBODIAN REHABILITATION AND DEVELOPMENT BOARD (CRDB)
COUNCIL FOR THE DEVELOPMENT OF CAMBODIA (CDC)
JANUARY 2007**

TABLE OF CONTENTS

Executive Summary	i
Foundations for Capacity Development	
I. Introduction.....	1
II. The CRDB Mandate and Vision	2
III. Methodology: Principles and Approaches to Capacity Development	5
A Capacity Assessment	
IV. Functional Review and Analysis	7
V. CRDB Skill-sets and Competencies: A Self-Assessment	10
VI. Management and Workflow Challenges	13
VII. Capacity Challenges for CRDB	15
Organisational and Managerial Aspects of Capacity Development	
VIII. Current CRDB Organisational Structure	17
IX. Proposed CRDB Organisational Structure.....	19
X. Establishment of a Priority Mission Group	33
XI. Performance Management	35
XII. Management and Workflow Strengthening	37
Individual Aspects of Capacity Development	
XIII. Placement of Existing Staff & Analysis of Vacant Positions	39
XIV. Motivation and Incentives	44
XV. Training	46
Support to Capacity Development Strategy Implementation	
XVI. Risk Analysis and Mitigation	48
XVII. Implementation Arrangements & the Role of MDSP and JICA	50
XVIII. Capacity Monitoring and Evaluation	52

LIST OF TABLES

1.	Functional Analysis of CRDB	9
2.	Self-Assessment of Skills	10
3.	Skills assessments and Training Needs.....	10
4.	Staff Proposals for Improved Performance	12
5.	Staffing by Department.....	18
6.	Staffing Levels.....	25
7.	PMG Incentive Scales	34
8.	Individual Performance Assessment Criteria	36
9.	Information Management Department: Placement of Existing Staff.....	40
10.	Europe and North America Department: Placement of Existing Staff	41
11.	Asia and Pacific Department: Placement of Existing Staff	41
12.	Multilateral Organisations Department: Placement of Existing Staff	42
13.	NGO Coordination Department: Placement of Existing Staff	42
14.	Administration Department: Placement of Existing Staff	43
15.	Skills and Training Modalities.....	46
16.	Risk Analysis	48

LIST OF CHARTS

1.	Proposed Organisational Structure of CRDB	20
2.	Aid Coordination Policy Department	26
3.	Information Management Department.....	27
4.	Europe and North America Department	28
5.	Asia and Pacific Department	29
6.	Multilateral Organisations Department	30
7.	NGO Coordination Department	31
8.	Administration Department.....	32
9.	Performance Management.....	35
10.	Supplementation/Incentive Scheme	45

LIST OF ANNEXES

1.	Sample Job Descriptions for Positions in CRDB.....	54
2.	Generic CRDB Workplan	57
3.	Abbreviations	58

Executive Summary

Background

This Capacity Development Strategy for the Cambodian Rehabilitation and Development Board (CRDB) of the Council for the Development of Cambodia (CDC) has been developed to guide and inform the strengthening of CRDB for the period 2007-2010. The Strategy has been developed over a period of six months under the guidance and direction of the Secretary General, CRDB/CDC; it combines a number of external and independent analytical inputs with the views, experience and identified needs of CRDB staff.

This document provides an assessment of CRDB capacity and, based on its mandate, sets out a vision for the future that will, first, strengthen CRDB as an organisation so that, ultimately, it can promote the effective use of development assistance in Cambodia. The Strategy itself will require frequent review and revision as the implementation and monitoring of capacity development activities proceeds. In this regard, this document might be viewed as a capacity development inception paper, setting out the broad approach but requiring further detailed elaboration, planning and budgeting.

The objectives of this Capacity Development Strategy are:

- To assess CRDB's capacity and ability to fulfil its aid coordination mandate;
- To develop a professional organisational structure based on CRDB's mandate;
- To identify required managerial, technical and administrative competencies and skills gaps in a re-organised and incentivised CRDB structure;
- To set out a results-based strategy for attaining organisational and individual goals.

Structure

The Capacity Development Strategy begins by identifying the CRDB mandate and vision. This provides the institutional setting for assessing capacity and considering the organisational structure, management arrangements and skill-sets that are required to support effective aid management within CRDB and, ultimately, to enable CRDB to provide aid management expertise across the whole of Government.

A methodology and guiding principles are then established. These emphasise the need for a long-term approach that creates a conducive environment for organisational change and staff development, building on existing structures as far as possible and taking account of incentives, motivation and the complexity of reform. These principles are then applied to consider capacity at institutional, organisational and individual levels.

Independent analysis is then used to conduct a functional review and a consultative exercise with staff was undertaken to complement this with more analysis of functional roles. Management and workflow challenges were then assessed based on both external and internal consultations. This enabled a discussion on specific capacity challenges for CRDB to conclude the section on capacity assessment.

The next component of work was to consider the current CRDB organisational structure and, informed by the capacity assessment work, identify a revised structure and Departmental Terms of Reference that consolidates the management of donors and promotes the policy aspect of CRDB's work. A Priority Mission Group/Merit-Based Pay Initiative (PMG/MBPI) approach is identified as a means of delivering key goals in ODA management and in

promoting aid effectiveness, together with a performance management system and some approaches that might be adopted to strengthen workflow and management.

Once organisational issues have been addressed, the Strategy turns to individual aspects of CRDB capacity and considers the placement of staff and the filling of vacant positions. Motivation and incentives are considered, including the development of training plans based on revised job descriptions.

The final section considers implementation arrangements and the identification of support to CRDB. Risks to the long-term and sustainable strengthening of CRDB are identified, including the need for CRDB/CDC to be awarded its own budget and permanent staff, the role of CRDB in fulfilling their mandate in supporting other government ministries/agencies, together with associated management and performance challenges that accompany the broader public service reform agenda.

Support from the Multi-Donor Support Program and JICA is then identified, in particular to facilitate CRDB workplanning for both operational and capacity development activities, and then to support the establishment of the PMG/MBPI, delivery of training and implementation of the revised organisational structure. Finally, arrangements for monitoring and evaluation are identified, including establishing indicators of progress, with an emphasis on the need to review the approach on the basis of emerging evidence.

Main Findings

The fundamental objective of CRDB's capacity development work is to strengthen performance at organisational, managerial and individual levels. This will ensure that CRDB functions as a holistically integrated and competent Government agency capable of carrying out its tasks with efficiency and effectiveness. In recent years CRDB has successfully built capacity for managing routine tasks, and has also been successful in reducing attrition by significantly improving the working environment. Nevertheless, CRDB faces significant challenges that need to be overcome if it is to effectively perform its mandated functions and provide aid management expertise and support to other ministries and agencies. These challenges have many dimensions that include staffing and skills issues; management and budgetary challenges; and those of an organisational nature.

Conclusion

This Strategy has been developed in the context of the broader public service reform programme but will be delivered according to CRDB's own vision. It is necessary to emphasise at the outset that capacity development is more than a technical process of re-organisation and endowment of knowledge and skills. It is a complex and non-linear process of change that must be viewed in the wider context of political economy and public service reform in Cambodia. As such, it is necessary to adopt a long-term view that recognises the limits of applying technical solutions to more complex and multi-faceted challenges.

Implementation of the Capacity Development Strategy will begin in January 2007 based on organisational workplanning, the introduction of new management arrangements and training informed by job descriptions and learning plans. The PMG/MPBI is expected to have been approved and this will provide the necessary incentives, together with a new system of performance management that will offer guidance and mentoring to all staff. Continued consultation with all staff members and regular opportunities for review and reflection will complement a monitoring and evaluation framework that will ensure that the pace and direction of capacity development meets the expectations of CRDB management and staff.

I. Introduction

- 1.1 The Royal Government of Cambodia (RGC) has placed governance at the heart of its Rectangular Strategy for implementing the National Strategic Development Plan (NSDP). This recognises that effective institutional and legal frameworks, well-managed organisations and motivated professional staff are all essential if the public service is to play its part in promoting broad-based economic growth that will deliver real benefits to the Cambodian people. At the heart of this approach is an emphasis on capacity development, which manifests itself in all of the current reform programmes, as well as in the development of sector strategies.
- 1.2 A significant number of the programmes identified in the NSDP, and in associated reforms and sectoral strategies, will be funded by Official Development Assistance (ODA). Capacity within the Government for managing this ODA is therefore essential if: (a) these resources are to be effectively used; and (b) the resources are to have a sustainable impact on building the capacity of the country to manage its own affairs and to implement its development vision. In particular, this means ensuring that the ownership, alignment, harmonisation, results and mutual accountability objectives of the Paris Declaration on aid effectiveness are fully implemented.
- 1.3 The task of ensuring that ODA is delivered in a manner that is consistent with these objectives is assigned to the Cambodian Rehabilitation and Development Board (CRDB) at the Council for the Development of Cambodia (CDC). It is recognised that, without effective national capacity to manage ODA, recent advances in donor harmonisation and alignment may regress, with an associated risk that inappropriate modalities may fragment rather than build capacity for national development. The RGC therefore approved the Strategic Framework for Development Cooperation Management in January 2006, setting out the roles for ODA management across Government for mobilising resources and aligning them with national policies.
- 1.4 CRDB, as the Government focal point for ODA management, therefore intends to establish and implement a Capacity Development Strategy as part of the National Programme to implement the Strategic Framework. This Strategy, which although not intended as an approach for building aid management capacity across the whole of Government, will ensure progress at CRDB. By fulfilling its own mandate, CRDB will make a strong contribution to the broader national development effort.
- 1.5 Using participatory approaches, this Capacity Development Strategy provides an assessment of current aid management capacity at institutional, organisational and individual levels, mapping CRDB capacity against its mandated functions. It then adopts a methodology that considers reorganisation, staffing levels, incentives, performance management and training needs. To promote organisational effectiveness it also considers workflow and management issues, as well as risks and managing the change that will accompany capacity development activities.
- 1.6 The Strategy that is outlined here is the consolidated product of five diagnostic exercises conducted over the period June-October 2006. These include studies, reviews, interviews and consultations with staff. The Strategy is intended to guide activities over the period 2007-2010, with support for implementation being provided by RGC's own resources, as well as from the Multi-Donor Support Program and JICA.
- 1.7 It is necessary to note at the outset, however, that capacity development is often a complex and non-linear process. Similarly it must also be noted that many aspects of CRDB capacity remain relatively unexplored and further diagnostic work will be required. This means that this Strategy, and its sustainability, must be open to challenge, review and revision, in particular by the staff of CRDB but also by partners and other stakeholders who have an interest in promoting the effectiveness of aid.

II. Methodology: Principles and Approaches to Capacity Development

Defining Capacity Development

- 2.1 There is an increasingly significant global body of work emerging on capacity development, organisational reform and change management. This literature combines theoretical foundations with empirical evidence across a wide range of countries, contexts and periods. Noting that capacity development is often ill-defined and conceptually vague, it is therefore useful for CRDB to draw from this body of work when considering its Capacity Development Strategy, in particular to define capacity as a starting point.
- 2.2 For the purposes of CRDB, therefore, capacity is defined as:
- “the ability of CRDB as an organisation, and of its management and staff as individuals, to perform their mandated functions, and to set and achieve their policy objectives”*
- 2.3 Capacity development can therefore be viewed as a process to strengthen, create, adapt and maintain this capacity over time.

Guiding Principles for Effective Capacity Development

- 2.4 A number of important lessons have been derived from the national and global experience and used to inform the methodology that has been taken by CRDB. The Capacity Development Strategy methodology was discussed by staff at a retreat in August 2006 and the discussion included reference to the following guiding principles that must inform both the production and implementation of the Strategy:

a) Capacity development is a long-term process

While this Strategy is to be implemented during the period 2007-10, it is appreciated that some transformations are necessarily longer-term, especially when viewed in the context of public service reform in Cambodia and the binding human and financial resource constraints that apply. The Capacity Development Strategy therefore attempts to identify a consistent but flexible approach that can be maintained over the medium-term – although there may be some 'quick wins', 'quick-fixes' are to be avoided.

b) Capacity development must be implemented in a conducive environment

Change at organisational level is, in part, dependent on an aggregation of changes in individual mindsets and behaviour. To promote this change, it is necessary to perceive capacity development as a positive opportunity for development, in which initiative is encouraged and rewarded, and in which all staff feel that their contribution is both appreciated and acknowledged. Capacity development is therefore about changing mind-sets as well as augmenting skills.

c) Capacity development must build on existing structures

Recognising that there are strong existing foundations, CRDB will use, to the maximum extent possible, existing structures and organisational arrangements. These include existing information systems, dialogue mechanisms and some aspects of organisational management practices. A strong existing base of individual competence in CRDB provides the 'critical mass' that is required for success.

d) Capacity development must consider incentives

"A fair day's work for a fair day's pay" is an important acknowledgement that is borne out empirically in reform programmes both within Cambodia and elsewhere. Incentive and motivation considerations must therefore take account of monetary incentives, but the CRDB Strategy will also consider the non-financial side of incentives, including measures to provide an enabling, enjoyable and fulfilling working environment and to provide opportunities for training and career advancement.

e) Capacity development must be an internally-driven participatory exercise

Too many models of capacity development have been informed by Northern perspectives (and Advisers) and imposed on a passive Southern 'beneficiary'. Most, if not all, have failed. CRDB intends to be the architect and engine of its own Strategy, recognising the realities that require some degree of capacity substitution, but retaining the leadership and initiative to articulate its own pace and direction. Regular opportunities for all staff to come together to consult with others and to discuss progress will be provided, including, to the fullest extent possible, using South-South models of cooperation to inform the capacity development process.

f) Capacity development must be an objective and monitorable process

While capacity development is a process, rather than the delivery of a package of goods and services, it is useful to develop a set of indicators to be used at all levels to quantify improved performance or the achievement of results. This helps to identify and manage risk, as well as to provide an objective basis for monitoring progress, evaluating results and applying lessons to future work.

Conceptual Approaches to Capacity Development

- 2.5 Three broad approaches to the concept of capacity have been considered. These relate to the institutional, organisational and individual levels of capacity, as well as to approaches to strengthen them.
- 2.6 At an institutional level, it is necessary to assess the legal and administrative framework for aid management, considering the "rules of the game", the structures that determine how it is played and the roles assigned to each of its players. Institutional capacity is important as it provides sustainability and continuity over and above the individuals that perform related functions, promoting accumulated knowledge and reducing dependency on single individuals.
- 2.7 In the aid management context, institutional capacity relates in particular to the mandate that establishes CRDB; the Strategic Framework for Development Cooperation Management, which elaborates its role and the role of others in national aid management; and the national aid management 'architecture'.
- 2.8 At an organisational level, the objective is to consider the structures that are in place to manage ODA, including: the Cambodia Development Cooperation Forum (CDCF), which was formerly the Consultative Group; the Government-Donor Coordination Committee (GDCC); and the Technical Working Groups (TWGs). The internal organisation of CRDB is also considered, as well as its relationship to the external environment. The Capacity Development Strategy must consider the distribution of staff against key functions, management arrangements and workflow processes that govern the conduct of work and the monitoring of performance (at CRDB, Department and individual level). It is also important to reflect on the systems that are in place to manage and store information and the communication strategies that share knowledge and information across the organisation. This analysis will ensure that support to individuals will aggregate up to ensure that 'the whole is greater than the sum of the parts'.
- 2.9 The more traditional individual level of capacity development primarily looks at how to develop human resources. This will consider the placing of staff within the organisational structure so that all key functions are performed, consistent with the organisation's mandate. This is then followed by 'gap-filling', considering skills profiles and training needs based on job descriptions, as well as other strategies that can be used to endow individuals and the organisation with the skills required to fulfil its mandate.

The CRDB Approach to Capacity Development

2.10 The CRDB Capacity Development Strategy, informed by the principles and approaches described above, will be developed as follows:

a) Capacity Assessment

A re-statement of the mandate, and how this translates into a practical 'vision' for CRDB. This is then followed by a Functional Review, which considers the evolving nature of CRDB's responsibilities and strategic policy formulation capacity. A Functional Analysis then considers the current mandated role of CRDB and maps this against strategic and core functions that the organisation must undertake. The results of a participatory skills assessment then provides some guidance on the current capacity endowment and some of the gaps, as well as providing some lessons on the effectiveness of previous capacity initiatives. The section concludes with a reflection on long-standing capacity-related constraints.

b) Organisation, Staffing and Management

The functions and responsibilities of each Department are reviewed and revised, with job descriptions developed, outlining the functions/responsibilities of the position and the minimum education, skills, and experience needed to perform these functions. This results in an identification of the staffing establishment (number and skill level) required to meet CRDB's current challenges and emerging needs. Based on the above analysis, the organisational structure is then revised and priority activities are identified in preparation for establishing a Priority Mission Group (PMG). This is followed by a series of preliminary recommendations regarding workflow and management within and across Departments.

c) Training and Motivation

The revised organisational structure, with associated Departmental Terms of Reference and individual job descriptions, allows staff to be assigned to positions within the new structure based on their skills profile and, using all of the analysis conducted so far, for capacity gaps to be identified. Training needs for each staff member can then be identified and a training plan can be prepared and aggregated across the whole of CRDB. Positions that are vacant can be prioritised for filling and options for recruitment and staffing can be considered. The issue of motivation, including the establishment of a merit-based incentive scheme is then considered.

d) Support to Implementation

The final section of the Capacity Development Strategy considers implementation arrangements and associated risks/challenges. The role of external support provided by the MDSP and by JICA is considered so that it can have maximum impact, minimise capacity substitution needs and promote a long-term and sustainable approach to capacity development. Finally, a section on Monitoring and Evaluation considers the establishment of monitoring indicators and processes that will need to be finalised according to the participatory principles that underlie this Strategy.

2.11 The CRDB Capacity Development Strategy has been informed by five diagnostic exercises conducted during the period June-October 2006. These include: (a) Functional Review; (b) participatory Functional Analysis; (c) skills self-assessment; (d) individual interviews with a national human resources expert; and (e) focus on organisational issues facilitated by an international consultant.

III. The CRDB Mandate and Vision

- 3.1 The CRDB mandate is the starting point for the Capacity Development Strategy. The mandate, which corresponds to the institutional framework, sets out the objectives, functions and relationships that govern aid management in Cambodia. As such, these institutional arrangements will inform the organisational structure of CRDB, its internal and external management arrangements and the nature of the skills and competencies that staff must possess.
- 3.2 CRDB is the focal point within the Royal Government for the mobilisation of Official Development Assistance (ODA), for coordination of ODA with all development partners (multilateral and bilateral development partners and NGOs), and for coordination with and between Royal Government ministries and agencies on ODA allocation and utilisation issues.
- 3.3 The RGC sub-decree No. 147 ANK-BK dated 29 December 2005 and the Strategic Framework on Development Cooperation Management establish the roles and functions of CRDB. As per the provisions in Article 13 of the Sub-Decree #147 ANK.BK dated 29 December 2005 on matters concerning public investment, the CRDB is to:
 - (i) Act as the "Focal Point" and "One Stop Service" of the Royal Government of Cambodia in its relations with donor countries, agencies and NGOs; and as the "Focal Point" and "One Stop Service" for Government ministries and agencies in aid coordination and allocation/utilisation.
 - (ii) Formulate and implement the Strategic Framework on Development Cooperation Management to strengthen Government ownership and leadership in development process and to strengthen partnership between Royal Government of Cambodia and the donor community.
 - (iii) Mobilise and allocate external assistance to implement the priorities set out in the National Strategic Development Plan and other sectoral development plans.
 - (iv) Directly lead the harmonisation of development partners' practices and procedures to enhance aid effectiveness.
 - (v) Provide technical support to the Government Donor Coordination Committee that is the mechanism for policy dialogue and provide support to strengthen the Technical Working Groups mechanism.
 - (vi) Cooperate with ministries and agencies in formulating national rehabilitation and development strategies, and setting immediate, medium and long term national development priorities for the preparation of annual plans of action. These plans of action must be coherent, systematic and inter-related.
 - (vii) Participate in the preparation of national socio economic development plans and sectoral development plans.
 - (viii) Manage public investments by closely cooperating with relevant ministries and agencies. This is mainly related to coordinating and guiding the allocation and utilisation of national and external resources for the rehabilitation and development of Cambodia.
 - (ix) Pursuant to the delegation of power from the Prime Minister, sign on behalf of the Royal Government of Cambodia the acceptance and/or allocation of external assistance with bilateral and multilateral donors and international organisations.

- (x) Lead the preparation of government policy papers to be submitted to conferences for the rehabilitation of Cambodia such as the Consultative Group Meeting of Cambodia with cooperation from relevant ministries and agencies.
 - (xi) Prepare six-month and annual report and submit to the Royal Government of Cambodia for review and guidance to further improve rehabilitation and development.
- 3.4 As per the provisions of Article 14 of the Sub-Decree #147 ANK.BK, the role and responsibilities for public investment management of the CRDB, Ministry of Foreign Affairs, the Ministry of Planning, Ministry of Economy and Finance, and the line ministries are as follows:
- (i) CDC shall coordinate the formulation of visions and strategies for public investments and shall coordinate the ordering of priorities for public investment for medium term and one year.
 - (ii) The Ministry of Foreign Affairs and International Cooperation shall be the diplomatic window.
 - (iii) The Ministry of Planning, by cooperating with other ministries and agencies, shall prepare the 5 year public investment plan.
 - (iv) The Ministry of Economy And Finance shall prepare the macroeconomic framework for the medium term, shall prepare national budget for the implementation of the annual public investment plan, and shall monitor the implementation of financing.
 - (v) Line ministries shall prepare sectoral public investment plans by closely cooperating with the Ministry of Planning and CDC and shall implement those sectoral public investment plans.
- 3.5 Given that 50% of the Budget is financed by ODA, the mandate of CRDB is a critical one for RGC as it seeks to implement the NSDP and to finance priority activities in a coherent and cost-effective manner. In this regard, the Strategic Framework for Development Cooperation Management was approved in January 2006 to elaborate the arrangements for implementing the mandate articulated in Sub Decree 147.
- 3.6 The Strategic Framework explicitly recognises the need for capacity development that will enable CRDB to provide "high quality policy advisory support to...empower it to play its leadership role both within the country and in the international arena". Also recognising that improved aid management will ultimately only be translated into concrete progress at sector and thematic level, the Strategic Framework also envisages "Capacity development of the line ministries and agencies to enable them to effectively manage external assistance that is implemented through them and to effectively coordinate their aid management activities with CRDB."
- 3.7 The Capacity Development Strategy must therefore be grounded in a clear vision for the work of CRDB, informed by the Sub Decree and the Strategic Framework for Development Cooperation Management, and shared by all staff, as well as more widely across Government.
- 3.8 This vision, informed by the organisation's mandate, may be formulated as:
- "CRDB seeks to fulfil its mandate in aid management, enabling Government to lead the development partnership, identify and apply best practices in aid management, and maximise the impact of ODA in attaining the goals of the NSDP."*

IV. Functional Review and Analysis

- 4.1 The assessment phase of the Capacity Development Strategy considers institutional, organisational and individual capacity endowments. At the institutional level, the Strategic Framework for Development Cooperation Management elaborates Sub Decree 147 and establishes procedures for all aspects of ODA management, and re-affirms focal point role of CRDB. The National Operational Guidelines (NOGs), developed in March 2006, then indicate the specific procedures to be followed throughout the entire ODA project/programme cycle. This institutional framework is therefore considered to be sufficiently established so that it can be used as a basis for an organisational assessment of CRDB.
- 4.2 The organisational capacity assessment work began in mid-2006 with three reviews: (i) a reflection on the Consultative Group mechanism; (ii) a review of the complementary dialogue mechanisms comprising the GDCC-TWG mechanism; and (iii) a Functional Review of CRDB.
- 4.3 Following a dialogue with partners in August and September 2006, the Consultative Group mechanism will continue to evolve and will, from 2007, become the Cambodia Development Cooperation Forum (CDCF). RGC will play an increased leadership role in convening the development partnership and in managing and chairing the meeting. From a substantive capacity perspective, the CDCF will more closely associate the NSDP, as the main development plan, with the external financing framework. This directly contributes to building the institutional and organisational capacity that will allow priorities to be established, challenges to be identified and resources committed. This new mechanism therefore represents a significant capacity enhancement at a national level as planning, resources and monitoring are increasingly integrated in the national dialogue. A focus on qualitative aspects of aid management has also been retained as the RGC Harmonisation, Alignment & Results Action Plan will continue to feature in the dialogue.
- 4.4 Complementary organisational structures for development cooperation dialogue include the Government-Donor Coordination Committee (GDCC) and the associated Technical Working Groups (TWGs). Although these mechanisms are well-established there has been a feeling that, due to the rapidly changing environment in which they function, they are not always as useful as they should be in translating the development partnership into concrete results in terms of aid effectiveness and impact. To address this, a Review of the GDCC-TWG mechanism has been undertaken and, as of October 2006, is being discussed with RGC and development partner stakeholders.
- 4.5 The GDCC-TWG Review reflects on an area of work that is of considerable significance to building national capacity for ODA management, i.e. the ability at sectoral and thematic level to practically apply the aid effectiveness principles. Particular issues in the Review that relate to national capacity to manage ODA and to effectively lead the development partnership include:
 - a) Re-affirming the objectives and principles of these groups, including their focus on NSDP financing and promoting aid effectiveness;
 - b) Developing programme-based approaches that articulate a holistic vision and strategy for the sector as a basis for coherent resourcing and a focus on strengthening national systems and capacity;
 - c) Monitoring and evaluation, including use of the Joint Monitoring Indicators (JMIs) and the RGC Harmonisation, Alignment & Results (H-A-R) Action Plan;
 - d) Overall linkages between TWGs, GDCC and CDCF, including the preparation and monitoring of the JMIs as an annual tool to jointly monitor progress in critical development and reform areas.

- 4.6 With these reviews of the external institutional and organisational frameworks being conducted, a Functional Review of CRDB was also undertaken in July 2006. The Functional Review considered CRDB's own organisational arrangements and identified new functions that CRDB must address if it is to play its part as Government focal point in the context of the evolving ODA and aid management environment.
- 4.7 The Review also noted that, since its formation in 1994, CRDB's role and responsibilities with regard to aid coordination and management have evolved and expanded in response to changes in the flow of external assistance, the increasing number of development actors, and the multifaceted and cross-cutting nature of development cooperation. CRDB has evolved in many ways and directions and is now the established national focal point for managing and coordinating the flow of external funds for the socio-economic development of Cambodia through the public sector.
- 4.8 Many internal and external tasks that started as innovation have now become part of a well-established routine. These have been formalised in the Strategic Framework for Development Cooperation Management and some core capacity has been established so that most routine functions are carried out efficiently. The successes to date have come from the combined efforts of the staff of the CRDB and support from a UNDP programme that began soon after the creation of CRDB in 1994. More recently (since January 2006), UNDP support has been provided as part of a Multi Donor Support Programme for Aid Coordination (MDSP) and JICA has been providing technical assistance, mainly to the Asia Department.
- 4.9 In the early stages of support, UNDP provided six international full-time advisors to set in place necessary systems for data gathering on international assistance, to assist in aid-mobilisation and coordination efforts, and to support capacity building of CRDB staff. In next phase of the UNDP support programme that began in 2001 and ended in December 2005, the number of international advisors was reduced to one international Senior Advisor and a number of national professionals who were employed to support the project. In addition, short-term international consultants were engaged on a limited and short-term basis to support specific tasks.
- 4.10 As the aid effectiveness agenda has now moved increasingly into the spotlight at a national as well as international level, the Functional Review proposed that these roles be formalised in a revised organisational structure. The organisational recommendations of the Review are taken forward in Sections VIII and IX of this paper. Some of the major capacity constraints and challenges that were identified included:
- a) CRDB does not have its own core staff, more than half of the total staffing complement of thirty-five people are on annual contracts.
 - b) Incentives and motivation issues, common across the whole of RGC, are particularly acute in CRDB.
 - c) There is a strategic need to boost policy capacity if, as the national focal point, CRDB is to play a broader role as aid coordination "champion", including in monitoring the JMIs and H-A-R Action Plan and in promoting the aid effectiveness agenda at national, sectoral and sub-national levels.
 - d) Most of the critical aid management challenges are now at sector and thematic level. CRDB's focus may need to become increasingly outward-looking, and should include the development of new tools and products for sharing information.
- 4.11 These findings and recommendations were discussed and, with some clarification and amendment, endorsed by all CRDB staff during a retreat in August 2006. A Functional Analysis was then conducted based on all existing analytical work. This was designed to clarify the functions that are associated with the CRDB mandate, and identified in the various Reviews, and to then develop a consensus on the strategic and routine nature of these tasks, as well as the division of responsibilities between Departments. The Functional Analysis is presented as Table One.

Table One. Functional Analysis of CRDB

Sub Decree Article	Functions	Strategic	Routine
Partnership management, dialogue and bilateral consultation (Operations Departments)			
1, 9	CAS Review	1. NSDP alignment 2. Donor profiles	Dialogue function, convening RGC ministries and donors
3, 9	Portfolio Review	1. Resource mobilisation 2. Alignment and allocation consistent with NSDP, RGC policy, sectoral plans & processes	Disbursement monitoring through consultation and links to ODA Database
4	Modalities Review	Promote PBAs, adherence to National Operational Guidelines (NOGs)	Scrutinise TA Verify PIU status
1	NGO dialogue, portfolio management and partnerships	Assess complementarity of NGO support with NSDP at central and provincial levels	Record all flows in ODA database
Policy work (Aid Coordination Policy Department)			
2,4,10	Policy development	Forward-looking policy development based on quantitative and qualitative evidence derived from all sources	1. Monitor TWG feedback and inputs from Operations departments on trends in donor support and modality 2. Monitor developments in the international arena for policy relevance in Cambodia
4, 11	H-A-R Action Plan	1. Monitor and report to GDCC, CDCF. 2. Up-date on basis of OECD survey and other inputs	Monitor and consolidate TWG feedback Prepare six-month report for RGC
2	SFDCM	Implement & monitor, especially alignment with NSDP and adherence to SFDCM and NOG	Roll-out to TWGs/Outreach and donors
4	National Operational Guidelines	Implement & monitor	Roll-out to TWGs/Outreach and donors
6, 7, 8	Budget/MTEF, PIP and sector plan alignment	1. Analyse ODA (DCR) for integration with PIP and MTEF 2. Support ministries in developing plans and PBAs that are consistent with Budget framework and aligned with NSDP	Policy coordination work with designated officials from MFAIC, MEF, COM, MOP and other Ministries as requested by SG/CRDB (#147, Article 35)
10	OECD/DAC work	Analyse, consolidate, adapt to H-A-R, disseminate	Prepare for meetings
4	OECD/DAC survey	Derive lessons, support up-date through ODA database	Consolidate survey
4	Public Relations	1. Preparation of major policy initiatives, speeches, technical papers 2. Communications policy	Liaise with Documentation & Information Dept for dissemination
Coordination functions (Aid Coordination Policy Department)			
10	CDCF (formerly CG)	Support Chair (reports, speeches, summaries)	Secretariat (documentation production, logistics, prepare minute of the meetings)
5, 10	GDCC (including JMIs)	1. Support Chair, policy guidance and document preparation, monitoring H-A-R Action Plan 2. Consolidate, analyse and report on JMI monitoring	Secretariat (includes consolidating H-A-R Action Plan and JMI information)
5, 10	P+H TWG support	Chair, lead technical dialogue	Secretariat
5, 10	TWG support	Support to secretariats and chairs on selective basis, dissemination of key documents, provision of updated ODA profile to TWG (in liaison with Docs & Info)	In liaison with CRDB TWG focal point, attend and report on TWG activities
Information management (Information Management Department)			
8	ODA Database	1. Maintain/Develop ODA database to provide routine reports for MEF, MOP and TWGs 2. Participate in costing and gap analysis for NSDP and PIP (including by integrating NGO data) 3. DCR (including support to Policy on OECD-DAC Paris indicators)	1. Provide data inputs for policy coordination work with designated officials from MFAIC, MEF, COM, MOP and other Ministries as requested by SG/CRDB (Article 35) 2. Liaise with portfolio reviews and donor profiles undertaken by donor/NGO focal points
8	Information management	Maintaining and developing website, training and sensitising users	Archiving (electronic and paper) all CSP/CAS, project agreements, ODA publications, donor/NGO reports
Administration			
	Contracting		
	Procurement (non-financial aspects)		
	Exemptions (tax, import)		
	IT Support (to be clarified)		
	Human Resources		
	Training programmes		
	Translation		
	Records, correspondence and archive management		

V. CRDB Skill-sets and Competencies: A Self-Assessment

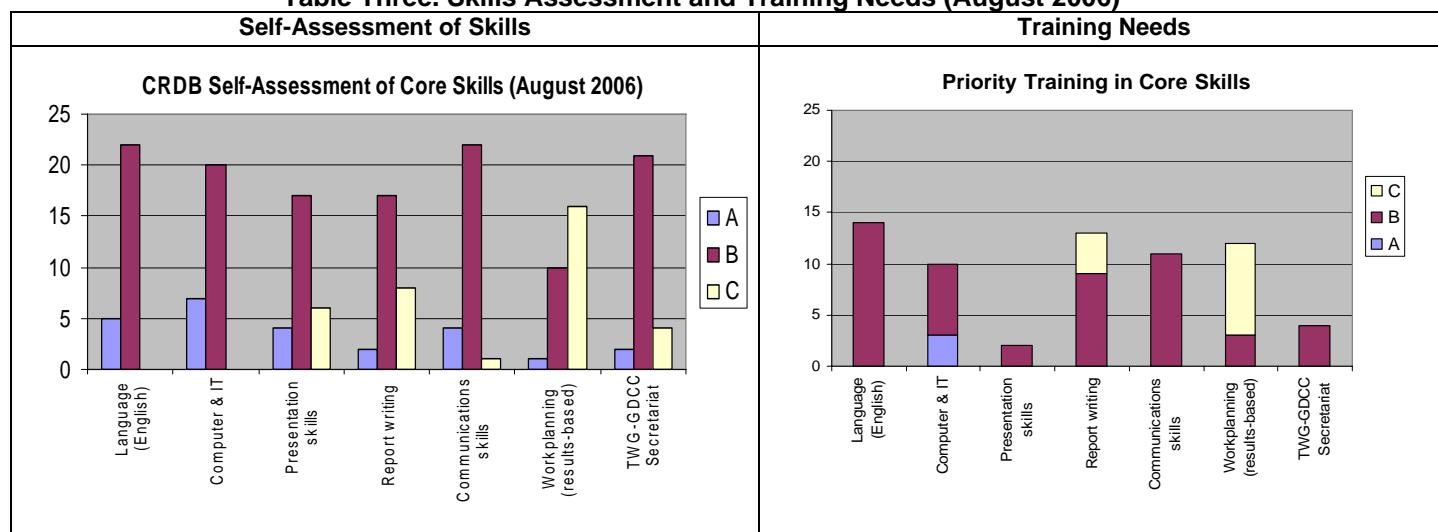
- 5.1 Noting the external organisational studies and the Functional Analysis, the August 2006 staff retreat provided CRDB staff with an opportunity to begin to map their own skills and competencies – based on their own perception – with the tasks assigned to CRDB derived from the Sub Decree and the Strategic Framework for Development Cooperation Management.
- 5.2 The self assessment asked the staff to assess their competence in core, technical and strategic/management areas identified in Table Two:

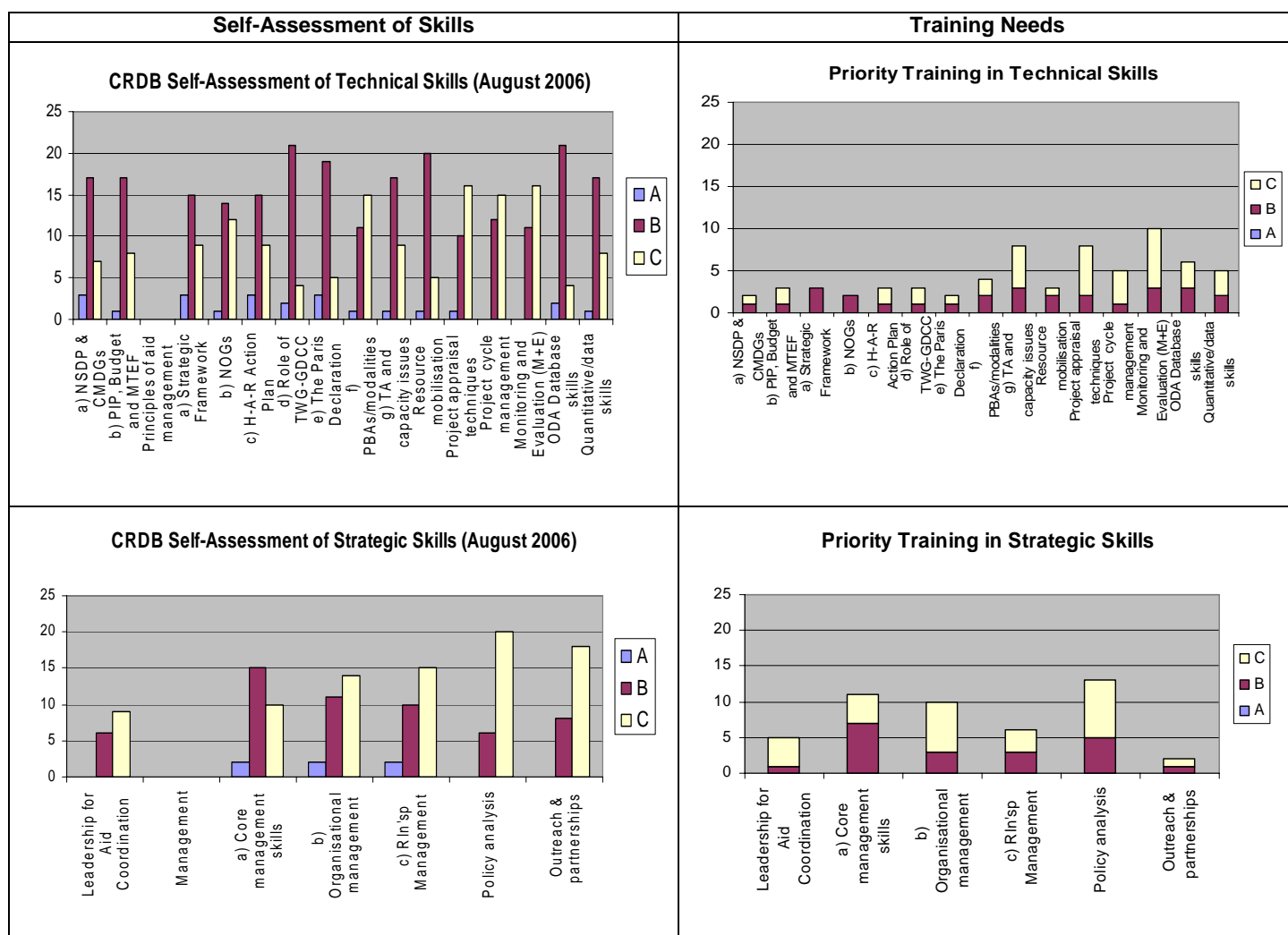
Table Two. Self-Assessment of Skills

Core Skills	Technical Skills	Strategic / Management Skills
Language (English)	"The Development Landscape"	Leadership for Aid Coordination
Computer & IT	a) NSDP & CMDGs	Management
Presentation skills	b) PIP, Budget and MTEF	a) Core management skills
Report writing	Principles of aid management	b) Organisational management
Communications skills	a) Strategic Framework	c) Management of professional relationships
Workplanning (results-based)	b) National Operational Guidelines	Policy analysis
TWG-GDCC Secretariat functions	c) H-A-R Action Plan	Outreach & partnership building (RGC and partners)
	d) Role of TWG-GDCC	
	e) The Paris Declaration	
	f) Programme-Based Approaches and aid modalities	
	g) Technical Assistance and capacity	
	Resource mobilisation	
	Project appraisal techniques	
	Project cycle management	
	Monitoring and Evaluation (M+E)	
	ODA Database skills	
	Quantitative skills (data management)	

- 5.3 Staff were asked to indicate their level of competence on a subjective A-C rating, as well as to indicate where further training was required (including as a priority). The results of the self-assessments are summarised in Table Three, below. The charts graph the self-assessment of competencies by core/technical/strategic skills (left-hand column), and then identify associated priority further training needs.

Table Three. Skills Assessment and Training Needs (August 2006)





5.4 Some points to note that are derived from this self-assessment and from the interviews led by a national human resources expert as part of the diagnostic work used to prepare the Capacity Development Strategy, include the following:

- Most staff rate themselves as a B with respect to core skills. Training demands clustered in this skill-set are significantly higher than in the other two clusters, regardless of indicated established competence. Where most staff indicated a 'C', they have also identified these areas as training priorities, demonstrating a willingness to strengthen existing weaknesses.
- Language and IT skills, and report-writing abilities are the skills most identified as in need of priority strengthening, although most staff appear to be keen to enhance an already relatively well-established level of competence (e.g. they indicate a competence level of B, but prioritise further training).
- Although there are a high number of B and C assessments in the technical category, the demand for training is significantly lower than for core skills. This is somewhat surprising given that expertise in the fundamental work of CRDB (Strategic Framework, Paris Declaration etc) is, by staffs own admission, quite low.
- This may indicate a need to build basic core skills before turning to technical skill-sets, however some technical training may be required to establish a critical mass of technical capacity so that CRDB can quickly move to meet its

aid management requirements as set out in Sub Decree 147 and the Strategic Framework for Development Cooperation Management.

- e) Staff's own assessment of their skills, and the nature of the training needs that have been proposed by staff, varies quite considerably across Departments.
- f) There appears to be a greater interest in acquiring strategic and/or management skills, policy analysis and development management in particular. Although these may necessarily presume a certain amount of technical ability before training in these types of skills may be expected to be beneficial, many staff indicated that this type of training, including long-term degree courses, is required.

5.5 The skills profiling and training needs exercise was elaborated during a series of interviews with twenty-four staff. When asked the question "What are your suggestions on actions that CRDB can take to enhance your job performance?", the respondents gave the following replies, which have been summarised in Table Four, below.

Table Four. Staff Proposals for Improved Job Performance

Performance-improving proposals	Number of staff
Increased remuneration	14
Long-term training (degrees, analytical skills)	13
Short-term training (specific job skills)	12
Performance / management improvements	6
Increased exposure to policy/analytical work	5
Resolution of contract issues	3
Improved equipment (PCs, phones, copiers)	3
More guidelines/manuals to formalise aid management and working practices	2

Note. Staff gave multiple responses (i.e. total not equal to 24)

5.6 It is noteworthy that during the interviews and skills profiling exercises, no CRDB staff member identified increased use of capacity substitution or additional use of advisory support as being a priority in boosting organisational performance or as a capacity building modality. This indicates that CRDB sees the solution to the capacity development challenge as being primarily internal, with external supporting playing a facilitating role, rather than providing direct support or capacity substitution.

VI. Management & Workflow Challenges

- 6.1 An effective set of management and workflow processes will ensure that CRDB sets and meets its operational targets in an efficient manner. The objective for considering management and workflow challenges is therefore to identify where major components of work are not being optimally managed, or where some elements of the CRDB mandate are not fully addressed. It will then be possible to consider an approach to strengthening management and workflow arrangements.
- 6.2 It should be noted that the analysis presented here is of a preliminary nature and is necessarily somewhat subjective and qualitative. While it provides a useful complement to the objective capacity assessment work, it should be interpreted with caution and, ideally, subject to more in-depth diagnostic work that can develop a more objective analysis of management and workflow issues. This would include a more accurate assessment that promotes a greater understanding of the nature of any problems before recommending actions that might be taken.
- 6.3 There is no organisational workplan as such for CRDB and the principal set of management tools are the Harmonisation, Alignment and Results Action Plan, with its associated set of tasks, some of which are included in the Partnership and Harmonisation TWG Workplan (chaired by CRDB). The Joint Monitoring Indicators may also be considered a guide to the work of CRDB as it facilitates the underlying processes at GDCC (JMI monitoring) and TWG level (JMI setting) in preparation for the CDCF. This means that setting objectives and effective planning cannot be routinely undertaken by CRDB. In addition the H-A-R Action Plan and the JMIs are not monitored in a robust and analytical way so that they can be used to prioritise and guide the ODA-related activities of RGC.
- 6.4 The diagnostic work for this Strategy paper also indicated that almost none of the Department heads formulate any kind of plan for their Departments, and many of the staff do not have detailed job descriptions. At this level of management, therefore, there is a focus on day-to-day management of routine tasks, as opposed to focusing on matters of a more strategic nature. It was noted that most managers have advanced to their current positions by way of their technical abilities and few of them have received any specialised management training.
- 6.5 The main existing modality for performance management at an organisational level is through senior management meetings and during quarterly staff retreats, which allow for organisational and Departmental reflection on performance. There does not appear to be any routine staff management system in place, while management meetings are frequently postponed due to time constraints. Some heads of Departments have noted a gap between themselves and senior management that results in a lack of focus on organisational objectives and/or work of the Department being delegated elsewhere, creating inefficiency and confusion. This gap is a product of the inadequate management structures and the deployment of the Deputy Secretary General to other tasks.
- 6.6 Information sharing and knowledge generation is mainly promoted through quarterly workshops/retreats. However, a more institutionalised mechanism of monthly discussions on all aspects of CRDB work at the Directors' level has stalled. Also, similar information sharing and motivational seminars might be reconvened at the CRDB or Department level to develop self-confidence.
- 6.7 From an external perspective, the Functional Review noted the need to "constantly engage with other RGC ministries and agencies to ensure full observance of the provisions of SFDCM and the National Operational Guidelines in the management of development cooperation programs...until this is done, CRDB's functions and effectiveness would remain incomplete and unfulfilled." Improved processes for doing this are currently being considered as part of the GDCC-TWG Review.

- 6.8 Administrative support to management may also require further strengthening. It was noted in the interviews of staff in the Administration Department that they lack the basic skills necessary to perform their tasks (it was also noted that some of them are paying for their own training). Improved support to routine work functions – processing of exemptions, maintaining records, human resource management – might therefore be targeted at the Administration Department so that they can become a more effective support to management.

Workflow Issues

- 6.9 Workflow analysis is a process of analysing the nature of the tasks that are undertaken by an organisation, the rate at which the work is done and the manner in which it is managed. It provides a useful tool for evaluating the completion of tasks against the organisational mandate and can make recommendations on how improved workflow management can lead to improved organisational results.
- 6.10 No such analysis has been undertaken at CRDB to date, although it might be considered as a potentially useful approach to considering some of the following issues:
- a) An organisational workplan, with monitorable indicators of progress and assigned responsibilities, would guide the focus of work of CRDB and create a coherent vision to motivate all staff. This would help to establish the workflow of strategic tasks beyond day-to-day management of routine tasks and periodical consultations with donors. The absence of a CRDB budget is a major encumbrance.
 - b) Most staff do not have detailed job descriptions that are guided by an overall workplan. This means that staff are often disengaged in the work of CRDB and Department heads are left with an overwhelming burden of work. This unsatisfactory arrangement results in staff feeling unmotivated and Department heads having little time to assign work to them or to mentor, coach or monitor them. Staff have noted that their views or concerns are seldom taken into account, creating a further sense of disengagement.
 - c) Improved workflow planning would leave Department heads with more time to manage. Some of the Department heads observed that they have no tool that can be used to gauge how well their Department is performing overall or how individual staff members were contributing.
 - d) Department staff manage day-to-day routine work, but most of the policy and strategic work is carried out by MDSP in the "capacity substitution" mode. Based on inputs provided by the Secretary General, MDSP staff are often requested to draft documents/papers, policy articulation speeches, etc. As such, the work of MDSP is in a way distinct and de-linked from other parts of CRDB.
 - e) There may be scope for increased identification of cross-Departmental tasks (for example in developing and maintaining the ODA Database), with clear responsibilities assigned to Departments and information needs clearly identified together with appropriate modalities for sharing.
 - f) There are well-established IT tools for managing information, these should be further strengthened and used a strategic way of managing information, for example in informing donor consultations and for sharing policy-related work with all staff.
 - g) CRDB might become a more effective internal sharer of knowledge, through use of its IT infrastructure, as well as through routine peer learning sessions such as regular seminars (which were tried previously and found to be useful).
 - h) Routine meetings, with relatively fixed agendas, at management and Department level would provide an opportunity to share information, monitor progress and consider emerging challenges, as well as to instil a stronger sense of organisational identity that might improve morale.

VII. Capacity Challenges for CRDB

- 7.1 The fundamental objective of CRDB's capacity development work is to strengthen performance at organisational, managerial and individual levels. This will ensure that CRDB functions as a holistically integrated and competent Government agency capable of carrying out its tasks with efficiency and effectiveness.
- 7.2 In recent years CRDB senior management has been successful in building core capacity for managing routine tasks, with external support (UNDP/MDSP/JICA) becoming increasingly integrated to provide capacity substitution support to more strategic and policy functions. CRDB has also been successful in reducing attrition and the loss of its staff by significantly improving the working environment. This has included providing senior staff with access to transportation, and providing all staff with the necessary tools required to do their jobs. In addition, external project resources have enabled the provision of performance incentives to selected staff that perform critical functions.
- 7.3 Nevertheless, CRDB faces significant challenges that need to be overcome if it is to effectively perform its mandated functions. These challenges have many dimensions that include staffing and skills issues; management and budgetary challenges; and those of an organisational nature. Informed by the analysis to date, these may be summarised as follows:

Staffing & Skills

- a) Most prominent of the staffing issues is the lack of permanent staff at CRDB. CRDB is currently staffed by personnel who have been seconded from ministries and agencies, together with staff recruited on a yearly contract by CRDB. Continuing dependence on staff seconded from ministries and agencies has meant that CRDB is unable to promote good performers and/or to take disciplinary action against those who are not satisfactorily performing their functions.
- b) In view of the administrative issues affecting contract personnel (who constitute more than 50% of CRDB staff), who are engaged in supporting core CRDB functions, there is an urgent need to regularise the employment status of these individuals. At present, all staff recruited on contract are hired at staff level with no opportunities for promotion. If this modality is to be continued then it is important to put in place measures that ensure that the contract staff are adequately rewarded based on performance.
- c) To build an effective organisation there is now an urgent need for action by concerned authorities to provide CRDB with its own permanent staff. Samdech Prime Minister has already authorised this, however, progress has been slow so far.
- d) Approximately 20% of the limited staff available to CRDB are away on training courses at any time, some for periods extending from 6 months to 2 years. The Capacity Development Strategy will need to strike a balance between what is needed by CRDB to deliver its functions and the number of staff it can manage to send on training, especially for extended periods. However, it is also worth noting that CRDB's ability to provide access to such training opportunities has been an important factor in reducing staff turnover in recent years and attracting new staff.
- e) The self-assessment of skills indicated that some of the training has not contributed to improved performance, and that there is further (limited) demand for core skills such as language and IT training. The low completion

rate on some training courses has also been noted, possibly explaining why some training has been ineffective. This needs to be contrasted with the individual interviews that were conducted, which revealed that many staff are investing their own resources in training and career development. Clearly there is enthusiasm for training but it needs to be relevant and appropriate to job-defined needs, as well as suited to the career path of the individual.

Management & Budgetary Issues

- f) The current low civil service salary levels make it difficult to attract high quality professional staff and/or to secure the full-time commitment of existing staff to carry out CRDB functions. This was identified by staff during the interview diagnostic work (Table Four) as the single most significant constraint to improved performance.
- g) The budget resources provided by MEF to CDC are not earmarked for each of the three Boards within CDC. As a result CRDB access to these resources depends on availability and competing demands across CDC at that point in time. This makes planning very difficult.
- h) Department heads have observed that pressure to perform routine tasks means that they have little time for either staff management, mentoring or for tasks of a more long-term strategic nature. There is no annual workplan for CRDB and therefore no objective way of assessing whether it is on track in supporting national aid management.
- i) Staff have noted that management is often distant and that a lack of mentoring or guidance, or indeed any form of performance management, results in under-motivation and a lack of clarity on what is required of them.

Organisation

- j) There is a significant communication gap between Departmental heads and senior management that translates into reduced guidance and direction in the organisation. The lack of regular meetings between all Department heads and senior management also results in reduced information sharing and collaboration across Departments.
- k) The current organisation structure of CRDB has evolved over time and is not suited to delivering all of CRDB's mandated functions, in particular in the areas of strategic and policy related work and preparation of RGC policy documents. Until now, these tasks have been performed by the Secretary General supported by the Senior Advisor and project staff.
- l) The recent restructuring of the working groups and the creation of the Government Donor Coordination Committee (GDCC) represents a fundamental change in the institutional set up for planning, managing and monitoring progress on the implementation of ODA. This new mechanism has implications for CRDB which has been providing substantive secretariat and strategic policy support to GDCC and chairs one of the 18 TWGs (Partnership and Harmonisation TWG), as well as providing technical support to the TWGs on aid effectiveness issues.
- m) The Joint Monitoring Indicators and the RGC Harmonisation, Alignment and Results Action Plan provide the main tools for monitoring progress towards increased aid effectiveness. These tools require a tighter and more routine monitoring framework, with CRDB taking the lead as part of its GDCC secretariat function, if they are to be used as a basis for promoting more effective ODA in the context of supporting the NSDP.

VIII. Current CRDB Organisational Structure

- 8.1 All sub-decrees governing the operation of CRDB have stipulated that CRDB will be composed of the following nine units, where each unit will have the rank of a Department that is supervised by a Director, and who is assisted by a number of Deputy Directors:
- a) Public Relations and Aid Mobilisation and Coordination
 - b) Documentation and Information Management
 - c) Bilateral Aid Coordination with Asia Pacific and Oceania countries
 - d) Bilateral Aid Coordination with European Union and countries in Europe and the Americas
 - e) Aid Coordination with Multilateral Institutions (such as ADB, WB and IMF)
 - f) Aid Coordination with UNDP and other UN Agencies
 - g) NGO Coordination
 - h) Program/Project Analysis
 - i) Administration
- 8.2 For various reasons, but mainly because of unavailability of qualified personnel, this organisational structure has to date not been fully implemented.
- 8.3 The internal CRDB structure and organisation has evolved and, presently the Secretary-General, who is in overall charge of CRDB, is supported by a Deputy Secretary-General and seven functional Departments. Five Departments deal with specific donor countries and/or agencies; one is for Administration and one for Documentation and Information Management. Each Department is under the charge of a Director. The seven Departments (note that WB/IMF/ADB is managed by the EU Department) are organised as follows:
- a) Administration Department
 - b) Documentation and Information Department
 - c) Aid Coordination and Management Department (European donors and EC)
 - d) Bilateral Aid Coordination and Management (Japan, Asia Pacific & USA) Department
 - e) International Department (WB & IMF, ADB)
 - f) Aid Management (UNDP and UN Agencies) Department
 - g) NGO Coordination Department.
- 8.4 At present, excluding the Secretary General and the Deputy Secretary General (who is often assigned to non-CRDB core duties), the CRDB has a total of 32 officers, 15 of whom have been seconded from other ministries and agencies, with the remaining 17 employed by CRDB on an annual contract. The contract employees are paid from resources allocated by the MEF to CDC.
- 8.5 Because of budgetary constraints and/or shortage of resources, which is not an unusual occurrence, salary payments to the contract employees – and to a lesser extent the civil servants - are often delayed. The operations of some departments, in particular Administration (80% of staff) and the Asia Pacific Department (65% of staff)

are highly dependent on contract employees. Detailed information on the current staffing level by Department is presented in Table Five, below.

Table Five. Staffing by Department (September 2006)

Department	Position Level	Total Staff	No. of staff seconded by ministries and agencies	Staff employed by CRDB on contract
Administration Department	Director	Vacant	0	0
	Deputy Director	1	1	0
	Other staff	4		4
	Total	5	1	4
Documentation and Information Management Department	Director	Vacant		0
	Deputy Director	1	1	0
	Other staff	1		1
	Total	2	1	1
EU department ¹	Director	1	1	0
	Deputy Director	2	2	0
	Other staff	5	2	3
	Total	8	5	3
Asia Pacific Department ²	Director	1	1	0
	Deputy Director	1	1	0
	Other staff	7	1	6
	Total	9	3	6
UN Department	Director	Vacant	0	0
	Deputy Director	1	1	0
	Other staff	2	2	0
	Total	3	3	0
NGO Department ³	Director	1	1	0
	Deputy Director	Vacant	0	0
	Other staff	4	1	3
	Total	5	2	3
All Departments	Director	3	3	0
	Deputy Director	6	6	0
	Other staff	23	6	17
	Total	32	15	17

¹ One Deputy Director is on 2 years program in Thailand, 1 staff is on the 6 months training in New Zealand.

² Four staff in Asia Department are on training (1) 1 office chief is undertaking 2 years training program starting from 04/01/2004, (2) One staff on long term training in Thailand to return in September, (3) One staff is undertaking 2 years training program in Japan from 01/04/2006, and (4) One staff is doing full time preparatory course at ACE for 6 months and then 2 years program in Australia.

³ One Office Chief is on 6 months training in New Zealand.

Note. As of 2006, WB, IMF and ADB Department is managed by the EU/Europe Department

- 8.6 As of September 2006, out of the 32 available staff 7 CRDB staff members (over 20%) are away on a training program. These training programs vary in duration from six months to two years. Four of the nine staff members in the Asia Pacific Department, two of the eight in the EU Department, and one of four in the NGO Department were away on a training program at the time that this analysis was undertaken. This situation is not considered to be untypical.

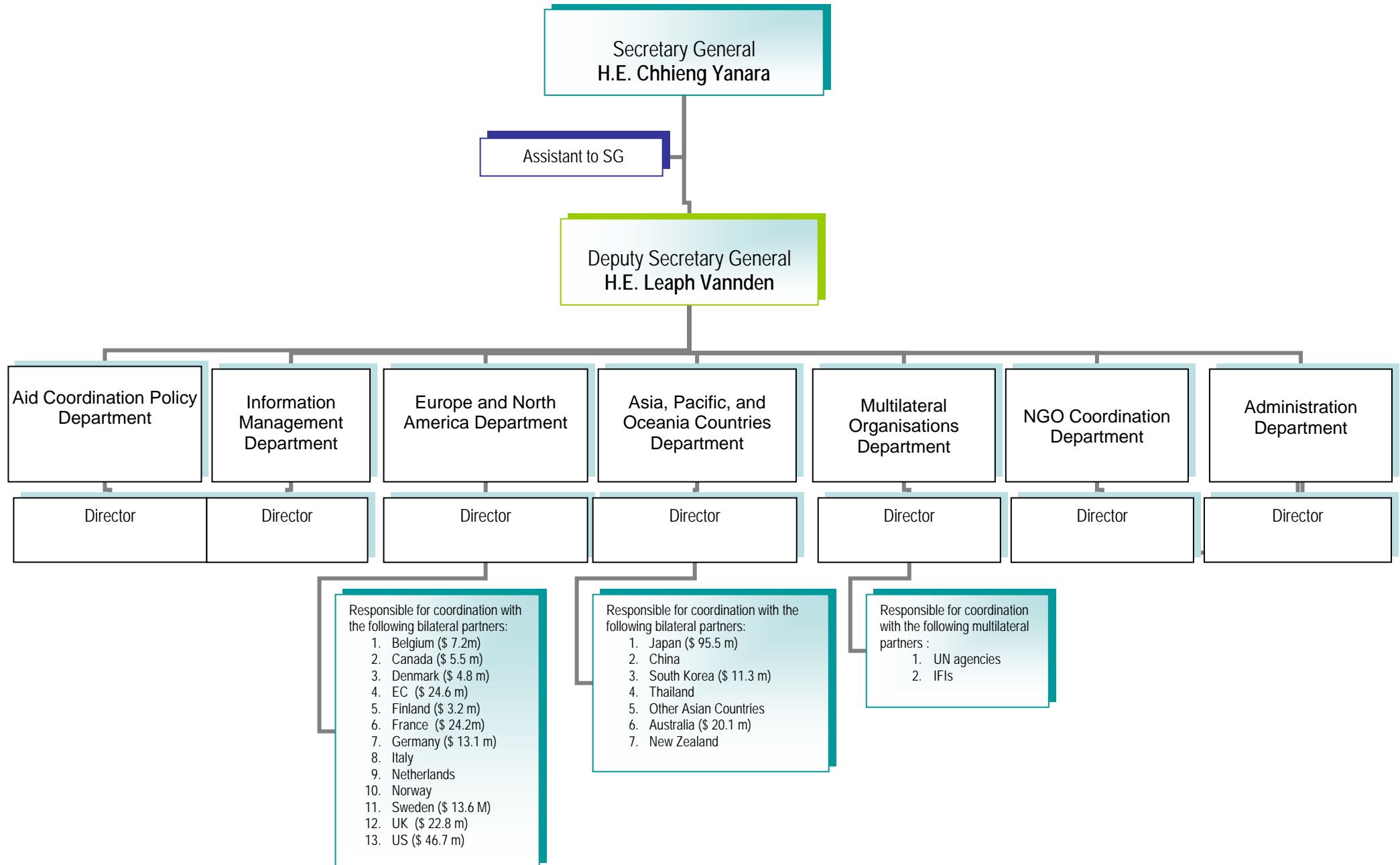
IX. Proposed CRDB Organisational Structure

- 9.1 The primary objective of the proposed re-organisation of CRDB's organisational structure is to strengthen and make CRDB function as a holistically integrated and competent RGC agency that is capable of carrying out its tasks with efficiency and effectiveness. Based on the methodology outlined previously, this section presents information on the following aspects of CRDB's re-organised structure:
- a) Composition of Departments within CRDB;
 - b) Functional responsibilities (Terms of Reference) for each Department;
 - c) Areas for cross-Departmental collaboration;
 - d) The organisational structure for each Department required to perform its functions; and
 - e) The staffing levels for each section within a Department.
- 9.2 For each proposed staff position, the functional responsibilities of the position and the minimum education/skills and experience required to perform these functions will need to be elaborated as a critical step in the implementation of this Capacity Development Strategy.
- 9.3 It should also be noted that Departmental structure should be informed by workload and should not necessarily always follow the 4-tier Director-Deputy-Chief-Staff model. This means that career development should be pursued, in some instances, by moving between Departments.
- 9.4 The full staffing of this new structure (Table 6), which does in most cases follow the 4-tier arrangement even for smaller Departments, may not prove to be feasible as it represents an almost doubling of the present staffing complement. This may require that the CRDB organisational structure presented here is reviewed at a later time to prioritise based on the staffing establishment that is considered feasible.

Proposed Composition of Departments within CRDB

- 9.5 Building on the existing organisational structure of CRDB that has evolved over the last decade the proposed organisational structure for CRDB, presented in Chart One, includes the following seven departments to perform all of its mandated functions (it is recognised that it will require an amendment to Sub Decree No. 147 ANK-BK dated 29 December 2005 that calls for nine departments):
- a) Aid Coordination Policy Department
 - b) Information Management Department
 - c) Europe and North America Department
 - d) Asia, Pacific, and Oceania Countries Department
 - e) Multilateral Organisations Department
 - f) NGO Coordination Department
 - g) Administration Department
- 9.6 Perhaps the most notable of the changes to the CRDB structure is the establishment of the Aid Coordination Policy Department. There has been a provision for this Department in previous Sub Decrees, as well as in the current one, but the Department has not previously been staffed. The Functional Analysis began to elaborate the Aid Coordination Policy Department's role and this revision of the organisational structure represents a major step forward as tasks are allocated across Departments, including for Aid Coordination Policy.

CHART ONE: PROPOSED ORGANISATION STRUCTURE FOR CRDB



Functional Responsibilities of the Departments

- 9.7 The Aid Coordination Policy Department will need to be staffed by highly qualified and experienced professionals with an ability to deal with strategic policy issues. It will be responsible for the following functions to be detailed in its annual workplan:

Strategic Planning

- a) Strategic policy formulation and analysis on aid effectiveness issues, including aid mobilisation, utilisation, coordination and management for discussion within RGC and with DPs both in-country and in the international arena.
- b) Promote the adoption/implementation of policies and procedures for development cooperation management set out in RGC policy documents by ministries/agencies and DPs.
- c) Participate and contribute to international discourse on aid effectiveness issues.
- d) Internalise agreements reached in the international arena on aid effectiveness (such as OECD/DAC) and on best practices in development cooperation management in Cambodia's context.
- e) Prepare the annual Development Cooperation Report and widely disseminate the analysis within RGC and to all stakeholders.
- f) Participate in the preparation of the annual NSDP progress report that is to be prepared by MOP in close collaboration with CRDB, MEF, and SNEC.
- g) Participate in the preparation of sector policies by sector ministries.
- h) Prepare the required documents for presentation at the annual Cambodia Development Cooperation Forum (CDCF) that provide an assessment of RGC's policy performance over the last year and external resource requirements for the coming year.

Coordination Functions

- i) Disseminate information on best practices in development cooperation management to all stakeholders.
- j) Maintain on-going partnerships with all stakeholders, including civil society and private sector.
- k) Provide technical support to the TWGs on aid coordination and aid management issues.
- l) Serve as Secretariat for GDCC and P&H TWG and maintain regular contact with DPs on policy issues.
- m) Participate and support departments in discussions on DPs country assistance strategies and/or country assistance programs.
- n) In collaboration with the Information Management Department provide to the MOP information on on-going programs and projects for the preparation of the PIP.

Operations and Management Functions

- o) Manage the organisation of the annual CDCF, including all substantive secretariat work necessary for the successful conduct of the CDCF, and the management of relations with the media concerning CDCF and other major CRDB events.
- p) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- q) Provide periodic progress reports to the Secretary General on the work of the department.

- 9.8 The Information Management Department will be responsible for the following functions to be detailed in its annual workplan:

Strategic Planning

- a) Further develop/refine and maintain CRDB's ODA Disbursements website to collect data on disbursements from development partners and to make these data accessible to the public.
- b) Develop and deliver training programs for CRDB and line ministries staff on the use of the aid management systems, databases, and the CRDB LAN system.
- c) Complete the PIP of CRDB for MOP.

Coordination Functions

- d) Provide technical support to selected ministries and agencies in periodically updating and refining their Aid Management Information Systems.
- e) Assist line ministries and agencies in accessing information from CRDB databases and website on ODA supported programs and projects that are being delivered in the ministries/agencies.

Operations and Management Functions

- f) Periodically update CRDB's management information system's strategy to incorporate new methodologies and techniques as they become available to maintain an up-to-date aid management system.
- g) Periodically refine CRDB's Aid Management System/databases, and financial and personnel management systems; and maintain up-to-date ODA disbursements data in the databases to produce tabulations required for the preparation of the Annual Development Cooperation Report, as well as information on actual and planned expenditures for each year in the life of on-going and new programs/projects that CRDB has to provide to the Ministry of Planning for preparing the three year rolling Public Investment Program (PIP) and the annual progress monitoring report on the implementation of the National Strategic Development Plan (NSDP).
- h) Provide technical support to the NGO Department to update the NGO database that has the capacity to generate reports for NGOs in the same format as reports generated from the CRDB database based on the data collected through the annual CRDB survey from bilateral and multilateral DPs on their ODA disbursements for the preparation of the annual Development Cooperation Report.
- i) Periodically refine and maintain an up-to-date CRDB website containing all information and data relating to CRDB by regularly posting key documents from the annual consultative meetings with DPs (previously CG and now CDCF), GDCC and P&H TWG meetings, and other policy documents of CRDB; as well as a calendar of all events relating to CRDB, visits and missions relating to CRDB; and CRDB organisation chart, with staff names, phone numbers and e-mail addresses.
- j) Periodically update/refine, and maintain all components of the CRDB LAN system.
- k) Assist CRDB Departments in maintaining up to date information on programs and projects supported by donors that each department is responsible for and providing easy access to data from the CRDB databases and website.
- l) Provide hardware and software installation and maintenance support to all departments of CRDB and at meetings organised by CRDB.

- m) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- n) Provide periodic progress reports to the Secretary General on the work of the department.

9.9 The three Departments - Europe & North America Department; Asia, Pacific, and Oceania Countries Department; and the Multilateral Organisations Department – will be responsible for all development cooperation management functions for assigned bilateral and multilateral development partners. Specifically, the departments will be responsible for the following functions to be detailed in their annual workplans:

Strategic Planning

- a) Review program/project proposal from ministries/agencies to ensure that they are within the agreed priority areas of concerned DP and aligned with RGC's development priorities outlined in NSDP and PIP.
- b) Plan and organise, in collaboration with concerned ministries/agencies, program/project formulation and review missions of DPs headquarter personnel's to Cambodia.
- c) Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- d) Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by DPs and completing missing information requested by CRDB from DPs on their ODA disbursements.

Coordination Functions

- e) Organise inter-ministerial meetings to develop RGC positions on issues to be discussed in bilateral discussions on DP's country assistance strategies and/or country assistance program.
- f) Participate, contribute to and maintain records of bilateral discussions on development partners (DPs) country assistance strategies/programs, and annual/periodic consultations between RGC and DPs to ensure that ODA supported activities are aligned with RGC development priorities outlined in NSDP and PIP.
- g) Participate, contribute to and maintain records of periodic reviews/evaluations of on-going and pipeline programs/projects of DPs – including those of a regional nature (e.g. GMS) - in the area of responsibility of the department.
- h) Maintain on-going dialogue with program/project implementing ministries/agencies and funding DPs and facilitate the resolution of any conflicts in the management of programs/projects with guidance from the senior management of CRDB.
- i) Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system, and inform CRDB senior management of any issues that require urgent action.

Operations and Management Functions

- j) Maintain hard and soft copies of all on-going program/project documents supported by DPs.
- k) Maintain a computerised information system, possibly by adapting the ODA Database, (that includes all program/project documents and implementation status) as a departmental management tool.

- l) Provide to the Information Management Department documents (as per an agreed schedule) for posting on CRDB website.
 - m) Post on the CRDB LAN system calendar of all important forthcoming events.
 - n) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
 - o) Facilitate the processing of tax exemption requested by development partners.
 - p) Provide periodic progress reports, including to the Secretary General on the work of the department.
 - q) Participate in and support CRDB training and knowledge sharing events.
- 9.10 The NGO Coordination Department will be responsible for functions to be detailed in its annual workplan as follows:

Strategic Planning

- a) Pro-actively engage in periodic dialogue with major NGOs to gauge direction of their work towards NSDP priorities.
- b) Promote the adoption/implementation of RGC's development cooperation policies and procedures, and international best practices by the NGO community.
- c) Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- d) Prepare an annual NGO Development Cooperation Report.
- e) Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by NGOs and completing the missing elements of information that is requested by CRDB from bilateral and multilateral DPs on their ODA disbursements.

Coordination Functions

- f) Maintain on-going contact and build partnerships with the NGO community.
- g) Maintain up to date information on a computerised database on NGOs and their programs and projects to provide required inputs in the preparation of the annual Development Cooperation Report.
- h) Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system.

Operations and Management Functions

- i) Provide documents to the Information Management Department for posting on CRDB website.
- j) Post calendar of all important forthcoming events on the CRDB LAN system.
- k) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- l) Facilitate the processing of tax exemption requested by NGOs.
- m) Provide periodic progress reports to the Secretary General on the work of the department.

9.11 The Administration Department will be responsible for the following functions to be detailed in its annual workplan as follows:

Personnel Management

- a) Personnel matters, including maintenance of all personnel records e.g. leave entitlements, performance reports, performance incentives, and training.

Finance Management

- b) Handling financial transactions including processing of payments and maintenance of financial records for audit purposes.
- c) Initiating and overseeing the procurement of goods and services on behalf of CRDB.
- d) Receiving applications for tax exemption from development partners, verifying information to ensure that all required information has been submitted by development partners, presenting the verified applications to the Inter-Ministerial Committee on Tax Exemptions, and preparing minutes of the Committee decisions.

Records Management, Reporting & Logistics

- e) Maintaining on file up to date copies of rules and regulations governing financial and personnel matters as well as copies of CRDB reports.
- f) Maintaining up to date records and an inventory of all equipment, vehicles and supplies as part of a comprehensive approach to asset management.
- g) Processing both incoming and outgoing correspondence and maintaining records of all correspondence.
- h) Planning and providing logistic support for CRDB meetings, including the Cambodian Development Cooperation Forum (CDCF), the GDCC and P&H TWG meetings, and seminars and workshops organised by CRDB.
- i) Producing monthly, quarterly, six-monthly and annual CRDB activities report to the Council of Ministers.
- j) Provide periodic progress reports to the Secretary General on the work of the Department.

Organisational Structure and Required Staffing Level by Department

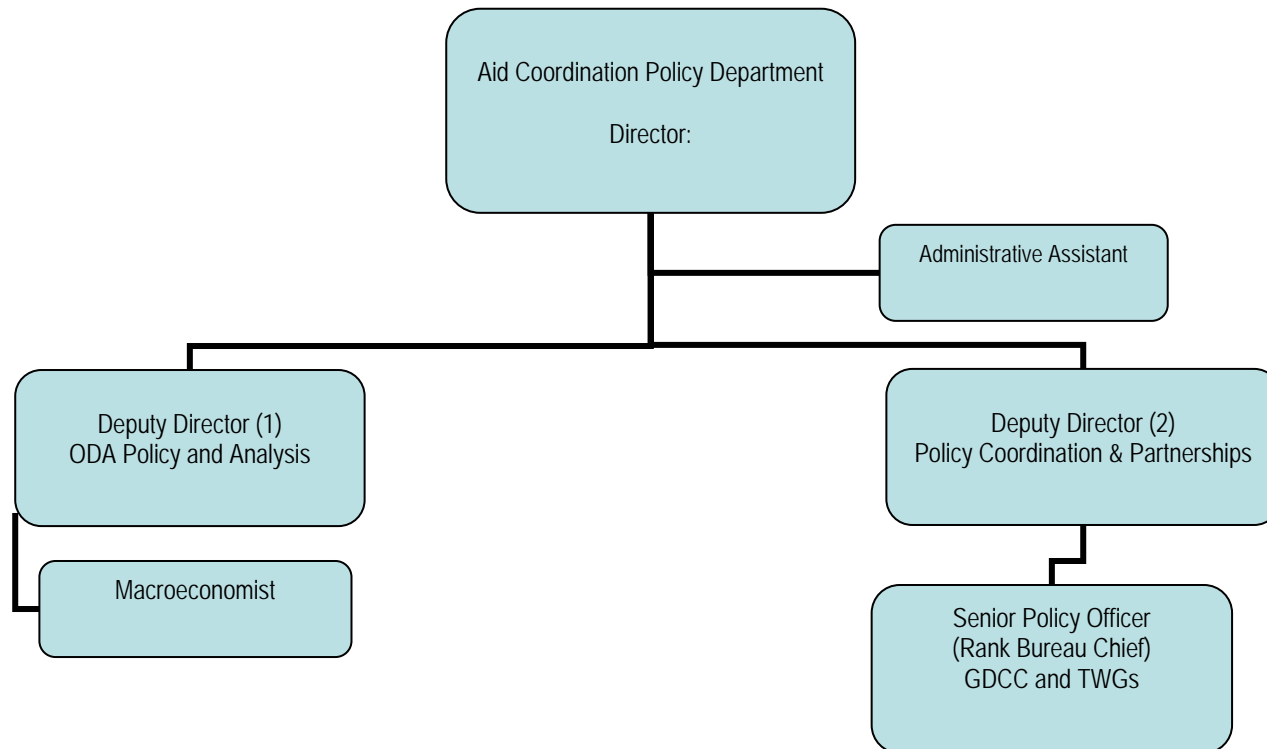
9.12 The organisational structure and the detailed functions of each of the seven Departments are summarised in Charts 2-8, below. The recommended staffing requirements by Department are summarised in Table Six, below.

Table Six. Staffing Levels

	Aid Coordination Policy	Information Management	EU & NA	Asia	Multilaterals	NGO	Administration	Total (by Level)
Director	1	1	1	1	1	1	1	7
Deputy Director	2	2	2	2	2	2	2	14
Bureau Chief	2		4	2	2	2	4	16
Officer		2	4	7		2	4	19
Admin Assistant	1							1
Total (by Department)	6	5	11	12	5	7	11	57
(Current staffing level)	0	2	8	9	3	5	5	32

9.13 Detailed sample job descriptions are presented in Annex One.

CHART 2: AID COORDINATION POLICY DEPARTMENT



Strategic Planning

- a) Strategic policy formulation and analysis on aid effectiveness issues, including aid mobilisation, utilisation, coordination and management for discussion within RGC and with DPs both in-country and in the international arena.
- b) Promote the adoption/implementation of policies and procedures for development cooperation management set out in RGC policy documents by ministries/agencies and DPs.
- c) Participate and contribute to international discourse on aid effectiveness issues.
- d) Internalise agreements reached in the international arena on aid effectiveness (such as OECD/DAC) and on best practices in development cooperation management in Cambodia's context.
- e) Prepare the annual Development Cooperation Report and widely disseminate the analysis within RGC and to all stakeholders.
- f) Participate in the preparation of the annual NSDP progress report that is to be prepared by MOP in close collaboration with CRDB, MEF, and SNEC.
- g) Participate in the preparation of sector policies by sector ministries.
- h) Prepare the required documents for presentation at the annual Cambodia Development Cooperation Forum (CDCF) that provide an assessment of RGC's policy performance over the last year and external resource requirements for the coming year.

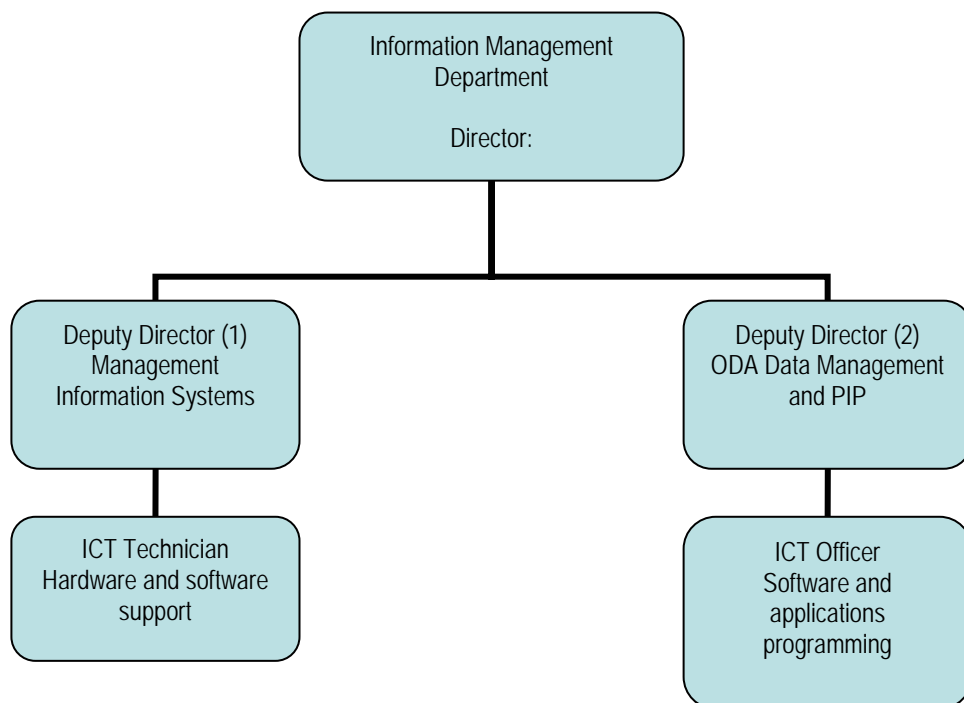
Coordination Functions

- i) Disseminate information on best practices in development cooperation management to all stakeholders.
- j) Maintain on-going partnerships with all stakeholders, including civil society and private sector.
- k) Provide technical support to the TWGs on aid coordination and aid management issues.
- l) Serve as Secretariat for GDCC and P&H TWG and maintain regular contact with DPs on policy issues.
- m) Participate and support departments in discussions on DPs country assistance strategies and/or country assistance programs.
- n) In collaboration with the Information Management Department provide to the MOP information on on-going programs and projects for the preparation of the PIP.

Operations and Management Functions

- o) Manage the organisation of the annual CDCF, including all substantive secretariat work necessary for the successful conduct of the CDCF, and the management of relations with the media concerning CDCF and other major CRDB events.
- p) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- q) Provide periodic progress reports to the Secretary General on the work of the department.

CHART 3: INFORMATION MANAGEMENT DEPARTMENT



Strategic Planning

- a) Further develop/refine and maintain CRDB's ODA Disbursements website to collect data on disbursements from development partners and to make these data accessible to the public.
- b) Develop and deliver training programs for CRDB and line ministries staff on the use of the aid management systems, databases, and the CRDB LAN system.
- c) Complete the PIP of CRDB for MOP.

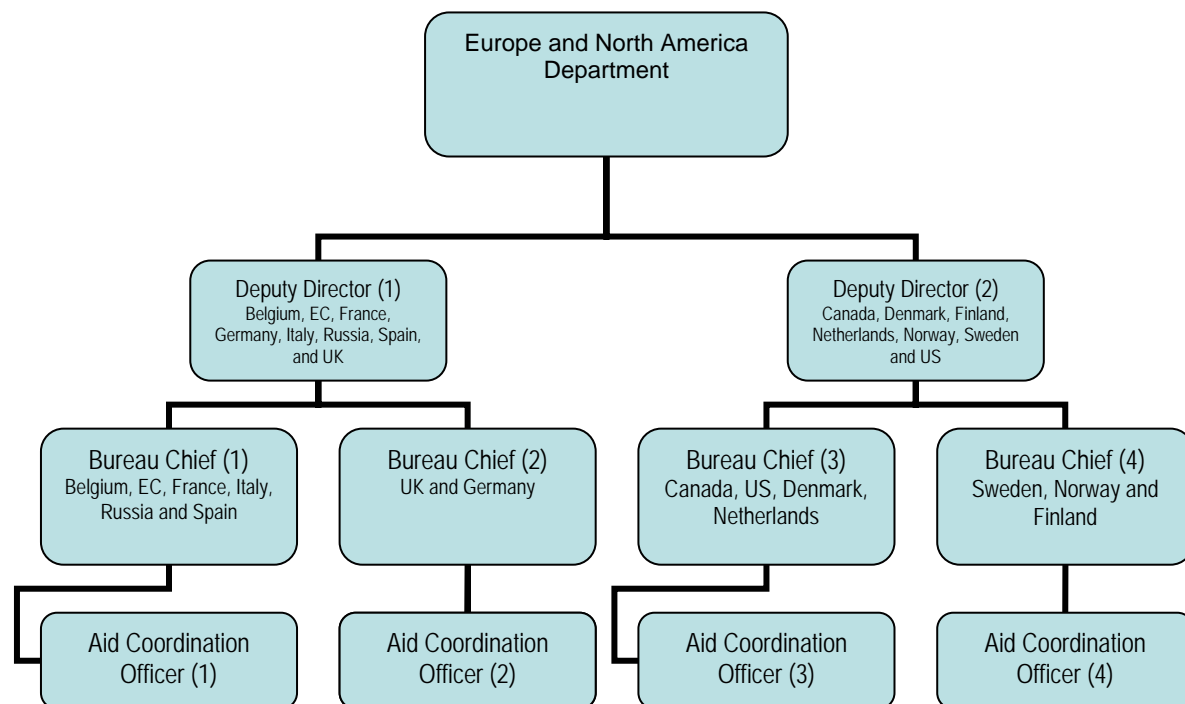
Coordination Functions

- d) Provide technical support to selected ministries and agencies in periodically updating and refining their Aid Management Information Systems.
- e) Assist line ministries and agencies in accessing information from CRDB databases and website on ODA supported programs and projects that are being delivered in the ministries/agencies.

Operations and Management Functions

- f) Periodically update CRDB's management information system's strategy to incorporate new methodologies and techniques as they become available to maintain an up-to-date aid management system.
- g) Periodically refine CRDB's Aid Management System/databases, and financial and personnel management systems; and maintain up-to-date ODA disbursements data in the databases to produce tabulations required for the preparation of the Annual Development Cooperation Report, as well as information on actual and planned expenditures for each year in the life of on-going and new programs/projects that CRDB has to provide to the Ministry of Planning for preparing the three year rolling Public Investment Program (PIP) and the annual progress monitoring report on the implementation of the National Strategic Development Plan (NSDP).
- h) Provide technical support to the NGO Department to update the NGO database that has the capacity to generate reports for NGOs in the same format as reports generated from the CRDB database based on the data collected through the annual CRDB survey from bilateral and multilateral DPs on their ODA disbursements for the preparation of the annual Development Cooperation Report.
- i) Periodically refine and maintain an up-to-date CRDB website containing all information and data relating to CRDB by regularly posting key documents from the annual consultative meetings with DPs (previously CG and now CDCF), GDCC and P&H TWG meetings, and other policy documents of CRDB; as well as a calendar of all events relating to CRDB, visits and missions relating to CRDB; and CRDB organisation chart, with staff names, phone numbers and e-mail addresses.
- j) Periodically update/refine, and maintain all components of the CRDB LAN system.
- k) Assist CRDB Departments in maintaining up to date information on programs and projects supported by donors that each department is responsible for and providing easy access to data from the CRDB databases and website.
- l) Provide hardware and software installation and maintenance support to all departments of CRDB and at meetings organised by CRDB.
- m) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- n) Provide periodic progress reports, including to the Secretary General on the work of the department.

CHART 4: EUROPE AND NORTH AMERICA DEPARTMENT



Strategic Planning

- a) Review program/project proposal from ministries/agencies to ensure that they are within the agreed priority areas of concerned DP and aligned with RGC's development priorities outlined in NSDP and PIP.
- b) Plan and organise donor country programme formulation and assist concerned ministries/agencies program/project formulation and review missions of DPs.
- c) Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- d) Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by DPs and completing missing information requested by CRDB from DPs on their ODA disbursements.

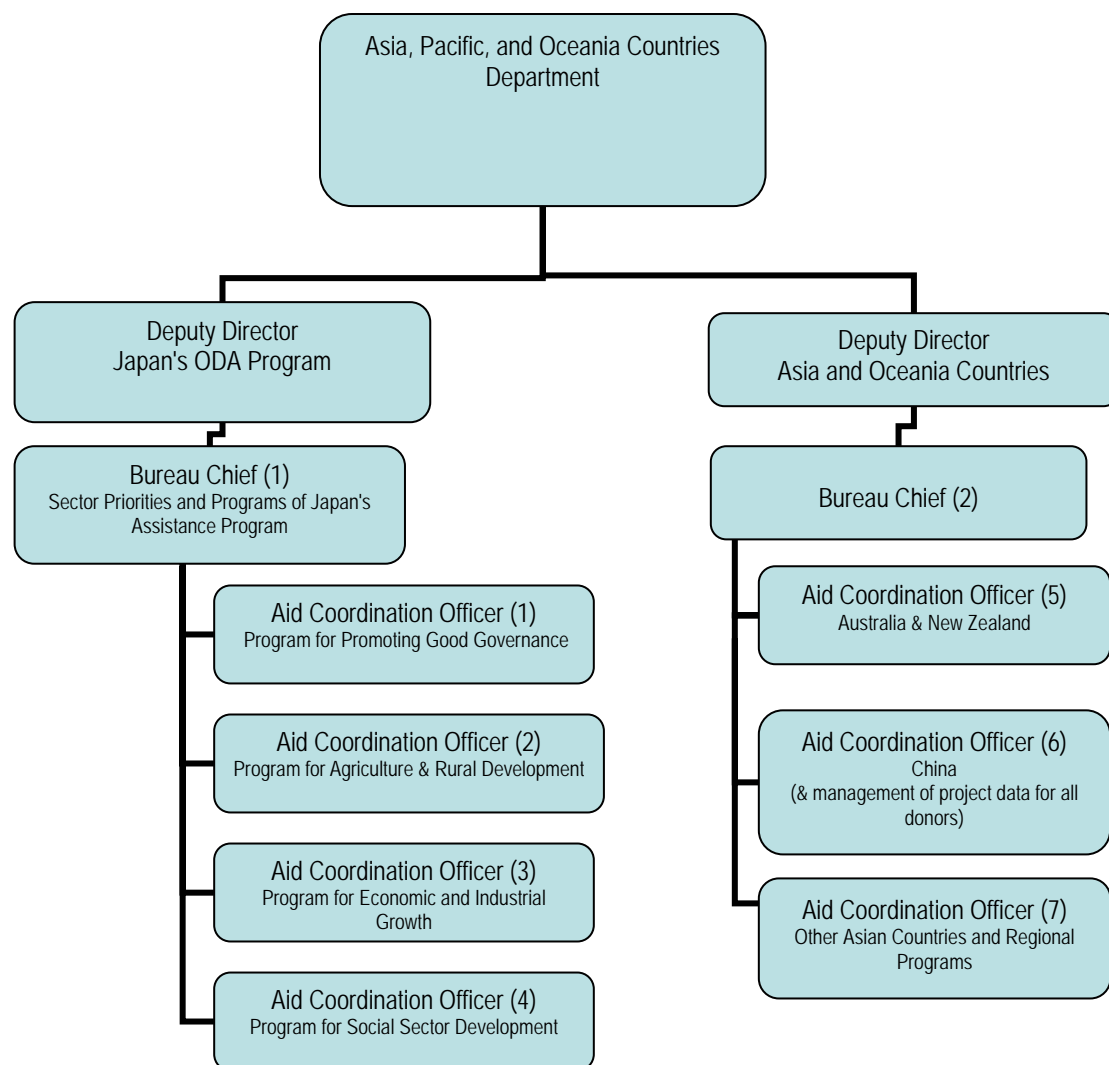
Coordination Functions

- e) Organise inter-ministerial meetings to develop RGC positions on issues to be discussed in bilateral discussions on DP's country assistance strategies and/or country assistance program.
- f) Participate, contribute to and maintain records of bilateral discussions on development partners (DPs) country assistance strategies/programs, and annual/periodic consultations between RGC and DPs to ensure that ODA supported activities are aligned with RGC development priorities outlined in NSDP and PIP.
- g) Participate, contribute to and maintain records of periodic reviews/evaluations of on-going and pipeline programs/projects of DPs – including those of a regional nature (e.g. GMS)- in the area of responsibility of the department.
- h) Maintain on-going dialogue with program/project implementing ministries/agencies and funding DPs and facilitate the resolution of any conflicts in the management of programs/projects with guidance from the senior management of CRDB.
- i) Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system, and inform CRDB senior management of any issues that require urgent action.

Operations and Management Functions

- j) Maintain hard and soft copies of all on-going program/project documents supported by DPs.
- k) Maintain a computerised information system, possibly by adapting the ODA Database, (that includes all program/project documents and implementation status) as a departmental management tool.
- l) Provide to the Information Management Department documents (as per an agreed schedule) for posting on CRDB website.
- m) Post on the CRDB LAN system calendar of all important forthcoming events.
- n) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- o) Facilitate the processing of tax exemption requested by development partners.
- p) Provide periodic progress reports, including to the Secretary General on the work of the department.
- q) Participate in and support CRDB training and knowledge sharing events.

CHART 5: ASIA, PACIFIC, AND OCEANIA COUNTRIES DEPARTMENT



Strategic Planning

- Review program/project proposal from ministries/agencies to ensure that they are within the agreed priority areas of concerned DP and aligned with RGC's development priorities outlined in NSDP and PIP.
- Plan and organise, in collaboration with concerned ministries/agencies, program/project formulation and review missions of DPs headquarter personnel's to Cambodia.
- Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by DPs and completing missing information requested by CRDB from DPs on their ODA disbursements.

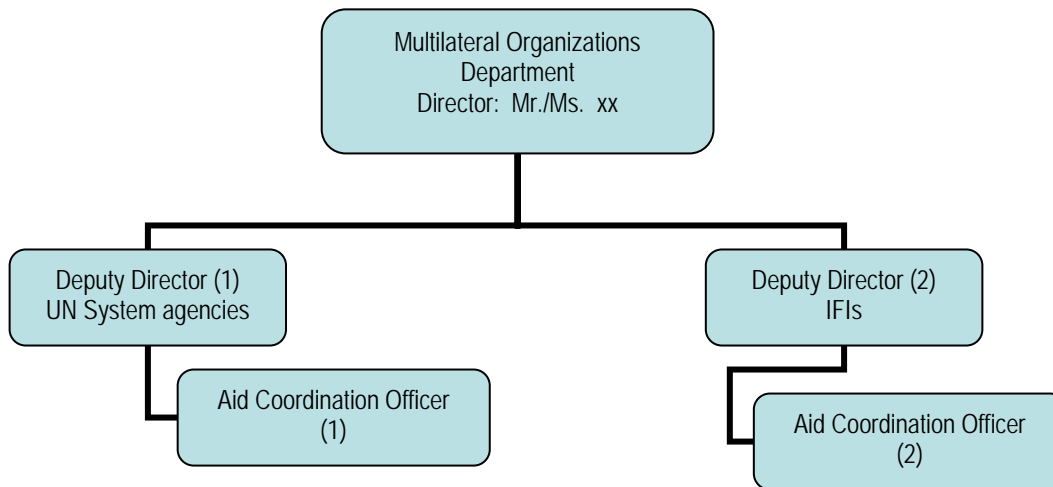
Coordination Functions

- Organise inter-ministerial meetings to develop RGC positions on issues to be discussed in bilateral discussions on DP's country assistance strategies and/or country assistance program.
- Participate, contribute to and maintain records of bilateral discussions on development partners (DPs) country assistance strategies/programs, and annual/periodic consultations between RGC and DPs to ensure that ODA supported activities are aligned with RGC development priorities outlined in NSDP and PIP.
- Participate, contribute to and maintain records of periodic reviews/evaluations of on-going and pipeline programs/projects of DPs – including those of a regional nature (e.g. GMS)- in the area of responsibility of the department.
- Maintain on-going dialogue with program/project implementing ministries/agencies and funding DPs and facilitate the resolution of any conflicts in the management of programs/projects with guidance from the senior management of CRDB.
- Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system, and inform CRDB senior management of any issues that require urgent action.

Operations and Management Functions

- Maintain hard and soft copies of all on-going program/project documents supported by DPs.
- Maintain a computerised information system, possibly by adapting the ODA Database, (that includes all program/project documents and implementation status) as a departmental management tool.
- Provide to the Information Management Department documents (as per an agreed schedule) for posting on CRDB website.
- Post on the CRDB LAN system calendar of all important forthcoming events.
- Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- Facilitate the processing of tax exemption requested by development partners.
- Provide periodic progress reports, including to the Secretary General on the work of the department.
- Participate in and support CRDB training and knowledge sharing events.

CHART 6: MULTILATERAL ORGANISATIONS DEPARTMENT



Strategic Planning

- a) Review program/project proposal from ministries/agencies to ensure that they are within the agreed priority areas of concerned DP and aligned with RGC's development priorities outlined in NSDP and PIP.
- b) Plan and organize, in collaboration with concerned ministries/agencies, program/project formulation and review missions of DPs headquarter personnel's to Cambodia.
- c) Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- d) Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by DPs and completing missing information requested by CRDB from DPs on their ODA disbursements.

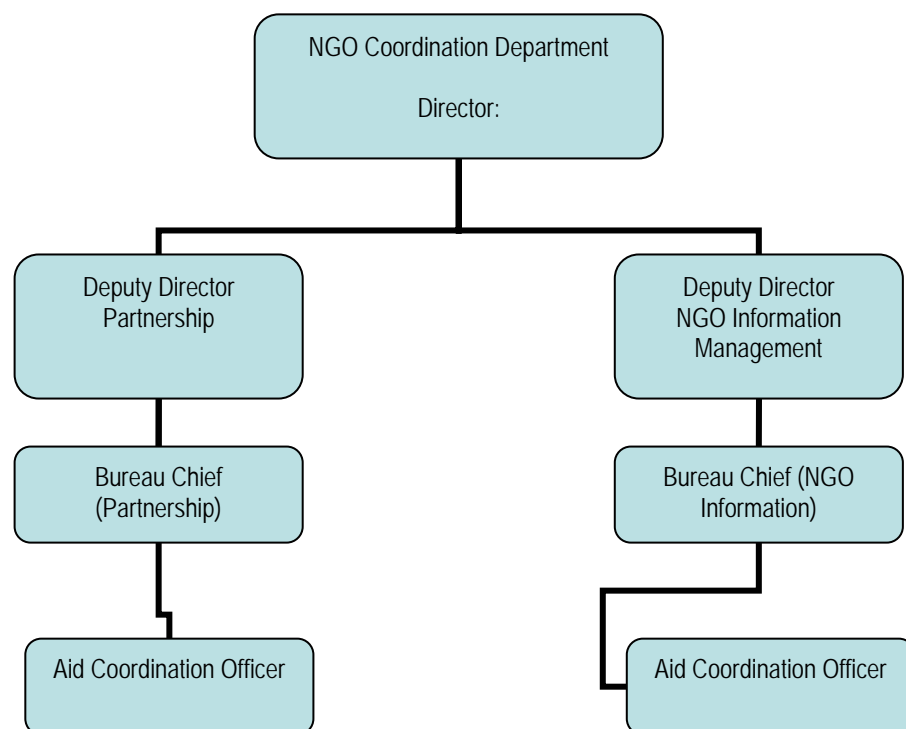
Coordination Functions

- e) Organize inter-ministerial meetings to develop RGC positions on issues to be discussed in bilateral discussions on DP's country assistance strategies and/or country assistance program.
- f) Participate, contribute to and maintain records of bilateral discussions on development partners (DPs) country assistance strategies/programs, and annual/periodic consultations between RGC and DPs to ensure that ODA supported activities are aligned with RGC development priorities outlined in NSDP and PIP.
- g) Participate, contribute to and maintain records of periodic reviews/evaluations of on-going and pipeline programs/projects of DPs – including those of a regional nature (e.g. GMS)- in the area of responsibility of the department.
- h) Maintain on-going dialogue with program/project implementing ministries/agencies and funding DPs and facilitate the resolution of any conflicts in the management of programs/projects with guidance from the senior management of CRDB.
- i) Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system, and inform CRDB senior management of any issues that require urgent action.

Operations and Management Functions

- j) Maintain hard and soft copies of all on-going program/project documents supported by DPs.
- k) Maintain a computerized information system, possibly by adapting the ODA Database, (that includes all program/project documents and implementation status) as a departmental management tool.
- l) Provide to the Information Management Department documents (as per an agreed schedule) for posting on CRDB website.
- m) Post on the CRDB LAN system calendar of all important forthcoming events.
- n) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- o) Facilitate the processing of tax exemption requested by development partners.
- p) Provide periodic progress reports, including to the Secretary General on the work of the department.
- q) Participate in and support CRDB training and knowledge sharing events

CHART 7: NGO COORDINATION DEPARTMENT



Strategic Planning

- a) Pro-actively engage in periodic dialogue with major NGOs to influence direction of their work towards NSDP priorities.
- b) Promote the adoption/implementation of RGC's development cooperation policies and procedures, and international best practices by the NGO community.
- c) Actively monitor RGC policies that have implications for development cooperation activities, such as the Rectangular Strategy, NSDP, PIP, and sector strategies.
- d) Assist the Aid Coordination Policy Department in the preparation of the annual Development Cooperation Report (DCR) by verifying data provided by NGOs and completing the missing elements of information that is requested by CRDB from bilateral and multilateral DPs on their ODA disbursements.

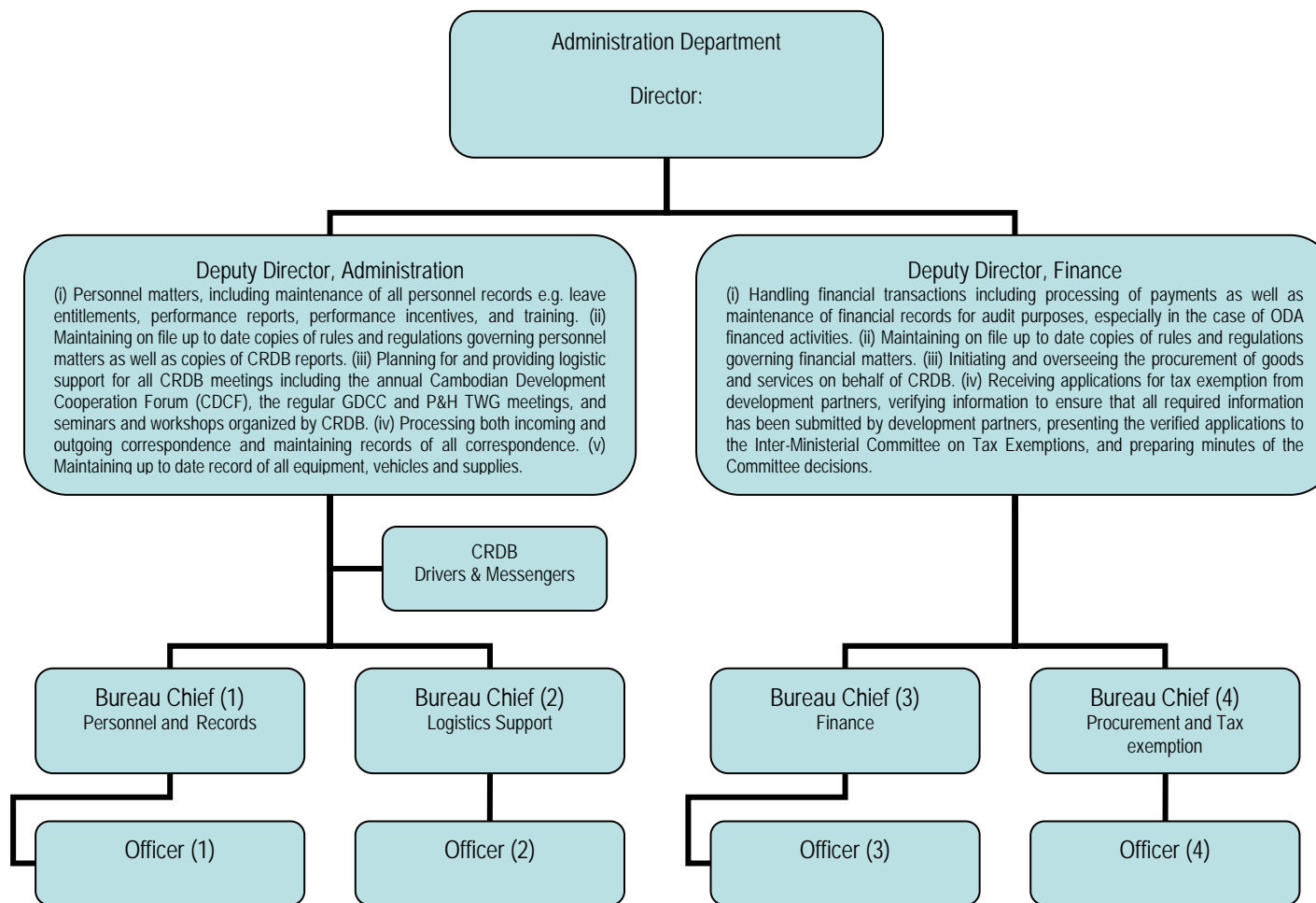
Coordination Functions

- e) Maintain on-going contact and build partnerships with the NGO community.
- f) Maintain up to date information on a computerized database on NGOs and their programs and projects to provide required inputs in the preparation of the annual Development Cooperation Report.
- g) Represent CRDB at meetings of TWGs that are assigned to the department by the Secretary General and post a briefing note on the proceedings of the meeting on CRDB LAN system.

Operations and Management Functions

- h) Provide to the Information Management Department documents for posting on CRDB website.
- i) Post on the CRDB LAN system calendar of all important forthcoming events.
- j) Translate incoming and outgoing correspondence and reports from English to Khmer and Khmer to English, as needed, to meet the requirements of communications with DPs that are in English and within RGC that are in Khmer.
- k) Facilitate the processing of tax exemption requested by NGOs.
- l) Provide periodic progress reports, including to the Secretary General on the work of the department.

CHART 8: ADMINISTRATION DEPARTMENT



The Administration Department will be responsible for the following functions:

Personnel Management

- a) Personnel matters, including maintenance of all personnel records e.g. leave entitlements, performance reports, performance incentives, and training.

Finance Management

- b) Handling financial transactions including processing of payments as well as maintenance of financial records for audit purposes, especially in the case of ODA financed activities.
- c) Initiating and overseeing the procurement of goods and services on behalf of CRDB.
- d) Receiving applications for tax exemption from development partners, verifying information to ensure that all required information has been submitted by development partners, presenting the verified applications to the Inter-Ministerial Committee on Tax Exemptions, and preparing minutes of the Committee decisions.

Records Management, Reporting and Logistics

- e) Maintaining on file up to date copies of rules and regulations governing financial and personnel matters as well as copies of CRDB reports.
- f) Maintaining up to date records and an inventory of all equipment, vehicles and supplies.
- g) Processing both incoming and outgoing correspondence and maintaining records of all correspondence.
- h) Planning for and providing logistic support for all CRDB meetings including the annual Cambodian Development Cooperation Forum (CDCF), the regular GDCC and P&H TWG meetings, and seminars and workshops organized by CRDB.
- i) Producing monthly, quarterly, six-monthly and annual CRDB activities report to the Council of Ministers.
- j) Provide periodic progress reports, including to the Secretary General on the work of the department.

X. Establishment of a Priority Mission Group

The Priority Mission associated with CRDB

- 10.1 In order to contribute to the implementation of the National Strategic Development Plan (NSDP), the Royal Government of Cambodia (RGC) approved the Strategic Framework for Development Cooperation Management (SFDCM) in January 2006. The harmonisation and alignment of development assistance, in the context of the NSDP and in accordance with the RGC Action Plan on Harmonisation, Alignment and Results (H-A-R), is a priority activity of the RGC in promoting the impact of development assistance and accelerating pro-poor economic growth in Cambodia.
- 10.2 Acknowledging this priority, Article Twelve of the SFDCM, provides for the establishment of a Merit-Based Pay Initiative (MBPI) to be established to support a Priority Mission Group (PMG). This PMG/MBPI is an important element of the CRDB Capacity Development Strategy that is designed to ensure a significant and sustainable improvement in aid management capacity. The PMG/MBPI performance outcomes – implementation of the H-A-R Action Plan and improved aid management for the NSDP - are therefore intrinsically linked to the implementation Capacity Development Strategy.

Features of the CRDB PMG Scheme

- 10.3 The CRDB proposed PMG/MBPI initiative is consistent with RGC regulations, notably Sub-Decree 98 on 'The Implementation of Merit Based Pay Supplement Incentive' (August 2005) and the Joint Government-Donor Strategy for Phasing-Out Salary Supplementation Practices (January 2006).
- 10.4 The PMG/MBPI initiative is designed to provide an incentive to personnel in positions that are critical to the attainment of CRDB's mission, as well as to rationalise the current arrangement of ad hoc salary supplements. This will provide transparency and consistency in the remuneration of RGC staff while placing an emphasis on developing a performance culture by establishing a linkage between the provision of financial incentives and the setting and monitoring of performance goals.

Staff to be covered by PMG

- 10.5 The CRDB PMG scheme will apply to civil servants within CRDB. The procedures of the PMG scheme require that priority activities are identified and then assigned by Department. This activity has still to be completed but it is anticipated that approximately twenty officials will be nominated for MBPI payments, about a third of whom will be at Director level or above, and the remainder Deputy Directors. The CRDB organisation chart (page 20), and the functional analysis and workplan will be used to guide the identification of PMG/MBPI positions. Service contract holders will be considered for an alternative incentive scheme, elaborated in Section XIV.

Duration, Financial Arrangements and Reporting/Monitoring

- 10.6 The PMG/MBPI will, at a minimum, support activities during the period 2007-2010 and will be financed in full by the Multi-Donor Support Program (MDSP), which provides capacity development support to CRDB. A Memorandum of Understanding will be prepared between the MDSP co-financing donors and CRDB management, utilising the portion of the MDSP budget that has already made an appropriate provision and the approval of CAR will be secured prior to the scheme's launch.
- 10.7 Funding requirements are not expected to exceed USD 5,000 per month, and will most likely be substantially less. Payments to individuals will be made on the scales identified for the PMG in Sub Decree 98 (see Table Seven) but they will be tiered, in intervals of 20%, based on performance, which will be monitored and assessed quarterly. Unsatisfactory reviews for two consecutive quarters will result in removal from the scheme.

Table Seven: PMG Incentive Scales

Priority Mission Group (PMG) Scales	
Incentive paid in addition to base monthly salary and functional allowances (Exchange rate based on USD1 = 4,000 Riels)	
Secretary/Director General	1,600,000 (\$400)
Deputy Director General	1,280,000 (\$320)
Director Department	1,080,000 (\$270)
Deputy Director of Department	880,000 (\$220)
Chief of Bureau	480,000 (\$120)
Deputy Chief of Bureau	384,000 (\$96)
Specialist Officer/Personnel	320,000 (\$80)

source: Sub-Decree 98 of August 2005

- 10.8 The PMG will allow for other ad hoc salary supplementations to be phased out, with the longer-term sustainability of the scheme being subject to discussion within RGC regarding CRDB receiving its own staffing establishment (as opposed to staff being seconded from elsewhere in RGC or contracted annually). At this time, more formal discussions can begin with Government about longer-term arrangements, including a phased approach to Government assuming increased responsibility for payment as part of its broader pay reform strategy.
- 10.9 The payment and reporting modality to be used for donor-funded payments is through established channels of the MDSP, with the MDSP auditing arrangements also being used to audit the PMG initiative. As part of the broader capacity development work, these functions may be assumed by CRDB once sufficient capacity is in place; the MDSP will continue to report on all project expenditures and this function will be increasingly taken over by the Administration Department during the lifetime of the program.

Initial Selection Criteria

- 10.10 PMG positions will be informed by the priority mission and the functional analysis, which assigns priority activities to the respective Departments in a transparent and merit-based manner. Selection of staff in these positions will be similarly transparent and merit-based, informed by a weighted consideration of the following factors:
- Qualifications, experience and job functions
 - Basic skills (including IT)
 - Interpersonal and Communication skills
 - Other skills (teamwork, established track record in achieving results)
- 10.11 In addition, Department Directors must display:
- Skills and experience in project management
 - Coaching, team building, coordinating and leadership skills
 - Accountability and responsibility

Performance Management and Assessment

- 10.12 The performance management mechanism will be a key management tool, applied at an organisational level as CRDB's objectives and priority activities are regularly assessed against the overall annual workplan and established indicators of progress. Key features of the performance management system are elaborated in the next section.

PMG Implementation Arrangements

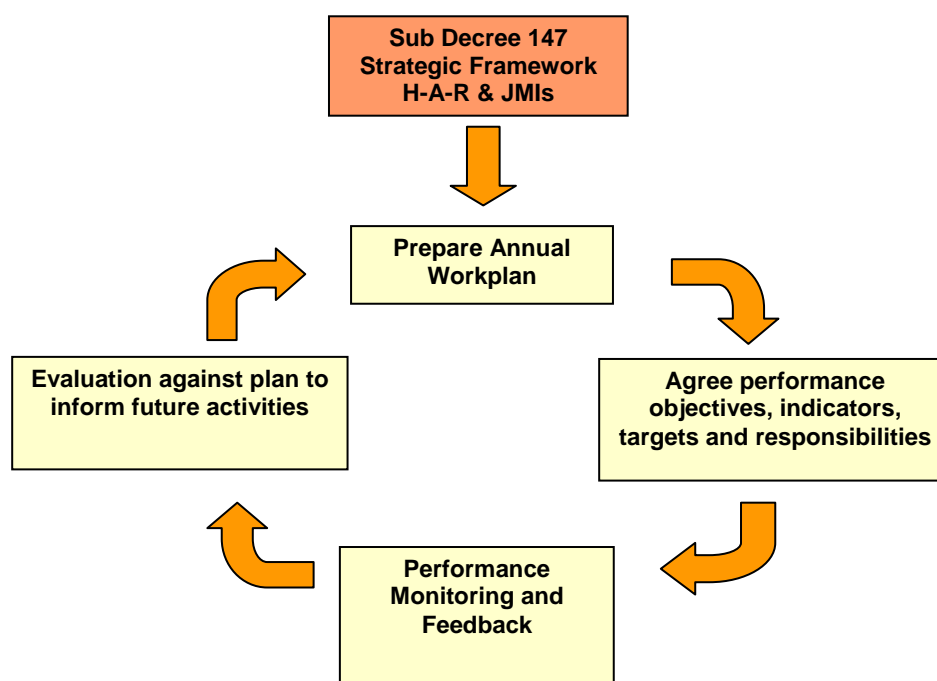
- 10.13 PMG will be implemented with the oversight of a Committee structure based on a simplified form of that adopted by the MEF model. All participating staff will sign performance contracts. The Administration Department will be supported to implement most of the routine administrative tasks associated with the scheme and a PMG manual will be developed to establish standards and procedures.

XI. Performance Management

Performance Management and Assessment

- 11.1 The performance management mechanism will be a key CRDB management tool, applied at an organisational level as CRDB's objectives and priority activities are regularly assessed against an overall annual workplan and established indicators of progress. The establishment of a performance management system is also a mandatory requirement for introducing the PMG/MBPI scheme, but it is also recognised as an important innovation that is required to complement capacity development activities regardless of the introduction of the PMG/MBPI.
- 11.2 Key features of the performance management system for CRDB are summarised in Chart Nine and will include:
- a) Production of an annual workplan with tasks informed by the Sub Decree and the Strategic Framework (and Departmental Terms of Reference) and assigned to responsible parties;
 - b) Establishment of performance objectives, indicators and targets for activities;
 - c) Elaboration of clear and measurable performance objectives for CRDB, Department and individual staff;
 - d) Identification of an effective means of managing the execution of all activities and monitoring their progress (and providing feedback to senior management);
 - e) Regular opportunity for feedback and consultation with staff so that core values can be reinforced and the overall vision of CRDB can be reaffirmed during an evaluation process.

Chart Nine. Performance Management



- 11.3 Over time, performance management will be applied to all stages of the workflow process, including planning, resource allocation, implementation, reporting and monitoring functions. Continuous improvement, in both workflow processes as well as results, will be pursued through the Capacity Development Strategy and applied at CRDB and Departmental level. It is acknowledged that a performance culture is still to be established in the public service and that performance management is often not something that managers are either acquainted or comfortable with.

- 11.4 The performance management system will apply to all staff, not just PMG recipients, and the approach will be to establish a mechanism that is seen as a positive innovation, facilitating closer supervision, guidance and monitoring, with regular opportunity for feedback and mentoring.
- 11.5 All staff will be fully briefed on the details of the performance monitoring mechanism and measures will be taken to ensure that they fully understand the manner in which it will apply to them. Performance management systems will also be used to inform the identification of training needs. Table Eight identifies the proposed criteria for the performance management assessment of individual staff.

Table Eight. Individual Performance Assessment Criteria

Criteria	Staff weighting	Management weighting
Attendance and conduct	20%	10%
Work outputs (and quality)	60%	40%
Fulfilment of training plan	20%	10%
Management (for Directors)		40%
Total	100%	100%

- 11.6 Table Eight also shows that effective performance management will be included amongst the management criteria for assessing the performance of Directors. This is recognised as an important factor in delivering the organisational objectives of the Capacity Development Strategy – and the ultimate success of the PMG.
- 11.7 Performance management will extend from the level of the individual, to the Department and then up to the level of CRDB. At CRDB level it will be particularly important to monitor those activities that are cross-Departmental in their nature, as well as to consider overall progress against the workplan. Based on their job description, individuals will be expected to prepare an individual workplan, that includes agreed training objectives that will serve as an objective guide of performance at the end of the quarter.
- 11.8 The principal CRDB planning management and monitoring tool must be the Organisational (and Departmental) Workplan. This should adopt a results-based framework to include capacity development processes and indicators associated explicitly with capacity development work. It is also necessary to note that, if CRDB capacity is to be strategically linked to RGC aid effectiveness priorities, the H-A-R Action Plan must comprise the chief input into the Organisational Workplan, with annual objectives identified to make progress toward the H-A-R targets. Performance management can then extend from the level of the organisation, through Departments, all the way to the individual staff member, proving a robust and objective basis for managing and evaluating performance.
- 11.9 Monitoring will take place on a quarterly basis, with staff retreats providing an opportunity for discussion, including at Departmental level. This will lead to performance objectives – and training plans – being revised against workplans if necessary. The Secretary General, CRDB/CDC will be ultimately responsible for the management of staff and the implementation of the performance management system.

XII. Management and Workflow Strengthening

- 12.1 Given the opportunities presented by the re-organisation, and the need to introduce a performance management system as part of the PMG, CRDB should also give serious consideration to management and workflow issues. Current operational arrangements lead to organisational inefficiencies, as well as to a lack of motivation in staff. Perhaps most critically, the increased use of strategic management tools, combined with a performance management system, will provide the means to improve performance as well as to provide an effective monitoring and evaluation tool.
- 12.2 In particular, the introduction of a workplan, allied to Departmental workplanning and quarterly monitoring, will ensure that the H-A-R Action Plan and the JMLs are routinely implemented and monitored across Government, with CRDB playing its mandated focal point role.

Management Issues

- 12.3 To further strengthen staff management functions the following processes will be promoted:
- a) To enhance staff management and information sharing among Departments, the SG and/or DSG will hold monthly meetings with Department Directors. These will report on progress, identify constraints, and present concrete suggestions. Minutes of these meetings will be posted on the CRDB LAN system.
 - b) The Department Directors will hold monthly staff meetings of the department (prior to the meeting with the SG and/or DSG), to review work progress and to seek department staff's inputs for his/her briefing with SG and/or DSG.
 - c) The performance management system will be introduced as a basis for quarterly coaching and monitoring of performance. Findings from the reviews will be used to inform individual workplans, training plans, and will also be used, where necessary, to adjust incentive payments.
 - d) The CRDB's computerised training database will be maintained. Periodic analysis of information on training activities will be provided to senior management of CRDB.
 - e) A quarterly workshop/retreat of CRDB staff will be held to discuss broader organisational and/or specific issues that cut across departments and to provide staff opportunity to interact with senior management and with staff of other departments to cultivate a spirit of joint mission among the staff of the CRDB.
- 12.4 The rapidly changing aid landscape, informed by the Paris Declaration on aid effectiveness, also requires that CRDB management keep abreast of developments on the global stage. Managerial aspects of capacity development must therefore also focus on the ability to assimilate new ideas, apply them to the Cambodia context and, in the context of managing donor relations, being able to build partnerships that are informed by these aid effectiveness principles. This will require that management be exposed to increasingly analytical and strategic types of training that develop critical thinking and policy development.
- 12.5 It is further noted that the traditional capacity development focus on the individual as the main beneficiary of technical capacity development support will not 'aggregate up' to more effective organisational capacity at the level of CRDB unless a focus on qualitative issues of leadership and management are applied. This approach emphasises building trust, partnership-building, leadership, communication with both staff within CRDB and RGC, as well as with development partners. There are an increasing number of such training opportunities available and these should be made available to all levels of CRDB management.

Workflow Issues

- 12.6 A detailed workflow analysis might be considered to explore opportunities for combining improved management practices with increased organisational efficiency. This analysis would consider the current distribution of core tasks amongst and between Departments, identification of overlaps/duplication, time management issues and key activities that were not completed, as well as looking for increased synergy, efficiency and complementarity between the work of Departments.
- 12.7 The starting point of such a workflow analysis would be operational planning but would also go through all stages of the work cycle, comparing final outputs against the CRDB mandate. Finally, the process and tools by which performance is managed, monitored and reviewed all levels would be examined.
- 12.8 An additional workflow issues concerns the integration of the MDSP and its staff with CRDB. Based on inputs provide by the Secretary General of CRDB, the MDSP Senior Advisor is often requested to draft documents/papers, policy articulation speeches, etc. As such, the work of MDSP is in a way distinct and de-linked from other parts of CRDB, though the level of integration has advanced in recent years. It is time now that all the functions of the MDSP become more institutionally integrated and increasingly part of the overall set up and structure of CRDB. The starting point for this process of integration will be the workflow analysis that will consider the tasks that are performed either separately or in conjunction with CRDB staff, so that their integration can be considered.
- 12.9 With regard to IT systems, consideration in a workflow analysis should be given to making increased use of these tools, which have already proven themselves to be useful in building up a significant archive of reference and operational material.
- 12.10 The ODA Database, maintained by the Information Management Department should be further developed to provide a strategic input to the monitoring of the H-A-R Action Plan, as well as becoming an operational tool for all Departments in managing their portfolios. Paragraph 9.7(k) tasks each of the Operational Departments with maintaining a computerised system of project data; the option of further customisation of the ODA database to perform this task should be prioritised.
- 12.11 The training database must also be maintained and developed as a useful tool to analyse human resource development, as well as to provide a tool for monitoring training needs, provision and attendance.
- 12.12 The CRDB website should, at a minimum, consist of:
 - a) Complete records of each CDCF meeting (and an archive of CG material), including all RGC background documents, all statements, pledging sheets, JMIs.
 - b) Similar records of all GDCC meetings including minutes and statements and progress reports with H-A-R and JMI monitoring. These latter should be posted in highly visible area of the website.
 - c) A calendar of all events relating to CRDB, viz., meetings of CRDB or other agencies attended by CRDB staff, all visits and missions relating to CRDB. This calendar should be interactive so that CRDB Departments can input information.
 - d) Most recent ODA analysis and policy work, either at national or global level as it relates to Cambodia.

XIII. Placement of Existing Staff and Analysis of Vacant Positions

- 13.1 After considering organisational and management issues, the next step is to assign existing staff to positions within the re-organised structure. This is designed to ensure that CRDB makes optimum use of the education, skills and experience of staff, while, taking into account individual staff members' aptitude and preferences.
- 13.2 After existing staff have been assigned to positions within the re-organised structure the implementation of the Capacity Development Strategy will enable CRDB to carry out an analysis of:
- a) Education and skills endowments among staff assigned to positions within the new structure;
 - b) Skill gaps that must be filled by training or through other interventions;
 - c) Issues related to low salary/remuneration and motivation;
 - d) Securing permanent staff for CRDB and to move the existing seconded staff and staff employed on contract to positions in the new organisational structure of CRDB;
 - e) Filling positions for which no staff are available, for example through capacity substitution; and
 - f) The role of the Multi-Donor Support Program (MDSP) in providing support to CRDB to build sustainable capacity.
- 13.3 These next sections consider the placement of existing staff within the new organisational structure, the identification of vacant positions, approaches to filling these positions, and the issues of training and motivation. Not all positions will be filled in the short-to-medium term, requiring that CRDB, and its Departments, prioritise the use of staff time.
- 13.4 A significant number of positions, in particular at senior levels, are currently vacant. Wherever possible, CRDB staff members should be encouraged and supported in developing the necessary skills and gaining the necessary experience so that they might be promoted. As a second best option, CRDB will continue to seek project resources to fill vacant positions that are critical for performing its key functions. The following analysis identifies the vacant positions that are considered most critical for filling in the immediate term if CRDB is to have any realistic proposition of comprehensively fulfilling its mandate.

Aid Coordination Policy Department

- 13.5 Until now the functions of strategic policy formulation on aid effectiveness issues and preparation of RGC policy documents for external resource mobilisation have been performed by the Secretary General supported by the Senior Advisor and professional staff of the MDSP (and previous UNDP projects). This Department is therefore being operationalised to institutionalise these functions within the CRDB organisational structure.
- 13.6 In pursuing this important goal of internalising these functions two points will need to be recognised by all concerned:
- (i) To date, CRDB staff have been fully occupied with the day to day operations of their departments have had little time to be fully engaged in carrying out these functions. Also, opportunities for their placement in this department are severely constrained by the need to maintain the on-going operations of the departments which are currently functioning with a limited number of staff and a significant number of vacant positions in some departments. As a result, all positions in this department are being considered to be vacant and the issue of how to fill these

positions must be dealt with together with the resolution of broader staffing issues.

- (ii) It is important to recognise that a complete internalisation of these functions will take an extended period of time given the realities of the local labour market where the number of national professionals with the required level of strategic policy formulation and analysis skills is extremely limited. Furthermore, they command a level of remuneration that is far beyond what the public sector can offer. In these circumstances the option of recruiting young high potential professionals and building their capacity through accelerated training and mentoring support is a viable option.

13.7 **Vacancies:** As a first step towards the operationalisation of the Aid Coordination Policy Department, CRDB will require MDSP funds to support the recruitment of qualified senior national professionals to perform the functions of the following three positions:

- a) Director
- b) Deputy Director: ODA Policy and Analysis
- c) Deputy Director: Policy Coordination & Partnerships

Information Management Department

13.8 At present there are only two staff members in this Department, one seconded, and designated as Deputy Director, the other employed on a yearly contract. Much of the work of this Department is being carried out by the MDSP team. To effectively internalise the functions of this Department there is now an urgent need for infusion of new talent in this very important area of CRDB.

Table Nine. Information Management Department: Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Vacant	Some of the functions performed by a Senior ICT Expert on MDSP team.
Deputy Director: Databases & CRDB LAN System (including LAN Library)	Mr. Phon Samphors	
ICT technician: Hardware and Software Support	Vacant	Functions performed by MDSP ICT professional
Deputy Director: CRDB Website and Web-based DCR Database	Vacant	
ICT Officer: Software applications programming	Oum Tara	Yearly contract

13.9 **Vacancies:** At present key functions of this department are being performed by a senior national ICT Expert and an ICT Technician recruited through the MDSP. In the short to medium term, CRDB would like this support to be continued.

Europe and North America Department

13.10 Of the eight current staff of the department (5 are seconded staff and 3 are on yearly contract) and two staff members (one Deputy Director and one staff member) are away on training. One of these eight staff members is currently responsible for the IFIs. The individual, a Deputy Director, has been assigned to the new Multilateral Organisations Department which will cover the IFIs. The placement of the remaining staff members is shown in Table Ten, along with the remaining vacant positions. It is noted that with the transfer of the Deputy Director who has been responsible for IFIs, one section is left with only two staff members at the Aid Coordination officer level to perform the needed functions of this section so two interns were recruited by the end of 2006 to support this section and will be retained on an annual contract basis.

Table Ten. Europe and North America Department: Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Dr. Rith Vuthy	
Deputy Director: Denmark France, Germany, Italy, Netherlands, Norway, Switzerland, Russia Bureau Chief: France, Denmark and Netherlands Aid Coordination Officer	Mr. Hem Vannyouth Vacant Ms. Rith Kresna	Yearly contract
Bureau Chief: , Italy, Norway, Germany, Switzerland, Russia Aid Coordination Officer (Italy, Norway) Aid Coordination Officer (Germany, Switzerland, Russia)	Vacant Mrs. Leng Thary Mr. Doung Chanrithyna	Yearly contract Yearly contract
Deputy Director: Belgium, Canada, EC, Finland, Sweden, Spain, UK and US Bureau Chief: Canada, US, Sweden, Belgium, Finland Aid Coordination Officer (US Sweden) Aid Coordination Officer (Belgium, Finland) Bureau Chief: EC, UK, Spain, Canada Aid Coordination Officer Aid Coordination Officer	Vacant Vacant Mr. Ou Viyouren Ms. Soung Sarvuthy Vacant Mr Chhiv Vandoeun Ms Srey Leakhena	 Yearly contract Yearly contract Yearly contract Yearly contract

13.11 **Vacancies:** Four of 11 positions in this department are currently vacant. If promotions and/or redeployment is not feasible, CRDB would like MDSP support to recruit one senior national professional to perform the functions of the Deputy Director position that is responsible for coordination with Canada, Denmark, Finland, Netherlands, Norway, Sweden and US.

Asia, Pacific, and Oceania Countries Department.

13.12 Although the Department has nine staff, regular training overseas results in 3 or 4 staff being frequently out of office for extended periods. Thus, a total of only six staff members are routinely available for the daily work of the Department. The placement of these nine staff members, six of whom are currently on duty, is shown in Table Eleven, along with the vacant positions.

13.13 A JICA Supported Program situated in the Department has been instrumental in providing support to fill the critical gaps in the Department. Under this program the support has included a resident JICA Advisor who supports both the Department as well as some of the broader CRDB aid coordination functions. The projects has also supported the department by providing the services of two entry level staff to perform some of the functions of the staff who are away on training.

Table Eleven. Asia, Pacific, and Oceania Countries Department Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Ms. Heng SoKun	
Deputy Director: Japan Bureau Chief: Sector Policies and Disbursements Data for Japan's Assistance Program Aid Coordination Officer: Programs for promoting good governance Aid Coordination officer: Programs for Agriculture & Rural Development Aid Coordination officer: Programs for Economic and Industrial Growth Aid Coordination officer: Programs for Social Sector Development	Mr. Im Sour Vacant Mr. Dim Kimhon Mr. Duong Chantha Vacant Ms Chet Sarphon	 Yearly contract Away on training (yearly contract) the functions of the position are being performed by JICA supported staff Mr. So Vannak (yearly contract) additional support provided by JICA supported staff Mr. Eat Chan Sorin
Deputy Director: Asia and Oceania Countries Bureau Chief: Aid Coordination Officer: Australia and New Zealand Aid Coordination officer: China and	Vacant Mr. Chan Phala Smile Ms. Phana Veunida	Away on training for over 4 years Yearly contract

management of disbursements data for all donors	Mr. Doung Sivatha	Currently employed on yearly contract
Aid Coordination Officer: Other Asian Countries and Regional programs	Mr. Chum Samnang	Currently employed on yearly contract

13.14 **Vacancies:** Three of the twelve positions in this Department are currently vacant. The JICA Project has been providing support to cover the functions of staff who are away on overseas training. Of the vacant positions, those of the two Bureau Chiefs are identified as the highest priority to be filled. If promotions or redeployment of staff is not feasible than CRDB would like the JICA Project to support the recruitment of national professionals to cover the functions of this position, in addition to its on-going support.

Multilateral Organisations Department

13.15 This Department will now cover all multilateral organisations, that is, the UN agencies and the IFIs. At present, four CRDB staff members are available to cover the functions of the combined department: three from the existing UN Department (one Deputy Director, one Bureau Chief and a staff) and one Deputy Director from the Europe, EU and ADB, WB and IMF Department. It should be noted that the Deputy Director responsible for IFIs is at present away on overseas training. The placement of the existing staff, including those on overseas training is shown in Table 12.

Table Twelve. Multilateral Organisations: Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Vacant	
Deputy Director: UN Agencies	Mr. Samreth Chedthaphirum	
Bureau Chief	Mr. Roth Chin	
Aid Coordination Officer	Mr. Ke Ky Leng	
Deputy Director: IFIs	Mr. Oul Nak	Away on training

13.16 **Vacancies:** The Director position in this Department is currently vacant. Promotion from within CRDB should be considered as a preferred option, otherwise CRDB would like MDSP to support the recruitment of a senior national professional to support the functions of this Department.

NGO Coordination Department

13.17 At present, the staff in this department includes a Director and a Bureau Chief (seconded) and three staff who are employed on a yearly contract. There is a slight miss match in the mix of staff available and the level of positions envisaged under the new organization structure. The issue of placing these personnel in this or other departments where there are vacancies need to be explored for decision by senior management of CRDB.

Table Thirteen. NGO Coordination Department: Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Mr. Om Tara	
Deputy Director: Partnerships	Vacant	Mr. Mok Puthy (temp assigned)
Bureau Chief	Vacant	
Aid Coordination Officer	Mr. Khay On	Employed on yearly contract
Deputy Director: NGO Information Management	Vacant	Mr. Lao Pheakdey (temp assigned)
Bureau Chief	Vacant	
Aid Coordination Officer	Mr. Dy Molin	Employed on yearly contract

Vacancies: The positions of the two Deputy Directors and Bureau Chiefs in this Department are currently vacant. CRDB will be required to carefully consider and prioritise the filling of these posts – and the Department structure - as it considers its role in NGO portfolio management and the appropriate staffing complement.

Administration Department

13.18 To fill the 11 planned positions in this Department, a total of five staff are currently available. These five include a Deputy Director (seconded) and four staff who are employed on a yearly contract. The placement of the five existing staff members is shown in Table Fourteen. In view of CRDB's recent initiative to internalise/institutionalise the management of ODA supported programs and projects for CRDB, and in view of the need to strengthen organisational administrative capacity as part of the managerial strengthening, boosting the capacity of this Department has become a very high priority of CRDB. In order for the department to satisfactorily perform its critical functions, urgent action is required to fill the large number of vacancies in this Department.

Table Fourteen. Administration Department: Placement of Existing Staff

Position	Staff Assigned	Remarks
Director	Vacant	
Deputy Director: Administration	Mrs. Peng SETHA	
Bureau Chief: Personnel and Records	Vacant	
Administration Officer	Mr. Leng Kimhorn	
Bureau Chief: Logistics Support	Vacant	
Administration Officer	Mr. Koa Reounsophak	
Deputy Director: Finance	Vacant	
Bureau Chief: Finance	Vacant	
Finance Officer	Mrs. Suy Chantha	
Bureau Chief: Procurement and Tax exemption	Vacant	
Finance Officer	Mrs. Chan Sathya	

13.19 Vacancies: The internalisation of the administrative and financial management functions of ODA supported programs and projects at CRDB is a high priority of CRDB. A new Finance section may be established. As a result, at present six of the proposed eleven positions in this Department are currently vacant. To ensure a smooth transition, in the short to medium term MDSP should continue to support the Senior Operations Officer and the Senior Admin/Finance Assistant positions to cover the administrative and financial management functions working in close collaboration with CRDB staff.

XIV. Motivation and Incentives

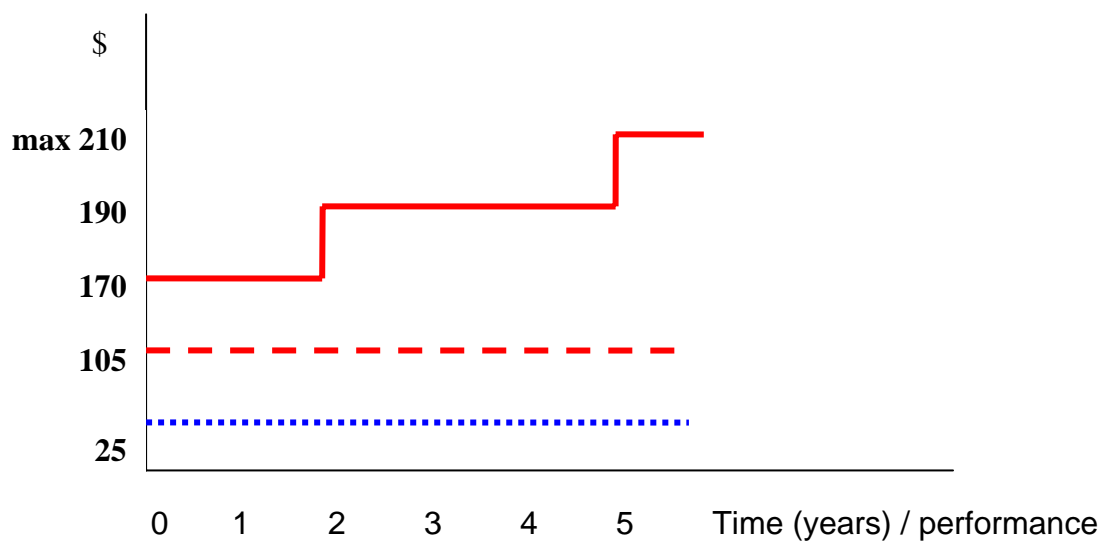
- 14.1 Motivation and incentive systems are fundamental in developing capacities. While monetary incentives have understandably received most attention, the diagnostic work prepared for the development of this Strategy revealed that non-financial incentives and motivating factors are also important. Equally, a failure to consider motivational issues can result in staff feeling undermined or discouraged. Examples include the regularising of contracts, engagement in more stimulating work, and the demotivating effect of feeling disengaged in the CRDB's work.
- 14.2 This is consistent with the global empirical literature which increasingly recognises the important influence that non-financial motivators have on individual behaviour and organisational performance. Motivators generally relate to something that promotes an internal desire to perform or strive for some objective, incentives are normally defined as something provided externally to encourage a particular course of action. Motivators are therefore more subtle but can be quite powerful in influencing the performance of an organisation.
- 14.3 Effective capacity development must therefore consider both financial and non-financial incentives as motivating factors in securing improved performance.

Monetary incentives

- 14.4 Notwithstanding the importance of non-financial incentives, the issue of remuneration is felt to be the single largest constraint to improved performance by all staff, both civil servant and contract holders. Section X on the establishment of a PMG provides an opportunity for CRDB civil servant staff to be considered for a performance-based incentive as part of the PMG.
- 14.5 CRDB contract staff receive significantly less remuneration than their civil service counterparts, however. By any standards, the sums involved cannot be considered to be adequate and there are a number of factors that make it an imperative that this be redressed as part of the capacity development strategy. First, the principle of fair reward must be recognised. Second, if staff are to be motivated to perform like professionals they must be treated like professionals, i.e. with dignity and with respect; this requires that some form of supplementation be made available if the Strategy is to have any credibility.
- 14.6 It is therefore proposed that a incentive/supplementation for CRDB contract-holding staff be established in two parts:
- a) a portion of supplementation that is designed to raise staff remuneration above the minimum level that is required to ensure professional dignity and bring credibility to the concept of capacity development; and
 - b) a portion of incentive remuneration, which includes a loyalty element (based on time at CRDB) and performance (to be measured using the performance management arrangements using the same scales and criteria as for the PMG).
- 14.7 Such a scheme, which is an extension of the current arrangement supported by MDSP, would therefore pay a base supplementation to all contract staff. This would be augmented by a two-part incentive based on performance and experience.
- 14.8 It is also necessary to tailor this approach so that incentives are not seen as a one-off arrangement or, in the case of performance management, as a 'stop-go' system. Incentives must be designed to be forward-looking, providing staff with a motivation to attain and then to maintain a high-level of performance in the knowledge that this will bring further recognition and reward. In this regard, satisfactory performance, including

the completion of all agreed training programmes, will be reflected in the performance management of staff members.

Chart Ten. Supplementation/Incentive Scheme for CRDB Contract Staff



- 14.9 The proposed approach is pictured in Chart Ten. It is proposed that selection for merit-based supplementation and the amounts to be paid are informed by the rates applicable to the PMG/MBPI. Contract staff will therefore receive a subsistence supplementation of USD 80 in addition to their current salary of approximately USD 25 monthly. Depending on time spent with CRDB, an additional incentive will be available to a maximum total receipt of USD 210, the equivalent salary and MBPI payment received by a Bureau Chief/Administration Manager.

Motivation and non-Monetary incentives

- 14.10 Attention to motivational issues play an important part in focusing on long-term goals, and reaching these goals will not be assured simply by focusing on monetary incentive issues. In this regard, the Functional Review, which comprised part of the diagnostic work that informs this Strategy, noted that, "There is also an urgent need for increasingly instilling and constantly upgrading a sense of belonging, pride in one's work and better commitment among all the staff."
- 14.11 An important part of this approach includes changing mindsets at all levels within CRDB. At management level, there needs to be an approach, reinforced by the performance management system, to monitor, coach and mentor staff. At the level of CRDB, there needs to be a continued emphasis on promoting a comfortable working environment and one that, increasingly, provides an opportunity for participating in fulfilling work and in developing one's career. For their part, staff need to adopt increased levels of professionalism and become more pro-active in their work.
- 14.12 Other issues related to motivation that may be worthy of consideration by CRDB as it develops and implements this Strategy might include: (a) workplace environment issues, including gender relations; (b) learning and training opportunities; (c) peer support and mentoring that facilitate a working environment that embodies professionalism and instils pride and teamwork; (d) job security and career advancement; and (e) status, prestige and recognition. CRDB management might also take action so that contract staff who have demonstrated that they are capable of performing functions above their level are placed in positions merited by their performance and provided with commensurate incentive payments.

XV. Training

- 15.1 From an aid management perspective, capacity development support must be tailored to build partnerships, ensure a more authentic ownership and to ameliorate the risk that new PBA-based aid modalities may unintentionally restrict institutional development through donor encroachment in Government decision-making processes and through an inappropriate use of TA.
- 15.2 It is also important to note that there is a long history of training supported by external resources, yet there is still a significant demand for training in basic skills. Although much of these requests are intended to secure training that will build existing strengths, there must remain a question about the effectiveness of previous training. This observation becomes more disconcerting when taking into account the evidence that CRDB are evidently enthusiastic learners, as witnessed by the preparedness of many to fund their own training and career development from their own pockets.
- 15.3 There may therefore be a mis-match between the training that is demanded and that which is provided. This should be investigated further as, although training should be tailored to meet the needs of the post holder in doing his/her job, it should also be of interest to the staff member. If it is not, there will be continued high drop-out rates, which is a waste of precious resources in terms of both time and money.
- 15.4 Three types of analysis might be considered:
- a) Analysis of training already done, how it was selected and prepared, and the completion rates associated with each kind of training;
 - b) Assessment of how useful the training database has been in informing human resource development policy across CRDB;
 - c) Assessment of future training needs tailored according to these findings and modalities for keeping records and assessing training relevance/quality.

Skills Training

- 15.5 Providing support for various types of training for the CRDB staff is a core element of the Capacity Development Strategy for CRDB that, if implemented well, will enable the organisation to retain as well as utilise its staff. To be effective in enhancing the job performance of staff members, an important criteria in selecting a training program is the relevance of the proposed training program to current job functions. Application of the criteria – and delivery of combined training - will maximise the impact of training.

Table Fifteen. Skills and Training Modalities

Skill	Modality
Language (English) Computer & IT Presentation skills Report writing Communications skills Workplanning (performance/results-based) Time management	Short-term training courses on complementary skills (report writing, analysis, workplace and gender issues), preferably, out of working hours.
TWG-GDCC Secretariat functions NSDP, CMDGs, PIP, Budget and MTEF Aid Management (Strategic Framework, NOG, H-A-R, Paris Declaration, PBA modalities)	Specialised short courses on development management/public policy to be organised by MDSP for CRDB and ministry staff using national and international personnel
Resource mobilisation Project appraisal techniques Project cycle management Monitoring and Evaluation (M+E) Database skills & Quantitative skills	Specialised short courses on development cooperation management issues that are offered by institutions inside or outside Cambodia.

- 15.6 To ensure that staff members attending training programs are making a serious effort to learn, a monitoring system will be used that will include a training database to maintain

a record of staff member's attendance and performance. Training (attendance and completion) will be included amongst staff's performance management criteria.

- 15.7 The training programs that are needed by CRDB staff to build their capacity in the core, technical and strategic skills identified in Section V will include, on a highly selective basis, formal degree programs offered by recognised institutions in Cambodia and, where scholarships can be identified, outside of Cambodia.

Management Training

- 15.8 Training of mid- and senior-level managers will be critical to the Capacity Development Strategy attaining its objectives of improved organisational performance. The workflow and management section identify several areas of required management training that relate to strategic planning, performance and results-based management (of tasks and staff), time management and monitoring of outputs. Exposure to change management principles will also be necessary to ensure that managers can champion the implementation of the Capacity Development Strategy, as well as play their part in supporting the RGC's broader reform agenda.
- 15.9 In addition, the new aid environment, typified by the Paris Declaration, requires that, in addition to advanced aid management competencies, CRDB managers all have the inter-personal and communication skills required to operate effectively in the new partnership-based and programme-modality aid environment.
- 15.10 While technical support and skills development has often formed the mainstay of traditional capacity development approaches, there are also important qualitative management aspects of capacity development. These may be thought of as the competencies that "crowd in" more traditional technical skills and include developing the management style that will assist in executing their aid management responsibilities as well as in their general management role within CRDB. Specific skills include partnership building, communication and negotiation skills, mediating and brokering, and leading a policy dialogue.

Training Modalities

- 15.11 In the context of broader public service reforms, individual training modalities will be identified from amongst the following
- a) On the job, task-based training
 - b) Coaching and mentoring
 - c) Training others through leading seminars
 - d) Work shadowing
 - e) Sharing, through seminars, of strategic policy papers and literature
 - f) Development of manuals and guidelines on routine tasks
- 15.12 In the context of broader public service reforms, Departmental and group training will be identified from amongst the following:
- a) Study tours, especially to promote South-South cooperation
 - b) Diagnostic and analytical studies/reviews (including workflow analysis)
 - c) Departmental reviews
 - d) Organisational reviews
 - e) Critical incident learning (e.g. after a particular event such as CDCF)
 - f) CRDB office retreats (for results-based training, performance management)
- 15.13 The MDSP and JICA projects will also continue to provide technical assistance, in addition to the financial resources associated with these projects. This expertise should be seen as a resource to be called on by CRDB. Similarly, any additional expertise that is required to be retained on a short-term basis may be brought in through one of the projects in consultation with CRDB management, or, in the case of public service reform activities, in consultations between CRDB and the Council for Administrative Reform (CAR).

XVI. Risks Analysis and Mitigation

- 16.1 A risk assessment is a necessary component of any Strategic Plan, providing an opportunity to identify risks to successful implementation, assign probabilities and to gauge the likely repercussions of any such risk manifesting itself as a reality. Mitigation approaches can then be identified, especially in high risk/high cost areas.
- 16.2 The approach that is taken here is to identify risk and then ask two questions:
- Is the probability of this risk manifesting itself considered to be high or low?
 - Are the consequences – defined as undermining either implementation and/or sustainability - associated with the risk considered to be mild or severe?
- 16.3 Identified risks can then be located in a matrix, as presented in Table Sixteen.

Table Sixteen. Risk Analysis

		Risk Probability	
		High	Low
Consequences	Severe	<p>Staff positions are not established, so that seconded and contract staff are not made permanent and additional staff cannot be retained.</p> <p>Aid coordination work – including capacity development - becomes increasingly internally focused within CRDB, resulting in insufficient support to other parts of RGC to fully implement the H-A-R Action Plan and the capacity developed within CRDB having no broader impact on the NSDP</p> <p>Sustainability of the Strategy is not assured for multiple reasons (incentives, attrition, loss of management, failure to develop skills or organisational competencies, lack of support from CRDB staff/management, staffing)</p>	<p>Staff attrition results in trained staff leaving CRDB, undermining organisational capacity and sustainability</p> <p>Sufficient analytical work is not produced to promote the kind of evidence-based policy work that CRDB needs to function effectively as the national focal point</p> <p>Fatigue for aid effectiveness work or a change in RGC or donor policy undermines or changes the CRDB mandate</p>
	Mild	<p>CRDB continues to function without its own Budget.</p> <p>Cultural factors detract from the objective use of the performance management system</p> <p>Political economy considerations that limit the pace of reform lead to unfulfilled expectations</p>	<p>Training drop-out rates undermine the implementation of the Strategy as staff fail to develop skills</p>

- 16.4 The most significant risk relates to staffing issues. It is necessary to note that the total existing staff (32), comprising those seconded and individuals employed on yearly contracts, represent only around 60% of the staff required (55) to fill the positions that are considered to be necessary to perform all CRDB functions. CRDB management must continue their efforts to secure permanent staff for CRDB in order to make its new organisational structure functional. Mitigation in the short-term must aim to prioritise the deployment of available staff so that key activities are supported.

- 16.5 It is recognised, however, that the resolution of this challenge is beyond the direct control of CRDB management and finding solutions to such problems takes time. The challenge to address the staffing issue therefore has four dimensions:
- a) Securing approval of a permanent staff complement for CRDB based on its organisation structure from relevant authorities;
 - b) Securing the transfer of the seconded staff to authorised positions;
 - c) Securing budget resources to regularise the status of staff employed on yearly contracts to authorised complement positions; and
 - d) Securing resources from budget and external sources to fill the vacant positions.
- 16.6 The staffing challenge is formidable, although the Prime Minister has authorised the establishment of a permanent staff at CRDB. Interim mitigation can be undertaken through support provided by MDSP. The strong demonstration effect of building effective aid management in Government, and the imperative that sustainability be safeguarded, may contribute to the identification of a longer-term solution.
- 16.7 The second of the high-cost/high probability risks relates to the manner in which aid coordination work is taken forward across Government. The limited capacity that exists currently within CRDB has reduced the ability of the organisation to meet in full its responsibilities for supporting the broader aid effectiveness agenda across Government. CRDB has, however, managed to successfully facilitate the working of the GDCC-TWG mechanism, including by chairing the P+H TWG, which remains central to the implementation of the H-A-R Action Plan.
- 16.8 The capacity development work will promote the ability of CRDB to more effectively play its broader aid coordination role, including through more robust monitoring of the H-A-R Action Plan and JMIs, as well as through providing on-demand support to the TWGs. An increased role in the new CDCF arrangement will also require that capacity development support is provided so that CRDB can effectively and sustainably assume full responsibility for the management of this high-level dialogue.
- 16.9 Sustainability of the Strategy represents the last of the high-cost/high probability risks. There are a wide range of factors that might undermine sustainability. Mitigation therefore begins in the risk assessment process itself, identifying each of them and thinking through longer-term measures that can complement the implementation arrangements to promote sustainability. Equally, the monitoring and evaluation framework should be developed so that it also addresses issues of sustainability.
- 16.10 Amongst the multiple factors that might undermine sustainable capacity work are issues of incentives, attrition, loss of management (or their engagement), failure to develop skills or organisational competencies, and lack of support from CRDB staff/management, staffing). Each of these issues is addressed in turn as part of this Strategy. The mitigation challenge is to pay particular attention to each, to ensure that the approach remains participatory so that some form of 'early warning system' is instituted, and to pay particular attention during routine monitoring and evaluation.
- 16.11 All these risks, and those that are identified in the other quadrants of the risk matrix (Table Sixteen) should be routinely discussed as part of the monitoring arrangements for the Capacity Development Strategy. An annual reflection should also be undertaken, possibly including an external appraisal.

XVII. Implementation Arrangements & the Role of MDSP and JICA

- 17.1 Change, reform and capacity development at CRDB must be viewed through the lens of the on-going reforms that are taking place across Government; indeed, the establishment of a PMG is a central feature of the RGC's reform programme coordinated by the Council for Administrative Reform (CAR). In view of the very real budgetary constraints and the pace at which the public administration reform program can be expected to make progress, however, the implementation of the Capacity Development Strategy should proceed with the external support that is available, chiefly from MDSP and JICA.
- 17.2 This Capacity Development Strategy sets out a proposed path for CRDB for the period 2007-10. It must be noted that, while many of the suggested changes will take more time to implement in full, significant headway can be made with the resources that are currently available. Many of the sections outlined in this document have therefore made observations and provided some recommendations that will enable implementation to begin in January 2007, however many of the proposals require significant further elaboration or validation.
- 17.3 As the Strategy is implemented there will almost certainly be a requirement to commission further diagnostic work before the nature of capacity-related challenges can be fully understood and an appropriate course of action can be identified. Premised on a recognised demand by CRDB management, this applies in the short-term to the need to undertake a workflow analysis study and possibly to commission a more detailed review of past training that can then be used to inform the design and delivery of future support for training.
- 17.4 Beginning January 2007, the implementation of the Capacity Development Strategy will commence under the leadership and management of the Secretary General of CRDB. Implementation arrangements will need to be elaborated in significantly more detail but should follow a three-step approach:

1) Planning

Assess current functions and associated activities and undertake a coherent process to develop an Organisational (and Departmental) Workplan that supports mandated responsibilities across Government, with assigned responsibilities, financing and indicators (see Annex Two). The CRDB Workplan should include all activities and all resources so that maximum efficiencies can be made in the use of the different sources of donor funding that are available.

2) Administrative and Execution Capacity

Implement the revised organisational structure, develop job descriptions & training plans, establish the PMG, and deliver management training and technical support as may be required to implement the Workplan activities.

3) Monitoring and evaluation

Under the oversight of a CRDB core management team, deliver training in monitoring and results-based techniques to all staff, establish the performance management system, and establish capacity to monitor and evaluate the activities of CRDB, the H-A-R Action Plan, and the Capacity Development Strategy.

Staffing

- 17.5 The most significant implementation constraint – discussed in the Risks section – relates to staffing. During the period when negotiations to secure permanent staff for CRDB are underway, CRDB will use external resources to fill key vacant positions to perform core functions of CRDB. This includes use of the MDSP Advisor, who should continue to function as the overall advisor on all internal matters of CRDB, paying particular attention to work related to the Aid Coordination Policy Department and the Information Management Department.
- 17.6 When permanent staff positions for CRDB have been secured, CRDB management should transfer the seconded staff from ministries and regularise the status of contract staff nationals recruited by CRDB through donor-supported programs. In the short to medium

term, however, CRDB will continue to seek support from external sources for positions that are essential to perform its key functions and for which it is unable to secure funding from the national budget or for which it is unable to promote, re-deploy or recruit qualified national staff at prevailing public sector remuneration levels.

- 17.7 Notwithstanding the need to maximise merit-based promotions, at least in the short to medium term some of the staffing of CRDB will need to be supplemented by staff recruited by donor supported programs that offer significantly higher remuneration levels. It is important to note that the national professionals employed by donor supported programs have to conform to much stricter quality controls and performance standards and it is therefore often not possible to make a simple comparison of compensation levels. Donor-funded staff should also be expected to make a significant contribution to the delivery of this Capacity Development Strategy.

MDSP and JICA Integration

- 17.8 Almost immediately after the creation of CRDB in August 1994, UNDP started providing support through the Aid-Coordination Project. This assistance has continued uninterrupted and has become, since January 2006, a Multi Donor Support Programme for Aid Coordination (MDSP). In the beginning, six international full-time consultants were engaged to establish systems for data gathering, and to assist in aid-mobilisation and coordination, as well as to support capacity building of CRDB staff. The use of international capacity has been gradually reduced and since 2000 the project has engaged only one full-time international advisor, although short-term international consultants are engaged to support specific tasks.
- 17.9 The Advisor and staff of the MDSP are often requested to draft documents/papers of a policy related nature, including those for high-level Government-donor meetings and for supporting the GDCC-TWG mechanism. As such, the work of MDSP is distinct and de-linked from other parts of CRDB and, although the level of integration has advanced in recent years, there is still a significant degree of capacity substitution. If the vision of CRDB is to be realised through the implementation of this Capacity Development Strategy then all the functions of the program must increasingly become part of the structure of CRDB and staff must be embedded within their counterpart Departments.
- 17.10 CRDB functions are also being supported by a JICA project that began on 31 July 2005 and will end on 30 July 2007. The JICA Project provides support to the Asia, Pacific, and Oceania Countries Department to enhance coordination and management of Japan's ODA projects focusing on strengthening capacity of the department to appraise project proposals from line ministries and provides logistics support to CRDB as well as advice to the Secretary General on broader aid coordination issues.
- 17.11 In principle, there should no longer be any donor support components that function in an isolated manner. According to this principle, all the work currently being carried out by MDSP and/or JICA will become routine functions of CRDB Departments. The delivery of all donor support, and the execution of donor programs, should facilitate direct involvement with concerned CRDB Departments so that hands-on experience can be acquired to move towards strengthened capacity, self reliance and self confidence.
- 17.12 The MDSP and the JICA Project have been requested to continue their support to CRDB, in particular to supporting key staff positions and in the implementation of the Capacity Development Strategy, including training. Although the option to secure resources from the national budget to finance a small part of the total costs of the PMG initiative exist, realistically it is likely to add a significant delay in implementing the scheme without any assurance of success.
- 17.13 Given the importance of CRDB's Capacity Development Strategy to the implementation of the H-A-R Action Plan, it is therefore proposed that the MDSP, which is specifically designed and resourced to support capacity development, finance the implementation of the Strategy.

XVIII. Capacity Monitoring and Evaluation

- 18.1 While the Organisation Workplan and a performance management system will be introduced as part of the Capacity Development Strategy to provide support to results-based monitoring at individual and organisational levels, the Strategy itself must have a monitoring and evaluation framework.
- 18.2 Capacity development is a non-linear and complex process and, in this case, many aspects of the Strategy remain undeveloped. It will therefore be particularly important to revisit the basic assumptions and approaches on which the Strategy is premised and an objective monitoring system will provide the necessary guidance on what is working and what more needs to be done. By combining this monitoring work with a participatory evaluation process it will also be possible to identify where a switch in focus or approach may be beneficial and how this might be achieved.
- 18.3 Indicators must be developed, applied and interpreted with a large dose of common sense, and they must be combined with other forms of assessing progress (considered below). In developing specific capacity development indicators, consideration needs to be given to the following issues:
- a) The indicators should be broadly consistent with the conventional SMART approach: Specific, Measurable, Achievable, Realistic and Timebound;
 - b) Indicators should be closely aligned with the organisational workplan. The generic workplan (Annex Two) includes an indication of capacity support that is required to perform a task, together with provision for a capacity-specific indicator.
 - c) Indicators should be clearly linked to this Strategy, they should be limited in number and not represent an additional burden (e.g. data collection/analysis). The monitoring process must not take on a life of its own;
 - d) Contrary to the conventional wisdom on establishing higher end (output) level indicators, capacity indicators should initially focus on monitoring the strengthening of processes, as this is where the sustainability of change will be achieved;
 - e) Indicators might be a mix of short-term (inputs to the process) that are associated with longer-term (more focused on results) indicators, which will allow causation to be asserted by disentangling multiple forms of support;
 - f) As the implementation phase matures, different kinds of indicators may need to be selected to reflect the different stage of CRDB's capacity evolution;
 - g) Thought should be given to developing indicators of sustainability, although this is subjective and challenging.
- 18.4 This approach, rather than focusing on monitoring how capacity is manifested as organisational outputs will allow for a better understanding on what support has been provided and how effective it has been, while the latter approach may lead to short-cuts at the expense of sustainability, while also being unable to disentangle the impact of multiple inputs.
- 18.5 Some of the indicators that might be considered, include:
- a) Meetings – monthly management and Department meetings held, minutes posted, decisions/actions routinely followed up in next meeting. Retreats held on quarterly basis (for training and monitoring);
 - b) Reorganisation – dialogue with staff to finalise structure and staffing levels (including possible need for a new Sub Decree), new structure implemented, new structure assessed;

- c) Performance management – staff trained, system established, quarterly evaluations made;
 - d) Monetary Incentives – system established, manual produced, staff trained, incentives paid (on time) based on evaluations;
 - e) Non-monetary incentives & motivation – use of staff surveys to monitor morale, to assess team spirit and to gauge related workplace issues;
 - f) Training – training plans developed for all staff, plans agreed and funded, training awarded, training completed;
 - g) Monitoring – staff trained in monitoring techniques, Retreats held to monitor work, agreed changes incorporated into revised Capacity Development Strategy
 - h) Sustainability – all capacity indicators should be augmented with a check for sustainability and any risk of capacity dissipating or otherwise being lost.
- 18.6 Most of the indicators above are considered to be input or process indicators. At a later time, it will be necessary to consider results or output indicators that link the provision of capacity development inputs (e.g. training) to the performance of tasks in the Organisational Workplan (e.g. the production of the Development Cooperation Report) and, ultimately, to progress in the implementation of the RGC H-A-R Action Plan (e.g. establishment of a TA policy, more programme-based approaches etc).
- 18.7 It will therefore be necessary that CRDB give further consideration to the development of capacity indicators, both now and especially in the future; indeed, asking the question "what does this indicator tell us?" should itself be a routine part of the monitoring exercise.
- 18.8 The process of discussing and developing these indicators will in itself stimulate thought about the linkages between activities, processes and outputs in terms of developing a shared vision of strengthened and sustainable capacity. This 'cause and effect' exercise will in itself help to prioritise a result-based approach to the implementation of the Strategy (the exercise will also be beneficial in supporting results-based work in other aspects of CRDB work).
- 18.9 The monitoring process should be undertaken primarily by senior management and discussed, on a quarterly basis as a high priority agenda item at the management meeting that takes place immediately before a staff retreat. The retreat itself should afford an opportunity to support a participatory monitoring process; it is critical that perspectives on organisational reform be provided across all levels of CRDB. The training section also noted that endowing staff with the skills to understand and apply performance management, results-based and monitoring concepts will be an important pre-condition for effective implementation and monitoring of the Capacity Development Strategy.
- 18.10 Support to the monitoring, and particularly evaluation, process should also be provided externally. This will provide objectivity, impartiality and an injection of new ideas. This support might include using national consultants acquainted with organisational change, or the facilitation of more formal participatory institutional assessments.
- 18.11 Finally, the monitoring and evaluation exercise should be seen as a useful management tool, it should not be burdensome. The course of capacity development will be long and winding and it will therefore be necessary to pause at regular intervals to take bearings with the aid of dedicated monitoring tools. Based on a rigorous evaluation, it will then be possible to chart a new course.

Annex One

Sample Job Descriptions

The Department ToRs in the Capacity Development Strategy should be reviewed and adapted by Departments, and then agreed with CRDB management. These ToRs should then be used to identify the role of each staff member (including in managing the portfolio of the relevant donor, etc). This will ensure that each task is associated with a nominated staff member and that nothing is overlooked.

Where some Departments are under-staffed, tasks must be prioritised and allocated in a manner that makes best use of existing staffing levels. Where some tasks may not be implemented due to staffing constraints, this should be clearly identified. To begin the process of producing individual job descriptions, the mapping against the ToR can be combined with the templates provided below and adapted, prior to final review and endorsement by staff and supervisors.

Job descriptions will then be discussed in detail with all staff and capacity needs will be identified. These will inform the staff members training plan. Once job descriptions are agreed and finalised, they will be used as the basis for managing staff members' performance.

JOB DESCRIPTION: DIRECTOR, ASIA, PACIFIC, AND OCEANIA COUNTRIES DEPARTMENT

DUTIES/KEY FUNCTIONS

Under the guidance of the Secretary General and Deputy Secretary General of CRDB, the Director is responsible for planning and managing the operations of the Asia, Pacific, and Oceania Countries Department and to ensure that its functions are efficiently carried out. The Director sets priorities and guides the day to day work of the department staff; fosters collaboration among the Department staff, with other departments within CRDB, RGC ministries and agencies; and maintains a smooth on-going working relationship with development partners from the Asia, Pacific, and Oceania countries in performing his/her functions. Specifically, the Director is responsible for:

Strategic Planning and Operational Management functions that include:

- Preparing Department's annual work plan and setting priorities based on guidance from the Secretary General and Deputy Secretary General of CRDB.
- Keeping abreast of RGC policies that have implications for development cooperation management, such as the Rectangular Strategy, NSDP, PIP, and sector strategies as well as developments in the international arena on aid effectiveness issues.
- As a member of the CRDB management team participate in and contribute to preparation of strategic policy documents of CRDB/RGC on development cooperation management and aid effectiveness issues.
- Monitoring progress on the implementation of department's work plan activities and taking corrective actions where progress is behind schedule.

Coordination functions that include:

- Maintaining a smooth on-going working relationship with development partners from the Asia, Pacific, and Oceania countries.
- Maintaining on-going dialogue and periodically organising inter-ministerial meetings to develop RGC positions on development partners' country assistance strategies, and other development cooperation management and aid effectiveness issues.
- When directed by the senior management of CRDB, representing CRDB in inter-ministerial consultations, reviews, and policy discussions, including participation in the work of the TWGs.
- Fostering collaboration among the department staff and with other departments within CRDB.

Staff Management functions that include:

- Providing guidance and support to the Deputy Directors and other staff of the department in the conduct of work plan activities.
- Carrying out staff performance reviews, providing feedback to staff on their performance, and where necessary taking actions to ensure that capacity building measures are in place to correct any identified deficiencies.
- Providing periodic progress reports to senior management on the work of the department.

MINIMUM QUALIFICATION

- A minimum of a Bachelors degree, preferably a Masters Degree in Public Policy, International Relations, Economics or a closely related social sciences field with a minimum of ten years of relevant experience.
- Demonstrated analytical skills and ability to conceptualise solutions for complex policy issues.
- Demonstrated technical skills in areas related to development cooperation management e.g. program/project appraisal, program/project cycle management and aid effectiveness issues.
- Demonstrated communications skills, both oral and written, preferably in both English and Khmer.
- Demonstrated inter-personal, managerial, leadership and team building skills.

JOB DESCRIPTION: DEPUTY DIRECTOR, JAPAN, ASIA, PACIFIC, AND OCEANIA COUNTRIES DEPARTMENT

DUTIES/KEY FUNCTIONS

Under the guidance of the Director of the Asia, Pacific, and Oceania Countries Department and senior management of CRDB, the Deputy Director is responsible for ensuring that the functions of the Section are carried out efficiently and within the agreed time frames. He/she sets priorities based on guidance from the Director and the senior management of CRDB, makes substantive contributions to the work of the Section, and supervises the day to day work of the Section's staff. He/she is responsible for ensuring collaboration among the Section staff, with other Sections within the Department, with other departments within CRDB, and with RGC ministries and agencies where ODA program and projects are being implemented by DPs in the area of responsibility of the Section. He/she is responsible for maintaining a smooth on-going working relationship with development partners in the area of responsibility of the Section. Specifically, the Deputy Director is responsible for:

Strategic Planning and Operational Management functions that include:

- Assisting the Director in the preparation of Department's annual work plan and setting priorities based on guidance from the senior management of CRDB.
- Keeping abreast of RGC policies that have implications for development cooperation management, such as the Rectangular Strategy, NSDP, PIP, and sector strategies as well as developments in the international arena on aid effectiveness issues.
- As a member of the Department's management team participate in and contribute to preparation of strategic policy documents of CRDB/RGC on development cooperation management and aid effectiveness issues.
- Monitoring progress on the implementation of Section's work plan activities and taking corrective actions where progress is behind schedule.

Coordination functions that include:

- Maintaining a smooth on-going working relationship with development partners in the area of responsibility of the Section.
- Maintaining on-going dialogue and periodically organising inter-ministerial meetings to develop RGC positions on development partners' country assistance strategies, and other development cooperation management and aid effectiveness issues.
- When directed by the senior management of CRDB, representing CRDB in inter-ministerial consultations, reviews, and policy discussions, including participation in the work of the TWGs.
- Fostering collaboration among the Section staff by organising periodic staff meetings, with staff in other sections of the department staff, and with other departments within CRDB.

Staff Management functions that include:

- Providing guidance and support to the staff of the Section in the conduct of work plan activities.
- Carrying out staff performance reviews, providing feedback to staff on their performance, and where necessary taking actions to ensure that capacity building measures are in place to correct any identified deficiencies.
- Providing periodic progress reports to the Director on the work of the Section.

MINIMUM QUALIFICATION

- A minimum of a Bachelors degree, preferably a Masters Degree in Public Policy, International Relations, Economics or a closely related social sciences field with a minimum of five years of relevant experience.
- Demonstrated analytical skills and ability to conceptualise solutions for complex policy issues.
- Demonstrated technical skills in areas related to development cooperation management e.g. program/project appraisal, program/project cycle management and aid effectiveness issues.
- Demonstrated communications skills, both oral and written, preferably in both English and Khmer.
- Demonstrated inter-personal, managerial, leadership and team building skills.

JOB DESCRIPTION: BUREAU CHIEF, ASIA, PACIFIC, AND OCEANIA COUNTRIES DEPARTMENT

DUTIES/KEY FUNCTIONS

Under the direct supervision of the Deputy Director and guidance from the Director of the Asia, Pacific, and Oceania Countries Department, the Bureau Chief is responsible for carrying out assigned tasks efficiently and within the agreed time frames. He/she is responsible for ensuring collaboration among the Bureau staff, with other staff of the Department, with other departments within CRDB, and with RGC ministries and agencies where ODA program and projects are being implemented by DPs in the area of responsibility of the Bureau. He/she is also responsible for maintaining a smooth on-going working relationship with development partners in the area of responsibility of the Bureau. Specifically, the Bureau Chief is responsible for:

Carrying out the planned activities in the work plan of the department by:

- Assisting the Department's management in the preparation of Department's annual work plan.
- Keeping abreast of RGC policies that have implications for development cooperation management, such as the Rectangular Strategy, NSDP, PIP, and sector strategies as well as developments in the international arena on aid effectiveness issues.

- Supporting department management in the preparation of strategic policy documents of CRDB/RGC on development cooperation management and aid effectiveness issues.
- Carrying out work plan activities efficiently and within agreed time frames.

Coordination functions that include:

- Maintaining a smooth on-going working relationship with development partners in the area of responsibility of the Bureau.
- Support department's management in organising inter-ministerial meetings to develop RGC positions on development partners' country assistance strategies, and other development cooperation management and aid effectiveness issues.

Staff Management functions that include:

- Providing guidance and support to the staff of the Bureau in the conduct of work plan activities.
- Providing periodic progress reports to the Deputy Director and Director on the work of the Bureau

MINIMUM QUALIFICATION

- A minimum of a Bachelors degree in Public Policy, International Relations, Economics or a closely related social sciences field with a minimum of 2 years of relevant experience.
- Ability to perform analytical tasks.
- Strong inter-personal and communications skills.

JOB DESCRIPTION: STAFF, ASIA, PACIFIC, AND OCEANIA COUNTRIES DEPARTMENT

DUTIES/KEY FUNCTIONS

Under the supervision of the immediate supervisor and department management the staff member is responsible for carrying out assigned tasks efficiently and within the agreed time frames. He/she is responsible for ensuring collaboration with other staff of the Department, with other departments within CRDB, and with RGC ministries and agencies where ODA program and projects are being implemented by DPs related to the assigned tasks. He/she is also responsible for maintaining a smooth on-going working relationship with development partners related to the assigned tasks. Specifically, the staff member is responsible for:

- Assisting the supervisor and Department's management in the preparation of Department's annual work plan.
- Keeping abreast of RGC policies that have implications for development cooperation management, such as the Rectangular Strategy, NSDP, PIP, and sector strategies as well as developments in the international arena on aid effectiveness issues.
- Supporting department management in the preparation of strategic policy documents of CRDB/RGC on development cooperation management and aid effectiveness issues.
- Supporting department's management in organising inter-ministerial meetings to develop RGC positions on development partners' country assistance strategies, and other development cooperation management and aid effectiveness issues.
- Maintaining a smooth on-going working relationship with relevant development partners.
- Carrying out work plan activities efficiently and within agreed time frames.
- Providing periodic progress reports to the immediate supervisor and Department management on work carried out.

MINIMUM QUALIFICATION

- A minimum of a Bachelors degree in Public Policy, International Relations, Economics or a closely related social sciences field.
- Ability to perform analytical tasks.
- Strong inter-personal and communications skills.

Annex Two

Generic CRDB Workplan

Once Departmental ToRs have been finalised, job descriptions (and training plans) will be prepared. The Department should then use these templates to complete: a) a calendar of major events, and b) a Departmental workplan. The Department workplans will then be consolidated (using the same formats) to inform a workplan for the whole of CRDB. The CRDB workplan will also aggregate capacity development requirements - these will then inform the supporting role of MDSP and JICA during 2007.

Calendar of Major Events

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
CRDB												
Asia, Oceania & Pacific												
Europe & North America												
Multilaterals												
NGO												
Aid Coordination												
Information Management												
Administration												

To include Inputs to CRDB activities/products, Portfolio Reviews, Database data collection & validation exercises, attendance at TWGs supported by respective Department, analytical work, major workshops / training events.

Workplan Template

Organisational Objective: To fulfil the CRDB mandate, as per Sub Decree 147 of 2005, by: (a) serving as the national aid coordination focal point in the context of the Strategic Framework; (b) strengthening national aid coordination mechanisms; (c) promoting alignment of external aid with the NSDP and sectoral strategies and policies; and (d) harmonising aid delivery modalities, based on national systems.

Outputs/Activities	Departmental Responsibility (lead & supporting)	Timeline	Output Indicator	Capacity Needs	Capacity Indicator
Output 1: Serve as the National Aid Coordination Focal Point					
Activity 1.1:					
Activity 1.2:					
Output 2: Strengthening National Aid Coordination mechanisms					
Activity 2.1:					
Activity 2.2:					
Output 3: Promoting alignment of ODA with NSDP priorities					
Activity 3.1:					
Activity 3.2:					
Output 4: Harmonising aid delivery modalities					
Activity 4.1					
Activity 4.2					

Annex Three

Abbreviations

CAR	Council for Administrative Reform
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CG	Consultative Group
CRDB	Cambodian Rehabilitation and Development Board
GDCC	Government-Donor Coordination Committee
H-A-R	RGC Harmonisation, Alignment and Results Action Plan
JMIs	Joint Monitoring Indicator(s)
MEF	Ministry of Economy and Finance
NGOs	Non-Government Organisation(s)
NSDP	National Strategic Development Plan, 2006-2010
ODA	Official Development Assistance
PBA	Programme-based Approach
PIP	Public Investment Programme
PIU	Project Implementation Unit
PMU	Project Management Unit
RGC	Royal Government of Cambodia
SWAp	Sector-Wide Approach
TOR	Terms of Reference
TWG	(Joint) Technical Working Group