Minute of P&H TWG meeting
25 October 2007
Held at the Council for the Development of Cambodia

1. H.E Chhieng Yanara, Chairman of the meeting and Secretary-General of CRDB/CDC, welcomed all participants to the meeting, the purpose of which was to hear the initial findings and recommendations on technical cooperation issues in Cambodia from the consultants.

In his opening remarks, he reminded the meeting of the importance of TC study. The TC is crucial for and linked to the national capacity development efforts and challenges. According to data from AER 2007, about 50% of ODA have been used for TC, which is twice as much if compared with other LDCs. That is why; we must have a good understanding of TC so that we will be able to manage it well to make the national capacity development efforts more effective. Then the two consultants were asked to make a presentation on their study which covered four sectors, namely PFM, Health, Agriculture and Water and Land.

2. **The Summery of the Presentation**: the consultants briefly reminded the meeting of the scope and limitations of the study. Concerning the scope of the study, the analysis would not be sector-specific but would base on experiences and data from all the sectors as agreed in the previous meeting. Moreover, the focus of the study would be more on strategic issues of the TC than operational issues; however the combination of both was guaranteed. The consultants stressed that the analysis would be both objective and independent. With regards to limitation of the study, constraints include time which affected the level of analysis, and inability of the consultants to travel to provinces.

The consultant presented the overview of the TC issues in Cambodia. TC is a very complex issue which it is hard to find solutions; and the solutions shall not be too strategic or too operational. One may be pessimistic that Government's agencies at this point in time are not working; however, the judgment would be different considering the history of Cambodia and a long term perspective is required. Given the history of Cambodia which received a sudden influx of aid after it had been at civil war for decades and had little experience in aid management, this made it difficult for Cambodia to manage aid, and created a negative pattern that still exists today. In Cambodia, four different players have been influencing the TC system, such as formal world, informal world, a world of contractors and the donor worlds.

Problem of the TC System in Cambodia: the study findings claimed that the TC system is not delivering the results as expected. The problem is that the components or individuals in the system can be doing useful works; however, at the aggregate level, when components or individuals assemble as a system, this dynamics is not producing the expected outcomes.

The consultants outlined the challenges of developing state capacity in Cambodia, such as human resource gaps, pay and retention, political and technical challenges, fragmented TC system and lack of agreement on criteria of effectiveness. Further more, the consultants showed the bigger picture of the TC system which helps perpetuate the problem. Finally the consultants also claimed that the present day system is trapped due to projects or programs focusing on implementations not on durable capacity development, and donors focusing on short-term results. However, there still is an opportunity for the TC system to be improved.

Good Practices: good practices were presented in the areas of PFM, Health and Education which they identified during consultations. Good practices presented include sectors using sector-wide approach, EU road map to reduce representation, Donor using trust funds or fool funds, MYIFF (Harmonization and alignment), shifting of TA management to the government, etc. The consultants also raised the constraints faced by ministries and difficulty to establish linkages between central and provincial government.

Conclusion: the findings concluded that TA should decline but not arbitrarily. There were proposed solutions to the problem of the TC system, one of which the study subscribes to is that the TC system shall be made to realize collectively how it is functioning and find way to support the new direction. Collective actions which are vital for the proposed solution can be possible due to the strong partnership between DPs and the government.

The solution can be successful only when there are both individual and collective efforts addressing the problem together. In order to make a solution successful, the government shall take into account of (i) general aid management and general aid relation (HAR Agenda), (ii) engagement of all stakeholders to foster improvement of capacity and to encourage the system work more strategically in the positive manner. The dynamism to national capacity development shall grow out of the country itself with development partners playing supportive role.

Way Forwards and Practical Steps: the study will offer recommendations on operational issues to improve national capacity development. It was suggested the government take into consideration aid relationship to remove issues arising from fragmentation, pooling mechanisms, and using TWGs more strategically, developing appropriate performance indicator, etc. Some practical steps were also suggested such as facilitating RGC-DPs dialogue on TC for CD, developing simple capacity assessment methodology, guideline, etc.

For more details, see the attached annex

3. **Discussion:** H.E Chair thanked the presenters for their efforts in conducting the assigned tasks and gave his impression that the study was more successful than expected. However, he identified the missing points which the study had not embraced, which were "a comparison of what work well and what does not work well among different sectors" and " lessons learned". This view was supported by ADB representative who wanted to add that a balance shall be struck between strategic and operational recommendations. The consultants' report will take account of these observations.

The consultants were asked to formulate a simple measurement of effectiveness which would allow both DPs and Government to be able to measure the progress of TC. In addition, a representative from UNDP asked whether the role of TWG as a clearing house for TC mentioned in the Way Forwards would be part of the report. In response, the consultants agreed that all the issues raised would be addressed in the report and that there would be annexes as part of the report concerning the issues as well. Concerning the TWGs' role as a clearing house, the consultants promised to provide some appropriate guidelines but the process to outline the roles shall be TWGs', which is the principle of ownership.

Other important suggestions were also raised, such as glossary in Khmer, clear and simple diagrams for practitioners in the ministries, culture and human aspects in TC system, list of actions for donor field staff and clear definition of TA and TC. It was assured by the consultants that those suggestions would be considered and included in the report.

In answering to the consultants' question whether experiences in other countries could be included in the study, H.E chair agreed but stressed that the study shall reflect or focus more on the Cambodian case as much as possible.

4. In his closing remark, H.E chair thanked the consultants, the P&H TWG members and those who contributed to the study. With regards to Cambodia TC study and the global TC study, he confirmed the government's position that there have to be one single process and one single product. However, the government is willing to use additional resources which would be made available to the global study. The report from the consultants would enable the government to decide how to use the resources.

5. The meeting ended at 11H30

Participants of the Meeting

Government

Development Partners

Others