

## **TWG Network Meeting Report**

### **Background**

A TWG Network retreat was organized by CRDB/CDC on 06-07 February 2017 in Preah Sihanouk province to provide a forum for dialogue and shared learning of best practices. The workshop sought to identify collaborative actions to improve national and sector results through the discussion of:

1. Global and national development effectiveness work: relevant priority issues arising from Global Partnership meeting and progress of national implementation
2. Mid-term review of NSDP: key issues and priorities for next steps
3. Localization of SDGs: progress and issues regarding process of the localization.
4. Presentation of the Development Finance Assessment in Cambodia
5. Joint Monitoring Indicator (2017-2018): review of the JMIs.

The main points of discussion of the meeting along with areas of consensus and followed up actions are elaborated as per the agreed agenda items as following:

### **Opening session:**

H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General of CRDB/CDC delivered his opening remarks by addressing key points as bellow:

- The main objective of TWG Network Meeting is to provide a forum for partnership dialogue, shared learning and agreeing on collaborative actions related to the implementation of national and sector policy - including the NSDP, JMIs, and other development effectiveness issues in order to improve TWG's performance and results.
- SDG localization requires a broader coordination and management as it brings many new challenges and opportunities. The Development Finance Assessment serves as a tool to strengthen capacity to manage potential future development resource flows that are relevant to support of long-term national development.

In his opening remarks on behalf of the development partners, Mrs. Fiona Ramsey, Lead Development Partner Facilitator, made the following observations:

- The recognition of the complexity of SDGs implementation, as it would need broader resources, more than just ODA, that are available to the country to support the SDG implementation, significantly the roles of domestic and private sector finances
- The transition to lower middle income country may have implication on the decreasing in official development assistance flow, where the need for improving effective public expenditure and investment is compulsory.
- The need to more concentrate on cross-cutting issues, and to well identify these issues in sector and national planning – like NSDP and JMIs.
- At sector level, it would need all TWGs to improve data management and its availability which is very important for sector decision making and monitoring.

### **Session 1: Global perspectives on development effectiveness**

Mr. KIM Lumang Bopata, Bureau Chief of Policy Department, CRDB/CDC, presented the outcome of the second High-level Meeting of the Global Partnership and the overall progress of development effectiveness implementation in Cambodia. A lot of progress amongst the development effectiveness indicators has been made but targets are still some way off; there needs to be more effort to improve some indicator such as use of PBAs as they can impact on other objectives such as use of results frameworks and country systems.

The following point was emphasized during the discussion: A stronger focus on inclusive partnership and results is required at TWG and sector level. This requires increased involvement of all stakeholders as we move forward with the SDG localisation exercise and its commitment to 'no-one left behind'.

## **Session 2: NSDP Mid-Term Review (NSDP-MTR)**

H.E. THENG Pagnathun from the Ministry of Planning (MoP) presented the review process and achievement of NSDP implementation. MoP acknowledged active cooperation from all line ministries for providing inputs to the review. The Mid-Term Review identified 7 key areas:

1. Poverty reduction and Inclusive growth,
2. Promoting Agriculture,
3. Competitiveness,
4. Migration and Urbanization,
5. Climate change and Deforestation,
6. Governance, and
7. Human resource development.

The main points of discussion were as follows:

- Data availability poses challenges as some indicators are not feasible; the quality of data and tracking systems must be strengthened.
- Sector reviews should have been conducted by respective line ministries. This mechanism will improve the quality, coordination and monitoring of the next NSDP.
- The data used in NSDP MTR was based on 2015 data. However, the data in 2016 should be reflected because lots of effort and progress has been made.
- The review should put more focus on strengthening the NSDP result framework.
- Balancing the MTR focus on the current and future development of Cambodia provides a useful road map to guide future implementation.

Consultations on the draft have been made with TWGs and line ministries. MoP will organize a high level meeting to discuss the final draft and expects to receive approval on the final document from the Office of the Council of Ministers in the first quarter of 2017. The NSDP-MTR will then be published and disseminated.

## **Session 3: Localization of the SDGs in Cambodia**

The presentation was made by Mr. POCH Sovannndy, Deputy Director General of Planning, MoP. He highlighted the process and progress of SDGs pre-localization into Cambodian context. Overall there are 18 goals, 172 targets, and 230 indicators to be adapted from the global framework with an 18<sup>th</sup> Cambodia goal on mine action. However, availability of data, limited capacity of the officials and the delay of input providing from line ministries have caused challenges to accelerate finalization of SDGs localization.

The following points were discussed:

- A steering committee has been established to build a national M&E system including institutional arrangement and policy set up.
- The national M&E system needs to be strengthened and improved because of the complexity and inter connectivity in SDGs.
- Only the highest priority indicators will be selected from the 230 indicators, which align to NSDP and sector strategy.

- There is a need not only to improve inter-ministerial coordination, but also intra-ministerial coordination as some ministries use only a focal point with no wider awareness of the SDGs or other important Government-wide initiatives.
- The Royal Government has amended the statistical law to ensure that administrative data can be used to monitor the CSDGs.

#### **Session 4 & 5: Group Discussion and Feedback to Plenary**

Three groups were classified in forms of reforms, economic, and social sectors. The general observations through main findings of the discussion were identified as per the following key points:

##### ***Achievements and lessons associated with sector reviews, NSDP MTR and SDG localization***

- Increase of good collaboration between government and DPs in TWG work.
- Gaps in availability of data especially cross cutting issues.
- Time consuming on developing the JMI indicators.
- New structure of NSDP needs to be considered that focus more on result.

##### ***The contribution from sector reviews, the NSDP review and the SDG localization work to a more results-based approach***

- Important role of national result-based framework to promote result-based approach
- Lack of focus on chapter 5 of NSDP's MTR from LMs.
- Limited capacity development and budget.

##### ***Moving forward***

- Further strengthen M&E and statistical system.
- Further strengthen intra-ministry coordination.
- Further strengthen capacity development and coordination with sub national.
- Further strengthen Policy and plan link budget

#### **Session 6: Joint Monitoring Indicators (JMIs)**

Ms. LY Sokleap, Assistant to Secretary General of CRDB/CDC, provided a short review of the progress in preparing the revised JMIs for 2017-2018. She acknowledged the commitment and active participation of line ministries and development partners. She also emphasized that the revised JMIs established a strong link between sector and national plans (NSDP).

The main points of discussion were as follows:

- The need to maintain private sector JMIs, and their value in support of the Industrial Development Policy (IDP) and resource mobilization, is to be clarified with CDC/CIB.
- The extension of the JMI submission deadline (later confirmed to be 28<sup>th</sup> February) encouraged TWGs to reflect on issues such as the 7 key areas identified in the NSDP MTR and the opportunity for increased collaboration across ministries and agencies.
- According to the Guideline on Roles and Functioning of TWGs in 2015, to ensure stronger ownership, all TWGs have to bear responsibility to their respective ministries and agencies; this means that TWGs should develop JMIs that are relevant to the work of lead ministries.
- There is a need to develop specific indicator on climate change in JMIs. Besides, the involvement from broader partners including private sector and CSOs is a need to achieve longer term development.
- Tax issues should be included in the PFM TWG's JMI.
- There should be an indicator on human capital development.

## **Session 7: Cambodia's Development Finance Assessment (DFA)**

Mr. KIM Lumang Bopata, Bureau Chief of Policy Department, CRDB/CDC, highlighted the overview and findings of the Cambodia's DFA. Moreover, he presented the main findings from the study, together with providing current findings and the projections of major development finance flows that are potentially available and relevant to the country over the medium term.

The main points of discussion were as follows:

- DFA provides a road-map and projections of potential flows that line ministries can start planning to manage and mobilize the flows effectively.
- Domestic finance and the private sector are likely to be the largest sources of development finance in the next decade. This emphasises the need for Government to prioritize development expenditures in the Budget and to establish partnerships with the private sector that incorporate development priorities.
- CRDB/CDC, as focal point in collaboration between Royal Government and development partners, needs greater effort and commitment from all stakeholders to ensure ODA mobilization for NSDP costing.
- Setting priority of each flow should study on the nature, source, and size of the flows.
- Next step of DFA work will be handed over to Ministry of Economy and Finance.

## **Session 8 & 9: Group Discussion and Feedback to Plenary**

The general results of the discussion were identified in key points as following:

### ***Priorities for the transition, LMIC reclassification, and prospective LDC graduation***

- Invest more in human capital and technology.
- Strengthen the quality of Public Service Delivery.
- Improve domestic revenue collection and effective expenditure.
- Harmonization alignment among JMIs, NSDP, Sector Plan
- Improve Result-Based Approach
- Improve and increase tax & non-tax collection

### ***Response to the DFA: Strengthening resource management***

- Accelerate the progress of legal reform
- Improve human and social development
- Reduce fragmentation in using development resources
- Provide wider role of private sectors participation
- Promote domestic resource mobilization

### ***Moving forward: Strengthening Institutions & Partnership to Deliver Results***

- Improve Program Budgeting
- Strengthen integrity and efficiency in public institution
- Review regional competitiveness (labor, capital, technology)
- Promote evidence-based Research & Development

## **Closing remarks**

Ms. Fiona Ramsey, lead DPs Facilitator and on behalf of DPs, thanked all participants for providing inputs for this Retreat and CRDB/CDC for well organizing the Retreat. In addition, she made significant points as following:

- DPs commit to continue supporting government costing of sector strategies and to support the work on program budgeting

- DPs acknowledge the importance of ODA and continue supporting ODA as a complement to national resources
- DPs acknowledge NSDP-MTR demonstrates good quality and accessible document

In his closing remarks, H.E Chhieng Yanara thanked all participants to take part in this whole Retreat. He also gave five key actions to be further taken after the Retreat as follows:

- NSDP Mid Term Review's identified 7 key areas need to be prioritized in future implementation. The 7 key areas help to sequence the many priorities identified in the NSDP-MTR, including the "SDG accelerators".
- Incorporating the 7 key areas into sector programmes, thematic and cross-cutting work and major reforms would move away from an extensive and general ordering of priorities toward more strategic, targeted and achievable.
- To promote results-based programming, program budgeting and JMIs would be together developed as part of a process that truly represented sector and national priorities.
- Program budgeting priorities, identified in the Budget Strategic Plans, together with the JMIs, will help to clarify priorities. Across all sectors and programmes, these indicators can then be incorporated into an NSDP monitoring framework that truly represents our priorities while at the same time accommodating our capacity constraints.
- An extension to the deadline for finalizing the JMIs would enable further improvements to be made. (This was subsequently established as 28 February).
- Transition to Higher-Middle Income Country status would require new partnerships, especially with private sector.

The TWG Network Retreat was adjourned at 3:30 pm on 07 February 2017 with fruitful results.