TWG Retreat on Formulation of Development Cooperation and Partnerships Strategy (2014-2018)

Report on the TWG Network Retreat 25-26 March 2013

Cambodian Rehabilitation and Development Board (CRDB) Council for the Development of Cambodia (CDC)

> April 2013 <u>www.cdc-crdb.gov.kh/strategy</u>

Acronyms

AOP	Annual Operational Plan
BSP	Budget Strategic Plan
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CDF	Cambodia Development Forum (proposed successor to CDCF)
CRDB	Cambodian Rehabilitation and Development Board
CSOs	Civil Society Organisations
DPs	Development partners
GDCC	Government-Development Partner Coordination Committee
GMAGs	Gender Mainstreaming Action Groups (line ministry gender-focused working groups)
H-A-R	Harmonisation, Alignment and Results (Action Plan) 2006-2010
JMIs	Joint Monitoring Indicators
MfDR	Managing for Development Results
MAFF	Ministry of Agriculture, Forestry & Fisheries
MEF	Ministry of Economy & Finance
MOEYS	Ministry of Education, Youth & Sports
MOI	Ministry of Interior
MOP	Ministry of Planning
MOWA	Ministry of Women's Affairs
MTR	Mid-term Review
NSDP	National Strategic Development Plan
NGOs	Non-Governmental Organisations
ODA	Official Development Assistance
P+H	Partnership & Harmonisation (TWG)
PAR	Public Administration Reform
PBA	Programme-Based Approach
PD	Paris Declaration on Aid Effectiveness
PFM	Public Financial Management
PfDR	Partnerships for Development Results project (UNDP & co-funding DPs)
POC	Priority Operating Costs (salary supplementation scheme; ended 30 June 2012)
RS	Rectangular Strategy (Phase II 2008-2013; Phase III 2013-2018)
RGC	Royal Government of Cambodia
SAW	Strategy on Agriculture & Water (MAFF & MOWRAM)
SFDCM	Strategic Framework for Development Cooperation Management
SNDD	Sub-National Democratic Development
SNEC	Supreme National Economic Council
SWAp	Sector Wide Approach
TA / TC	Technical Assistance / Technical Cooperation
TOR	Terms of Reference
TWGs	Technical Working Groups

Summary of major agreements and issues for further discussion

A TWG Network retreat was organized in Siem Reap during 25-26 March 2013 to take forward the formulation of the Development Cooperation and Partnerships Strategy. The meeting was cohosted by CRDB/CDC, MEF, MOP and SNEC and was attended by 91 participants. The objectives of the retreat were to:

- (i) Ensure an understanding of all national planning and partnership processes, their current status and the linkages between them;
- (ii) Validate the main findings of the analytical work and consultations associated with the preparation of the Development Cooperation and Partnerships Strategy
- (iii) Consider how results frameworks can be made operational at national, sector and project level;
- (iv) Ensure awareness and readiness of all stakeholders to support NSDP development and the formulation of the Development Cooperation and Partnerships Strategy.

The meeting was opened by H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General CRDB/CDC on behalf of the co-hosts. H.E. Yanara identified several points that were pertinent to the meeting:

- The Development Cooperation and Partnerships Strategy is linked to the national planning frameworks Rectangular Strategy III and NSDP and will ensure that external assistance is consistent with them at national, sector and project levels.
- The Development Cooperation and Partnerships Strategy is being developed at a time when Cambodia's own development context is evolving.

In his opening remarks on behalf of the development partners, Mr Eric Sidgwick, Country Director of ADB and Lead Development Partner Facilitator, made the following observations:

- DPs welcome the adoption of a national results framework based on the RS-III and NSDP; the NSDP, augmented by a results framework, will promote integration of external resources into Budget Strategic Plans to promote alignment and fiscal transparency
- The aid architecture will need to be adapted to fit with the results framework approach; such a framework can address cross-sectoral issues to promote consistency and results

Session 1. Emerging development priorities: Rectangular Strategy – Phase III

- There is close collaboration between the SNEC and the 3 central government agencies that ensures policy consistency and close coordination in policy development.
- The RS-III links all sector strategies and introduces new priorities to a familiar framework/structure for guiding national development.

Session 2. Promoting development effectiveness in Cambodia

Development effectiveness has been defined by the Royal Government as emphasising:

- a) the achievement of development results;
- b) the strengthening of national capacities and systems that can maintain service delivery standards and be responsive to new challenges/opportunities; and
- c) the creation and promotion of broad and effective development partnerships that can function effectively and collaboratively for the benefit of national development.

Session 3. Results frameworks

Results-based approaches and other complementary planning/monitoring tools have the potential to better link the national results identified in the NSDP with sector programmes and, in turn, the programming of external funds. Specific proposals for building on the good foundations laid by the

current national monitoring and JMI arrangements and for promoting development effectiveness include:

- 1. Developing a results framework associated with the NSDP 2014-2018 to identify the national development results that are prioritized for Cambodia in the next five years.
- 2. Preparing sectoral results frameworks that identify actions required to achieve the national results, including to identify collaboration with other ministries and stakeholders.
- 3. Identifying JMIs derived from these sector results frameworks that will remain in place for 5 years (the NSDP implementation period) and be subject to annual progress review and reporting through the GDCC.
- 4. Ensuring alignment of external resources by mandating development partner project results frameworks that clearly show the contribution to national/sectoral results.

Group work on the adoption and use of results frameworks – general observations

- Overall there is a strong agreement and support for the principle of results-based approaches that are consistent with major reforms such as PFM as well as the NSDP.
- There needs to be increased clarity and detail on how the results framework will be applied.
- The results framework approach needs to be kept simple in order for it to be a useful tool for promoting development effectiveness, alignment with priorities and partnering dialogue.
- A capacity assessment and support effort needs to be applied simultaneously to the adoption of this approach.
- This approach can be used to complement and reinforce reform programmes, especially in their application and implementation at sector level.
- Accountability needs to be discussed who will be responsible for monitoring and reporting results? How will the evidence be used in policy dialogue?
- Challenges can include data problems (quality and availability), determining the costbenefit (transaction costs versus contribution/impact), mainstreaming issues such as gender and making a clear distinction between national and sector results.
- Other complementary arrangements also remain relevant (PBAs, BSPs).
- The Busan Global Partnership includes an indicator for use of results frameworks.

Session 5. Partnering and dialogue arrangements: performance and future direction

The Royal Government recognizes that an effective development partnership requires equally effective dialogue and consultation mechanisms. The following arrangements were discussed and agreed:

- 1. All TWGs confirmed their intention to maintain their current structure. TWGs will, however, review their working arrangements, including membership and focus.
- 2. TWGs will hold an annual results review meeting.
- 3. TWGs will establish informal dialogue arrangements such as use of an informal meeting or core group meeting to discuss critical issues prior to the TWG or GDCC meeting..
- 4. GDCC will meet once annually as a half-day meeting that addresses JMI progress and national priority issues. The GDCC Chair and secretariat will meet quarterly with the Lead Development Partner and key development partner representatives to follow up.
- 5. GDCC is complemented by bilateral reviews (led by CDC or MEF), an annual Government-Private Sector Forum and an annual Government-NGOs meeting.

6. The CDCF progressively evolves into the Cambodia Development Forum (CDF), with an increased representation of national stakeholders (private sector, civil society) and a focus on broader development effectiveness and financing issues.

Conclusions of the meeting (Sessions 6, 7 and 8)

In the final plenary sessions the following points were emphasised by participants:

- CRDB/CDC proposals on results frameworks and the revised dialogue arrangements were well-received. But further work is required to elaborate the details and linkages as well as the steps toward implementation.
- TWGs need to meet in Phnom Penh to discuss the main proposals as well as to prepare for their own internal reviews.
- Ownership at all levels of RGC is the test for the proposals made by CRDB/CDC and will be necessary to ensure implementation once the Strategy is finalised.
- TWG secretariat support will be required in order to effect these changes DPs were encouraged to secure resources to enable TWG work to proceed. Pooling options were raised but were not elaborated.
- TWGs also need to focus their time and effort on policy dialogue, as opposed to process, including of an inter-ministerial nature.
- Cross-cutting issues remain a major concern and it remains to be seen if the new approach can address them more effectively than past arrangements.

Closing remarks

- There was discussion of "new paradigms" in development cooperation as well as evolving priorities and capacities in Cambodia. This means that the Development Cooperation & Partnerships Strategy needs to ensure it is adapted to context while open to learning and the application of new ideas, including in its M&E framework.
- The Development Cooperation & Partnerships Strategy offers a potential approach for more coherent policy and implementation, including between levels (national, sector, project) as well as across sectors (cross-cutting issues and reforms).
- There needs to be an incremental approach especially to the adoption of results frameworks so that ownership, capacities and implementation can be applied evenly and effectively to support RS-III and NSDP.
- With regards to results frameworks, the meeting agreed that a simple, incremental approach is the best way to proceed, including to assess and support national capacities. Determining how the results framework is reported and to whom are important considerations that need to be clarified.
- There is a continued need for clarification on how dialogue mechanisms link with and support policy dialogue including around results and this is an important next step in the process towards formulating the Development Cooperation & Partnerships Strategy.

Next Steps in Strategy formulation

Based on the discussion at the TWG Network Retreat, CRDB/CDC will prepare a draft Development Cooperation & Partnerships Strategy during the second quarter of 2013. This draft will be prepared in close collaboration with other central RGC agencies and will be discussed at the SNEC to ensure it is consistent with the RS-III and NSDP.

TWG Network Retreat Formulation of the Development Cooperation & Partnerships Strategy (2014-2018) Workshop Report

Background

In 2013, CRDB/CDC will prepare the Royal Government's <u>Development Cooperation and</u> <u>Partnerships Strategy for 2014-2018</u>. The over-arching objective of this Strategy is the promotion of development effectiveness. Succeeding and replacing the 2006-2010 Strategic Framework for Development Cooperation Management (SFDCM), this revised Strategy will identify objectives and goals for managing development cooperation and partnerships as well as setting out approaches to implementation and monitoring of development cooperation activities.

A background note was presented to the September 2012 meeting of the GDCC. During December 2012 – February 2013, a set of five background papers were prepared to elaborate high-profile issues that will shape the final Strategy document.¹ During January and February 2013, CRDB/CDC staff also conducted individual interviews with officials and representatives of nearly 50 Government ministries/agencies, development partners, NGOs and private sector actors.

A TWG Network retreat was organized in Siem Reap during 25-26 March 2013 to take forward the formulation of the Development Cooperation and Partnerships Strategy. The meeting was cohosted by CRDB/CDC, MEF, MOP and SNEC and was attended by 91 participants (54 RGC; 37 DP/NGOs). A <u>Summary Paper</u> was prepared as a background document for the Retreat. Specifically, the objectives of the retreat were to:

- (v) Ensure an understanding of all national planning and partnership processes, their current status and the linkages between them;
- (vi) Validate the main findings of the analytical work and consultations associated with the preparation of the Development Cooperation and Partnerships Strategy
- (vii) Consider how results frameworks can be made operational at national, sector and project level;
- (viii) Ensure awareness and readiness of all stakeholders to support NSDP development and the formulation of the Development Cooperation and Partnerships Strategy.

This workshop report highlights the main points of discussion, emphasises areas of consensus and identifies for further discussion and consultation. Next steps in the formulation of the Development Cooperation and Partnerships Strategy are identified in the concluding section.

Opening session: Remarks from CRDB/CDC and ADB (Lead Development Partner)

The meeting was opened by H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General CRDB/CDC on behalf of the co-hosts. H.E. Yanara identified several points that were pertinent to the meeting:

- The process of developing the Development Cooperation and Partnerships Strategy is based on the experience, lessons and practices of the work that have gone before. Achievements and challenges in Cambodia, as well as globally in the Paris Declaration framework, will guide the formulation of the Strategy.
- Both the national and global development context placed a greater emphasis on the achievement of results and the adoption of approaches that supported planning, partnership and monitoring for results.

¹ These papers consider: (1) A SWOT analysis of the development partnership; (2) Dialogue and partnering arrangements; (3) Private sector partnerships; (4) ODA trends; and (5) South-South & Triangular Cooperation. See <u>www.cdc.crdb.gov.kh/strategy</u>

- The Development Cooperation and Partnerships Strategy is linked to the national planning frameworks Rectangular Strategy III and NSDP and will ensure that external assistance is consistent with them at national, sector and project levels.
- The Development Cooperation and Partnerships Strategy is being developed at a time when Cambodia's own development context is evolving. Impressive socio-economic development and approaching lower-middle-income status requires that the role of external partners be adapted to ensure its contribution and impact is maximised.
- The global environment is also changing with the emergence of regional partners and South-South actors and a review of the role of external partnerships in the post-2015 development framework.

The Development Cooperation and Partnerships Strategy will ensure that Cambodia's cooperation with external partners and NGOs remains effective.

In his opening remarks on behalf of the development partners, Mr Eric Sidgwick, Country Director of ADB and Lead Development Partner Facilitator, made the following observations:

- Consultation and analytical work to date had been of high quality and sets a standard for the remainder of the process.
- DPs welcome the adoption of a national results framework based on the Rectangular Strategy III and NSDP
- Such a framework offers a useful mechanism for addressing cross-sectoral and crosscutting issues to promote consistency and results
- A results framework provides an approach and a tool that can be used by all stakeholders to promote ownership and alignment
- The NSDP, augmented by a results framework, will be able to promote integration of external resources into Budget Strategic Plans to promote alignment and fiscal transparency
- The aid architecture will also need to be adapted to be fully in line with the results framework approach

Session 1. Emerging development priorities: Rectangular Strategy – Phase III Co-Chairs: CRDB/CDC and ADB

H.E. Dr Hang Chuon Naron, Secretary of State, Ministry of Economy and Finance and Permanent Vice-Chairman of SNEC, presented the priorities and structure for the third phase of the Rectangular Strategy (RS-III). The discussion that followed included the following key points:

- There is close collaboration between the SNEC and the 3 central government agencies (MEF, MOP, CDC) that ensures policy consistency and close coordination in the formulation of RS-III, NSDP and the Development Cooperation and Partnerships Strategy.
- The RS-III links all sector strategies and introduces new priorities to a familiar framework/structure for guiding national development.
- The PFM reform increasingly promotes a strong link between policy and budgeting, especially at sector level with the introduction of the Budget Strategic Plans (BSPs).
- The results framework has been adopted in the BSPs. While it has not been easy it has been valuable and it can now inform and link to the use of a results framework to promote development effectiveness. The programme budgeting pilots may therefore be used as a basis for further results framework work.
- Results frameworks are therefore for a great deal more than monitoring they can also promote policy-resourcing linkages as well as guide implementation and dialogue.

During discussion, the following points were made:

- Vision 2030 provides a more forward-looking outlook that can be used to think about actions required now to ensure the next generation can benefit from and maintain Cambodia's impressive record of development.
- The RS-III adopts the same structure as its predecessor but the emphasis on relative priorities has been reviewed and updated.
- There must be an emphasis on linking work *across* sectors to ensure that higher-level national priorities are addressed.
- A results framework linked to RS-III and NSDP should be very simple at the beginning to ensure it provides a coherent framework that all stakeholders can adopt.
- The policy revision also at sector level and with respect to cross-cutting issues such as gender proves provides an opportunity to review arrangements for managing the mainstreaming of gender equity.

Session 2. Promoting development effectiveness in Cambodia Co-Chairs: SNEC/MEF and Japan/JICA

Mr Ros Salin, Director of the CRDB/CDC Policy Department <u>presented an overview</u> of the findings and consultations related to the formulation of the Development Cooperation and Partnerships Strategy.

Development effectiveness has been defined by the Royal Government as emphasising: (a) the achievement of development results; (b) the strengthening of national capacities and systems that can maintain service delivery standards and be responsive to new challenges/opportunities; and (c) the creation and promotion of broad and effective development partnerships that can function effectively and collaboratively for the benefit of national development. In practice this means:

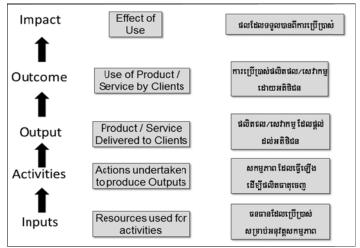
- a) Promoting Government's commitment to achieving development results through the use of results frameworks and other approaches/tools.
- b) Reviewing and revising dialogue mechanisms
- c) Establishing a partnership that embraces private sector development, civil society and South-South as well as development partners.

The discussion that followed included a discussion of the following:

- It is necessary to proceed step-by-step, including to assess and support capacities at national and sector level. Joint capacity assessments and other collaborative approaches have unfulfilled potential.
- The performance of different dialogue mechanisms is mixed and each group needs to review its own structure and format in order to identify scope for improvement
- South-South Cooperation is proven to be effective and triangular models have been supported by Japan in Cambodia since 2004
- ODA could be a useful catalyst for those countries that also have a growing private sector and FDI presence, e.g. Japan.
- More concrete proposals on private sector and civil society engagement would be welcome, including to ensure transparency from these actors in their own operations
- The increase in loan shares may require some consideration on the respective roles of MEF and CRDB/CDC in ODA management.
- PBAs had proven to be challenging for groups such as HIV/AIDS as they had tried to develop an investment framework but had found it difficult to coordinate effectively and to obtain information from all RGC actors and DPs.
- At sub-national level, commune councils are supporting outreach and engagement with citizens and civil society actors.

Session 3. Results frameworks Co-Chairs: MOI/NCDD and European Delegation

Mr Peter Brimble, ADB Senior Economist, introduced the <u>basic concepts and approaches</u> for using results frameworks. Mr Chou Heng from CRDB/CDC introduced the <u>CRDB/CDC proposal</u> to adopt results frameworks and other complementary approaches to promoting development effectiveness. Dr Sarthi Acharya, Chief Technical Advisor to the Ministry of Planning, also presented on the <u>structure of NSDP monitoring</u> and the use of indicators.



Basic approach to a results framework

Results-based approaches and other complementary planning/monitoring tools have the potential to better link the national results identified in the NSDP with sector programmes and, in turn, the programming of external funds. Results that require collaboration across sectors can also promote cross-sectoral dialogue to ensure adequate resourcing, effective implementation and robust monitoring. It follows that partnering arrangements and dialogue mechanisms should be focused on, and structured around, the achievement of these results.

Improved use of results-based approaches

Specific proposals for building on the good foundations laid by the current national monitoring and JMI arrangements and for promoting development effectiveness include:

- 5. Developing a results framework associated with the NSDP 2014-2018 to identify the national development results that are prioritized for Cambodia in the next five years.
- 6. Preparing sectoral results frameworks that identify actions required to achieve the national results, including to identify collaboration with other ministries and stakeholders.
- Identifying JMIs derived from these sector results frameworks that will remain in place for 5 years (the NSDP implementation period) and be subject to annual progress review and reporting through the GDCC.
- 8. Ensuring alignment of external resources by mandating development partner project results frameworks that clearly show the contribution to national/sectoral results.

The table below was presented by CRDB/CDC as a proposal that sets out how results-based approaches can strengthen "vertical linkages" between national-sectoral-project levels as well as "horizontal linkages" across sectors and reform programmes.

	Improved "vertical" linkages between national, sector and project level programming and monitoring					
	National le	evel: NSDP	Sector Strategies & Plans	Project		
across	1. Monitoring through national & sector results and use of result Key performance indicators at the NSDP outcome level		ts frameworks linking national-s Sector results frameworks linked to NSDP outcomes & budget strategic plan	ector-project level Project frameworks aligned with sector goals		
	2 ()uplitative evaluation and concensus-building through greater results-tocus in use of dialogue mechanism					
Improved consistency sectors	CDCF / CDF focus (review of NSDP and major reforms; dialogue on major	GDCC focus / JMIs for 5- year period (annual monitoring)	TWG work focused here	Bilateral portfolio reviews (CDC / MEF / sectors)		
	sector issues and financing)	Private sector & NGO dialogue also focused at this level	Progress and issues discussed at quarterly TWG meeting	Alignment - ODA Database to monitor sector results associated with project		
Im				 Improved project monitoring and use of evaluation 		

Results frameworks have the potential to clearly identify both what needs to be done (defining what effective development will look like) and what is being done (by whom), providing a useful framework for managing for results and for promoting mutual accountability. In this way, results frameworks can also help to link and coordinate policy, activity and monitoring at national, sectoral and project level (including to the Budget Strategic Plan or Annual Operational Plan, which will reinforce PFM reforms to support integration of domestic and external finance).

For the remainder of session 3, participants were assigned the following questions and divided into three groups for discussion:

<u>Common question</u>: How can results frameworks be made operational and useful to promote development effectiveness in Cambodia? Is the approach proposed by CDC of value?

<u>Group 1 (MOP/UNRCO)</u>. What are the main challenges to developing a robust national framework of results indicators and monitoring arrangements that can guide sector/project work?

<u>Group 2 (MEF/ADB)</u>. What are the main challenges to developing a sector results framework that is linked to resource allocation (domestic and external)?

<u>Group 3 (MOI/SIDA)</u>. What are the capacities required for managing a results-based approach and what is the role of: (a) core reform programmes; and (b) development partners?

Session 4. Group discussion on results frameworks Co-Chairs: MOI/NCDD and European Delegation

The main findings of the discussion on the use of results frameworks identified the following key points:

General observations

- Overall there is a strong agreement and support for the principle of results-based approaches that are consistent with major reforms such as PFM as well as the NSDP.
- There needs to be increased clarity and detail on how the results framework will be applied.
- The results framework approach needs to be kept simple in order for it to be a useful tool for promoting development effectiveness, alignment with priorities and partnering dialogue.

- A capacity assessment and support effort needs to be applied simultaneously to the adoption of this approach.
- The Busan Global Partnership includes an indicator for use of results frameworks.
- This approach can be used to complement and reinforce reform programmes, especially in their application and implementation at sector level.
- Challenges can include data problems (quality and availability), determining the costbenefit (transaction costs versus contribution/impact), mainstreaming issues such as gender and making a clear distinction between national and sector results.
- Accountability needs to be discussed who will be responsible for monitoring and reporting results? How will the evidence be used in policy dialogue?
- Other complementary arrangements also remain relevant (PBAs, BSPs).

Group 1 – challenges to developing a robust national framework

- There must be maximum usage of the NSDP M&E framework already in place (but to be adapted for the next NSDP).
- Capacities and communications are important complements to coordinating an approach across all sectors and linking to the national level.
- The results framework can be a useful tool for programming resources and identifying capacity gaps as well as for monitoring progress.
- The approach needs to be incremental and step-by-step, strengthening national and sectoral processes as well as the linkages between them.

Group 2 - challenges to developing a sector results framework

- Simplicity at sector level can help to clarify the priorities owned by RGC that DPs must support and provide a framework through which all partnerships can be assed for impact and development effectiveness (detailing the "what, who, when" of activities).
- JMI experience is highly relevant: trainings, capacity approaches, dialogue structure and monitoring arrangements provide a useful foundation.
- Some sectors have good experience based on PFM reform (programme budget pilots and BSPs).
- Beyond the scope of the traditional sector, results frameworks can identify actions required on a cross-sector basis (cross-cutting issues, reforms etc).
- Mainstreaming cross-cutting priorities such as gender in all sector frameworks can e challenging.
- Planning Departments are the main focal points and they need to be engaged in further dialogue and consultation.
- Incentives and motivation remain an important concern for re-organizing around approaches such as results-based management and being accountable for performance.
- The position of development partners also needs to be consistent in many other initiatives associated with the Paris Declaration this was not always the case.

Group 3 – the capacities required for managing a results-based approach

- There are positive examples of how results-based approaches have been a motivation to develop capacity the MDGs is globally the best such example.
- Capacity must be an explicit and integral part of any results framework some capacity indicators may be included, for example.
- Results-based approaches can be a catalyst for accelerating other initiatives such as PFM reform at sector level, budgeting and M&E frameworks.
- An assessment of capacity should be the starting point for introducing results-based approaches.

- Sequenced, incremental and simplified approaches will allow capacity to be developed as the approach is implemented and will permit learning by doing.
- Capacity together with other risks can be explicitly identified in the framework to ensure that such risks have associated mitigation strategies.

Session 5. Partnering and dialogue arrangements: performance and future direction Co-Chairs: CRDB/CDC, US and Sweden Discussants: Australia and Germany

H.E. Chhieng Yanara presented the <u>proposals of CRDB on partnering mechanisms</u> and dialogue structures. He noted that the Royal Government has strongly recognized that an effective development partnership requires equally effective dialogue and consultation mechanisms. There has therefore been frequent reviews and evaluations of performance of the current 3-tier consultation mechanisms.

Analysis and stakeholder interviews, which included a focus on dialogue arrangements, had shown that many TWGs have usefully developed partnership principles that codify their working arrangements. Others have established working groups and other arrangements to ensure that there is balance between focus on technical work and inclusive dialogue. TWGs have therefore become a useful mechanism for exchanging information, however insights acquired during consultations in early 2013 confirm earlier findings that highlight the difficulties in promoting interagency dialogue, linking TWG discussion to the work of ministries and major public service reforms, and accommodating cross-sectoral issues. Policy coherence is sometimes problematic and is therefore one of the future priority objectives for higher levels of partnership dialogue.

These higher levels of dialogue currently include the GDCC and the CDCF. These mechanisms have been highly effective in convening Government and development partner representatives at senior level. This has enabled discussion on national development frameworks, such as the NSDP, development financing and the use of mutual accountability tools, such as the JMIs. Given the often overloaded agenda and the formality of the meeting, however, these mechanisms have been felt by some stakeholders to limit dialogue, discussion and agreement. The Royal Government therefore looks forward to discussion with its partners on the structure of future arrangements for dialogue at technical, policy and political levels.

Proposed arrangements for an improved partnership dialogue

- 1. All TWGs confirmed their intention to maintain their current structure. TWGs will, however, review their working arrangements, including membership and focus, in order to ensure their work is effective.
- 2. TWGs will hold an annual results review meeting.
- 3. TWGs will establish informal dialogue arrangements such as use of an informal meeting or core group meeting to discuss critical issues prior to the TWG or GDCC meeting..
- 4. GDCC will meet once annually as a half-day meeting that addresses JMI progress and national priority issues. The GDCC Chair and secretariat will meet quarterly with the Lead Development Partner and key development partner representatives to follow up.
- 5. GDCC is complemented by bilateral reviews (led by CDC or MEF), an annual Government-Private Sector Forum and an annual Government-NGOs meeting.
- 6. The CDCF progressively evolves into the Cambodia Development Forum (CDF), with an increased representation of national stakeholders (private sector, civil society) and a focus on broader development effectiveness and financing issues. The transition from CDCF to CDF will be managed in stages; the first CDF will take the form of two back-to-back meetings, one on Development Cooperation followed by another on Private Sector

Development. An assessment will then be made of future arrangements towards fully integrating these processes.

High-level dialogue	Cambodia Development Forum Meeting <u>every two years</u> , bringing together RGC, DPs, PS & NGOs High-level meeting on national development: priorities, progress, challenges, financing Ensuring feedback and consistency in dialogue at lower levels				
Policy dialogue & policy review	Government-Private Sector Forum Meeting annually	Government-NGO Consultation Meeting Meeting annually, focus on: • NGO role in supporting service delivery • Partnering to promote welfare of the people Includes general discussion & sector focus	Government-Development Partner Coordination Committee Meeting annually, focus on: • NSDP progress • JMIs • Public sector reforms • Cross-sector issues	Bilateral RGC-DP consultations Continues as per current arrangements under coordination of MEF or CDC. Improved use of annual bilateral country programme reviews will	
Technical discussion & information sharing	Comprises 8 sub-groups responsible for coordinating among private sector DP coordination through: (i) RGC Steering Committee on PSD (ii) Cambodia Chamber of Commerce (secretariat to G- PSF)	 NGOs active in TWGs Principal NGO focal points are responsible for coordinating among NGOs prior to the annual meeting (e.g. pre-meeting, setting up agenda, etc.) 	 Technical Working Groups Ministries/Councils with committees (PFM, PAR, HIV/AIDS, NCDD, climate change) replace TWG with task-specific sub-groups and annual review meeting. Other TWGs confirm future role and format. May select option 1. All TWGs to hold an annual results meeting and establish informal consultation group. TWG members identify resource needs and funding sources for secretariat. 	country programme reviews will complement multi-stakeholder dialogue and ensure DPs are aligned to respective results frameworks of priority programmes under their support.	

The discussion that followed included the following main findings:

- There is a high degree of support for the current basic TWG structure. Core/Informal groups and annual reviews are also a welcome initiative.
- There needs to be greater understanding of the links between the different levels of dialogue as well as reviewing their respective functions and responsibilities. There needs to be a "convergence" towards CDF at the apex of policy discussion.
- Follow-up actions need to be more clearly defined and monitored at all levels in order to ensure that the dialogue is productive and meaningful.
- Trust and the authenticity of partnership is still a major concern for some RGC officials. Relationship building therefore remained high on the agenda for strengthening dialogue arrangements.
- Links between dialogue arrangements and results frameworks require further consideration, especially to assure links between national-sector work as well as across sectors/reforms, which is a matter for GDCC to clarify.
- The proposal for TWGs to conduct a self-assessment was welcomed. This needs to be guided by CDC to ensure it fits with on-going initiatives such as PBAs and efforts to strengthen country systems.

Session 6. Methods and Approaches Co-Chairs: MEF and UNDP Discussants: MOWA and World Bank

Mr Chou Heng from CRDB/CDC introduced the proposed <u>structure and content</u> of the Development Cooperation and Partnerships Strategy, as follows:

- a) Analysis of Context Opportunities & Challenges SWOT, ODA data
- b) Strategic goals & objectives
- c) Framework for implementation
 - Resource mobilisation and coordination work

- Promoting ownership and alignment to achieve development effectiveness
- Use of results-based approaches (e.g. for the JMIs)
- Development cooperation management arrangements (PBAs etc)
- Guidelines for aid modalities (projects, technical cooperation, pooled funds)
- Dialogue structures and partnering arrangements (bilateral and multi-partner)
- Strengthening and using country systems
- Transparency and predictability in resource use
- Policy consistency (i.e. with major reform programmes and sector work)
- Risk management (based on the SWOT/identification of mitigation strategies)
- d) Institutional arrangements / Resourcing / Monitoring & Evaluation

Monitoring and evaluation arrangements

The session also permitted the presentation of the proposed M&E framework for the Development Cooperation and Partnerships Strategy. At the highest results level, the Strategy shall identify clear objectives and outputs that are to provide the focus for implementation efforts – and monitoring – over the five-year period beginning 2014. Based on the discussion at the TWG Network meeting the proposed results framework to be included in the Strategy is as follows:

Strategic Outcomes and Outputs for Development Cooperation in Cambodia

Overarching objective / outcome

To ensure that development cooperation resources are used for maximum effectiveness and impact in reaching Cambodia's development goals.

Outcome indicators

The JMIs selected for the five year NSDP period (2014-2018) shall be the focus for determining if effective development has been realized.

Output 1 External resources are used to promote effective and sustainable development	 Global partnership commitments are implemented consistently with Cambodia's context and priorities, including to promote alignment with national priorities and development effectiveness through the use of results frameworks and PBAs. <i>Output Indicators</i> 1a) Extent of use country results frameworks by development partners 1b) Share of ODA provided through programme-based approaches
Output 2 Partnerships focus on capacity & systems development strengthening	 Partnership arrangements are used effectively to identify approaches that address capacity development priorities, including to implement reform programmes of the Royal Government in a coherent manner. Output Indicators 2a) Use of country PFM systems 2b) Use of country procurement systems
Output 3 All development actors are convened in a partnership to promote equitable & broad-based growth	Development partnerships and the resources they provide are used in a more catalytic manner to focus on results (with increased use of South-South and triangular cooperation and private sector partnerships. Output Indicators 3a) Aid on-budget & disbursed on schedule (annual/medium-term predictability) 3b) Conducting annual meetings & mutual assessments of progress, incl. JMIs

Indicators are informed by the adoption of global indicators employed as part of the Busan global monitoring arrangements as well as those associated with the Paris Declaration and Accra Agenda for Action that remain relevant and of high priority. Once the outcome and output results and indicators have been finalised, baselines and targets will be identified. Activities can then be programmed on an annual basis under the leadership and overall coordination of CRDB/CDC and in discussion with the Partnership and Harmonisation TWG.

Sector and project monitoring

To support monitoring of the development effectiveness effort at sector/thematic level the ODA Database will be further customized to identify the specific sector results that each project contributes to. Based on NSDP monitoring indicators, it will then be possible to monitor the contributions and performance of external projects. Similarly, joint evaluation of projects that contribute to a specific results area will become possible so that attribution and collaborative learning can inform policy dialogue and future programme design. Joint monitoring and evaluation could therefore move beyond the recording of inputs towards assessing contribution to sector and national results.

Mid-term evaluation

The Royal Government believes that qualitative evaluation is a necessary complement to the monitoring process. A mid-term evaluation of the Development Cooperation & Partnerships Strategy - or some other form of participatory qualitative review of implementation and lessons learned - may therefore be undertaken during the first half of 2016, ideally in conjunction with NSDP review processes. The utility of such an exercise for supporting national as well as post-Busan global partnership efforts will be reviewed by Government in dialogue with the Partnership and Harmonisation TWG, taking account of factors such as timing, cost and the perceived cost-benefit of such an exercise.

With a forward-looking perspective, such an evaluation may include a survey of the external environment concerning provision of ODA and Cambodia's evolving development priorities as Cambodia approaches lower-middle-income status. This will ensure forward-looking preparedness as ODA delivery trends change (e.g. more use of loans and parallel specialized funds in health, climate change etc) and Cambodia's priorities evolve.

The plenary discussion that followed emphasised the consensus that there was a "new paradigm" based on partnering for results and the structure/content seemed to reflect that. Discussants, including the <u>World Bank</u>, SDC and NGO partners, also demonstrated that their own programs were moving towards the adoption of these approaches. In the Cambodia context, however, the UNDP discussant emphasised that Government buy-in and leadership was the key to success. The structure/content of the Development Cooperation and Partnerships Strategy, and its linking to RS-III and NSDP, would go a long way to promoting this effective ownership.

Session 7. Group discussion and plenary feedback Co-Chairs: CRDB/CDC and ADB

The penultimate session provided TWGs with an opportunity to review the entire workshop programme and discussion in their 3 working groups. This permitted a final plenary to hear the views of the TWG representatives in order to shape the future workload and, specifically, the formulation of the Development Cooperation and Partnerships Strategy.

In the final plenary discussion the following points were emphasised by participants:

- CRDB/CDC proposals on results frameworks and the revised dialogue arrangements were well-received. But further work is required to elaborate the details and linkages as well as the steps toward implementation.
- TWGs need to meet in Phnom Penh to discuss the main proposals as well as to prepare for their own internal reviews.
- Ownership at all levels of RGC is the test for the proposals made by CRDB/CDC and will be necessary to ensure implementation once the Strategy is finalised.
- TWG secretariat support will be required in order to effect these changes DPs were encouraged to secure resources to enable TWG work to proceed. Pooling options were raised but were not elaborated.

- TWGs also need to focus their time and effort on policy dialogue, as opposed to process, including of an inter-ministerial nature.
- Cross-cutting issues remain a major concern and it remains to be seen if the new approach can address them more effectively than past arrangements.

Session 8. Closing remarks Co-Chairs: CRDB/CDC and ADB

The meeting was closed with final remarks provided by, on behalf of RGC, H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General CRDB/CDC and, on behalf of the development partners, Mr Eric Sidgwick, Country Director of ADB and Lead Development Partner Facilitator.

The following points were included in the wrap-up:

- High-quality analytical background work and a consultative approach have made the process highly transparent and effective. This should translate into a relevant and focused Development Cooperation & Partnerships Strategy
- RS-III shows a similar approach but evolving priorities that the Development Cooperation & Partnerships Strategy can link to ensure the continued effectiveness of external assistance.
- As in all technical work, there needs to be an incremental approach especially to the adoption of results frameworks so that ownership, capacities and implementation can be applied evenly and effectively to support RS-III and NSDP.
- The Development Cooperation & Partnerships Strategy offers a potential approach for more coherent policy and implementation, including between levels (national, sector, project) as well as across sectors (cross-cutting issues and reforms).
- There was discussion of "new paradigms" in development cooperation as well as evolving priorities and capacities in Cambodia. This means that the Development Cooperation & Partnerships Strategy needs to ensure it is adapted to context while open to learning and the application of new ideas, including in its M&E framework.
- With regards to results frameworks, the meeting agreed that a simple, incremental approach is the best way to proceed, including o assess and support national capacities. Determining how the results framework is reported and to whom are important considerations that need to be clarified.
- There is a continued need for clarification on how dialogue mechanisms link with and support policy dialogue including around results and this is an important next step in the process towards formulating the Development Cooperation & Partnerships Strategy.
- All TWGs had reaffirmed their commitment to partnership and dialogue, which was most encouraging. Their forthcoming reviews, including use of informal mechanisms and annual results reviews, would further strengthen their work.
- Dialogue mechanisms would require continued consideration, however, as Cambodia's own development path moves so rapidly and needs evolve so that policy and partnership dialogue needs to remain relevant and focused on the most prevalent issues. Structure should therefore be based on development needs.

Overall, it was felt that the broad approach that had been outlined by CRDB/CDC during the retreat had been validated. The task now was to elaborate the detail and the sequencing of the incremental steps towards the formulation of the Strategy and the implementation of its component parts such as dialogue structure, partnering mechanisms and results-based approaches.

Proposed Next Steps in Strategy formulation

Based on the discussion at the TWG Network Retreat, CRDB/CDC will prepare a draft Development Cooperation & Partnerships Strategy during the second quarter of 2013. This draft will be prepared in close collaboration with other central RGC agencies and will be discussed at the SNEC to ensure it is consistent with the RS-III and NSDP.

Actions	Timing			
Prepare an approach paper that describes:				
a) the application of results-based approaches, results frameworks and complementary tools (including approaches used in other countries)				
b) how different levels of partnership dialogue fit together as coherent whole.	May 2013			
Develop a format/model for consultation based on current NSDP core/auxiliary indicators. This may then be the basis for consultation on the format and approach for the results framework to be developed to guide the partnership throughout 2014-2018.				
Further discussions with TWGs on content of whole Development Cooperation & Partnerships Strategy, including: (a) preparation and capacity support for results framework formulation; (b) partnering arrangements (dialogue mechanisms and identified measures for strengthening TWGs); and (c) Strategy monitoring framework.	September – October 2013			
Workshop led by central RGC agencies on promoting results-based management approaches and considering case studies at sector level (Planning Depts and TWG secretariats)				
TWGs conduct self-assessment of working arrangements (based on TWG Guidelines) prior to revising TWG TORs.				
Prepare a <u>simple</u> results framework that links national and sector/thematic level based on NSDP, maximizing use of current indicators (with project level to be prepared at sector level under leadership of line ministries).	October 2013			
Finalise and approve Development Cooperation & Partnerships Strategy (2014-2018)	Q4 2013			
Prepare simple sector results frameworks for period 2014-2018 based on NSDP – this will determine the JMIs to guide annual targets and activities for the period. 5-year JMIs to be developed and approved.	Q1 2014			
Capacity review of TWGs (and other line ministries using the approach) to establish current practices and capacities in utilizing results-based approaches (e.g. programme budget pilots under PFMRP). Retain consultants to assess capacity and then design and deliver trainings and support for applying results-based approaches (pilot ministries only?).	Q2 2014			