# Development Cooperation and Partnerships Strategy (2014-2018)

Report on the Consultative Meeting 13-14 November 2013

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

November 2013 www.cdc-crdb.gov.kh/strategy

#### **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

DCPS Development Cooperation and Partnerships Strategy (2014 - 2018)

DPs Development partners

GDCC Government-Development Partner Coordination Committee

JMIs Joint Monitoring Indicators LDC Least Developed Country

MfDR Managing for Development Results
MEF Ministry of Economy & Finance

MIC Middle Income Country

MOEYS Ministry of Education, Youth & Sports

MOI Ministry of Interior
MOP Ministry of Planning
MTR Mid-term Review

NCDD(S) National Committee for Democratic Development (Secretariat)

NSDP National Strategic Development Plan NGOs Non-Governmental Organisations ODA Official Development Assistance P+H Partnership & Harmonisation (TWG)

PBA Programme-Based Approach

PD Paris Declaration on Aid Effectiveness

PFM Public Financial Management

PS Private sector

RBM Results-based Management

RS Rectangular Strategy (Phase II 2008-2013; Phase III 2014-2018)

RGC Royal Government of Cambodia

SNDD Sub-National Democratic Development

TWGs Technical Working Groups

#### Development Cooperation and Partnerships Strategy (2014-2018) 13-14 November 2013

### Report on the Consultative Meeting

A Consultative Meeting was organized in Siem Reap on 13-14 November 2013 to take forward the formulation of the Development Cooperation and Partnerships Strategy (2014-2018). The meeting was hosted by CRDB/CDC and was attended by more than 100 participants, including RGC ministries and agencies, together with TWG members and development partners.

With the goal of securing a consensus on the content of the Development Cooperation and Partnerships Strategy and arrangements for its implementation, the objectives for the retreat were:

- i) Ensure a shared understanding of the motivation and approach towards promoting effective development in Cambodia;
- ii) Validate the Development Cooperation and Partnerships Strategy's main principles, tools and implementation arrangements;
- iii) Ensure awareness and readiness of all stakeholders to play their part in implementing the Development Cooperation and Partnerships Strategy.
- iv) Share information on NSDP preparation and the use of results frameworks

This workshop report highlights the main points of discussion and agreement. Next steps in the formulation of the Development Cooperation and Partnerships Strategy are identified in the concluding section.<sup>1</sup>

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

In his opening statement, H.E. Chhieng Yanara, Minister attached to the Prime Minister and Secretary General CRDB/CDC, noted that the meeting represents a full inter-ministerial dialogue as well as bringing together the Technical Working Groups and other senior development partner and NGO representatives. This more comprehensive approach was intended to promote a higher level of dialogue and ensure a greater level of transparency.

The development effectiveness agenda in Cambodia had evolved over many years and was complemented by international commitments made in Busan. Cambodia has made significant progress in strengthening development partnerships and improving development cooperation practices. One of the many lessons we learned very well is the importance of our partnerships, both domestic and external. The Development Cooperation and Partnership Strategy 2014-2018 is therefore the logical next step for the Royal Government in guiding the management of development cooperation and partnership-building for the next five years. A wide range of stakeholders have contributed to the work completed so far in a process that has been highly participatory. This included:

- i) An early vision of development effectiveness was set out in the 2011 Cambodia Development Effectiveness Report, which also provided a policy position for Busan.
- ii) All stakeholders were fully briefed at the outset and a roadmap was shared at the GDCC meeting in October 2012.
- iii) The formulation process has been evidence-based, building on and going beyond the Paris Declaration evaluation work completed in 2011.

<sup>&</sup>lt;sup>1</sup>All meeting documents and presentations can be downloaded from www.cdc-crdb.gov.kh/strategy.

- iv) The Strategy work responds to current context and future needs, as represented in the Third Phase of the Rectangular Strategy.
- v) The Strategy takes as its starting point the notion of development effectiveness, reflecting on current ODA and other partnership practices.
- vi) The Strategy is based on an analysis of context and major themes: five background studies were completed earlier this year and shared with all stakeholders.
- vii) Consultation at both individual and group level took place in the first quarter of 2013.
- viii) A clear yet simple monitoring framework lies at the heart of the Development Cooperation and Partnerships Strategy, linked to the JMIs.

This meeting would continue to promote dialogue and partnership. Participants were therefore encouraged to share their views.

In his opening remarks on behalf of the development partners, Mr Eric Sidgwick, Country Director of ADB and Lead Development Partner Facilitator, thanked HE Yanara for his leadership and outreach throughout the Strategy formulation process and made the following observations:

- The Development Cooperation and Partnerships Strategy and the NSDP should be "coordinated and mutually reinforcing".
- The use of results frameworks may be more productively used now that both MOP and line ministries had begun to successfully adopt and apply these principles and practices.
- A collective understanding on the NSDP and the use of results frameworks would be a
  useful outcome of the meeting and show how development effectiveness would be
  promoted in a coherent manner both at national and sector levels.

## <u>Session 1. Development Effectiveness in Cambodia</u> Co-Chairs: MOEYS & UN Resident Coordinator

The CDC presentation emphasised the following points:

- 1. ODA is an important driver of development, both past and future. The wider partnership with other development actors is central to the successful implementation of RS-3.
- 2. Cambodia's definition of development effectiveness (see Figure 1, below) is consistent with the approach agreed globally in Busan and comprises: (i) a focus on results; (ii) strengthening capacities and systems; and (iii) strengthening multi-actor partnerships.



Figure 1.Defining development effectiveness in Cambodia

3. The objectives of the Development Cooperation and Partnerships Strategy (see Figure 2, below) are based on the evolving context and national priorities, as well as being informed by global commitments (e.g. Busan).

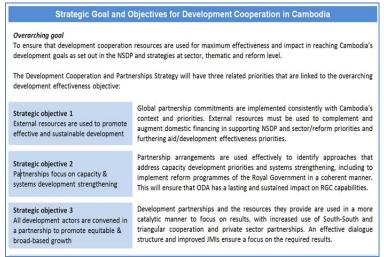


Figure 2. Goals and Objectives of the DCPS

During discussion, the following points were made:

- As development cooperation becomes increasingly complex (diverse actors & sources of funds), the Government must make efforts to ensure policy consistency and a coherent approach to mobilising and managing all resources from all sources, both domestic and external.
- Sustainable results are central to the approach and this requires attention to cross-sectoral issues and priorities.
- Public sector reforms should be the principal vehicle for strengthening capacities and systems.
- Development effectiveness requires measureable benchmarks to be meaningful. The JMIs
  have therefore been placed at the highest end of the results chain as effective
  development practices and resourcing will naturally lead to the achievement of
  development outcomes outlined in the JMIs and drawn from the RS-3, NSDP and sectors.

# Session 2. Promoting development effectiveness in Cambodia Co-Chairs: CRDB/CDC and UNDP Discussants: MOP and EU/EC

The CDC presentation emphasised the following points:

- 1. Principles and tools are based on experience of lessons learners and current need.
- 2. Four tools are: (i) PBAs; (ii) results frameworks; (iii) JMIs; and (iv) resource transparency.

During discussion, the following points were made:

- Results-based approaches should be managed step-by-step based on capacity and relevance. There is a need to keep them simple to have a common understanding.
- Monitoring capacity and information systems must also be strengthened in order to build statistical literacy as the new approach is applied.

- Most key indicators national and sector are in place and many ministries are already
  using results frameworks to manage resource allocation and to ensure alignment of
  external funds.
- The PFM reform includes introducing results-based budgeting to 10 pilot ministries from 2015 and for all 29 ministries from 2020. Budget Strategic Plans require ministries to link their work the RS-3 and NSDP and identify targets, indicators and results.
- There must be a clear link between national results (NSDP) and sector work as well as
  with the management of the development partnership (JMIs). This will ensure that priority
  issues are addressed and gaps can be identified and filled.
- Resource transparency is a principle to be applied to both domestic and external resources, including to ensure that investment loans had a high rate of return.
- Managing for results across cross-cutting and reform areas requires a multi-sector approach to planning, implementation and monitoring.
- There was no consensus but some participants felt that organisational arrangements, especially the TWG structure, may need to be reviewed once the desired results had been identified in order to ensure that coordination around required actions was in place.
- As the funding profile/amounts of external partners change, so there should be a change in the approach to implementation by managing (and monitoring) the contributions of a full range of development actors according to a single set of desired of results.

# Session 3. Group work on the DCPS Principles and Tools Chair: CRDB/CDC

Working at their tables, groups were asked:

- 1. What are the main barriers to effectively applying the principles?
- 2. Of the four proposed tools (programme-based approaches, results frameworks and results-based approaches, Joint Monitoring Indicators, resource transparency & accountability), which offer the greatest potential in your area of work?

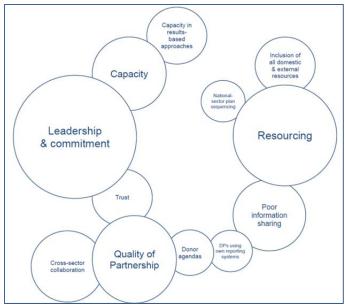


Figure 3. Session 3 group discussion

The diagram presents a mapping of the issues that were raised by the groups with the frequency of observation indicated by the size of the circle. Links between different issues are also shown.

Three main issues were identified by most groups: leadership, resourcing and the quality of the partnership. These can be considered to be systemic issues as they seem to endure over time and across sectors in spite of repeated efforts to address them.

Capacity, including in the use of resultsbased approaches, was identified frequently, as was the need to improve cross-sector coordination and trust. In ranking the usefulness of the four proposed tools (programme-based approaches, results frameworks and results-based approaches, Joint Monitoring Indicators, resource transparency & accountability), most groups appeared to recognise that each had an important role to play and had value. There was also a recognition that they were complementary and mutually reinforcing, especially through PBAs, which can promote the use of results-based approaches, effective monitoring and improved budgeting (which, in turn, promotes resource transparency).

No hierarchy was discernible in the use of tools, demonstrating that each sector has its own needs and priorities. Results frameworks and JMIs were consistently at the top of many groups rankings, however, suggesting that there is a keen interest in moving towards the adoption of increasingly results-based approaches. Capacities and the active support of development partners (including to improve their partnering skills and information sharing) would be important factors in determining the successful application of results-based approaches.

## Session 4. Partnering and dialogue mechanisms

Co-Chairs: MRD and AusAID Discussants: MOEYS and UNDP

The presentation by CDC emphasised the following points:

- 1. Future dialogue arrangements will provide opportunity for all partners Government, development partners, NGOs and civil society, private sector, South-South actors to participate in and contribute to the discussion on national development.
- 2. The Cambodia Development Forum will evolve from the CDCF to be the highest level of dialogue, meeting every 2 years.
- 3. Each set of development actors has an opportunity for technical and higher-level dialogue, as well as to participate in CDCF/CDF.

	Cambodia Development Forum     Meeting every two years, bringing together RGC, DPs, private sector & NGOs			
High-level				
dialogue	<ul> <li>High-level meeting on national development: priorities, progress, challenges, financing</li> </ul>			
	Ensuring feedback and consistency in dialogue at lower levels			
	Government-Private	Government-NGO	Government-Development	Bilateral RGC-DP
	Sector Forum	Consultation Meeting	Partner Coordination	consultations
	Meeting annually	Meeting annually, focus on:	Committee	
Policy		<ul> <li>NGO role in supporting</li> </ul>	Meeting annually, focus on:	Continues as per current
dialogue &		service delivery	NSDP progress	arrangements under
policy review		<ul> <li>Partnering to promote</li> </ul>	JMIs	coordination of MEF or
		welfare of the people	Public sector reforms	CDC.
		Includes general discussion &	Cross-sector issues	
		sector focus		Improved use of annual
	Comprises 8 sub-groups	NGOs active in TWGs	Technical Working Groups	bilateral country programm
	responsible for coordinating		TWGs review and confirm	reviews will complement
Technical	among private sector	- Principal NGO focal points	future role and format.	multi-stakeholder dialogue
discussion &	55	are responsible for	2. All TWGs hold an annual	and ensure DPs are aligne
information	DP coordination through:	coordinating among NGOs	results meeting and	to respective results frameworks of priority
sharing	(i) RGC Steering Committee	prior to the annual meeting	establish informal	programmes under their
	on PSD	(e.g. pre-meeting, setting up	consultation group.	support.
	(ii) Cambodia Chamber of	agenda, etc.)	TWG members identify	Support.
	Commerce (secretariat to G-		resource needs and funding	
	PSF)		sources for secretariat.	

Figure 4. Proposed dialogue arrangements

#### General observations raised during plenary

 The Private Sector Forum will continue as before. It will be more closely linked to other dialogue for a, however, in order to promote improved synergies between the private sector and the work of development partners and NGOs.

- TWGs will report on their work to the GDCC in the form of a structured questionnaire prepared by CDC. A report will then be put together and tabled at the GDCC meeting. There is a provision in the DCPS for all TWGs to review their working arrangements in early 2014.
- Mid-term reviews of NSDP and the Development Cooperation and Partnerships Strategy should be coordinated so that the contribution of the latter to achieving national results can be assessed.
- The Development Cooperation and Partnerships Strategy mid-term review, scheduled for 2016, may also consider the suitability and relevance of the dialogue arrangements, especially at technical level, as there was a concern amongst some participants on the coverage of the TWGs and the link to that attainment of higher-level results.
- Over time, the GDCC will be the forum for managing ODA-related matters, including the JMIs, the MYIFF and TWG reporting. This will leave the CDCF to evolve into the CDF as a national development forum.

#### Session 5. Monitoring arrangements

Co-Chairs: MOWA and USAID

The presentation by CDC emphasised the following points:

- 1. The DCPS monitoring framework represents national priorities and global commitments.
- 2. The selection of 6 indicators 2 for each of the 3 objectives drawing from information provided to the ODA Database makes the system simple and efficient.
- A mid-term evaluation in 2016 will allow the link between DCPS activity and development effectiveness/results to be tested, including to assess the contribution to NSDP results and the achievement of the JMIs.



Figure 5. Proposed monitoring arrangements

During discussion, the following points were raised:

- There must be a clear pathway to see how the DCPS activities and its results framework contribute to development effectiveness (i.e. NSDP results and the JMIs). This should include: (i) a review of TWG implementation of the principles and tools as a means to achieve improved results; and (ii) a review of the TWG structure itself to confirm its continued relevance and suitability.
- The evaluation planned for 2016 will provide the qualitative assessment of the DCPS contribution to the achievement of development results. The DCPS sets out the activities that are necessary as these are within the mandate of CDC while the achievement of development results themselves are the domain of the line ministries, which will set and monitor their JMIs.
- The evaluation will also be an important learning opportunity. Its findings must be reported
  and discussed at a senior level so that aid effectiveness the implementation of the DCPS
   translates into development effectiveness as measured by successful implementation of
  the NSDP and the achievement of the JMIs.
- Busan survey results identify once again the problem of strengthening and using country systems, which is still problematic for many development partners. More use of the TWG Network to share experience and promote joint learning and peer exchange would be useful.
- It was necessary to ensure ODA Database training for all DPs to ensure their project records were accurate and up to date. This will benefit both DCPS monitoring and sector planning.

# Session 6. NSDP Preparation Co-Chairs: CDC and SIDA/Sweden

A presentation by the Ministry of Planning provided information on the status of the NSDP preparation, including the process, objectives, key sectoral priorities and the proposed new M&E architecture. The NSDP 2014-2018 has provisionally identified key outcome/impact indicators consistent with the RS-3. The performance on these indicators (poverty reduction, GDP growth etc) would be measured against the targets set at the beginning of the plan period. Each target is set to be broadly consistent with the sectoral programs (outputs) and the associated budgets (inputs). Each ministry is therefore expected to draw up their programs and budgets/strategies to be consistent with the national targets. In either case, national targets & activities are linked to RFs at sectoral/sub-national levels.

## Highest level M&E: 20 core key indicators around 4 pillars

- (1) Sustainable Growth
- (2) Poverty Reduction
- (3) Stability: Investment Rate
- (4) Human Development

## Outcome level M&E: 47 core key indicators

- (1) Macroeconomic Management (6 indicators)
- (2) Sectoral Growth and Diversification (8 indicators)
- (3) Management of Natural Resources (2 indicators)
- (4) Infrastructure: (5 indicators)
- (5) Governance: (3 indicators)
- (6) Human Development
  - Poverty: (3 indicators)
  - Education: (4 indicators)

Gender: (6 indicators)Health: (8 indicators)

• Water and Sanitation: (2 indicators)

In the discussion that followed the following points were noted by participants:

- It is important to understand the distinct role of the NSDP and DCPS as well as the links between them. NSDP sets out national development objectives while the DCPS identifies appropriate management tools for development partners to help to attain these national development goals.
- Similarly, monitoring of the NSDP is of development results (outcomes and outputs) while
  the DCPS will monitor the implementation of agreed partnering actions that are expected
  to contribute to the achievement of development results.
- There has been a promising start to the adoption of the results framework approach at
  national level. It is necessary to ensure a strong link between those higher level indicators
  monitored at national level by MOP and the work across sectors that will contribute to their
  achievement. This is one potential value-added of a results framework approach as
  important gaps can be identified and filled.
- Emphasis should be on simplicity, especially in the early stages. It is recognised that
  monitoring systems have a wide range of indicators including process indicators and an
  array of sub-national monitoring arrangements –but, for reporting and high-level dialogue
  purposes, we need to focus on a narrower range that can help us to understand the
  general direction of progress.
- TWGs must be fully aligned with this approach so that they ensure projects are aligned to sector results and, in turn, link these sector results to the required national priorities. Results and resource frameworks, which are being rolled out by MEF under the PFM reform, are therefore a promising model to be supported by DPs working at sector level.
- All participants looked forward to further details of the national M&E system, including to understand the frequency of reporting and how their own monitoring systems would form part of an integrated national M&E system.
- The NSDP and DCPS mid-term reviews/evaluations may be coordinated to consider the link between different levels of results reporting in order to ensure an appropriate fit.

# Session 7. Sharing Experience in the use of Results Frameworks Co-Chairs: CDC and ADB

Presentations were provided by MOEYS and the NCDD Secretariat. Both provided an insight into the objectives and approach that had been taken, as well as the challenges that had been encountered. The evidence of their experience is that in both cases the results-based approach had been adapted to develop a framework that allowed monitoring of the strategy/plan at multiple levels, each with differing degrees of detail and complexity. For management, these tools can be simplified and used to inform decision-making.

Participants agreed that both presentations provided useful insights on the conceptual approach and how it has been adapted to suit the particular context and needs of the user. This demonstrates that results-based tools need not be considered too complicated but, rather, can be applied according the capacity and requirement s of the user. Capacity and complexity can be added over time as the situation requires.

In both cases it was also clear that technical capacity had been built as management and leadership had come to value the results-based approach. The benefits could be seen in the ability

to allocate resources to areas where they were most needed and to compel development partners to program their funds to priorities identified by the RGC.

To strengthen technical capacity, the role of the core public sector reforms needed to be understood and applied more coherently across all ministries. Public administration reform will develop the structures and skills while PFM reform will ensure that resources are linked to results.

In summary, it could be seen that the use of results frameworks had made a promising start. There was much to learn from the experience of ministries that had already been using results-based approaches for some time, although each ministry will need to consider how they can best be adapted and applied.

#### Session 8. Assessing our Readiness

Co-Chairs: MOP and UNDP

This final session remained in plenary to review all of the issues discussed and to allow participants – RGC, DPs, NGOs and TWG members – to consider their own readiness and issues they needed to address either individually or collectively in order to move forward with implementing the DCPS and the development effectiveness agenda. Guiding questions for the plenary to consider were as follows:

- 1. What are the main conditions for successful implementation?
  - Principles of an effective partnership (trust, respect, keeping promises)
  - Shared objectives
  - Working practices
- 2. What <u>individual</u> actions are required now & future?
  - RGC, DPs, private sector and NGOs.
  - Results-focus of programmes
  - Clear monitoring frameworks (aligned with RGC plan)
- 3. What <u>joint</u> actions are required amongst partners to make "development effectiveness" an achievable goal?
  - Review of TWG focus, practices, membership
  - Common results frameworks linking plan-project
  - Use of annual results review (also for JMI)

Contributions from the floor identified a range of issues including implementation capacity, improved communication amongst partners (convened by RGC), and the need for RGC leadership combined with the renewed commitment of all other partners and development actors to ensuring a conducive working environment. TWGs also needed to proceed with the 2014 review anticipated in the 2014 (which may require clearer guidelines from CDC), including to review existing JMIs and identify new ones in line with the NSDP national monitoring framework and their own sector strategies. Collective action and progress needed to be assessed in either the GDCC or CDCF, which will continue to be valuable dialogue opportunities.

While the profile of ODA provision was changing, the graduation to MIC status must also be seen against the backdrop of continued LDC status, which would provide access to concessional multilateral finance and bilateral grant support for some time. Further dialogue on NSDP was also identified by some DPs. MOP requested that DPs indicate their specific areas of concern/interest prior to further discussion.

To take forward the work on results frameworks, MOP agreed to include activities in its 2014 work plan via the National Committee for M&E and ADB offered technical support. This could be used as a starting point also to develop simple results frameworks at sector and cross-cutting issue level, a matter that would be taken up in further discussion with MOP as well as with line ministries through the TWGs. BSPs and the work of the PFM reform on results-budgeting was another promising entry point, especially in the 10 pilot ministries.

#### Session 9. Concluding Remarks

Co-Chairs: CDC and ADB

The meeting was closed with final remarks provided by 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:

- 1) CDC will move forward with finalizing the DCPS, including to take account of issues raised during the meeting.
- 2) Line ministries and all TWG members must prepare for implementation, beginning with the TWG review to take place early in 2014.
- 3) The meeting had clarified the relationship between NSDP and DCPS, enabling a clear understanding of how development effectiveness work contributes to results.
- 4) Development effectiveness work must remain vigilant with regard to the changing economic and donor-financing landscape, including to coordinate broad partnerships across the whole of Government.
- 5) There has been encouraging progress in adopting results-based approaches at ministry and NSDP level. DPs stand ready to support RGC in future work.
- 6) There is an increased understanding of results-based language and tools but we must be mindful of the need to promote a still wider awareness and use of these tools.
- 7) There is a strong commitment to linking resources to results, especially via the BSP and PFM reform. This effort needs to be supported at sector level.
- 8) The aid architecture must continue to ensure its relevance, including to promote leadership, setting clear objectives and ensuring that all members work towards NSDP and sector goals.
- 9) The meeting provided renewed commitment and consensus, including to confirm DP support to the NSDP and DCPS, which provides optimism as we look towards next steps in completion and then implementation.
- 10) All participants indicated their appreciation of the efforts shown by CDC and their counterparts to build trust and cooperation in the development partnership.