



KINGDOM OF CAMBODIA
Nation Religion King



Project to Support Democratic Development through Decentralization and Deconcentration (PSDD)

a project of the

**National Committee for Management of
Decentralization and Deconcentration Reforms
(NCDD)**

supported by:

**United Nations Development Program
Swedish International Development Agency
United Kingdom Department for International Development**

2009 Annual Workplan and Budget

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Table of Contents

Table of Contents

List of Tables

Abbreviations

1.	INTRODUCTION	1
2.	CONTEXT, SCOPE AND COVERAGE	3
3.	RESOURCES AND PROGRAMMING.....	6
3.1	RESOURCES.....	6
3.2	PROGRAMMING THROUGH THE NCDD AWPB.....	6
4.	HARMONIZED PSDD SUPPORT TO THE NCDD AWPB	12
4.1	HARMONIZED PROGRAMMING OF RESOURCES.....	12
4.1.1	<i>Role of PSDD Resources</i>	<i>12</i>
4.1.2	<i>RGC/CS Fund.....</i>	<i>14</i>
4.1.3	<i>WB/Rural Investment and Local Governance Project.....</i>	<i>14</i>
4.1.4	<i>International Fund for Agriculture Development (IFAD).....</i>	<i>14</i>
4.1.5	<i>Danida-DfID/Natural Resource Management and Livelihoods Project (NRM&L)</i>	<i>15</i>
4.1.6	<i>EC-UNDP/Democratic Development and Local Governance (DDLG)</i>	<i>15</i>
4.1.7	<i>UNICEF/Seth Koma</i>	<i>15</i>
4.1.8	<i>Government of Canada/Agriculture Development in Mined Areas of Cambodia (ADMAC).....</i>	<i>16</i>
4.1.9	<i>World Bank Land Allocation for Socio-Economic Development (LASED)</i>	<i>16</i>
4.1.10	<i>World Bank Demand for Good Governance : One Window Service Office (DFGG-OWSO).....</i>	<i>16</i>
4.1.11	<i>UNCDF Project: Innovations in Decentralized Local Development (IDLD).....</i>	<i>17</i>
4.1.12	<i>PSDD Support to Other Donor Projects</i>	<i>17</i>
4.1.13	<i>Summary Analysis of PSDD Harmonized Support to the 2009 NCDD AWPB.....</i>	<i>17</i>
4.2	PSDD FUNDED ADVISORY SERVICES AND STAFFING PLAN	19
4.2.1	<i>International Technical Advisors.....</i>	<i>19</i>
4.2.2	<i>National Technical Advisors at national level.....</i>	<i>19</i>
4.2.3	<i>National Technical Advisors at provincial level.....</i>	<i>20</i>
4.2.4	<i>Consultancies.....</i>	<i>20</i>
4.2.5	<i>Summary Staffing Plan</i>	<i>20</i>
4.3	NCDD INCENTIVE SCHEME	21
4.4	ACCOUNTABILITY	24
4.5	GENDER MAINSTREAMING.....	25
5.	PSDD SUPPORT TO NCDD WORK-PLAN AND BUDGET BY OUTPUT.	27
5.1	OUTPUT 1: CAMBODIAN-OWNED SUB-NATIONAL STRUCTURE AGREED AND IN PLACE THAT PROMOTES VOICE, RESPONSIVENESS, DELIVERY CAPACITY AND ACCOUNTABILITY	27
5.1.1	<i>Newly established NCDD, NCDD Secretariat and NCDD Inter-Ministerial Committees develop internal management arrangements and operations manuals and are prepared for implementation of NPDD in 2010.....</i>	<i>27</i>
5.1.2	<i>Commune Committees for Women and Children (CCWC) strengthened and able to prepare, implement, account for and report on annual work plans</i>	<i>28</i>
5.1.3	<i>District/Khan and selected Municipal Councils oriented to their mandates, assume oversight of 2009 AWPBs and provide guidance/vision for formulation of five year development plan, three-year rolling investment program and 2010 budget.....</i>	<i>28</i>
5.1.4	<i>Accountability Working Groups (AWG) restructured, reoriented and fulfilling their mandated responsibilities on systematic and regular basis.....</i>	<i>29</i>
5.1.5	<i>2009 NCDD Training Plan finalized, budgeted and implemented</i>	<i>29</i>
5.1.6	<i>Support to Provincial Management Structure</i>	<i>30</i>
5.1.7	<i>Support to Department of Local Administration.....</i>	<i>33</i>
5.1.8	<i>NCDDS Program Support Team effectively coordinating the implementation of the 2009 NCDD AWPB</i>	<i>33</i>
5.1.9	<i>NCDDS Policy Team effectively managing / coordinating the NCDD Preliminary Implementation Framework.....</i>	<i>34</i>

5.2	OUTPUT 2: SYSTEMS DEVELOPED AND INTEGRATED INTO NEW NATIONAL STRUCTURES AND SYSTEMS	36
5.2.1	<i>Regulation and guidelines on sub-national planning/budgeting finalized and approved by NCDD for application in second half of 2009.</i>	36
5.2.2	<i>CS Planning Process audited, findings and recommendations discussed, and action plan prepared on agreed follow up.....</i>	36
5.2.3	<i>CS Fund operations and procedures revised in accordance with agreements from CS Budget Execution Study</i>	37
5.2.4	<i>Review/design of initial district finance system that is operable in 2009 following establishment of District Councils.....</i>	37
5.2.5	<i>Revised CS Project Implementation Manual Disseminated through Training and Revised Procedures Implemented.....</i>	37
5.2.6	<i>Revised Technical Manual & Template Program Finalized, Piloted and Implemented.</i>	38
5.2.7	<i>Process Audit covering assessment of CS project implementation.....</i>	38
5.2.8	<i>Revision and operation of new Safeguards Monitoring System.....</i>	38
5.3	OUTPUT 3: INVESTMENT FUNDS DELIVERED THROUGH MECHANISMS THAT PROMOTE ACCOUNTABILITY AND WHICH ENABLE DEBATE.....	40
5.3.1	<i>Comprehensive Support to CS Fund Implementation.....</i>	40
5.3.2	<i>Comprehensive Support to District Initiative</i>	41
5.3.3	<i>Comprehensive Support to Provincial Investment Fund (PIF).....</i>	41
5.3.4	<i>NCDD Sub-Committees and National Ministry/Institution Services</i>	45
5.3.5	<i>PSDD Support to Other Investment Funds.....</i>	45
5.4	OUTPUT 4: AID EFFECTIVENESS MECHANISMS IN PLACE	49
5.4.1	<i>Support to Formulation of NPDD: Harmonization Experience reflected in NPDD design</i>	49
5.4.2	<i>NCDD Merit Based Incentive System finalized, approved, implemented and reviewed in preparation for 2010 NPDD.....</i>	49
5.4.3	<i>NPDD Baseline on Capacity Development Established.....</i>	49
5.4.4	<i>Joint Audit of 2008 Accounts completed by mid-2009.....</i>	49
5.4.6	<i>2010 First Year AWPB of the NPDD formulated</i>	50
6.	MONITORING AND EVALUATION WORK-PLAN.....	51
6.1	<i>Sub-national M&E capacity strengthened</i>	51
6.2	<i>PSDD LFA indicators tracked and final report prepared.....</i>	51
6.3	<i>Analysis of NCDD Databases undertaken and results shared with target groups.....</i>	51
6.4	<i>Formative Evaluation and Outcome Monitoring Study Completed</i>	52
6.5	<i>Return on Investment Study Completed</i>	52
6.6	<i>NCDD MIS System Developed:</i>	52
6.7	<i>M&E Advisory Group and sub-groups professionally supported and building consensus on future M&E framework and system:.....</i>	52
6.8	<i>Design of NPDD M&E framework and system supported:.....</i>	52
6.9	<i>Establishment of NPDD M&E Baseline Supported:.....</i>	53
7.	2009 CONSULTANCY PLAN	54
8.	SUMMARY 2009 BUDGET	59
Annex 1	2009 PSDD AWPB Provisional Activity Plan	
Annex 2	Draft Criteria for 2009 Ministry Allocations	

List of Tables

TABLE 1: 2009 PSDD RESOURCES FOR PROGRAMMING	6
TABLE 2: PROGRAMMING OF PSDD RESOURCES IN THE 2009 NCDD AWPB	7
TABLE 3: 2009 CS FUND ALLOCATIONS	8
TABLE 4: SCOPE OF SUB-NATIONAL ACTIVITIES SUPPORTED BY PSDD IN 2009	13
TABLE 5 : PROGRAMMING OF PSDD RESOURCES IN THE 2009 NCDD AWPB	18
TABLE 6: PSDD TA RESOURCES IN 2009	19
TABLE 7 : 2009 INTERNATIONAL TA POSITIONS	19
TABLE 8 : 2009 NTA POSITIONS AT NATIONAL LEVEL	20
TABLE 9 : 2009 NTA POSITIONS AT PROVINCIAL LEVEL	20
TABLE 10 : 2009 UNDP CONTRACTS	21
TABLE 11: NCDD SUB-NATIONAL INCENTIVE SCHEME 2008 AND 2009	23
TABLE 12: SUMMARY STRUCTURE OF EXCOM SUPPORT BUDGETS.....	30
TABLE 13: APPROXIMATE BREAKDOWN OF EXCOM OPERATIONS BUDGET BY CATEGORY	31
TABLE 14: CONTRIBUTIONS TO EXCOM PROVINCIAL PROGRAM SUPPORT COSTS IN 2009	31
TABLE 15 : 2009 PSDD PROVINCIAL PROGRAM SUPPORT BUDGETS	32
TABLE 16: 2009 PSDD ADVISORY TEAM IN DoLA	33
TABLE 17: 2009 DRAFT NCDD SECRETARIAT BUDGET.....	34
TABLE 18: C/S FUND RESOURCES IN 2009	40
TABLE 19: 2009 PSDD DISTRICT INITIATIVE ALLOCATION	42
TABLE 20: 2008 PSDD PROVINCIAL INVESTMENT FUND PROGRAMMING	44
TABLE 21: PSDD SUPPORT TO OTHER PROJECTS INVESTMENT FUNDS	45
TABLE 22 : 2009 TARGETED CS ALLOCATIONS FORM OTHER PROJECTS	46
TABLE 23 : 2009 DISTRICT INVESTMENT FROM OTHER PROJECTS SUPPORTED BY PSDD	47
TABLE 24 : 2009 PROVINCIAL INVESTMENT FROM OTHER PROJECTS SUPPORTED BY PSDD	48
TABLE 25: CONTINUING AND PLANNED STUDIES ON D&D IN 2009	55
TABLE 26: 2009 PSDD BUDGET SUMMARY	60

Abbreviations

ADMAC	Agriculture Development in Mine-affected Areas of Cambodia (Canada)
C/S	Commune Sangkat Council
C/SF	Commune Sangkat Fund
CAR	Council for Administrative Reform
CAU	Contract Administration and MEI Unit (PRDC ExCom)
CDP	Commune Development Plan
CDPD	Commune Development Planning Database
CIP	Commune Investment Plan
DDLG	Democratic Development and Local Governance Project (EC-UNDP)
DfID	United Kingdom Department for International Development
DfGG	Demand for Good Governance Project (World Bank)
DFT	District Facilitation Team
DIW	District Integration Workshop
DOLA	Department of Local Administration
DOP	Department of Planning
DRD	Department of Rural Development
DSA	Daily Subsistence Allowance
DWVA	Department of Women's and Veteran's Affairs
ExCom	Executive Committee (of M/PRDC)
FU	Finance Unit (PRDC ExCom)
IFAD	International Fund for Agricultural Development
LASED	Land Allocation and Socio-Economic Development Project (World Bank)
LAU	Local Administration Unit (PRDC ExCom)
M&E	Monitoring and Evaluation
M/PRDC	Municipal/Provincial Rural Development Committee
MDLF	Multi-Donor Livelihood Facility (supporting NRM&L Program)
MEF	Ministry of Economy and Finance
MLMUC	Ministry of Land Management, Urban Planning and Construction
MoI	Ministry of Interior
MoP	Ministry of Planning
MRD	Ministry of Rural Development
MWVA	Ministry of Women's and Veteran's Affairs
NCDD	National Committee for Sub-National Democratic Development
NCDDS	Secretariat of the NCDD
NCDDS/PST	Program Support Team of the NCDD Secretariat
NCDDS/PT	Policy Team of the NCDD Secretariat
NGO	Non-Government Organization
NPRS	National Poverty Reduction Strategy
NRM&L	Natural Resource Management and Livelihoods Program
OWSO	One Window Service Office
PFT	Provincial Facilitation Team
PID	Project Information Database
PIF	Provincial Investment Fund
PLG	Partnership for Local Governance
PSDD	Project for Support to Democratic Development

Abbreviations

RGC	Royal Government of Cambodia
RILGP	Rural Investment and Local Governance Project (World Bank)
RPRP	Rural Poverty Reduction Project (IFAD)
RULIP	Rural Livelihood Improvement Project (IFAD)
NCD	National Contracts Database
Seila	A Khmer language word approximating to “foundation stone”
SIDA	Swedish International Development Cooperation Agency
STF	Seila Task Force
STFS	Seila Task Force Secretariat
TOR	Terms of Reference
TSO	Technical Support Official
TSU	Technical Support Unit (of ExCom)
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Program

1. Introduction

This document is the third and final Annual Workplan and Budget (AWPB) of the three-year Project to Support Democratic Development through Decentralization and Deconcentration (PSDD), 2007-2009. PSDD is a project of the National Committee for Democratic Development (NCDD) which was established by the Law on Administrative Management of the Capital, Province, Municipality, District and Khan (hereafter the *Organic Law*) enacted in May 2008. The National Committee for Democratic Development carries on the work of the National Committee for Management of Decentralization and Deconcentration Reforms under which the PSDD project was signed and executed in 2007 and 2008.

The United Nations Development Program (UNDP), the Swedish International Development Agency (SIDA), and United Kingdom Department for International Development (DfID) have been partners since 2001 in support to the Royal Government's D&D reforms. Core support has been provided to the overall design, management, coordination and implementation of the evolving reforms and to the annual work plan and budget formulated each year by the national authorities and currently supported by 16 donors. The PSDD project is designed to assist RGC to address the challenges of D&D reform and to overcome resource constraints during the period of transition from the Seila Program, which was completed in 2006, to the new National Program on Democratic Development, which is expected to commence in 2010.

In addition to the PSDD Project Document, formulation of the 2009 PSDD AWPB has been prepared in the light of the following events, documents, processes and strategic partnerships:

- **PSDD Mid-Term Review:** a three-person team carried out a mid-term evaluation of the PSDD Project and formulated a number of recommendations for the Project Steering Committee to consider.
- **Organic Law Preliminary Implementation Framework:** This framework, designed in August 2008, identified the priority regulations, guidelines and decisions needed to implement the Organic Law prior to the commencement of the National Program many of which the NCDD has called upon the PSDD for support;
- **2009 PSDD Resource Allocation Consultations:** two meetings between PSDD donors and the NCDD/PST were held in August/September to confirm the available resources and discuss the PSDD 2009 resource allocations proposed by the NCDD/PST;
- **National Workshop on Formulation of the 2009 NCDD AWPB:** PSDD 2009 indicative resource allocations were announced and widely discussed at the annual National Workshop on AWPB formulation, 9-10 September 2008, involving 400 national and sub-national officials and representatives of development partners;
- **Partnership Agreements:** supervision missions from the World Bank, IFAD and MDLF donors for projects technically and financially supported by PSDD resulted in a variety of recommendations related either to strengthening systems and procedures, expanding coverage or further design work.

- **Design of National Program on Democratic Development (NPDD):** The PSDD AWPB has been formulated in parallel with the NPDD design process and includes several key activities in direct support to ongoing design and preparation for NPDD commencement in 2010.

The opportunities, constraints and risks that will be faced in 2009 are considerable and this has also been taken into consideration in drafting the AWPB. With the indirect elections of sub-national councils planned for May 2009, the *opportunity* to assist in the orientation, establishment and initial capacity development phase at sub-national level is considerable and PSDD's support remains critical. At the same time, a well conceived transition strategy and work plan needs to be finalized in early 2009 for both the gradual transition in government execution and implementation structures and systems at sub-national level as well as any new mechanisms and arrangements for development partner financing of the national program in 2010. As such, the increased energy and focus required in the second half of 2009 to support strategic transition will be seriously *constrained* by the inevitable diversion of attention, focus and energy required to phase out the main support project to the NCDD; the PSDD project. Transition and reform inevitably involve *risks* and the earlier that mitigation efforts are designed and put into place the better. It is noted that at the time this document was being prepared a UNDP consultancy to formulate post-PSDD options was underway.

The 2009 PSDD AWPB describes and analyzes the cross-cutting issues which form the context for PSDD-funded operations in 2009, and presents planned activities, achievement targets and resources allocated by project component and by expenditure category. Nevertheless, a greater degree of flexibility than ever before will be needed in 2009 to ensure that PSDD technical and financial resources are able to respond to opportunities, constraints and risks arising from program and project transition.

2. Context, Scope And Coverage

The basis of design of the Project to Support Decentralisation and Deconcentration (PSDD) was developed from, *inter alia*, the Royal Government of Cambodia (RGC's) *Strategic Framework for D&D* (2005), a preliminary *Implementation Framework for Sub-national Democratic Development* (2006); and the salient lessons learned from six years of design and implementation under the *Seila Program*, 2001-2006. The formulation of the 2009 PSDD AWPB is further informed by the *Organic Law* (May 2008), the *Preliminary Framework on Implementation of the Organic Law* (August 2008) and the mandate of the *National Committee for Democratic Development* (December 2008).

The goal of PSDD is to contribute to poverty reduction. The project objective is improved sub-national governance. As agreed in the signed project document, the project has three components, with the following component objectives:

Component 1: Sustain structures and mechanisms as an interim solution until new structures are designed, mandated and institutionalized;

Component 2: Improved service delivery in terms of coverage, quality and poverty focus; and

Component 3: Support the design and implementation of a national plan for D&D on the basis of the Organic Law once it is adopted.

The structure of the project logframe, which was substantially revised during the first year of the project, is as follows:

Goal: Poor people benefit from functioning sub-national institutions in Cambodia;

Purpose: State and social institutions reconstructed at the sub-national level so as to engage with and empower poor and excluded citizens;

Output 1: Cambodian owned sub-national structure agreed and in place that promote voice, responsiveness, delivery capability and accountability;

Output 2: Systems developed and integrated into new national structures and systems;

Output 3: Investment funds delivered through mechanisms that promote accountability (on-budget) and which enables debate (largely discretionary in nature to allow choice);

Output 4: Aid effective mechanisms in place.

Under Output 1, resources are programmed to support and strengthen the NCDD mandated structures which at national level have been under continuous revision though the life of the project and at sub-national level will undergo substantive change in 2009 with the indirect elections of councils in the capital, province, municipality, district and khan level. Under Output 2, resources are programmed to support and strengthen both existing systems, most of which will continue to operate in 2009, as well as the design of new systems in line with requirements and vision of the Organic Law. Under Output 3, resources are programmed to support a wide variety of services and investments financed through the various funding windows at commune, district, province and national level as well as the programming of services and investments. Under Output 4, resources are programmed to support harmonization and aid effectiveness measures both through current partnership arrangements and inputs to the design of the new national program.

To maximise *efficiency*, PSDD funds are programmed annually by NCDD through, and as an integral component of, the overall NCDD Annual Workplan and Budget. The preparation of the 2009 NCDD AWPB, which commenced at the September 2008 National Workshop on Formulation of the 2009 NCDD AWPB under the chairmanship of the Deputy Prime Minister, integrates resources for D&D and sub-national development investments from the RGC and 21 donor projects and has a total value in 2009 of approximately US \$ 82 million. The PSDD AWPB, therefore, must be understood as one of a number of AWPB documents specific to the various funding sources, which are subsumed within the overall NCDD AWPB.

The unique features of the PSDD are twofold:

- The provision of discretionary resources to government which, against the project design and priorities identified through participatory measures, are allocated, planned and programmed by the mandated governance structures at national, provincial, district and commune levels; and
- The assumption of core technical assistance and program operation costs at national and sub-national level which enables nearly all other projects under the NCDD framework to realize their objectives.

As demonstrated over the past eight years, support to the core program technical assistance and operations costs through a single project results in operational efficiencies, improved coordination, reduction of transaction costs, economies of scale particular with regard to technical assistance and encourages donors to “buy in” to the harmonised systems at the sub-national level. The investment funds capitalized by PSDD resources are characterised by a high degree of flexibility and programming discretion by sub-national governments which enable: a) horizontal management mechanisms and functions so critical to the future reforms to be practiced and strengthened; and b) responsiveness to the local priority setting incorporated into the whole system of sub-national planning. Further details and analysis of the role of PSDD resources in providing unified and harmonized support to all program components appears as Section 3 and Section 4 of this AWPB.

The finalization and adoption of the Organic Law in May 2008 and the commencement of the national program formulation in September 2008 provide a historic opportunity to consolidate progress on democratic development and D&D reforms in Cambodia over the past ten years; establish a long term framework for strengthening governance and local development; further harmonize the substantial and increasing levels of external financial support around reformed governance structures and systems; begin the process of functional and budgetary reassignments to sub-national administrations; and transform 10 years of experience in sub-national management into a new regulatory framework governing sub-national development. The challenges to the NCDD are considerable and in 2009 include in particular: completing the design of the new national program; defining a sequenced approach to the formulation of new national and sub-national structures and a new regulatory framework for sub-national governance; maintaining momentum and consolidating the vast array of project based initiatives contained within the overall \$ 82 million, 2009 NCDD AWPB; and preparing a transitional work plan for the start of the new national program in 2010 including the phase out/phase in of various program features. Managing expectations and ensuring close cooperation, flexibility and understanding with development partners will be essential for all of this work to be undertaken in a focused manner that ensures slow but steady forward movement.

The overall scope of PSDD support remains nationwide. At the national level, resources are programmed to support the NCDD, its Secretariat and 10-12 cooperating Ministries/Institutions. At the provincial level, financial and technical support will continue to be provided to mandated management structures under the authority of the Governor in support to local governance and local development objectives in the 24 provinces/municipalities. At the district level, support to the MDLF and PSDD-financed District Initiative in 106 of the 185 districts/khans will continue while support to establishment, initial training and the first planning/budgeting cycle will be extended to all 185 District/Khan Councils. Support for planning and implementation of the CS Fund and supplemental, targeted allocations will continue to be extended to all 1,621 CS Councils. The intensity of PSDD funded activities will vary depending upon the situation and expressed needs of each province/municipality, the overall intensity of D&D program investment in that province and the level of technical assistance provided by other donors.

3. Resources and Programming

3.1 Resources

The PSDD Project is financed by three donors: Swedish SIDA, UK-DFID and UNDP. Table 1 below reflects the total estimated resource availability as of September 2008 when the four month programming process began. The total of \$ 18.3 million in 2009 is a 30% increase above the 2008 total.

Table 1: 2009 PSDD Resources for Programming (\$)

Source of Funds	2008	%	2009	%
Sweden/Sida	4,600,000	38%	8,000,000	44%
UK/DfID	5,200,000	43%	8,000,000	44%
UNDP	1,700,000	14%	1,700,000	9%
2008 Carryover	600,000	5%	600,000	3%
TOTAL	12,100,000	100%	18,300,000	100%

In the four months since September, the US Dollar has strengthened considerably and, if maintained, will result in a considerable loss of funds in 2009 from Sweden and the UK through exchange rate differences. At the same time, UNDP's contribution has increased by roughly \$ 375,000 to cover the increased cost in technical assistance owing to the application of the revised UNDP salary scale described below. For the purpose of this document in December 2008, a total figure of \$ 18,675,000 has been used. It is nevertheless recognized that a strategy needs to be developed and agreed to with development partners to adjust the budget to actual financing figures as they become known by identifying budget items where savings may be incurred. This is further discussed in the budget section of this document. A summary of the 2009 allocation of PSDD resources within the overall 2009 NCDD AWPB, financed by the RGC and 16 development partners, is provided in Table 2 on the following page.

3.2 Programming through the NCDD AWPB

In line with the long established, annual programming process, between August-September 2008, the NCDD/PST coordinated the effort to obtain information from 16 donors on their expected resource allocations through 21 individual projects in 2009. During this same period, two meetings were convened between the NCDDS, PST and PSDD donors to discuss the initial allocations of PSDD resources in 2009 in light of the overall NCDD 2009 resource picture. The National Workshop on Formulation of the NCDD 2009 AWPB was held on 9-10 September 2008 in Phnom Penh presided over by the Deputy Prime Minister, NCDD Chairman. The workshop, attended by senior officials, members of the NCDD and representatives from all 24 provinces/municipalities, presented detailed information on the estimated allocation of approximately \$ 82 million in 2009 and provided strategic programming guidance to the sub-national authorities. At sub-national level, resources were programmed between October and December through the regulated planning processes, including the District Integration process, in all 185 districts. A first draft of the 2009 PSDD budget and proposed activities was submitted to UNDP in December 2008 for eventual discussion at a Project Steering Committee in mid-January 2009.

Table 2: Programming of PSDD Resources in the 2009 NCDD AWPB

Table 2: 2009 PSDD RESOURCE ALLOCATIONS					
No.	Budget Category	2008 Budget	2009 Budget	Difference	COMMENTS
I. NCDDS Managed NEX Budget					
Sub-national allocations					
1	CS Fund	500,000	1,500,000	1,000,000	\$ 1 m for development and \$.5 m for non-salary administration
2	CS Targeted	300,000	300,000	0	Second year grant to 1,199 CCWC in 18 provinces thru Treasury
3	District Initiative	350,000	840,000	490,000	Restoration of \$ 30,000 allocation to 28 Districts in 14 provinces
4	District Council Support Package	0	750,000	750,000	\$ 4,000/district to be designed early 2009/implemented after Councils elected
5	Provincial Investment Fund	1,800,000	2,200,000	400,000	Restoration to PLG levels prior to 2007.
6	Provincial Program Support (ExCom)	3,141,150	3,450,000	308,850	Increase 10% for inflation/increased workload and travel
7	MBPI/PMG Incentive Scheme	0	700,000	700,000	Reserved for application of PMG Incentive Scheme once DPs/RGC agree
8	PSDD Advisory Services Operations	495,380	540,000	44,620	Increase 10% for inflation/increased workload and travel
Sub-national allocations subtotal		6,586,530	10,280,000	3,693,470	Increase of 56% over 2008
National allocations					
9	National Ministries	500,000	775,000	275,000	\$ 375,000 programmed by PST and \$ 400,000 by PT
10	NCDD PST Operations	688,470	1,295,000	606,530	Increase due provision of \$.5 m for vehicle/motorcycle & contingency
11	NCDD PT Operations	150,000	400,000	250,000	Full 12 month budget in 2009 with training/workshops/program design events included
12	NCDD Consultancies/Studies	436,000	700,000	264,000	For programming by PST and PT.
National subtotal		1,774,470	3,170,000	1,395,530	Increase of 90% over 2008 due policy/program design and equipment
NEX TOTAL		8,361,000	13,450,000	5,089,000	Overall 64% increase of NEX budget compared to 2008
II. UNDP-Managed					
13	NTA Provincial Level	1,793,500	2,450,000	656,500	Adjustment of salaries against UNDP Service Contract scale
14	NTA National Level	373,000	525,000	152,000	Adjustment of salaries against UNDP Service Contract scale
15	ITA National Level	700,000	900,000	200,000	Increase primarily due net addition of one ITA post
16	Consultancies	124,000	150,000	26,000	To be determined
17	Agency Fees	498,500	1,200,000	701,500	New global rates applied uniformly and increased budget
UNDP TOTAL		3,489,000	5,225,000	1,736,000	Increase of 40% over 2008
GRAND TOTAL		11,850,000	18,675,000	6,825,000	Increase of 56% in total over 2008

The PSDD resources are an integral part of the overall NCDD Annual Workplan and Budget and as such are programmed within the general NCDD AWPB categories of national and sub-national program support; sub-national investments and technical assistance.

The programming of PSDD allocations for all budget categories was carried out through consultations between the NCDDS and the PSDD donors and followed both the revised logic of the PSDD project and long established criteria and guidelines. A brief explanation of the PSDD 2009 allocations and how they were programmed is provided below by administrative level.

3.2.1 Commune/Sangkat

CS Fund: The PSDD allocation to the 2009 CS Fund is \$ 1.5 million, an increase of \$ 1 million compared to 2008. The revised percentage allocations of the 2009 CS Fund for development and administration, agreed to by the government in 2007, somewhat inadvertently resulted in a decrease in the operational budgets available to the CS Councils at a time when inflation has increased the costs of fuel and supplies. At the request of government, it was agreed by the PSDD donors to provide a one-time only tied allocation of \$ 500,000 to the administration component of the CS Fund to address this problem. As such, the PSDD allocation of \$ 1.5 million to the 2009 CS Fund includes \$ 1 million for development and \$ 0.5 million for administration. The non-salary administrative costs enable the CS Council to hire additional staff, travel to meetings, monitor activities, finance the local planning process, make social interventions and purchase basic office supplies and fuel. The PSDD allocation will add an average of \$ 308 equivalent to each CS Council for non-salary administration costs and \$ 617 equivalent to each CS Council for development. As reflected in Table 3 below, the average CS Fund allocation to each CS Council in 2009 amounts to \$ 17,000 with \$ 12,000 for development and nearly \$ 5,000 for administration including the salaries of CS Counselors and Village Leaders.

Table 3: 2009 CS Fund Allocations (US \$ equivalent)

Source	Administration	Development	Total
RGC	7,560,512	18,510,220	26,070,732
PSDD	500,000	1,000,000	1,500,000
Total	\$8,060,512	\$19,510,220	\$27,570,732
Avg/CS	\$4,973	\$12,036	\$17,008

The allocation to the CS Fund ensures that PSDD retains a vested interest in the CS Fund while enabling other under-funded categories to be supported. Additional, targeted allocations to the CS Councils continue to increase dramatically and are estimated at \$ 15 million in 2009. Combined with the considerable level of CS Fund resources that carry over from one budget year to the next, there is in aggregate nearly \$ 50 million of resources available to the CS Councils in 2009; an average of more than \$ 30,000 per CS. PSDD support to and strengthening of CS Fund operations in 2009 will remain a high priority including substantial allocations for program support, capacity development, monitoring, accountability and reporting on both the overall CS Fund as well as the significant contributions from the WB/RILG, MDLF/NRM in D&D, IFAD/RPRP and other projects.

CS Targeted: As in 2008, an additional allocation of \$ 300,000 has been programmed to support the CS Women and Children Committees in 1,200 CS Councils in 18 provinces not covered by UNICEF. A total of \$ 200 per CCWC will be allocated, channelled through the National Treasury and the CS Fund system. Approximately \$ 50,000 will be reserved for training and district workshops for all CCWC in one district.

3.3.2 District/Khan

District Initiative: In August/September 2008, an evaluation of the District Initiative was undertaken by the Ministry of Interior supported by a consultant provided by DfID. The DfID consultant concluded that the District Initiative was highly relevant to the D&D reforms in: a) developing national experience directly related to policy; and b) developing capacity in those participating districts for facilitation of planning, budgeting and implementation processes ahead of the anticipated delegated authorities expected under the reforms. The recommendation that the PSDD allocation to target districts in 2009 be increased to \$ 30,000, in line with the allocations from the MDLF/NRM in D&D and EC/UNDP-DDLG projects, was agreed to by PSDD donors resulting in an overall AWPB allocation of \$ 850,000 for the 28 target districts. While the 2009 District AWPBs will be formulated and implementation will commence under the prevailing structures and procedures mandated by NCDD, the District Councils, once elected, will be fully oriented and trained on the role of oversight they are expected to play.

District Council Support Package: In May 2009, the new District Councils will be indirectly elected setting in motion new planning, programming and accountability arrangements at the lowest levels of government. A budget of \$ 4,000 each for a total of 185 Councils has been programmed under the 2009 PSDD AWPB to support initial capacity development and planning/budgeting processes between June and December 2009. By March of 2009 it is anticipated that detailed guidelines for the use of the support package will have been designed for agreement with development partners and approval by the NCDD.

3.3.3 Province/Municipality

Provincial Investment Fund (PIF): The 2009 allocation to the Provincial Investment Fund has increased from \$ 1.8 million in 2008 to \$ 2.2 million in 2009 (22 percent). Allocations to the 24 province/municipalities are determined through a formula using a base rate and population density. The NCDD announced the PIF allocations at the September 2008 National Workshop and the PIF resources were subsequently programmed by each province against established criteria and guidelines including the District Integration Workshop process between October and December. The PIF continues to be the only fully discretionary resources allocated to the provincial level and the management functions and systems applied continue to generate valuable experience and capacity for the future role of the province under the reforms.

Provincial Program Support: The 2009 allocation to the 24 Provincial/Municipal Executive Committees for a wide range of program support activities has been increased 10% compared to 2008, from \$ 3.14 to 3.45 million, mostly to take into account inflation and increased fuel costs. Allocations by the NCDD are based on approved administrative guidelines, standard unit costs reviewed and revised each

year, a variety of formulae based on the number of administrative units and staff required and in light of specific allocations to target provinces provided by other donor projects. The number of projects, volume of work and resources managed under the Executive Committees has grown steadily under the NCDD's mandate. On the positive side, this reflects a confidence and a high degree of harmonization in the systems used for management of external resources at sub-national level. On the negative side, there is clear evidence that the increased work load combined with the stagnant level of incentives has resulted in a decline in performance in some provinces and in some areas of work. Specific measures are foreseen to address this issue in the 2009 AWPB.

PSDD Sub-national Operations: The 2009 allocation of \$ 540,000 for operations costs of the 24 provincial advisory teams has also increased 10% to account for inflation. These funds continue to be budgeted for separately but are managed by the ExComs. The funds cover office support costs and enable the 150 provincial advisors to travel within and outside the province for monitoring, training, coordination and workshops.

3.3.4 National Level

Support to NCDD Sub-Committees and National Ministries: In agreement with development partners, allocations totaling \$ 775,000 have been programmed for support to NCDD Sub-committees and National Ministries in 2009; an increase of 50% compared to 2008. Approximately \$ 375,000 will be channelled through agreements negotiated with the NCDDS Program Support Team for Ministries providing ongoing support, supervision and capacity development for sub-national level including the Ministries of Interior/DoLA, Economy and Finance, Planning, Women's Affairs and Rural Development. An additional \$ 400,000 is set aside for the NCDD, its Sub-Committees and other National Ministries who are engaged in formulation of policy, regulations, systems and capacity development strategies. These funds will be negotiated with the involvement of the NCDDS Policy Team.

NCDD Secretariat Operations: The NCDD Secretariat, which has been in transition throughout the life of the PSDD project, has now received a longer term mandate under the recently approved sub-decree on the National Committee for Democratic Development. The Secretariat consists of a Program Support Team, engaged in formulating and coordinating the overall execution of annual work plans and budgets and a Policy Team, engaged in coordination of overall policy on D&D. In 2009, an allocation of \$ 1.3 million has been provided from the PSDD project for the Program Support Team which includes a 10% increase for core operational costs to account for inflation and \$ 500,000 specifically for procurement of transport and office equipment. An allocation of \$ 400,000 has been provided for support costs of the Policy Team including funds for national consultations, dissemination activities related to the law and regulations, workshops and training activities. The Program Support Team and Policy Team are preparing detailed work plans and budgets for their own operational requirements which are expected to be discussed and approved in January 2009.

NCDD Performance Based Incentive Scheme: Beginning in November 2008, a consultancy to formulate a NCDD Performance Based Incentive Scheme based on MBPI and PMG principles and procedures commenced. It is anticipated that a new scheme would be finalized and ready to implement in the first quarter of 2009 consisting of a combination of MBPI and PMG incentive schemes as well as

contracted staff. As such, an allocation of \$ 700,000 has been programmed under the 2009 AWPB to contribute to the increased costs that would result from the application of the new incentive rates primarily at sub-national level.

3.3.5 Technical Cooperation

Provincial Advisory Services: The total PSDD allocation for provincial advisory services contracted by UNDP in 2009 amounts to \$ 2,540,000; an increase of approximately 25% compared to 2008. The increased allocation is a result of: a) a revision and full application of the UNDP National Service Contract (NSC) salary scales to NSC holders under PSDD; and b) the transfer of 12 Local Administration Advisors supporting the MDLF NRM in D&D program from NCDDS contracts to UNDP NSC contracts.

National Advisory Services: The total 2009 allocation for Advisory Services at national level, both international and national, amounts to \$ 1,545,000 with \$ 1 million for international advisors and \$ 545,000 for national advisors. This again represents an increase of some 20% compared to 2008 which is a result of the following: a) the application of the UNDP NSC salary scale resulting in increases for most advisors; b) three new senior national advisors to support the NCDDS Policy Team; and c) one additional international program advisor position which was filled in beginning October.

Consultancies: The 2009 allocation for consultancies has increased by 20% from \$ 560,000 in 2008 to \$ 850,000 in 2009. This is broken down into consultancies directly managed by UNDP (\$ 150,000) and those managed under NEX arrangements by the NCDD Secretariat (\$ 700,000). Resources available for consultancies will be programmed by both the Program Support Team and Policy Team and will need to be closely coordinated with consultancies and studies planned by other donors supporting the NCDD.

Further details on planned Technical Cooperation in 2009 are provided in following sections of the report. While the overall allocation to technical cooperation under PSDD has increased in 2009, against the \$ 82 million NCDD AWPB and the additional demands in 2009 related to program design and transition, overall percentages of TA programming remain favourable.

4. Harmonized PSDD Support to the NCDD AWPB

4.1 Harmonized Programming of Resources

4.1.1 Role of PSDD Resources

As expressed in the PSDD Project Document, approved by the NCDD on 22 January 2007, PSDD resources are programmed to provide harmonized support to the NCDD's AWPB for maintaining and strengthening existing structures and systems for decentralised development; improving investments and service delivery at sub-national levels and to the design and implementation of a national program for D&D. Under the investment and service delivery component, in 2009 PSDD resources continue to represent the only additional, external budget support to the RGC's Commune/Sangkat Fund; the PSDD contribution to the District/Khan Initiative has been harmonized with the resources provided through the Danida-UK NRML and the EC-UNDP DDLG projects; and the PSDD contribution to the Provincial Investment Fund, allocated by formula to all 24 provinces, represent the only un-earmarked, discretionary resources programmed directly by the provincial authorities. For maintenance and strengthening of structures and systems, PSDD resources have been allocated for core program operations costs and technical assistance in relation to the overall requirements of 12 of the 16 donors supporting the NCDD at both national and sub-national levels.

PSDD funded advisors continue to be instrumental in assisting the government and donors to design their individual support projects ensuring that the principles of harmonization are followed. In all cases the use of the NCDD systems, owned and operated by government, is a precondition for partnership agreements covering the areas of financing, planning, programming, budgeting, contracting, implementation, overall reporting and auditing. Owing to this adoption of common systems, the core advisory services supported by PSDD funds at national and provincial level will be able to provide harmonized support for the programming, budgeting, financing and implementation for all sources of funds. The savings in technical assistance that results from this harmonized approach, as opposed to stand alone projects, is conservatively estimated at US \$ 2 million per year. The program support budgets at national and provincial level for overall execution of the NCDD AWPB are also harmonized resulting in additional savings.

Against the total US \$ 82 million, 2009 NCDD AWPB, the PSDD contribution of US \$ 18.3 million represents 21%; a 5% increase compared to the percentage in 2008. At sub-national level, PSDD allocations represent 17% of the overall \$ 66.7 million allocated as of December 2008. The PSDD resources cover 70% of the core technical cooperation and 75% of the overall program support costs while the national budget and other donor partners cover 90% of the investment funds. This is reflected in Table 3 below which presents the NCDD donor portfolio in 2009 and the provinces covered by individual donor projects. A brief description of the harmonized partnership arrangements for components/projects under the NCDD framework in 2009 follows.

Table 4: Scope of Sub-National Activities supported by PSDD in 2009

No	Province	D/K	C/S	Population	Provincial Budget (USD)	PSDD %	RGC %1	WB %2	ADB %	MDLF / NRM %	IFAD %	UNICEF %	EC-UNDP %	Other %	# PSDD Advisors
1	Banteay Meanchey	8	64	675,463	2,077,260	26%	41%	20%					8%	5%	6
2	Battambang	13	96	948,706	3,899,374	18%	31%	13%	22%					15%	8
3	Kampong Cham	16	173	1,746,612	7,156,513	12%	32%	24%	9%	16%			3%	3%	9
4	Kampong Chhnang	8	69	444,475	2,071,416	23%	37%	15%	15%				8%	2%	6
5	Kampong Speu	8	87	690,963	3,212,275	16%	36%	14%		21%		13%		0%	7
6	Kampong Thom	8	81	624,846	4,704,383	10%	21%	27%	16%	11%		10%		5%	7
7	Kampot	8	92	575,013	2,639,398	20%	36%	15%		22%			7%	0%	7
8	Kandal	11	147	1,185,791	3,783,898	19%	45%	20%	1%				5%	10%	7
9	Koh Kong	8	33	130,562	1,287,784	26%	23%	12%		30%			8%	1%	6
10	Kratie	5	46	285,251	3,297,865	12%	15%	46%		14%	9%			4%	9
11	Mondulkiri	5	21	47,391	918,263	30%	19%	12%		38%				1%	6
12	Phnom Penh	7	76	1,001,951	2,176,307	26%	50%	20%					5%	0%	6
13	Preah Vihear	7	49	141,749	1,573,956	30%	28%	13%			27%			2%	8
14	Prey Veng	12	116	1,065,550	5,405,881	12%	27%	12%	9%		22%	9%	4%	6%	9
15	Pursat	6	49	385,301	5,035,720	7%	12%	5%	62%	9%				5%	6
16	Ratanakiri	9	49	124,403	2,188,480	19%	20%	9%		29%	17%		5%	1%	9
17	Siem Reap	12	100	776,978	4,950,585	11%	24%	10%	39%	15%				1%	7
18	Sihanoukville	3	22	173,904	1,083,992	26%	21%	18%		26%			9%	0%	6
19	Stung Treng	5	34	92,870	1,016,430	34%	29%	15%				21%		2%	5
20	Svay Rieng	7	80	529,531	3,458,808	14%	26%	11%	11%		14%	12%	4%	8%	8
21	Takeo	10	100	881,940	2,887,654	21%	44%	18%					6%	11%	6
22	Otdar Meanchey	5	24	144,371	997,046	33%	28%	14%				23%		1%	5
23	Kep	2	5	34,065	425,151	40%	12%	14%		34%				0%	3
24	Pailin	2	8	54,203	471,880	48%	20%	16%						17%	2
	All provinces	185	1,621	12,761,889	66,720,319	17%	29%	17%	13%	10%	4%	3%	3%	5%	158

4.1.2 RGC/CS Fund

The Royal Government's Commune Sangkat Fund represents one of the major achievements over the last five years of the reform process and is today perhaps the single most efficient component of the national budget in terms of predictability and transparency. While in 2009, the PSDD contribution to the CS Fund represents only 5 % of the US \$ 27 million total, PSDD support to CS Fund operations in 2009 will be comprehensive. PSDD funded advisors support: the MEF for the annual programming of the CS Fund allocations to individual communes; the National and Provincial Treasury in financial accounting and reporting; the MoI DoLA in design of annual training plans and national supervision of the CS Fund; and the 24 provincial ExComs who provide services to all 1,621 CS Councils throughout the year.

4.1.3 WB/Rural Investment and Local Governance Project

The \$ 37 million, RILGP Additional Financing grant, approved in 2007 and extending to end 2010, is entering its second full year of implementation. In 2008, as per the financing agreement, coverage was expanded to include all provinces and all CS Councils in the entire country with the exception of Phnom Penh and its 76 Sangkat Councils. Supervision missions and technical audits during 2008 revealed a number of weaknesses in overall performance at sub-national level which have been discussed at length with the NCDD Secretariat. In the 2009 RILG AWPB, prepared with PSDD assistance, a variety of measures to strengthen overall performance of the CS Fund as well as the support structures, systems and procedures have been planned. Most of these measures are included as outputs in this document as PSDD support to the RILGP remains comprehensive. The 2009 RILG AWPB amounts to \$ 19.5 million with an estimated \$ 16 million for reimbursement of local infrastructure investments by the CS Councils; \$ 580,000 for civil works and goods; \$ 2.5 million for consultancies and advisory services; and \$ 230,000 for program support/operating costs. In early 2009, a design mission will be fielded by the World Bank to formulate RILGP Phase 2 which is expected to continue support to the CS Fund and CS Councils while adding a new component of support to the Districts. A large number of studies/consultancies are planned in 2009 related both to RILG implementation, RILGP2 design and the balance of funds against the national program design. As the RILG Project extends one year beyond the planned closing date of the PSDD project, consultations in early 2009 will be important in order to secure support necessary for future implementation.

4.1.4 International Fund for Agriculture Development (IFAD)

The nearly ten year relationship between PSDD development partners and IFAD continues in 2009 through support to two IFAD projects which are developing important lessons in D&D for the Ministry of Agriculture. The seven-year, Rural Poverty Reduction Project (RPRP) is entering its sixth and next to last year of implementation and the seven-year Rural Livelihood Improvement Project (RULIP), approved in 2007, will begin its second full year of implementation. The lead agency responsibility for both the RPRP and RULIP Projects rests with the Ministry of Agriculture with the NCDD playing the role of cooperating agency. Both projects benefit from harmonized PSDD support. Under a cost sharing agreement between IFAD and UNDP for the RULIP project, additional UNDP resources have been added to the PSDD project in order to provide agricultural TA in the three target provinces and at the level of the Ministry in a similar way as has been provided to the RPRP project over the past six years. PSDD-funded technical support to the Ministry of

Agriculture in 2009 will consist of one international advisor and three national advisors. At provincial level, there will be ten national agriculture advisors supporting D&D agriculture in five provinces. The 2009 AWPBs for the two projects combined amount to \$ 3.1 million and, in line with cost-sharing arrangements, include some \$ 350,000 for provincial program support costs.

4.1.5 Danida-DfID/Natural Resource Management and Livelihoods Project (NRM&L)

The Danida-DfID NRM&L program, which commenced in 2007, includes a five-year NRM in D&D Component signed with the NCDD and budgeted at US \$ 20 million. The NRM&L D&D component is executed by the NCDD, fully adopts the harmonized NCDD systems and by design benefits from comprehensive support from PSDD advisory services at national and provincial level. The NRM in D&D component will expand to two more provinces in 2009, Kampong Thom and Kampot, and overall geographic targets will increase from 500 to 636 CS and from 66 to 78 District/Khans. In 2009, a total of \$ 6.2 million has been programmed under the NRM in D&D component with \$ 5.4 million, 86 %, allocated to investment at commune, district and province levels. PSDD funded advisors are instrumental in program design; preparation of annual work plans and budgets; design of training programs; facilitation of assessment missions; preparation of TORs for advisors, consultancies and M&E studies; and support to implementation. Following the 2008 annual program review of the NRML, agreement was finally reached to recruit one international advisor for the period 2009-2010 who will focus attention on policy and regulatory aspects related to NRM as well as support functional reviews and analysis. The PSDD compliment of advisors in 2009 consists of one Local Administration/NRM advisor in each of the 12 provinces and 2 national advisors within the NCDDS Program Support Team.

4.1.6 EC-UNDP/Democratic Development and Local Governance (DDLG)

The DDLG project is executed by the Ministry of Interior and focused on strengthening the National and Provincial Associations of Commune Councils and financing of inter-communal investments at local level. In 2009 roughly \$ 3.5 million has been programmed under the DDLG project with \$ 1.85 million representing allocations to sub-national level primarily for investment. For the investment component, the project has adopted the harmonized NCDD systems and benefits from comprehensive PSDD support at sub-national level. In line with cost-sharing arrangements, in 2009 the project will contribute approximately US \$ 200,000 to program support costs in the ten target provinces.

4.1.7 UNICEF/Seth Koma

Cooperation between UNICEF and PSDD is governed by a guideline developed and approved in 2008 on cooperation between the NCDD and UNICEF for implementation of the Seth Koma program. The UNICEF Seth Koma program largely adopts the harmonized NCDD systems in the six target provinces. Against annual work plans and budgets signed between UNICEF and the six provinces, UNICEF directly manages the transfer of funds for implementation but relies on PSDD funded advisory services in the six provinces for comprehensive support to the ExComs for financial management, contracting, monitoring, implementation and reporting. Through the partnership, PSDD funded TA assumes the primary role for support to sub-national execution while UNICEF funded TA focuses on policies and strategies

for mainstreaming social development at province and commune level. Close collaboration between UNICEF and the PSDD funded advisors at the Ministry of Interior focuses on the design of training programs, the adaptation of regulations to promote social development and in 2008 the expansion of the CCWCs to the entire country. In 2009, roughly \$ 2.8 million has been programmed under the Seth Koma program. UNICEF is contributing US \$ 60,000 to finance core program support in six provinces in addition to \$ 270,000 of project specific support through the ExComs.

4.1.8 Government of Canada/Agriculture Development in Mined Areas of Cambodia (ADMAC)

The four-year Canada-funded ADMAC Project is entering its final year of implementation in three heavily mine-affected provinces in the northwest. The project is executed by the Ministry of Agriculture in the same manner as the IFAD projects, fully adopts the harmonized NCDD systems and benefits from comprehensive PSDD funded advisory services at both national and provincial level. Specific PLG advisors assigned to support implementation include one national advisor in the Ministry of Agriculture and two agriculture advisors for the three target provinces. In 2009, a total of \$ 450,000 has been programmed under ADMAC and in line with cost sharing arrangements Canada will contribute US \$ 22,000 for program support to the ExComs in the three target provinces.

4.1.9 World Bank Land Allocation for Socio-Economic Development (LASED)

The Land Allocation for Socio-economic Development Project (LASED), under the Ministry of Land Management, was approved in June 2008 and is now operational with a total budget amount of \$ 11.5 million. In agreement between the NCDD and the Ministry of Land Management, the investment support to the sub-national level will be channelled through the NCDDS/PST for which all incremental program support and technical assistance costs at national and sub-national level will be covered by the project. The project consists of four components as follows: a) commune-based social land concession (SLC) planning and land allocation; b) community development services and investments; c) sustainable and transparent SLC program and development; and d) project management and administration. In 2009, a total of \$ 3.38 million has been programmed in support to three provinces, three districts and eight communes on land use planning, land identification and allocation, investment to support poor families on social services and infrastructure such as agriculture extension, drinking water facilities, health education and some operational support to the ExComs and the NCDD/PST.

4.1.10 World Bank Demand for Good Governance : One Window Service Office (DFGG-OWSO)

Under the DfGG Project, a four-year component, 2009-2012, involving the establishment of a one window service office and ombudsman office (OWSO), was approved in September 2008 with a total budget of \$ 4.7 million including \$ 1.2 million from the Royal Government. The project builds on four years of pilot experience in Battambang and Siem Reap districts and involves the expansion of the OWSO approach to 22 provincial towns and urban districts in the country. In the first year, 2009, the project will expand to seven new target districts of Takhmao (KDL), Thbong Khmom (KPC), Steung Sen (KTM), Ochrov (BMC), Peam Ro (PVG) and Kratie (KRT). In 2009, \$ 1.1 million has been programmed to support the target districts and operations at national and ExCom level. These activities include

renovations of buildings for the OWSO, equipment, training of OWSO staff on a variety of functions transferred by national level to the municipalities/districts, organization of citizen forums, dissemination campaigns, and monitoring and operational support for the ExComs and the NCDD District Support Team (DST). The component will be executed under the NCDD with the DST providing day to day management. Budget support to the sub-national level will be channelled through the NCDDS/PST for which all incremental program support and technical assistance costs at national and subnational level will be covered by the project.

4.1.11 UNCDF Project: Innovations in Decentralized Local Development (IDLD)

While this project has been considerably delayed, 2009 should see the first full year of operations. While overall execution rests with the NCDD, IDLD involves direct support to the Ministry of Economy and Finance for the design of sub-national financial management systems and cooperation with Ministry of Planning for the design of sub-national planning systems. The project utilizes the NCDD structures and systems at national and provincial level and benefits from comprehensive PSDD funded advisory services at sub-national level.

4.1.12 PSDD Support to Other Donor Projects

The remaining donor projects under the 2009 NCDD AWPB include the ADB's Commune Council Development Project (CCDP2) and Tonle Sap Sustainable Livelihoods Initiative (TSSL); the USAID/PACT Local Administration and Reform Project (LAAR); and smaller decentralization initiatives by UNFPA, GRET and AusAid. With the exception of AusAid and GRET, all of the above projects are either implemented by or coordinated with the Ministry of Interior Department of Local Administration. As such, while they do not utilize the NCDD structures and systems for implementation there is regular dialogue and coordination with PSDD advisors at national level, through the comprehensive PSDD assistance provided to MoI/DoLA, and at provincial level through the assistance provided to the ExComs. Finally, PSDD funded advisors spend considerable time and energy assisting a wide variety of donor design missions providing advice and experience particularly related to execution arrangements and systems with the overall objective of reducing transaction costs and duplication related to external assistance.

4.1.13 Summary Analysis of PSDD Harmonized Support to the 2009 NCDD AWPB

To better reflect the range of support provided to the various funds and projects within the 2009 NCDD AWPB, a detailed analysis of the PSDD program support and technical assistance budgets at both national and sub-national level that can be attributed to support of the CS Fund and other donor projects within the NCDD portfolio was carried out. Table 4 reflects the result of this analysis with the provision of PSDD program support and advisory services allocations broken down by source of funding. For the purposes of this analysis, the total contribution from PSDD has been included in the individual components/projects with the PSDD contribution then expressed as a percentage. As such, the total PSDD support to other components/projects has been subtracted from the total PSDD project cost at the end. It is important to note that this analysis does not reflect the manner in which harmonized support is managed or the manner in which PSDD funded advisors

operate. With the exception of agriculture, there are no specific earmarking of PSDD support to individual donors and the provision of PSDD technical assistance and program support is planned and managed in accordance with the overall requirements at national and sub-national level.

Table 5 : Programming of PSDD Resources in the 2009 NCDD AWPB (\$)

Fund	Province	2009 Budget	PSDD Program Support and TA				
			Program Support	TA	Total	% of PSDD total	% of Project Total
RGC	24	26,143,902	897,750	350,415	1,248,165	13%	4.6%
WB-RILG	23	19,500,000	1,017,450	584,025	1,601,475	16%	7.6%
WB-LASED	3	3,222,167	29,925	77,870	107,795	1%	3.2%
WB-DDfG-OWSO	9	727,303	29,925	77,870	107,795	1%	12.9%
IFAD-RPRP	2	1,840,101	89,775	97,338	187,113	2%	9.2%
IFAD-RULIP	3	1,226,384	59,850	116,805	176,655	2%	12.6%
Danida/UK/NRML	10	7,073,000	418,950	311,480	730,430	7%	9.4%
EC-DDLG	10	3,458,332	119,700	116,805	236,505	2%	6.4%
UNICEF-SK	6	3,552,933	59,850	116,805	176,655	2%	4.7%
UNCDF-IDLD	2	804,000	29,925	38,935	68,860	1%	7.9%
CANADA	3	443,720	29,925	38,935	68,860	1%	13.4%
Others	24	14,025,867	299,250	155,740	454,990	5%	3.1%
Subtotal		65,844,948	3,082,275	2,083,023	5,165,298	52%	7.3%
PSDD	24	17,065,000	2,902,725	1,810,478	4,713,203	48%	28.4%
Grand Total		82,909,948	5,985,000	3,893,500	9,878,500	100%	10.6%

The analysis reveals the following:

- Total PSDD program support and technical assistance for the NCDD structures in 2009 amounts to \$ 9.8 million. Of this total, an estimated \$ 5.1 million, or 52%, is programmed for harmonized support to other components/projects under the NCDD framework.
- The balance of the total, \$ 4.7 million or 48%, can be considered as funds directly related to PSDD funded project investments, services, support and policy initiatives.
- PSDD program support and TA allocations to the CS Fund alone amount to \$ 2.8 million or nearly one third of the total. This is reflected in the table above under support to RGC and WB/RILG.
- As indicated in the far right column of the table, on average the PSDD support in 2009 to other components/projects represents 7.3% of the total individual component/project cost.
- Ten of the twenty one projects under the NCDD framework in 2009 have no technical support programmed at sub-national level and only a modest level of provincial program support and as such are fully reliant on the support from PSDD resources for implementation.

4.2 PSDD Funded Advisory Services and Staffing Plan

The proposed allocation of PSDD resources for technical assistance in 2009, as compared to 2008, is reflected in Table 5 below.

Table 6: PSDD TA Resources in 2009 (\$)

NO	CATEGORY	2008		2009		Difference	
		Staff	Budget	Staff	Budget	Staff	Budget
1	ITA National	6	700,000	7	900,000	1	200,000
2	NTA National	22	375,000	26	525,000	4	150,000
3	NTA Provincial	144	1,800,000	158	2,450,000	14	650,000
	subtotal	172	2,875,000	191	3,875,000	19	1,000,000
4	Consultancies/UNDP	3	125,000	4	150,000	1	25,000
5	Consultancies/PST	10	436,000	13	600,000	3	164,000
	subtotal	13	561,000	17	750,000	4	189,000
	TOTAL		3,436,000		4,625,000		1,189,000

A summary description of the changes in number of advisors and budgets by category is as follows:

4.2.1 International Technical Advisors

In agreement with PSDD donors a second Program Advisor post was established within the NCDDS/PST and the post was filled by 1 November 2008. As reflected in the table below, in 2009 there will be six ITA within the PST and one ITA based in the Ministry of Agriculture supporting the IFAD portfolio of projects.

Table 7 : 2009 International TA Positions

NO	POSITION	FUNCTION
1	Senior Program Advisor	Management/Coordination
2	Program Advisor	Systems/RILG management
3	Program Advisor	Systems/Regulations
4	M&E Advisor	Program M&E/Studies
5	Program Consultant (Mgt/Ops)	Management/Operations
6	Finance/Admin Advisor	NCDD AWPB Finance/Admin
7	Agriculture Advisor	Agriculture D&D

4.2.2 National Technical Advisors at national level

In 2009 there are four additional NTA posts at national level; three associated with the NCDDS Policy Team and one additional IT position. The increase in budget of \$ 150,000 is due both to the increase in number of posts and to the application of the UNDP NSC rates for PSDD advisors. The table below reflects the compliment of NTA at national level.

Table 8 : 2009 NTA Positions at National Level

Institutional Location	No.
NCDDS/Program Support Team	11
NCDDS/Policy Team	3
Mol/DoLA	9
MAFF Program Unit	3
Total	26

4.2.3 National Technical Advisors at provincial level

As noted in the table, there are an additional 14 posts at sub-national level in 2009. In support to the MDLF NRM in D&D component, there has to date been one advisor assigned to each target province under contract to the PST and financed by PSDD. As the role of this NRM advisor is the same as for all other PSDD advisors there have been problems encountered owing to the differences in contractual status. Many of the trained NRM advisors have begun to depart for other positions at a critical time in program implementation. As such, agreement was reached with PST to move the contract to UNDP in line with other provincial advisors. As regards the increase in budget of \$ 650,000 this is due in large part to the increase in staff above and also to the application of the UNDP NSC rates to the PSDD advisor positions. The table below reflects the compliment of NTA at provincial level.

Table 9 : 2009 NTA Positions at Provincial Level

POSITION	NO.	COUNTERPART
Sr. Program Advisor	24	Governor/PRDC/ExCom
M&E/Sector Advisor	24	Contract Admin/M&E Unit
Finance Advisor	22	Finance/Treasury Unit
Local Admin	41	Local Admin Unit
Local Admin-NRM	12	Local Admin Unit
Infrastructure	23	Technical Support Unit
Agriculture	12	Agriculture Department
TOTAL	158	Average 6.6 per province

4.2.4 Consultancies

As reflected in Table 9 above, while the UNDP managed consultancies remains largely the same as in 2008 there is a 30% increase in the NCDDS administered consultancies. Given the high number of consultancies planned by other development partners and the reduction of PSDD funds due to the exchange rates, this one area where further reduction may be possible.

4.2.5 Summary Staffing Plan

The following table summarizes the total expected 2009 contracts to be issued by UNDP.

Table 10 : 2009 UNDP Contracts

Contract Type	Number
NSC Contracts	184
International Contracts	7
Consultancy Contracts	4
TOTAL	195

4.3 NCDD Incentive Scheme

In the last quarter of 2008, a study to formulate a new NCDD Performance-based incentive scheme commenced which will carry over into the first quarter of 2009. At the time of drafting this document, discussions between the NCDD and development partners had just commenced and were to be followed by negotiations between NCDD, CAR and MEF on the details of the proposed scheme. As a starting point what appears to be agreed to is the following:

- The current NCDD incentive scheme and rates should be phased out as early as possible in 2009 in accordance with the provisions under the new sub-decree on MBPI/PMG, the expressed commitment of the EC member states and the UNDP, and as current incentive rates are too low for the work expected to be undertaken;
- At the sub-national level, a PMG scheme will be established for the roughly 1,800 staff of the 24 PRDC Executive Committees and new output based performance assessments will be introduced;
- Discussions will be held with those development partners following the ExCom rates and procedures for civil servants working on their projects to ensure that the same principles will also be applied;
- Subject to agreement by the CAR and MEF, incentive rates for an interim period would be based on expected work outputs and not civil service rank enabling greater equity to be maintained for civil servants carrying out the same responsibility; and
- As the NPDD will involve the establishment of provincial, municipal and district/khan administrations with specific civil service provisions, the interim incentive scheme should be designed so as to phase into the longer term administrative arrangements under the NPDD.

Subject to agreement being reached between NCDD, CAR, MEF and development partners by the end of January it is hoped that by latest March 2009 the new scheme can be put in place with improved supervision and output based monitoring in exchange for increased incentive rates for civil servants working full time on the RGC D&D reforms at sub-national level. Table 11 on the following page reflects the current numbers of sub-national staff by position, by project and by source of funds and reflects both the 2008 total costs and the estimated cost in 2009 under the assumptions above. The total estimated cost increase under the new incentive rates amounts to approximately \$ 760,000 of which PSDD's portion amounts to \$ 520,000. As agreed with development partners, \$ 700,000 has been kept in reserve under the 2009 PSDD budget for this purpose and will be sufficient to cover the increase.

At national level, further discussions will also be necessary before consensus is reached. Under the new National Committee on Democratic Development, the NCDD Secretariat will no longer be the General Directorate of Local Administration and a significant portion of the staff will be independently recruited, contracted and paid salaries instead of incentives. For those civil servants working in the NCDD Secretariat, an MBPI scheme will need to be formulated, discussed and agreed with development partners, CAR and MEF. At the time of writing this document it had not yet been clarified how many of the positions in the NCDDS would be considered contract positions and how many would be filled by civil servants who would then be eligible for MBPI payments.

Table 11: NCDD Sub-National Incentive Scheme 2008 and 2009
TOTAL PROVINCIAL STAFF ON SALARY SUPPLEMENTS UNDER NCDD FRAMEWORK BY PROJECT (October 2008)

BY PROJECT	PM/ Audit	LAU				CAU	FU	TSU	PDA			MAPU	PDWA	Grand Total	Fund Source
		Office	PFT	DFT	TOTAL				Province	District	Total				
IFAD/RPRP			23	23	46	4	10	6	32	262	294			360	IFAD
IFAD/RULIP					0	3	3				0			6	IFAD
CANADA/ADMAC					0	4	3		19	71	90	19		116	ADMAC
UNICEF/Seth Koma			9	45	54	6	7				0	5		72	UNICEF
MDLF/NRM in D&D			24	38	62						0			62	PSDD
PSDD/CORE	48	91	162	598	851	175	267	249			0	11		1,601	PSDD
TOTAL	48	91	218	704	1,013	192	290	255	51	333	384	30	5	2,217	

TOTAL ANNUAL COST OF PROVINCIAL STAFF ON SALARY SUPPLEMENTS UNDER NCDD FRAMEWORK BY FUND SOURCE (October 2008)

BY PROJECT	PM/ Audit	LAU				CAU	FU	TSU	PDA			MAPU	PDWA	Grand Total	Fund Source
		Office	PFT	DFT	TOTAL				Province	District	Total				
IFAD/RPRP			22,080	11,040	33,120	3,840	9,600	5,760	30,720	125,760	156,480	0	0	208,800	IFAD
IFAD/RULIP			0	0	0	2,880	2,880	0	0	0	0	0	0	5,760	IFAD
CANADA/ADMAC			0	0	0	3,840	2,880	0	18,240	34,080	52,320	18,240	0	77,280	ADMAC
UNICEF/Seth Koma			8,640	21,600	30,240	5,760	6,720	0	0	0	0	4,800	0	47,520	UNICEF
MDLF/NRM in D&D			23,040	18,240	41,280	0	0	0	0	0	0	0	0	41,280	PSDD
PSDD/CORE	46,080	87,360	155,520	287,040	442,560	168,000	256,320	239,040	0	0	0	10,560	0	1,249,920	PSDD
TOTAL	46,080	87,360	209,280	337,920	547,200	184,320	278,400	244,800	48,960	159,840	208,800	28,800	4,800	1,630,560	

SUMMARY COSTS 2008

DONOR	Staff	%	Cost	%
PSDD	1,663	75%	1,291,200	79%
IFAD	366	17%	214,560	13%
UNICEF	72	3%	47,520	3%
CANADA	116	5%	77,280	5%
TOTAL	2,217		1,630,560	

SUMMARY: ESTIMATED COSTS 2009 IF SCHEME APPLIED IN MARCH

DONOR	Staff	%	Cost	Increase
PSDD	1,663	75%	1,811,640	520,440
IFAD	366	17%	375,240	160,680
UNICEF	72	3%	77,580	30,060
CANADA	116	5%	125,500	48,220
TOTAL	2,217		2,389,960	759,400

4.4 Accountability

Systems to ensure the accountability of Cambodian public servants for the management of public funds, including donor resources, remain weak. Both in order to safeguard and ensure the proper use of project resources, and to further the wider project objective of securing the poverty reduction benefits of improved governance, this will continue to be a key concern of PSDD in 2009.

Much as with capacity development, strengthening accountability involves working on systems, institutions and people. As regards accountable systems, the NCDD finance and administration manuals as well as the CS Project Implementation Manual were revised in 2008 and are expected to be approved by the NCDD in December for use in 2009. Based on the CS Budget execution study in April/May 2008, a number of recommendations for both improved transparency and efficiency with the CS Fund operations have been followed up and a work plan for further follow up in 2009 will be available by the end of December 2009. As regards people, a revised and expanded mandate for the National and Sub-national Accountability Working Groups was approved by the NCDD in December 2008 for use in 2009. As such, the work of revising a wide range of procedures, formats, budgeting and monitoring of accountability has been carried out in 2008 and the priority for PSDD in 2009 will be to ensure that proper implementation follows. This will involve information dissemination campaigns, workshops, training courses and regular reporting.

The internal auditing mechanism, carried out by PRDC internal auditors in each province and at the level of the NCDDs/PST, as well as continuous technical audits and monitoring will continue in 2009. For both the internal audit function and the AWG mechanism, the establishment of new sub-national councils will require a review of lines of accountability and reporting structures to ensure that responsibility is placed with authority.

As regards external audit, the joint audit arrangements for six of the largest D&D projects will continue in 2009. In agreement with donors, a two year contract will be awarded to the selected audit firm covering the 2008 and 2009 accounts and every effort is being made to ensure that the audit for 2008 commences by February 2009 to avoid the excessive delays that have been experienced over the past two years.

It is recognized that strengthening government accountability systems will require patience and sustained effort. In the short term, an explicit function of PSDD advisors is to monitor the use of project funds and, where substantial concerns arise, to bring these concerns to the attention first of their respective counterparts and then, in the event of no remedial action being taken, to the attention of the Project Director and Senior PSDD Advisors at national level. As the NPDD takes shape, the experience to date with the variety of accountability mechanisms supported by PSDD will need to be reviewed and feed into the emerging sub-national framework

4.5 Gender Mainstreaming

Gender mainstreaming remains a priority within the PSDD Project and has consistently been addressed in terms of planning processes (ensuring equitable representation in national and sub-national forums, workshops and meetings); budgeting decisions (ensuring that tied allocations are made each year at national and sub-national levels to gender mainstreaming activities); MIS system design (ensuring that data is disaggregated by gender); and training (ensuring women are represented to a maximum extent in trainee selection). In 2009, while continuing with the above mainstreaming, additional PSDD support will be given to the emerging mechanisms at local level which have potential for significant impact on local gender issues in the future.

Commune Council Women and Children's Committee (CCWC)

In 2008, PSDD support for the expansion of Commune Council Women and Children's Committees (CCWC) from 422 CS in 6 provinces to an additional 1,199 CS in the remaining 18 provinces commenced in August immediately after the national elections. By end November, provincial/municipal and district/khan workshops had been conducted in all provinces to disseminate the NCDD Guideline on Functioning of the CCWC with total attendance of 19,700 people of whom one third were women. Quarterly meetings were proceeding in 40% of the districts and CCWCs in 30% of the CS had prepared work plans. An allocation of \$ 200 equivalent through the CS Accounts to support the 1,200 CCWC's operational costs continues in 2009 while it is hoped that from 2010 onwards the funds will be budgeted by the CS Councils themselves as part of the CS Fund. The CCWCs are meant to both: monitor and assess various social indicators within their communities as well as advocate and promote increased attention to social dimensions of democratic development. In networking with other CCWCs through district level workshops and meetings, information flows up through reports and dialogue and guidance and awareness raising flows down through facilitation. Facilitation and training will again be delivered in 2009 following analysis of performance and experience in the formation phase of the CCWC development.

District/Khan Women and Children's Committee (DCWC)

The mandatory District/Khan Women and Children Committees will begin to be established in the second half of 2009. As the district is where advocacy and protection issues first meet state services and authority, the DCWC has a potentially strategic role. As at the commune level it is expected that a member of the District Council will serve as chair of the DCWC with the other members largely consisting of representatives from the CCWCs ensuring that priorities and issues are directly addressed to those with authority and responsibility to take action. Through a support package, programmed for all District Councils following elections and establishment, specific attention will be given to formation of the DCWC for which guidelines will need to be formulated in the first half of the year.

Provincial/Municipal Level

At provincial level, the 24 Departments of Women's Affairs have had considerable impact serving as members of the ExComs for the past twelve years in mainstreaming gender in overall provincial program planning and decision making. All 24 departments will again receive PIF allocations in 2009 from the PSDD (18 provinces)

and UNICEF (6 provinces) projects for continued gender mainstreaming activities largely focused on supporting the DCWC and CCWC councils. For the past nine years, a gender mainstreaming allocation has been earmarked as a percentage of the overall PIF now set at 8% of roughly \$250.000 nationwide. Based on the agreements reached during last quarter 2008 national workshops, the 2009 workplans of the PDWAs will focus on: better defining the role of the departments in helping to establish and support the CCWCs and DCWCs; advocacy for woman and children; strengthening the implementation of existing guidelines and regulations supporting the gender mainstreaming mechanism with an enhanced focus at district level; and the provision of technical support to the CCWCs for the development of 2010 work plans on women and children's issues within the individual communes.

National

As a member of the NCDD, the Ministry of Women's Affairs is well placed to influence policy and program development and ensure that gender issues are fully taken into account in the formulation of future D&D reforms. Allocations from PSDD to the Ministry in 2009 will focus on: support to their 24 provincial/municipal departments for monitoring the gender mainstreaming indicators formulated in 2006; activities associated with formulation of guidelines for the future establishment of Women's Affairs Committees under the Province and District Councils following adoption of the Organic Law; and capacity building activities related to the national expansion of CCWCs.

Finally, but strategically, PSDD will finance a consultancy in conjunction with the Urban Institute to ensure that the national program under formulation will include a gender mainstreaming strategy and a gender equity analytical framework, by which to measure progress and impact.

5. PSDD Support to NCDD Work-Plan and Budget by Output.

The following sections describe the planned activities of PSDD in 2009 against the revised log frame outputs. For each of the four outputs, activities planned in 2009 are described which collectively contribute to the achievement of the output. Given the importance of strengthening the national M&E system, the 2009 M&E Plan is presented separately in section 6 and describes a set of studies, evaluations and activities planned in 2009. As such, the sum total of 37 distinct PSDD activities in 2009 is structured against four outputs and M&E. In section 8 of this report, detailed information is presented on the estimated resource allocations against each of the 37 activities broken down by investment, program support at national and sub-national level and technical assistance at national and sub-national level. In addition, information is presented on the estimated allocations of technical assistance and program support from the WB/RILG, Danida-DfID/NRM and UNCDF/IDLD project which are directly executed by PST. While useful for analytical reporting purposes and program management, budget management will continue to be based on the established NCDD systems for inter-governmental transfers against signed AWPBs and implementation contracts.

5.1 Output 1: Cambodian-owned sub-national structure agreed and in place that promotes voice, responsiveness, delivery capacity and accountability

The objective of Output 1 is to sustain and enhance the operational rigor and viability of existing structures and systems for sub-national development as well as contribute to the design of new structures that will be established through regulations required by the Organic Law. While sub-national councils at province, municipal and district/khan levels will be established through indirect elections in May 2009, as of the time of writing this AWPB, the administrative structures that will operate under the councils have not as yet been sufficiently defined. As such, it is anticipated that the existing NCDD execution structures and systems at national and sub-national level will largely continue through 2009 while support is provided during the year to complete the design of sub-national administrative arrangements to be put in place for the NPDD in 2010. It is important to note that the ability of new structures and systems to be established and become operational depends in large part on maintaining efficiency and effectiveness within the current structures and systems. A well conceived transition plan will need to be developed in 2009 as part of the national program design process that identifies the preconditions and scope of work involved for both the collective and specific management systems to be redesigned and introduced over the coming years.

5.1.1 Newly established NCDD, NCDD Secretariat and NCDD Inter-Ministerial Committees develop internal management arrangements and operations manuals and are prepared for implementation of NPDD in 2010

Under the *Organic Law*, a National Committee on Democratic Development has been mandated to assume responsibilities from the National Committee on Management of Decentralization and Deconcentration reforms and oversee the design and implementation of a ten year national program. The first meeting of the new NCDD was held on 18 December 2008 at which the new NCDD membership and the NCDD

Secretariat management structure were approved. The interim arrangements during the last half of 2008, with the NCDD Secretariat consisting of a Program Support Team and a Policy Team, have been confirmed with some changes particularly on the Policy Team. Based on the new decree and mandate of the NCDD and its Secretariat, in January 2009 a more detailed work plan will be formulated specifically focused on strengthening the management capacity of the NCDD Secretariat to ensure that by the end of 2009 the NCDDS is fully prepared to coordinate implementation of the NPDD in 2010.

5.1.2 Commune Committees for Women and Children (CCWC) strengthened and able to prepare, implement and account/report on annual work plans

Following the establishment of and initial support to 1,200 CCWCs in 18 provinces completed in the second half of 2008, a second grant of \$ 200 per CCWC will be provided in 2009 to cover the operational costs associated with: meetings within the commune and at district level; preparation and implementation of annual work plans; social advocacy activities within the commune including child protection; and increased attention within the CS plans on social issues affecting women and children. Specific provision has been made in all 18 provinces for monitoring and evaluation activities in the first full year of CCWC implementation to identify strengths and weaknesses and opportunities.

5.1.3 District/Khan and selected Municipal Councils oriented to their mandates, assume oversight of 2009 AWPBs and provide guidance/vision for formulation of five year development plan, three-year rolling investment program and 2010 budget

In 2009, PSDD will support both the management and implementation of 2009 AWPBs formulated by existing District/Khan Committees in 106 District/Khans as well as the orientation training and initial work plans for the 185 District/Khan Councils once elected and established. A total allocation of \$ 3.2 million (\$ 2.34 million from MDLF and \$ 840,000 from PSDD) for the 106 District/Khans under the District Initiative (\$ 30,000 per D/K) was announced at the September 2008 National Workshop on 2009 AWPB formulation and have subsequently been programmed against established guidelines and criteria. Through facilitation, efforts will be made to ensure that contracting and implementation commences in the first quarter and is well in hand prior to the indirect elections scheduled for May 2009. Thereafter, following official establishment of the District/Khan Councils by June, orientation training will be delivered to all District/Khan Councils and guidance provided on the preparation and management of a \$ 4,000 establishment grant from PSDD to support training, public information sharing and planning activities in the second half of the year. The design of the establishment grant and the design of the orientation training will be carried out in the first quarter of the year after further consensus develops around the NPDD and expected first year activities in 2010. Specific efforts will be made to ensure that both the Councils and their Administrations receive training and support for the future roles they are expected to play and that the new accountability arrangements are put into practice from the beginning. This includes the establishment of both the mandatory committees as well as the committee that will undertake the planning process with representation from all CS Councils. The District/Khan Councils will be oriented to the oversight role they will be expected to play with regard to AWPB implementation. Those District/Khans under the District Initiative will have the advantage of the 2009 AWPB in order to learn by doing.

5.1.4 Accountability Working Groups (AWG) restructured, reoriented and fulfilling their mandated responsibilities on systematic and regular basis

Accountability Working Groups were first established in 2006, evaluated in 2007 and a substantial revision to the mandate, structure and operational mechanisms developed in 2008 currently waiting final approval by the NCDD. After a fairly promising first year and a half, the performance of the AWGs significantly declined. The strengthened mandate and operational budgets to be provided in 2009 are expected to provide new momentum but commitment from the NCDD will be essential if the mechanism is to produce long lasting results. The revisions involve the establishment of a permanent working group with dedicated staff for each AWG, enhanced public information activities and improved reporting and national oversight. A national workshop to launch the revised AWG structure will be organized early in 2009 to be followed by a new dissemination campaign, regular follow up and performance monitoring by the National AWG. In advance of the council elections in May, discussions will also be held within the NCDDs on transferring the responsibility and management of the sub-national AWGs to the new councils once established to reinforce the oversight role they are expected to play over administration.

5.1.5 2009 NCDD Training Plan finalized, budgeted and implemented

At the time of finalizing the PSDD AWPB, the 2009 NCDD Training Plan was still under draft and is expected to be completed by mid-January following consultative meetings with key stakeholders. The plan has been formulated under DoLA's coordination through consultations with various projects which include capacity building of national and sub-national councils and civil servants on topics related to D&D as an objective. Various development partner projects will contribute to the financing of the training plan with the financial contribution from PSDD in 2009 estimated at \$ 75,000 at national level and \$ 250,000 at sub-national level on top of the extensive technical assistance inputs. In 2009, PSDD advisors will continue to work closely with DoLA to: design the curricula and training materials for each training course; organize the Training of Trainers courses; participate as trainers; and prepare reports on trainings delivered. At sub-national level, PSDD advisors work with the Local Administration Units to: schedule and organize sub-national training; formulate the targeted training courses under the management of the province; participate as trainers for provincial TOTs; and monitor CS and District training.

The draft training plan includes the following trainings of particular interest to PSDD:

Commune/Sangkat

- M&E on CS Project, Administration and Finance
- Revised Project Implementation Manual of procedures
- Facilitation and Coordination skills for CS Counselors
- Targeted refresher training on financial management, CIP formulation

Capital, Province, Municipality, District and Khan

- Orientation: Sub-national administration management under D&D
- Preparation of development plan and 3-year rolling investment program for a) Capital and Province and b) Municipality, District and Khan
- Municipality, District and Khan financial management system
- Municipality, District and Khan project implementation

National Level

- Training skills
- Design and drafting of training curricula and materials

5.1.6 Support to Provincial Management Structure

Financial support to maintenance of sub-national governance structures and systems under the NCDD mandate is through the operations budget of the PRDC-ExCom.

The ExCom Operations budget is sub-divided into sections for each of the four operational units of ExCom Contract Administration Unit (CAU); Finance Unit (FU); Local Administration Unit (LAU) and Technical Support Unit (TSU); and the support costs of the PSDD advisory team. General support costs for ExCom activities are included in the CAU budget.

The ExCom budgets follow a standard structure which is outlined in the table below.

Table 12: Summary Structure of ExCom Support Budgets

Section / Sub-Section	Description
Contract Administration Unit	
Support to CAU staff	Staff incentives, office support, transport etc for CAU staff
Training and capacity building for CAU	Human resources development
Program administrative support	Building maintenance, communications, out of province travel etc
Program support staff	Salaries of office assistants, cleaners, guards, drivers etc.
Monitoring and Evaluation activities	M&E surveys, workshops, meetings, documentation
Publicity	Program Information dissemination
Program meetings and workshops	Cost of program meetings and workshops
Contingency sum	3% of overall ExCom budget
Local Administration Unit	
Support to LAU staff	Staff incentives, office support, transport for LAU, PFT, DFT
Training and capacity building for LAU	Human resources development
Training and capacity building by LAU	C/S Council capacity building costs
Organise C/S Council Congress	Cost of organizing C/S Congress
NREM special activity costs	NRM in D&D training, workshops, reviews
Seth Koma special activity costs	Seth Koma investments and C/S support in ExCom budget
Accountability Board	Operating costs of Provincial Accountability Working Group
Finance Unit	
Support to ExCom Finance staff	Staff incentives, office support, transport etc for FU staff
Support to Provincial Treasury staff	Staff incentives, office support, transport etc for C/S Accountants
Training and capacity building for Finance sta	Human resources development
Technical Support Unit	
Support to TSU staff	Staff incentives, office support, transport etc for TSU staff
Training and capacity building for TSU	Human resources development
Training and capacity building by TSU	Training activities of TSU for C/S Councils
Advisory Team Support Costs	
Adviser support costs	Office support, communications, transport etc.
Adviser support staff	Office assistants and drivers assigned to the advisory team.

Table 13 below reflects the approximate breakdown of ExCom core operations costs by budget category (shown as percent of total funds) in 2009.

Table 13: Approximate Breakdown of ExCom Operations Budget by Category

Category	%
Staff Incentives	35%
PLG Advisory team operations	16%
Transport costs	14%
General operations	13%
Capacity Building	8%
Missions	4%
Publicity	3%
Workshops	2%
Contingency	2%
Support Staff	2%
TOTAL	100%

All donors disbursing funds through the ExCom financial management system contribute to the operations cost budget, although the largest share by far is funded by PSDD. ExComs prepare unified budgets reflecting all fund sources, then distribute costs between donor resources. These distributed costs then form the basis of separate contracts between NCDD and PRDC, or directly between the donor and PRDC.

Table 14 below shows the total contributions from all donors to ExCom operations budgets, and the PSDD share of these costs. Compared to 2008, the major differences are a decrease of 8% in the percentage cost covered by PSDD and the addition of the World Bank as funders of the ExCom through three separate projects.

Table 14: Contributions to ExCom Provincial Program Support Costs in 2009

SOURCE	AMOUNT	%
PSDD	3,450,000	62%
World Bank	957,907	17%
IFAD	368,818	7%
UNICEF	274,547	5%
MDLF	270,000	5%
EC/UNDP	186,199	3%
Canada	22,672	0.4%
UNFPA/UNCDF	37,220	0.7%
TOTAL	\$5,567,364	100%

Table 15 on the following page shows the allocation of 2009 PSDD ExCom operations support costs to each province broken down by management unit. On average, there is a total of \$ 150,000 in program support costs per province covering a wide variety of governance and management functions; training, facilitation and support services to line departments, District Committees and CS Councils; and operations costs related to the implementation of approximately \$ 63 million of sub-national support under the 2009 NCDD AWPB.

Table 15: 2009 PSDD Provincial Program Support Budgets – ExCom Units and PSDD Advisory Services (\$)

Table 15 : 2009 PSDD Provincial Program Support Budgets- ExCom Units and PSDD Advisory Services												
GIS CODE	1	2	3	4	5	6	7	8	9	10	11	12
PROVINCE	BMC	BAT	KPC	KCH	KSP	KPT	KAM	KDL	KKG	KRT	MKR	PNP
ExCom Contract Administration	51,833	37,533	89,661	39,559	52,147	49,783	56,880	53,672	36,952	35,456	31,857	38,930
ExCom Local Administration	45,552	90,642	95,430	47,546	71,112	66,709	73,529	91,059	48,369	42,160	33,668	61,223
ExCom Technical Services	18,527	31,542	35,382	17,378	21,660	26,000	23,842	26,966	22,424	14,190	14,054	19,150
ExCom Financial Services	14,836	22,945	33,983	19,099	21,220	16,331	17,700	32,604	12,714	14,058	10,120	20,562
Subtotal Core Operations	130,748	182,662	254,456	123,582	166,139	158,823	171,951	204,301	120,459	105,864	89,699	139,865
Advisory Team Support	23,744	29,215	27,152	20,840	21,196	24,727	22,116	21,930	23,876	23,020	17,640	20,840
C/S Council Capacity Building	3,200	12,618	42,000	4,881	11,909	2,791	18,470	11,812	9,711	3,796	5,403	5,880
PROGRAM SUPPORT TOTAL	157,692	224,495	323,608	149,303	199,244	186,341	212,536	238,043	154,046	132,680	112,742	166,585

GIS CODE	13	14	15	16	17	18	19	20	21	22	23	24
PROVINCE	PVR	PVG	PUR	RAT	SRP	SHV	STG	SVR	TAK	OMC	KEP	PLN
EsCom Contract Administration	31,454	52,976	48,113	62,696	45,199	33,542	48,018	47,337	51,658	36,411	25,078	28,848
ExCom Local Administration	45,660	41,992	49,634	56,345	97,324	26,900	33,832	51,781	71,991	31,931	12,147	11,515
ExCom Technical Services	18,088	29,128	15,472	16,754	24,734	10,710	15,320	12,688	22,315	13,348	5,133	5,646
ExCom Financial Services	15,170	15,809	16,652	13,000	23,086	13,444	15,335	15,696	25,664	11,240	6,224	6,360
Subtotal Core Operations	110,372	139,905	129,871	148,795	190,343	84,596	112,505	127,502	171,628	92,930	48,582	52,369
PSDD Operations	30,765	35,314	21,610	26,354	27,216	18,070	20,484	27,373	22,885	20,643	14,298	13,850
C/S Council Capacity Building	7,720	8,005	464	3,404	3,450	2,514	4,988	6,300	8,233	5,709	1,443	3,208
PROGRAM SUPPORT TOTAL	148,856	183,224	151,945	178,553	221,009	105,180	137,977	161,175	202,746	119,282	64,323	69,427

GRAND TOTAL	
Budget Category	Amount
ExCom Contract Administration	1,085,592
ExCom Local Administration	1,298,050
ExCom Technical Services	460,451
ExCom Financial Services	413,852
Subtotal Core Operations	3,257,946
PSDD Operations	555,158
C/S Council Capacity Building	187,908
PROGRAM SUPPORT TOTAL	4,001,012

5.1.7 Support to Department of Local Administration

NCDD will use PSDD resources to support the operations and continued institutional strengthening of the Department of Local Administration (DoLA) of the Ministry of the Interior.

DoLA is responsible to develop regulations and operations procedures for the C/S Councils; to monitor the activities of the C/S Councils and to intervene if and when necessary; to deliver a program of capacity building to the C/S Councils; to provide guidance and overall supervision of the District Initiative in 138 districts of the country; and to oversee and coordinate the Provincial Local Administration Units (PLAU). As the institutional focus for all work undertaken at the commune level, DoLA continuously interacts with a wide range of development partners supporting reforms and investments at commune level and directly implements several donor projects; particularly two large projects from the ADB.

In supporting the revision and strengthening of the NCDDS and PST, as described in activity 5.1.1, the division of tasks and management lines with DoLA will be taken into consideration as well. The PSDD support budget for DoLA falls under the category of National Ministry Services and an allocation of approximately \$ 200,000 is expected to be confirmed by the end of January along with a detailed work plan for the year. A team of eight NTA in 2009 are assigned to support DoLA with their overall mandate as reflected in the table below:

Table 16: 2009 PSDD Advisory Team in DoLA

2009 PSDD Advisory Team in DoLA		
No.	NTA Position	Primary Tasks
1	National Senior Program Advisor	Management, coordination, regulations
2	District Initiative Program Advisor	National monitoring/coordination of district initiative
3	Training Program Advisor	Curriculum design, training organization
4	Social Development Advisor	CCWC support follow up and training
5	National Engineering Advisor	Local infra guidelines, standards, technical auditing
6	M&E/Accountability Advisor	AWG guidelines/monitoring & DoLA M&E/reporting
7	Information Technology Advisor	IT systems support and development
8	Assistant Finance Advisor	Budgeting and financial reporting

5.1.8 NCDDS Program Support Team effectively coordinating the implementation of the 2009 NCDD AWPB

At present, PSDD is the only project that is designed to provide comprehensive support to the NCDDS Program Support Team to assist with overall management, coordination and implementation of the D&D reforms. In 2009, the Program Support Team will continue to be responsible for coordinating implementation of the overall NCDD AWPB and directly responsible for execution of the AWPBs of six projects and/or project components: PSDD, WB/RILG, MDLF/NRM in D&D, WB/DDLG/OWSO, WB/LASED investment component and UNCDF/IDLD. The aggregate value of the 2009 AWPBs under these six projects amounts to \$ 47 million, equivalent to a monthly delivery rate of \$ 3.8 million. Under the authority of the NCDDS, the PST will continue to oversee, monitor and strengthen the existing sub-national management structure and systems utilized by nearly all projects under the NCDD framework as well as contribute to the design and implementation of transition work plans for instituting reform of these structures and systems. The workload and

complexity associated with these tasks should not be underestimated by development partners particularly during a year when nearly all aspects of sub-national governance will be under review.

Continuing on from 2008, PSDD will assist and support the four PST operations units: Finance, Administration, Contract Administration and Project Coordination and Monitoring/Evaluation and Information with a specific focus on strengthening management systems and performance.

The table below reflects the draft 2009 NCDD Secretariat Budget which includes both the Program Support Team and the Policy Team. It is important to note that the entire budget is managed by the Finance Unit of the Program Support Team with indicative allocations between the two teams used for management and work planning purposes. At the time of drafting this document the detailed 2009 budget plans had not been finalized and are expected to be complete by mid-January. Compared to 2008, the allocation for Consultants/Studies has increased considerably and may be reduced if necessary owing to loss in exchange rates. The allocation of \$ 500,000 to contribute to replacement of old transport and office equipment at sub-national level is a priority but may also be delayed owing to loss in exchange rates. Overall staff costs are reduced as 10 provincial advisory positions for NRM have been transferred to UNDP. Finally, in a year of great uncertainty, the contingency allocation of \$ 340,000 will be important to enable the NCDD Secretariat to respond to unforeseen requirements.

Table 17: 2009 Draft NCDD Secretariat Budget (\$)

Budget Category	Program Support Team	Policy Team	Total
NCDDS Staff Incentives/Salaries	325,000	50,000	375,000
Consultants/Studies	500,000	200,000	700,000
Duty Travel PSDD	45,000	5,000	50,000
Duty Travel NCDDS	55,000	25,000	80,000
Audit (PSDD)			90,000
Training Materials		100,000	100,000
Operational costs	170,000	150,000	320,000
Procurement (subnational)	500,000		500,000
Workshop / Training	20,000	30,000	50,000
Contingency			340,000
TOTAL	1,615,000	560,000	2,605,000

5.1.9 NCDDS Policy Team effectively managing / coordinating the NCDD Preliminary Implementation Framework

The Policy Team (PT) was established in 2008 as part of the NCDD Secretariat with a mandate of assisting the NCDD to implement the Organic Law. The PT's role is set out in its terms of reference and its work plans have been elaborated. It is anticipated that the PT will play a leading role in the areas of D&D policy, liaison and cooperation, capacity building and formulation of the legislative framework. In 2009 the PT will be technically supported by one ITA Policy Advisor recruited under the EC-UNDP DDLG Project and three NTA recruited under the PSDD Project.

Four priority outputs are expected from the PT during 2009 in the areas of Legislation, Information Dissemination, Public Education and Training as follows:

Legal instruments required for implementation of the Organic Law prepared.

The NCDD's Preliminary Implementation Framework lists fifteen regulations (Decrees, Sub-Decrees and Prakas) that must be prepared before the council elections scheduled for May 2009. The PT is responsible for assisting the NCDD, through MOI, and to a lesser extent MEF, in preparing these. Five regulations have been prepared at the time of writing and work is proceeding on preparing the remaining regulations on the basis of legislative priorities.

Program for dissemination of Information on the Organic Law and D&D developed and implemented

The PT will assist NCDD in preparing information documents/materials on the Organic Law and D&D and in disseminating these to key government stakeholders at national and sub-national levels prior to and following the election of sub-national councils in May 2009.

Public education campaign on Organic Law and D&D designed and implemented.

The PT will assist NCDD in devising and implementing a public education campaign designed to raise awareness before the election and promoting participation in the reform process thereafter.

Training program for new Sub-national Counselors and Boards of Governors developed and implemented

Under the overall NCDD 2009 Capacity Development Plan, the PT will work closely with DoLA to design, organize and deliver an orientation and training program for all new Counselors and Boards of Governors country wide.

5.2 Output 2: Systems Developed and Integrated into new National Structures and Systems

The process of designing new systems that will fully integrate domestic and external resources into integrated budgets under indirectly elected sub-national councils within the Royal Government's overall budget framework and define new procedures for integrated planning, programming, implementation, monitoring, reporting and evaluation is expected to take considerable time. As part of the design of the NPDD, it is anticipated that a well conceived and sequenced process to achieve this objective over the next several years will be formulated. In the meantime, the government has indicated its intentions for sub-national councils to be indirectly elected in May 2009, officially established in June, thereafter trained and oriented on their respective mandates and multi-year plans and budgets prepared by the end of the year. The current NCDD systems that have been adopted by a wide variety of development partner projects and are being managed by several thousand trained civil servants across the country are expected to continue for a few more years to enable sufficient time for new systems to be designed and carefully introduced in a manner that does not disrupt operational efficiency. As such, under Output 2 there are again two themes: further strengthening and improvements to existing systems and design of new systems or features as appropriate and feasible.

PLANNING SYSTEMS

5.2.1 Regulation and guidelines on sub-national planning/budgeting finalized and approved by NCDD for application in second half of 2009.

In the second half of 2008, a UNCDF consultancy initiated and supported by PSDD helped to design an integrated district/commune planning and budgeting system for consideration by the NCDD. In the first half of 2009, it is anticipated that UNCDF will finance a second phase aimed at: a) finalizing the regulation and guidelines for the District/Commune system; and b) helping to conceptualize and draft a guideline for the provincial planning process which will also need to be prepared. The planning experience generated under the District Initiative over the past few years, ensuring a strong voice for the CS Councils, has been incorporated into the draft district/commune planning guideline. Further inputs are needed from MEF in early 2009 on the budgeting aspects and formats for the plan so that the regulation and guidelines may be completed. At province level, the planning process that was designed under Seila and which continues to be implemented, may finally have the attention and priority from the national level that was always missing. A careful review may enable revised guidelines to be prepared in time for the second half of the year.

5.2.2 CS Planning Process audited, findings and recommendations discussed, and action plan prepared on agreed follow up.

The objectives of this process audit, funded by WB/RILG and technically supported by PSDD, are to make a statistically valid, quantitative assessment of the quality of the process of planning C/S Fund projects with regard to a defined set of indicators and to identify the most important reasons related to the planning process which lead to certain projects failing to achieve their objectives. The study will measure the effectiveness of revisions made to the CS project planning process and make further recommendations for the future. As the process audit will be undertaken during the first cycle of the new District-Commune Integrated planning process it will be

expected to provide useful insight on how the two processes interact and are mutually informative.

FINANCE SYSTEMS

5.2.3 CS Fund operations and procedures revised in accordance with agreements from CS Budget Execution Study

A CS Budget Execution Study was carried out in the first half of 2008 resulting in a number of short- and medium-term recommendations on strengthening efficiency and effectiveness in CS budget operations. While some recommendations were adopted and will be applied in 2009, several others require further follow up. A work plan specifically to address the remaining recommendations was developed in December 2008 by the working group originally organized by the Ministry of Economy and Finance to carry out the budget execution study. Technical and financial support will be provided to this working group by World Bank, UNCDF and PSDD as required. It is anticipated that revisions to budget preparation and procedures will be developed, approved, incorporated into CS Finance Manual of Procedures and disseminated through nationwide training in 2009.

5.2.4 Review/design of initial district finance system that is operable in 2009 following establishment of District Councils

As the government has expressed its intention to establish district and provincial councils in the first half of 2009, it will be important to clarify the financial management arrangements that will prevail both in 2009 but particularly for 2010 so as to: 1) enable the councils to begin the learning by doing process with regard to budget oversight, and 2) ensure that budget operations and AWPB implementation will continue unimpeded. The NPDD Formulation Team, working closely with MEF, is expected to develop more clarity on the design parameters for fiscal decentralization and the first priorities to be undertaken in 2009 and 2010 after which support will be provided to MEF for specific design work. As regards PSDD, specific attention will be given to the district level where there is no existing finance system. Current operations under the District Initiative remain in US Dollars managed by the ExComs and it is hoped that sufficient progress can be made in 2009 towards the establishment of a District Fund so that a work plan can be developed that foresees the transition to treasury operations in 2010. The work involved with fiscal decentralization in 2009 will be supported by the NPDD Design Team, World Bank, UNCDF and PSDD and coordination efforts will be needed.

IMPLEMENTATION SYSTEMS

5.2.5 Revised CS Project Implementation Manual Disseminated through Training and Revised Procedures Implemented

Considerable time and effort was spent in 2008 to carry out a thorough review and revision of the CS Project Implementation Manual which was approved by the NCDD in December. The primary changes include: revised and country-wide prequalification of civil works contractors; transparent guidelines and accounting for local contributions; revised and augmented safeguard monitoring procedures (including screening of projects and the development of Environmental and Highland Peoples "Watchlists"); better defined public information requirements within the communes; implementation guidance on cost estimation of project outputs in the bidding process;

quality and maintenance issues; project monitoring; and guidance on design and implementation of service delivery contracts. An intensive, national Master Trainer course was conducted on 29-31 December for key provincial officials and advisors which will be followed by Provincial TOTs for all PFT, DFT, TSO and advisors in January and eventually 2-3 day trainings for all CS Councils in January/February. Several thousand copies of the PIM will be produced and distributed nationwide and electronic versions in Khmer and English made available on CD and on websites. A series of additional training workshops, as needed, for both Procurement and Safeguards related matters are planned and budgeted during the course of 2009 to ensure that the revised PIM is correctly understood and the procedures can be implemented as smoothly as possible. Throughout the year, PSDD advisors will mentor their counterparts (ExCom members, LAU, TSU), to help them understand and implement the new procedures.

5.2.6 Revised Technical Manual and Template Program Finalized, Piloted and Implemented

The revised and completed Technical Manual and Template Program (“Project Generator” software) will be field tested in January 2009 and should be completed in February 2009, with pilot use in selected provinces for the 2009 cycle of projects planned for February through April 2008. Following these trials, and any updating identified, the drawings and software will be used for all 2010 works projects. The consulting firm, contracted to revise the Manual and Program, will also provide training course materials to introduce the new Technical Manual and the new Generator Program software (including Khmer Unicode) to NCDD Information Technology Administrators. PSDD advisors will receive the above mentioned trainings from the consulting firm and subsequently train their TSU counterparts in the Provinces. Additional equipment for the TSU, including computers and A3 printers, are being procured with PSDD funds and together with improved Internet access will help ensure that the revised Technical Manual and Template Program will function as intended.

5.2.7 Process Audit covering assessment of CS project implementation

The objectives of this study, funded by WB/RILG, are to make a statistically valid, quantitative assessment of the quality of the process of implementing C/S Fund projects with regard to a defined set of indicators and to identify the most important factors in the implementation process which lead to certain projects not achieving their objectives. The study, to be conducted in the first half of 2009, will measure the compliance with and effectiveness of improvements made to the NCDD Project Implementation Manual.

5.2.8 Revision and operation of new Safeguards Monitoring System

The Assessment of Safeguards Mechanisms and Capacity Building for Environmental Impact Assessments, completed in December 2007, noted serious deficiencies in the application of safeguard mechanisms in the implementation of C/S Fund projects. The study recommended that an independent safeguard monitoring team be established immediately in order to improve compliance with the safeguards. In order to respond to this recommendation and prevent environmentally inappropriate projects from being implemented, the NCDD/PST proposed to the World Bank that

RILG funds be used to support a Safeguards Monitoring Team. Under the day-to-day management of the existing National Safeguards Officer within the PST, 3 Regional Safeguards Officers will be employed from December 2008 onwards as advisors and an environmental NGO will be contracted to perform on-site inspection of proposed C/S Fund projects located in sensitive areas such as forests, wetlands and designated protected areas. They will also monitor compliance with safeguard measures in connection with land required for C/S Fund Projects and with the involvement of Highland People. Monitoring will give special attention to communes on the Environmental Watch List (identifying all communes with significant risks to their environment) and/or on the Highland People Watch List (identifying communes with more than 5% Highland People). The Safeguards Monitoring Team will liaise closely with PSDD advisors who will provide backstopping and technical guidance. An NGO will also be contracted to inform citizens about their rights as land users. In addition, a campaign will be conducted, most likely financed by MDLF, to train and inform communes on environmental aspects and how to take these into account. This campaign may be conducted by one or more NGOs and selected provincial Departments of Environment.

5.3 Output 3: Investment Funds Delivered through Mechanisms that Promote Accountability and which Enable Debate

This output comprises investments intended to contribute to achieving the project goal of improved service delivery and to the project objective of sustainable poverty reduction. In 2009, sub-national development investments funded by PSDD will be disbursed through three mechanisms corresponding to different levels of sub-national government: the Provincial Investment Fund (PIF); the District Initiative Funds (DIF) and the Commune / Sangkat Fund (C/SF). The PIF and the DIF are disbursed through contracts signed between PRDC-ExCom and provincial technical Departments (PIF) or District authorities (DIF). The PSDD support to CS/F will be disbursed through the Treasury system.

5.3.1 Comprehensive Support to CS Fund Implementation

The C/S Fund was established under the Law on Management and Administration of Communes and Sangkats, and a pursuant sub-decree, to help finance the C/S Councils administrative and development budgets. PSDD and its predecessor projects have been played an instrumental role in the piloting, design and implementation of the C/S Fund and will continue to do so again in 2009. Table 18 below reflects the total value of the 2009 C/S Fund, expressed in US Dollar equivalent, broken down by source and in comparison to 2008. As can be seen there is a 22% increase in the total volume of the C/S Fund amounting to some \$ 5 million equivalent.

Table 18: C/S Fund Resources in 2009

Budget Category	2008		2009			
	Amount	% of Total	2009	% of Total	Increase	% Increase
Administration Component	8,107,709	35%	8,475,086	30%	367,377	5%
Development Component	14,861,427	65%	19,510,099	70%	4,648,672	31%
Total	22,969,136	100%	27,985,185	100%	5,016,049	22%
<i>Funded By:</i>						
Domestic Revenues	15,469,136	67%	17,685,185	63%	2,216,049	14%
World Bank - RILGP	7,000,000	30%	8,800,000	31%	1,800,000	26%
UNDP/DFID/SIDA	500,000	2%	1,500,000	5%	1,000,000	200%

Maintaining the close partnership between PSDD and the World Bank RILG project through the NCDD/PST continues as a very high priority in 2009 particularly to address several important weaknesses in overall performance of both the C/S Fund and the government support to the CS Councils as detailed in Aide Memoires from the 2008 WB supervision missions. Of particular importance is the need to finalize the important revisions to the PIM, CS Budget Execution, Templates Software and Safeguards Monitoring and to ensure that through training and follow up they are effectively implemented in the 2009 CS project implementation cycle. In addition, management performance of the NCDD/PST itself as well as the ExCom needs improvement. As well as direct financing of the C/S Fund itself, PSDD resources are programmed for accounting and financial management of the C/S Fund in cooperation with the MEF and National Treasury; for the costs of survey, design and construction supervision through the ExCom Technical Support Units and the Ministry of Rural

Development; and for the facilitation, training and overall monitoring carried out by the Local Administration Units under the Ministry of Interior/DoLA.

5.3.2 Comprehensive Support to District Initiative

The NCDD District Initiative in 2009 will cover 106 of the 185 district/khans in the country or nearly 60%. Under the MDLF 2009 expansion in Kampong Thom and Kampot provinces, an additional 12 districts have been added to the existing 66 making a total of 78 districts. This includes 2 districts in each province previously supported by PSDD. PSDD will continue to support 28 districts but to avoid overlap with the MDLF, has moved their targets out of Kampot and Kampong Thom and added an additional two districts in Battambang and one district each in Preah Vihear and Banteay Meanchey. Under both programs, \$ 30,000 per district was allocated in September and programmed by the District Councils by December against approved guidelines and criteria. Table 19 on the following page reflects the programming of the PSDD allocations by the respective District Committees which include representatives from each of the CS Councils within their district. In total, there are 152 service projects and 32 infrastructure projects programmed in 2009 in the 28 target districts. It is hoped that an early start to the procurement and implementation of 2009 activities at District level can be facilitated so that implementation is well in hand by the time the District/Khan Councils are established. Once established, efforts will be made to ensure that the current District Committees, established under the DI, will fully brief the Councils on the 2009 AWPB and status of implementation and opportunities pursued for the Councils to commence the oversight role the Councils will be expected to play in the future.

5.3.3 Comprehensive Support to Provincial Investment Fund (PIF)

The Provincial Investment Fund is allocated to all Provinces and Municipalities according to a population based formula. Part of the fund is earmarked for support to planning activities of the Provincial / Municipal Department of Planning; and to gender mainstreaming activities of the Provincial Department of Women's Affairs. The remaining "un-earmarked PIF" is allocated by PRDC to sectoral technical departments against established criteria and in response to proposals with prioritisation taking into account: priorities formulated by the CS Councils and aggregated by District into District Priority Activities Matrices (DPAM); alignment with national planning and poverty alleviation criteria, complementarity with other planned activities; and performance of the Department concerned in implementation of activities in previous years. With this provisional allocation, the Department then programs activities through the District Integration Process. Finally, the agreed activities, plus support costs amounting to no more than 25% of the total, are included in a sub-contract signed between PRDC and the Department, pursuant to the overall PSDD contract signed between NCDD and PRDC.

Allocations of PIF were announced at the National Workshop on Formulation of the 2009 NCDD Annual Work Plan and Budget held in Phnom Penh in early September 2008. On the following pages, Table 20 reflects the final allocation of these resources following the programming process in each province.

Table 19: 2009 PSDD District Initiative Allocations

GIS CODE	1	2	4	8	12	13	14	19	20	21	22	24	TOTAL
PROVINCE	BMC	BAT	KCH	KDL	PNP	PVR	PVG	STG	SVR	TAK	OMC	PLN	
Agriculture	8,383	3,672	2,881	6,250		4,794	6,200	1,384	2,164	4,825	4,150		44,703
Culture	130	1,813	686		3,450		0	0		800	450	1,025	8,353
Education	3,716	2,323	0			870	1,000	3,021	880	0	2,050	4,429	18,289
Gender	4,486	7,298	1,417	3,170		4,435	2,510	0	2,410	3,109	2,000	2,604	33,439
Health	1,811	0	954		3,300	2,680	0	0	832	638	1,200		11,415
Land Use Management	135	0	1,015	4,600		595	0	1,141	5,310	383	2,700	720	16,598
Natural Resource Management	0	1,292	698	932	6,750	3,751	770	2,157	490	1,298	0	750	18,887
Public Works	0	0	562		20,250		0	0		0	0		20,812
Religion	0	0	0				0	0		0	0		0
Rural Roads (inter-commune)	60,750	73,000	40,178	38,600		63,875	39,250	40,520	37,468	40,450	31,250	45,155	510,496
Social	1,213	5,871	1,287				1,270	5,000	440	0	500		15,581
Water Resources Management		8,000	0		20,250		0	0		0	9,250		37,500
Traffic Safety	378	0	0	448			1,520	0		1,637	450	2,232	6,665
Law and Legal Process	0	4,733	727				1,480	0	4,006	1,453	0		12,398
Refresher CS Training	0	0	502				0	0		0	0		502
Unprogrammed	0	0	3,093				0	0		0	0		3,093
Capacity building/Operations	9,000	12,000	6,000	6,000	6,000	9,000	6,000	6,777	6,000	5,409	6,000	3,085	81,271
TOTAL	90,000	120,000	60,000	60,000	60,000	90,000	60,000	60,000	60,000	60,000	60,000	60,000	840,000
Retention/obligation 2007	6,795	3,743	14,577	4,800	3,145	6,755	15,560	13,423	3,076	3,290		3,300	78,463

Contracts and Value													TOTAL
Infrastructure Contracts	2	5	3	2	2	3	2	2	2	4	3	2	32
Total Value	67,545	81,000	40,178	38,600	40,500	63,875	39,250	40,520	37,468	40,450	40,500	45,155	575,041
Service Contracts	16	19	17	6	3	6	12	7	16	29	14	7	152
Total Value	20,250	27,000	19,822	15,400	13,500	26,125	14,750	12,703	16,532	14,141	13,500	11,760	205,483
Total Contracts	18	24	20	8	5	9	14	9	18	33	17	9	184
Total Value	87,795	108,000	60,000	54,000	54,000	90,000	54,000	53,223	54,000	54,591	54,000	56,915	780,524

Type of Contracts	No	%	Value	%
Service Contracts	152	83%	205,483	26%
Infrastructure Contracts	32	17%	575,041	74%
TOTAL	184	100%	780,524	100%

Table 20: 2009 PSDD Provincial Investment Fund Programming by Province/Municipality

GIS CODE	1	2	3	4	5	6	7	8	9	10	11	12	13
PROVINCE	BMC	BAT	KPC	KCH	KSP	KPT	KAM	KDL	KKG	KRT	MKR	PNP	PVR
Agriculture	12,620	24,750		16,000	20,400	10,600	18,620	32,100	10,500			23,050	
Commerce			7,200										
Culture	0	3,792	4,500	5,500	13,000	4,500	3,804		0				2,000
Education	3,000	5,398	32,800	0	14,000	7,000	15,120		5,500		9,500		7,000
Gender	8,500	13,500	18,800	8,750		1,000	11,850	13,250	6,925	7,075	9,000	10,800	7,550
Health	0	14,355	34,200	0	8,000	8,000			0	20,000		49,775	
Information	0		3,300	0			4,554	2,130	0				
Land Use Management	2,500	8,500		3,125		5,000		2,600	0			9,000	3,444
Labor	2,500	6,000	11,150	0		6,000	4,554		6,000				2,500
Mine Action	0			0					0				9,750
Natural Resource Management	6,210	7,450		16,700	5,000	8,000		8,060	0			12,530	
Planning	8,500	13,200	18,200	7,975	10,225	9,000	9,325	11,785	7,025	7,225	9,125	9,670	8,106
Public Works	0		25,200	0				8,150	0				
Religion	4,922			0					0				
Rural Roads	24,210	16,500	47,950	12,800		33,700	12,720	33,000	0	17,500	9,917		11,750
Social	4,923	5,065	7,600	3,250		5,000			0				
Tourism	2,500			4,520			3,120		0				2,500
Water and Sanitation	10,918	5,915	4,000	6,425	25,374			7,500	9,000			27,000	
Water Resources Management	15,472	8,000		3,000	4,713	25,529	16,908	40,300	11,000	17,500	9,000		2,500
Total PIF	106,775	132,425	214,900	88,045	100,712	123,329	100,575	158,875	55,950	69,300	46,542	141,825	57,100

Table 20: 2009 PSDD Provincial Investment Fund Programming

GIS CODE	14	15	16	17	18	19	20	21	22	23	24	All Provinces	
PROVINCE	PVG	PUR	RAT	SRP	SHV	STG	SVR	TAK	OMC	KEP	PLN		
Agriculture	0			0		23,000		15,720	6,926	4,132		218,418	9.8%
Commerce												7,200	0.3%
Culture				5,050		0	3,000	5,050	1,561			51,757	2.3%
Education	70,000	10,000	11,000	13,517	5,500	0	25,033	20,050	0	8,479		262,897	11.7%
Gender	0	8,800	9,500	11,000	5,525	0	7,000	10,675	0	4,825	5,326	179,651	8.0%
Health	0	6,600		7,580		0	5,900	4,956	0	8,916		168,282	7.5%
Information	0		3,875	2,950	3,500	2,200	2,500	0	0			25,009	1.1%
Land Use Management	0			0		0	4,800	5,500	3,122			47,591	2.1%
Labor	13,000	8,200	6,000	4,000	2,500	0		0	2,461		2,270	77,135	3.4%
Mine Action	0			0		0		0	7,160			16,910	0.8%
Natural Resource Management	5,700			0		6,300	5,000	3,978	6,183			91,111	4.1%
Planning	9,000	7,800	9,500	11,280	5,400	7,600	8,375	10,000	5,400	5,080	5,737	214,533	9.6%
Public Works	4,000			0		0		13,096	0			50,446	2.3%
Religion	0	3,300		6,530		0		0	0			14,752	0.7%
Rural Roads	25,000	9,100		24,000		6,300	19,020	14,576	0		21,200	339,243	15.2%
Social	0	3,500	6,000	2,723	3,000	0	4,000	4,000	1,339		1,600	52,000	2.3%
Tourism	5,000	8,800		0		0	3,000	5,000	3,322	4,230	1,485	43,477	1.9%
Water and Sanitation	0	3,600	10,000	4,120	15,100	0		7,475	0	8,338	6,107	150,872	6.7%
Water Resources Management	5,000	9,000		25,150	15,500	0		8,335	10,626			227,533	10.2%
Total PIF	136,700	78,700	55,875	117,900	56,025	45,400	87,628	128,411	48,100	44,000	43,725	\$2,238,817	100.0%

5.3.4 NCDD Sub-Committees and National Ministry/Institution Services

As agreed with PSDD donors, in 2009 a total of \$ 775,000 has been allocated for work associated with NCDD-member ministries and sub-committees related to both policy initiatives, such as functional reviews and workshops, and program oversight and strengthening, such as MoI/DoLA's ongoing mandate in relation to the CS Councils. It is proposed for planning purposes that \$ 400,000 be allocated to the five Ministries most directly involved in program oversight and strengthening (Interior, Finance, Planning, Rural Development and Women's Affairs) and \$ 375,000 be allocated for initiatives developed by other Ministries and/or NCDD Sub-committees. As regards program oversight and strengthening, meetings in December with the above Ministries have commenced the programming process while for the second category the establishment of the new NCDD is felt to be necessary before criteria and programming guidelines can be clarified for the use of the resources. While the programming of these allocations is delayed, time has been spent preparing draft allocation criteria for each institution which is included as Annex 2.

5.3.5 PSDD Support to Other Investment Funds

PSDD harmonized support to sub-national governance and technical capacity has a direct or indirect role in facilitating efficient and effective implementation of all sub-national investments in the NCDD AWPB. In 2009 there are 13 projects in addition to the RGC CS Fund that will receive direct support from PSDD primarily in the form of technical and financial support to the ExCom units which are engaged in execution of these projects. There are an additional four projects which do not utilize the services of the ExCom but work closely with the Provincial Local Administration Units for which indirect support is provided.

Table 21 below provides some summary information on the projects/components that will be directly or indirectly supported by PSDD in 2009. Under the C/S Fund, both the RGC budget allocation and the WB/RILG allocation are directly supported. Of the ten projects providing CS targeted allocations, six are directly supported and four (two ADB projects, USAID/LAAR and UNFPA) are indirectly supported. The investment allocations from all five projects supporting various district initiatives are supported by PSDD and the investment allocations from all six projects supporting provinces are supported by PSDD. In total, \$ 52 million of sub-national investment from 14 sources will be directly supported by PSDD in 2009.

Table 21: PSDD Support to Other Projects Investment Funds

Category	CS Fund	CS Targeted	District	Province	Total
Projects	2	10	5	6	23
Direct	2	6	5	6	19
Indirect	0	4	0	0	4
Resources	27,966,667	14,357,280	4,722,193	4,911,084	51,957,223
Direct	27,966,667	5,433,933	4,722,193	4,911,084	43,033,876
Indirect	0	8,923,347	0	0	8,923,347
Target Areas	2	7	142	21	0
Direct	1,621	987	142	21	
Indirect	0	712	0	0	

Table 22: 2009 Targeted CS Allocations form Other Projects

GIS	Province / Municipality	Donor/Project											Grand Total (USD)
		ADB	ADB	Dan/UK	USAID	WB	IFAD	GRET	UNICEF	AusAid	PSDD	UNFPA	
		TSSL	CCDP2	NRM/D&D	LAAR	LASED	RPRP	PACEPAC	SK	CCJAP	CCWC		
1	Banteay Meanchey									30,000	12,800	10,500	53,300
2	Battambang	757,500			318,181					60,000	19,200	17,000	1,171,881
3	Kampong Cham		679,443	572,000	235,184	309,762					34,600	7,000	1,837,989
4	Kampong Chhnang	270,000									13,800	34,500	318,300
5	Kampong Speu			328,000					88,986				416,986
6	Kampong Thom	380,000	341,855	244,000	201,593	309,762			57,243	30,000		10,000	1,574,453
7	Kampot			304,000							18,400		322,400
8	Kandal		30,330		109,826				152,200	90,000	29,400		411,756
9	Koh Kong			104,000							6,600	6,500	117,100
10	Kratie			184,000		686,523			100,000		9,200	23,000	1,002,723
11	Mondolkiri			84,000							4,200	10,500	98,700
12	Phnom Penh										15,200		15,200
13	Preah Vihear										9,800	24,500	34,300
14	Prey Veng		496,674		177,257		441,000		82,712	60,000			1,257,643
15	Pursat	2,720,500		144,000	243,156						9,800		3,117,456
16	Ratanakiri			196,000							9,800	24,500	230,300
17	Siem Reap	1,565,000		276,000							20,000	22,000	1,883,000
18	Sihanoukville			88,000							4,400		92,400
19	Stung Treng								34,000			17,000	51,000
20	Svay Rieng		376,838		227,617		25,000		62,214				691,669
21	Takeo				207,194				110,000		20,000		337,194
22	Otdar Meanchey									22,731		12,000	34,731
23	Kep			20,000							1,000		21,000
24	Pailin										1,600	4,000	5,600
	TOTAL	5,693,000	1,925,140	2,544,000	1,720,007	1,306,047	466,000	362,200	347,886	270,000	239,800	223,000	15,097,079
	Number of Target CS	37	61	636	356	4	95	6	422	135	1199	446	
	Average grant per CS	153,865	31,560	4,000	4,831	326,512	4,905	60,367	824	2,000	200	500	

Note: Development Partner projects not directly supported by PSDD include: ADB TSLI, ADB CCDP2, USAID LAAR and UNFPA

Table 23: 2009 District Investment from other Projects Supported by PSDD (\$)

No.	PROVINCE / MUNICIPALITY	Danida/UK		EC/UNDP		World Bank				UNCDF		GRAND TOTAL	
		NRML		DDLG		DDFG/OWSO		LASED		IDLD		DISTRICTS	
		#	Amount	#	Amount	NO.	Amount	NO.	Amount	NO.	Amount	NO.	Amount
01	Banteay Meanchey					1	63,519					1	63,519
02	Battambang					1	28,340					1	28,340
03	Kampong Cham	13	390,000	6	180,000	1	63,519	1	20,220			21	653,739
04	Kampong Chhnang			5	150,000							5	150,000
05	Kampong Speu	7	210,000									7	210,000
06	Kampong Thom	6	180,000	6	180,000	1	63,519	1	20,220			14	443,739
07	Kampot	6	180,000	6	180,000							12	360,000
08	Kandal			6	180,000	1	63,519					7	243,519
09	Koh Kong	6	180,000	3	90,000							9	270,000
10	Kratie	5	150,000			1	63,519	1	40,440			7	253,959
11	Mondolkiri	5	150,000									5	150,000
12	Phnom Penh			3	90,000							3	90,000
13	Preah Vihear											0	0
14	Prey Veng			6	180,000	1	63,519			2	60,000	9	303,519
15	Pursat	6	180,000									6	180,000
16	Ratanakiri	9	270,000	3	90,000							12	360,000
17	Siem Reap	10	300,000			1	28,340					11	328,340
18	Sihanoukville	3	90,000	3	90,000	1	63,519					7	243,519
19	Stung Treng											0	0
20	Svay Rieng			4	120,000					2	60,000	6	180,000
21	Takeo			5	150,000							5	150,000
22	Otdar Meanchey											0	0
23	Kep	2	60,000									2	60,000
24	Pailin											0	0
GRAND TOTAL		78	2,340,000	56	1,680,000	9	501,313	3	80,880	4	120,000	150	4,722,193

Table 24 : 2009 Provincial Investment from other Projects supported by PSDD

GIS	PROVINCE / MUNICIPALITY	MDLF	UNICEF	IFAD		CANADA	TOTAL
		NRM PIF	Seth Koma	RPRP	RULIP	ADMAC	
01	Banteay Meanchey					63,063	63,063
02	Battambang					158,884	158,884
03	Kampong Cham	167,400					167,400
04	Kampong Chhnang						0
05	Kampong Speu	121,100	271,504				392,604
06	Kampong Thom	42,900	310,777				353,677
07	Kampot	44,800					44,800
08	Kandal						0
09	Koh Kong	89,300					89,300
10	Kratie	110,000			306,867		416,867
11	Mondolkiri	100,200					100,200
12	Phnom Penh						0
13	Preah Vihear				423,376		423,376
14	Prey Veng		299,893	493,093			792,986
15	Pursat	108,100					108,100
16	Ratanakiri	163,100			365,581		528,681
17	Siem Reap	132,200					132,200
18	Sihanoukville	93,900					93,900
19	Stung Treng		125,205				125,205
20	Svay Rieng		282,918	353,830			636,748
21	Takeo						0
22	Otdar Meanchey		157,874				157,874
23	Kep	57,000					57,000
24	Pailin					68,390	68,390
GRAND TOTAL		1,230,000	1,448,170	846,923	1,095,824	290,337	4,911,254

5.4 Output 4: Aid Effectiveness Mechanisms in Place

This output comprises activities related to strengthening aid effectiveness and harmonization measures particularly within the context of formulating the future national program. The following six activities have been identified related to PSDD's support in 2009.

5.4.1 Support to Formulation of NPDD: Harmonization Experience reflected in NPDD design

The NPDD design team, which commenced their work in September 2008, will continue through the middle of 2009 when a final draft of the ten year national program is meant to be submitted. The close interaction between the design team and PSDD will continue through this period to ensure: that relevant experience and salient lessons from ten years of implementation are factored into design; that design informs implementation in 2009; and that progress made under the current harmonized arrangements are preserved in designing the future support framework for the NPDD.

5.4.2 NCDD Merit Based Incentive System finalized, approved, implemented and reviewed in preparation for 2010 NPDD

Based on a design study carried out in the last quarter of 2008, a proposal for a NCDD Merit Based Incentive Scheme based on MBPI and PMG sub-decrees, guidelines and manuals was formulated in December. The proposal, which involves certain interim arrangements in 2009 while the work is undertaken for the longer term scheme under the NPDD, is first under discussion between the NCDDS and development partners to reach agreement in principle following which the NCDDS will commence discussion and negotiations with CAR and MEF. The interim measures are intended to commence from 1 March 2009.

5.4.3 NPDD Baseline on Capacity Development Established

The first phase of a study on Capacity Development was completed in September 2008 focused on the mapping of current technical assistance arrangements in support to D&D. The second phase of the work in 2009 will focus on establishing a capacity development baseline for the NPDD in close consultation with the NPDD formulation team.

5.4.4 Joint Audit of 2008 Accounts completed by mid-2009

The joint audit of 2008 and 2009 accounts under the PSDD, WB/RILG, IFAD/RPRP, MDLF NRM in D&D and UNICEF/Seth Koma projects was advertised in early December and a two year contract is expected to be signed by latest end-January 2009. The procurement process for the annual harmonized audit of accounts under the PSDD, WB/RILG, IFAD/RPRP, MDLF NRM in D&D and UNICEF/Seth Koma projects has been delayed for the past two years owing to factors caused both by development partners and the NCDD. As such it was agreed by all parties to procure a two-year contract for the 2008 and 2009 joint audit of accounts and expressions of interest were received by December 2008. The contract is expected to be awarded by end January and the audit of 2008 accounts completed by end April 2009. Despite the timing issues, the harmonized audit arrangements should become a feature of the NPDD design with the issuing of multi-year contracts and costs apportioned to donors based on disbursement ratios.

5.4.5 Gender Mainstreaming Strategy for NPDD formulated

Provision has been made in the PSDD budget for a consultancy to work closely with the NPDD design team to ensure gender is mainstreamed through the NPDD. At the time of drafting this work plan, various options are available for financing either through PST competitive recruitment or through additional financing of the Urban Institute contract with PST. A decision on this should be made in early January so that the consultancy can proceed on a timely basis along with the NPDD design work.

5.4.6 2010 First Year AWPB of the NPDD formulated

The work involved in formulating the NCDD annual work plan and budget is considerable given the large number of projects and volume of resources; the wide variety of donor frameworks, the piecemeal identification of resources available and the time required to ensure adequate dialogue at all levels regarding strategic approaches and partnership. With the approval of the NPDD expected in the third quarter of 2009 and donor financing arrangements beyond 2009 unclear, the formulation of the NPDD first year AWPB for 2010 will be particularly complicated. In order that the programming cycle of September to December is not disrupted, indicative resource allocations need to be clarified by latest early September. If this proves not to be possible there will certainly be negative consequences for the first year of NPDD implementation. This issue needs to be set as an agenda item for both TWG and development partner meetings so that clarity on parameters for AWPB formulation can be reached by June and indicative 2010 resource allocations from both the government and development partners prepared by August so that the 2009 National Workshop on NPDD AWPB formulation can be properly organized. All PSDD advisors devote considerable time to supporting the national and sub-national authorities with this complicated process and will be expected to do so again in 2009.

6. Monitoring and Evaluation Work-Plan

The M&E work in 2009 will be driven by two overriding needs: a) maintaining and strengthening M&E continuity for PSDD and PSDD-enabled projects; and b) facilitating M&E framework formulation for the NPDD as well as the tools necessary to measure indicators. Against these two drivers, specific outputs expected are as follows:

Maintaining/Strengthening M&E Continuity for PSDD and PSDD-enabled projects

6.1 Sub-national M&E capacity strengthened

Based on the 2007 TNA and building on the work done in 2008, sub-national M&E capacity development will remain a priority. This work will be approached via development and implementation of a competency-based training program targeting PRDC ExCom and Line Department officials. Activities planned are: a) recruitment of a Master Trainer; b) identification of provincial “champions” to be trained as the ToTs; c) functional analysis of M&E tasks vs skills of the targeted M&E focal points; d) development of training curriculum and materials; e) ToT training (2 per province); f) training of targeted sub-national officials through the ToTs and g) technical support to the provincial ToTs and to the trained officials.

6.2 PSDD LFA indicators tracked and final report prepared

The work will continue leading to a final report comparing the changes observed against the baselines and along the LFA indicators. Activities include three follow up surveys covering Accountability, Responsiveness and Citizen’s Perception; follow up to the CBO and Village Meeting Attendance data collection and collection and compilation of data from secondary sources.

6.3 Analysis of NCDD Databases undertaken and results shared with target groups

PSDD has several databases containing a wealth of information which has had very little proper analysis and thus has not been sufficiently used for decision making. Building on preparatory work undertaken in 2008, increased attention and resources dedicated to database analysis will be made in 2009 through three distinct activities:

a) An IT solution linking all major NCDD/PSDD databases and expanding analytical capabilities: This work has been outsourced to Aruna Technology with budget support from DFID-DANIDA. See Activity 6.6 below for the details.

b) In-house extraction and analysis of the databases: The NCDD’s M&E Unit carried out some preliminary work in 2008 with promising results. In 2009, up to four analytical reports will be prepared focusing on results and outcomes derived from the databases which are particularly useful to policy and decision makers.

c) Dissemination and evidence-based advocacy: The analysis generated from the above activities will be packaged specific to the interests of targeted audiences and be disseminated in an organized manner. In 2009, up to four results dissemination and information sharing events will be organized.

6.4 Formative Evaluation and Outcome Monitoring Study Completed

The study, which commenced in 2008, will continue in 2009 with the piloting of the methodology developed in 12 communes in three study provinces.

6.5 Return on Investment Study Completed

Building on phase 1 of the study carried out in 2008, in 2009 the remaining activities will be undertaken including revision to the methodology and method of calculating cost benefit analysis and the related training and documentation for relevant counterparts and advisors.

6.6 NCDD MIS System Developed:

With MDLF financing, Aruna Technology will be expected to complete the work involved in developing a fully operational IT platform which will link most of the existing NCDD data bases and which can be built upon progressively with additional layers of information that will be required for the NPDD. The system will be user friendly, accessible on the web and will be able to automatically generate reports useful for progress monitoring and research activities.

Facilitating M&E framework formulation for the NPDD as well as the tools necessary to measure indicators

6.7 M&E Advisory Group and sub-groups professionally supported and building consensus on future M&E framework and system:

The M&E Advisory Group and its sub-groups, established in the last quarter of 2008, hold great potential for building consensus around the future M&E framework and system for the NPDD. The NCDD M&E Unit will take the lead in supporting this mechanism in 2009 including scheduling of meetings, setting of agendas, preparation of TORs and dissemination of results. It is anticipated that through the M&E Advisory Group by the end of 2009, consensus will be reached on a common M&E framework, a common set of indicators and a baseline for the NPDD.

6.8 Design of NPDD M&E framework and system supported:

Working with and through the M&E Advisory Group, its technical sub-groups and the NPDD design team, support will be provided to the design of the NPDD M&E framework and system. Activities initiated and planned include:

a) Mapping of the existing M&E frameworks of all the projects and initiatives supporting NCDD led D&D reform: the services of a suitably qualified consultant will be secured to complete the mapping by the second half of January, 2009. The mapping will include the collection and review of all relevant project- and donor country program-specific LFAs towards identification of commonalities and disparities.

b) Process support to the NPDD Design Team with M&E Framework formulation: The NCDD M&E Unit, supported by PSDD, is expected to coordinate and actively support the process of dialoguing and consultations with the M&E Advisory Group, its M&E working groups and other significant actors and stakeholders.

c) Post-design follow up and preparatory activities: The M&E Unit is also expected to assist the NCDD to put in place the M&E system eventually approved with the structure, tools and MIS required for implementation in 2010.

6.9 Establishment of NPDD M&E Baseline Supported:

Through the consensus developed in the M&E Advisory Group and the work of the NPDD design team, by the second quarter of the year it is anticipated that the work involved in establishing a baseline for the NPDD will commence.

7. 2009 Consultancy Plan

With a strategic year ahead requiring focus on policy, national program design, initial implementation of the Organic Law and individual project implementation it had been hoped that the number of consultancies, studies and evaluations could be kept to a prioritized and manageable number. As reflected in the table below this does not appear to have been possible as a total of 32 individual consultancies are planned. While only a few of the consultancies are directly financed through PSDD resources it should be understood by now that PSDD advisors play a critical role from start to finish in most of the consultancies programmed including TOR development, procurement, scheduling and meeting preparation, orientation of consultants and consolidation of results and follow up. More importantly, all of the consultancies require the time and attention of NCDSS management if recommendations are to be properly prepared, decisions made and follow up actions taken.

For the purposes of the 2009 PSDD AWPB, the following table reflects those consultancies funded by PSDD or by other partner projects for which PSDD advisors will be expected to contribute to TOR design, facilitation of work planning, organization of feedback sessions and follow up on recommendations. Many of these assignments have been identified in previous sections of this document.

Table 25: Continuing and Planned Studies on D&D in 2009

	TITLE	DESCRIPTION	COST (US \$)	FUND SOURCE
	Program Design Studies			
1.	Design of National Program (ongoing)	Urban Institute/CDRI design team consultants working with NCDD prepare 10-year national program design document with expected completion in July 2009. PSDD facilitation and financing of sub-activities through Policy Team.	550,000	World Bank
2.	Study on Technical Assistance in the context of Capacity Development: Part Two	Review of current and future TA roles with regards to capacity development, accountability and program based approach; development of strategies to diminish capacity substitution over time; establishment of capacity development baseline indicators for national program.	50,000	PSDD
3.	NPDD and Mainstreaming of Gender in National Program	Proposed consultancy to be included in Urban Institute contract under budget revision to ensure gender is mainstreamed throughout national program design	25,000	PSDD
4.	NPDD and Urban (Municipal) Planning and Service Delivery	Proposed consultancy to : analysis of urban migration trends, urban-rural dimensions in service delivery and policy aspects to be pursued as part of national program design	67,000	PSDD
5.	NPDD and Mapping M&E frameworks	Analysis and mapping of current M&E frameworks of development partners' country programs and specific D&D projects as input to NPDD M&E formulation	25,000	PSDD
6.	Functional Assignments in NRM Sectors	In liaison with NPDD design team and coordination with GTZ, review of functional assignments in NRM sectors (forestry, fisheries, land and environment)	50,000	MDLF
7.	Functional Assignment for small-scale infrastructure	Study to develop functional clarity regarding most common small-scale infrastructure at commune and district level (full scope to be determined)	t.b.d.	World Bank RILGP 2 Prep

	TITLE	DESCRIPTION	COST	FUND SOURCE
	Systems Development			
8.	Review and design of NCDD Incentive Scheme (ongoing)	Complete design for phase 1 implementation including manuals, reach consensus with RGC and donors and finalize implementation plan with view to commence by end of first quarter 2009.	10,000	PSDD
9.	Design of District/Commune Planning System and Guidelines (ongoing)	Complete design, prepare regulation and guidelines and develop training plan on district/commune planning system for implementation in second half of 2009 following election/establishment of District Councils.	30,000	UNCDF
	Review and revision to Provincial Planning system	Under same consultancy, review and prepare revisions to provincial planning system and guidelines as interim measure.		
10.	Develop Options for Budgeting and Financial management at Province & District	Following completion of design for district/commune planning system, assist MEF to develop budgeting and financial management system at district level. In conjunction with Provincial Planning system design, assist MEF in revision/strengthening of provincial budgeting and financial management system	80,000	World Bank
11.	Development of NCDD MIS (ongoing)	Design of GIS based, NCDD MIS system incorporating existing data bases, development of standard report formats and identification of additional data requirements	50,000	MDLF
12.	Environment and Social Safeguards Campaign	Baseline study, design of training, field testing, production of information materials, dissemination campaign on NCDD environment and social safeguards, post review.	57,500	MDLF
13.	Process Audit : CS Planning system	Process Audit of newly designed District and Commune Planning Guidelines and formulation of recommendations for NCDD consideration	50,000	World Bank
14.	Process Audit: CS Project implementation	Process Audit of CS Project implementation following revised PIM procedures and formulation of recommendations for NCDD consideration	50,000	World Bank
15.	Joint Audit of Accounts	Joint audit of WB/RILG, MDLF/NRM, PSDD, UNICEF and IFAD/RPRP 2008 accounts		Various
16.	Technical Audit	Forward looking study on possible options for technical support for C/S Fund projects	60,000	World Bank RILGP 2 Prep

	TITLE	DESCRIPTION	COST	FUND SOURCE
	Systems Development (cont)			
17.	Functional Assignment of support options	Review of current functional assignments for support functions to CS Councils and preparation of options for NCDD on possible future arrangements	t.b.d.	World Bank RILGP 2 Prep
18.	Performance Measures in C/S Fund and potential District Fund	Development of options for NCDD decision on introduction of performance measures (incentives and sanctions) within current CS Fund and potential District Fund.	t.b.d.	World Bank RILGP 2 Prep
19.	Social Accountability for the District level	Development of options for NCDD decision on strategies and mechanisms for reinforcing social accountability measures at commune and district level.	t.b.d.	World Bank RILGP 2 Prep
20.	Safeguard Options for the District level	Review of current safeguards at commune level with a view towards their application or revision for district level	t.b.d.	World Bank RILGP 2 Prep
	M&E Studies			
21.	Impact Study on NRM Investment	Design and development of an impact study on NRM Investment	65,000	MDLF
22.	Returns on Investment Studies (ongoing)	Phase 2 of design of simple cost benefit analysis methodology and application to selected PSDD investments	34,000	PSDD (PST)
23.	Formative Evaluation/ Outcome Monitoring (ongoing)	Continuation of work begun in 2008 focused on learning oriented formative evaluation of local governance and development processes. In 2009, methodology developed will be piloted in 12 communes of 3 target provinces.	140,000	PSDD (PST)
24.	M&E Base-lining	Baseline studies to be designed in relation to the SNDD and RILGP2	100,000	World Bank RILGP 2 Prep
25.	Mid Term Evaluation	Mid Term Evaluation of RILGP implementation, targeted for 2 nd quarter 2009	100,000	World Bank
26.	PSDD LFA Indicators Tracking and Reporting (ongoing)	Follow up studies on Accountability, Responsiveness and Citizen's Perception Surveys (3) by SBK Research and Development (contractual obligations carried forward from 2008)	50,000	PSDD (PST)

	TITLE	DESCRIPTION	COST	FUND SOURCE
	Accountability			
26.	Land Users' Rights Campaign	Campaign to increase awareness of rights of land users in C/S Fund context, to be undertaken by an NGO; targeted for early 2009	120,000	World Bank
27.	Safeguards Monitoring Support	Support by a contracted NGO for environmental monitoring and assessment; start targeted for January 2009	35,5000	World Bank
28.	Study on C/S Fund related accountability	Follow-up on functioning of PAWGs once these have been re-established and functioning; targeted for Mid 2009	20,000	World Bank
29.	Design and delivery of training on complaint resolution	To produce manual and enhance skills on investigation and complaint resolution in context of Provincial Accountability Working Groups; targeted for earliest 2009	9,000	World Bank
	Manual Review/Revisions			
30.	Technical Manual Revision (ongoing)	Complete design and updating of the Seila Technical Manual and development of Templates for C/S Fund projects by March 2009 through contract extension and budget revision.	150,000	World Bank
31.	NRM Package Project Menu	Development of Menu for NRM Packages of Assistance	66,700	MDLF
32.	Green Book finalized/issued (ongoing)	Review/develop/print/issue final edition of CS Service Delivery Handbook (Green Book)	64,000	MDLF

8. Summary 2009 Budget

The 2009 PSDD AWPB has been prepared in accordance with the revised project logframe structure. Against each of the 37 activities covered in this document detailed calculations were prepared based on: estimated time allocations per activity for 190 advisors and 65 NCDDDS staff and estimated allocations of operations budgets per activity. The summary 2009 PSDD Budget, broken down by component, is provided in Table 26 on the following page.

Numerous assumptions must be made of course in preparing a budget in this conceptual manner but the results are nevertheless considered realistic. As nearly the entire PSDD budget is contracted out in one form or another to Ministries, provinces, departments or individuals against work plans or terms of reference, budget management under the NCDDDS/PST follows a contractual approach. The tension between conceptual budget management requested by individual donor projects and contractual budget management which is more suitable for a national program based approach will probably continue until such time as the new national program will establish one common framework and understanding between government and donors. In 2009, it is intended to satisfy both approaches with output and activity reporting according to the conceptual framework and budget management in accordance with contracts signed with implementing entities.

As noted earlier in this document, the strengthening of the US Dollar against the Pound Sterling and Swedish Kroner may result in considerably less funds being available than expected in 2009. For the purposes of the 2009 PSDD AWPB document it has been decided to retain the budget allocations as agreed in September 2008 while at the same time carefully monitoring fund availability and having contingency plans in place should the planned budgets not be available. Contingency plans in this instance refer to identifying specific budget lines where savings could be affected with the least disruption to overall program implementation. The table below reflects one possible scenario which could result in savings of just over \$ 1,000,000 should it be necessary to reduce the budget owing to unfavourable exchange rates.

Budget Item	Planned	Potential Revision	Potential Savings
Consultancies	850,000	600,000	250,000
Equipment	500,000	250,000	250,000
Ministry Allocations	775,000	650,000	125,000
MBPI/PMG	700,000	520,000	180,000
Contingency	340,000	100,000	240,000
Total	\$3,165,000	\$2,120,000	\$1,045,000

Working closely with UNDP, the NCDDDS will closely monitor the status of fund availability and budget execution through the year to avoid any over-commitment of funds under the 2009 PSDD AWPB.

Table 26: 2009 PSDD Budget Summary

2009 PSDD Budget Summary							
Budget Item	Output 1	Output 2	Output 3	Output 4	M&E	Total	% Total
1. UNDP Managed							
International TA	334,157	78,943	189,964	105,686	191,250	900,000	5%
National TA at National Level	246,994	66,622	145,289	12,498	53,597	525,000	3%
National TA at Provincial Level	720,185	49,758	1,512,881	-	167,175	2,450,000	13%
Consultancies		50,000		50,000	50,000	150,000	1%
Sub-Total UNDP TA	1,301,337	245,323	1,848,135	168,184	462,022	4,025,000	22%
2. National Execution (NEX) by NCDD							
2.1 Investments							
Commune Development Fund			1,500,000			1,500,000	8%
CS Grant for CCWC	250,000	50,000				300,000	2%
District Fund	84,000		756,000			840,000	4%
District Council Support Package	400,000	350,000				750,000	
Provincial Investment Fund			2,200,000			2,200,000	12%
Ministries/NCDD Sub-Committees support	125,000	150,000	50,000	400,000	50,000	775,000	4%
Subtotal for investments	859,000	550,000	4,506,000	400,000	50,000	6,365,000	34%
2.2 Provincial Program Support							
ExCom Units	1,035,000	1,035,000	1,035,000		345,000	3,450,000	18%
PMG Additional	210,000	210,000	210,000		70,000	700,000	4%
PSDD Provincial Advisory Team Support	162,000	162,000	162,000		54,000	540,000	3%
Subtotal Provincial Program Support	1,407,000	1,407,000	1,407,000		469,000	4,690,000	25%
2.3 National Program Support							
NCDDS Staff	156,722	11,290	127,956	63,978	15,054	375,000	2%
Consultants	224,634	242,344	93,209	139,814	-	700,000	4%
Duty Travel PLG	20,896	1,505	17,061	8,530	2,007	50,000	0%
Duty Travel NCDD	27,165	1,957	22,179	11,090	2,609	65,000	0%
Audit NCDD	-	-	-	90,000	-	90,000	0%
Operational costs NCDD	87,764	6,323	71,656	35,828	8,430	210,000	1%
Local Procurement	500,000	-	-	-	-	500,000	3%
Study Tour / Workshop / Training	-	-	-	65,000	-	65,000	0%
Contingency	340,000	-	-	-	-	340,000	2%
Sub-total National Program Support	1,357,181	263,419	332,061	414,239	28,100	2,395,000	13%
Sub-Total NEX	3,623,181	2,220,419	6,245,061	814,239	547,100	13,450,000	72%
3. UNDP Direct							
AOS/CO						1,200,000	6%
Grand Total	4,924,517	2,465,742	8,093,196	982,423	1,009,122	18,675,000	100%
<i>Percentage per component</i>	<i>26%</i>	<i>13%</i>	<i>43%</i>	<i>5%</i>	<i>5%</i>	<i>100%</i>	

Annex 1: 2009 PSDD AWPB Provisional Activity Plan

Output 1 : Cambodian-owned management structure in place that promotes voice, responsiveness, delivery capability and accountability														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
1	NCDDS Structures Established/Strengthened													SS	SCL/HVZ	
	New/ revised NCDD Secretariat established	x	x											NC	SCL/HVZ	Organigram, TORs, JDs
	Training/guidance provided to PT and PST units		x	x	x	x	x	x	x	x	x	x	x	Various	HVZ/SP	CD plans implemented
	Monthly unit and management meetings	x	x	x	x	x	x	x	x	x	x	x	x	NC	HVZ/SP	Meeting minutes
	Unit advisers assisted	x	x	x	x	x	x	x	x	x	x	x	x		HVZ/SP	Progress reports
	Various unit staff plans consolidated			x	x									Unit Chiefs	HVZ/SP	Plans available
2	CCWC Strengthened and Reporting Analyzed													YM	Kry	
	Refresher training provided				x	x	x	x	x					Nguon	Kry	Training reports/evaluations
	CCWC progress monitored and reported			x			x			x			x	Nguon	Kry	Reports available
	Program reviewed and adjusted as necessary							x	x	x				Nguon	Kry	Summary report/Meeting minutes
3	District Councils Oriented/Planning													LV	Polrith	
	New district council elected and established						x									
	ToT orientation and planning delivered						x	x						Sothea	Sopheak	Training report and evaluation
	Councillors oriented, trained on planning system/process							x	x					Sothea	Sopheak	Training report and evaluation
	Development plans/budgets drafted									x	x	x	x	Sothea	Sopheak	Plans/budgets available
4	Revised AWG established/guidelines implemented/reporting													LV	Martin	
	Training provided on new guidelines		x	x	x									Vorin	Nareth	Training reports
	NAWG meetings		x			x			x				x	Vorin	Nareth	Meeting minutes
	NAWG & NSG monitor and report on field operations			x			x			x			x	Vorin	Nareth	Monitoring/progress reports
	Investigation procedures designed and disseminated		x	x	x	x								Vorin	Nareth	Approved procedures
	PAWG's meetings		x	x	x	x	x	x	x	x	x	x	x	Vorin	Nareth	Meeting records
5	2009 NCDD Capacity Building Plan Implemented													YM	Kry	
	2009 NCDD CB Plan approved	x												Nguon	Kry	Plan available
	Training schedule, budgets prepared		x											Nguon	Kry	Schedule/budget available
	Curriculum developed, approved		x	x	x	x	x							Nguon	Kry	Documents
	Training implemented		x	x	x	x	x	x	x	x	x	x	x	Nguon	Kry	Reports

Output 1 : Cambodian-owned management structure in place that promotes voice, responsiveness, delivery capability and accountability (continued)														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
6	ExCom Supported													PM	SPPA	
	Monthly Excom meetings conducted	x	x	x	x	x	x	x	x	x	x	x	x	PM	SPPA	Meeting minutes
	Unit capacity building plans prepared and implemented			x	x	x	x	x	x	x	x	x		Unit Chiefs	All	Progress reports
	Unit workplans prepared, agreed and implemented		x	x	x	x	x	x	x	x	x	x		Unit Chiefs	All	Progress reports
	Unit reports and data bases prepared and updated		x	x	x	x	x	x	x	x	x	x		PM	All	Data bases updated
7	DoLA supported for effective implementation													YM	Kry	
	Workplans prepared and implemented for each office		x	x	x	x	x	x	x	x	x	x		YM	Kry	Workplans exist/ implemented
	Office monthly meetings/feedback to management		x	x	x	x	x	x	x	x	x	x		YM	Kry	Meeting minutes
	Capacity Development plans prepared/ implemented			x	x	x	x	x	x	x	x	x		Nguon	Lam Vay	Plans/progress reports
	Assistance provided to reporting system			x	x	x	x	x	x	x	x	x		YM	Kry	Reporting deadlines respected
	Program reviews conducted					x					x			YM	Kry	Review reports submitted
8	NCDDS Program Support Team Supported													NC	SCL	
	Workplans prepared/implemented by each unit		x	x	x	x	x	x	x	x	x	x		Unit Chiefs	HVZ/SP	Workplans available
	Unit monthly meetings/feedback to management	x	x	x	x	x	x	x	x	x	x	x	x	Unit Chiefs	HVZ/SP	Meeting minutes
	Capacity Development plans prepared/ implemented			x	x	x	x	x	x	x	x	x		Unit Chiefs	HVZ/SP	Plans available
	Assistance provided to reporting system			x	x	x	x	x	x	x	x	x		Unit Chiefs	HVZ/SP	Reports prepared
	Program reviews conducted					x					x			Unit Chiefs	HVZ/SP	Review reports submitted
9	NCDDS Policy Team Supported													NC	BO/MM	
	Workplans prepared/implemented by each unit		x	x	x	x	x	x	x	x	x	x		Sothea	various	Workplans available
	Unit monthly meetings/feedback to management	x	x	x	x	x	x	x	x	x	x	x	x	Sothea	various	Meeting minutes
	Capacity Development plans prepared/ implemented			x	x	x	x	x	x	x	x	x		Sothea	various	Plans available
	Assistance provided to reporting system			x	x	x	x	x	x	x	x	x		Sothea	various	Reports prepared
	Program reviews conducted					x					x			Sothea	various	Review reports submitted
Output 2 : Systems developed and integrated into new national structures and systems including planning, finance, implementation, reporting, monitoring and personnel management														Focal Points		Indicators
10	Sub-national Planning/Budgeting System Designed/Implemented													LV	MM	
	First drafts circulated		x	x	x									Sothea	HVZ/SP	Drafts available
	Review workshops conducted			x	x									Sothea	HVZ/SP	Workshop reports
	Drafts approved				x	x								Sothea	HVZ/SP	Approval document
	Designed systems disseminated through training				x	x	x	x						Sothea	HVZ/SP	Training records
	System implemented								x	x	x	x	x	Sothea	HVZ/SP	Progress reports

Output 2 : Systems developed and integrated into new national structures and systems including planning, finance, implementation, reporting, monitoring and personnel management (continued)														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
11	Process Audit on CS Planning													LV	MdG	
	ToRs prepared and approved				x									YM	Kry	ToRs available
	Audit implemented						x	x	x	x	x			YM	Kry	Consultancy report
	Findings presented											x		YM	Kry	Workshop report
	System updated and revised as required											x	x	YM	Kry	Progress reporting
12	CS Fund Financial Procedures revised													LV	MM	
	Working group approves work plan	x												MEF	WB/CDF	Work plan available
	Revisions prepared and approved successively	x	x	x	x	x								MEF	WB/CDF	Approval document
	Training prepared and conducted							x	x	x	x			MEF	WB/CDF	Training reports
13	District Finance System designed													NC	MM	
	Consultations between NCDD and MEF	x	x											NC	MM	Meeting minutes
	Finance system designed and approved		x	x	x	x								MEF	WB/CDF	Approval document
	Training materials prepared				x	x	x							MEF	WB/CDF	Training materials
	System disseminated and trained						x	x	x	x				MEF/Mol	Kry	Training reports
14	CS Project Implementation Manual Disseminated/Implemented through Training													YM	Kry	
	ToT on the Revised PIM conducted	x	x											Nguon	Kry	ToT records
	CS/ Districts trained		x	x										Nguon	Kry	Training records
	Revised PIM disseminated to all other stakeholders			x	x									Nguon	Kry	Dissemination report
15	Technical Manual/Templates Program finalized/implemented													YM	TG	
	Draft manual tested and presented		x	x	x									YM	TG	Manual & Program available
	New system approved and disseminated				x	x								YM	TG	Dissemination report
	Users trained					x	x							Nguon	Kry	Training records
	System implemented						x	x	x					ExCom	Samnang	Progress reports
	End year evaluation of new system											x	x	Vorin	TG	Evaluation report
16	Process Audit of CS Project Implementation													YM	MdG	
	ToRs prepared and approved			x	x									Vorin	MdG	ToR available
	Audit implemented					x	x							Vorin	TG	Consultancy report
	Findings presented						x	x						Vorin	TG	Workshop report
	System updated and revised as required								x	x	x	x		Vorin	TG	Progress report
17	Safeguards Monitoring System Implemented													NKS	MdG	
	Regional Safeguard Advisors in place and functioning	x	x	x	x	x	x	x	x	x	x	x	x	TP	MdG	Contracts issued
	New safeguard procedures disseminated and applied	x	x	x	x	x	x							TP	Kry	Training records
	NGO contracted to support safeguards monitoring	x	x	x	x	x	x							NKS	MdG	Contract issued
	NGO contracted to do land users rights campaign	x	x	x	x	x	x	x						NKS	MdG	Contract issued
	Provincial Focal Points revived and strengthened		x	x	x	x								NKS	MdG	Reports consolidated
	Training to Commune Councils on safeguards				x	x	x	x	x					NKS	MdG	Report available

Output 3 : Effective and Transparent Investment Delivered														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
18	ExCom Supports CS Fund Implementation													LV	SPPA	
	Coach and monitor facilitation of CS Councils		x	x	x	x	x	x	x	x	x	x	x	LAU	LAA	Provincial Progress reports
	Coach and monitor TSO support to CS Councils		x	x	x	x	x	x	x	x	x	x	x	TSU	IA	Provincial Progress reports
	Coach and monitor Treasury support to CS Councils		x	x	x	x	x	x	x	x	x	x	x	PT	FA	Provincial Progress reports
	Monitor contract bidding and implementation		x	x	x	x	x	x	x	x	x	x	x	LAU/TSU	LAA/IA	Provincial Progress reports
	Data bases updated as per guidelines		x	x	x	x	x	x	x	x	x	x	x	LAU/TSU	MESA	Data Bases updated
	Monitoring reports/issues reported to ExCom/PST		x	x	x	x	x	x	x	x	x	x	x	LAU/TSU	various	Provincial Progress reports
	Coordinate with LAU/TSU on all CS activities		x	x	x	x	x	x	x	x	x	x	x	LAU/TSU	various	Provincial Progress reports
19	ExCom Supports District Investment Fund Implementation													LV	SPPA	
	Assist District contract preparation	x	x	x										LAU	LAA	Provincial Progress reports
	Coach and monitor LAU/TSU staff supporting District			x	x	x	x	x	x	x	x	x	x	LAU/TSU	LAA/IA	Provincial Progress reports
	Monitor correct implementation of guidelines			x	x	x	x	x	x	x	x	x	x	LAU/TSU	LAA/IA	Provincial Progress reports
	Monitoring reports/issues reported to ExCom/PST				x			x			x		x	LAU/TSU	various	Provincial Progress reports
	Data bases updated as per guidelines				x			x			x		x	LAU/TSU	MESA	Data Bases updated
20	ExCom Supports Provincial Investment Fund Implementation													NC	SPPA	
	Assist CAU/Departments contract preparation	x	x	x										CAU/Dept	MESA	Provincial Progress reports
	Provide backstopping to ExCom/Dpts on Implement.			x	x	x	x	x	x	x	x	x	x	CAU/Dept	MESA	Provincial Progress reports
	Monitor/report on all PIF contracts quarterly				x			x			x		x	CAU/Dept	MESA	Provincial Progress reports
	Selective monitoring of quality of outputs					x	x	x	x	x	x	x	x	CAU	MESA	Provincial Progress reports
	Assist data base updates				x			x			x		x	CAU	MESA	Data Bases updated
21	NCDD Sub-Committee and Ministry Contracts supported													NC	SL	
	Guidelines/allocations discussed with Ministries		x											CY	SL	Focal point progress reports
	Assist SCs and Ministries contract preparation			x										PST/CAU	various	Focal point progress reports
	Backstop implementation as requested				x	x	x	x	x	x	x	x	x	PST/CAU	various	Focal point progress reports
	Monitor implementation quarterly						x			x			x	PST/CAU	various	Focal point progress reports
	Attend periodic status review meetings						x						x	various	various	Focal point progress reports
	Assist data base updates						x			x			x	PST/CAU	NS	Data Bases updated
22	Other Project Investments Supported													NC	Various	
	Review/Clarify PST/PSDD support roles: all projects	x	x	x										NC	HvZ	Document produced
	Provide support as per approved MoU's/guidelines			x	x	x	x	x	x	x	x	x	x	NC	various	Project progress reports
	Maintain up to date information on progress				x			x			x		x	PST/CAU	various	Project progress reports
	Attend key project events			x	x	x	x	x	x	x	x	x	x	various	various	Project progress reports
	Periodic monitoring at sub-national level			x	x	x	x	x	x	x	x	x	x	various	various	Project progress reports

Output 4 : Effective Aid Mechanisms in Place														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
23	NPDD design incorporates harmonized practices													NC	SL	
	Regular dialogue with design team	x	x	x	x	x	x							NC	SL/MM	
	NPDD first draft submitted and discussed		x											NC		Draft document
	Follow up on harmonization issues/best practices			x	x	x								NC	SL/MM	
	Final draft submitted, discussed and approved						x	x	x					NC	Maris	Final document
	Transition plan drafted based on approved programme							x	x					NC	Maris	Transition plan available
	Required systems, staffing etc changes prepared								x	x	x			NC	Maris	Progress reports
	Transition plan implemented											x	x	Various	Various	Progress reports
24	NCDD Incentive Scheme Designed/Operational													NC	SL	
	Agreement on system and rates	x	x											NC	SCL	Meeting minutes
	Job descriptions adjusted		x											YM	HvZ/SP	Updated JDs
	Results based outputs determined and agreed		x											YM	HvZ/SP	Reporting forms
	Recruitment and performance eval procedures updated			x	x	x								YM	HvZ/SP	Procedures issued
	New procedures implemented through training			x	x	x	x	x	x	x	x	x	x	YM	HvZ/SP	Progress reports
25	Capacity Development Baseline for NPDD Established														HvZ	
	ToRs for base line drafted and approved			x	x									LV	HvZ/MM	Approved ToRs
	National consultants recruited				x	x								Malyna	HvZ/MM	Contracts issued
	Study conducted					x	x	x						Various	Various	Consultancy report
	Draft findings presented and approved								x	x				Malyna	HvZ/MM	Meeting minutes
	Recommendations implemented										x	x	x	Various	Various	Progress reports
26	Joint Audit of 2008 Accounts completed													LN	SL/DG	
	Audit firm selected by Procurement Committee	x												NC	DG	No Objection from WB
	Audit Contract Signed		x											NC	DG	Contract issued
	Audit conducted			x	x	x								LN	DG	Firm report
	Management Letters provided						x							LN	DG	Management letters available
	Final Audit Report for all projects delivered						x							NC	DG	Report available
27	NPDD Gender Mainstreaming Strategy Formulated													NC	SL	
	Working group established	x												Sothea	MM	document
	Consultant recruited by design team		x											Sothea	MM	contract available
	Consultations, field work and drafting of strategy		x	x	x									Sothea	MM	Consultancy report
	Draft strategy completed and presented at workshop				x									Sothea	MM	Workshop records
	Strategy finalized and incorporated in NPDD					x	x							Sothea	MM	NPDD

Output 4 : Effective Aid Mechanisms in Place (continued)														Focal Points		Indicators
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD	
28	NPDD First Year AWPB Formulated (2010)													NC	SL	
	Consultation with MEF/NCDD on NPDD Financing					x								MEF/NCDD	MM	Meeting minutes
	Development partner consultations					x	x	x						NC	SCL	Meeting minutes
	2010 NPDD indicative resources confirmed								x					NC	SCL	Meeting minutes
	National Workshop on NPDD 2010 AWPB conducted									x				Various	Various	Workshop report
	AWPB drafted											x		Various	Various	Draft AWPB
	AWPB approved by NCDD												x	Various	Various	Approved AWPB
Output 5 : Monitoring & Evaluation System Revised/Strengthened Against PSDD Lograme Indicators														Focal Points		Indicators
29	Sub-National M&E Strengthened													PSO	RK	
	Recruitment of Master Trainer	x												PST/M&E	RK	Signed contract
	Selection of provincial trainers	x	x										Records on selection			
	Analysis of M&E tasks vs skills of M&E focal points		x	x									Tools and forms used			
	Development of training curriculum and materials				x	x							Curriculum and materials			
	ToT training						x						Training record			
	Training of targeted sub-national officials							x	x	x	x		List of identified officials			
	Technical support to provincial trainers/trained officials						x	x	x	x	x	x	Project records			
30	PSDD LFA Tracked and Final Report Prepared													PSO	RK	
	Follow up surveys undertaken on Accountability, Responsiveness, Citizens Perception				x									PST/M&E	Moly	Survey report on file
	Survey findings dissemination					x	x						Records on dissemination			
	Tracking of changes (CBOs, Meeting Attendance)										x	x	Communication with provinces			
	Tracking of changes in all other LFA indicators		x	x	x	x	x	x	x	x	x	x	RK		Up to date LFA on file	
	Final reporting to the PSDD donors and NCDD/PST											x			Up to date LFA report on file	
31	NCDD Data Bases Analyzed and Outcome evidences Disseminated													PSO	RK	
	Analytical software and computer procured	x												PST/M&E	RK	Procurement records
	Topics of interest to the policy makers identified.	x	x	x									Records on consultation			
	Database extraction, exploration and analysis		x	x	x	x	x	x	x	x	x	x	Analytical products on file			
	Organize dissemination events and workshops			x			x			x			Workshop records			
	Organize evidence based policy advocacy campaigns				x			x				x	Records on the campaign			
32	Formative Evaluation/Outcome Monitoring Study Completed													PSO	RK	
	Review/approval of revised methodology and tools	x												PST/M&E	Moly	Approved materials on file
	Field work preparatory activities	x	x										Provincial Coordinators fielded			
	First round pilot of methods/process/tools in 4 CS			x	x	x	x						Records on piloting			
	Second round pilot in four CS in another province					x	x	x					Records on piloting			
	Finalization of the methods, processes and tools								x				Approved materials on file			
	Apply final methods and tools in 4 CS in another province								x	x	x	x	Records on piloting			
	Synthesize the lessons and disseminate them.											x	Workshop records			
	Documentation and reporting.												x			Final report on file

Output 5 : Monitoring & Evaluation System Revised/Strengthened Against PSDD Lograme Indicators														Focal Points		Indicators	
No	Sub-Outputs and Activities	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	RGC	PSDD		
33	Returns on Investment Study Completed													PSO	RK		
	Field work developing and testing revised methodology	x	x											PST/M&E	Kunka	Records on the field work	
	Development of prototype standard value tables			x													Sample value tables on file
	Methodology and manual finalization			x													Approved methodology on file
	Recommendations: changes to CDB, PID, NCD databases			x													Recommendations on file
	De-briefing and reporting on the revised methodology				x												Workshop records
34	NCDD MIS Programmed/Producing Reports													NC	MM		
	Phase 2 Aruna Contract implemented	x	x	x	x									Various	MM	Consultancy report	
	Standard report formats developed			x												SCL	report formats agreed
	Workshop with M&E Group					x										MM	Workshop minutes
	Phase 3 Contract prepared/approved/implemented						x	x	x	x	x					MM	Contract on file
	MIS operational											x	x			Sokun	System operating
35	M&E Advisory Group and M&E Working Groups Functional and Supported													PSO	RK		
	M&E Advisory Group meetings						x						x	PST/M&E	RK	Meeting records	
	M&E Working Groups establishment	x	x														Records
36	M&E Framework/System Design Supported													PSO	RK		
	M&E mapping support to the NPDD formulation team	x	x											RK	RK	ToR and records	
	M&E WG support NPDD M&E framework development	x	x	x	x	x	x	x	x								Records
37	NPDD Baseline Developed													PSO	RK		
	ToR developed and approved			x	x											ToR on file	
	Provider/consultant contracted						x	x	x							Signed contract	
	M&E working Group facilitating NPDD baselining					x	x	x	x	x	x				RK	Work group records	

Annex 2: Draft Criteria for 2009 Ministry Allocations

Implementing Agencies	Specific Criteria
Ministry of Interior	<ul style="list-style-type: none"> • DoLA, NCDD Training Plan, AWG, • Development and conduct training for subnational councils • Monitor and support subnational councils in performing their functions and responsibilities • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities
Ministry of Economy and Finance	<ul style="list-style-type: none"> • Analysis and design of subnational financial management systems and dissemination • CS financial management system revision/dissemination • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities
Ministry of Planning	<ul style="list-style-type: none"> • MIS maintenance, planning, coordination of PDoPs • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Prepare the transfer of functions and responsibilities
Ministry of Women's Affairs	<ul style="list-style-type: none"> • Gender Mainstreaming, coordination of PDWAs, CCWC training/support/monitoring • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities

Annex 2: Draft Criteria for 2009 Ministry Allocations

Implementing Agencies	Specific Criteria
Ministry of Rural Development	<ul style="list-style-type: none"> • Supervision, training, technical audits, coordination of TSU • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities
National Audit Authority (NAA)	<ul style="list-style-type: none"> • Auditing of sample of 2008 CS Accounts and reporting
Secretariat of State for Civil Services	<ul style="list-style-type: none"> • Civil Service Reform with Unified Administrations • Review and identify functions and responsibilities related to subnational councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare guidelines or policies for management of civil services of subnational councils
Ministry of Land Management	<ul style="list-style-type: none"> • Boundary review for new administrative territories, production of maps • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities
Other NCDD ministries: (eg. Agriculture, Education, Health, Water Resources, Industry, Public Works, etc)	<ul style="list-style-type: none"> • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare work plans for transfer of initial functions and responsibilities 2009-2010

Annex 2: Draft Criteria for 2009 Ministry Allocations

Implementing Agencies	Specific Criteria
Secretariat of State for Civil Services	<ul style="list-style-type: none"> • Civil Service Reform with Unified Administrations • Review and identify functions and responsibilities related to subnational councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare guidelines or policies for management of civil services of subnational councils
Ministry of Land Management	<ul style="list-style-type: none"> • Boundary review for new administrative territories, production of maps • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities
Other NCDD ministries: (eg. Agriculture, Education, Health, Water Resources, Industry, Public Works, etc)	<ul style="list-style-type: none"> • Review and identify functions and responsibilities to be transferred to subnational councils including CS councils • Review existing laws and legislations relating to sector/ministry functions and ensure that they are consistent with the Organic Law • Prepare schedule for transfer of functions and responsibilities