



KINGDOM OF CAMBODIA
Nation Religion King



**The National Committee for Management of Decentralization and
Deconcentration Reforms**

Annual Work Plan and Budget 2007

(English translation)

March 2007



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FORWARD

On 18 August 2006, the National Committee for Management of Decentralization and Deconcentration (NCDD) was established by Royal Decree 0608/355. The NCDD has assumed responsibility from the National Committee for Support to CS Councils (NCSC), the Inter-Ministerial Committee for drafting of the Organic Law and, from 1 January 2007, from the Seila Task Force. As such, a unified national authority has been established to oversee the formulation of policy, law and regulations; the formulation of a new national D&D program; resource programming and the formulation of consolidated annual work plan and budgets supported by domestic and donor resources; the coordination of AWPB implementation and the execution of a range of donor projects signed directly with the NCDD.

In 2007, the drafting of the Organic Law defining the powers and functions of sub-national administrations is expected to be finalized, broadly debated within government, discussed with development partners and the law adopted by the National Assembly. To ensure continuity and momentum in 2007 for the ongoing national effort to support and strengthen the D&D reforms, the NCDD, its Secretariat and Program Support Team have been assigned clear mandates and functions. At sub-national level, the mandates of existing structures and systems have been extended in time to manage the overall implementation of the 2007 NCDD AWPB described in this document. Following the adoption of the Organic Law, reformed sub-national management structures and systems will be gradually introduced through new regulations and accompanied by a well designed transition strategy and national training program.

Total resources mobilized for 2007 under the NCDD framework amount to \$ 59 million with \$ 53 million in cash resources and roughly \$ 6 million in the form of policy development, program design and program and project technical cooperation at provincial and national level. The contribution from the Royal Government of nearly \$ 22 million represents over one third of the total while contributions from 14 donors amounting to nearly \$ 47 million representing the balance. The 2007 NCDD Annual Work Plan and Budget (AWPB) summarizes the total resources available from all sources, total allocations to the various executing and implementing institutions and the planned use of resources programmed under the NCDD framework in support to decentralization and deconcentration in Cambodia at the commune/sangkat, provincial/municipal and national levels. This AWPB results from a five month planning and programming process carried out between August 2006 and February 2007, involving a high degree of vertical and horizontal dialogue and negotiation between Ministries, provincial/municipal and district/khan administrations, Commune/Sangkat Councils, donors and agencies supported and facilitated by the NCDD and its Secretariat.

The 2007 AWPB reflects the commitment of Commune/Sangkat Fund resources to CS Councils approved by the NCDD; the commitment of additional allocations to targeted CS Councils within a range of donor projects; the commitment of resources to 135 districts/khans under the district/khan initiative; the commitment of resources to 24 provincial/municipal administrations in support to investment and governance; the commitment of resources to 14 Ministries/Institutions for policy, national supervision and capacity development activities as well as project management tasks; and the

commitment of resources to the NCDD, its Secretariat and Program Support Team for overall AWPB program management. On the basis of the approved budgetary allocations, resources are subsequently committed and implemented through a variety of contractual agreements containing detailed work plans and budgets. As such, while the NCDD AWPB provides an overview of total resources programmed in 2007 as well as the annual work plan at the strategic level, detailed activities and budgets are reflected in 14 AWPBs for individual donor projects, 26 annual contracts with national Ministries, nearly 100 AWPBs with individual provinces, 530 annual contracts with implementing provincial departments and the 1,621 annual plans and budgets prepared by CS Councils.

The consistent application of regulations, systems, guidelines, procedures and capacity development efforts across all 24 provinces/municipalities, 185 districts/khans and 1,621 commune/sangkats in the country and the vertical and horizontal dialogue and coordination on both design and implementation has profoundly enhanced the Royal Government's ability to move forward on decentralization and deconcentration reforms as and when policy decisions are made. While generally satisfied with progress to date on the establishment of sufficiently robust structures, systems and capacities enabling implementation of the reforms to proceed, it is recognized that considerable work remains within the context of the Organic Law to: consolidate and enhance the decentralized regulatory framework; develop commune own source revenue instruments; support the design and institutionalization of provincial and district management systems grounded in a legal framework; and clarify the longer term vision and framework for support to local governance in Cambodia.

Good governance lies at the core of the Royal Government's Rectangular Strategy and in 2007 approximately \$ 10 million, or 17 % of the total available resources under the NCDD framework, has been programmed in support to strengthening good governance particularly at the sub-national level. Allocations to 14 national Ministries/Institutions, 24 provincial/municipal administrations and complimentary technical cooperation to these institutions will support a wide range of activities related to strengthening of regulations, systems and guidelines; national training programs at all levels; consolidation of national management information systems; monitoring, evaluation, reporting, supervision and auditing; and partnership development at national, provincial and commune level.

Inherent to the process of strengthening local governance there is also the need to ensure an adequate level of investment resources at province and commune level so that governance principles and practices translate into benefits for the population and the alleviation of poverty. In 2007, 75% of the total resources, or \$ 47.3 million in 2007, have been programmed in support to a wide range of investments and services to be implemented by national ministries/institutions, provincial departments and district offices, CS Councils and private sector contractors. All of these development activities have been designed following intensive consultations between CS Councils, provincial departments, international and national development agencies and national ministries in accordance with the National Poverty Reduction Strategy and the integrated planning and programming process.

The NCDD intends to build upon and strengthen the partnership framework that has developed over the past few years in support to D&D both within government and between the government and our development partners. The partnership framework both emerges from and has led to a significant degree of harmonization in the management of external resources in line with OEC/DAC principles. The resources described in the 2007 NCDD Annual Work Plan and Budget have been mobilized from the National Budget; from three IFI's, the World Bank, ADB and IFAD; from the European Commission; from the Governments of Sweden, United Kingdom, Denmark, Canada and Germany; from the UN System, UNDP, UNICEF and UNFPA; and from NGO partners. While not described in detail in this document, several million dollars of additional resources have been programmed in support to Communes/Sangkats for 2007 by Provincial Departments, IO's and NGOs through the annual District Integration Workshops carried out in each province/municipality as well as from contributions from the local communities.

As Deputy Prime Minister, Minister of Interior and Chairman of the National Committee for Management of Decentralization and Deconcentration Reforms, I would like to extend my appreciation to the members of the NCDD; to the NCDD Task Force, NCDD Secretariat and NCDD Program Support Team; to the 24 provincial/municipal Governors who as Chairmen of the Provincial Rural Development Committees oversee the management of the NCDD AWPB at province/municipal level; to the thousands of civil servants at provincial and district level responsible for implementation and support to most of the activities; and the 1,621 CS Councils who are working hard to administer and develop their local areas; to our development partners; and especially to the Cambodian men and women in rural areas whose hard work represent the foundation upon which any achievement is based.

Phnom Penh, March 2007

SAR KHENG
Deputy Prime Minister
Minister of Interior
Chairman of the NCDD

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Abbreviations

ADMAC	Agricultural Development in Mine-Affected Areas of Cambodia
AWPB	Annual work plan and budget
CAR	Council for Administrative Reform
CAU	Contract Administration Unit (PRDC ExCom)
CBRD	Community-Based Rural Development
CCDP	Commune Council Development Project
CIP	Commune/Sangkat Investment Program
CMAA	Cambodian Mine Action Authority
CS	Commune/Sangkat
DDLG	Democratic Development and Local Governance
DIW	District Integration Workshop
DoLA	Department of Local Administration
DOP	Department of Planning
DSP	Deconcentrated Sector Program
ExCom	Executive Committee (of PRDC)
FU	Finance Unit (PRDC ExCom)
GTZ	German Technical Cooperation Agency
IFAD	International Fund for Agricultural Development
LAU	Local Administration Unit
M&E	Monitoring and Evaluation
MLMUPC	Ministry of Land Management, Urban Planning and Construction
MoI	Ministry of Interior
MRD	Ministry of Rural Development
NCDD	National Committee for Management of D&D Reforms
NCDDS	NCDD Secretariat
NCDD/PST	NCDD Program Support Team
NGO	Non-Governmental Organization
NREM	Natural Resources and Environment Management
NRML	Natural Resource Management and Livelihoods
PIF	Provincial Investment Fund
PRDC	Provincial Rural Development Committee
PSDD	Partnership for Democratic Development through D&D
PSU	Project Support Unit
RGC	Royal Government of Cambodia
RILG	Rural Investment and Local Governance
RPRP	Rural Poverty Reduction Project
RULIP	Rural Livelihoods Improvement Project
SIDA	Swedish International Development Cooperation Agency
TSSL	Tonle Sap Sustainable Livelihoods Project
TSU	Technical Support Unit
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund

2007 NCDD Work Plan and Budget

1. NCDD AWPB Budget Structure

The 2007 NCDD AWPB budget structure, against which all resources are programmed, includes the following categories:

1.1 Commune/Sangkat

Commune/Sangkat Fund: The CS Fund, established by the Royal Government through a sub-decree in February 2002, is capitalized by national budget allocations and external contributions; allocated annually according to a transparent formula; transferred to CS Accounts held in the Provincial Treasury; programmed by CS Councils in accordance with the CS planning and budgeting regulations and process; and executed by the CS Councils to support the administration and socio-economic development of the communes/sangkats. The CS Fund is implemented nationally by the Department of Local Administration (DoLA) of the Ministry of Interior under the oversight of the NCDD.

Commune/Targeted: Under the NCDD framework, this category includes those resources allocated to targeted CS Councils *in addition* to the CS Fund allocations. These allocations are either untied additional allocations or tied allocations to support specific development objectives as specified in donor/agency projects and as identified by CS Councils.

1.2 District/Khan

District/Khan Initiative: Against specific guidelines developed in 2006 by the Ministry of Interior, this category includes resources allocated to District/Khan Development Committees consisting of all CS Council Chiefs, representatives of district line offices and chaired by the District Governor. Resources are programmed by the DDC to support priority services and investments of an inter-communal nature, identified through the local planning process, incorporated into an annual work plan and budget signed with the PRDC and implemented through contractual agreements between the DDC and either inter-commune committees, line offices, NGOs, private sector or, where district capacity is not available, by line departments.

1.3 Province/Municipality

Provincial Investment Fund: The Provincial Investment Fund (PIF) constitutes annual block grant allocations to the provincial/municipal authorities that are programmed and executed by the province/municipality and contracted to provincial departments for implementation of investments and services that respond to local priorities defined by the CS Councils and provincial departments and which are in line with national sector policies and strategies.

Deconcentrated National Sector Programs: This category consists of resources programmed under donor agreements with national Ministries against defined sectors and program strategies for which the responsibility for planning and implementation has been delegated to the province level under the overall coordination of the concerned Ministry.

Provincial Program Support: Provincial program support is defined as those resources allocated to the province/municipality to enable them to effectively manage and execute the annual work plan and budget; implement a wide range of functions assigned by the national level in support to decentralization and deconcentration including support, supervision and capacity building of CS Councils and CS Clerks; administration, monitoring, reporting and evaluation of contracts signed between the Governor and implementing departments; financial management; and coordination of provincial operations.

Provincial Technical Cooperation: This consists of external technical advisory services provided to the provinces to support capacity development in management and implementation of the functions described above; to strengthen transparency and accountability; and to further develop the partnership framework in support to both governance and development. Resources are broken down by national TA and international TA.

1.4 National

National Ministry Services: This category consists of resources allocated to national Ministries against annual work plans and budgets to support the formulation and strengthening of policies, regulations and strategies; capacity building for provincial authorities; and national supervisory, coordination, monitoring, evaluation and auditing functions.

National Program Support: National program support is defined as resources assigned to the NCDD, its Secretariat and Program Support Team for overall program coordination; monitoring, evaluation and reporting; financial management; operational support; and policy and program formulation.

National Technical Cooperation: This consists of external technical advisory services provided to national Ministries and the NCDD in support to governance, development, program execution, policy formulation and overall partnership development at national level. Resources are broken down by national TA, international TA and consultancy services.

2. 2007 NCDD AWPB Coverage and Partnerships

The NCDD 2007 AWPB incorporates the Royal Government's CS Fund and 16 donor projects all of which support governance and local development objectives within a D&D framework. While not designed against a comprehensive national program framework and under various national management arrangements, at sub-national level there is a high degree of harmonization and partnership amongst the 16 projects with regard to planning, programming and implementation. This is illustrated by the fact that 93% of the combined resources transferred to the sub-national level under the 2007 NCDD AWPB framework are managed by the PRDC Executive Committee following the NCDD's mandated systems and procedures. On the following page, a chart reflecting Donor Coverage and Provincial Partnerships under the NCDD 2007 AWPB framework is provided. As indicated in the table, including the CS Fund, there is an average of 5 partnerships in each province.

3. 2007 Resources: Availability and Programming

Including the resources available under the CS Fund, a total of nearly \$ 59.2 million has been mobilized and programmed from the national budget and development partners and incorporated into the 2007 NCDD Work Plan and Budget. **Table 1: 2007 Total Resource Availability** provides a breakdown of resources by source of funds expressed in US Dollars.

Table 1 : 2007 Total Resource Availability			
NO	SOURCE	AMOUNT	%
1	RGC	22,079,850	37.3%
2	PSDD	9,961,905	16.8%
3	WB/RILG	6,396,724	10.8%
4.1	IFAD/RPRP	3,975,852	6.7%
4.2	IFAD/CBRD	1,137,218	1.9%
4.3	IFAD/DRLIP	1,192,157	2.0%
4	IFAD TOTAL	6,305,227	10.7%
5.1	ADB/CCDP2	2,710,000	4.6%
5.2	ADB/TSSL	2,845,012	4.8%
5	ADB TOTAL	5,555,012	9.4%
6	DANIDA/DFID NRM&L	5,399,894	9.1%
7.1	EC/UNDP:DDLG	2,888,983	4.9%
7.2	EC/UNDP:EFMP	1,136,650	1.9%
7	EC/UNDP TOTAL	4,025,633	6.8%
8	UNICEF/SK	2,816,457	4.8%
9	CANADA (Admac & IFSN)	1,196,975	2.0%
10	USAID/PACT:LAAR	265,000	0.4%
11	GERMANY	600,000	1.0%
12	UNFPA	175,501	0.3%
13	NGO/GRET	69,000	0.1%
	TOTAL	\$59,164,178	100.0%

DONOR COVERAGE AND PROVINCIAL PARTNERSHIPS UNDER 2007 NCDD AWPB FRAMEWORK BY PROVINCE

No.	PROVINCE	RGC	PSDD	WB	IFAD			ADB		DAN/UK	EC-UNDP		UNICEF	CIDA	US	GTZ	UNFPA	#
					CBRD	RPRP	RULIP	CCDP	TSLI	NRML	DDLG	EFMP	SK		LAAR			
01	Banteay Meanchey																	5
02	Battambang																	8
03	Kampong Cham																	7
04	Kampong Chhnang																	5
05	Kampong Speu																	5
06	Kampong Thom																	7
07	Kampot																	4
08	Kandal																	5
09	Koh Kong																	4
10	Kratie																	6
11	Mondolkiri																	3
12	Phnom Penh																	3
13	Preah Vihear																	4
14	Prey Veng																	7
15	Pursat																	6
16	Ratanakiri																	5
17	Siem Reap																	6
18	Sihanoukville																	4
19	Stung Treng																	3
20	Svay Rieng																	7
21	Takeo																	6
22	Otdar Meanchey																	4
23	Kep																	3
24	Pailin																	4
	Total Provinces	24	24	14	2	2	3	N/A	6	10	10	1	6	3	8	2	5	

Against the NCDD budget structure, described in section 2 above, **Table 2: 2007 Programming of Resources** reflects the resources programmed against the commune, district, provincial and national levels by budget component.

Table 2 : 2007 Programming of Resources		
COMPONENT	AMOUNT	%
C/S Fund	21,841,463	37%
C/S Target	6,142,592	10%
Total Commune	27,984,055	47%
District	3,817,895	6%
Provincial Investment Fund	4,704,930	8%
National Sector Programs	6,780,531	11%
Provincial Program Support	4,802,559	8%
Provincial TA	2,563,122	4%
Total Province	18,851,142	32%
National Ministry Services	3,219,163	5%
National Program Support	912,960	2%
National TA	2,839,611	5%
Consultancies/Studies	1,539,352	3%
Total National	8,511,086	14%
TOTAL	\$59,164,178	100%

Expressed in another format, **Table 3: 2007 Programming of Resources** reflects the breakdown of resources by Investment, Program Support and Technical Cooperation.

Table 3: 2007 Programming of Resources		
COMPONENT	AMOUNT	%
C/S Fund	21,841,463	37%
C/S Target	6,142,592	10%
District	3,817,895	6%
Provincial Investment Fund	4,704,930	8%
National Sector Programs	6,780,531	11%
National Ministry Services	3,219,163	5%
Total Investment	46,506,574	75%
Provincial Program Support	4,802,559	8%
National Program Support	912,960	2%
Total Program Support	5,715,519	10%
Technical Cooperation - Provincial	2,563,122	4%
Technical Cooperation - National	2,839,611	5%
Studies/Consultancies	1,539,352	3%
Total Technical Cooperation	6,942,085	12%
TOTAL	\$59,164,178	100%

In analyzing the 2007 NCDD AWPB budget compared to the 2006 Seila AWPB, the following is noted:

- **Summary Total:** The sum total of resources under the 2007 NCDD AWPB has increased by nearly 30%, equivalent to \$ 13 million, compared to the total resources under the 2006 STF AWPB. This is due both to the increase in the CS Fund as well as the inclusion of several donor projects signed directly with the Ministry of Interior which have now been included together with projects previously operating under Seila into one AWPB framework.
- **Commune Fund:** The 2007 CS Fund has increased by 15% compared to 2006 due to the increase of roughly \$ 4 million in the contribution from the Royal Government's national budget.
- **Commune Targeted:** Additional allocations to target communes under specific donor projects has increased by \$ 2.7 million compared to 2006; an increase of over 80%. The majority of the increase results from the significant expansion of the Danida/UK NRML allocations to CS Councils and the inclusion of two ADB projects, CCDP2 and TSSL.
- **Commune Total:** Combining the two categories above, resources allocated to CS Councils has increased by \$ 5.6 million compared to 2006.
- **District:** With the expansion of the District Initiative from 24 to 138 target districts, an additional \$ 3.3 million has been allocated to districts; a six fold increase compared to 2006.
- **Province Investment:** Combining the two categories of the Provincial Investment Fund with Deconcentrated Sector Programs, total resources for provincial investment have increased by \$ 1.1 million or 11% compared to 2006. Nevertheless, the allocations to discretionary PIF resources have remained roughly the same.
- **National Ministry Services:** Allocations to National Ministries within the 2007 NCDD AWPB framework have increased threefold, equivalent to \$2 million. Nearly all of this increase, however, is accounted for by allocations to specific project PSUs with the more discretionary funds remaining largely the same.
- **Provincial Program Support:** There has been a 5% decrease in overall allocations to Provincial Program Support, amounting to roughly \$ 250,000. As there has been a \$ 12 million increase in overall sub-national investment financing in 2007, the percentage of provincial program support compared to sub-national investment has dropped from 14% in 2006 to 10% in 2007.

- **National Program Support:** Similarly, there has been a 10% decrease in overall allocations to the NCDD Program Support Team compared to 2006 allocations to the STF Secretariat. As a percentage of the overall AWPB costs, National Program Support has dropped from 3% in 2006 to 1.8 % in 2007.
- **Technical Cooperation:** While overall resources have dramatically increased, technical cooperation at provincial level has decreased 20% compared to 2006. At national level, the inclusion of the technical cooperation costs associated with the various PSUs has led to an overall increase of \$ 1.6 million compared to 2006. Finally, resources allocated to the wide range of consultancies in 2007 has increased by \$ 1 million; nearly three times the allocation included in the 2006 STF AWPB. Combining all three of these categories, the percentage of technical cooperation compared to the overall AWPB has increased by 1% in 2007.

4. 2007 Royal Government, Donors and Partners

4.1 Royal Government of Cambodia

As reflected in Table 4 below, total resources from the Royal Government incorporated in the 2007 NCDD Work Plan and Budget amount to an equivalent of \$ 22.1 million or 37 % of total AWPB resources. The bulk of the resources represent the national budget contribution to the CS Fund while the balance represents only the known counterpart funds on IFAD projects.

CATEGORY	AMOUNT	%
Investment	21,983,040	99.6%
Commune/Sangkat Fund	21,341,463	96.7%
Commune Other *	39,533	0.2%
Province *	602,044	2.7%
Program Support*	96,810	0.4%
Province	38,353	0.2%
National	58,457	
GRAND TOTAL	\$22,079,850	100%

* IFAD counterpart funds only

4.1.1 RGC: Commune/Sangkat Fund

In accordance with the NCSC decision on 17 August 2004, the 2007 national budget allocation to the CS Fund was fixed at not less than 2.56 % of domestic revenue. Based on domestic revenue forecasts, the 2007 CS Fund allocation was set at Riels 83.5 billion, equivalent to \$ 20,365,854 (Riels 4,100 = US\$ 1). Subsequently, an additional allocation of Riels 3,494,872,000 (\$ 852,408) was approved to provide for the increased salaries of village chiefs and deputies who were elected by CS Councils in mid-2006. As such, the

total RGC contribution to the 2007 CS Fund amounts to Riels 86,994,872,000 equivalent to \$ 21.34 million. This represents an increase of Riels 17.4 billion (\$ 4.2 million equivalent) over the 2006 CS Fund allocation. Combined with the 2007 contribution to the CS Fund from the PSDD Project of \$.5 million (equivalent to Riels 2.05 billion) the total value of the CS Fund in 2007 amounts to just over Riels 89 billion, equivalent to \$ 21.7 million (for details on the allocation of the CS Fund please refer to section 7.1 below).

4.1.2 RGC: Counterpart Funds

In addition to the CS Fund, RGC counterpart contributions in cash to the IFAD loan programs in four provinces, amounts to a total of \$ 740, 000. As indicated in the table above, under the investment categories, this includes contributions to target communes under the CIDF component and to provincial investment. In the program support categories, this includes contributions to the costs of the PRDC ExComs and to the NCDD Program Support Team. It should be noted that the substantial contribution from the Royal Government for premises, salaries, normal operating costs and taxes are not included in the NCDD AWPB budget calculations.

4.2 Project to Support Democratic Development through D&D (PSDD)

The Project to Support Democratic Development through D&D (PSDD), supported by UK/DfID, Swedish/Sida and UNDP, was approved by the NCDD on 24 January 2007 and became operational on 1 February 2007. As a successor to the six-year PLG Project, PSDD will continue to provide core financial and technical support to the Royal Government’s D&D reforms under the authority of the NCDD through national execution modalities. Project implementation is under the direct authority of the NCDD Program Support Team.

As reflected in **Table 5: 2007 PSDD Resources** below a total of \$ 10.4 million is available in 2007 and has been incorporated into the PSDD Annual Work Plan and Budget approved by the NCDD.

Table 5 : 2007 PSDD Resources		
DONOR	AMOUNT	%
United Kingdom/DfID	5,200,000	50%
Sweden/Sida	4,000,000	38%
UNDP	1,200,000	12%
GRAND TOTAL	\$10,400,000	100%

As reflected in **Table 6: PSDD Budget Contribution to the 2007 NCDD AWPB**, total PSDD resources programmed within the NCDD AWPB amount to just under \$ 10 million. PSDD 2007 resources represent 17 % of the total NCDD AWPB and were programmed by the NCDD between August and December through a government-led consultative process at all levels in accordance with established formulae and criteria.

Investment allocations include \$.5 million to the CS Fund and \$ 1.8 million to the Provincial Investment Fund; the two inter-governmental transfer facilities involving fully discretionary resource allocations to the sub-national level. While it had been hoped that the financing of the CS Fund would have been diversified by this stage, PSDD remains the only donor source of additional financing. As regards the strategic District Initiative, the PSDD will contribute \$ 350,000 in addition to the substantial contributions from Danida/UK and EC-UNDP. All of these allocations have been programmed by sub-national authorities against established guidelines and participatory processes.

Table 6 : PSDD Budget Contribution to the 2007 NCDD AWPB				
CATEGORY	PSDD Total	%	NCDD Total	PSDD/ NCDD
Investment	3,150,000	32%	46,503,381	7%
Commune Fund	500,000	5%	21,841,463	2%
Commune Targeted	0	0%	6,142,592	0%
District Investment	350,000	4%	3,817,895	9%
Provincial Investment Fund	1,800,000	18%	4,704,930	38%
National Sector Programs	0	0%	6,777,338	0%
National Ministry Services	500,000	5%	3,219,163	16%
Program Support	3,983,369	40%	5,615,519	71%
Province	3,336,434	33%	4,702,559	71%
National	646,935	6%	912,960	71%
Technical Support	2,828,536	28%	6,960,085	41%
Province NTA	1,590,122	16%	2,159,122	74%
National NTA	350,000	4%	1,257,197	28%
International TA	628,414	6%	2,004,414	31%
Consultancies	260,000	3%	1,539,352	17%
Grand Total	\$9,961,905	100%	\$59,078,985	17%

The 2007 allocation of \$ 500,000 for National Ministry Services has been allocated by the NCDD to 12 Ministries/Institutions which have prepared individual work plans and budgets against criteria re-established by the NCDD and in accordance with their respective mandates. The services provided by Ministries cover a wide range of governance and development activities related to the review and strengthening of policy, regulations and systems; supervision, monitoring and evaluation of provincial and commune performance; capacity development and coordination. The PSDD allocation of \$ 3.3 million to provincial program support represents 71% of the total budget requirements of the 24 provincial PRDC/ExComs in support to a wide variety of functions related to management, coordination, financial and technical services, monitoring, evaluation and reporting, and capacity building. These services benefit all donors under the NCDD AWPB framework. A total of \$ 647,000 is reserved for the NCDD Secretariat and its Program Support Team for activities related to program coordination and facilitation; monitoring, evaluation and reporting; capacity development around national program systems; and execution responsibilities under a variety of financial agreements signed between donors and the NCDD and/or Ministries.

Technical cooperation under the PSDD Project consists of provincial advisory teams in 24 provinces, which support the Governors, the PRDC Executive Committees and a wide range of line departments with the management, implementation and monitoring of all resources programmed under the NCDD AWPB; and a national advisory team, which supports 12 national Ministries and Institutions and the NCDD in accordance with their respective mandates and functions. Given the high level of external financing, these teams also ensure that effective monitoring, evaluation and accountability is ensured for the overall NCDD AWPB. The number of PSDD provincial advisors in 2007 totals 138 or an average of 5.5 per province. PSDD technical cooperation at provincial level in 2007 represents 3.7% of total NCDD AWPB resources allocated to sub-national level; a decrease compared to 2006. At national level, a total of 12 national advisors are assigned to support the NCDD Program Support Team; 7 national advisors are assigned to support MoI/DoLA with activities related to the commune/sangkat and the District Initiative; and 5 national advisors are assigned to support the Ministries of Agriculture, Economy and Finance and Planning; a total of 24 national advisors. Finally, 4 international advisors are assigned to support the NCDD and its Program Support Team and one international advisor is assigned to the Ministry of Agriculture under a cost-sharing arrangement between IFAD and UNDP. In summary, total PLG resources allocated for technical cooperation in 2007 amounts to \$ 2.8 million including a number of consultancies in support to the NCDD and the Directorate of General Administration in the Ministry of Interior. Included in this total is an allocation of \$ 120,000 to support studies/consultancies/consultations in support to the formulation of the new government D&D program which is expected to be in place for 2008.

4.3 World Bank: Rural Investment and Local Governance Project (RILGP)

In agreement between the Royal Government and the World Bank, the implementing agency for the RILG loan project, involving an IDA credit of \$ 25.3 million, has been transferred from the Seila Task Force to the NCDD and the duration of the project extended from end June to end December 2007. In addition, with the approval of the PSDD Project and assurances of ongoing technical support to RILG, resources reserved for technical cooperation have been reallocated to investment categories.

The objective of the RILG project is to contribute to rural development and poverty reduction through support to the provision of priority public goods at the CS level as well as to promote good local governance through support of decentralized and deconcentrated participatory local governance systems. The project includes two components as follows:

Component 1, Local Planning and Investment, supports through the CS Fund the decentralized planning process at the commune level. Eligible expenditures by RGC on CS Fund development projects are reimbursed from the loan, with the reimbursements used by RGC for further financing of the CS Fund. The total amount to be reimbursed under this arrangement during the project period is around US \$ 22.3 million. Criteria for eligibility include location in target provinces (14 provinces from 2005 onwards); a

positive list of eligible project outputs, and conformance to various procedural norms. By the end of 2006 a total of 3,900 CS Fund contracts with a total CS Fund commitment of US \$ 22.3 million were identified as eligible for reimbursement and the amount actually reimbursed was around US \$ 16.3 million. The balance of \$ 5.7 million will be reimbursed during 2007 against 2006 CS Fund projects that are expected to be completed in the first half of the year. The reimbursed funds will be used by the Royal Government against 2007 CS Fund costs.

Component 2, Policy Support and Project Management, supports the capacity building, technical assistance, procurement of buildings and equipment, and operating costs at national, provincial and commune levels for the implementation of Component 1. In addition, consulting services are financed for the purposes of conducting strategic studies related to decentralization and deconcentration reforms, socio-economic follow-up studies, mid-term and final project evaluations, and an annual independent audit. A total of \$ 3 million has been programmed under the IDA credit for Component 2.

In 2007, financing under component 2 will cover the cost of two provincial ExCom buildings, the procurement of 130 motorcycles, a wide range of consultancies reflected in the Annex III: 2007 NCDD Consultancy Plan and support to national workshops.

Table 7: 2007 World Bank/RILG Resources below reflects the 2007 allocation of funds under the 2007 RILG Annual Work Plan and Budget. In addition to CS Fund reimbursements, a total of US \$ 347,000 of program support at national and provincial level is programmed for construction of administrative buildings, procurement of motorcycles, workshops and a contribution to the annual joint audit under PST and US \$ 367,000 for consultancies and studies.

Table 7 : 2007 World Bank/RILG Resources		
CATEGORY	AMOUNT	%
Investment	5,683,000	89%
Commune Fund	5,683,000	89%
Program Support	346,724	5%
Province	150,000	2%
National	196,724	3%
Technical Support	367,000	6%
Consultancies/Studies/Audits	367,000	6%
Grand Total	\$6,396,724	100%
Provinces Covered	14	

4.4 International Fund for Agricultural Development (IFAD)

In 2007, two IFAD loan programs are operational under the NCDD AWPB framework: the Community Based Rural Development Project (CBRD) in Kampong Thom and Kampot provinces; and the Rural Poverty Reduction Project (RPRP) in Prey Veng and Svay Rieng. A third loan program, Rural Livelihood Improvement Project (RULIP), completed loan negotiations in January 2007 and is expected to be approved and the loan effective by the second quarter of 2007. RULIP will be implemented in the northeast provinces of Preah Vihear, Ratanakiri and Kratie. As reflected in **Table 8: 2007 IFAD Resources**, the combined total value of these three loan programs in 2007 amounts to \$ 8.9 million of which a total of \$ 6.2 million, or 75%, will be programmed out of the three IFAD loans. Counterpart funds from the RGC and cost sharing from GTZ and UNDP cover the remaining 25%. All three projects utilize the D&D management structures and systems for execution at sub-national level and benefit from PSDD technical and financial support.

Table 8 : 2007 IFAD Resources				
COMPONENT	RPRP	CBRD	RULIP	TOTAL
Investment	3,640,901	1,044,033	1,187,657	5,872,591
Commune Targeted	942,265	0	0	942,265
Province	2,565,818	946,003	942,170	4,453,991
National Services	132,818	98,030	245,487	476,335
Program Support	240,021	93,185	4,500	337,706
Province	212,981	93,185	4,500	310,666
National	27,040	0	0	27,040
Consultancies	94,930	0	0	0
IFAD Total	\$3,975,852	\$1,137,218	\$1,192,157	\$6,210,297
2007 AWPB Total	\$4,279,404	\$3,063,292	\$1,566,037	\$8,908,733
IFAD % of Total	93%	37%	76%	70%
Provinces Covered	2	2	3	7

4.4.1 Rural Poverty Reduction Project (RPRP)

The 7-year, \$ 19.6 million, RPRP loan project in Prey Veng and Svay Rieng is entering its fourth year of implementation in 2007. The goal of the project is: poverty reduction for 120, 600 households through improved livelihoods, strengthened capacity, sustainable farming systems and natural resource management; new and/or rehabilitated infrastructure development; and increased access to technology, services and markets for their economic and social development. The project has three main components: (a) Agricultural Investment; (b) Local Development; and (c) Institutional Support.

With the completion of the Seila Program at the end of 2006, agreement was reached in the last quarter of 2006 for the RPRP lead agency responsibility to be transferred from the STFS to the Ministry of Agriculture, Forestry and Fisheries and for responsibility for the Local Development Component to be transferred from STFS to the NCDD Program Support Team. From 2007 onwards, the MAFF will provide overall project coordination will provide a channel and forum for policy dialogue with the government on issues related to targeting to the poor, poverty alleviation, decentralisation and deconcentration in relation to agricultural development and rural poverty reduction.

Under the Agriculture Component in 2007, full project coverage of 84 target communes and 13 districts (50 communes and 8 districts in Prey Veng and 34 communes and 5 districts in Svay Rieng) will be achieved with the addition of 10 new target communes (6 communes in Prey Veng and 4 in Svay Rieng). A total of 168 Commune Extension Workers will be contracted by the PDA of the two provinces to provide intensive agricultural extension services to the 1600 self-help groups (944 groups in Prey Veng and 656 groups in Svay Rieng) and total direct beneficiaries will reach 40,000 farmer families. A total of 500 Village Extension Workers will be trained in agriculture extension skills and basic technologies in order to gradually assume responsibility from the CEWs in the future. The detailed procedures and strategy for shifting roles and responsibilities of the CEWs to the VEWs is an important aspect of sustainability and will be further thoroughly discussed with all stakeholders in the course of 2007 implementation.

Under the Local Development Component in 2007, the Commune Infrastructure Development Fund (CIDF), involving an average five-year allocation of \$ 25,000 for each target commune in addition to the CS Fund, will cover a total of 148 communes in the two provinces. Based on individual decisions by each of the target CS Councils in regard to CIDF allocations to support priorities in their respective Commune Investment Plans, the total amount of CIDF resources allocated in 2007 amounts to \$ 942,000.

Finally, the Institutional Component consists of program support to the Ministries of Agriculture, Economy and Finance and Women's Affairs and the NCDD Program Support Team at national level and to the ExComs in the two provinces to ensure that the program is effectively managed and executed in line with a D&D approach and that gender is effectively mainstreamed through the program.

4.4.2 Community Based Rural Development (CBRD)

The seven-year, US \$ 23 million CBRD project, managed by the Ministry of Rural Development with co-financing from Germany/GTZ, Australia/CAAEP and the World Food Program, is beginning its final year of implementation in 2007 in the two provinces of Kampot and Kampong Thom. The CBRD has four components - Community Development; Agricultural and Livestock Development; Rural Infrastructure; and Support to Institutional Development and is based on two crucial design elements: 1) focus on poverty alleviation and a community based approach that empowers the target population and their village and commune level organizations to use their own resources

and actively participate in decision making on project support and interventions; 2) decentralized systems and procedures for planning, financing and implementation.

In 2007, CBRDP will maintain support to full project coverage in seven of the eight districts in Kampot Province and in four of eight districts of Kampong Thom Province (8 districts for the Agricultural Component). The project is assisting poor rural households and commune councils through a wide range of extension activities, agricultural inputs, self-help activities and the improvement and construction of rural infrastructure.

The 2007 AWPB totals \$ 3 million of which \$ 1.13 million has been programmed out of the loan including: \$ 1.04 million of provincial investment primarily for agriculture, medium scale irrigation schemes, community development and gender mainstreaming; \$ 93,000 for provincial program support and \$ 98,000 in support to the Ministry of Rural Development's Project Support Unit.

4.4.3 Rural Livelihoods Improvement Project (RULIP)

The new, seven-year, \$ 9.21 million RULIP, executed by MAFF and with co-financing from UNDP, is expected to become operational in the middle of 2007 in the three provinces of Kratie, Preah Vihear and Ratanakiri in the northeast of Cambodia. The project will have two components: (i) Livelihoods Improvement; and (ii) Support for Decentralization and Deconcentration in Agriculture.

Under the Livelihoods Improvement component, the project will focus on improving the food security of the poor and promoting agricultural diversification and market oriented agricultural development. The component draws upon positive lessons learned under the RPRP involving: a self-help group approach with the formation of livelihoods improvement and farming system improvement farmer groups; local planning using the Agro-Ecosystem Analysis methodology; and capacity building and support for the extension service providers. Complementary support programs that are applicable in both communities include: (i) support to commune level planning and monitoring; (ii) support for village extension workers, village animal health workers and village fisheries workers; (iii) gender mainstreaming; (iv) support for marketing initiatives; (v) integrated farming system demonstrations; (vi) private sector support; (vii) district fairs; and (viii) establishment of Young Farmers Clubs.

The Support for D&D in Agriculture component includes three sub-components: (i) Support for Provincial Agriculture Investment Programme; (ii) Support for Gender Mainstreaming in Agriculture; and (iii) Learning Communities.

The 2007 AWPB totals \$ 1.5 million of which \$ 1.2 million has been programmed out of the loan.

4.5 Asian Development Bank

Support from the Asia Development Bank for D&D consists of two projects, the second phase of the Commune Council Development Project expected to be operational in early 2007 and the Tonle Sap Sustainable Livelihoods Initiative Project (TSSLP). As reflected in **Table 9: 2007 ADB Resources** below, a combined total of \$ 5.6 million is included in the 2007 financing plans under the two projects.

4.5.1 Commune Council Development Project (CCDP2)

A second, two-year phase of the ADB-financed Commune Council Development Project (CCDP II) is expected to be approved and operational in early 2007. Following on from the first phase, CCDP II includes the following three components:

Component 1 – Commune Facilities: The project will continue the efforts to provide adequate meeting and operating facilities for CS Councils and the public which symbolize the role and significance of local democracy within the commune. A total of 235 additional C/S Council Offices will be constructed over the two year duration of the project.

Component 2 – Civil Registration System Development: The project will support the design and operationalization of a sustainable computer-based civil registration system with secured hard-copy records and a central, searchable and extendable data base.

Component 3 – Capacity Development: The project will support cost effective training of councilors, clerks and government officials and a 24-month mass media campaign in order that the purpose and implementation of local democracy is consolidated.

In 2007 a total of \$ 1.83 million is allocated in the CCDP II financing plan for the construction of approximately 93 CS Council Offices at a cost per facility of \$ 19,500. The beneficiary C/S locations will be chosen on the basis of agreed criteria established by the Ministry of Interior; will follow the established implementation guidelines involving competitive bidding; and will utilize commercial bank accounts for C/S payments to contractors. Under component 2, a total of \$ 310,000 has been allocated in the financing plan for the procurement of computer hardware; the costs associated with system design, and testing; and the training of operators in use of the equipment and data entry.

Under component 3, a total of \$ 230,000 has been allocated in 2007 with \$ 170,000 for support to priority training activities identified in the NCCD 2007 Training Plan and \$ 60,000 for a Mass Media Fund. The Mass Media Fund will be used for the production, broadcast, and evaluation of decentralization and local democracy messages, using a mix of media (theatre, TV, radio, posters, leaflets), procured, as in CCDP, through competitive bidding. Finally, a total of \$ 300,000 has been allocated for consultancy services and \$ 45,000 in operations costs related to the implementation of all three components.

Table 9 : 2007 ADB Resources			
COMPONENT	CCDP II	TSSLP	TOTAL
Investment	2,410,000	1,012,012	3,422,012
Commune Targeted	1,825,000	617,012	2,442,012
Province			0
Ministry Goods/Services	585,000	395,000	980,000
Program Support	0	110,000	110,000
Province	0	110,000	110,000
National	0	0	0
Technical Assistance	300,000	1,723,000	2,023,000
Province	0	444,000	444,000
National	300,000	1,279,000	1,579,000
ADB Total	\$2,710,000	\$2,845,012	\$5,555,012
Provinces Covered	10	5	15

4.5.2 Tonle Sap Sustainable Livelihoods Project (TSSL)

TSSL consists of a grant of \$15 million from the Asian Development Bank's (ADB) Special Funds resources, and the administration by ADB of a \$4.74 million grant provided by the Government of Finland, with a Royal Government contribution of \$0.60 million. The grants became effective on 9 June 2006 and their period of utilization closes on 30 June 2010. The Ministry of Interior is the executing agency.

The context of the Project is the Tonle Sap Initiative; a partnership of organizations and people working to meet the poverty and environment challenges of the Tonle Sap based on the Tonle Sap Basin Strategy which fosters, promotes and facilitates (i) pro-poor, sustainable economic growth, (ii) access to assets, and (iii) management of natural resources and the environment. The strategic principles are: (i) sustainable livelihoods, (ii) social justice, and (iii) a basin-wide approach. TSSLP will improve livelihoods by increasing access to assets by communities within the five provinces that adjoin the Tonle Sap. The project area encompasses the buffer zone and core areas of the Tonle Sap Biosphere Reserve. Specifically, it covers 37 communes, comprising 316 villages with a population of 287,430 in 54,857 families. The project includes three major components as follows:

Component 1: Community-Driven Development, implemented by the Ministry of Interior, includes a Community Livelihood Fund (CLF) managed by the commune councils and providing grants for social infrastructure, livelihoods, community fisheries as well as assistance for design and implementation of livelihood investment packages.

Component 2: Safeguarding of Core Areas, implemented by the Tonle Sap Basin Secretariat, will establish an information base and initiate a management system for core areas and institute an improved network of fish sanctuaries.

Component 3: Building Skills and Awareness for Sustainable Livelihoods, will (i) support improved coordination of community-driven development, for which the Council for Agricultural and Rural Development (CARD) is the implementing agency; (ii) enhance the skills base for community-driven development, for which MOI is the implementing agency; and (iii) deliver environmental education for the protection of natural resources, for which the Ministry of Environment is the implementing agency.

As reflected in Table 9 above, projected disbursement in 2007 amounts to \$ 2.9 million including an estimated \$ 617,000 of CLF grants by commune councils.

4.6 Denmark/UK Natural Resource Management and Livelihoods (NRML)

The NRML is a four-year program (2007-2010) financed by the Governments of Denmark and the United Kingdom under the Multi Donor Livelihoods Facility (MDLF). The NRML includes three inter-related components focused on: NRM in D&D; Civil Society; and sector policy development for Land Management, Fisheries and Forestry. For the purposes of the NCDD 2007 AWPB, the NRM in D & D component and the Land Management sub-component will transfer resources to the sub-national level utilizing the existing D&D management structures and systems.

4.6.1 NRM in D&D Component

The NRML D&D component builds on lessons learned under the 3-year, *Commune and Community Based Natural Resource and Environmental Management (CCB-NREM)* project financed by the Government of Denmark and implemented by the Seila Task Force between 2004 to 2006. The CCB-NREM project focused on mainstreaming NREM, land use planning and the sustainable use of natural resources to improve rural livelihoods at sub-national levels using the structures, systems and procedures associated with the RGC D&D reforms. The project expanded gradually from the initial pilot province to cover 10 provinces in 2006.

The development objective of the NRM in D&D component is to reduce the vulnerability of poor rural people whose livelihoods are dependent on natural resources. The immediate objective is to improve local government processes for pro-poor sustainable natural resource management. The intended outputs are policy coherence on NRM in decentralization and deconcentration improved; legal and regulatory framework for mainstreaming natural resource management into decentralized and deconcentrated planning activities developed; investments in natural resource management and livelihoods (NRML) projects enhanced at the commune level through greater opportunity for civil society participation and decision making in commune development planning; development planning and investment at provincial level in NRML strengthened; and district responses to inter-communal needs for enhanced investment in NRML improved.

As reflected in **Table 10 : 2007 Danida/Dfid NRM&L Resources** below, in 2007 the total commitment under the NRM in D&D Component amounts to \$ 4.72 million. Total investment resources amount to \$ 4.38 million consisting of: additional allocations to the budgets of 517 C/S Councils; allocations to 66 Districts under the Ministry of Interior's District Initiative; and allocations to the 10 provinces within which the 2007 program will be implemented. A total of \$ 320,000 has been allocated from the MDLF for specific consultancies that will contribute both to the strategic development of the NRM in D&D component and the overall national program within which it rests.

The NRM in D & D Component will benefit from technical assistance and program support provided through the NCDDS Program Support Team and the PSDD Project. Copies of the NRM in D & D Component Annual Work Plan and Budget for 2007 are available in the NCDDS Office.

Table 10 : 2007 Danida/Dfid NRM&L Resources			
CATEGORY	D&D	LAND	TOTAL
Investment	4,380,006	679,710	5,059,716
Commune Targeted	2,000,006	382,000	2,382,006
District	1,980,000	114,000	2,094,000
Province	400,000	183,710	583,710
Program Support	20,178		
Province	0		
National	20,178		
Technical Support	320,000		
Consultancies/Studies	320,000		
Grand Total	\$4,720,184	\$679,710	\$5,059,716
Provinces Covered	10	10	10

4.6.2 Land Management sub-component

The development objective of the Land Management sub-component is to reduce the vulnerability of poor rural people whose livelihoods are dependent on natural resources. The immediate objective is: titles to land and access rights to land and resources secured. The intended outputs are: 1. sector and cross-sectoral policy coherence on land management promoted; 2. Legal and regulatory framework for land use planning and land management developed; 3. Institutional capacity of the General Department of Land Management and Urban Planning developed; 4. Land use planning, sporadic land titling, and NRM guidelines, tools and service delivery models implemented; 5. Civil society access to information on land management improved; 6. Investment support to implement land use planning and land management as part of a future Program Based Approach in the land sector.

As reflected in Table 10, in 2007 the total commitment under the Land Management Component for sub-national activities amounts to \$ 680,000. This amount will be used for technical capacity development of the Provincial and District Land Management offices (\$ 184,000 and \$ 113,000 respectively). The funds will be used for training/capacity building, operational costs, the development and implementation of performance-based arrangements for land use planning and mapping, and joint quarterly forums with the NRM D&D component to discuss progress and share experiences. In addition, a total amount of \$ 382,000 will be used for investments to support commune land use planning as an integral part of the CDP/CIP process, support for mapping activities, commune boundary demarcation, state land identification and mapping, communal land registration and commune land disputes resolution.

The Land Management sub-component will be implemented by the General Department of Land Management within the Ministry of Land Management, Urban Planning and Construction. The sub-component will benefit from comprehensive technical assistance at national and provincial levels. Copies of the Land Management sub-component Annual Work Plan and Budget for 2007 are available at the MLMUPC.

4.7 European Commission

The European Commission is financing two projects in 2007 under the overall NCDD framework both of which involve cost sharing arrangements with UNDP. As reflected in Table 11: EC-UNDP 2007 Resources, the combined resource allocations in 2007 under the two projects amount to just over \$ 4 million.

4.7.1 Strengthening Democratic and Decentralized Local Governance Project (DDLG)

The five-year, Euro 10.5 million DDLG project cost shared with UNDP is beginning its second year of implementation in 2007. Using the C/S Councils as a common entry point, the project involves three complimentary components as follows:

- the creation of voice and accountability mechanisms to improve dialogue, promote partnerships and accountability, and facilitate capacity development;
- the creation of a network of commune councils at the provincial and national levels as a body to strengthen the role of commune councils (CCs) in the decentralization process; and
- support to pro-poor, inter-commune projects or joint undertakings to contribute to local area development.

Towards the end of 2006, the National League of CS Councils prepared a strategic plan 2007-2009; an annual plan and budget for 2007, procedures and options for membership fee collection and guidelines to manage the implications of the upcoming CS elections on the Provincial and National Associations of CS Councils. These documents were presented and approved at the NLC/S council members meeting on 23 February 2007. The challenge in 2007 will be to support the PAC/S in

opening bank accounts, developing plans and budgets, employing a secretariat and becoming as functional as the NLC/S has become over the last months. This process is expected to lead to the PAC/S becoming brokers of information and advocates of C/S needs and interests especially within the evolving reform framework.

As regards inter-communal collaboration, 2007 allocations totaling \$ 1,320,000 have been made to support investments and services formulated through inter-communal dialogue and planning in a total of 44 districts of 10 provinces. Additional support of roughly \$ 150,000 will be provided to the Executive Committees in the 10 provinces for facilitation, monitoring and reporting activities in support to inter-communal projects. An additional \$ 200,000 is available for programming during the year based on demand and inter-communal funding proposals.

COMPONENT	DDLG	EFMP	TOTAL
Investment	2,182,508	1,022,000	3,204,508
District	1,487,895		1,487,895
Province		1,022,000	1,022,000
National Services	694,613		694,613
Program Support	193,581	55,650	249,231
Province	193,581	55,650	249,231
National			0
Technical Assistance	512,894	59,000	571,894
Province		29,000	29,000
National	512,894	30,000	542,894
EC-UNDP Total	\$2,888,983	\$1,136,650	\$4,025,633
<i>Provinces Covered</i>	<i>10</i>	<i>1</i>	<i>11</i>

4.7.2 European Fund for Micro Projects (EFMP)

In line with the UNDP-EC Financial Contribution Agreement, in July 2006 the two-year, Euro 1.7 million EFMP was signed directly between UNDP and the Governor/PRDC Chairman of Battambang. The overall aim of the project is to reduce poverty in Cambodia by supporting basic, socio-economic rehabilitation of four selected districts in Battambang Province. The project targets 24 communes in the four districts and involves the delivery of a wide range of public goods and services. Concretely, the project has the following expected outputs:

- Improved village access to communes; improved commune access to district centers and markets; and rehabilitation of provincial roads with appropriate cross-drainage structures;

- Construction of primary & secondary school facilities with a focus on those communes where such facilities either do not exist or are too far from specific village populations. This will include the provision of basic classroom furniture and, as required, water and sanitation;
- Provision of clean drinking water through construction of water supplies, mainly tube wells and pumps, and sanitation facilities;
- Poor and vulnerable women assisted to improve living conditions for themselves and their families by learning marketable skills at two new district training centers.

In 2007, a total of approximately \$ 1.14 million has been programmed and will be transferred directly from UNDP to the PRDC ExCom in Battambang. Comprehensive technical support is provided through the PSDD project.

4.8 UNICEF/Seth Koma

The UNICEF Seth Koma Program (Community Action for Child Rights) is incorporated within the UNICEF Country Program, 2006-2010, signed with the Ministry of Planning. Since 2004 UNICEF has adopted the provincial management structures and systems for the implementation of annual Seth Koma work plans and budgets, benefiting from technical assistance under the PLG and now PSDD Project. It is anticipated that a revised MoU between UNICEF and the NCDD will be formulated in 2007 in order to continue the partnership arrangements in support to the government's D&D reforms.

The *Seth Koma* Program is focused on: a) supporting collaboration among sectoral ministries, sub-national administrations (province and district), Commune Councils and front line social service providers through D&D for fulfillment of child rights; and b) contribute to the reduction of high child mortality and improved access to primary education in Cambodia by promoting access to safe drinking water and environmental sanitation at both community level and primary schools.

The *Seth Koma* Program aims to clarify and strengthen the relationships between various actors within government and civil society to enhance the effectiveness of planning, delivery and access to services at the local level as well as to enhance community based services and the protection of children from neglect, discrimination, abuse and violence.

The Seth Koma Program is composed of two projects:

1. Local Governance for Child Rights

This project aims to improve the capacity of members of sub-national administrations and local governments at the province, district and commune levels to: a) assess and analyze the critical issues and priorities related to the rights of children and women; b) take simple, measurable and feasible actions to address them; and c) monitor and follow up their results systematically.

Emphasis is placed on strengthening collaboration between provincial and district administrations, Commune Councils and local service providers such as school directors/teachers and health workers to improve delivery and utilization of services for children and women throughout the year and during the process of annual commune development planning exercise.

2. Water and Environmental Sanitation

This project aims to improve access to and use of safe drinking water and environmental sanitation both by households and primary schools. It also aims to strengthen the capacity of key government agencies at different level of administration in their respective roles in the provision of rural water supply and sanitation services with good quality.

Table 12 : 2007 UNICEF Resources		
CATEGORY	AMOUNT	%
Investment	2,220,897	79%
Commune Targeted	318,276	11%
Province Investment	1,441,030	51%
National Services	461,591	16%
Program Support	295,560	10%
Province	295,560	10%
Technical Support	300,000	11%
Province	150,000	5%
National	150,000	5%
Grand Total	\$2,816,457	100%
Provinces Covered	6	

At the provincial level all activities financed by the Seth Koma Program are managed and coordinated by the PRDC Executive Committee and implemented by provincial line departments in accordance with their mandates or by the CS themselves. At the national level, the Seth Koma Program will collaborate directly with four NCDD-member Ministries: Ministry of Interior (Department of Local Administration), Ministry of Women's Affairs, Ministry of Rural Development and Ministry of Planning.

As reflected in **Table 12: 2007 UNICEF Resources** above, in 2007 UNICEF has programmed a total of \$ 2.8 million. The Seth Koma Program coverage in 2007 will increase from 203 to 317 communes in the six target provinces, all of whom will receive additional allocations in support to activities related to women and children. Approximately \$ 1.45 million has been programmed to finance sectoral activities implemented by provincial departments in collaboration with the CS Councils and \$ 461, 590 allocated to the four NCDD-member Ministries most closely linked with the Seth Koma Program. The UNICEF contribution of \$ 295, 560 to provincial program support consists of roughly \$ 75,000 for core support to ExCom operations and \$ 220,000 for the

LAUs in the six provinces to coordinate and facilitate support to CS Councils in relation to women and children issues.

4.9 Government of Canada

4.9.1 Agricultural Development in Mine Affected Areas of Cambodia (ADMAC)

The four-year, US \$ 4.17 million, ADMAC Project financed by Canadian CIDA commenced in 2006 and is executed by the Ministry of Agriculture with the Cambodian Mine Action Authority (CMAA) as a cooperating partner. ADMAC aims at reducing poverty among vulnerable men and women farmers by increasing food security and income in 6 mine-affected districts in the three north-west provinces/municipalities of Banteay Meanchey, Battambang and Pailin,

ADMAC has two components: (i) Agricultural Extension with four programs (Production Start-up Program (PSP), Agricultural Improvement Program (AIP), agricultural micro-finance and implementation support) and (ii) Mine Action. The Agricultural Extension Component builds extensively on experience developed by MAFF under previous IFAD projects such as ADESS and RPRP. PSP targets very poor households with high levels of food insecurity with agriculture inputs and farmer training. AIP targets more food secure and experienced farmers, some of whom will become village extension workers. A micro-finance initiative focusing on commune savings and credit groups will help secure access to capital.

The mine action component consists of support to the three provincial Mine Action Planning Units (MAPU). As all PSP/AIPs are in mine-affected villages (villages still reporting suspected mined areas, or villages from which mines have been removed very recently) MAPUs will play an important role in planning and coordinating the response to different land use situations encountered. This includes land reported to be suspected mined areas (SMAs); post clearance assistance on land that has very recently been cleared of mines and where further assistance is needed to help bring PSP and AIP farmers into agricultural production; and suspected mined areas (SMAs) with Uncertain Status, where lands are thought to have been cleared of mines but for which there remains some uncertainty as to their safety.

COMPONENT	ADMAC	FSIP	TOTAL	%
Investment	907,591	41,900	949,491	92%
Province	875,127	41,900	917,027	89%
National Services	32,464		32,464	3%
Program Support	18,474	9,000	27,474	3%
Province	18,474	9,000	27,474	3%
Technical Support	50,351	0	50,351	5%
Consultancies	50,351		50,351	5%
Grand Total	976,416	50,900	1,027,316	100%
Provinces Covered	3	1	4	

As reflected in **Table 13: 2007 Canada Resources**, a total of US \$ 976,416 million has been programmed by Canada in 2007, primarily to finance the activities of the provincial agriculture departments and MAPUs in the three provinces/municipalities. Specific attention will be given to agriculture gender mainstreaming based on the strategy developed by MAFF for the IFAD/RPRP program. ADMAC will continue to develop the practice of recruiting and training commune extension workers who serve as a liaison between farmer groups and the District Agriculture Office in support to local agriculture activities.

4.9.2 Food Security and Improved Nutrition Project (FSIP)

Under an agreement signed directly between Canada and the Governor/PRDC Chairman of Takeo in 2005, the two-year extension of the \$150,000 FSIP will complete its final year of implementation in 2007. The project is directly executed by the Takeo PRDC utilizing the established D&D systems and is technically supported by PSDD. The project is targeted in 74 villages of 16 communes in 5 districts of Takeo and applies an integrated development strategy focused on improving nutrition of the rural poor. Primary activities include integrated farming systems, animal husbandry, fish raising, rural water supply and nutrition education. In 2007, a total of \$ 51,000 has been programmed and is transferred directly from the Canadian Cooperation Office to the ExCom in Takeo.

4.10 USAID/PACT : Local Administration and Reform Program (LAAR)

USAID has awarded Pact Cambodia a five-year, \$14.4 million grant to increase Commune Council and citizen engagement in the Decentralization and Deconcentration (D&D) reform process in Cambodia. Now in its second year, the LAAR Program aims to: reach 300 communes in 8 provinces; increase participation and democracy at the sub-national level; build horizontal and vertical linkages between local government, national government and civil society; and increase public participation in Commune Investment Planning (CIP) and D&D reform processes. The LAAR Program uses a multi-dimensional approach, designed to build on and enhance existing programs in decentralization, with attention to good governance, under-represented populations and natural resource management (NRM) woven throughout. The program promotes good governance by emphasizing the application of the four principles of participation, partnership, transparency and accountability. The LAAR project is directly executed by Pact Cambodia while a Memorandum of Understanding between USAID and the Ministry of Interior defines the cooperation between the two governments. In addition, Memoranda of Understandings are negotiated by Pact Cambodia with each of the provincial level governments where the program is implemented. The primary program components include:

- 1. Capacity Building and Support.** Primarily through grants to NGO partners, LAAR delivers an intensive capacity building program for both civil society organizations and Commune Councils focused on 1) increasing public participation and

decision-making in council affairs and 2) improving transparent and accountable management of council funds.

2. Social Development Funds. LAAR provides small grants for social development projects that reflect priorities identified by local communities. Each target commune will have access to approximately US\$7,000 for use over three consecutive years. Matching funds are required from communes to increase ownership and sustainability of the projects.

3. Grant Support. One-time grants of up to US\$5,000 will be awarded to innovative Commune Councils, local NGOs, CBOs and/or village networks to support projects that aim to increase citizen involvement and that focus on cross-cutting issues of good governance, under-represented groups and NRM.

As reflected in **Table 14: 2007 USAID/PACT Resources**, estimated resource allocations under LAAR in 2007 include \$ 1.67 million in grants awarded to NGO partners for support to a wide range of capacity building and citizen’s awareness raising activities; \$ 600,000 of direct support from Pact; and \$ 265,000 of grants awarded to C/S Councils. In the course of 2007, social development grants to C/S Councils amounting to an aggregate total of approximately \$ 600,000 will be planned and awarded for implementation in 2008. For the purposes of the 2007 NCDD AWPB and the approved budget categories only the small grants awarded to CS Councils appear in the budget tables.

Table 14 : 2007 USAID/PACT Resources		
CATEGORY	AMOUNT	%
Investment	265,000	14%
Commune Targeted	265,000	
Program Support	1,665,000	86%
NGO Grants	1,065,000	55%
LAAR support to CS	600,000	31%
Grand Total	\$1,930,000	100%
Provinces Covered	7	

4.11 Government of Germany-GTZ

As a partner for support to decentralization and deconcentration in Cambodia, cooperation with GTZ continues to be strengthened through regular dialogue. As the major partner in the IFAD CBRD Project, GTZ's co-financing through the Rural Development Project (RDP) provides the majority of technical assistance in support to decentralised development management, civil society/community development and agricultural development in the two provinces of Kampong Thom and Kampot. German TA consists in:

- Systematic capacity building of CBRD partners; as well as of NGO and private service providers and backstopping to the implementation of CBRD/RDP activities,

- Support to Capacity Building measures for CBRD Target Groups, their commune and village institution,
- Support to the implementation of technical innovations and management and implementation procedures for (selected) CBRD components,
- Documentation of experiences and feeding lessons learned to the national level and other forums

During 2007, GTZ support for the overall CBRDP will focus on sustainability of the achievements reached so far: strengthening of the mechanism for closer cooperation between Commune Councils and civil society (the Village Network approach); support to Provincial Associations of Commune Councils plus their district branches; consolidation of Local Technical Committees for operation and maintenance of infrastructures; strengthening of private service providers in agriculture; and support to Most Vulnerable Families in the villages. In addition, impact monitoring and documentation of lessons learned will be supported.

As reflected in Table 15 below, in 2007 Germany/GTZ assistance under the RDP project supporting IFAD/CBRD amounts to \$ 600,000 consisting of \$ 350,000 of technical cooperation and \$ 250,000 of program support in the two provinces.

CATEGORY	AMOUNT	%
Investment	0	0%
Program Support	250,000	42%
Technical Support	350,000	58%
Province	350,000	58%
National	0	0%
Grand Total	\$600,000	100%
Provinces Covered	2	

4.12 UNFPA Support to D&D

The United Nations Fund for Population Activities has signed an annual work plan and budget agreement with the Department of Local Administration, Ministry of Interior to support capacity building and sensitization to key population issues for decentralized planners, CS Councils, women and children focal points and community members in selected provinces and communes. The expected outcomes under this agreement are: (i) national policies and decentralized plans take into account population/poverty and development linkages; (ii) institutional mechanisms and socio-cultural practices promote and protect the rights of women and girls to advance gender equity; and (iii) increased awareness and empowerment of particularly women and youth regarding reproductive rights including reproductive health services.

In 2007, a variety of training and awareness-raising activities associated with community based health, reproductive services and gender equity will be implemented in 151 communes of 5 provinces linked with the preparation of the revised Commune

Investment Planning (CIP) process to promote local action in relation to population issues.

As reflected in Table 16 below, 151 communes will receive \$ 500 each to support the above activities amounting to an aggregate total of \$ 75,500. A further \$ 25, 840 has been allocated to the provincial Local Administration Units and just over \$ 74,000 to DoLA itself to support forums, workshops, training of trainers and follow up activities.

Table 16 : 2007 UNFPA Resources		
CATEGORY	AMOUNT	%
Investment	149,660	85%
Commune Targeted	75,500	43%
National Services	74,160	42%
Program Support	25,840	15%
Province	25,840	15%
Grand Total	\$175,500	100%
Provinces Covered	5	

4.13 NGO Partners

GRET: Under a new program called PACEPAC, the NGO GRET will continue its innovative work to improve sanitation and access to drinking water in rural areas particularly through the establishment of piped water supply systems in rural towns that involve the private sector, the CS Council and the user communities. Under separate MoUs signed with the PRDC ExComs of Takeo and Kandal Provinces, one commune will be selected in each province based on a commitment to the development of a water and sanitation plan with the community. Approximately \$ 35,000 in each province will be allocated towards this initiative with \$ 4,500 for support, training, coordination and oversight and \$ 30,000 towards investment. Under the MoU, the PRDC manages the contracting and implementation through the established provincial systems.

In addition to the direct NGO partnerships noted above, there are hundreds of other indirect partnerships with NGOs throughout the country involving dialogue and collaboration around local governance and development issues. As an indicator of the networking and harmonization that has been established, through the 2006 District Integration Process a total of nearly 300 international and local NGOs have pledged support to CS investments and services through 14,000 agreements signed with CS Councils. In the follow up and implementation of these activities a considerable amount of dialogue and coordination at all levels takes place. In most provinces, Local Development Forums bringing together provincial authorities, IOs and NGOs continue to be organized in order to exchange information, discuss key issues of concern to all and strengthen collaboration.

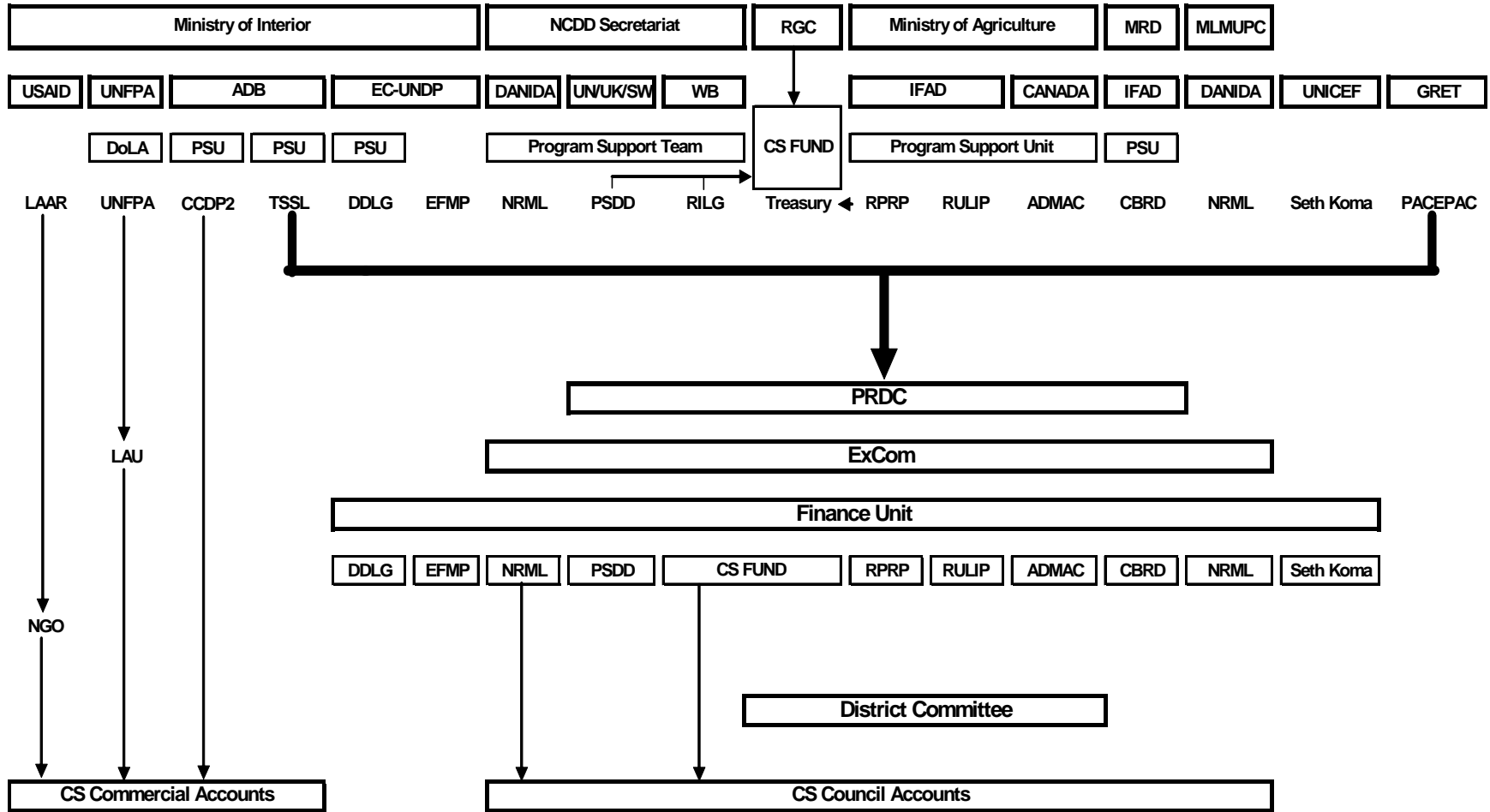
5. Financial Agreements, Fund Flow, Execution and Contractual Arrangements

All of the above resources are approved under a variety of financial agreements between donors/agencies and the Royal Government. The relationship with the NCDD AWPB is either described in the financial agreement itself, the subject of a specific Letter of Agreement or Memorandum of Understanding, incorporated into a specific agreement with the provincial authorities or clarified through informal arrangements. In the case of IFI's, financial resources are transferred through a special account at the Ministry of Economy and Finance to national and provincial implementing agencies and/or to CS Accounts through the National Treasury or Commercial Banks. In the case of multi- and bilateral support, transfers are made to the main project account held by the executing agency and from there to sub-national authorities. Once received in an account at provincial level, over 95% of the resources follow common contracting, financial management, payment, accounting and reporting procedures all defined in systems manuals approved by the NCDD.

While accommodating variety in financial agreements and fund flow from national to provincial level, the NCDD AWPB framework does ensure that for the important aspect of programming and contracting a consistency in approach is followed through the planning systems at commune, province and national level. Commitments made at village or commune level primarily follow the regulatory framework under the CS Fund. Alternatively they are negotiated locally with the involvement of the CS Council but executed through agreements between the provincial authorities and the CS Council or supported through direct payments by the agency. Commitments made at provincial and national level primarily follow the NCDD contracting system with specific donor resources accounted for separately but incorporated into a single work plan and budget for the concerned departments or provinces.

On the following page, a diagram on the NCDD 2007 AWPB Fund Flow Arrangements reflects the various modalities used by the different donor projects for financing of sub-national authorities. Of the total resources to be transferred to sub-national authorities in under the NCDD 2007 AWPB framework, \$ 44.6 million (93%) will be managed under the PRDC ExCom following the harmonized financial management systems mandated by the NCDD and \$ 3.5 million (7%) will be managed through separate arrangements outside of the PRDC ExCom structures.

NCDD 2007 AWPB : Fund Flow Arrangements



All resources under the NCDD 2007 AWPB framework that are transferred to Ministries, Provinces, Districts and Communes are incorporated into implementation contracts with work plans and budgets. **Table 17: 2007 Contracts** below provides a breakdown of the estimated 5,400 contracts expected to be administered under the 2007 NCDD AWPB in 2007.

Table 17 : 2007 Estimated Contracts		
Contracts	Number	Value
Commune		
CS Contractors	4,289	20,053,812
District		
District Contracts	436	3,650,000
Province		
PRDC : Districts	94	2,330,000
PRDC : Departments	316	11,290,461
PRDC : ExComs	191	3,712,731
National		
NCDD : Provinces	38	20,102,722
RGC/NCDD : Ministries	28	3,219,163
RGC : Donors	16	37,030,135
TOTAL	5,408	48,095,447

The majority of these contracts are entered into Contract Databases in Khmer and English that have been specifically designed to track progress against work plans, physical outputs and disbursements throughout the year. For contracts between the CS Councils and private contractors, at province level the Project Information Database (PID) is maintained by the PLAU and at national level by MoI/DoLA. For contracts between the province and implementing agencies, the Contract Database is maintained at provincial level by the ExCom Contract Administration Unit and at national level by the NCDD Program Support Unit.

6. Programming through District Integration

Support continues to be provided for the preparation and implementation of the District Integration Workshops (DIW), to promote partnerships for local development between CS Councils, provincial departments, international agencies and NGOs. In 2006, specific attention to improve the effectiveness of DIW preparation involved: more in-depth analysis of the DPAMs prior to the allocation of PIF to the line departments ; broader discussion of the sector activities proposed for PIF funding in the various line departments ; and more intensive discussions on the requests for PIF allocation between the line departments, the PDoPs and the PDWAs. The purpose of these elaborations is to increase the responsiveness of the line departments and NGOs to the CS priority requests.

In 2006, the CS Councils were requested by the NCSC to complete Step 7 of the CS development planning process, i.e. the preparation of the CS priority activities lists, before the end of August. This gave ample time to the PDoPs to enter the CS priority requests in the updated Commune Development Planning Database (CDPD), and to have

the District Priority Activities Matrices (DPAMs) ready for distribution and use nearly two months before the district integration workshops were held.

At the DIWs themselves, carried out between mid-October and the end of November 2006 and attended by representatives from the majority of provincial departments and agencies working within the district, the CS priorities were presented and reviewed with the CS Councils and presentations made by each department and agency specifying the services and investments that they intend to provide in 2007 either in direct response or in addition to the local priorities. Temporary agreements were then signed and recorded between the department/agency offering support and the CS Councils that are later to be followed up through direct, bilateral discussions to specify budgets, outputs and work plans. All temporary agreements are currently being entered into the CDPD and analytical work on the level, type and geographic distribution of responses to locally defined priorities will be completed by mid-2007.

Table 18: Summary Result of 2006 District Integration Workshops below, presents summary information on the results of 185 district integration workshops in 24 provinces involving all 1,621 communes/sangkats. The table summarizes the total number of priority activities raised by the CS Councils against the five components of the CS Development Plan, the number of temporary agreements signed with departments, NGOs and private donors both within and outside the District Priority Activities Matrices (DPAMs) and the percentages of agreements signed that directly respond to locally identified priorities.

Summary information on the results is as follows:

A total of 45,055 priorities were raised by the 1,621 CS (an average of 28 priorities per CS); 3% higher than in 2005. Roughly one third of the priorities were for economic activities, one third for social activities and one third for NRE, Gender and Admin/Security combined.

A total of 36,335 temporary agreements were signed (an average of 22 agreements per CS), which is virtually the same as in 2005. Of the total 2006 temporary agreements, 60% were signed between the CS and provincial departments and 40% were signed between the CS and NGOs/IOs. One third of the agreements were in direct response to priorities raised by the CS. The percentage of temporary agreements responding directly to CS priorities varied widely between provinces with Kep having the highest percentage (92%), Koh Kong the lowest (9%) and Battambang, Phnom Penh, Svay Rieng and Sihanoukville averaging 45-50%. Some analysis is expected to be carried out in 2007 to identify the specific factors that determine the level of responsiveness to CS priorities from province to province.

A Commune Development Planning Database (CDPD) has been operational since 2004 and is used to enter all C/S priorities and all temporary agreements signed at DIW. The database is now maintained at province level by the Departments of Planning and at national level by the Ministry of Planning.

Table 18 : Summary Result of District Integration Workshop 2006: All Provinces/Municipalities

GIS	Province	No. of C/S	2006 Commune Priorities by Component						Temporary Agreements (TA) signed in 2006						Grand Total	% TA in CIP
			Economic	Social	NREM	Admin/ Security	Gender	Total	Department		NGO/IO		Total			
									Inside DPAM	Outside DPAM	Inside DPAM	Outside DPAM	Inside DPAM	Outside DPAM		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	Banteay Meanchey	64	118	142	33	56	32	381	18	5	24	106	42	111	153	11%
2	Battambang	96	1671	1519	526	803	560	5,079	805	330	1481	724	2,286	1,054	3,340	45%
3	Kampong Cham	173	1844	1186	461	556	480	4,527	1017	1767	169	491	1,186	2,258	3,444	26%
4	Kampong Chhnang	69	424	303	108	138	199	1,172	170	251	160	702	330	953	1,283	28%
5	Kampong Speu	87	969	785	295	237	305	2,591	658	769	313	620	971	1,389	2,360	37%
6	Kampong Thom	81	757	678	240	291	388	2,354	416	758	162	217	580	978	1,558	25%
7	Kampot	92	833	568	210	328	241	2,180	242	632	14	451	256	1,083	1,339	12%
8	Kandal	147	847	724	348	425	360	2,704	337	905	81	537	418	1,442	1,860	15%
9	Koh Kong	33	240	175	120	115	89	739	40	174	27	126	68	313	381	9%
10	Kratie	46	569	355	304	222	191	1,641	164	243	36	425	200	668	868	12%
11	Mondolkiri	21	253	159	65	72	72	621	110	108	7	130	117	238	355	19%
12	Phnom Penh	76	204	455	232	461	265	1,617	649	1168	204	352	859	1524	2,383	53%
13	Preah Vihear	49	523	398	122	123	95	1,261	121	308	68	207	189	515	704	15%
14	Prey Veng	116	755	579	203	250	246	2,033	85	2532	123	2238	208	4773	4,981	10%
15	Pursat	49	749	494	279	370	251	2,143	197	335	181	341	378	676	1,054	18%
16	Ratanakiri	49	391	437	239	205	165	1,437	163	341	44	283	207	624	831	14%
17	Siem Reap	100	836	671	292	346	302	2,447	293	328	116	593	409	921	1,330	17%
18	Sihanoukville	22	189	242	173	154	113	871	347	415	86	89	433	504	937	50%
19	Stung Treng	34	964	1142	385	473	380	3,344	298	640	179	345	477	985	1,462	14%
20	Svay Rieng	80	975	880	225	323	372	2,775	1148	989	63	194	1,211	1,183	2,394	44%
21	Takeo	100	688	466	225	204	227	1,810	250	291	220	771	476	1322	1,798	26%
22	Otdar Meanchey	24	311	289	56	91	86	833	43	596	22	145	65	741	806	8%
23	Kep	5	90	75	38	33	26	262	216	59	25	0	241	59	300	92%
24	Pailin	8	66	71	24	44	28	233	25	208	14	167	39	375	414	17%
	TOTAL	1,621	15,266	12,793	5,203	6,320	5,473	45,055	7,812	14,152	3,819	10,254	11,646	24,689	36,335	32%
	Percentage		34%	28%	12%	14%	12%	100%	21%	39%	11%	28%	32%	68%	100%	

Notes

- a) "Inside DPAM" refers to activities requested by communes and included in District Priority Activities Matrices prior to the DIWs.
- b) "Outside DPAM" refers to activities proposed by either a department or an NGO/IO without a specific matching request from the commune in the DPAM.
- c) "% TA in CIP" compares column (14), "Total inside DPAM", with column (9), "Total 2006 commune priorities".
- d) There are 304 TAs signed with the private sector included in the grand total. Of these 85% (266) in Phnom Penh with balance in 6 other provinces.

7. 2007 Budget Programming by Province

Following the results of the District Integration Workshops, the CS Councils finalized their 2007 Investment Plan and Budgets in the knowledge of services and investments that will be provided by departments or agencies. At the same time, District Development Committees involved in the District Initiative and provincial departments and agencies finalized their 2007 work plans and budgets reflecting agreements reached on support to local priorities, activities related to improving service delivery and operational costs. At all levels, budgets are finalized towards the end of the year and with the exception of administrative resources are turned into contracts for implementation in 2007.

On the following eight pages, **Table 19: 2007 NCDD Budget Summary by Province** and **Table 20: 2007 Budget Summary: National Level and Grand Total**, reflect the total budget resources planned, programmed and committed for 2007 under the NCDD AWPB framework broken down by province and by budget category. The total CS Fund allocations recorded by province represent the total allocation for all CS Councils in the province for administration and development. The specific allocations for all CS Councils are included in **Annex III: 2007 CS Fund Allocations**.

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	01 BMC	02 BAT	03 KPC	04 KCH	05 KSP	06 KPT	07 KAM	08 KDL	09 KKG	10 KRT	11 MKR	12 PNP
I. INVESTMENT												
1.1 C/S Fund Allocations (USD)	969,218	1,377,337	2,595,270	861,574	1,327,957	1,108,165	1,071,257	1,950,806	343,501	542,655	204,406	1,213,340
Development Fund (Riel)	2,520,150,000	3,667,856,000	6,654,003,000	2,278,574,000	3,084,663,000	2,855,351,000	3,012,113,000	5,177,556,000	971,612,000	1,512,867,000	571,633,000	3,212,776,000
Administration Fund (Riel)	1,453,645,100	1,979,225,000	3,986,602,100	1,253,877,600	2,359,961,500	1,688,127,100	1,380,042,600	2,820,748,400	436,741,600	712,017,700	266,433,100	1,761,918,300
1.2 Commune Other	0	239,183	588,552	50,028	413,770	133,034	0	45,900	105,348	200,043	82,205	0
Danida-UK/NRML			561,677		322,614				98,848	177,043	82,205	
IFAD/RPRP												
UNICEF/Seth Khoma					91,156	64,456						
ADB/CCDP												
ADB/TSSL		133,408		50,028		50,028						
USAID-PACT/LAAR		88,775	19,875			18,550		15,900				
UNFPA		17,000	7,000						6,500	23,000		
GRET KOSAN								30,000				
1. Total Commune (USD)	969,218	1,616,520	3,183,822	911,602	1,741,727	1,241,199	1,071,257	1,996,706	448,849	742,698	286,611	1,213,340
2. District Initiative	25,000	25,000	570,000	175,000	210,000	25,000	25,000	205,000	270,000	150,000	150,000	115,000
Danida-DfID/NRML	0	0	390,000	0	210,000	0	0	0	180,000	150,000	150,000	0
EC-UNDP/DDLG	0	0	180,000	150,000	0	0	0	180,000	90,000	0	0	90,000
PSDD	25,000	25,000	0	25,000	0	25,000	25,000	25,000	0	0	0	25,000
3. Provincial Investment												
Agriculture	158,081	615,583	38,000	18,500	34,300	192,060	176,433	21,260	14,050	300,802	15,982	16,500
IFAD Loan Programs	0	0	0	0	0	160,449	160,219	0	0	234,560	0	0
RGC-IFAD Counterpart funds	0	0	0	0	0	21,600	8,214	0	0	51,242	0	0
PSDD/PIF Extension Services	8,143	10,000	0	18,500	8,900	10,011	8,000	21,260	0	0	0	16,500
Danida-DfID/NRML Extension Services	0	0	38,000	0	25,400	0	0	0	14,050	15,000	15,982	0
Canada/ADMAC and FSIP	149,938	605,583	0	0	0	0	0	0	0	0	0	0
Commerce/Marketing (PSDD/PIF)	0	0	1,500	0	0	0	0	0	0	0	0	0
Cult/Religious Affairs (PSDD/PIF)	4,880	0	1,500	0	0	2,900	0	0	0	0	0	0
Community Development (CBRD)	0	0	0	0	0	50,360	47,200	0	0	0	0	0
IFAD Loan Programs						29,480	37,934					
RGC-IFAD Counterpart funds						20,880	9,266					
Culture	0	4,700	0	3,000	14,400	2,370	0	0	4,000	0	0	6,300
PSDD/PIF support to cultural activities	0	4,700	0	3,000	8,000	2,370	0	0	0	0	0	6,300
Danida-DfID/NRML support to culture	0	0	0	0	6,400	0	0	0	4,000	0	0	0
Education	3,500	353,009	26,000	0	47,402	48,817	25,000	5,600	7,100	10,000	10,978	0
PSDD/PIF Formal-NFE-Schools	3,500	5,000	26,000	0	14,000	0	25,000	5,600	0	0	10,978	0
Danida-DfID/NRML NFE/Literacy	0	0	0	0	0	0	0	0	7,100	10,000	0	0
EC-UNDP/EFMP Schools	0	348,009	0	0	0	0	0	0	0	0	0	0
UNICEF/SK Formal-NonFormal	0	0	0	0	33,402	48,817	0	0	0	0	0	0
Environment	6,688	7,500	5,000	5,000	20,900	4,835	3,200	5,750	4,450	3,500	11,318	6,100
PSDD/PIF environment activities	6,688	7,500	0	5,000	0	4,835	3,200	5,750	0	0	0	6,100
Danida-DfID/NRML support to env	0	0	5,000	0	20,900	0	0	0	4,450	3,500	11,318	0

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	01 BMC	02 BAT	03 KPC	04 KCH	05 KSP	06 KPT	07 KAM	08 KDL	09 KKG	10 KRT	11 MKR	12 PNP
3. Provincial Investment (cont)												
Forestry Administration	0	7,000	4,000	0	0	6,575	0	0	0	0	0	0
Danida-DfID/NRML forestry	0	0	4,000	0	0	0	0	0	0	0	0	0
PSDD/PIF	0	7,000	0	0	0	6,575	0	0	0	0	0	0
Health	5,687	9,225	25,000	0	0	6,314	0	17,100	0	9,970	0	27,800
PSDD/PIF PHC-AIDS-Clinics	5,687	9,225	25,000	0	0	6,314	0	17,100	0	9,970	0	27,800
Canada FSIP/ PHC-Nutrition	0	0	0	0	0	0	0	0	0	0	0	0
Information (PSDD/PIF)	0	0	2,200	0	0	0	0	3,155	0	0	0	0
Land Management	1,625	7,500	78,371	5,500	69,701	4,835	0	0	60,568	70,232	66,341	6,200
PSDD/PIF Land Management	1,625	7,500	0	5,500	0	4,835	0	0	0	0	0	6,200
Danida-DfID/NRML D&D	0	0	0	0	0	0	0	0	0	3,000	0	0
Danida-DfID/NRML Land			78,371		69,701				60,568	67,232	66,341	
Mine Action Planning Units (MAPU)	18,202	23,731	0	0	0	0	0	0	0	0	0	0
PSDD/PIF	0	0	0	0	0	0	0	0	0	0	0	0
Canada/ADMAC	18,202	23,731	0	0	0	0	0	0	0	0	0	0
Provincial Planning	8,562	11,500	15,000	6,975	21,875	18,214	8,500	11,860	6,225	5,530	6,876	8,000
PSDD/PIF	8,562	11,500	15,000	6,975	10,475	7,584	8,500	11,860	6,225	5,530	6,876	8,000
UNICEF/SK	0	0	0	0	11,400	10,630	0	0	0	0	0	0
Public Works (PSDD/PIF)	0	0	32,000	0	0	0	0	0	0	0	0	0
Rural Transport Infrastructure	16,103	327,014	53,275	11,893	0	7,964	8,041	24,300	0	12,800	14,771	0
EC-UNDP/EFMP Rural Transport Infra	0	312,014	0	0	0	0	0	0	0	0	0	0
PSDD/PIF Transport Infra	16,103	15,000	53,275	11,893	0	7,964	8,041	24,300	0	12,800	14,771	0
Rural Water/Sanitation	7,300	155,126	0	4,682	233,730	262,136	959	0	0	0	0	14,000
PSDD/PIF Rural Water-Sanitation	7,300	4,000	0	4,682	23,100	0	959	0	0	0	0	14,000
UNICEF/SK Rural Water-Sanitation	0	0	0	0	210,630	262,136	0	0	0	0	0	0
EC-UNDP/EFMP Water Supply	0	151,126	0	0	0	0	0	0	0	0	0	0
Canada FSIP/ Rural Water-Sanitation	0	0	0	0	0	0	0	0	0	0	0	0
Social Affairs (PSDD/PIF)	4,400	5,000	0	3,000	0	2,938	0	0	0	0	0	6,000
PSDD/PIF Social Rehabilitation	4,400	5,000	0	3,000	0	2,938	0	0	0	0	0	6,000
IFAD Loan Programs												
Danida-DfID/NRML support	0	0	0	0	0	0	0	0	0	0	0	0
Tourism	0	0	1,500	0	0	0	2,892	1,950	0	0	0	0
PSDD/PIF	0	0	1,500	0	0	0	2,892	1,950	0	0	0	0
Danida-DfID/NRML local tourism	0	0	0	0	0	0	0	0	0	0	0	0
Water Resources	12,180	7,000	22,000	3,500	14,800	134,529	715,785	26,700	33,350	22,100	0	14,600
PSDD/PIF Small Scale Irrigation-Studies	12,180	7,000	0	3,500	14,800	16,074	17,083	26,700	33,350	22,100	0	14,600
IFAD/Medium Irrigation Systems	0	0	0	0	0	106,366	416,421	0	0	0	0	0
RGC-IFAD Counterpart funds	0	0	0	0	0	12,089	282,281	0	0	0	0	0
Danida-DfID/NRML Irrigation/WUG	0	0	22,000	0	0	0	0	0	0	0	0	0

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	01 BMC	02 BAT	03 KPC	04 KCH	05 KSP	06 KPT	07 KAM	08 KDL	09 KKG	10 KRT	11 MKR	12 PNP
3. Provincial Investment (cont)												
Womens Affairs	10,960	35,263	16,000	8,750	62,786	78,209	34,468	12,250	6,925	12,725	5,800	8,900
PSDD/PIF Gender Mainstreaming	8,257	12,000	16,000	8,750	0	0	9,000	12,250	6,925	6,725	5,800	8,900
UNICEF/SK Gender Mainstreaming	0	0	0	0	9,675	9,382	0	0	0	0	0	0
UNICEF/SK Women/Children	0	0	0	0	53,111	50,722	0	0	0	0	0	0
IFAD Loan Programs	0	0	0	0	0	14,592	20,542	0	0	0	0	0
RGC-IFAD Counterpart funds	0	0	0	0	0	3,513	4,926	0	0	0	0	0
EC-UNDP/EFMP Skills Training	0	23,263	0	0	0	0	0	0	0	0	0	0
Danida-DfID/NRML Skills Training	0	0	0	0	0	0	0	0	0	6,000	0	0
Canada/ADMAC and FSIF	2,703	0	0	0	0	0	0	0	0	0	0	0
Labour/Vocation training (PSDD/PIF)	0	3,000	0	0	0	2,900	0	0	0	0	0	0
PSDD/PIF	0	3,000	0	0	0	2,900	0	0	0	0	0	0
IFAD Loan Programs	0	0	0	0	0	0	0	0	0	0	0	0
Assembly Relations/Inspection	0	0	1,100	0	0	0	0	0	0	0	0	0
3. Total Province Investment	258,168	1,572,151	322,446	70,800	519,894	825,956	1,022,478	129,925	136,668	447,659	132,066	114,400
II. PROVINCIAL PROGRAMME SUPPORT												
4.1 EXECUTION SERVICES	124,364	178,237	282,603	145,772	235,486	187,597	152,907	224,722	134,469	111,732	85,652	139,279
ExCom Local Administration	38,773	81,636	140,611	64,925	143,087	85,720	60,067	110,208	71,150	49,461	34,310	71,494
ExCom Contract Administration	56,827	55,841	79,872	47,521	51,646	63,160	56,816	57,332	32,754	38,885	30,030	30,428
ExCom Financial Services	13,485	17,455	28,920	16,925	21,016	17,855	15,567	30,432	12,428	12,565	9,960	19,552
ExCom Technical Services	15,280	23,305	33,200	16,401	19,737	20,862	20,458	26,750	18,137	10,821	11,352	17,805
4.2 PSDD Operations	20,870	28,075	18,000	16,830	17,370	14,930	15,855	19,335	20,512	19,970	18,152	18,400
4. Total Provincial Program Support	145,234	206,312	300,603	162,602	252,856	202,527	168,762	244,057	154,980	131,702	103,804	157,679
III. EXTERNAL TECHNICAL COOPERATION												
5. Total Technical Cooperation	65,350	136,931	81,571	86,406	96,651	262,895	214,841	80,993	51,353	63,946	60,209	70,451
National	65,350	125,931	81,571	75,406	96,651	191,895	159,841	80,993	51,353	63,946	60,209	70,451
International	0	11,000	0	11,000	0	71,000	55,000	0	0	0	0	0
6. PROVINCE SUMMARY GRAND TOTAL												
C/S Fund	969,218	1,377,337	2,595,270	861,574	1,327,957	1,108,165	1,071,257	1,950,806	343,501	542,655	204,406	1,213,340
Commune Other	0	239,183	588,552	50,028	413,770	133,034	0	45,900	105,348	200,043	82,205	0
District Initiative	25,000	25,000	570,000	175,000	210,000	25,000	25,000	205,000	270,000	150,000	150,000	115,000
Province Investment	258,168	1,572,151	322,446	70,800	519,894	825,956	1,022,478	129,925	136,668	447,659	132,066	114,400
Programme Support	145,234	206,312	300,603	162,602	252,856	202,527	168,762	244,057	154,980	131,702	103,804	157,679
External Technical Cooperation	65,350	136,931	81,571	86,406	96,651	262,895	214,841	80,993	51,353	63,946	60,209	70,451
GRAND TOTAL	\$1,462,970	\$3,556,914	\$4,458,442	\$1,406,409	\$2,821,128	\$2,557,576	\$2,502,338	\$2,656,681	\$1,061,850	\$1,536,005	\$732,690	\$1,670,870

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	13 PVR	14 PVG	15 PUR	16 RAT	17 SRP	18 SHV	19 STG	20 SVR	21 TAK	22 OMC	23 KEP	24 PLN
INVESTMENT												
1.1 C/S Fund Allocations (USD)	510,062	1,683,717	685,183	493,183	1,344,605	266,876	332,773	1,023,978	1,461,191	311,507	57,219	105,681
Development Fund (Riel)	1,370,257,000	4,294,671,000	1,735,481,000	1,361,752,000	3,523,879,000	767,353,000	946,472,000	2,643,050,000	3,642,423,000	790,380,000	168,655,000	272,473,000
Administration Fund (Riel)	720,998,700	2,608,569,100	1,073,768,600	660,299,700	1,989,000,100	326,839,900	417,898,400	1,555,258,400	2,348,462,100	486,800,100	65,944,800	160,820,000
1.2 Commune Other	0	687,606	438,891	185,003	474,433	83,063	18,822	404,064	77,700	31,537	18,878	0
Danida-UK/NRML			185,003	185,003	285,673	83,063					18,878	
IFAD/RPRP		618,127						324,138				
UNICEF/Seth Khoma		50,929					18,822	61,376		31,537		
ADB/CCDP												
ADB/TSSL			216,788		166,760							
USAID-PACT/LAAR		18,550	37,100					18,550	47,700			
UNFPA					22,000							
GRET KOSAN									30,000			
1. Total Commune (USD)	510,062	2,371,323	1,124,074	678,186	1,819,038	349,939	351,595	1,428,042	1,538,891	343,044	76,097	105,681
2. District Initiative	25,000	205,000	180,000	360,000	300,000	180,000	25,000	145,000	175,000	25,000	60,000	25,000
Danida-DfID/NRML	0	0	180,000	270,000	300,000	90,000	0	0	0	0	60,000	0
EC-UNDP/DDLG	0	180,000	0	90,000	0	90,000	0	120,000	150,000	0	0	0
PSDD	25,000	25,000	0	0	0	0	25,000	25,000	25,000	25,000	0	25,000
3. Provincial Investment												
Agriculture	448,082	1,472,304	22,700	407,397	18,572	12,617	11,558	1,074,485	35,800	6,020	15,500	228,581
IFAD Loan Programs	375,321	1,439,170	0	332,288	0	0	0	1,055,376	0	0	0	0
RGC-IFAD Counterpart funds	69,761	33,134	0	64,109	0	0	0	19,109	0	0	0	0
PSDD/PIF Extension Services	3,000	0	0	0	0	0	11,558	0	21,000	6,020	0	0
Danida-DfID/NRML Extension Services	0	0	22,700	11,000	18,572	12,617	0	0	0	0	15,500	0
Canada/ADMAC and FSIP	0	0	0	0	0	0	0	0	14,800	0	0	228,581
Commerce/Marketing (PSDD/PIF)	0	0	0	0	0	0	0	0	0	0	0	0
Cult/Religious Affairs (PSDD/PIF)	0	0	3,000	0	4,830	0	0	0	0	0	0	0
Community Development (CBRD)	0	0	0	0	0	0	0	0	0	0	0	0
IFAD Loan Programs												
RGC-IFAD Counterpart funds												
Culture	0	0	0	0	3,561	0	4,000	0	3,000	0	0	1,040
PSDD/PIF support to cultural activities	0	0	0	0	3,561	0	4,000	0	3,000	0	0	1,040
Danida-DfID/NRML support to culture	0	0	0	0	0	0	0	0	0	0	0	0
Education	0	36,076	6,550	6,247	20,459	9,620	11,000	33,588	19,500	8,063	0	2,537
PSDD/PIF Formal-NFE-Schools	0	28,000	6,550	6,247	0	9,620	0	12,000	19,500	0	0	2,537
Danida-DfID/NRML NFE/Literacy	0	0	0	0	20,459	0	0	0	0	0	0	0
EC-UNDP/EFMP Schools	0	0	0	0	0	0	0	0	0	0	0	0
UNICEF/SK Formal-NonFormal	0	8,076	0	0	0	0	11,000	21,588	0	8,063	0	0
Environment	0	3,975	7,000	9,800	9,269	4,730	0	3,500	2,000	0	5,000	1,905
PSDD/PIF environment activities	0	3,975	0	0	0	0	0	3,500	2,000	0	0	1,905
Danida-DfID/NRML support to env	0	0	7,000	9,800	9,269	4,730	0	0	0	0	5,000	0

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	13 PVR	14 PVG	15 PUR	16 RAT	17 SRP	18 SHV	19 STG	20 SVR	21 TAK	22 OMC	23 KEP	24 PLN
3. Provincial Investment (cont)												
Forestry Administration	0	0	4,500	5,100	10,700	7,053	0	0	0	0	0	3,605
Danida-DfID/NRML forestry	0	0	4,500	5,100	10,700	7,053	0	0	0	0	0	0
PSDD/PIF	0	0	0	0	0	0	0	0	0	0	0	3,605
Health	0	0	6,550	0	4,320	0	0	6,000	16,300	0	5,000	1,545
PSDD/PIF PHC-AIDS-Clinics	0	0	6,550	0	4,320	0	0	6,000	7,000	0	5,000	1,545
Canada FSIP/ PHC-Nutrition	0	0	0	0	0	0	0	0	9,300	0	0	0
Information (PSDD/PIF)	0	0	0	4,607	3,080	5,170	3,600	2,500	3,000	0	0	1,591
Land Management	0	0	67,184	107,359	72,648	63,943	0	3,500	0	0	31,473	0
PSDD/PIF Land Management	0	0	0	0	5,110	0	0	3,500	0	0	0	0
Danida-DfID/NRML D&D	0	0	0	0	0	0	0	0	0	0	0	0
Danida-DfID/NRML Land			67,184	107,359	67,538	63,943					31,473	
Mine Action Planning Units (MAPU)	6,975	0	0	0	0	0	0	0	0	7,798	0	16,048
PSDD/PIF	6,975	0	0	0	0	0	0	0	0	7,798	0	0
Canada/ADMAC	0	0	0	0	0	0	0	0	0	0	0	16,048
Provincial Planning	6,168	16,210	7,650	7,524	9,340	5,400	13,912	16,109	10,000	9,549	4,325	4,400
PSDD/PIF	6,168	8,800	7,650	7,524	9,340	5,400	6,712	6,975	10,000	5,229	4,325	4,400
UNICEF/SK	0	7,410	0	0	0	0	7,200	9,134	0	4,320	0	0
Public Works (PSDD/PIF)	0	0	0	0	0	0	0	0	0	0	0	0
Rural Transport Infrastructure	23,000	23,300	7,750	0	23,075	1,083	11,105	18,000	10,000	0	0	4,724
EC-UNDP/EFMP Rural Transport Infra	0	0	0	0	0	0	0	0	0	0	0	0
PSDD/PIF Transport Infra	23,000	23,300	7,750	0	23,075	1,083	11,105	18,000	10,000	0	0	4,724
Rural Water/Sanitation	0	121,357	3,800	9,203	6,625	16,337	166,000	154,200	23,000	65,004	8,525	3,737
PSDD/PIF Rural Water-Sanitation	0	0	3,800	9,203	6,625	16,337	0	0	9,000	0	8,525	3,737
UNICEF/SK Rural Water-Sanitation	0	121,357	0	0	0	0	166,000	154,200	0	65,004	0	0
EC-UNDP/EFMP Water Supply	0	0	0	0	0	0	0	0	0	0	0	0
Canada FSIP/ Rural Water-Sanitation	0	0	0	0	0	0	0	0	14,000	0	0	0
Social Affairs (PSDD/PIF)	0	4,000	5,750	6,247	2,644	3,300	0	6,000	3,000	0	0	0
PSDD/PIF Social Rehabilitation	0	4,000	5,750	6,247	2,644	0	0	3,000	3,000	0	0	0
IFAD Loan Programs								3,000				
Danida-DfID/NRML support	0	0	0	0	0	3,300	0	0	0	0	0	0
Tourism	0	0	7,500	8,100	0	0	0	0	0	1,364	0	0
PSDD/PIF	0	0	0	0	0	0	0	0	0	1,364	0	0
Danida-DfID/NRML local tourism	0	0	7,500	8,100	0	0	0	0	0	0	0	0
Water Resources	1,910	41,000	8,050	3,936	19,000	0	0	22,650	6,200	17,215	14,000	6,648
PSDD/PIF Small Scale Irrigation-Studies	1,910	41,000	8,050	3,936	19,000	0	0	12,650	6,200	17,215	14,000	6,648
IFAD/Medium Irrigation Systems	0	0	0	0	0	0	0	10,000	0	0	0	0
RGC-IFAD Counterpart funds	0	0	0	0	0	0	0	0	0	0	0	0
Danida-DfID/NRML Irrigation/WUG	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

GIS CODE PROVINCE	13 PVR	14 PVG	15 PUR	16 RAT	17 SRP	18 SHV	19 STG	20 SVR	21 TAK	22 OMC	23 KEP	24 PLN
3. Provincial Investment (cont)												
Womens Affairs	6,497	93,770	7,550	8,911	11,000	8,565	21,500	82,121	14,475	20,450	4,475	4,625
PSDD/PIF Gender Mainstreaming	6,497	0	7,550	8,911	11,000	8,565	0	1,100	10,675	0	4,475	4,625
UNICEF/SK Gender Mainstreaming	0	11,825	0	0	0	0	6,475	9,408	0	5,950	0	0
UNICEF/SK Women/Children	0	46,880	0	0	0	0	15,025	47,710	0	14,500	0	0
IFAD Loan Programs	0	34,115	0	0	0	0	0	22,933	0	0	0	0
RGC-IFAD Counterpart funds	0	950	0	0	0	0	0	970	0	0	0	0
EC-UNDP/EFMP Skills Training	0	0	0	0	0	0	0	0	0	0	0	0
Danida-DfID/NRML Skills Training	0	0	0	0	0	0	0	0	0	0	0	0
Canada/ADMAC and FSIF	0	0	0	0	0	0	0	0	3,800	0	0	0
Labour/Vocation training (PSDD/PIF)	0	1,974	8,050	0	4,240	0	0	0	0	0	0	0
PSDD/PIF	0	750	8,050	0	4,240	0	0	0	0	0	0	0
IFAD Loan Programs	0	1,224	0	0	0	0	0	0	0	0	0	0
Assembly Relations/Inspection	0	0	0	0	0	0	0	0	0	1,500	0	0
3. Total Province Investment	492,632	1,813,966	173,584	584,431	223,363	137,818	242,675	1,422,653	146,275	136,962	88,298	280,986
II. PROVINCIAL PROGRAMME SUPPORT												
4.1 EXECUTION SERVICES	98,876	265,532	125,788	153,024	186,686	94,273	135,355	224,780	198,909	124,424	44,225	58,040
ExCom Local Administration	40,255	143,175	44,317	59,940	96,253	42,437	59,206	116,820	90,864	54,287	14,142	11,917
ExCom Contract Administration	30,611	78,353	54,343	63,900	49,593	30,821	49,020	63,088	66,352	47,619	19,597	32,196
ExCom Financial Services	11,095	20,670	14,383	12,357	20,034	11,469	12,871	21,746	22,126	10,659	5,240	8,355
ExCom Technical Services	16,915	23,334	12,745	16,827	20,806	9,546	14,258	23,127	19,567	11,859	5,246	5,573
4.3 PLG Operations	24,460	23,160	19,210	23,028	24,746	18,175	18,275	19,850	18,845	18,875	13,005	13,175
4. Total Provincial Program Support	123,336	288,692	144,998	176,052	211,432	112,448	153,630	244,630	217,754	143,299	57,230	71,215
III. EXTERNAL TECHNICAL COOPERATION												
5. Total Technical Cooperation	71,319	116,734	272,403	67,022	227,851	50,543	82,059	106,751	65,026	85,959	26,784	26,784
National	71,319	116,734	172,403	67,022	156,851	50,543	82,059	106,751	65,026	85,959	26,784	26,784
International	0	0	100,000	0	71,000	0	0	0	0	0	0	0
6. PROVINCE SUMMARY GRAND TOTAL												
C/S Fund	510,062	1,683,717	685,183	493,183	1,344,605	266,876	332,773	1,023,978	1,461,191	311,507	57,219	105,681
Commune Other	0	687,606	438,891	185,003	474,433	83,063	18,822	404,064	77,700	31,537	18,878	0
District Initiative	25,000	205,000	180,000	360,000	300,000	180,000	25,000	145,000	175,000	25,000	60,000	25,000
Province Investment	492,632	1,813,966	173,584	584,431	223,363	137,818	242,675	1,422,653	146,275	136,962	88,298	280,986
Programme Support	123,336	288,692	144,998	176,052	211,432	112,448	153,630	244,630	217,754	143,299	57,230	71,215
External Technical Cooperation	71,319	116,734	272,403	67,022	227,851	50,543	82,059	106,751	65,026	85,959	26,784	26,784
GRAND TOTAL	\$1,222,349	\$4,795,715	\$1,895,059	\$1,865,692	\$2,781,684	\$830,748	\$854,959	\$3,347,076	\$2,142,946	\$734,264	\$308,409	\$509,666

TABLE 19 : 2007 BUDGET SUMMARY BY PROVINCE

Province/Municipality	1		2	3	4	5	TOTAL	6. Technical Cooperation			GRAND TOTAL
	C/S Fund	Commune Other	District	Province Investment	Total Investment	Provincial Program Support		National	International	Total	
Banteay Meanchey	969,218	0	25,000	258,168	1,252,386	145,234	1,397,620	65,350	0	65,350	1,462,970
Battambang	1,377,337	239,183	25,000	1,572,151	3,213,671	206,312	3,419,983	125,931	11,000	136,931	3,556,914
Kompong Cham	2,595,270	588,552	570,000	322,446	4,076,268	300,603	4,376,871	81,571	0	81,571	4,458,442
Kompong Chhnang	861,574	50,028	175,000	70,800	1,157,402	162,602	1,320,004	75,406	11,000	86,406	1,406,409
Kompong Speu	1,327,957	413,770	210,000	519,894	2,471,621	252,856	2,724,477	96,651	0	96,651	2,821,128
Kompong Thom	1,108,165	133,034	25,000	825,956	2,092,155	202,527	2,294,682	142,415	198,200	340,615	2,635,296
Kampot	1,071,257	0	25,000	1,022,478	2,118,735	168,762	2,287,497	121,741	187,200	308,941	2,596,438
Kandal	1,950,806	45,900	205,000	129,925	2,331,631	244,057	2,575,688	80,993	0	80,993	2,656,681
Koh Kong	343,501	105,348	270,000	136,668	855,517	154,980	1,010,497	51,353	0	51,353	1,061,850
Kratie	542,655	200,043	150,000	447,659	1,340,357	131,702	1,472,059	63,946	0	63,946	1,536,005
Mondolkiri	204,406	82,205	150,000	132,066	568,677	103,804	672,482	60,209	0	60,209	732,691
Phnom Penh	1,213,340	0	115,000	114,400	1,442,740	157,679	1,600,419	70,451	0	70,451	1,670,870
Preah Vihear	510,062	0	25,000	492,632	1,027,694	123,336	1,151,030	71,319	0	71,319	1,222,349
Prey Veng	1,683,717	687,606	205,000	1,813,966	4,390,289	288,692	4,678,981	116,734	0	116,734	4,795,715
Pursat	685,183	438,891	180,000	173,584	1,477,658	144,998	1,622,656	172,403	100,000	272,403	1,895,059
Ratanakiri	493,183	185,003	360,000	584,431	1,622,617	176,052	1,798,669	67,022	0	67,022	1,865,692
Siem Reap	1,344,605	474,433	300,000	223,363	2,342,401	211,432	2,553,833	156,851	71,000	227,851	2,781,684
Sihanoukville	266,876	83,063	180,000	137,818	667,757	112,448	780,205	50,543	0	50,543	830,748
Stung Treng	332,773	18,822	25,000	242,675	619,270	153,630	772,900	82,059	0	82,059	854,959
Svay Rieng	1,023,978	404,064	145,000	1,422,653	2,995,695	244,630	3,240,325	106,751	0	106,751	3,347,076
Takeo	1,461,191	77,700	175,000	146,275	1,860,166	217,754	2,077,920	65,026	0	65,026	2,142,946
Otdar Meanchey	311,507	31,537	25,000	136,962	505,006	143,299	648,305	85,959	0	85,959	734,264
Kep	57,219	18,878	60,000	88,298	224,395	57,230	281,625	26,784	0	26,784	308,409
Pailin	105,681	0	25,000	280,986	411,667	71,215	482,882	26,784	0	26,784	509,666
GRAND TOTAL	\$21,841,463	\$4,278,060	\$3,650,000	\$11,296,254	\$41,065,777	\$4,175,834	\$45,241,611	\$2,064,249	\$578,400	\$2,642,649	\$47,884,260
		\$26,119,523									

Table 20 : National Level Summary Totals

National Institution	Services	Technical Cooperation				Grand Total
		National	International	Consultancies	Total	
Interior / DoLA	1,960,273	999,931	859,000	530,697	2,389,628	4,349,901
Finance / Treasury	67,064	17,292	25,000		42,292	109,356
Planning	85,000	30,292	50,000		80,292	165,292
Rural Development	508,881	10,000	45,000		55,000	563,881
Women's Affairs	97,090	10,000	45,000		55,000	152,090
Council for Admin Reform	20,000				0	20,000
Public Functions Secretariat	10,000				0	10,000
NCDD Members subtotal	2,748,308	1,067,515	1,024,000	530,697	2,622,212	5,370,520
Agriculture	402,355	35,000	96,750	181,655	313,405	715,760
Water Resources	20,000	0	0		0	20,000
Social Affairs	20,000	0	0		0	20,000
Land Management	3,500	0	0		0	3,500
Environment	20,000	0	0		0	20,000
Cambodian Mine Action Authority	5,000	0	0		0	5,000
TOTAL	3,219,163	1,102,515	1,120,750	712,352	2,935,617	6,154,780
NCDD Program Support Team	912,960	154,682	461,664	827,000	1,443,346	2,356,306
GRAND TOTAL	\$4,132,123	\$1,257,197	\$1,582,414	\$1,539,352	\$4,378,963	\$8,511,086

8. Analysis by Budget Component

8.1 Commune/Sangkat Fund

8.1.1 Resources Available:

In 2007, resources allocated to the CS Fund are derived from three sources as follows:

Royal Government: In accordance with Sub-decree # 11, the percentage of domestic revenue allocated to the CS Fund in 2007 was set at 2.56%. Based on the RGC domestic revenue forecast, the 2007 allocation from the national budget amounts to Riels 83,500,000,000 equivalent to US \$ 20,365,854. An additional allocation of Riels 4 billion to support the salaries of village chiefs and deputies was recently approved resulting in a total 2007 government contribution of nearly Riels 87.5 billion (US \$ 21.34 million). This represents a 26% increase in the government contribution compared to 2006 amounting to Riels 17.9 billion (US \$ 4.4 million).

PSDD: The PSDD project confirmed in September 2006 that a grant of \$.5 million would be allocated to the 2007 CS Fund, equivalent to Riels 2.05 billion. This represents a reduction of \$1.5 million compared to the 2006 PLG CS Fund allocation and results from an overall decrease of available resources and demands on other budget lines.

World Bank RILG: Under the World Bank RILG credit, a total of nearly \$ 5.7 million, equivalent to Riels 23.3 billion, is expected to be reimbursed to the RGC in 2007 for eligible 2006 CS Fund projects in 14 provinces being completed in the first quarter of 2007. Based on an agreement reached in December 2003, all reimbursements received from the World Bank will be transferred back into the CS Fund and as such will be available for the 2007 CS Fund. While the World Bank credit is not incremental to the size of the CS Fund it approximates tied budget support and is a major contribution to the liquidity of the Fund. Pending negotiations between the World Bank and the RGC, an extension of RILG for an additional 3 years, with a substantial increase in financing, will likely enable 2007 CS Fund projects to also be eligible for IDA financing.

Table 21 below, reflects the total 2007 allocations to the CS Fund and the adjusted proportions taking into account the expected level of reimbursement from the World Bank.

Source	Cambodian Riels	US \$ equivalent	Adjusted Allocations		
			Riels	US \$	%
RGC	87,500,000,000	21,341,463	64,199,700,000	15,658,463	72%
WB/RILG			23,300,300,000	5,683,000	26%
PSDD	2,050,000,000	500,000	2,050,000,000	500,000	2%
TOTAL	89,550,000,000	\$21,841,463	89,550,000,000	\$21,841,463	100%

8.1.2 Programming of CS Fund Resources:

The programming of the 2007 CS Fund follows the provision in Sub-decree #11 specifying that not more than 33% is to be allocated to administration and not less than 66% to development. The combined total of the allocations from domestic revenue and from PSDD were programmed in line with this provision. Subsequently, when reviewing the additional requirements resulting from the increase in village chief/deputies salaries, it was noted that the funds available to CS Councils for general administration needs would be dramatically reduced by having to absorb these additional costs. As such, the RGC agreed to maintain the level of funding for general administration at the same level as in 2006 through approving an additional supplement specifically for village salaries. This is reflected in Table 22 below on the breakdown of the 2007 CS Fund by component.

CS Fund Component	Allocation	%	Average/Commune	
			Riels	USD
Administration	28,514,000,000	32%	17,590,376	4,290
Supplement for Village Salaries	4,000,000,000	4%	2,467,613	602
Subtotal Admin	32,514,000,000	36%	20,057,989	4,892
Local Development	57,036,000,000	64%	35,185,688	8,582
TOTAL	89,550,000,000	100%	55,243,677	\$13,474

CS Fund General Administration: The General Administration component is allocated based on the number of CS Councilors, which is determined according to population. The allowances for village chiefs/deputies are incorporated into the CS Administration Budget reinforcing the line of accountability of the villages to the elected CS Council at the local level. As noted above, to reduce the impact of the four-fold increase in total village salaries on the overall administrative budget a supplemental allocation has been made for 2007 to finance the increased cost of village salaries. As reflected in Table 23 below, the combined cost of CS Councilors and Village Chief/Deputies salaries in 2007 amounts to nearly 80% of the total Administration Allocation. From an average non-salary administrative budget of \$ 1,594 in 2006, in 2007 the average budget allocation is \$1,002 or 30% less. CS Councils are encouraged to utilize the general administration funds for hiring additional staff for both administrative and development purposes. The breakdown of the total 2007 administration component by budget category, with approximate averages by commune, is provided in the following table.

Budget Category	Aggregate Allocations		%	Average/Commune	
	Riels	US \$		Riels	US \$
CS Counselors Allowance	10,482,240,000	2,556,644	32%	6,466,527	1,577
Village Chief Allowance	14,865,120,000	3,625,639	46%	9,170,339	2,237
Administration	7,166,640,000	1,747,961	22%	4,421,123	1,078
TOTAL	32,514,000,000	\$7,930,244	100%	20,057,989	\$4,892

CS Fund Development: As indicated in Table 23 above, a total of Riels 57 billion has been allocated against the CS Fund Development component resulting in an average allocation of \$8,582 per CS. Table 25 below reflects the progression of the CS Fund development component between 2004, when national coverage was first achieved, and 2007.

CS Fund Development	2004	2005	2006	2007
Communes/Sangkats	1,621	1,621	1,621	1,621
CSF Development (US\$)	9,666,667	11,347,000	12,968,000	13,911,220
Total Annual Increase		17%	14%	7%
Average Allocation/Commune	5,963	7,000	8,000	8,582
Average Annual Increase		17%	14%	7%

As reflected in the table, the total volume of the development component has increased steadily over time with the 2007 allocation representing a one million increase compared to 2006.

The 2007 CS Fund allocations aggregated by province for both administration and development appear in **Table 19: 2007 Budget Summary by Province** and the individual allocations for each CS Council are contained in **Annex IV: 2007 CS Fund Allocations**.

8.2 Commune/Sangkat Targeted

As reflected in Table 25 below, in 2007 nine donor partners have allocated a total of \$ 6 million investment resources to targeted CS Councils. The allocations, associated with specific projects and targeted geographic areas, represent additional investment resources to the regular CS Fund allocations. A brief summary of these allocations is provided below.

FUND SOURCE	CS	BUDGET	AVG/CS
Danida/UK-NRML	517	2,000,006	3,868
ADB-CCDP2	94	1,825,000	19,500
IFAD/RPRP-CIDF	148	942,265	6,367
RGC/IFAD counterpart	148	39,533	267
ADB-TSSL	37	617,012	16,676
UNICEF/Seth Koma	318	318,276	1,001
USAID/PACT-LAAR	200	265,000	1,325
UNFPA	151	75,500	500
GRET-KOSAN	2	60,000	30,000
TOTAL	1,615	\$6,142,592	\$3,804

Danida/UK-NRML: Under the Danida/UK NRML D&D component in 2007, a total of 517 communes in ten target provinces will each receive an average of \$ 3,868 of additional investment funds to support NREM related activities identified in their CS investment plans; an overall total of \$ 2 million. Compared to 2006 under the CCB-NREM project, both the number of communes and the allocation per commune have roughly doubled.

ADB/CCDP2: Under the second phase of the ADB CCDP2 project, expected to be approved in first quarter of 2007 and signed with the Ministry of Interior, an allocation of roughly \$ 1.8 million is included in the 2007 financing plan for the construction of some 94 CS Offices at a cost of \$ 19,500 per building including equipment and furniture. The selection of C/S locations for the offices will be determined by an established process and criteria by the end of the first quarter. As such, the aggregate totals by province are not included in the 2007 Provincial Budget Summary Tables.

IFAD/RPRP: The IFAD Rural Poverty Reduction (RPRP) Project in Prey Veng and Svay Rieng includes a Commune Infrastructure Development Fund (CIDF) focused on 148 poor communes in the two provinces. Under the CIDF, all 148 communes receive an average allocation of \$ 25,000 over a period of five years. Based on the total allocation to individual communes, a ceiling of \$ 12,000 maximum in any one year and the priorities identified in the Commune Investment Plan, Commune Councils themselves determine the specific portion to be included in their annual budgets. The resources are then transferred through the National Treasury to the CS accounts held in the provincial treasury and follow the CS Fund system. As part of the financing agreement, a percentage of the costs are covered through RGC counterpart funds. In 2007, a total of 148 target communes in the two provinces have allocated an aggregate total of \$ 982,000 averaging \$ 6,600 per commune. Within each commune allocation a total of \$ 500 is reserved specifically for rural road maintenance.

ADB/TSSL: Under the ADB/TSSL project, a Livelihood Fund has been established and an aggregate total of \$ 617,000 has been included in the 2007 financing plan for 37 communes in the Tonle Sap buffer zone. This amounts to an average of \$ 16,676 per commune. The actual allocations and disbursements will only be determined in the course of the year following the planning and contracting process.

UNICEF/Seth Koma: Through cooperation between UNICEF and the NCSC since 2004, Commune Council Women and Children's Committees (CCWC) were established in all target communes supported by the UNICEF/Seth Koma program. In 2007, UNICEF will increase its coverage from 203 to 318 CS in the six target provinces and has allocated a total of \$ 318,276, an average of \$ 980, to each of the 317 CCWCs to support: an incentive for CC Women and Children Focal Points who are not CS Councilors on salary; a salary for teachers recruited for village kindergartens and costs associated with specific activities of the CCWC.

USAID/PACT-LAAR: Under the 2007 LAAR work plan and budget, a total of \$ 265,000 will be allocated to 200 CS Councils in 8 provinces in the form of grants averaging \$ 1,325 per CS Council. The grants will be used to support local information dissemination, outreach activities and costs associated with the formulation of social development projects expected to commence in early 2008.

UNFPA: Through an MoU with the Ministry of Interior/DoLA, UNFPA will provide a total of \$ 75,500 to 151 CS Councils in 5 provinces to support a range of activities related to the linkages between population/poverty and local development including rights of women and children, gender equity and awareness raising on reproductive health.

GRET: Building on several years of experience in sanitation and rural water supply and the establishment of rural piped water supply systems through public-private partnership, GRET has signed MoUs with the PRDCs of Kandal and Takeo provinces to extend this support for another 3 years. In 2007 it is expected that one commune in each of the two provinces will be selected for support involving \$ 30,000 from GRET and approximately \$ 20,000 in complimentary funds from a private sector partner and the community.

Summary of Commune Investment

Combining the CS Fund development component and the additional targeted allocations from specific projects, there is a total of \$ 20 million available for commune investment in 2007; an average of \$ 12,370 per CS Council. Based on a review of actual 2007 allocations, both CS Fund and CS targeted, Table 26 below provides an indication of the range of investment resources available to communes/sangkats across the country. A total of 158 CS, 16%, have investment resources above \$ 15,000; 690 CS, 43%, have allocations between \$10-15,000; 340 CS, 21%, have between \$ 8-10,000; and 333 CS, 21%, have investment resources below \$ 8,000.

SOURCE	AMOUNT	
CS Fund	13,911,220	
Targeted Allocations	6,142,592	
Total Available	\$20,053,812	
Total Average Allocation	\$12,371	
Allocation Range	# C/S	%
> \$ 20,000	126	8%
\$ 15,000 - 19,999	132	8%
\$ 10,000 -14,999	690	43%
\$8,000 -9,999	340	21%
<\$8,000	333	21%

This growing trend within development projects in Cambodia to allocate resources to targeted communes is quite positive. Nevertheless, it is also hoped that support for the RGC's CS Fund, allocated on an equitable basis to all CS Councils, will also continue to grow. Furthermore as some CS Councils in 2007 will have 3-4 sources of funds, it is

important that work is carried out in 2007 to harmonize the various procedures involved in order to reduce the complexity for the CS Councils.

8.3 District/Khan Initiative

The 2007 NCDD District Initiative is financed by resource allocations from the Danida/DfID NRML (66 districts in 10 provinces); from the EC/UNDP DDLG (44 districts in 10 provinces); and from the PSDD (28 districts in 14 provinces). In total 138 districts are covered representing 75% of the 185 districts in the country. Based on evaluations of the 2006 pilot program and revised guidelines prepared by the Ministry of Interior in the second half of 2006 with technical support from PLG, the 2007 District Initiative will continue to pilot new platforms for participatory programming of services and investments within districts; new accountability frameworks for local service delivery, inter-commune cooperation; and further definition and strengthening of the future role of districts within the overall vision of the Royal Government's D&D reforms.

Funds allocated from the three projects are programmed following a common process mandated through the guidelines involving a review of those priority activities identified by the majority of CS Councils within the district and which will benefit the largest number of people; a district analysis of priorities; an identification of the highest priority services and investments; and a democratic decision making process in which each commune has one vote and the district has one vote thus ensuring that the voice of the elected local government representatives will always be in the majority.

Under the EC-UNDP DDLG project, the focus of attention is limited to inter-commune collaboration while for NRML and PSDD the focus encompasses broader objectives as defined by the NCDD. For the latter two projects, fund allocations follow a common formula with 5% reserved for capacity building activities at district level and 5% reserved for administration costs. Of the remaining 90%, at least 25% must be allocated for non-infrastructure investments and service delivery and not more than 75% allocated to infrastructure. For NRML, additional criteria linked to NRM criteria apply.

For NRML and PSDD, funds will be disbursed through a contract between PRDC and a District Development Committee (DDC). A sub-committee with executive functions will be formed from District level officials to implement the day-to-day responsibilities of the DDC. Project implementation will be by an agency appropriate and with sufficient capacity to implement the project, with priority given to Communes/Sangkats, District/Khan Line Offices, NGOs and community-based organizations within the District for service projects. In the event that these do not have sufficient capacity, ExCom may assign implementation responsibilities to provincial-level agencies. Construction works will be tendered to the private sector.

The individual district allocations in 2007 are \$ 30,000 for both the DDLG and NRML projects. For PSDD, the original allocation was based on \$ 25,000 but this has now been reduced by 50% to \$ 12,500 owing to the reduction in funds. Following discussions with Ministry of Interior, it has been agreed to maintain the original number of target districts

in order that the mechanisms, processes and functions can be fully implemented even though the range of investments and services will be more limited.

Allocations and coverage of the three projects supporting the NCDD District Initiative are reflected in **Table 27: 2007 Allocations to District/Khan Initiative** below.

No.	PROVINCE / MUNICIPALITY	DISTRICT/ KHAN	Danida/UK		EC/UNDP		UNDP/UK/SIDA		GRAND TOTAL		
			NRML		DDLG		PSDD		DISTRICTS		
			NO.	Amount	NO.	Amount	NO.	Amount	NO.	%	Amount
01	Banteay Meanchey	8					2	25,000	2	25%	25,000
02	Battambang	13					2	25,000	2	15%	25,000
03	Kampong Cham	16	13	390,000	6	180,000			19	119%	570,000
04	Kampong Chhnang	8			5	150,000	2	25,000	7	88%	175,000
05	Kampong Speu	8	7	210,000					7	88%	210,000
06	Kampong Thom	8					2	25,000	2	25%	25,000
07	Kampot	8					2	25,000	2	25%	25,000
08	Kandal	11			6	180,000	2	25,000	8	73%	205,000
09	Koh Kong	8	6	180,000	3	90,000			9	113%	270,000
10	Kratie	5	5	150,000					5	100%	150,000
11	Monduliri	5	5	150,000					5	100%	150,000
12	Phnom Penh	7			3	90,000	2	25,000	5	71%	115,000
13	Preah Vihear	7					2	25,000	2	29%	25,000
14	Prey Veng	12			6	180,000	2	25,000	8	67%	205,000
15	Pursat	6	6	180,000					6	100%	180,000
16	Ratanakiri	9	9	270,000	3	90,000			12	133%	360,000
17	Siem Reap	12	10	300,000					10	83%	300,000
18	Sihanouk Ville	3	3	90,000	3	90,000			6	100%	180,000
19	Stung Treng	5					2	25,000	2	40%	25,000
20	Svay Rieng	7			4	120,000	2	25,000	6	86%	145,000
21	Takeo	10			5	150,000	2	25,000	7	70%	175,000
22	Otdar Meanchey	5					2	25,000	2	40%	25,000
23	Kep	2	2	60,000					2	100%	60,000
24	Pailin	2					2	25,000	2	100%	25,000
GRAND TOTAL		185	66	\$1,980,000	44	\$1,320,000	28	\$350,000	138	75%	\$3,650,000

8.4 Provincial Investment

For the purposes of the 2007 NCDD AWPB, budget tables and analysis, provincial investment combines the development resources programmed through the provincial investment fund with development resources programmed under deconcentrated sector programs. From a policy perspective, there are important strategic differences in the nature of these funding instruments. The PIF represents a block grant to provinces that is then allocated and programmed by the provincial authorities themselves to priority investments and services reflected in both the NPRS and the Commune Investment Plans. As such, the PIF is developing enhanced management systems and programming procedures that could in the future be applied to a discretionary, block grant allocation to

provinces in support to development priorities identified through the integrated planning process. Deconcentrated sector programs involve tied budget allocations to targeted sectors within the design of specific donor programs negotiated with national ministries. As such, these resources are developing systems, procedures and lessons that could be applied in the future to ministry budgets deconcentrated to provincial level. Notwithstanding these important differences, both funding instruments assign the planning, financing and implementation to the province under the management of the Governor who in turn signs implementation contracts to provincial departments and the private sector. In both cases the important element of horizontal accountability at province level is reinforced. The considerable experience that has been generated nationwide in managing both of these funding mechanisms is considered highly relevant to the development of an integrated provincial budget as mentioned in the Royal Government's Strategic Framework on D&D reforms.

As reflected in Table 28 below, in 2007 a total of \$ 11.5 million has been programmed for provincial investment with \$ 4.7 million through Provincial Investment Funds and \$ 6.78 million through deconcentrated sector programs. This amounts to an average of \$ 505,000 per province with a high of \$ 1.8 million in Prey Veng and a low of \$ 71,000 in Kampong Chhnang.

DONOR	PIF		DSP		TOTAL	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
PSDD	1,800,000	38%			1,800,000	16%
UNICEF	1,441,030	31%			1,441,030	13%
EC-UNDP/EFMP	1,022,000	22%			1,022,000	9%
Danida-UK/NRML	400,000	9%	676,517	10%	1,076,517	9%
Canada/FSIP	41,900	1%			41,900	0%
IFAD			4,453,991	66%	4,453,991	39%
Canada			1,044,786	15%	1,044,786	9%
Royal Government			602,044	9%	602,044	5%
TOTAL	\$4,704,930	100%	\$6,777,338	100%	\$11,482,268	100%

8.4.1 Provincial Investment Fund (PIF)

In accordance with the programming and budgeting cycle, the majority of the 2007 PIF resources were allocated to the 24 provinces in October 2005. This included \$ 1.8 million of PSDD resources allocated in the form of block grants to 24 provinces; \$ 1.4 million of UNICEF resources allocated to social sectors in 6 provinces; \$ 835,000 of EC/EFMP resources allocated to 4 districts in Battambang; \$ 400,000 from Danida/UK NRML to NREM related sectors in 10 provinces; and \$ 42,000 from the Canada FSIP project in Takeo. Based on agreed programming guidelines and a consultative process involving interaction between provincial authorities, line departments and CS Councils through the District Integration Workshops, these funds were subsequently allocated to specific activities consistent with the national sector strategies and local priorities.

8.4.2 Deconcentrated Sector Programs (DSP)

DSP funds are invested through medium to longer-term programs that have been planned in advance by a donor and a national authority and which involve sector earmarking. The programming of these resources increasingly involves interactions between provincial authorities, line departments and CS Councils as well with investment activities announced at District Integration Workshops. In 2007, five such programs are being implemented under the NCDD AWPB framework: three IFAD loan programs in seven provinces which include counterpart funding from the Royal Government; the Canada ADMAC project financed by Canada in three provinces; and the Danida/UK NRML Land Management sub-component in 10 provinces. All of these projects have Annual Work Plans and Budgets formulated against specific project agreements signed with national authorities. As indicated in Table 29 above, a total of \$ 6.8 million of investment has been programmed in 2007 in 20 provinces.

Table 29: 2007 Provincial Investment Allocations by Sector/Subsector on the following page provides a more detailed breakdown of provincial investment by sector and sub-sector categories reflecting: total resources allocated, percentages, number of provinces receiving allocations, average investment and the range of individual provincial allocations by sector/sub-sector. As reflected in the table, investments in agriculture development represent nearly half of all resources with Water Resources/Irrigation and Rural Water Supply/Sanitation representing another 20%. The average number of sectors/sub-sectors receiving allocations in each province is ten.

The table also reflects the wide range of sector allocations across provinces which on the low end results primarily from the significant variance in population size, Kep and Pailin having the lowest allocations, as well as from the substantial investment for target sectors in target provinces from IFAD and UNICEF projects. As noted above, the lowest total provincial investment allocation in 2007 is \$ 71,000 for Kampong Chhnang but this is far more a factor of individual project targeting than an equitable distribution of resources based on a formula.

SECTOR/SUB-SECTOR	Total Amount	%	Prov (#)	%	Provincial Average	Range	
						From	To
Agriculture	5,351,167	47%	24	100%	222,965	6,020	1,472,304
Commerce/Marketing	1,500	0%	1	4%	1,500	1,500	1,500
Cult/Religious Affairs	17,110	0%	5	21%	3,422	1,500	4,880
Community Development	97,560	1%	2	8%	48,780	47,200	50,360
Culture	46,371	0%	9	38%	5,152	1,040	14,400
Education	691,046	6%	16	67%	43,190	2,537	353,009
Environment	128,420	1%	20	83%	6,421	1,905	20,900
Forestry Administration	45,340	0%	8	33%	5,668	3,605	10,700
Health	140,811	1%	12	50%	11,734	1,545	27,800
Information (PSDD/PIF)	28,903	0%	8	33%	3,613	1,591	5,170
Land Management	716,980	6%	12	50%	59,748	1,625	107,359
Mine Action Planning Units	72,754	1%	5	21%	14,551	6,975	23,731
Provincial Planning	239,704	2%	24	100%	9,988	4,325	21,875
Public Works	32,000	0%	2	8%	16,000	32,000	32,000
Rural Transport Infrastructure	598,198	5%	17	71%	35,188	1,083	327,014
Rural Water/Sanitation	1,255,721	11%	12	50%	104,643	959	262,136
Social Affairs	52,279	0%	12	50%	4,357	2,644	6,000
Tourism	20,306	0%	6	25%	3,384	1,364	7,500
Water Resources	1,147,153	10%	20	83%	57,358	1,910	715,785
Womens Affairs	576,975	5%	24	100%	24,041	4,475	93,770
Labour/Vocation training	20,164	0%	6	25%	3,361	1,974	8,050
Assembly Relations/Inspection	2,600	0%	1	4%	2,600	1,100	1,100
GRAND TOTAL	\$11,283,061	100%					

Finally, it should be noted that these resources represent only a proportion of the investment resources available in each province. The work being undertaken to analyze the results of the District Integration process, for example, will provide more information and it is hoped that a strengthened provincial investment planning framework supported by all ministries and donors will eventually be able to capture a more comprehensive picture of overall investment activities in the future.

8.5 Provincial Program Support

8.5.1 Provincial Structure and Functions

Provincial Program Support budgets provide resources required by provincial administrations to fulfill their responsibilities under the Royal Government's decentralized and deconcentrated reforms. As regards decentralization, the provincial/municipal governors have been delegated considerable responsibilities by the NCDD for the management of a variety of support services to the CS Councils as well as for supervision and monitoring on behalf of the national government. In relation to deconcentration, the level of financial resources allocated to the provincial

administrations by the NCDD and other government and donor programs requires an effective management structure and system as well as additional budget resources. Against the individual provincial annual work plans and budgets approved by the PRDC and under the authority of the Governor, the PRDC Executive Committee has been established in all provinces to enable the range of execution and support functions required under both of the reforms to be effectively managed through horizontal coordination.

In advance of the next phase of sub-national reforms, following the adoption of the Organic Law, the NCDD has extended the mandate of the PRDC and the PRDC Executive Committee to ensure continuity and momentum in 2007. It is nevertheless recognized that substantial work is still required by the Royal Government to formulate, build consensus and adopt an Organic Law and regulatory framework that will institutionalize a provincial management system incorporating all of the powers and functions assigned to provinces under the decentralization and deconcentration reforms. As such, the provincial structure and functions summarized below are enabling the reforms to be implemented and are building long term capacity at all levels while at the same time developing valuable experience and policy lessons for review, refinement and eventual incorporation into future laws and regulations.

Provincial/Municipal Rural Development Committee (P/MRDC): Under the chairmanship of the Governor and a membership consisting of all department directors and district chiefs, the P/MRDC represents the primary governance and development forum at the sub-national level for dissemination of policy and overall coordination of provincial planning and development.

PRDC Executive Committee (ExCom): Under the chairmanship of the Governor and consisting of six to eight directors of core line departments, the ExCom is responsible for coordinating the execution of annual work plans and budgets endorsed by the PRDC and approved by the NCDD, national authorities and/or donor partners as well as regulations adopted by the NCDD in support to CS Councils.

Local Administration Unit (LAU): As an office in the Sala Khet/Krong, the LAU manages the provision of capacity building and facilitation services to the CS Councils through specifically trained provincial and district facilitation teams and is responsible for the local monitoring, evaluation and reporting system. In addition, the LAU provides additional specific services for a number of projects involving the mainstreaming of NREM at local level (NRML and TSSL); the mainstreaming of social development issues (UNICEF and UNFPA); the strengthening of Inter-Communal Collaboration (EC/DDLG) and the strengthening of the role of the District/Khan under the District Initiative (PSDD and NRML).

Contract Administration Unit (CAU): Under the direct supervision of the Provincial Department of Planning, the CAU is responsible for administering all contracts signed by the Governor as Chairman of the ExCom and oversees the provincial-level monitoring, evaluation and reporting system related to line department contracts.

Finance Unit (FU): Under the management of the Provincial Department of Finance, the Finance Unit consists of two sections: the Provincial Treasury section responsible for the receipt, payment, accounting and reporting on the CS Fund in collaboration with the CS Councils and the Provincial Finance Section responsible for the receipt, payment, accounting and reporting on financial resources transferred to provincial accounts against approved work plans and budgets and implementation contracts.

Technical Support Unit (TSU): Under the direct supervision of the Provincial Department of Rural Development the TSU provides technical support services to the CS Councils on project design, feasibility and contracting; monitors contractor performance; carries out technical audits on a select number of CS projects; and provides technical support to various local infrastructure projects under the District Initiative and Provincial Investment Fund.

8.5.2 Provincial Program Support Budgets and Allocations

In 2007, a total of \$ 4.36 million has been allocated for Provincial Program Support consisting of \$ 3.9 million to finance the wide range of services and management functions carried out by the Executive Committees under the chairmanship of the Governor as described above and \$ 460,000 for financing the operations of PSDD advisory teams in the 24 provinces.

The \$ 3.9 million for provincial services and management functions has been allocated through formulas and standard administrative costs to all 24 provinces. Major categories of expenditure include performance incentives for full-time ExCom staff against individual annual contracts and work plans; costs for training of CS Councils and provincial and district officials; office and transport equipment; office supplies; and operations and maintenance. On average, this amounts to \$ 160,000 per province or 7% of the overall resources transferred to sub-national level. The \$ 460,000 for PSDD operations, directly managed by the provincial administrations, amounts to an average of \$19,500 per province covering office supplies/equipment and travel and administration costs for the 139 provincial advisors.

Table 30: 2007 Provincial Program Support Financing on the following page reflects the sources of financing for Provincial Program Support in 2007. As reflected in the table, PSDD resources represent 69% of the total with IFAD, UNICEF and the EC together representing another 18%. The contribution from the RGC reflected in the table represents only the counterpart funds under the IFAD projects and does not include other categories of support such as civil servants salaries and office accommodations.

Table 30 : 2007 Provincial Program Support Financing		
DONOR	AMOUNT	%
RGC	38,353	1%
PLG	3,336,434	69%
IFAD/CBRD	212,981	4%
IFAD/RPRP	93,185	2%
IFAD/RULIP	4,500	0%
IFAD TOTAL	310,666	6%
UNICEF	295,560	6%
Germany	250,000	5%
EC-UNDP/DDLG	193,581	4%
EC-UNDP/EFMP	55,650	1%
EC-UNDP TOTAL	249,231	5%
WB/RILG	150,000	3%
ADB/TSSL	110,000	2%
CANADA	27,474	1%
UNFPA	25,841	1%
GRET	9,000	0%
GRAND TOTAL	\$4,802,559	100%

Based on formulas, standard staffing compliments and standard unit costs, the PSDD resources have been programmed by the NCDD for all 24 provinces. Contributions from IFAD, UNICEF and EC/DDLG offset some of these costs in their target provinces while contributions from other donors are additional to the core costs and are primarily for activities specific to their project objectives. Table 31 below reflects the aggregate budget breakdown by ExCom Unit in 2007 which remain largely the same as in 2006. As noted in the table there is an aggregate total of \$ 625,000 of provincial program support that is either outside of ExCom management (\$ 510,000 for PSUs and direct payment modalities) or represents funds available to the ExComs that have not yet been programmed (\$ 115,000).

Table 31 : 2007 ExCom Unit Budgets		
EXCOM UNIT	2007	
	AMOUNT	%
ExCom Local Administration	1,725,052	36%
ExCom Contract Administration	1,186,603	25%
ExCom Financial Services	387,165	8%
ExCom Technical Services	413,911	9%
PSDD Operations	463,103	10%
TOTAL	\$4,175,836	100%
PSU and/or unprogrammed	\$626,724	13%
GRAND TOTAL	\$4,802,559	100%

Table 32 : 2007 ExCom Staffing and Analysis below reflects the total ExCom Unit staffing levels in 24 provinces in 2007 and provides some workload indicators for staff of the individual units. Further information by Unit follows below.

Table 32 : 2007 ExCom Staffing and Analysis			
ExCom Unit	Lead Department	Total Staff	Workload Indicators
LAU	Sala Khet	1,012	3 Office staff/province : 1 facilitator per 2 CS Councils
CAU	Planning	205	3 Provincial Contracts & \$ 91,000 per CAU Staff
FU	Finance/Treasury	273	\$ 190,000 per FU Staff
TSU	Rural Development	251	12 CS Contracts & \$ 81,000 per TSU Staff
Permanent Member		24	Average \$ 1.9 million and 74 staff per province
Internal Auditor		24	Average \$ 1.9 million and 180 contracts/province
TOTAL		1,789	

Local Administration Unit: In 2004, the Local Administration Unit was officially established as a fifth unit in the Sala Khet/Krong with a newly defined mandate under the Governor to provide comprehensive capacity development, facilitation, monitoring and reporting for 1,621 CS Councils. In 2007 there is an aggregate total of 1,012 LAU staff in the 24 provinces; an average of 42 staff per province. Of the total staff 86 are based in the Sala Khet/Krong (average 3-4/province); 238 serve as Provincial Facilitators (average 10/province) backstopping district level, coordinating training activities and in half the provinces supporting the mainstreaming of NREM and Women/Children issues; and 688 work as District Facilitators (average 28/province) directly facilitating CS Councils, delivering training courses and in half the provinces mainstreaming NREM and Women/Children issues. On average one DFT supports two CS Councils; one PFT backstops three DFTs; and three LAU staff, including the Chief, are based in the Sala Khet/Krong. There has been an increase of 70 LAU staff compared to 2006 which is primarily explained by the significant increase in partnerships and resources available for the CS Council. Roughly half of the total staff are Ministry of Interior civil servants and the others are seconded from various departments. A total of 15% of the LAU staff are women.

Contract Administration Unit: There is an aggregate total of 205 staff in the 24 CAU Units, an increase of 20 staff compared to 2006, and on average 8 CAU staff per province. A total of 126 CAU staff are assigned to the administration of provincial contracts (average 5/province) and 79 to program monitoring and evaluation (average 3/province). With a mandate under the Governor to administer provincial contracts; monitor, evaluate and report on provincial level contract and program performance; and provide administrative services to the ExCom, there is a ratio of one CAU staff per 3 provincial contracts and one CAU staff per \$ 91,000 of provincial budget allocations. Roughly 60 % are employees of the Ministry of Planning with the balance seconded from other departments. Of the total CAU staff, 25% are women.

Finance Unit : In aggregate, there are a total of 273 staff in the 24 Finance Units; an increase of 8 compared to 2006. The Finance Unit has a combined mandate to provide: 1) comprehensive financial management services and capacity building for all resources transferred to the province to accounts held in commercial banks under the authority of the Governor in support to provincial investment and program support; and 2) accounting, payment authorizations, capacity building and reporting functions for CS Fund resources transferred to CS Accounts through the National Treasury. Of the total staff under the Finance Unit, 105 are devoted to financial management for provincial budget allocations and 168 work under the Treasury in regard to the CS Council resources and accounts. Roughly 90 % of the FU staff are employees of the Ministry of Economy and Finance and a total of 28 % are women. In 2007, there is a combined average of \$ 190,000 per staff member of the FU. Broken down further, there is an average of \$ 145,000 of CS Funds per Treasury accountant and \$265,000 of provincial funds per Department of Finance accountant in the FU.

Technical Support Unit : The aggregate total of 258 TSU staff in 2006 remains the same as in 2005. With a mandate to provide technical services to the CS Councils on project design, procurement, implementation, certification and maintenance; capacity building; and monitoring and reporting on CS investment contracts, there is an average ratio of 12 CS Contracts with a combined value of \$ 81,000 per TSU staff member. Roughly 70% of the TSU staff are employees of the Ministry of Rural Development. Owing to the scarcity of female engineers in Cambodia, only 6 % of TSU staff are women

Permanent Member and Internal Auditor: In each province, one senior provincial official is appointed by the Governor as Permanent Member of the ExCom to assist with overall coordination and management of ExCom functions. Of the 24 Permanent Members, one is a woman. In addition, one provincial official is appointed as Internal Auditor to monitor, investigate and report to the Governor on accountability issues. Since the latter half of 2005, the Internal Auditor also serves as Secretary of the Provincial Accountability Working Group. Of the 24 Internal Auditors, four are women.

8.6 National Ministry Services

The role of national Ministries in further designing and refining the decentralized regulatory framework; designing and overseeing national training programs to build capacity at all levels; monitoring and evaluating performance and supervising sub-national authorities; managing the implementation of specific projects under the D&D framework; and developing and piloting new implementation strategies within the D&D framework are critical to moving forward with the government's reforms. In 2007, a total of \$ 3.2 million is available to support national Ministries/Institutions as reflected in Table 33 below. Of this total, \$ 2.2 million, or 68%, has been allocated to specific Project Support Units in Ministries and \$ 1 million, or 32%, is more discretionary in nature and allocated to a range of Ministries based on criteria and priorities established by the NCDD.

Table 33 : 2007 National Ministry Services Donors		
DONOR	Amount	%
ADB/CCDP2	585,000	18%
ADB/TSSL	395,000	12%
ADB TOTAL	980,000	30%
EC/UNDP:DDLG	694,613	22%
PSDD	500,000	16%
IFAD/CBRD	132,818	4%
IFAD/RPRP	98,030	3%
IFAD/DRLIP	245,487	8%
IFAD TOTAL	476,335	15%
UNICEF	461,591	14%
CANADA	32,464	1%
UNFPA	74,160	2%
GRAND TOTAL	\$3,219,163	100%

Financing by the ADB under the CCDP2 and TSSL projects has been programmed in support to two Project Support Units in the Ministry of Interior responsible for project execution. Under the CCDP2, financing includes monitoring and oversight functions for the construction of CS Offices; contracted national mass media campaigns; equipment inputs to the computerization of the civil registration system; and a contribution to the NCDD 2007 Training Plan. Under the TSSL, financing includes equipment and vehicles; monitoring and oversight of the TSSL project and project coordination activities.

Financing by the EC/UNDP DDLG project has been programmed in support to a Project Support Unit in the Ministry of Interior responsible for project execution and includes the procurement of equipment and vehicles; a wide variety of training activities and support to the provincial and national associations of CS Councils; monitoring and oversight functions for project implementation; and national coordination activities.

Financing by IFAD and the Government of Canada supports the Program Support Unit established in the Ministry of Agriculture, Forestry and Fisheries which is responsible for execution of the RPRP and RULIP projects as well as the Canadian funded ADMAC project. Financing is also provided by IFAD to the Project Support Unit in the Ministry of Rural Development executing the CBRD Project.

As regards the financing from PSDD and UNICEF, annual allocations to 12 Ministries/Institutions were determined through consultations with the NCDD AWPB working group in October 2006 and have subsequently been turned into individual Ministry work plans and budgets. Allocations are largely based on roles and functions carried out by core ministries central to the reform program; opportunities and previous performance and estimated costs of activities to be undertaken.

Table 34 : 2007 National Ministry Support Services			
NO	MINISTRY/INSTITUTION	ACTIVITY SUMMARY	2007 BUDGET
1	Interior/DoLA	1.1 EC-UNDP/DDLG : PSU support to National & Provincial Associations of CS Councils, inter-communal collaboration, policy formulation, monitoring/supervision	694,613
		1.2 ADB/TSSL : PSU support to Commune Livelihood Fund operations, procurement of equipment, training/supervision of sub-national management structures, monitoring	585,000
		1.3 ADB/CCDP : PSU support to monitoring of CS Office construction, computerization of civil registration, equipment, mass media campaigns, training	395,000
		1.4 PSDD : Support to CS capacity building, CS Fund operations, national data bases, accountability, monitoring/supervision	166,500
		1.5 IFAD/RPRP : Support to Commune Infrastructure Development Fund, monitoring/supervision	74,160
		1.6 UNICEF/Seth Koma : Support to mainstreaming of women/children issues at CS level	45,000
		subtotal	1,960,273
2	Finance/Treasury	2.1 PSDD : C/S Fund regulations review/strengthening; coordination on funds management; C/S Council training; Provincial Treasury training; national supervision	50,000
		2.2 IFAD : National project accounting/reporting on IFAD loans.	17,064
		subtotal	67,064
3	Planning	3.1 PSDD CDB National Information System; CIP and DIW guidelines review; training of planning departments; national supervision	60,000
		3.2 UNICEF/Seth Koma : Support to Commune Data Base with emphasis on women/children issues.	25,000
		subtotal	85,000
4	Rural Development	4.1 UNICEF/Seth Koma : Water/Sanitation policy/guidelines, arsenic surveys/mitigation.	361,591
		4.2 IFAD/CBRD : PSU support to project management, coordination, monitoring/supervision.	92,290
		4.3 PSDD : C/S training on implementation guidelines; local infrastructure design and maintenance evaluation/review; technical audits; national supervision	55,000
		subtotal	508,881
5	Women's Affairs	5.1 PSDD : Gender mainstreaming at province & C/S level; training/coordination for implementation of gender monitoring framework; national supervision.	55,000
		5.2 UNICEF/Seth Koma : Strengthening local social development,	30,000
		5.3 IFAD/RPRP : gender mainstreaming in agriculture.	12,090
		subtotal	97,090
6	Council for Admin Reform	6.1 PSDD : Formulation of policy lessons on public service delivery, contracting and merit based incentive schemes at provincial level.	20,000
7	Public Functions	7.1: PSDD : Review and drafting of subnational public function mechanisms	10,000
		Subtotal NCDD Member Ministries/Institutions	\$2,748,308

Table 34 : 2007 National Ministry Support Services			
NO	MINISTRY/INSTITUTION	ACTIVITY SUMMARY	2007 BUDGET
8	Agriculture	8.1 IFAD/RULIP: Support to MAFF PMU for equipment, start up costs, training, coordination, AWPB preparation, monitoring/supervision.	245,487
		8.2 IFAD/RPRP: Support to MAFF/PSU for ongoing monitoring, supervision, coordination, reporting, AWPB preparation.	109,404
		8.3 Canada/ADMAC: Support to MAFF PMU for coordination, monitoring/supervision, reporting and agriculture credit.	27,464
		8.4 PSDD: Deconcentrated provincial agriculture planning system review; piloting/review CS functions in agriculture; farmer associations; national supervision.	20,000
		subtotal	402,355
9	Water Resources	PSDD: Small scale irrigation design; strengthening of water user groups; monitoring/supervision.	20,000
10	Social Affairs	PSDD: Implementation of new Social Action guidelines at C/S level in selected provinces	20,000
11	Environment	PSDD: Strengthening national trainers; establishing guidelines on NREM and CS/community participation in protected areas; training and supervision.	20,000
12	Land Management	PSDD: Strengthening PLUACs; training provincial/district staff in PLUP; social concessions; national supervision.	3,500
13	CMAA	Canada/ADMAC : National oversight, support and monitoring of MAPUs in five provinces.	5,000
		Subtotal Sector Ministries/Institutions	\$470,855
		GRAND TOTAL	\$3,219,163

As in 2006, UNICEF has allocated funds in 2007 to the Ministries of Interior, Planning and Women's Affairs for activities related to strengthening social development under the decentralized regulatory framework and to the Ministry of Rural Development for activities related to rural water and sanitation and arsenic campaigns.

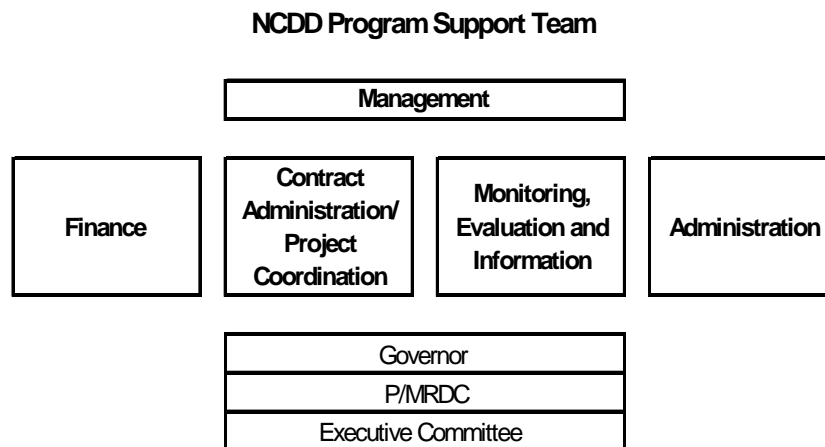
Finally, the UNFPA has allocated funds to the Ministry of Interior/DoLA for monitoring and supervision, training and oversight related to UNFPA's sub-national interventions in the area of population activities.

Table 34: 2007 National Ministry Support Services above reflects the budget allocations and a summary of the key activities expected to be undertaken in 2007 by a total of 14 national entities broken down by NCDD member Ministries/Institutions and sector Ministry/Institutions.

8.7 National Program Support: NCDD Secretariat and Program Support Team

Under the NCDD, a Program Support Team was established in January 2007 in the Ministry of Interior with a mandate to: 1) oversee the implementation of the NCDD Annual Work Plan and Budget; and 2) act as executing agency for specific projects signed with the NCDD. As of February 2007, the projects under the direct execution responsibility of the NCDD Program Support Team consist of the UNDP/DfID/Sida PSDD, the World Bank RILG and the Danida/DfID NRML D&D Component which combined represent a total of \$ 21 million in 2007 or nearly 60% of the total external assistance to the NCDD AWPB. As the majority of sub-national program support and technical assistance is managed under the Program Support Team, there is close interaction with all of the other donor projects under the NCDD 2007 AWPB framework that rely on this support directly or indirectly.

As reflected in the diagram below, the NCDD Program Support Team has established four units under the management level namely: a Finance Unit; a Contract Administration/Project Coordination Unit, a Monitoring, Evaluation and Information Unit; and an Administration Unit. *For the purposes of the NCDD AWPB program execution and coordination*, the Program Support Team maintains close communications with the Provincial/Municipal Governors, P/MRDC and their Executive Committees in the 24 provinces/municipalities.



The NCDD's Program Support Team was staffed and operational by the beginning of February and the transfer of the substantial inventory from the Seila Task Force was completed by mid-February 2007. In the month of February, annual work plans and budgets with 12 Ministries/Institutions and with the 24 provinces were finalized and full operations are expected to be underway by the end of March. Under the mandate of the NCDD, the Program Support Team does not implement activities that fall within defined mandates of other Ministries but it offers a forum for inter-Ministerial dialogue and coordination related to externally-financed, governance and development activities and in fostering partnerships within government and between government and donors contributing to the dialogue on the future direction of the local governance reforms.

Table 35 below provides information on the 2007 NCDD Program Support Team Resources. As indicated in the table, PSDD represents roughly half of the total with WB and Danida representing the other half. The contribution from the Royal Government represents counterpart funding under the WB/RILG and IFAD/RPRP projects.

SOURCE	AMOUNT	%
PSDD	781,935	42%
WB/RILG	563,724	30%
DANIDA/NRML	340,178	18%
IFAD/RPRP	121,970	7%
RGC	58,457	3%
TOTAL	\$1,866,264	100%

The resources allocated to the NCDD Program Support Team were programmed and budgeted at the end of 2006 and **Table 37: NCDD Program Support Team Budget** below reflects the breakdown by budget line. As noted in the table, roughly half of the total resources are programmed for consultancies and studies to be recruited by the Program Support Team related to policy formulation, national program design, M&E and MIS systems development, evaluations, technical reviews and studies. A major portion of the total consultancies planned are reflected in **Annex III: 2007 NCDD PST Consultancy Plan**. Not including consultancies and audits, the total resources available to the PST for operations amounts to \$ 852,000 of which 70% is financed by PSDD.

BUDGET LINE	PSDD	WB	RPRP	DANIDA	RGC*	TOTAL
Duty Travel	68,430		4,000			72,430
Sub-Contract - Audit	40,000	20,000		20,000		80,000
Consultants	135,000	367,000	94,930	300,000	36,374	933,304
Study Tour/Training/Workshop	30,000	35,000	11,100			76,100
Local Procurement	30,000	141,724			20,383	192,107
NCDDS Staff Salaries/Incentives	327,580		7,440			335,020
Operations	150,925		4,500	20,178	1,700	177,303
TOTAL	781,935	563,724	121,970	340,178	58,457	1,866,264

* counterpart funds for WB/RILG (\$56,757) and IFAD/RPRP (\$2,375)

8.8 External Technical Cooperation

External technical cooperation from all sources operating under the NCDD 2007 AWPB framework in 2007 amounts to a total of \$ 6.9 million with approximately \$ 2 million for international advisors, \$ 3.3 million for national advisors and \$ 1.5 million for consultancies on a wide variety of both governance and development issues. Of the total cost of advisory services, roughly 40%, or \$ 2.2 million, represents program technical support to the overall NCDD AWPB and 60%, or \$ 3.3 million represents technical support to specific projects. Similarly, of the consultancy total, \$ 700,000, or 50% of the total, is considered as technical support to design aspects related to the overall D&D reforms and 50% is programmed for specific aspects of individual projects. At sub-national level, technical cooperation related to overall support to the management and implementation of the 2007 NCDD AWPB by the provincial/municipal administrations totals \$ 1.6 million; only 3.5% of the total 2007 sub-national transfers. **Table 37: 2007 Technical Cooperation Donors** below reflects the source of funds by donor.

Table 37 : 2007 External Technical Cooperation Donors								
DONOR	International		National		Consultancies		Total	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
PSDD	628,414	32%	1,940,122	56%	260,000	18%	2,828,536	41%
ADB-TSSL	758,000	38%	965,000	28%			1,723,000	25%
ADB-CCDP2					300,000	20%	300,000	4%
ADB subtotal	758,000	38%	965,000	28%	300,000	20%	2,023,000	29%
EC-UNDP/DDLG	300,000	15%	132,197	4%	80,697	5%	512,894	7%
EC-UNDP/EFMP			59,000	2%			59,000	1%
EC-UNDP subtotal	300,000	15%	191,197	6%	80,697	5%	571,894	8%
World Bank					367,000	25%	367,000	5%
Germany/GTZ	200,000	10%	150,000				350,000	5%
Denmark			0	0%	320,000	22%	320,000	5%
UNICEF	100,000	5%	200,000	6%			300,000	4%
IFAD/RPRP					94,930	6%	94,930	1%
Canada/ADMAC					50,351	3%	50,351	1%
TOTAL	\$1,986,414	100%	\$3,446,319	100%	\$1,472,978	100%	\$6,905,711	100%

On the following page, **Table 38 : Breakdown of Technical Assistance by Category** , reflects the aggregate value of technical assistance in 2007 at sub-national level, national level and for consultancies. Assuming that the majority of consultancies are international, 50% of the total cost of technical assistance is for international advisors/consultants and 50 % for national staff employed under the various donor projects.

The NCDD believes that through concerted efforts to harmonize external support to the national D&D efforts through a program based approach, a considerable reduction in technical assistance can be achieved. As part of the work involved in formulating the national D&D program in 2007, a specific study on technical assistance requirements will be undertaken in partnership with the NCDD's donor partners.

CATEGORY	AMOUNT	%
Province Level	2,526,748	37%
International	404,000	6%
National	2,122,748	31%
National Level	2,839,611	41%
International	1,582,414	23%
National	1,257,197	18%
Consultancies	1,539,352	22%
TOTAL	\$6,905,711	100%

A brief description of the technical cooperation provided by development partners is as follows:

PSDD: Under the PSDD Project, harmonized technical cooperation is provided to the provincial/municipal administrations and to the NCDD Program Support Team through teams of advisors, recruited by UNDP in collaboration with the NCDD PST, that serve the interests of most of the donors under the NCDD AWPB framework. At provincial/municipal level, 4-6 PSDD national staff support the Governor, ExCom Units and implementing line departments with the management and implementation of all resources transferred through the PRDC/ExCom from 12 donors. At national level, support is provided to the Program Support Team for the overall coordination and implementation of the NCDD AWPB and to the Ministries of Interior/DoLA, Economy and Finance, Planning and Agriculture in accordance with their respective mandates under D&D. A specific provision of \$ 120,000 in consultancy funds to support the design of the new national program has been allocated to the NCDD under the NCDD Program Support Team budget.

ADB: Under the two ADB projects with the Ministry of Interior, technical assistance consists of short and long term advisors recruited either as individuals or as part of the contract with a consulting firm. Under the CCDP2 project, technical assistance is focused on engineering supervision and monitoring services related to CS Office construction, the design and associated training for computerization of the civil registration system, design and evaluation of mass media campaigns and capacity building at national and sub-national level with DoLA. Under the TSSL project, technical assistance will focus on project management; specific sector/sub-sector design aspects in NREM related activities and capacity building on NREM and Livelihood topics.

EC-UNDP: Under the EC-UNDP DDLG Project, technical assistance recruited by UNDP will focus on project management, further development of strategies and mechanisms for inter-commune collaboration, support to the National and Provincial Associations of CS Councils and policy support to the NCDD.

World Bank/RILG: Technical assistance from the World Bank/RILG project in 2007 consists of consultancies that have been designed in formulating the 2007 RILG AWPB which appear in the attached Annex III : NCDD PST Consultancy Plan.

Germany/GTZ: Technical assistance from the Government of Germany/GTZ consists of international and national advisors working on the GTZ Rural Development Project in Kampot and Kampong Thom which supports the IFAD/CBRD project executed by the Ministry of Rural Development. It should be noted that GTZ also provides considerable additional technical support to the NCDD through a separate project, Administration Reform and Decentralization. Details on the support programmed in 2007 were not available at the time of preparing the NCDD AWPB.

Danida-UK/NRML: Technical assistance from the Danida-UK/NRML D&D component consists of consultancies that have been designed in formulating the 2007 NRML AWPB which appear in the attached Annex III : NCDD PST Consultancy Plan.

UNICEF/Seth Koma: UNICEF provides technical support in each of the six target provinces under the Seth Koma Project primarily supporting the departments implementing activities focused on women and children. Technical assistance is also provided at national level to the four Ministries implementing activities financed by Seth Koma.

IFAD/RPRP: IFAD technical assistance in 2007 consists of a survey on ground water supply in Prey Veng and Svay Rieng managed under the NCDD PST.

Canada/ADMAC: Technical assistance from Canada is provided through consultancies in support to the Ministry of Agriculture Program Support Unit and focused primarily on strengthening the design and operations of the agricultural credit component of the ADMAC project.

9. 2007 NCDD AWPB INDICATIVE WORK PLAN

The 2007 Annual Calendar and 2007 NCDD Work Plan are attached as Annex I and Annex II of this document. The 2007 Annual Calendar reflects the scheduling of major activities and events at Commune, Provincial and National level in accordance with the planning, programming, financing and implementation cycle reflected in the decentralized regulatory framework, the 2007 NCDD Training Plan and the annual program cycle.

In connection with the resources described in this document, **Table 39: Summary of 2007 Work Plan and Budget Agreements** on the following page provides a summary of the total number of individual work plans and budgets that have been formulated, appraised and approved by the responsible authorities and which govern the use of resources under the 2007 NCDD AWPB Framework. For each of the 15 donor projects, detailed annual work plans and budgets are formulated and signed between the donor and the responsible government authority. Based on these donor agreements, an aggregate total of 25 National Ministry work plans and budgets and 77 provincial work plans and budgets have been prepared and signed between the Governor, as Chair of the PRDC, and the responsible national authority. Based on the provincial work plans and budgets, an aggregate total of 516 individual work plans and budgets have been prepared by implementing departments and districts with the ExCom Units and approved by the Governor. The amount of detailed information on activities, outputs and budgets contained in these 633 agreements is substantial and yet the level of detail is critical to accountability, transparency and operational efficiency. A considerable percentage of the work plans and budgets prepared by Ministries, Provinces and Departments are formulated and/or entered into the NCDD Contract Database in order to promote consistency in contract formats and budgetary unit costs, specification of outputs, monitoring of progress and overall reporting.

Table 39 : Summary of 2007 Work Plan and Budget Agreements

NO.	PROJECT	AMOUNT	APPROVED BY	
			RGC	DONOR
1. RGC-DONOR AGREEMENTS				
1	PSDD	10,400,000	NCDD	UNDP, UK, Sweden
1	CBRD	1,137,218	MEF, MRD	IFAD
1	RPRP	3,975,852	MEF, MAFF, NCDD	IFAD
1	RULIP	1,192,157	MEF, MAFF	IFAD, UNDP
1	RILG	6,396,724	MEF, NCDD	World Bank
1	NRML/D&D	4,720,184	NCDD	Denmark,UK
1	NRML/Land	676,517	MLMUPC	Denmark,UK
1	CCDP2	2,710,000	MOI	ADB
1	TSSL	2,845,012	MOI	ADB
1	DDLG	2,888,983	MOI	EC, UNDP
1	EFMP	1,136,650	MOI	EC,UNDP
1	Seth Koma	2,816,457	MOP	UNICEF
1	ADMAC	1,196,975	MAFF, CMAA	Canada
1	LAAR	265,000	MOI	USAID
1		175,501	MOI	UNFPA
15	TOTAL	\$42,533,230		
2. NATIONAL MINISTRY AGREEMENTS				
NO.	PROJECT	AMOUNT	AUTHORITY	MINISTRIES
12	PSDD	500,000	NCDD	12 Ministries
1	CBRD	98,030	MEF	MRD
3	RPRP	132,818	NCDD	MAFF, MWA, MEF
1	RULIP	245,487	MEF	MAFF
4	Seth Koma	461,591	UNICEF	MoI, MoP, MWA, MRD
2	ADMAC	32,464	MAFF	MAFF, CMAA
1	CCDP2	585,000	MAFF	MOI
1	TSSL	395,000	MAFF	MOI
25	TOTAL	\$2,450,390		
3. NATIONAL-PROVINCIAL AGREEMENTS				
NO.	PROJECT	AMOUNT	NATIONAL	PROVINCES
24	PSDD	5,486,434	NCDD	PRDC
2	CBRD	1,039,188	MRD	PRDC
2	RPRP	3,721,064	NCDD, MAFF	PRDC
3	RULIP	946,670	MAFF	PRDC
10	NRML/D&D	4,380,006	NCDD	PRDC
10	NRML/Land	676,517	MLMUPC	PRDC
6	Seth Koma	2,054,866	UNICEF	PRDC
5	TSSL	617,012	MOI	PRDC
10	DDLG	1,681,476	MOI	PRDC
1	EFMP	55,650	UNDP	PRDC
3	ADMAC	893,601	MAFF	PRDC
1	FSIP	50,900	CANADA	PRDC
77	TOTAL	\$21,603,384		

Table 39 : Summary of 2007 Work Plan and Budget Agreements				
NO.	PROJECT	AMOUNT	APPROVED BY	
			RGC	DONOR
4. PRDC-DEPARTMENT, DISTRICTS & EXCOM AGREEMENTS				
NO.	PROJECT	AMOUNT	PROVINCIAL	IMPLEMENTERS
207	PSDD	1,800,000	PRDC	19 Departments
96	PSDD	3,336,434	PRDC	24 ExCom X 4 Units
28	PSDD	350,000	PRDC	28 Districts
46	NRML	400,000	PRDC	10 Departments
10	NRML	676,517	PRDC	Land Management
66	NRML	1,980,000	PRDC	66 Districts
8	RPRP	2,778,799	PRDC	4 Departments
8	CBRD	1,039,188	PRDC	4 Departments
3	RULIP	1,039,188	PRDC	Agriculture
30	Seth Koma	2,054,866	PRDC	5 Departments
9	ADMAC	1,063,260	PRDC	3 Departments
5	FSIP	50,900	PRDC	4 Departments
516	TOTAL	\$16,569,152		

The 2007 Indicative NCDD Work Plan, presented in table form in Annex II, does not attempt to replicate or summarize the information contained in all of the work plans and budget agreements described above. In advance of the national program design, which will be carried out in 2007 and which will include the design of a logical framework and agreed set of monitoring indicators, the 2007 Indicative Work Plan is organized around three focus areas with specific outputs under each focus area. The structure of the Indicative Work Plan is provided below.

Focus Area 1. Sub-national government systems and structures strengthened

Outputs:

- 1.1: Development and/or refinement of systems for Decentralization and Deconcentration
- 1.2: Strengthened institutions at sub-national and national level for management of the D&D reforms
- 1.3: Trained and motivated officials promote/ implement decentralised/ deconcentrated systems

Focus Area 2. Quality and Availability of Sub-national Investments and Services Improved

Outputs:

2.1 Quality and availability of services delivered through C/S Fund and other commune funds strengthened

2.2 Improved efficiency and availability of services delivered by provincial and other service providers

2.3 Improved efficiency and effectiveness of national support services

2.4 Partnership arrangements strengthened and expanded

Focus Area 3. Enhanced policy and program framework for support to sub-national governance and poverty reduction developed

Outputs:

3.1 Development of policy framework for D&D

3.2 Review of operating guidelines

3.3 Enhanced sector collaboration for support to poverty reduction

3.4 Strengthened national support to sub-national development through institutional development and capacity building of NCDD

ANNEXES

Annex I 2007 Annual Calendar

Annex II 2007 NCDD Indicative Work Plan

Annex III 2007 NCDD Program Support Team Consultancy
Plan and Budget

Annex IV 2007 Commune/Sangkat Allocations

Annex I:

2007 Annual Calendar

ANNEX I: 2007 ANNUAL CALENDAR

MAJOR EVENTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. COMMUNE/SANGKAT												
2007 C/S Fund Monthly Transfers Commence												
C/S council elections												
Newly elected C/S councils officially established												
Training: C/S functions/structures/systems orientation												
Training: C/S planning processes												
Bidding and Signing of 2007 Contracts												
Implementation of 2007 contracts												
2nd mandate C/S development planning formulation												
Training: M&E tools on C/S administration and finance.												
Training: Conflict resolution												
Training: Civil registration												
District Integration Workshops												
Training: C/S actions on AIDS/HIV prevention												
C/S Reflection Workshops/Congresses												
2. DISTRICT/KHAN												
2007 District/Khan Contracts signed by PRDC												
Contract implementation												
Monthly meetings of District/Khan Committees												
Mid-term review of 2007 performance												
Revised District/Khan guidelines for 2007-08 disseminated												
2008 allocations to District/Khan announced												
District/Khan planning/prioritization process implemented												
District/Khan Integration Workshops												
Update of District/Khan Data Base												
Internal evaluation of 2007 Contract performance												

ANNEX I: 2007 ANNUAL CALENDAR

MAJOR EVENTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3. PROVINCE/MUNICIPALITY												
2007 NCDD/PRDC Agreements Signed												
2007 PRDC/Department Contracts Signed												
Implementation of NCDD Training Plan												
Submission of Quarterly Progress/Financial Reports												
Support to CS: Formulation of CDP/CIP												
Mid-year evaluation of 2007 AWPBs/District-Khan Initiative												
Training on 2008 District/Khan Guidelines												
Preparation/Dissemination of 2007 DPAMs												
National Workshop: Guidance/2008 Resource Allocations												
Organization/Coordination of District Integration Workshops												
District Integration Workshops												
Preparation of 2008 Provincial/Municipal AWPBs												
Staff Performance Evaluations												
4. NATIONAL												
Establishment of NCDD Program Support Team												
Preparation of Training Manuals/Materials, TOTs												
Appraise/Approve: 2007 Provincial/Municipal Contracts												
Preparation/Approval NCDD 2007 AWPB												
2007 Contracts with Ministries signed												
Preparation of Revised District/Khan guidelines for 2008												
Confirmation of Indicative 2008 Resources												
Indicative 2008 Allocations prepared												
National Workshop on 2008 AWPB: guidance/allocations												
Design of National D&D Program												
Consultations with Ministries on 2008 Allocations/Criteria												
Staff Performance Evaluations												

Annex II:

2007 NCDD Program Support Team Indicative Work Plan

Annex III:

NCDD Program Support Team 2007 Consultancy Plan and Budget

Annex III : NCDD Program Support Team Consultancy Plan

The following table presents a summary of planned consultancy assignments under the NCDD Program Support Team in 2007 as well as the estimated cost and the source of funds for each consultancy. The table does not include consultancies associated with the design and formulation of the new national D&D program although many of the studies below will contribute to the final design.

No.	Title	Description	Estimated Cost	Fund Source
1	Appraisal of proposed MIS	Appraisal of the draft proposed MIS for linkage of databases, simplification of data collection, and improved management of data for more comprehensive reporting	20,000	Danida/MDLF
2	System Analyst	Redesign of the databases, incorporation of the coding system across the databases, testing of import/export service, testing of the coding manual, training of users, unify the databases into one interface, redesign the analysis service, revision of the Seila M&E manual	50,000	Danida/MDLF
3	Cost benefit studies	Carry out a series of short cost benefit studies for a variety of CSF projects	30,000	Danida/MDLF
4	Design of formative process evaluation	Design and carry out a trial for formative process evaluation, and propose detailed methodology for a larger formative evaluation process of the SNDD	40,000	Danida/MDLF
5	CDP/CIP review	Facilitate inter ministerial discussions on the CDP/CIP draft review guidelines and finalise guidelines	30,000	Danida/MDLF
6	Functional reassignment	Follow up on the 2006 training and study tour with NRM ministries on NRM in D&D to prepare for functional reassignments in the sector: roundtable discussions, second phase of training and process consultancy	70,000	Danida/MDLF
7	Service Delivery Handbook	Testing and completion of the Service Delivery Handbook, following the design of the template in 2006.	50,000	Danida/MDLF
8	Review of certification procedures	Following internal evaluation of the certification procedures in the CCB-NREM communes, a review of the revised certification and awarding system for well performing communes will take place	10,000	Danida/MDLF
9	Review of TA Arrangements	Review of the current tasks of TA and their roles with regards to capacity building, capacity substitution, accountability and partnership arrangements, and propose alternative options for how to manage capacity building and accountability issues	100,000	PSDD
10	Salary supplementation	Review of the current salary supplementation arrangement and recommend changes with the view of phasing out salary supplementation	50,000	PSDD
11	Socio-economic impact study	Study of the socio-economic impact of the roads funded by the CSF.	75,000	World Bank

Annex III : NCDD Program Support Team Consultancy Plan (continued)

No.	Title	Description	Estimated Cost	Fund Source
12	Accountability Framework	Review of the performance and effectiveness of the Provincial Accountability Working Groups	20,000	World Bank
13	Technical assistance for CSF arrangements	Identify alternative options for providing CS Councils with access to technical support services for design and construction supervision of small-scale rural infrastructure projects	20,000	World Bank
14	Technical Manual Revision	Improvement and updating of the Seila Technical Manual	100,000	World Bank
15	Environmental Safeguards	Assessment of the implementation of the social and environmental safeguards and build capacity for environmental analysis	40,000	World Bank
16	End of project Evaluation	RILGP end of project evaluation	95,000	World Bank
17	Joint Annual Audits	Joint annual audit of NCDD projects	20,000per donor	All donors
18	Groundwater study	Ground water modelling	78,000	IFAD
19	DGPS Well Survey	DGPS Well survey	5,500	IFAD

Annex IV:

2007 Commune/Sangkat Allocations

Notes on Annex IV:

- The tables in Annex IV reflect the total 2007 allocations to all 1,621 CS Councils from both the Royal Government's CS Fund and from specific projects which provide allocations to targeted CS Councils in addition to CS Fund.
- The tables are presented in order of province/municipality and in accordance with the Royal Government's GIS codes. For each Commune/Sangkat information is provided on the number of counselors, number of villages and population.
- Allocations from the CS Fund are reflected in Riels and include a breakdown of the administration and development components.
- Under the heading of Other Allocations, information is provided on targeted allocations, in US Dollars, from specific projects which are identified in the column heading. For those projects where the target CS is known but the actual allocation has either not yet been determined or is not known, the column includes a marking NA (not available).
- In the final column, the total allocation for each CS is provided in US Dollars. The total CS Fund allocation is converted into US Dollars at a rate of R/4,100 and added to the targeted allocations to arrive at the total.

