



Partnership for Local Governance

A UN/Donor Support Project to

The Royal Government's Seila Program

2006 Workplan and Budget

FINAL



TABLE OF CONTENTS

Abbreviations	iv
Map of Seila Program Coverage in 2006	vi
1 INTRODUCTION	1
1.1 Background	1
1.2 2006 PLG Annual Workplan and Budget	2
1.3 Gender Mainstreaming	3
1.4 Key Tasks in 2006	3
Component 1: Strengthening of Systems and Institutions	3
Component 2: Investments	4
Component 3: Policy Formulation for D&D	4
End of Project Tasks	5
2 OVERVIEW OF THE 2006 PLG WORKPLAN	6
2.1 Context, Scope And Coverage	6
2.2 Harmonized PLG support to Seila Donors	8
2.3 2005 PLG Budget Resources	10
2.4 Programming of PLG Resources	10
2.5 Commune-level Investments	12
2.6 Provincial Investment Fund	15
2.7 Provincial Program Support	20
2.8 National Support Program Costs and Investments	24
3 KEY TASKS IN 2006	28
4 KEY ISSUES IN 2006	34
4.1 CSF finance and CSF project issues	34
4.2 Provincial finance and Provincial Treasury issues	35
4.3 Commune/Sangkat capacity and management issues	36
4.4 Provincial capacity and management issues	36
4.5 M&E issues	37
4.6 Corruption, collusion, transparency and accountability	37
4.7 Other issues	38
5 MONITORING AND EVALUATION OF THE PLG WORKPLAN	39
5.1 Seila and PLG monitoring and evaluation	39

5.2	Seila Program M&E Focus for 2006.....	41
5.3	PLG Project M&E Focus for 2006.....	42
6	STAFFING PLAN	44
6.1	PLG staffing in 2006.....	44
6.2	PLG and Seila Consultancy Plan	47
8	ANNEXES TO THE WORKPLAN.....	50

LIST OF TABLES

Table 1: Seila Program Coverage.....	7
Table 2 : 2006 PLG Resources for Programming.....	10
Table 3: 2005 PLG Resources Compared with Seila Totals By Budget Category	11
Table 4: C/S Fund Resources.....	12
Table 5: Breakdown of C/S Fund Administration Component.....	13
Table 6: 2006 PIF allocations provided to provinces in September 2005.....	17
Table 7: 2006 PLG PIF Allocations By Province/Municipality.....	18
Table 8: Contributions to Core Provincial Program Support Costs	20
Table 9: Total 2006 Provincial Program Support Budget Core Costs by Category	21
Table 10: 2005 PLG Provincial Program Support Budgets- ExCom Units and PLG Advisory Services.....	23
Table 11: National Program Support and Investments	24
Table 12: 2005 STF-Ministry Investments Key Activities	27
Table 13 Seila Program Consultancy Plan 2006.....	48
Table 14: Budget Summary	49

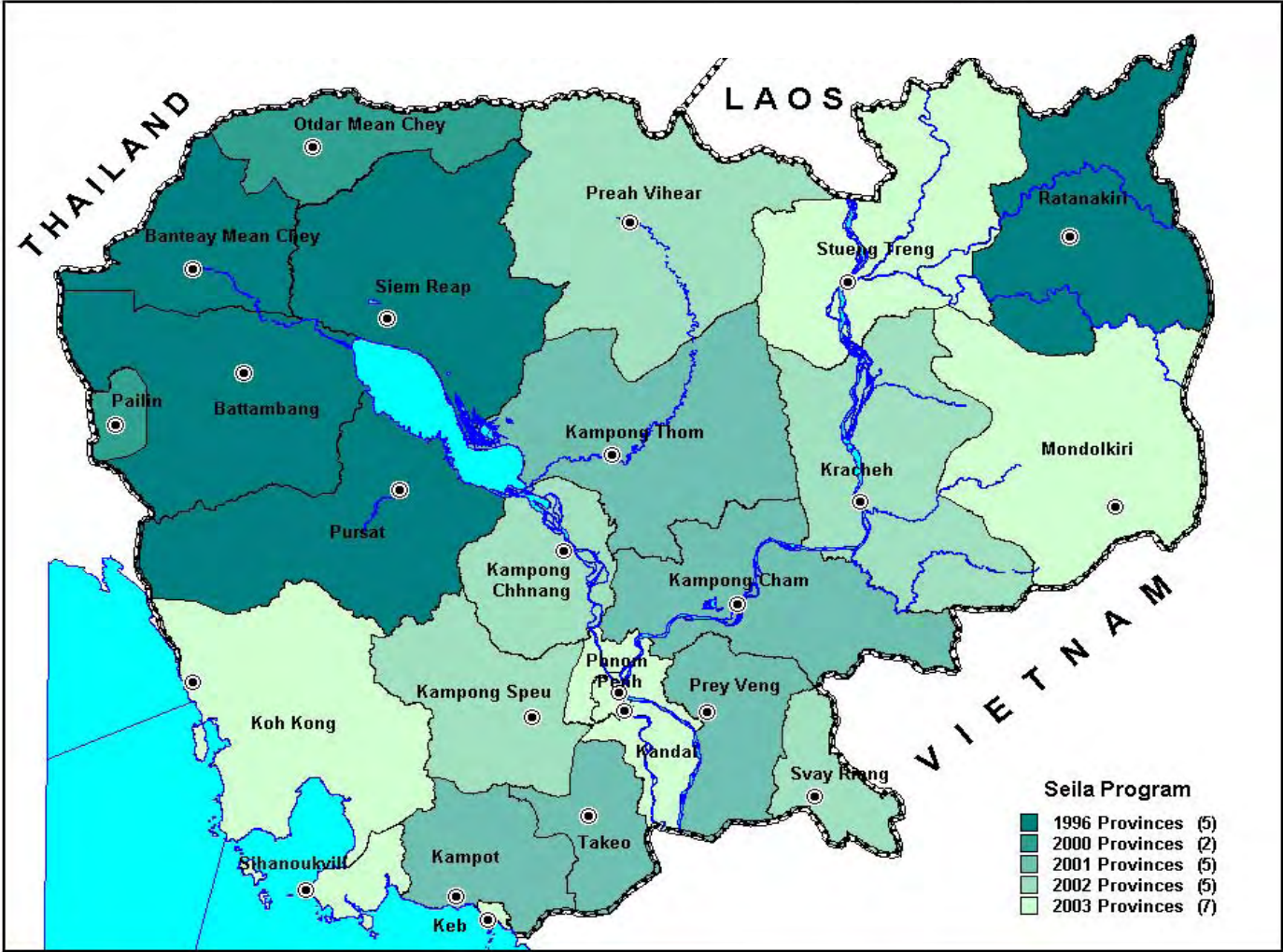
Annex 1	Seila Calendar and Workplan 2006
Annex 2:	2006 Seila Budget
Annex 3	PLG Staffing Plan 2006
Annex 4	PLG Budget 2006

ABBREVIATIONS

CAR	Council for Administrative Reform
CAU	Contract Administration and MEI Unit (PRDC ExCom)
CCB-NREM	Commune and Community Based Natural Resource and Environment Management
CDAS	Cambodian Decentralized Accounting System
CDP	Commune Development Plan
CDPD	Commune Development Planning Database
C/SF	Commune Sangkat Fund
CIP	Commune Investment Plan
CNRM	Community-based Natural Resource Management
C/S C	Commune Sangkat Council
DfID	United Kingdom Department for International Development
DFT	District Facilitation Team
DIW	District Integration Workshops
DOLA	Department of Local Administration
DOP	Department of Planning
DRD	Department of Rural Development
DSA	Daily Subsistence Allowance
DSP	Decentralization Support Project (UNDP)
DWVA	Department of Women's and Veteran's Affairs
ExCom	Executive Committee (of M/PRDC)
FU	Finance Unit (PRDC ExCom)
IFAD	International Fund for Agricultural Development
LAU	Local Administration Unit (PRDC ExCom)
M&E	Monitoring and Evaluation
MEF	Ministry of Economy and Finance
MoI	Ministry of Interior
MLMUC	Ministry of Land Management, Urban Planning and Construction
MoP	Ministry of Planning
MRD	Ministry of Rural Development
M/PRDC	Municipal/Provincial Rural Development Committee
MWVA	Ministry of Women's and Veteran's Affairs
NCSC	National Committee for Support to the Communes/Sangkats
NGO	Non-Government Organization
NPRS	National Poverty Reduction Strategy
PFT	Provincial Facilitation Team
PID	Project Information Database
PIF	Provincial Investment Fund
PLG	Partnership for Local Governance
RGC	Royal Government of Cambodia
RILGP	Rural Investment and Local Governance Project
SCD	Seila Contracts Database
Seila	A Khmer language word approximating to "foundation stone"
SIDA	Swedish International Development Cooperation Agency
STF	Seila Task Force
STFS	Seila Task Force Secretariat
TOR	Terms of Reference

TSS Technical Support Staff
UNDP United Nations Development Program
UNOPS United Nations Office for Project Services

MAP OF SEILA PROGRAM COVERAGE IN 2006



1 INTRODUCTION

The UNDP-Partnership for Local Governance Project (PLG) provides core donor support to the second phase of the Royal Government of Cambodia's Seila Program. Seila was approved by the Council of Ministers in January 2001 for the five year period 2001-2005. In June 2005 the Council of Ministers took the decision to extend the Seila Program for a further year to allow time for elaboration of deconcentration and decentralisation reform policies and for development of a successor program, provisionally known as National Deconcentration and Decentralization Program (NDDP). Accordingly, the Government requested PLG donors to fund a one year extension of PLG through to the end of 2006. This document is the workplan and budget for PLG for this extension period.

The years since the inception of PLG (2001 – 2005) have seen the establishment of democratic decentralized governance through 1,621 Commune/Sangkat Councils nationwide, with Seila and PLG providing support at all levels including development of policy and regulations, capacity building and implementation of development activities. During this period, the Seila Program structure has expanded from seven Provinces/Municipalities to 24, the final expansion having occurred in the first quarter of 2003. By the end of 2005, total resources delivered through the Seila framework over the five year period, 2001-2005, amounted to over US \$ 150 million. Resources programmed in the Seila Workplan and Budget for 2006 amount to US \$ 46 million. Of this total, 71% represents investment at national, province and commune level, 12% program support at provincial and national level and 17% technical cooperation. PLG financing amounts to around 30% of the total budget.

It is anticipated that core donor support to the Royal Government's Program of deconcentration and decentralisation reforms will continue beyond 2006, although the detailed modality of this support has yet to be decided. Therefore, the 2006 work plan for PLG is based on the assumptions of continuity and transition rather than of winding-up. It is expected that in 2006 the work of Seila, supported by PLG will continue to be characterized by consolidation of achievements, adaptation to change including the scaling down of some activities and the inception of others, innovation and response to identified weaknesses, and participation of PLG and Seila staff in planning for the future.

1.1 Background

The second phase of the Seila Program (from 2001-2005) was designed as an aid mobilization and coordination framework for support to the Royal Government's decentralization and deconcentration reforms with an overall budget of US\$95 million. The Seila Program's goal is to contribute to poverty alleviation through good governance and its development objective is to institute decentralized systems and strategies to manage sustainable local development. The outputs of the Seila Program are:

- Related institutions at all levels strengthened and effectively implementing the decentralized and deconcentrated systems;
- Efficient and effective services and investments provided for local development; and
- Improved policy and regulations for decentralization and deconcentration and poverty alleviation.

The program is managed by an inter-Ministerial Seila Task Force, chaired by the Minister of Economy and Finance and includes as members senior officials from the Ministries of Interior, Rural Development, Planning, Women's Affairs, Agriculture, Water Resources and Meteorology, Social Affairs and Labor, Environment, Land Management and Urban Planning and the Council for Administrative Reform. The Seila Task Force is responsible for authorizing and overseeing the program, analyzing the lessons learned through wide scale implementation and ensuring that these lessons are brought to the attention of the appropriate policy bodies at the national level. Resources mobilized under the Seila Task Force are programmed to achieve the outputs through annual planning processes and horizontal and vertical consultations at commune, district, province and national level. The resources are then systematically transferred to National Ministries and institutions, Provinces and (through the Communes-Sangkats Fund) to C/S Councils, which are responsible for implementing a wide range of services and investments in accordance with their respective mandates. The Seila Task Force Secretariat is responsible for execution, program coordination and overall monitoring, evaluation and reporting.

From its outset in 1996 through 2001, the Seila Program gradually expanded its coverage each year to an increasing number of target communes and eventually provinces based on capacity and resource availability. With the election of C/S Councils in February 2002, the Royal Government at national and provincial level assumed responsibility for support to all C/S Councils in the country. In response, Seila expanded its coverage from 12 to 17 provinces/municipalities and from 509 to all 1,283 C/S Councils in the provinces/municipalities assisted. Based on decisions taken in late 2002, Seila programmed support in early 2003 to extend to all 24 provinces/municipalities and 1,621 C/S Councils in the country.

The Partnership for Local Governance (PLG) Project, 2001-2005, is a UN-donor support project to Seila administered by UNDP, financed by UNDP and the Governments of Sweden and the United Kingdom and executed by the Seila Task Force Secretariat. The planned lifespan of the project, 2001-2005, was coterminous with the intended span of the second phase of Seila. The projected value of the project was US \$ 38 million. With the extension of Seila through 2006 the PLG donors have agreed a corresponding extension of PLG with additional funds of US \$ 12.9 million, bringing the total value of the project to US \$ 51 million. From 2001-2005 the technical cooperation component was administered by UNOPS under Letter of Agreement with the STF. However, at the request of STF, UNDP will administer this component directly in 2006. The technical and financial resources under the PLG Project are programmed annually to provide core support to national Ministries, the Seila Task Force Secretariat, provincial administrations and C/S Councils for policy formulation, institutional strengthening, partnership formulation, capacity building, program support and strategic investments. PLG financial and technical support represents 30% of the total Seila Program budget, and the availability and flexibility of this support has enabled the Seila Task Force to mobilize an additional US \$ 100 million in loans, grants and national budget allocations in support to decentralized governance and local development.

1.2 2006 PLG Annual Workplan and Budget

The 2006 Workplan and Budget for the Partnership for Local Governance Project describes the support that will be provided to the Royal Government's Seila Program in 2006 and forms an integral part of the overall 2006 Seila Program Workplan and Budget which exists as a separate document. The total PLG resources programmed for 2006 and described in this

document amount to US \$ 12.9 million including US \$ 460,000 of administrative fees. This represents nearly thirty percent of the US \$ 45 million 2006 Seila Program budget.

1.3 Gender Mainstreaming

In 2005, a PLG-recruited consultant carried out an evaluation of the six-year Seila gender mainstreaming strategy which will soon be published as an associated document to the National Gender Country Assessment. An excerpt from the executive summary of the evaluation report is provided below.

The Seila Program has provided extraordinary insights into how significant gender mainstreaming efforts have translated into effective practices at the sub-national level over the past decade. In fact, the gender mainstreaming efforts in the Seila Program serve as a good example to other national programs and projects....evidence suggests that the Seila Program and the Ministry of Women's Affairs have been successful in achieving most of the goals presented in the Strategy. Substantial progress has been made in the promotion of gender sensitivity in local governance. Laws, regulations and procedures that articulate the need to foster gender-sensitive analysis and consultative local planning process are in place. Annual budget allocations for gender mainstreaming at the national and provincial level have been programmed. Much of the funding was invested in an ambitious national gender awareness training program and, as a result, the level of gender awareness among Government officials and elected Commune Councilors has increased. Gender is well established at the sub-national level.

The same consultant also assisted the Ministry of Women's Affairs to prepare a national guideline for gender mainstreaming at sub-national level in 2006 which includes three priorities as follows:

Priority 1: To improve PDoWA capacity to provide advocacy and support to PRDC/Ex-Com and key line departments to allocate funds to the commune gender priorities.

Priority 2. To provide capacity building and investment in selected District/Khan Office's of Women's Affairs (DoWA) to enable them to realize their roles and duties (in the context of the MoI District Pilot Project).

Priority 3 – To strengthen the capacity of selected Commune Councils to enable them to respond to gender priorities raised through the commune planning process.

The guidelines, which are available upon request, are well developed with specific activities and expected outcomes under each priority objective and have been used to formulate 2006 work plans in each of the 24 provinces. The work is jointly supported by UNICEF and PLG.

1.4 Key Tasks in 2006

The following key tasks are organized by the logframe components and are described in more detail in Section 3.0 of the workplan.

Component 1: Strengthening of Systems and Institutions

- Ensure sustainability and continuity of decentralized systems which are already institutionalized outside the Seila framework;

- Encourage and assist in the adoption, adaptation and transfer of Seila systems for planning, financing, managing and reporting on deconcentrated investments to successor institutions;
- Continued capacity building of commune/sangkat councils through support to the NCSC, MoI/DoLA, other core ministries and the PRDC/ExComs for the design and implementation of the NCSC annual training plan;
- Assist the Royal Government to continue to adjust and improve decentralized systems with a particular emphasis on strengthening transparency, accountability and financial management;
- Assist DoLA to strengthen monitoring and evaluation of and by C/S councils, including the evaluation of the first five-year c/s development plans which is due in late 2006.

Component 2: Investments

- Continue to support planning and implementation of development activities of 1,621 communes and sangkats nationwide;
- Assist MRD and MoWRAM to develop and deliver technical trainings and adjusted technical guidelines in response to the immediate technical issues raised in the Technical and Process Audits of CS Fund, which reported in the second half of 2005.
- Assist MoI-DoLA and MRD to evaluate and incorporate into Project Implementation Manual (PIM) guidelines and into design of future technical support for CS Fund implementation, recommendations of the Technical and Process audits of CS Fund and of the Mid-Term Review of RILGP which will report in first quarter 2006.
- Continue to emphasise the importance of increased accountability in the operation of CS Fund and of maintaining a high level of transparency in PIF operations, especially through participating in a review of the first year of operations of the CS Fund Accountability Working Groups at national and provincial/municipal level.
- Continue to support planning, funding and implementation of development activities of PRDC- ExCom in 24 provinces and municipalities nationwide;
- Continue to support activities of 14 ministries and national agencies related to deconcentration and decentralisation reforms;
- Assist Ministry of Agriculture and the PRDCs in three provinces to commence implementation of the 5-year, \$ 2,7 million ADMAC Project funded by Canadian CIDA;
- Assist the royal government and world bank to ensure continuity of donor financial support to c/s fund beyond the end of the current RILGP loan project in 2006;

Component 3: Policy Formulation for D&D

- Contribute to development of the framework of deconcentration and decentralization policy for the years 2007 – 2011;
- Assist PLG core donors to design continued support to deconcentration and decentralisation post 2006.

- Ensure that the Seila experience is well documented and that the government is assisted to analyze and integrated into NDDP the lessons learned.

End of Project Tasks

The following tasks are specific to the end of the PLG project and of the Seila Program:

- Transfer of STFS executing responsibilities to other agencies;
- Transfer of project and program inventories;
- Transfer of systems;
- Staff management during transition to a new donor support project;
- End of Project financial and project reporting;
- Documentation of the Seila experience.

2 OVERVIEW OF THE 2006 PLG WORKPLAN

2.1 Context, Scope And Coverage

The PLG project is designed to support the overall implementation of the Seila Program against the logical framework contained in the Seila Program Document. As such the PLG program support budgets and advisory services are programmed annually at both national and provincial level in relation to the overall Seila Workplan and Budget (SWPB).

PLG funds contribute to the costs of all components of the SWPB with the exception of deconcentrated sector project investments, which are executed using Seila systems at Provincial and local level but with execution responsibilities vested in a technical Ministry. However, PLG funding is structured predominantly to support the core costs of the Seila Program, allowing other donors to leverage these costs by concentrating on specific program components. In particular, PLG supports a high proportion of program support and technical assistance costs at national and provincial level, but a lower proportion of investment costs.

The PLG project is executed by the Seila Task Force Secretariat (STFS) under National Execution (NEX) arrangements. STFS also has execution and implementation responsibilities for the Danida funded NREM Project (US \$ 3.6 million in 2006), the World Bank's Rural Investment and Local Governance Project (RILGP, \$23M total); and the IFAD funded Rural Poverty Reduction Project (RPRP, \$15.5M total). PLG advisory teams at national and provincial level play a full role in technical assistance to these projects, and program operations costs are shared according to suitable arrangements in each case. Seila Program components which are not executed through STFS include the IFAD CBRD loan project in Kampot and Kampong Thom, the UNICEF supported Sith Koumar ("Child rights") program, the Canadian CIDA supported ADMAC project and the EC- UNDP project for strengthening democratic and decentralized local governance. To a greater or lesser extent, PLG technical assistance plays a supporting role in all these program components.

The Seila Program achieved full coverage of all 24 provinces and municipalities, and all 1,621 communes and sangkats of Cambodia, in March 2003. Accordingly, PLG also has nationwide coverage, although the intensity of PLG activities varies depending upon the situation and expressed needs of each province / municipality, the overall intensity of Seila Program investment in that province and the level of technical assistance provided by other donors. In particular, the relatively large provinces of Kampot and Kampong Thom benefit from advisory teams fielded by GTZ in support of Seila and CBRD, and only two PLG advisors are posted to each of these provinces in complementary roles.

Table 1 summarizes the coverage of Seila and of PLG by province including the overall size of the program, the proportion of the program cost from each fund source including PLG, and the size of the PLG advisory team.

Table 1: Seila Program Coverage

No	Province	Districts	Communes	Population	Seila established	Provincial Program Size (USD)	PLG %	RGC % ¹	WB % ²	IFAD %	UNICEF %	DANIDA %	Other %	# PLG Advisors
1	Banteay Meanchey	8	64	675,463	1996	1,156,490	33%	33%	34%	0%	0%	0%	0%	6
2	Battambang	13	96	948,706	1996	2,068,732	24%	26%	28%	0%	0%	0%	22%	8
3	Kampong Cham	16	173	1,746,612	1996	2,852,217	26%	35%	37%	0%	0%	2%	0%	8
4	Kampong Chhnang	8	69	444,475	1996	1,023,923	33%	31%	35%	0%	0%	0%	0%	6
5	Kampong Speu	8	87	690,963	1996	1,826,304	21%	27%	27%	0%	18%	7%	0%	6
6	Kampong Thom	8	81	624,846	2000	2,564,816	11%	39%	0%	33%	13%	0%	5%	2
7	Kampot	8	92	575,013	2000	3,092,117	9%	40%	0%	46%	0%	0%	4%	2
8	Kandal	11	147	1,185,791	2001	2,204,791	28%	72%	0%	0%	0%	0%	0%	7
9	Koh Kong	8	33	130,562	2001	675,581	32%	43%	0%	0%	0%	25%	0%	5
10	Kracheh	5	46	285,251	2001	906,415	28%	23%	26%	0%	0%	23%	0%	6
11	Mondul Kiri	5	21	47,391	2001	421,246	42%	40%	0%	0%	0%	19%	0%	5
12	Phnom Penh	7	76	1,001,951	2001	1,435,083	31%	69%	0%	0%	0%	0%	0%	6
13	Preah Vihear	7	49	141,749	2002	704,174	37%	31%	30%	0%	0%	0%	0%	6
14	Prey Veng	12	116	1,065,550	2002	3,697,911	11%	19%	18%	43%	7%	0%	0%	9
15	Pursat	6	49	385,301	2002	1,128,573	25%	23%	24%	0%	0%	28%	0%	5
16	Ratanak Kiri	9	49	124,403	2002	1,086,173	26%	37%	0%	0%	0%	28%	10%	9
17	Siem Reap	12	100	776,978	2002	1,835,279	25%	28%	30%	0%	0%	14%	3%	6
18	Krong Preah Sihanouk	3	22	173,904	2003	597,319	34%	38%	0%	0%	0%	26%	0%	5
19	Stung Treng	5	34	92,870	2003	851,832	27%	32%	0%	0%	40%	0%	0%	5
20	Svay Rieng	7	80	529,531	2003	3,092,556	9%	15%	14%	50%	12%	0%	0%	8
21	Takeo	10	100	881,940	2003	1,867,160	26%	30%	31%	0%	0%	0%	12%	6
22	Otdar Meanchey	5	24	144,371	2003	665,561	32%	18%	19%	0%	32%	0%	0%	5
23	Krong Kep	2	5	34,065	2003	240,649	52%	20%	0%	0%	0%	28%	0%	2
24	Krong Pailin	2	8	54,203	2003	231,906	63%	16%	18%	0%	0%	0%	3%	2
	All provinces	185	1621	12,761,889		36,226,804	22%	33%	17%	15%	5%	5%	3%	135

* Program Size is total funds allocated at provincial level by Seila Framework projects: PLG, Danida-NREM; UNICEF-Sith Koumar; IFAD-BBRD; IFAD-RPRP; Canada-ADMAC

1 Domestic Revenue portion of C/S fund and counterpart contributions to IFAD loan projects.

2 Estimated share of CS Fund expenditures reimbursed by RILGP

3 UNICEF Sith Koumar program

4 Danida NREM

5 ADMAC and FSIP

2.2 Harmonized PLG support to Seila Donors

As agreed by the STF and PLG donors in 2001, the PLG financing strategy in relation to the Seila Program was designed to cover the core technical cooperation requirements and the minimum program support requirements at national and provincial level while ensuring a significant contribution to the Provincial Investment Fund and the Commune/Sangkat Fund. By ensuring that the core support for management and execution of the Seila Program would be provided through PLG, the STF was encouraged to mobilize additional resources from donor partners primarily for investment.

The success of the PLG financing strategy has been considerable. Over \$ 200 million has been mobilized and programmed under the Seila framework over the six year period, 2001-2006, with PLG resources representing 28% of the total. PLG advisors have been instrumental in assisting the government and donors to design their individual support projects ensuring that the principles of harmonization have been followed. In all cases the use of the Seila systems, owned and operated by government, is a precondition for partnership agreements covering the areas of financing, planning, programming, budgeting, contracting, implementation, overall reporting and, in 2006, auditing. By adopting common systems, the core advisory services provided by PLG at national and provincial level are able to provide harmonized support for the programming, budgeting, financing and implementation for all sources of funds. The savings in technical assistance that results from this harmonized approach is conservatively estimated at \$ 2 million per year. In addition, the program support budgets at national and provincial level in support to overall execution of the Seila Program are also harmonized resulting in additional savings. In negotiating individual donor agreements and annual work plans and budgets, the STF and PLG have consistently applied the principle of cost sharing or budget swaps with compensation for the support provided by PLG reflected in individual donor contributions to program support budgets that would otherwise be covered fully by PLG.

In 2006 alone, against the \$ 45.6 million Seila AWPB, PLG's contribution is \$ 12.5 million or 27%. The PLG resources cover 80% of the core technical cooperation and 70% of the overall program support costs while the national budget and other donor partners cover 85% of the investment funds. This is reflected in Table 1 (above) which reflects the Seila project portfolio in 2006 and the provinces covered by individual donor projects. A brief description of the harmonized partnership arrangements for components/projects under the Seila framework in 2006 is as follows:

RGC/CS Fund: It is recognized that the Royal Government is not a donor to Seila and that the CS Fund is not a project. Seila donor partners, the World Bank and PLG, are in fact donors to the CS Fund. Nevertheless, as a core component under the Seila framework the support provided by PLG to the CS Fund, including the government's own national budget resources, has been comprehensive from the very beginning. PLG technical cooperation has been instrumental in the design of the entire regulatory framework governing the CS Fund as well as the MIS systems used for monitoring and reporting. In addition, PLG advisors support: the MEF for the annual programming of the CS Fund allocations to individual communes; the National and Provincial Treasury in financial accounting and reporting; and the MoI DoLA and PLAUs in training, facilitation, monitoring and reporting.

WB/Rural Investment and Local Governance: The World Bank/RILG loan project was initially designed through preparatory assistance provided through UNOPS and PLG has provided comprehensive support for implementation through MEF and the STFS. Specifically, PLG supports the preparation of the RILG annual work plan and budget; the design of TORs for consultancies and studies; the scheduling of supervision missions and the

facilitation of inter-Ministerial consultations for the resolution of issues identified by supervision missions; the design and management of MIS systems specifically designed for RILG; the preparation of withdrawal applications forwarded through MEF to the World Bank; and communications throughout the year with the WB task manager. The availability of PLG advisory teams at national level and in all RILG provinces has enabled the loan funds to be programmed almost exclusively for investment.

International Fund for Agriculture Development (IFAD): There are three IFAD loan programs being executed under the Seila framework; the seven-year ADESS program is executed by the Ministry of Agriculture, Forestry and Fisheries (MAFF) and is coming to an end in 2006; the CBRD program is executed by the Ministry of Rural Development; and the RPRP program is directly executed by Seila. All three loans utilize the Seila financing, contracting and implementation systems and thus benefit from comprehensive PLG advisory support for implementation at provincial level. For the ADESS and RPRP programs, PLG advisory services have been instrumental in program design, monitoring and facilitation of supervision missions, and ongoing technical support for agricultural development. Specific technical support to the Ministry of Agriculture in 2006 consists of one PLG international advisor and two national advisors within the Ministry itself and four national agriculture advisors at provincial level. For the CBRD project, GTZ provides the primary technical support at provincial level with only one PLG advisor in each of the two target provinces supporting the ExCom with the management of the harmonized systems. In line with cost sharing arrangements, in 2006 IFAD is contributing \$ 500,000 to program support costs in the four CBRD and RPRP target provinces.

Government of Denmark/Commune and Community-based Natural Resource and Environment Management (CCB-NREM): The CCB-NREM project is executed by the STFS, fully adopts the harmonized systems and benefits from comprehensive support from PLG advisory services at national and provincial level. PLG advisors have been instrumental in program design; preparation of annual work plans and budgets; facilitation of assessment missions; preparation of TORs for advisors, consultancies and studies; indirect management of Danida-financed technical advisors; and support to implementation. Only one PLG national advisor post has been established specifically for CCB-NREM with the rest of the technical assistance financed by Danida. In line with cost sharing arrangements, in 2006 Danida is contributing \$ 940,000 to program support in 10 provinces.

UNICEF/Seth Koma: Under a MoU between UNICEF, STF and six provinces signed in 2004, the UNICEF Seth Koma program has fully adopted the Seila harmonized systems in the six target provinces. Against annual work plans and budgets signed between UNICEF and the six provinces, UNICEF directly manages the transfer of funds for implementation but relies on PLG advisory services in the six provinces for comprehensive support to the ExComs for financial management, contracting, monitoring, implementation and reporting. Through the partnership, PLG assumes the primary role for support to sub-national execution while UNICEF can focus on policies and strategies for mainstreaming social development at province and commune level. Close collaboration between UNICEF and the PLG advisors at the Ministry of Interior focuses on the design of training programs and the adaptation of regulations to promote social development. In 2006, UNICEF is contributing \$ 250,000 to program support focused on target CS Councils in six provinces.

Government of Canada/Agriculture Development in Mined Areas of Cambodia (ADMAC): The four-year, Canada-funded ADMAC Project commenced implementation in January 2006 in three, heavily mine-affected provinces in the northwest. While originally designed in 2003 to be executed by the STFS, owing to the prolonged formulation process, which extended to the end of 2005, it was decided to assign the lead agency role to the

Ministry of Agriculture, Forestry and Fisheries with Seila as cooperating agency for the first year. The project has adopted the harmonized systems and will benefit from comprehensive PLG advisory services at both national and provincial level. PLG advisors were instrumental in the design of the project and will support first year implementation. Specific PLG advisors assigned to support implementation include the PLG advisors at MAFF and two agriculture advisors at provincial level who will shift from supporting agriculture extension under ADESS to agriculture extension under ADMAC. In 2006, Canada will contribute \$ 27,000 of provincial program support and will assume the financing of Mine Action Planning Units in the three provinces from PLG (total \$ 74,000).

Government of Australia/Cambodia-Australia Agriculture Extension Project (CAAEP): The CAAEP Project is directly executed by an Australian consulting company and while not adopting the harmonized execution systems collaborates closely with PLG advisors. Australian technical cooperation and planning and capacity building support is directly associated with Seila and PLG agriculture investment in 17 provinces.

PLG Support to Other Donor Projects: In addition to the support provided to Seila donor partners, PLG advisors also make substantive contributions to other donor projects which in most cases goes unnoticed. Primary examples include the UNDP/DSP and new EC/UNDP projects, where nearly all of the sub-national advisory support for inter-communal planning and implementation is provided by PLG advisors; the ADB/CCDP project, where PLG advisors have designed virtually all of the training programs financed by ADB. Finally, PLG advisors spend considerable time and energy assisting a wide variety of donor design missions providing advice and experience particularly related to execution arrangements and systems with the overall objective of reducing transaction costs and duplication related to external assistance.

2.3 2005 PLG Budget Resources

The total amount of funds available for programming in the 2006 PLG workplan and budget is US\$ 12.9 million. This comprises funds unspent from the allocation for 2001-2005 plus new allocations for the project extension through 2006, as shown in Table 2:

Table 2 : 2006 PLG Resources for Programming		
DONOR	TOTAL	%
Funds Committed in 2005	800,000	6%
PLG Extension 2006 New Funding		
United Kingdom/DfID	\$ 5,900,000	47%
Sweden/Sida	\$ 5,700,000	43%
UNDP	\$ 500,000	4%
TOTAL	\$ 12,900,000	100%

After deduction of administrative fees of US \$ 460,000, the amount available for programming is US \$ 12.4 million.

2.4 Programming of PLG Resources

The available resources have been programmed as follows:

- US\$ 5.4 million against investments (42%),

- US\$ 4.1 million against program support (32%),
- US\$ 2.9 million against technical cooperation (23%).

Table 3 reflects the summary breakdown of PLG resources programmed in 2006 as compared to the overall 2006 Seila budget by broad budget category. As can be seen, PLG resources represent 28% of the total 2006 Seila budget.

Table 3: 2005 PLG Resources Compared with Seila Totals By Budget Category					
CATEGORY	PLG TOTAL	%	Seila Total	% PLG/Seila	
1	INVESTMENT				
1.1	Commune	\$ 2,000,000	16%	\$ 22,256,461	9%
1.2	Province (PIF)	\$ 2,718,529	21%	\$ 4,717,410	58%
1.3	Carry-over	\$ 86,036	1%		
1.3	National Sector		0%	\$ 5,948,421	0%
1.4	Ministry Services	\$ 600,000	5%	\$ 1,057,637	57%
	Subtotal	\$ 5,404,565	42%	\$ 33,979,929	16%
2	PROGRAM SUPPORT				
2.1	Province (Core)	\$ 3,136,381	25%	\$ 4,013,500	78%
2.2	Province (other)	\$ 106,230	1%	\$ 682,366	16%
2.3	National (STFS)	\$ 850,000	7%	\$ 1,889,288	45%
	Subtotal	\$ 4,092,611	32%	\$ 6,382,872	64%
3	TECHNICAL COOPERATION				
3.1	Province	\$ 1,732,815	13%	\$ 2,944,300	59%
3.1	National	\$ 1,013,705	8%	\$ 1,394,750	73%
3.1	Consultancies	\$ 150,000	1%	\$ 607,000	25%
	Subtotal	\$ 2,896,520	23%	\$ 4,946,050	59%
	Fees (UNDP)	\$ 460,000	4%		
	TOTAL PROGRAMMED	\$ 12,853,697	100%	\$ 45,309,851	\$ 45,308,851
	Unprogrammed Reserve	\$ 46,303			
	GRAND TOTAL	\$ 12,900,000			

A narrative description of each of the sub-categories of the budget follows below.

The 2006 Seila budget tables are provided in Annex 2 reflecting the source of funds and allocations programmed under the Seila framework. The PLG budget in UNDP Atlas format is provided as Annex 4.

In 2006 all PLG budget lines, with the exception of the technical cooperation component will be executed by the STFS. Through a Letter of Agreement between the STF and UNDP date xx/xx/xx, UNDP will directly execute the budget associated with international and national advisors and a portion of the consultancy budget.

2.5 Commune-level Investments

The budget allocation to this category is US \$ 2.0 million which is the same amount as in 2005.

2.5.1 Allocations and CS Fund operations

Commune-level investments comprise the Development Component of the Communes-Sangkats Fund (C/S Fund) plus other development expenditures of C/S Councils funded by donors including IFAD, UNICEF and Danida. The PLG contribution to Commune investments is a grant to the C/S Fund.

The C/S Fund was established by Sub Decree to help finance the C/S Councils administrative and development budgets. While the resources available under the C/S Fund are not managed by Seila, about 50% of the Development Component of the Fund is mobilized through Seila projects (PLG and RILGP). Furthermore, a significant portion of the PLG technical and financial resources programmed in support to Seila are allocated to assist the training, capacity building, management, implementation, accounting and reporting on the use of the funds at both provincial and national level. As such the total C/S Fund resources are reflected in the Seila Workplan and Budget as part of the overall decentralization and deconcentration support framework.

In 2006, the contribution from PLG to the C/S Fund will be US \$ 2.0 million. This money is transferred directly from the UNDP PLG trust fund account to the Ministry of Economy and Finance. As agreed with the PLG donors, the PLG allocation is not geographically targeted and will be available for the development component only. There are no special accounting or reporting requirements beyond the general arrangements for the C/S Fund

Combined with the national budget allocation equivalent to US\$ 17.45 million a total of US\$ 19.45 million or Riels 77.8 billion, is available under the C/S Fund in 2006. The total C/S Fund resources are divided between the general administration and local development components. The breakdown between these two components for 2006 is as follows:

Component	Amount in riels	USD	RGC	IDA	PLG
General Administration - 1/3	24,645,200,000	\$ 6,161,300	\$ 6,161,300		
Local Development - 2/3	53,168,800,000	\$ 13,292,200	\$ 5,292,200	\$ 6,000,000	\$ 2,000,000
Total	77,814,000,000	\$ 19,453,500	\$ 11,453,500	\$ 6,000,000	\$ 2,000,000

The **administration component** is allocated according to the number of C/S Councilors and the number of village chiefs in the Commune/Sangkat, with about 49% of the total fund accounted for by salaries of these individuals and the remainder by general administration costs. As the overall budget has increased, but there has been no increase in salaries, both the percentage and the absolute amount available to councils to allocate to other administrative and recurrent costs has increased significantly compared with 2005. The breakdown of these categories is shown in Table 5.

Category	2006 Amount		2005 Amount		% Increase
Commune Councilors salaries	R 10,431,840,000	42%	R 10,431,840,000	50%	0%
Village chief allowances	R 3,618,648,000	15%	R 3,618,648,000	17%	0%
Administrative operations	R 10,594,712,000	43%	R 6,661,512,000	32%	59%
TOTAL	R 24,645,200,000	100%	R 20,712,000,000	100%	19%

The **development component** has been allocated according to the same formula as in 2005; that is:

- an equal share 35%
- C/S population 35%
- C/S poverty index 30%

The range of actual allocations in 2005 for the development component are from a maximum of US \$ 34,249 (Poipet Commune, Ou Chrov District, Beantey Meanchey) to a minimum of US 5,430 (Chum Noab Commune, Thmar Bang District in Koh Kong). The average allocation is \$ 8,200 per commune/sangkat.

Although the total size of the C/S Fund for 2006 was announced at the Seila Annual Workshop in September 2005, the details of allocation per commune/sangkat were not finalized and disseminated until mid-November. This is rather late from the point of view of preparation of the C/S Budgets for 2006 (although it might also be noted that there is a tendency amongst both the Councils and their advisers to over-emphasize the need to wait for official confirmation of budget allocations, which vary little from year to year, before preparing details of plans and budgets).

Disbursement of the C/S Fund was satisfactory in 2005, with no serious cash flow problems reported by the Provincial Treasuries. By the first week of December 2005 cash transferred from National to Provincial Treasuries was equivalent to the amount outstanding from 2004 plus 70.25 billion riels, or 88% of the total 2005 allocation. It is expected that all outstanding allocations for administration will be disbursed during December, although there may be some carry-over of the development allocations into 2006. This is a considerably better performance than is the norm for disbursement of other sections of the National Budget and underscores the commitment of the Government to decentralization. It is to be hoped that this good performance continues in 2006.

2.5.2 CS Fund Project Implementation

No changes have been made to the CS Fund Project Implementation Manual (PIM) for 2006. This manual was extensively revised in early 2005 and PLG advisers will assist MoI-DoLA to evaluate the impact of the changes made and to identify areas where further adjustments may be needed.

During 2005 a number of major independent evaluations of aspects of the CS Fund projects were carried out. These comprised:

- A Process Audit focusing on the quality of the project implementation process, particularly with regard to participation and transparency issues. This was funded by RILGP and reported in the third quarter of 2005;
- A Technical Audit focusing on the technical quality of works achieved. This was funded by RILGP and reported in the fourth quarter of 2005;
- The Mid Term Review of RILGP which includes all the major concerns related to CS Fund and will report in early 2006;
- A Socio-Economic Evaluation of CS Fund irrigation projects, carried out for World Bank using grant funding.

During 2006 PLG advisers will work with the government, particularly MoI-DoLA, MoWRAM and MRD, to absorb and respond to the findings of these evaluations. There are a number of technical recommendations which will be acted upon during 2006, particularly by formation and dissemination of improved technical guidelines by MRD (for rural water supplies projects and for contract supervision procedures used by TSU) and by MoWRAM (irrigation projects). Recommendations requiring changes to the structure of support to CS Fund (particularly the way in which technical support is delivered through TSU) and to the procedural guidelines, will be taken up during dialogue on future donor support arrangements for D&D. Three specific consultancies funded by World Bank RILGP will follow up on these evaluations:

- a review with MoI-DoLA of the first year of operations of the CS Fund Accountability Working Groups;
- a review with MoI-DoLA and MRD of options for provision of technical advice services to CS Councils post 2006;
- a national irrigation consultant will be engaged for twelve months to work with MoWRAM on improved technical designs and training for small scale irrigation.

In addition, UNICEF will engage a national consultant to work with MRD to improve guidelines for commune level water supply and sanitation projects.

In all cases, PLG staff have been or will be closely involved in drafting TOR and in recruiting, managing and facilitating dialogue around the consultancies.

The Technical Audit and the irrigation study identified the technical quality of irrigation projects as a particular area of concern. However, all three studies noted the high level of demand for irrigation and the benefits that can be achieved where the technical difficulties are overcome. The socio-economic study confirmed that effective small scale irrigation interventions can be a highly cost-effective means of improving food security and agricultural production. CS Fund interventions are mainly for supplementary irrigation which has the most benefit on land which is (without irrigation) marginal for crop production and tends to be occupied by the poor. Irrigated rice production and processing are highly labour-intensive activities which generate rural employment and thus benefit the landless as well as the owners of the irrigated land. The rural poor continue to regard irrigation improvements as a high priority and this is reflected in an increasing share of CS Fund investments (now over 20%) for irrigation.

New irrigation developments under CS Fund require an environmental impact assessment; however, in practice there are few major environmental concerns around these small scale schemes. Issues of land ownership are investigated and solved by dialogue in advance of implementation, following the PIM land acquisition safeguard guidelines.

PLG advisers at national and provincial level will continue to work with counterparts to improve the technical quality of irrigation investments through CS Fund, whilst ensuring that the environmental and land acquisition safeguards incorporated in the system are conscientiously implemented.

Lack of effective maintenance of CS Fund investments is a concern identified by all studies. The majority of investments are rural roads and the key requirement is for CS Councils to give a higher priority to routine maintenance, rather than new investments and ad hoc rehabilitation and repair, in allocation of the CS Fund. During 2005 the RPRP project piloted maintenance by local community based organisations (in effect, labour contracting groups) working under contract to the CS Councils. This initiative proved popular in the communes in which it was piloted and it will be expanded into further communes in 2006.

The DFID funded research facility for rural access improvements, SEACAP, includes a proposal for a pilot commune road maintenance planning and implementation initiative. This would incorporate improved road network planning and management capacity for the CS councils as well as introduction of new technology. However, the funds currently earmarked for this pilot cover TA (consultants costs) only and in the opinion of PLG the initiative will not succeed without a provision of capital funds, possibly to be used as matching grants to encourage communes to allocate their own (CSF) resources to maintenance. PLG advisors will liaise with DFID and with potential partner donors (e.g. World Bank), and with Ministry of Rural Development, to investigate options for realising this proposal in 2007.

2.6 Provincial Investment Fund

The budget allocation to this category is US \$ 2.70 million, plus approximately \$ 100,000 carried over from 2005. The 2005 PIF allocation was US \$ 2.3 million, however this did not include the investment component of the US \$ 0.5 million allocation for the CNRM project in Ratanakiri. Taking this into account there is still a modest increase in the year-on-year PLG allocation for provincial level investments.

In 2006, the allocation of resources to the Provincial Investment Fund (PIF), totals US\$ 4.91 million, of which US\$ 2.70 million is funded by PLG. The balance of the fund is contributed by UNICEF (US\$ 1.61 million), and Danida (US\$ 600,000). The UNICEF funds are targeted to specific outputs under the Seth Koma program and the Danida funds support NREM investments in ten provinces.

The PLG resources for PIF were allocated to 24 provinces/municipalities in September 2004, against a formula and taking into account:

- a base rate
- the total population
- earmarked funds for gender mainstreaming and planning
- other sources of donor funding to provinces/municipalities.

US \$ 165,000 (3% of the total), funded by PLG, is earmarked for Provincial Departments of Planning to fund support to provincial planning activities. US \$ 207,200 (4%) is earmarked for support to gender mainstreaming by the Provincial / Municipal Departments of Women's Affairs; this is funded US \$ 154,750 by PLG and the remainder by UNICEF.

In each province and municipality, US \$ 20,000 of the PIF allocation was programmed using a district level consultation process, known as the District Planning Initiative, which is described below. These allocations were funded by PLG in 14 provinces / municipalities and by Danida in the remaining 10. The remaining resources were allocated in October 2005 by

P/MRDC ExComs to provincial departments against approved criteria. Resources were programmed following an assessment of priorities contained in the C/S plans against a subset of sector services provided in the National Poverty Reduction Strategy (NPRS).

The PIF resources will be implemented by a wide range of provincial departments through sub-contracts signed with the P/MRDCs. All these contracts are prepared and managed by the Contracts Administration Unit of the PRDC ExCom, using a customized software package called the Seila Contracts Database (SCD), with standardized outputs and units of measurement, agreed activities and line item costs. These very transparent contracting arrangements provide an excellent example of good governance principles put into practice.

The tables on the three following pages provide a summary of the 2006 PLG PIF allocations in the 24 provinces/municipalities.

The 2006 allocation of PIF funds amounted to US \$ 2.7 million, as shown in Table 6. Some provinces have amounts carried over from the allocations which were reflected in the 2005 PLG AWPB. These amounts are shown as a separate line on Table 7 and bring the total PUF budget to US \$ 2.8 million. In all cases, these amounts are funds committed to construction contracts and similar activities, for which the final payment did not become due by the close of fiscal year 2005.

The Pilot Program on Strengthening the Roles of the District/Khan was designed by MoI-DoLA with technical assistance from PLG. An assessment, prioritization and programming process was carried out on a pilot basis in one district in each province/municipality, in the final quarter of 2005, with US \$ 20,000 of the 2006 PIF funds to be programmed through this procedure. Of this amount, \$1,000 has been allocated for operations costs and a further \$1,000 for capacity building at the District level. The remainder has been allocated for investments, of which no more than 70% were to be infrastructure projects and at least 30% for service type projects.

The investment funds were programmed towards specific, inter-commune services and infrastructure at District level meetings involving District authorities, line department representatives and commune/sangkat council representatives. There is no District budget as such, therefore service projects will be implemented by the line department responsible for the sector in the same way as for other PIF funds but with far greater involvement of the district and commune in monitoring and follow up. Infrastructure projects will be implemented by private contractors under the "inter-commune" arrangements piloted by MoI and UNDP-DSP in 2005, based on the C/S Fund Project Implementation Manual.

These funds form part of the overall PIF allocation. The Pilot District Program does not represent a reduction or a re-allocation of the PIF, but rather a pilot of a new process for programming PIF funds to improve responsiveness to Commune planning priorities and to the poverty reduction goal.

Table 6: 2006 PIF allocations provided to provinces in September 2005

	Province/Municipality	C/S	Population	Provincial/Municipal Investment Funds from PLG				UNICEF		Danida	Grand Total PIF
				Cross-cutting Allocations		Unspecified Allocation	Total PLG PIF	Gender	Seth Koma	NREM	
				Planning	Gender						
1	Banteay Meanchey	64	675,463	6,875	8,500	113,000	128,375	0	0	0	128,375
2	Battambang	96	948,706	8,650	10,975	135,000	154,625	0	0	0	154,625
3	Kampong Cham	173	1,746,612	10,875	15,425	215,000	241,300	0	0	59,000	300,300
4	Kampong Chhnang	69	444,475	6,975	8,750	90,000	105,725	0	0	0	105,725
5	Kampong Speu	87	690,963	7,325	0	112,000	119,325	9,675	275,000	43,500	447,500
6	Kampong Thom	81	624,846	7,200	0	100,000	107,200	9,375	260,000	0	376,575
7	Kampot	92	575,013	7,425	9,950	100,000	117,375	0	0	0	117,375
8	Kandal	147	1,185,791	9,225	13,250	160,000	182,475	0	0	0	182,475
9	Koh Kong	33	130,562	6,225	6,925	62,000	75,150	0	0	51,250	126,400
10	Kratie	46	285,251	5,825	7,075	76,000	88,900	0	0	66,500	155,400
11	Mondolkiri	21	47,391	5,325	5,800	54,000	65,125	0	0	30,000	95,125
12	Phnom Penh	76	1,001,951	6,900	8,950	148,000	163,850	0	0	0	163,850
13	Preah Vihear	49	141,749	6,350	7,550	62,000	75,900	0	0	0	75,900
14	Prey Veng	116	1,065,550	8,800	0	151,000	159,800	11,825	275,000	0	446,625
15	Pursat	49	385,301	6,100	7,400	85,000	98,500	0	0	90,000	188,500
16	Ratanakiri	49	124,403	6,775	7,900	73,250	87,925	0	0	96,000	183,925
17	Siem Reap	100	776,978	8,500	11,000	120,000	139,500	0	0	82,500	222,000
18	Sihanoukville	22	173,904	4,900	5,525	64,000	74,425	0	0	51,250	125,675
19	Stung Treng	34	92,870	5,600	0	59,000	64,600	6,475	270,000	0	341,075
20	Svay Rieng	80	529,531	6,975	0	100,000	106,975	9,150	225,000	0	341,125
21	Takeo	100	881,940	8,050	10,675	131,000	149,725	0	0	0	149,725
22	Otdar Meanchey	24	144,371	5,400	0	62,000	67,400	5,950	250,000	0	323,350
23	Kep	5	34,065	4,325	4,475	54,000	62,800	0	0	30,000	92,800
24	Pailin	8	54,203	4,400	4,625	54,000	63,025	0	0	0	63,025
	TOTAL	1,621	12,761,889	165,000	154,750	2,380,250	2,700,000	52,450	1,555,000	600,000	4,907,450

Table 7: 2006 PLG PIF Allocations By Province/Municipality

GIS CODE	1	2	3	4	5	6	7	8	9	10	11	12	13
PROVINCE	BMC	BAT	KPC	KCH	KSP	KPT	KAM	KDL	KKG	KRT	MKR	PNP	PVR
Agriculture	10,000	17,800	0	20,000	16,825	10,270	9,000	25,200	27,870	5,700	14,492	24,000	3,700
Commerce and Marketing	0	0	1,000	0	0	0	0	0	0	0	0	0	0
Culture and Religion	6,780	4,500	1,500	0	5,000	0	0	2,300	0	0	0	0	0
Education	6,390	5,000	47,000	6,500	9,500	16,201	18,000	6,200	0	0	10,086	0	4,730
Health	9,650	9,500	25,500	0	0	0	0	5,000	0	18,200	0	25,000	0
Information/Communication	0	0	2,500	0	0	0	0	2,050	0	0	0	0	0
Labour (Vocational Training)	0	0	0	0	0	0	0	0	0	0	0	0	0
Land Management and MAPU	5,500	8,000	3,500	8,500	0	8,384	5,000	3,100	0	0	5,086	6,000	10,000
Land Management	5,500	8,000	3,500	8,500	0	8,384	5,000	3,100	0	0	5,086	6,000	0
MAPU	0	0	0	0	0	0	0	0	0	0	0	0	10,000
Natural Resource Management	8,340	15,000	0	5,000	0	7,450	11,000	4,200	0	0	6,086	14,000	2,680
Department of Environment	8,340	9,000	0	5,000	0	7,450	11,000	4,200	0	0	6,086	14,000	0
Forest Administration	0	6,000	0	0	0	0	0	0	0	0	0	0	2,680
Provincial Planning	9,250	12,000	10,875	6,975	9,000	7,830	10,000	11,990	6,225	5,825	5,325	8,000	6,350
Public Works	0	0	55,000	0	0	0	0	0	0	0	0	6,000	0
Rural Roads and Markets	18,440	20,200	32,000	8,000	0	10,276	0	35,500	0	28,479	0	23,850	17,400
Social Rehabilitation	6,150	4,500	900	3,000	0	0	4,000	0	0	0	0	0	0
Tourism	0	0	3,500	0	0	0	4,000	1,700	0	0	4,086	0	0
Water and Sanitation	9,375	6,000	9,600	4,000	30,000	0	9,900	14,500	15,980	0	0	0	0
Water Resources	10,000	20,000	33,000	15,000	49,000	23,489	30,500	37,485	18,000	22,300	13,484	24,000	3,490
Women and Children	8,500	12,125	15,425	8,750	0	3,300	15,975	13,250	6,925	7,075	6,480	13,000	7,550
District Based Services	5,400	5,990	0	5,400	0	5,400	6,000	6,000	0	0	0	5,000	5,400
District Infrastructure	12,600	12,010	0	12,600	0	12,600	12,000	12,000	0	0	0	13,000	12,600
District Operational Support	2,000	2,000	0	2,000	0	2,000	2,000	2,000	0	0	0	2,000	2,000
Unallocated Amounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Total of Provincial Investments	128,375	154,625	241,300	105,725	119,325	107,200	137,375	182,475	75,000	87,579	65,125	163,850	75,900
Carry-over amounts	0	664	7,142	615	718	0	0	1,921	1,431	1,321	0	1,305	16,868
Total value of 2005 contracts	128,375	155,289	248,442	106,340	120,043	107,200	137,375	184,396	76,431	88,900	65,125	165,155	92,768

Table 7: 2006 PLG PIF Allocations By Province/Municipality (continued)

GIS CODE	14	15	16	17	18	19	20	21	22	23	24	All Provinces
PROVINCE	PVG	PUR	RAT	SRP	SHV	STG	SVR	TAK	OMC	KEP	PLN	
Agriculture	0	17,000	16,730	14,245	0	4,000	6,000	15,000	3,839	10,800	0	272,471
Culture and Religion	0	0	0	10,660	0	4,000	0	6,000	2,827	0	1,425	44,992
Education	45,873	0	8,100	9,545	13,900	0	22,000	8,000	0	0	2,645	239,670
Health	0	10,000	8,100	6,200	0	0	6,000	0	3,346	7,600	8,140	142,236
Information/Communication	0	0	6,500	4,480	3,100	4,900	3,240	6,000	0	0	1,545	34,315
Labour (Vocational Training)	2,500	0	0	3,900	0	0	3,000	0	1,440	0	0	10,840
Land Management and MAPU	0	0	0	9,150	0	0	3,000	0	9,432	0	4,455	89,107
Land Management	0	0	0	9,150	0	0	3,000	0	1,249	0	4,455	70,924
MAPU	0	0	0	0	0	0	0	0	8,183	0	0	18,183
Natural Resource Management	5,240	0	0	4,290	0	3,400	3,750	4,000	1,860	0	5,830	102,126
Department of Environment	5,240	0	0	4,290	0	3,400	2,750	4,000	1,860	0	3,100	89,716
Forest Administration	0	0	0	0	0	0	1,000	0	0	0	2,730	12,410
Provincial Planning	8,800	10,000	6,775	9,340	4,900	6,000	8,985	10,000	4,900	4,850	4,400	188,595
Public Works	0	0	0	0	0	0	0	0	0	0	0	61,000
Rural Roads and Markets	20,000	13,500	0	23,590	1,400	22,300	24,000	312	4,800	0	0	304,047
Social Rehabilitation	0	12,000	7,500	6,650	0	0	7,000	3,000	1,956	0	0	56,656
Tourism	0	0	0	0	0	0	0	0	1,000	3,500	0	17,786
Water and Sanitation	0	7,500	13,000	10,450	19,075	0	0	22,413	0	12,000	4,810	188,603
Water Resources	52,000	16,000	12,800	16,000	22,425	0	0	44,000	12,000	15,900	5,150	496,023
Women and Children	5,387	12,500	8,420	11,000	9,625	0	0	11,000	0	8,150	4,625	189,062
District Based Services	6,000	0	0	0	0	6,000	6,000	5,400	6,325	0	5,400	79,715
District Infrastructure	12,000	0	0	0	0	12,000	12,000	12,600	12,000	0	12,600	172,610
District Operational Support	2,000	0	0	0	0	2,000	2,000	2,000	1,675	0	2,000	27,675
Unallocated Amounts	0	0	0	0	0	0	0	0	0	0	0	0
Total of Provincial Investments	159,800	98,500	87,925	139,500	74,425	64,600	106,975	149,725	67,400	62,800	63,025	2,718,529
Carry-over amounts	8,476	-	-	-	8,367	-	7,625	29,148	-	435	-	86,036
Total value of 2006 contracts	168,276	98,500	87,925	139,500	82,792	64,600	114,600	178,873	67,400	63,235	63,025	2,804,565

2.7 Provincial Program Support

The US \$ 3.24 million allocated for provincial program support in 2005 is a modest increase over the US \$ 3.10 million allocation in 2005. This increase should be seen in the context of large increases in some operating costs (particularly fuel) during the year.

Provincial program support budgets are composed of the core operations costs of the M/PRDC-ExCom units and the PLG advisory teams, and miscellaneous “other” costs which are funded through these units.

In 2006, a total of US \$ 4.01 million has been allocated for core provincial program support costs managed by the M/PRDC Executive Committees. PLG resources are funding 77% of this budget with a contribution of US\$ 3.14 million. The total amounts funded by the several sources are as follows:

Source	Funding
PLG	\$ 3,136,381
DANIDA	\$ 226,671
IFAD	\$ 418,876
UNICEF	\$ 70,925
RGC	\$ 66,618
GTZ	\$ 71,450
Canada	\$ 22,580
NGOs	\$ 4,852
TOTAL	\$ 4,013,500

Source	Percentage
PLG	77%
IFAD	10%
DANIDA	6%
UNICEF	2%
RGC	2%
GTZ	2%
Canada	1%
NGOs	0%

The PLG contribution to the core provincial program support budget is provided to all 24 provinces and municipalities. This budget covers the costs associated with the management, capacity building, implementation, salary supplements, monitoring and reporting on the overall Seila Provincial Workplan and Budget.

Standardized staffing levels, administrative policies and unit costs are used by the national level to allocate these resources by province.

Table 9 shows a breakdown of the PLG contribution to core operations costs by spending category. It should be noted that the salary supplements and transportation expenditures of the ExCom unit staff, particularly in the local administration unit, support capacity building activities as well as general operations, therefore the true proportion spent on capacity building is 10 – 20% of the budget if a proportion of these costs is included.

Table 9: Total 2006 Provincial Program Support Budget Core Costs by Category

Category	Budget
Salary Supplements	\$ 1,098,571
PLG Advisory team operations	\$ 505,977
Transport costs	\$ 437,503
General operations	\$ 395,397
Capacity Building	\$ 260,977
Missions	\$ 128,680
Publicity	\$ 92,567
Workshops	\$ 76,770
Contingency	\$ 71,386
Support Staff	\$ 68,552
TOTAL	\$ 3,136,381



The issue of salary supplementation and performance based pay has received considerable attention in Cambodia following the December 2004 Consultative Group Meeting, and the adoption of Sub-Decree 98 in June 2005 on Merit Based Pay Initiative, which provides for merit based hires and performance based pay as an alternative to salary supplements. Seila has effectively set the standards for salary supplement rates at the sub-national level (US \$ 80 / month at province and US \$ 40 / month at district) which many other agencies have followed. In the case of Seila, the civil servants receiving salary supplements are performing critical government functions that are associated with the D&D reforms, and in nearly all cases related to the regulatory framework adopted by the NCSC. Increasingly, these functions are institutionalized within the provincial and district structures and within the Civil Service. All civil servants currently receiving salary supplements financed under Seila hold contracts signed by the Governor, have job descriptions and clearly defined supervisory arrangements, prepare work plans and are subject to annual performance reviews.

The Council for Administrative Reform has studied these arrangements, concluded that they represent best practices and represent a quasi priority mission group at sub-national level. The services being provided by those under salary supplementation relate mainly to capacity development and technical support services. No one questions the need for these services to be performed and the issue is how they are compensated given the very low level of salaries. If compensation came in the form of training fees and DSA, the overall costs would not diminish, and may in fact be higher, but the administrative workload involved in processing

tens of thousands of forms would be excessive. It was in fact for this reason that under CARERE, a transition was made from DSA and training fees to contracts, job descriptions and salary supplements.

The largest single group of civil servants receiving salary supplements is the provincial and district facilitators who deliver all of the annual NCSC Training Plan and most of the support services to the CS Councils. Again, if the budgets involved were reflected as training costs few would argue that the financial support was not necessary and valid. When the costs are analyzed from this perspective and considered in the context of the 12,000 CS Counselors, 1,621 CS Clerks, 1,621 CS Women and Children Focal Points and 40,000 members of the PBCs who will receive at least one and as many as eight trainings in 2006, the total budget is very cost effective and as much as three times less than the provision of training through NGOs.

All of these issues need to be taken into account when evaluating the budgets provided for salary supplements and in the process of formulating future support to D&D beyond 2006.

Seila has developed proposals for limited introduction of performance based pay in 2006. This would initially involve ministry focal points at national level and ExCom unit directors at provincial level. Remaining staff will continue on salary supplements throughout 2006, at which time performance based pay might be revised for more staff involved in the national D&D program from 2007. These guidelines build on Seila's previous experience with performance assessment. A final decision on whether to go ahead with this initiative will be taken in consultation with PLG donors.

The non-core or "other" elements of the ExCom program support budgets comprise mainly support to NREM activities by LAU, funded by Danida, and support to the Sith Koumar activities at the commune level, funded by UNICEF. Other donors channel smaller amounts through arrangements of this type. Under agreement with Danida, PLG funds the salary supplements paid to NREM facilitators. Administration, capacity building costs associated with the District Initiative, and inter-commune project funds, are financed through annual budgets of LAU, but as these funds are included within the PIF they are treated here as part of the investment funds (see Table 7). Completion of one ExCom building in Stung Treng, and part funding of a new building in Sihanoukville, have been included in this "ExCom Other" category.

Table 10 provides the detail of the PLG element of each the provincial program support budgets.

Table 10: 2005 PLG Provincial Program Support Budgets- ExCom Units and PLG Advisory Services													
GIS CODE	1	2	3	4	5	6	7	8	9	10	11	12	13
PROVINCE	BMC	BAT	KPC	KCH	KSP	KPT	KAM	KDL	KKG	KRT	MKR	PNP	PVR
ExCom Operations Costs	165,084	210,131	249,460	157,044	151,160	74,000	46,000	245,784	97,086	106,854	87,636	163,735	133,785
ExCom Contract Administration	55,523	54,879	66,950	58,975	35,077	6,105	9,433	70,523	17,757	23,395	27,500	39,389	37,382
ExCom Local Administration	44,679	76,688	107,860	49,983	62,943	40,366	16,565	96,599	35,496	36,849	21,534	67,322	42,082
ExCom Technical Services	18,884	22,985	28,000	17,235	18,766	8,000	4,050	23,081	19,167	11,596	11,872	16,620	16,660
ExCom Financial Services	15,114	18,135	28,000	15,032	18,774	4,660	2,875	33,645	9,506	13,111	11,191	20,364	12,595
PLG Operations	30,884	37,444	18,650	15,820	15,600	14,869	13,078	21,936	15,160	21,903	15,540	20,040	25,066
Other Program Support Items	0	0	5,640	0	6,240	0	3,800	0	7,200	6,720	2,880	0	169
NREM Facilitation Teams	0	0	5,640	0	6,240	0	0	0	7,200	6,720	2,880	0	0
Building Construction	0	0	0	0	0	0	3,800	0	0	0	0	0	169
PLG ADVISORY SERVICES	78,345	98,415	98,415	76,005	76,655	28,975	28,910	88,185	61,550	86,235	71,780	76,005	76,655
PROGRAM SUPPORT TOTAL	243,429	308,546	352,865	233,049	233,405	102,975	78,710	333,969	165,836	199,159	162,296	239,740	210,608

GIS CODE	14	15	16	17	18	19	20	21	22	23	24	ALL PROVINCES
PROVINCE	PVG	PUR	RAT	SRP	SHV	STG	SVR	TAK	OMC	KEP	PLN	
ExCom Units inc. PLG Operations	101,602	108,611	134,943	180,975	78,258	117,258	78,392	202,754	119,319	52,229	74,281	3,136,381
ExCom Local Administration	40,150	36,367	35,896	29,567	15,628	39,787	15,543	56,803	45,342	18,009	13,621	849,601
EsCom Contract Administration	9,648	16,800	41,054	74,382	24,405	30,835	24,480	75,891	29,424	3,840	35,041	1,064,765
ExCom Financial Services	20,014	12,305	12,850	20,917	10,540	13,720	7,680	22,046	11,959	6,040	5,564	360,551
ExCom Technical Services	7,192	14,273	16,673	24,191	12,685	14,216	13,469	24,974	12,434	5,760	6,155	355,023
PLG Operations	24,598	28,866	28,470	31,918	15,000	18,700	17,220	23,040	20,160	18,580	13,900	506,442
Other Program Support Items	0	9,600	9,120	7,680	25,280	16,800	0	1,152	0	3,949	0	106,230
NREM Facilitation Teams	0	9,600	9,120	7,680	5,280	0	0	0	0	3,840	0	64,200
Building Construction	0	0	0	0	20,000	16,800	0	1,152	0	109	0	42,030
PLG ADVISORY SERVICES	109,945	66,425	106,695	78,605	62,200	61,550	99,715	77,955	65,775	28,910	28,910	1,732,815
PROGRAM SUPPORT TOTAL	210,897	183,986	250,758	266,610	165,738	195,608	177,457	281,211	185,094	84,438	103,191	4,969,576

2.8 National Support Program Costs and Investments

2.8.1 Overview

The general category of national program support and investments includes the PLG contribution to the operations costs of STF Secretariat (STFS), the cost of national level PLG advisory services and consultancies, and contracts between STFS and Ministries for national policy and supervision. The total budget for this category in 2006 will be US \$ 2.61 million.

2.8.2 STFS operations costs

The budget allocation for support to STFS operation costs is US \$ 850,000, an increase of 4% over the 2005 figure.

The STFS operations costs include STFS staff, operations, coordination and national workshops, local consultancies, monitoring and evaluation and overall reporting. The total budget for these costs in 2006 will be US \$ 1.00 million of which the PLG contribution will be US \$ 850,000 (85%). Other contributions to core STFS costs come from IFAD-RPRP (US \$ 84,000 approx) and Danida (US \$66,000 approx).

#	Institution	Services	PLG Advisory Services			GRAND TOTAL
			National	Inter-national	Total	
1	Min. Interior / DoLA	200,000	123,000	115,000	238,000	438,000
2	Min. Finance / Treasury	40,000	14,500	22,000	36,500	76,500
3	Min. Planning	55,000	21,000	13,000	34,000	89,000
4	Min. Rural Development	55,000	10,000	20,800	30,800	85,800
5	Min. Women's Affairs	55,000	10,700	13,000	23,700	78,700
6	Min. Agriculture	30,000	27,000	75,000	102,000	132,000
7	Min. Water Resources	35,000	2,500	5,200	7,700	42,700
8	Min. Social Affairs	16,000	2,500		2,500	18,500
9	Min Land Management		6,400		6,400	6,400
10	Min. Environment	20,000	2,000		2,000	22,000
11	Forestry Administration		1,600		1,600	1,600
12	Council for Admin. Reform	25,000	2,500		2,500	27,500
13	National Audit Authority	10,000	1,600		1,600	11,600
14	Other Ministries	20,000			0	20,000
15	Reserve	39,000			0	39,000
Total for Ministries		600,000	225,300	264,000	489,300	1,089,300
STF Secretariat		850,000	138,405	386,000	524,405	1,374,405
PLG Consultancies				150,000	150,000	150,000
GRAND TOTAL		1,450,000	363,705	800,000	1,163,705	2,613,705

2.8.3 PLG Advisory Services

The budget allocation for PLG Advisory Services is US \$ 2.89 million, compared with US \$ 3.03 million in 2005. There is a reduction in international and an increase in national adviser costs at national level, and a modest reduction in adviser numbers at Provincial level.

In 2006, the cost of PLG advisory services at national level will be US \$ 1.2 million. This is in addition to the US \$ 1.7 million allocated to provincial level support, making a total of US \$ 2.9 million for these services, a reduction of about 5% from the 2005 figure. The reduction is attributable to a modest reduction in the total number of provincial advisor posts, and the reduction of long-term international adviser posts from six to four, with the duties reassigned to national advisers. The national level advisory services represent 40% of the total. The PLG project funds nearly all of the external technical cooperation provided to Seila for improved governance and a portion of the external cooperation focused on sectoral development. In 2006, this includes provincial advisory teams assigned to the 24 provinces/municipalities; national advisors assigned to core Ministries and the STF Secretariat; and six international staff based within the STF Secretariat. An allocation of US\$ 235,000 to finance a range of consultancies is included in the total figure.

The 2006 staffing plan and an analysis of the overall PLG advisory services and costs is provided in Section 6 and Annex 4 of this report. This includes the 2006 Seila Consultancy Plan with details on each of the planned consultancies (Table 13).

2.8.4 National Policy and Supervision

This budget for this category is US \$ 600,000 compared with US \$ 450,000 in 2005. The 33% increase reflects the increased support to MoI-DoLA for support to decentralisation and preparation for post-2006 arrangements.

A total of US \$ 600,000 has been allocated to National Ministries and institutions to finance a broad range of services related to policy formulation, capacity building at both commune and provincial level, supervision, monitoring and evaluation. This figure includes a specific allocation of US\$ 29,000 for “Other Ministries” or sector agencies who are not Seila Task Force members, to support small-scale studies and pilot activities, and a reserve fund of US \$ 39,000. This relatively large reserve will be available to fund requirements that may arise as formulation of the next phase of deconcentration and decentralisation support develops during the course of the year.

By far the largest allocation is to the Ministry of the Interior (MoI), where PLG supports a range of activities of the Department of Local Administration DoLA including policy formulation, capacity building and monitoring of implementation of the C/S Fund and other decentralized program components.

PLG also supports a team of five advisors and a part-time international consultant working with DoLA. The costs of this team are reflected in the “PLG National Advisory Services” column in Table 11.

Sixty-eight percent (68%) of the funds available have been allocated to the Ministries of Interior, Planning, Economy and Finance/Treasury, Rural Development and Women’s Affairs - all of whom are members of the National Committee for Support to the Commune Sangkat Councils (NCSC). These Ministries play critical roles both at national level, in relation to policy and regulations and through their departments at provincial/municipal level, in the delivery of services to the C/S Councils. Funds are primarily programmed in support to

training and capacity building, institutional strengthening, further work on the regulations and national supervision. A further 17% of funds support activities by the Ministries of Agriculture, Water Resources, Social Affairs and Environment which contribute to policy development and capacity building for deconcentration in the respective sectors. The balance of funds has been allocated to the Council for Administrative Reform to support further work and consultations related to formulation of the deconcentration policy framework, and to the National Audit Authority to support an audit of the C/S Fund accounts for 2005. The key activities financed under these Ministry contracts are indicated in Table 12 on the following page.

Table 12: 2005 STF-Ministry Investments Key Activities

MINISTRY/ INSTITUTION	KEY ACTIVITIES	2006 Budget (US\$)
Interior/DoLA	DoLA institutional strengthening; training of C/S Councils and provincial/district support teams; C/S M&E system; review of provincial structures/systems for organic law; national supervision.	200,000
Economy and Finance/ National Treasury	C/S Fund regulations review/revision; C/S training; Provincial Treasury training; Computerized Accounting System; National Supervision	40,000
Planning	CDB National Information System; CIP and DIW regulations review; National Supervision	55,000
Rural Development	C/S Training on Implementation Guidelines; local infrastructure design and maintenance evaluation/review; National Supervision	55,000
Women's Affairs	Gender mainstreaming at province/CS level; National Supervision	55,000
Agriculture	Deconcentrated Provincial Agriculture Planning System review; piloting/review C/S functions in agriculture; farmer associations; national supervision,	30,000
Water Resources	Small scale irrigation design; capacity building Provincial Departments to support Farmer Water User Communities, monitoring of FWUC. Cooperation with the groundwater studies in Prey Veng and Svay Rieng	35,000
Social Affairs	Implementation of new Social Action guidelines at C/S level in selected provinces.	16,000
Environment	Strengthening national trainers; establishing guidelines on NREM and C/S community participation in protected areas; training and supervision.	20,000
Council for Administrative Reform	Formulation of policy lessons from Seila to inform decentralization policy.	25,000
National Audit Authority	Review of 2003 audit; refresher training; auditing of 2004 C/S accounts	10,000
Other Ministries/Reserve	Partnership development with other Ministries; reserve for unforeseen opportunities.	59,000
GRAND TOTAL		600,000

3 KEY TASKS IN 2006

The year 2006 will be the final year of the PLG project. It is anticipated that a new core donor support project for deconcentration and decentralisation will commence in 2006 and will take over many of the roles of PLG. However, it is also necessary to allow for other contingencies, particularly in budget planning. Many of the key tasks to be accomplished by PLG in 2006 relate to the expected transition to the new program and support project. Specific end-of-project tasks are grouped at the end of this section. The following identifies the key PLG tasks to be undertaken in 2006 and organized by Program Components.

Component 1: Related institutions at all levels strengthened and effectively implementing the decentralized and deconcentrated systems.

PLG advisers work directly with government institutions at the national and provincial level and indirectly support the Commune/Sangkat level of decentralized government. The capacity building activities of PLG advisers relate to four core systems: planning, finance, management, and M&E, information and reporting; and to both decentralized and deconcentrated management of development, seen as two distinct levels at somewhat different stages of reform.

For both the decentralized (i.e. commune level) and deconcentrated (province) level of governance, these four key systems are largely in place and functioning, although with varying degrees of maintenance and support required from PLG advisers and from Government staff and agencies whose activities are funded by Seila and specifically by PLG. Therefore, the key “Component 1” tasks concern ensuring the sustainability of those systems which are already institutionalized beyond the Seila framework and to make arrangement for adoption, adaptation and transfer of ownership of appropriate “Seila” systems to NDDP.

The **decentralized systems** which have been put in place are under the authority of the NCSC and are pursuant to the Law on Administration of the Communes and Sangkats which was approved by the National Assembly in 2001. Although Seila and PLG advisers have played a major role in designing these systems and bringing them into effective operation, the principal systems do not carry the “Seila” name and are expected to continue in operation regardless of the outcome of the formulation of NDDP. In the main, the relevant government institutions at national, provincial and commune level have the capacity to continue to operate these systems, although a withdrawal of external technical assistance might lead to some loss of quality. However, in order for effective operations by the Communes and Sangkats to continue past 2006, the following issues need to be resolved during the course of the year:

- The C/S Fund Board, although established by sub-decree signed by the Prime Minister on xx, has never met. The Board is charged with oversight of the operations of the C/S Fund. Until the Board becomes operational, management of the Fund is under the authority of NCSC. Until now, the practical effects of the absence of the Board have been fairly limited. However, the mandate of NCSC ends in mid-2006 and it will therefore become a matter of importance to bring the Board into effective operation.
- Capacity building, planning and administrative assistance to the C/S Councils is the responsibility of PLAU. Although institutionalized as an office of the Sala the PLAU currently relies for its effectiveness on funding and staffing as a unit of PRDC-ExCom. It would be a serious disruption to the work of the local authorities if this assistance were to be withdrawn.

- Engineering advice for the design and implementation of infrastructure projects is the responsibility of the Technical Support Units (TSU), a Seila institution which would not necessarily continue in operation past the end of the Seila Program. The system of contractor pre-qualification is in practice operated by PRDC-ExCom on behalf of the Governor. The capacity of the TSU themselves depends on a system of technical procedures, standards and designs which is maintained by Seila and funded mainly by PLG. The capacity of the local authorities to implement cost-effective infrastructure projects would be seriously weakened if these systems were to cease operation.

A small but important part of the decentralized system that is not yet in place is the provision for an end-of-mandate self-evaluation by the local authorities, of the results of their first five-year plans. In accordance with the planning guidelines this exercise is due to take place in the second half of 2006. PLG will offer such advice and assistance as may be needed by MoI – DoLA in designing the process for this evaluation and in compilation and assessment of the results at a national level.

The situation regarding the **deconcentrated systems** (i.e planning, financing, management and monitoring and evaluation of development activities deconcentrated to Provinces and Municipalities) is rather different. These systems (including planning, above the level of the District Integration Workshop) are Seila Program systems. The Government has indicated its intention to proceed with deconcentration reforms including integrated planning and budgeting at the provincial (and also the district) level. The Government has also indicated the intention to formulate a National Deconcentration and Decentralization Program (NDDP) with mobilization and disbursement of donor funds for deconcentrated investments as one of its components. The Organic Law now in the drafting stage will define the set of institutions responsible for overseeing these processes, which will differ in some degree from the Seila institutions, but the systems in use by Seila could be readily adapted to meet the new needs. These systems represent the fruit of many years of experience and progressive development and refinement, and very considerable investment of donor and government resources. It would be necessary to build on this effort and investment in order to develop new systems.

The procedures for annual work **planning** of deconcentrated investments and program support, carried out by P/MRDC at provincial level, could be readily adapted by the successor program. It is likely that deconcentration will lead to a more formalized system of strategic planning at the provincial level. This aspect has received less emphasis in Seila in recent years and practice varies from Province to Province, but experiences gained under Seila will greatly assist in guiding this development.

The Seila **financial** system is operated through the Departments of Finance (currently under line management of MEF) under signature authority of the Governor. This is in contrast to cashflows funded from domestic expenditure, which pass through the Treasury System. A study of the Provincial Budget carried out for Seila in 2004 concluded that a lengthy reform process would be needed before the Treasury could become a credible vehicle for disbursement and reporting of donor investments. The only donor funds currently handled by the Treasury are those supporting CS Fund and other direct support to the commune level. The experience with the Treasury system here concurs with the conclusion of the Provincial Budget Study and the reluctance of new donors to the commune level to channel funds through the Treasury does not appear to be waning. Therefore, it is likely that a system of dollar denominated accounts held at commercial banks and managed by the Department of Finance (which holds this mandate within the internal division of responsibilities of MEF) will continue through the program life of NDDP.

Seila **management** systems comprise the management provisions of the Finance and Administration Manual and the Seila Contracts Database (SCD), and more broadly, the concept of management of resources through a hierarchy of contracts from national to provincial institutions, from province to implementing agency, and from agency to the private sector.

Seila has a fully articulated **M&E** system, although operation of the system still depends to a large extent on the support and direct intervention of PLG staff. NDDP will need an M&E system also. The Seila experience is that for a program so complex as Seila, developing such a system is difficult and time-consuming.

Therefore, the key tasks in relation to all these existing systems in the transition year 2006 will be to:

- maintain the systems in operation and address any remaining defects in the systems;
- ensure that the systems are fully documented and thus can be easily transferred to a new program;
- to the greatest extent possible, ensure that the existence, uses and value of these systems are understood and appreciated at the decision-making level for formulation of NDDP;
- As appropriate, assist in transfer responsibilities for operation of the systems to NDDP institutions.

Under the terms of the extension to the Seila Program determined by the Council of Ministers, Seila will not undertake any new initiatives during 2006. However, a significant extension to existing systems, the District Planning Initiative, was begun by MoI-DoLA with PLG support in 2005 and in 2006 will see projects which have been identified through a district prioritization process and will be implemented with support of district level officials, in one district in each Province or Municipality. PLG will continue to support implementation, monitoring and evaluation of this pilot.

Component 2: Efficient and effective services and investments provided for local development.

Support for this component focuses on effective programming for the delivery of goods, works and services through national program support, provincial investment fund allocations as well as PLG contributions to the C/S Fund and the monitoring of these investments.

PLG also supports specific technical advice in the following areas:

- **Infrastructure:** a team of one national and 21 Provincial / Municipal infrastructure advisers, whose principal role is to support implementation of commune level investments;
- **Agriculture:** three advisers working in the Ministry of Agriculture and six advisers working in provinces which have deconcentrated agriculture sector projects; supported by six months inputs from an international consultant;
- **NREM:** One PLG adviser at national level.

Although 2006 will be the last year of PLG and of Seila, there will be a continued emphasis on improvement of use of the systems and procedures and ensuring greater use by government staff of the systems and procedures. The fact that all stakeholders are aware that

the program is nearing its end is likely to result in specific challenges in ensuring quality of operations and effectiveness and efficiency of implementation of investments.

Concerns about transparency and accountability in use of donor funds through Seila and of the C/S Funds were a prominent topic during 2005. The CS Fund Accountability Framework became operational in mid-2005 and PLG will continue to assist the government to develop this framework into an effective system for ensuring efficiency and transparency of management of investments and accountability of individuals and institutions for management decisions. PLG will ensure that PLG staff have a clear understanding of the professional standards to which they are expected to adhere; and of their duties in relation to observed instances of corruption by counterpart officials. Nevertheless it must be accepted that the issue of corruption in Cambodia is not within the capacity of PLG advisors to solve in the short term and requires long-term incremental approaches supported by the donor community as a whole.

The National Audit Authority conducted a first audit of the C/S Fund accounts for 2003, during 2004. After some delay the audit findings were reported to the National Assembly and it is hoped that they will soon be released after approval by the Assembly. During 2006, the NAA will conduct an audit of the 2004 and 2005 accounts with support from PLG.

Continuing assistance will be provided to Seila Ministries to provide technical support and training on the application of standards and guidelines associated with the delivery of services at province level. Support through the consultancy budget will be provide international technical cooperation to the Ministry of Interior DoLA as well as MAFF and the three IFAD loans through Seila.

PLG will assist the Ministry of Agriculture and P/MRDC in two provinces and one municipality to commence implementation of the 5-year, US \$2.7 million ADMAC Project, funded by the Canadian CIDA.

It is foreseen that the Government and World Bank will cooperate on formulation of a successor project to RILGP, with financial support to C/S Fund as its core, during 2006. PLG advisers will work closely with the Bank and counterparts to ensure that the lessons learned from the Seila experience and from RILGP are taken into account in design of this successor project.

Component 3: Contribute to the improvement of policy and regulations for decentralization and deconcentration and poverty alleviation.

During 2006 PLG will contribute to dialogue and decision-making in two key areas which, whilst separate in principle, have important mutual implications in practice. These are:

1. formulation of policy on administrative deconcentration, which is expected to result in promulgation of an organic law on administration of the provinces and districts some time during 2006;
2. formulation of a partnership framework for donor support to deconcentration and decentralisation reforms during the period 2006 – 2011. This effort is in progress and is expected to result in concrete proposals and agreements by mid-year;

During 2005, the lead responsibility for policy formulation and strategic direction of D&D reforms was confirmed as being within Ministry of Interior under the oversight of Deputy Prime Minister and co-Minister for the Interior H.E. Sar Kheng. PLG will offer advice and support to MoI in policy development and improvement of regulations for decentralisation, as well as continuing to cooperate with other Ministries and government agencies in policy areas which fall within their respective mandates.

Ministry of the Interior, assisted by GTZ, began a review of donor support for decentralization and deconcentration. This multi-component study is expected to report by the second quarter of 2006. PLG will cooperate with this study and will attempt to ensure that the lessons of Seila implementation are adequately taken into account.

During 2005 a senior UNDP expert adviser on fiscal decentralization was recruited by UNDP and posted to work within MEF. PLG will work in close cooperation with this adviser and with MEF to address outstanding issues in fiscal decentralization, which include the development of own-source revenues for local authorities; and enhanced autonomy and efficiency of financial management by the local authorities. PLG continues to believe that progress towards this second objective could be achieved by allowing local governments to operate commercial bank accounts. This would also encourage other donors to transfer funds to the commune level through the official commune/sangkat budget rather than through parallel mechanisms as is becoming increasingly prevalent at present.

PLG will continue to assist the Ministry of Women's Affairs to implement gender mainstreaming in 2006 with a focus on local governments and especially for the C/SCs and the C/S women and children focal points.

Assistance will be provided to assist the STFS to implement the Seila NREM strategy. Danida and DIFD will support a new community-based NRM project (called Natural Resource Management and Livelihoods program – NRML) in 13 provinces from 2007, expanding to 22 provinces by 2010. This project is implemented through the systems developed under Seila, although some adaptation may be required in response to the course taken by the D&D reforms.

End of Project Tasks

There is a considerable workload associated with closing down a project as large as PLG, and in the case of PLG there will be the additional (and greater) tasks of assisting STFS with winding down and transfers of responsibility of the overall Seila Program. Some of the tasks required cannot, of their nature, be carried out concurrently with ongoing program operations. This workplan foresees a full year of project and program operations in 2006 followed by transition to a new program and end of project activities. However, PLG donors should consider as a matter of urgency whether they regard it as essential that all activities are concluded in December 2006, or whether there will be a phasing-out of PLG after that date.

Some of the specific tasks to be addressed, on behalf of Seila or specifically for PLG, include:

- **Execution Responsibilities.** In addition to PLG, STFS has full or partial execution responsibilities for the World Bank RILGP project, for IFAD-RPRP and for Danida-CCB-NREM, all of which are expected to continue operations beyond 31 December 2006. Appropriate arrangements need to be identified, through dialogue between donors and the Government, for execution of these projects post 2006. PLG advisers are expected to play a major role in facilitating this dialogue and in advising on suitable arrangements.
- **Inventory.** There is a large inventory of vehicles and equipment under ownership of STFS or remaining under UNDP ownership. Much of this inventory will be transferred to the government agencies currently using the equipment. However, if there is to be a successor donor support project under UNDP auspices it will be prudent to maintain a core inventory for use by the new project;

- **Systems.** As noted above it is hoped that many components of the systems for planning, financing, managing and reporting on deconcentrated and decentralized development investments, developed under Seila, will be transferred to NDDP or other institutions. There will be a considerable workload in transferring responsibility for these systems, including installation of necessary hardware and software and training of staff.
- **Staff.** All PLG staff are on annual or short-term contract arrangements which will terminate with the end of the contract. It is recognized that a new donor support project will wish to recruit staff on merit from the pool of available candidates. However, the PLG advisory team comprises a large number of talented and experienced individuals who will naturally seek to secure their own futures as the end of the PLG project approaches. Transition should be managed in such a way as to allow PLG advisers who may be successful in securing positions in the new project, to do so whilst still engaged in completion of their responsibilities with PLG.
- **Financial and project reporting.** A period will be required for final closure and reporting of PLG-financed accounts. PLG donors should indicate what type and level of project and program reporting and evaluation will be required at the end of the project, and whether these task will be assigned to the advisory team or whether external consultants will perform an evaluation.
- **Documentation:** An enormous amount of literature has been generated by and about the Seila Program and the most valuable parts of this should be preserved as a resource for information of future project and program design in Cambodia and elsewhere. Some work on this task is being undertaken as the final output of the PAT. There will be a need to ensure that all essential information is preserved, and to make arrangements for the physical accessibility of the relevant documents post 2006.

4 KEY ISSUES IN 2006

The following list of issues is compiled from submissions by PLG advisory teams at provincial level. It comprises issues requiring strategic solutions together with miscellaneous practical difficulties encountered, and is included here to give an overview of the range of issues which the advisory teams address in their daily work,

4.1 CSF finance and CSF project issues

- This year, commune project preparation, bidding and project implementation were sometimes late, due to the late provision of the cost estimation training as mentioned in the updated PIM guidelines. This created extra work for the TSOs, as they had to re-do the cost estimations of the commune projects, now using the revised method.
- Often communes select projects for which they know that meeting the safeguard policy requirements will not be a major hassle, even if these projects are not their first priority.
- Some Commune Chiefs and villagers are not happy with the safeguard procedure since they feel that the procedure favors the rights of the asset owners too much. They see it as unfair that a few families who are not willing to give up some of their assets can block the implementation of the priority projects selected by the majority of the villagers. The Commune Chiefs get criticized for failing to respond to the priority needs raised by the majority of the villagers.
- In Takeo, a commune could not start to bid for a canal rehabilitation project because one family (who lives outside the commune but has a title to some of the land) refused to sign the land contribution list. The family said they agreed, but that they could not sign. The suspicion is that the family did actually not want to contribute the land. The project design has been modified to solve this issue, because the other villagers really needed the project.
- In some communes, the Commune Chiefs complained that the estimated cost of the project was too high, and they refused to sign the document. This was particularly so where the cost estimates had been revised, to include tax and the natural resources incentive.
- Some communes were considering not to implement a CS Fund project in 2005, because of the cost estimate for their first priority was higher than their allocation. They first considered leaving their 2005 CS Fund allocation for development untouched, and to only use it in 2006, but later on they decided to implement their second priority instead.
- Phnom Penh has many projects which have different requirements in terms of required local contribution. It can range between 5 % and 50 %, and some projects do actually not require any local contribution at all. Under such circumstances, transparency in the collection of local contribution is very important, otherwise the Sangkats may be tempted to collect extra money as local contribution, although the municipality did not require contribution.
- One province reported that a quarter of its communes had received an additional allocation from ADB for the commune office building construction, but that the bidding process did not follow the PIM guideline. The LAU Chief had informed the

communes to proceed like that, even though for some communes their annual budgets had not yet been approved.

- A commune in Kratie had difficulty in getting a bid for its CS Fund project. The first two bid announcements did not receive a positive response, but the third time three contractors submitted a bid. All three were however higher than the cost estimate, and the commune, in consultation with the TSO decided to award the project to the contractor with the lowest bid, but to reduce at the same time the project size to match the available budget. The provincial Governor informed the Council that the bidding process hadn't followed the PIM guidelines. To meet the PIM guideline, the Council reduced the project size and did the bidding again.
- In Pursat, most Commune Councils decided to do an irrigation project in order to provide more water for farming. This created a problem for the Provincial Department of Water Resources, as they could only provide support to seven communes.
- According to the PIM, communes are allowed to conduct bidding even if they do not have the total amount of local contribution in their accounts. This resulted in some complaints from contractors that they could not get the total amount of money from the communes as written in the contract after they had completely implemented the contract.
- In Stung Treng, during the third quarter, 12 CS projects for roads had been bid successfully, but there were another 49 that still had not been contracted, for lack of interest of contractors. The rise in fuel prices seems to be a contributing factor in this.
- In Kampot, the provincial department of industry, mine and energy with approval of the provincial governor had issued Prakas # 362, dated 14 June 2005, limited only 4 contractors who have mine license of the Category 4 have the rights to participate in the CS Fund projects bidding. The only reason for this limitation is related to royalty tax, which are required for using mine based on the Prakas 006 of the ministry of industry, mine and energy. After the consultation with MoI/DoLA, the provincial governor agreed to allow all contractors of the category 4 to participate in the bidding with the condition that if the non-licensed contractors win the bid, they have to buy materials (literate and rock, gravel, etc) from the licensed-contractors only. They are not allowed to buy these materials from the local people.

4.2 Provincial finance and Provincial Treasury issues

- In the first quarter, Kampong Cham tried using the local branch of the National Bank of Cambodia. This caused a lot of inconvenience, and the Governor therefore suggested to change to a private bank again. From the second quarter onwards, the ExCom account was in the ACLEDA bank.
- One province reported that the new payment process for CS projects, which entails using the provincial branch of the National Bank of Cambodia to handle all cash issued by the Provincial Treasury offers no improvement in terms of transparency and accountability. On the contrary, the contractors and CS Councils seem to encounter more drawbacks compared to the previous system.

4.3 Commune/Sangkat capacity and management issues

- The CS Clerks are often overloaded, and so they give priority to those tasks from which they can get some personal benefit. PLG advised the DFT to work closely with the clerks, and asked the CS Chief to allocate some tasks to other CC members.
- One province reported on the difficulty that staff sometimes have to get their visits to the commune certified with the stamp of the commune. As the Commune Clerk is sometimes not there, the document cannot get stamped, and the ExCom Finance Unit then refuses to pay DSA to the staff.

4.4 Provincial capacity and management issues

- Delays in the finalization of the sub-contracts in the PRDC ExComs often means that line departments could only start implementing their contracts in February or March.
- The increase in fuel prices resulted in a shortfall of the operational support budget, and makes it difficult for the provincial and district authorities to support the CS Councils as planned.
- The use of the Peachtree accounting software requires a minimum level of comprehension of English from the computer operators. For some Finance Unit staff this is a problem, and it requires extra assistance from the provincial Finance Adviser.
- In one province, they could not find a qualified government official to fill the accountant position in the FU, even after three announcements. After consultation with STFS, the ExCom selected a private accountant and provided him with the same salary supplement.
- For many line departments, especially those that are new to the Seila Program, the use of the Seila Contracts Database software is rather difficult. Many departments do also not have a computer, or staff capable to use a computer.
- In Sihanoukville, many provincial departments have very restricted staffing which made it difficult to assign focal persons to implement the sub-contracts. The ExCom decided that there should be at least three key persons to implement a sub-contract: the director of the line departments for overall responsibility and to be in charge of planning and M&E in case they lack human resources; a project focal point; and a certifying officer.
- Some Department Directors complained about low DSA and low transportation cost to support contract implementation. They therefore had difficulty to assign staff to work with the Seila Program. They recommended Seila to review this policy for the next program.
- In one of the six provinces in which UNICEF also works, the line department staff complained that the Seila Program did not provide an incentive to trainers or trainees when they attended a full day training but which did not include an overnight stay, whereas the UNICEF Seth Koma program did given an incentive of \$ 3.5 a day. [This issue was discussed at the Seila Admin and Finance Workshop in October, and it was agreed that the Seila Program will allow a similar incentive for one day events].
- One province reported that not all staff write their names in the ExCom daily presence list when they sign in, and some sometimes sign for 2-3 days at once.

- The revision to procurement rules for works contracts financed by PIF, introduced in late 2004 and confirmed in the revised Seila Finance and Administration Manual during 2005, caused some resentment amongst line departments, as the new rules place ExCom in overall control of the procurement process. The principle purpose of the change was to improve transparency. Responsibilities for procurement at provincial level is an issue that should be addressed as part of the overall deconcentration reforms.

4.5 M&E issues

- The focal points for M&E in many line departments do not really function well.
- One province reported that most of the problems that are brought to the attention of the ExCom are identified and raised by the PLG advisers. The ExCom unit staff are reluctant to do so since they are worried about possible negative impact of their actions in their relationship with one another.

4.6 Corruption, collusion, transparency and accountability

- The lack of strong measures seems to result in a spread of petty corruption in the CS Councils, TSU, Treasury, CAU and line departments. One province, e.g. reported on a spot-check done in March 2005 with four communes. It revealed that the Commune Accountants were asking for a kickback of around Riel 20,000-30,000 with every release of petty cash, and a commune might spend up to ten days to wait for its petty cash release.
- One province reported that most CS project contractors make unofficial payments to TSOs, Commune Chiefs and PFTs to get the certification of their projects.
- To ensure transparency and accountability, it is often left up to PLG staff to initiate and push the ExCom very hard to make undesirable decisions. If cases of financial irregularities come to light, or where there are issues of poor staff performance, it is usually the PLG who have to take initial action and give strict advice to the ExCom for further action. Otherwise, no action might get taken.
- In Kampong Cham, there were strong signs of collusion among contractors in the early stage of commune project bidding. After bidding took place for four districts, the Governor suspended the bidding for two weeks and the ExCom called a meeting with all contractors to address the issue.
- In Preah Vihear, there was a suspicion of collusion in the bidding for road projects in four communes. The PLG adviser reported this in writing to the Provincial Governor and PLAU. The suspicion was recognized, but it was decided to uphold the result of the bidding, for fear that no interested contractors might be found in case the bid results were rejected.
- In Kampot, through an agreement between DIME and the Provincial Governor, four companies had been licensed as suppliers for materials to implement CS Fund contracts, effectively granting them a monopoly position. The process through which the selection of the four suppliers had taken place was not clear, and the suppliers were in a position to charge high prices.

4.7 Other issues

- Some landless farmers did not volunteer to join a LIG group in the IFAD project, because they think that they are unable to pay back to the group later. They want to get free grant from the project rather than a loan.
- Some of the equipment used in the provinces is quite old (especially motorbikes), which makes it difficult for project staff to support project implementation.
- In one province, a line department that did not have a Seila contract in 2005 was unwilling to release a motorbike that was provided to support Seila Program implementation. They considered that the ExCom had provided this motorbike to them as a kind of institutional support, independent whether or not there were Seila Program activities to be implemented.
- In some provinces, there were complaints about poor quality of office stationary, due to unclear specification during the bidding. Staff suggested canceling the centralized contract with the Phnom Penh supplier.

5 MONITORING AND EVALUATION OF THE PLG WORKPLAN

5.1 Seila and PLG monitoring and evaluation

The Seila M&E system captures and makes information available for both the Seila program and the PLG project. Where possible, PLG draws on the available information from the Seila M&E activities and reports, but there are some activities that fall outside the regular Seila program M&E which require some PLG specific monitoring and evaluation. The Seila M&E manual which was produced in 2003 explains the Seila M&E approach and procedures.

Seila program monitoring and evaluation relies primarily on:

- Information provided through the databases, such as:
 - the Seila Contracts Database (SCD)
 - the Projects Information Database (PID)
 - financial data contained in the Seila Program Accounting system, which uses the PeachTree software
 - the Commune Development Planning Database (CDPD)
- Quarterly and annual reports by the PRDCs and the implementing agencies at national level, which give more elaborate information on project activities and outcomes, and the issues and challenges that emerge from the implementation of project activities.

All the above information is used to prepare the regular reports for the Seila Program. For 2006, the following reporting arrangements are proposed:

- At the end of the **first quarter**, in late April or early May, a donor meeting will be organized to discuss progress in program implementation during the first quarter. There will not be a separate First Quarter Report document, but there will instead be a **PowerPoint presentation** along the lines of what has been done in the past for such quarterly donor meetings. The presentation, and the handout, will provide an update on the following:
 - CS Fund disbursements and payment schedule
 - Provincial program support budget disbursements
 - Provincial Investment Fund disbursements
 - Deconcentrated sector project disbursements
 - National ministry contract disbursements
 - Quarterly financial report (on resources and expenditures)

The PowerPoint presentation will also highlight the pressing issues of the moment which need to be discussed with the donors.

- At the end of the **second quarter**, a **Seila Program Progress Report, January-June** will be prepared, which is a document with the format that has been used in the past for the quarterly report. There will also be a donor meeting to present the report, together with a PowerPoint presentation along the lines of what has been mentioned for the end-of-first-quarter meeting.
- At the end of the **third quarter**, there will again be a quarterly donor meeting, with a PowerPoint presentation.
- At the end of the **fourth quarter**, there is no fourth quarter report, or a July-December report. This gets covered in the Annual Program Report (APR). However,

as there are several meetings during this quarter which the donors attend (such as the Seila Forum meeting, the meeting to present the program for the next year, etc), there are sufficient opportunities to meet to discuss program related matters.

The main instrument for monitoring of PLG support activities to the Seila program at provincial level are the monthly and quarterly reports that are prepared by the Seila program support offices in each province. The monthly reports focus on issues and challenges, whereas the quarterly reports provide:

- a summary description of PLG advisory support to the ExCom and the ExCom Units
- a summary description of PLG advisory support to the sector departments that implement Seila program activities
- a summary description of internal PLG activities in the province
- a list of issues and challenges that have emerged during the quarter.

The quarterly report also provides an English translation of the issues and challenges mentioned in the PRDC quarterly report.

5.2 Seila Program M&E Focus for 2006

In 2006, the Seila program will continue to support M&E development at national, provincial and commune level.

At the **national** level, M&E development will focus on:

- **Documentation of the Seila M&E systems.** The Seila Program will come to an end on 31 December 2006, and a new National D&D Program (NDDP) will become the main channel through which the D&D reforms will get supported. It is anticipated that, at the time of its startup, many of the NDDP systems will either be identical to, or very similar with, the existing Seila Program systems. In order to help facilitate the transition into the new systems, it is recommended that the existing systems are well documented. Part of this documentation is provided in the Seila M&E Manual, which dates back to 2003, but the M&E developments of the last two years are not yet included (such as those that relate to the CS M&E systems), or are rather sparsely documented in the M&E manual and would better be able to support M&E implementation if described in more detail (as is the case for some of the provincial M&E tasks).
- **Continued capacity strengthening of the Seila Task Force Secretariat to monitor and evaluate the Seila program effectively and efficiently.** The Seila Task Force Secretariat carries the main responsibility for coordinating the monitoring and evaluation of Seila program implementation by both the provinces and the participating national ministries. To do this effectively, a more systematic, intensive and coordinated use of the available databases, and of the monthly, quarterly and annual provincial and national reports is necessary. This will be tied to monthly meetings to discuss the issues and challenges listed by the provinces in their regular reports.
- **Capacity building for the M&E system for decentralization.** In 2006, the Seila program will continue to support and build the capacity of DoLA and Provincial Local Administration Units (PLAU) staff to implement the M&E system for decentralization.

At the **provincial** level, M&E development will focus on:

- **Continued M&E skills improvement for provincial M&E staff.** This involves skills improvement for the monitoring and evaluation section in the ExCom CAU, and for the M&E focal persons in the implementing agencies.
- **Increasing the capacity for outcome monitoring and impact assessment at provincial level.** Efforts to increase the capacity for outcome monitoring and impact assessment at provincial level will continue in 2006, especially in relation to outcome monitoring and impact assessment for poverty alleviation, gender and NREM.

At the **commune level**, the following activities are scheduled :

- **Implementation of commune M&E for local development.** The CS Councils have received little support with the implementation of M&E for local development, and there are signs that the system is not working well. There is a need for more intensive support to the M&E Focal Persons, to assess what tasks they are already capable to perform, and what additional support may be needed.

- **Commune M&E for service provision, and administrative and financial management.** The NCSC training plan for 2005 foresaw a cascade training for commune level monitoring of provision of services, and administration and financial management. This was conditional on the training materials for such training having been developed. There has been some delay with the implementation of this activity in 2005, and it has therefore been rescheduled to 2006.
- **Development and piloting of the commune evaluation approach for local development.** The Commune Law (Art. 66) mentions that the Commune Councils must monitor, control and evaluate the implementation of plans, programs, projects and the provision of services with transparency and strong accountability, and the inter-ministerial Prakas on Commune Development Planning further specifies (Art. 25) that “*a comprehensive evaluation of the results and impact of the implementation of the commune/sangkat development plan shall be carried out six months before the expiration of the council’s mandate. The Ministry of Planning and the Ministry of Interior shall jointly issue detailed instructions on the scope and format of this evaluation*”. This hasn’t happened so far, and as the first five-year Commune Council mandate is scheduled to end in February 2007. The methodology for the evaluation needs therefore to be developed in early 2006, so that it can be implemented throughout the country later in the year.

5.3 PLG Project M&E Focus for 2006

The PLG project provides support to the Government to implement the Seila program, so that it can better achieve its goal and objectives. The focus for M&E development in the Seila program in 2006 has been mentioned in the previous section. The focus for M&E in the PLG project for 2006 can be summarized as follows:

At the **national** level, the task of the PLG M&E advisors is to assist the STFS with the further development and improvement of the Seila M&E system, to build up the capacity of STFS officers to implement the system, and to engage in capacity building for the system at both national and provincial level.

PLG assistance for STFS is primarily delivered through support for the operationalisation of the M&E systems through learning by doing. In 2006, there will be a renewed effort to conduct monthly M&E meetings, specifically geared at assessing the problems and issues that are reported by the provinces, or those which are identified through field visits and other channels, and to strengthen the mechanism of providing feedback to the provinces on those matters.

At the **provincial** level, the task of the PLG advisors is:

- To assist the CAU staff in coordinating and following-up on the M&E activities for provincial Seila program activities, and to build up knowledge of and compliance with the Seila M&E system in the implementing agencies.
- To assist the PLAU staff with the implementation of M&E for decentralization at both the provincial level and commune level.
- To assist with continuous quality improvement of M&E, for both the Seila program and decentralization, at provincial and commune levels.

At the provincial level, the PLG advisers are also engaged in monitoring and evaluation of how PLG resources are being used to support the Seila program at this level. This is reported in the periodic reports which the Seila Program Support Offices submit to the national level.

There is no discrete PLG M&E at the commune level. Assistance to, and interaction with the communes primarily happens through the PFTs, DFTs and the TSOs, which are either Government staff or Seila program staff, rather than PLG staff.

6 STAFFING PLAN

6.1 PLG staffing in 2006

6.1.1 Context

The cost-effectiveness of external technical assistance for development has been a topic of some debate in Cambodia in 2005. This arises because of the unusually high proportion (around 40%) of all overseas development assistance devoted to TA. The Royal Government has indicated that it would prefer to see this proportion reduced, thus making more funds available for investments, and that it believes that functions currently being performed by technical advisers could be adequately discharged by civil servants. Donor agencies and other stakeholders are generally in agreement that the high cost of TA is neither desirable nor sustainable in the long term. However, there is also no doubt that substantial technical assistance remains necessary to ensure the effectiveness, efficiency and transparency of donor funded development projects and to assist in building the capacity of Government agencies. There is a danger that a drive to reduce TA costs indiscriminately could cause damage to highly effective interventions in some areas whilst failing to fully eliminate waste in others.

PLG believes that it has an unusually committed and effective team of technical advisers at national and provincial level and the work accomplished by this team is effective, efficient, and generally well appreciated both by Government counterparts and by cooperating agencies. Nevertheless, during the second semester of 2005 PLG carried out a thorough re-assessment of the distribution and functions of technical assistance teams particularly at the Provincial level. This has resulted in a modest overall reduction of TA costs. More significantly, the following innovations and changes have resulted:

- PLG capacity building efforts at provincial level allocated in response to counterparts' self- assessment of existing capacity and future needs;
- PLG advisor workplans respond to self-assessed needs of counterparts;
- At national level, Cambodian advisory staff promoted to take over some functions previously performed by international advisers.

A summary of the staff and their essential responsibilities plus a summary is provided in Annex 3 of this document..

6.1.2 Provincial/Municipal Advisory Teams

Although the generic term "advisor" is used for all PLG program staff, the functions of a PLG advisor, particularly at provincial level, may be divided into four categories: capacity building; transparency and accountability; monitoring and evaluation; and partnership development. The need for capacity building is clearly linked to the level of capacity existing within the counterpart agencies. The role of external advisors in ensuring transparency and accountability is not defined clearly in advisors' TOR; nevertheless it is clear that the confidence of donors to commit funds through the diverse deconcentrated and decentralized modalities that comprise the Seila framework, is strongly contingent upon the presence of the PLG advisory teams. PLG advisors play a major role in program monitoring and evaluation activities, particularly as counterpart staff at provincial level are less likely to regard the timely provision of reports to national level as a priority. Building of partnership relations between agencies both inside and outside the Seila framework, including the large number of NGOs and donor projects that cooperate informally with Seila or make use of Seila supported systems at province, district or commune level, is a key task. For a number of reasons

including language skills and freedom from the sometimes rigid protocols of the Cambodian civil service, PLG advisers have a major role in assisting PRDC-ExCom with this effort.

During September-October 2005 PRDC-ExComs in all 24 provinces and municipalities participated in a self-assessment exercise to evaluate the existing capacity of line departments and ExCom units to implement Seila related activities. For line departments, the areas of assessment related mainly to the contract management and reporting on Seila-PIF contracts, for which they receive support from the PLG Sector Adviser. Units and departments assessed themselves and ExCom reviewed the assessment and added their own comments. The summary assessment was forwarded to the Governor / Chairperson of ExCom for final comments and recommendations.

As is expected in an exercise of this type there was some variation between provinces in the approach and in the realism of some of the assessments. There was also some confusion caused by a misunderstanding in some cases that the purpose was to evaluate the individual PLG advisers, rather than the agencies own need for advisers; and by a belief that reducing TA costs might result directly in an increase in investment funds allocated to the province. Nevertheless the overall effort and professionalism devoted to this effort by the Provincial / Municipal authorities was impressive.

Most provinces concluded that the present size of the TA team was in line with needs, with a minority of provinces recommending a reduction and some requesting specific additions or changes to the composition of the teams. The results were assessed by STFS and PLG national advisers, taking into account additional factors including:

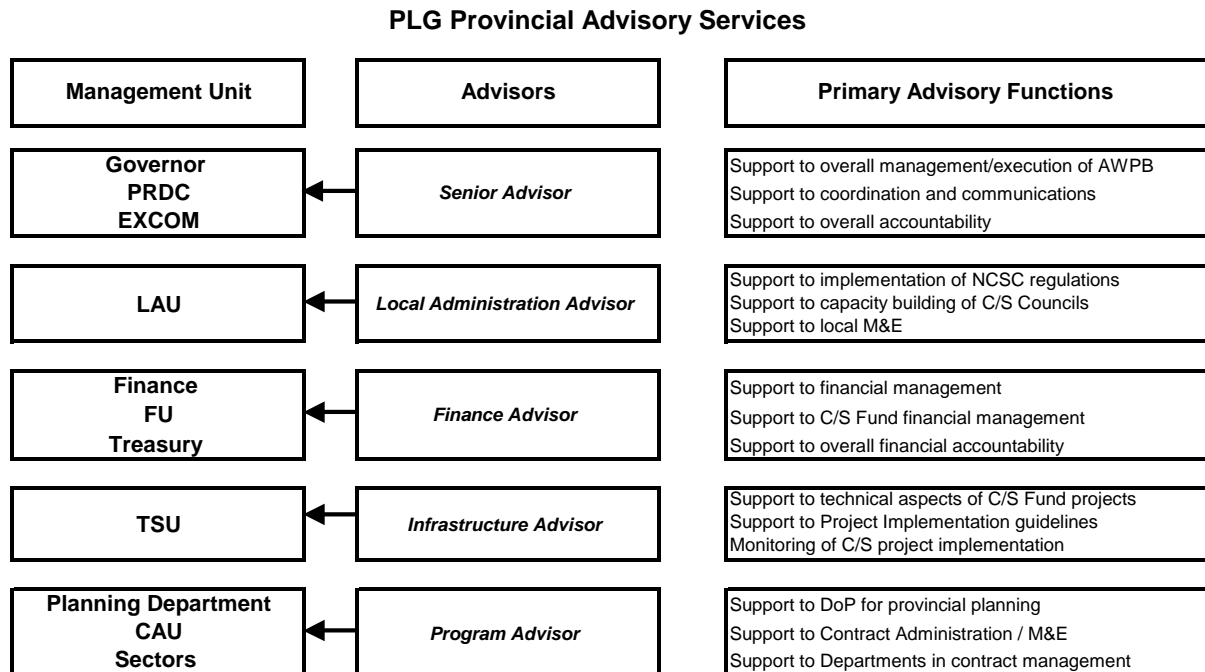
- Specific funding agreements with donors such as IFAD, World Bank and Danida, whereby certain levels and/or specific PLG posts have been agreed;
- The scope, number of provincial funding agreements and volume of work, for example, Prey Veng province will manage a total of US \$1.4 million of provincial investments under three separate funding agreements between the PRDC and donors (PLG, IFAD and UNICEF), and in addition will provide technical assistance to CS Fund investments supported by the World Bank loan.
- Agreements with other partners, for example GTZ in Kampot and Kompong Thom;
- The size of the province in terms of population, number of districts and communes.

The total number of PLG staff in the provincial advisory teams for 2006 will be 135; a reduction of 29 from the 2005 total. The main changes have been:

- in most provinces, the sector support, planning and monitoring and evaluation functions have been consolidated into a single post, known as “Provincial Program Advisor;”
- a number of “deputy senior advisor” posts have been abolished or consolidated into the PPA position;
- there are three additional infrastructure adviser posts (Stung Treng, Monduliri and Phnom Penh). Additional PPA posts have been created in Kampot and Kampong Thom. All these additions were in response to direct requests from Provincial/Municipal authorities;
- The ending of the special SIDA-CBNRM project in Ratanakiri has resulted in a reduction of 17 overall in the number of advisers posted to that province;

- The “Local Capacity Building Advisor” position has been renamed Local Administration Advisor in line with the evolving nature of the post and in particular with the greatly improved capacity of the ExCom Local Administration Units to discharge their capacity building functions independently.

Allowing for variations depending on specific circumstances, as noted above, the general make-up of a PLG provincial advisory team is now as depicted in the figure below.



In addition to these core functions, there will be six agriculture advisers contracted to PLG in association with the RPRP and ADMAC projects.

6.1.3 National Advisory Services

Of the six international staff advisers, two (the Management Adviser and the M&E Adviser) will leave at the end of 2005 in order to accept offers of work elsewhere. These positions will not be replaced but the functions will be assigned to new positions, to be filled by senior Cambodian staff. A new international adviser position will be created to support the Ministry of Agriculture Project Support Unit (MAFF-PSU). This replaces the consultancy support to MAFF-PSU provided in previous years and will be part funded by IFAD.

Therefore, there will be four international advisers: the Senior Program Adviser, two Program Advisers and the Finance and Administration Adviser. With the exception of the last, these are rather generic job descriptions and actual functions are assigned according to individual specialist skills and according to need, following an “matrix management” approach. There will be approximately 18 national advisers, supported by an Administration and Personnel assistant who will perform staff contract administration functions directly for all PLG advisers and consultants, and a network administrator. Five advisers are posted to a team within MoI-DoLA and support the MAFF-PSU. The remaining advisers are based at the National Program Support Office / STFS. The number and disposition of PLG advisers may vary somewhat during the year, particularly in response to needs arising from formulation of D&D program and support post 2006.

6.1.4 Recruitment and Performance Review

Staff performance reviews are undertaken annually for all PLG staff. This process involves a self-assessment and an assessment from a panel including the immediate line manager and peers. In 2004, this exercise also included a “client” assessment by the counterpart agency. This was not repeated in 2005 as the staff performance appraisal followed soon after the just completed capacity self-assessment exercise described above. Nevertheless the views of counterparts were taken into account in the staff appraisals and in a number of specific instances individual advisers’ contracts were not renewed as a result of dialogue between the SPPA and counterparts.

Where committed and capable advisers were not retained as a result of a decision to terminate a specific post (see above), efforts were made to identify suitable vacancies for that individual elsewhere in the PLG team. In all cases this was done in dialogue with the SPPA and counterparts.

External recruitment of PLG advisers follows the principle of non-discrimination, except that in view of the relatively low number of women within the advisory team, particular efforts are made to encourage women to apply and to offer positions to female candidates in preference over otherwise equally qualified men.

6.2 PLG and Seila Consultancy Plan

Table 13 provides the consultancy budget for the Seila Program for 2006 and included in this are three consultancies funded from PLG totaling US \$ 150,000. These consultancies will be contracted by UNDP. STFS will contract a consultant for an annual audit with a cost of US \$ 34,000, and also a consultant to assist Ministry of Planning at a cost of US \$ 6,000, these being reflected in the STFS budget total in Table 11. There are a total of about 19 major consultancies and studies foreseen within the Seila workplan for 2006. Please note that PLG advisers play a significant role in design and management of all these consultancies and in ensuring that the outputs of the studies are widely disseminated.

Table 13 Seila Program Consultancy Plan 2006

No.	CONSULTANCY/STUDY	Budget Source	Estimate Cost	Support to:
1	Support to Ministry of Interior	PLG	75,000	2006 NCSC Training Plan; Pilot District Program.
2	Support to Ministry of Women's Affairs	PLG	35,000	2006 Gender Mainstreaming Action Plan
4	Unspecified Consultancies	PLG	40,000	Systems reviews and final evaluation
	PLG / UNDP Subtotal		150,000	
5	Audit of 2005 Accounts	PLG	34,000	Cost sharing contribution to harmonized audit
3	Support to Ministry of Planning	PLG	6,000	Upgrading of Commune Database
	PLG / STFS Subtotal		40,000	
6	Strengthening Capacity for Small Scale Irrigation	RILG	20,000	Improvement of TSU support to small scale irrigation
7	Socio-Economic Impact Assessment of CSF Projects	RILG	60,000	Follow up to 2002 baseline survey
8	Assessment of the CS Fund Accountability Framework	RILG	20,000	Effectiveness of Accountability Framework
9	Evaluation of Pilot Program on District/Khan	RILG	20,000	Lessons learned for future formulation
10	Study on technical assistance arrangements for CS Fund	RILG	20,000	Formulation of future technical support to CS Councils
11	Audit of 2005 Accounts	RILG	20,000	Cost sharing contribution to harmonized audit
	World Bank RILG Subtotal		160,000	
12	Baseline Survey of RPRP target communes	RPRP	48,000	Collection of base line data
13	Feasibility Studies: Small/Medium Scale Irrigation Systems	RPRP	50,000	Feasibility and design studies on three schemes
14	Strategic Study: Groundwater Resources (phase 2)	RPRP	100,000	Model of groundwater resources in Prey Veng/Svay Rieng
15	Audit of 2005 Accounts	RPRP	6,000	Cost sharing contribution to harmonized audit
	IFAD/RPRP Subtotal		204,000	
16	NREM Powers and Functions at Sub-National level	CCB-NREM	60,000	Developing inter-ministerial consensus on NREM functions
17	Unspecified Consultancies	CCB-NREM	24,000	NREM-related studies/reviews
18	Audit of 2005 Accounts	CCB-NREM	5,000	Cost sharing contribution to harmonized audit
	Danida/CCB-NREM Subtotal		89,000	
19	Support to commune-level water and sanitation	UNICEF	\$ 4,000	Design of training modules for CS watsan projects
	GRAND TOTAL 2006 CONSULTANCY BUDGET		\$647,000	

7 SUMMARY BUDGET TABLE

The following table summarizes the budget for 2006 and comparative figures for 2005, using the budget categories that were used before the introduction of the ATLAS budgeting system. The final PLG Budget for 2006, in Atlas format, is presented as Annex 4.

Table 14: Budget Summary		
Budget Item	2006 Amount	2005 Amount
PLG/UNDP Staff		
International TA	\$ 650,000	\$ 735,000
National TA at National Level	\$ 363,705	\$ 198,150
National TA at Provincial Level	\$ 1,732,815	\$ 1,897,080
Consultancies	\$ 150,000	\$ 200,000
Sub-Total UNDP TA	\$ 2,896,520	\$ 3,030,230
2. National Execution (NEX) by Seila Task Force		
<i>2.1 Investments</i>		
Commune Development Fund	\$ 2,000,000	\$ 2,000,000
Sub-Contract Ratanakiri CNRM	\$ -	\$ 499,357
Sub-Contract Province PIF	\$ 2,804,565	\$ 2,340,456
Nat. Program Support Ministries	\$ 600,000	\$ 450,000
Subtotal for investments	\$ 5,404,565	\$ 5,289,813
<i>2.2 Provincial Program Support</i>		
ExCom Units	\$ 2,736,169	\$ 2,535,177
Operational Costs PLG-Provincial	\$ 506,442	\$ 561,836
Subtotal for Provincial Program Support	\$ 3,242,611	\$ 3,097,013
<i>2.3 National Program Support (STFS Budget)</i>		
STF Staff	\$ 235,110	\$ 327,275
Consultants	\$ 40,000	\$ 70,000
Duty Travel PLG	\$ 45,280	\$ 15,000
Duty Travel STF	\$ 23,150	\$ 41,900
Audit STF	\$ 40,000	\$ 30,000
Operational costs STF	\$ 148,460	\$ 126,192
Local Procurement	\$ 250,000	\$ 166,800
Study Tour / Workshop / Training	\$ 50,000	\$ 30,000
Sundries	\$ 18,000	\$ 16,000
Sub-total for National Program Support	\$ 850,000	\$ 823,167
Sub-Total NEX	\$ 9,497,177	\$ 9,209,993
3. UNDP Direct		
AOS/CO	\$ 460,000	\$ 675,230
Grand Total	\$ 12,853,697	\$ 12,915,453

8 ANNEXES TO THE WORKPLAN

Annex 1 Seila Calendar and Workplan 2006

Annex 1 provides a detailed workplan of the key outputs being undertaken by the Seila program in 2006 and supported by technical advice from PLG.

Annex 2: 2006 Seila Budget

Annex 2 presents tables on the draft 2006 Seila budget in accordance with the budget format included in the Seila Program Document. All 24 provinces/municipalities have submitted their provincial investment plans and the overall 2006 Seila Workplan and Budget is being finalized by the Seila Task Force Secretariat. The budget is presented in terms of investment categories, broken down by province, and Program Support Costs, broken down by commune, province and national level.

Under Provincial Support, the PLG staff and operations budgets are reflected as budgets lines under STFS execution. National program support costs are further broken down by institution, reflecting the resources available to support the annual workplan of that institution; external TA provided through PLG with an estimated breakdown by institution that will receive technical support; and the PLG administration and operations costs.

Annex 3 PLG Staffing Plan 2006

Tables reflecting the PLG and STFS Staffing plan of 2006.

Annex 4 PLG Budget 2006

Tables reflecting the PLG staff budgets for each of the 24 provinces and Phnom Penh and the operations budget for each location are presented. The overall PLG 2006 budget is presented in Atlas format.

ANNEX 1
2006 SEILA CALENDAR AND
WORKPLAN

2006 SEILA ANNUAL CALENDAR

MAJOR EVENTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1. COMMUNE/SANGKAT												
C/S Submission of 2006 Budgets												
2006 C/S Fund Monthly Transfers Commence												
C/S 2005 Budget Closing/reporting												
Training: NREM Mainstreaming (10 provinces)												
Training: Child Rights and Protection (6 provinces)												
Bidding and Signing of 2006 Contracts												
Training: Health Education												
2006 C/S Fund Transfers reach 50 %												
Final update of CIPs/End of mandate CDP evaluations												
Training: Inter-Commune Implementation Procedures												
Training: 150 new CS Clerks												
Training: M&E/Administration/Finance												
2006 C/S Fund Transfers reach 80 %												
Training: Domestic Violence Prevention												
Training: Land Law and Conflict Resolution												
2007 C/S Fund Allocations Announced												
District Integration Workshops												
2006 C/S Fund Transfers reach 100%												
C/S Reflection Workshops/Congresses												
2. PROVINCE/MUNICIPALITY												
2006 STF/PRDC Agreements Signed												
2006 PRDC/Department Contracts Signed												
Approval of 2006 CS budgets												
Implementation of NCSC Training Plan												
Submission of Quarterly Progress/Financial Reports												
Mid-year evaluation of 2006 AWPBs												
Training: Facilitation Skills for PFT/DFT												
National Workshop: Work Plan to Close Seila												
Programming/Preparation of District Integration												
District Integration Workshops												

2006 SEILA PROGRAM ANNUAL WORKPLAN

OUTPUTS AND ACTIVITIES	1	2	3	4	5	6	7	8	9	10	11	12
1.1.4 Planning : Strengthening sub-national planning and programming												
Commune Level (continued)												
Departments/Agencies review priorities and hold DIW preparatory meetings												
District Integration Workshops												
District Level												
Consultations with EC/UNDP project on district planning process												
Mid-term review of Mol District Pilot Program including planning/prioritization process												
Final evaluation of Mol District Pilot Program: lessons learned on planning												
District Integration Workshops Analysis and Dissemination												
Analysis of 2005 CDPD data on local services/investments/preparation of report												
Report prepared and widely disseminated												
Familiarization of National Ministries with District Integration Process												
Provincial Planning												
Review of Provincial Planning as part of IMC Independent Study												
Dialogue on initial work plan for Integrated Provincial Planning/Budgeting Process												
As requested, consultancy on design of Integrated Provincial Planning/Budgeting												
1.1.5 M&E: D&D M&E System												
Review of Provincial Planning as part of IMC Independent Study												
Dialogue/Clarity on initial work plan for future D&D M&E System												
As requested, consultancy to support preparation of M&E System												
1.1.6 MIS Systems Strengthened												
SCD: Documentation/Decisions on future of SCD												
PID: Review/documentation of PID and final institutionalization in Mol												
CDB: Reprogramming of CDB with UNICEF data requests/national updates												
CDPD: Documentation/Decisions on future of software												
Accounting Software: Documentation/Decisions on future use												
Website: Maintenance and completion of Seila Program website												

2006 SEILA PROGRAM ANNUAL WORKPLAN

Component 3: Contribution to Improvement of Policy and Regulations for D&D and Poverty Alleviation												
OUTPUTS AND ACTIVITIES	1	2	3	4	5	6	7	8	9	10	11	12
Output 3.1: Policy contribution for decentralisation, deconcentration and future framework for support to local governance												
3.1.1 Decentralization and Deconcentration:												
Independent Study including review of Seila experience												
Participation in formulation of new national program to support D&D												
Existing D&D management systems reviews/documentation												
Design/implementation of transition work plan for transfer of responsibilities												
Output 3.2: Policy Contribution for Poverty Reduction, NREM and Gender												
3.2.1 Poverty Alleviation												
Implementation of IFAD/RPRP Results and Impact Baseline Survey												
Final documentation on IFAD/ADESS Impact												
Follow up on World Bank/RILG socio-economic baseline survey												
Update of Commune Socio-economic Database												
Design/implementation of District/Khan baseline survey												
3.2.2 NREM												
Mid-term and final evaluations of district-based NREM planning/programming												
Evaluation of policy-related experience as preparation for NRML implementation												
3.2.3 Gender Mainstreaming												
Report on Evaluation of Seila GMS published												
Consultancy on support to MWA for 2006 action plan												
Workshop to review performance to date and agree on final 2006 activities												

2006 SEILA PROGRAM ANNUAL WORKPLAN

Component 4: Closure of Seila Program, Final Documentation and Transfer of Responsibilities and Assets												
OUTPUTS AND ACTIVITIES	1	2	3	4	5	6	7	8	9	10	11	12
Output 4.1: Execution responsibilities for ongoing projects transferred to new lead agencies												
4.1.1 Execution of IFAD/RPRP transferred to Ministry of Agriculture												
Consultations with MAFF leading to work plan for transfer of responsibilities												
Consultations with IFAD on transfer work plan and revisions to loan agreement												
Transfer work plan implemented and completed												
Output 4.2: Support projects completed, documented and assets transferred												
4.1.2 Responsibility for Execution of WB/RILG in 2007 resolved												
Consultations with World Bank on 2007 arrangements												
Final agreement on 2007 arrangements and financing												
Arrangements finalized and established												
4.2.1 PLG Project completed, documented and assets transferred												
Design of final documentation framework and work plan												
Implementation of work plan												
2007 Arrangements for final closure of PLG discussed/agreed with PLG donors												
First draft final documentation completed/ agreement on 2007 work plan to complete												
Decisions on transfer of inventory discussed and agreed between RGC and donors												
Final update of inventory												
Inventory transfer completed												
4.2.2 Danida CCB-NREM Project completed, documented and assets transferred												
Design of final documentation framework and work plan												
Implementation of work plan												
Review 2006 disbursement/estimation of end-year balance/agreement on balance												
Final update of inventory												
Inventory transfer completed												

2006 SEILA PROGRAM ANNUAL WORKPLAN

OUTPUTS AND ACTIVITIES	1	2	3	4	5	6	7	8	9	10	11	12
Output 4.3: Seila Program completed and documented												
4.3.1 Seila Program closed												
Design of work plan for closing program												
National Workshop on Seila Program achievements/legacy												
Event to close the Seila Program												
4.3.2: Seila Program experience fully documented												
Design of final documentation framework and work plan												
Implementation of work plan												
Agreement on location/archiving of Seila documentation center												
Final work on Seila book completed and book launch												

Seila AWPB 2006 Total Resource Availability		
DONOR	AMOUNT	%
Royal Government	11,638,485	25.5%
PLG	12,492,601	27.4%
IFAD	6,730,418	14.8%
World Bank	6,201,000	13.6%
Denmark	3,651,421	8.0%
UNICEF	2,494,876	5.5%
Germany	802,800	1.8%
Australia	358,400	0.8%
Canada	890,522	2.0%
NGO-CONCERN	165,747	0.4%
NGO-GRET	150,000	0.3%
TOTAL	\$45,576,270	100%

ANNEX 2
2006 SEILA BUDGET

Seila AWPB 2006 : National Level Summary Totals

National Institution	Services	Technical Cooperation			Grand Total
		National	Intern'l	Total	
Ministry/Interior-DoLA	270,000	143,000	175,000	318,000	588,000
Min/Finance/Treasury	49,820	14,500	22,000	36,500	86,320
Ministry/Planning	85,000	31,000	38,000	69,000	154,000
Ministry/Rural Development	244,235	20,000	45,800	65,800	310,035
Ministry/Women's-Veterans	98,730	20,700	38,000	58,700	157,430
Ministry/Agriculture	142,095	27,000	75,000	102,000	244,095
Ministry/Water Resources	35,000	2,500	5,200	7,700	42,700
Ministry/Social Affairs	20,000	2,500	0	2,500	22,500
Min/Land Management	43,500	6,400	25,000	31,400	74,900
Min/Environment	20,000	2,000	0	2,000	22,000
Council for Admin Reform	25,000	2,500	0	2,500	27,500
National Audit Authority	10,000	1,600	0	1,600	11,600
Forestry Administration	30,000	1,600	25,000	26,600	56,600
CMAA	5,000	0	0	0	5,000
Other Ministries	20,000	0	0	0	20,000
Reserve	31,500				31,500
STF Secretariat	1,015,544	161,155	541,000	702,155	1,717,699
Consultancies		0	0	436,000	436,000
GRAND TOTAL	\$2,145,424	\$436,455	\$990,000	\$1,862,455	\$4,007,879

Seila AWPB 2006 Budget Summary Against Seila Program Document				
CATEGORY	TOTAL	%	PRODOC BUDGET	INCREASE
1. INVESTMENT				
1.1 Commune	22,000,616	48%	14,829,000	7,171,616
1.2 District	480,000	1%		480,000
1.3 Province	10,313,874	23%	5,875,000	4,438,874
1.4 Ministry Services	1,129,880	2%	0	1,129,880
SUBTOTAL	33,924,370	74%	20,704,000	13,220,370
2. PROGRAM SUPPORT				
2.1 Provincial	4,914,049	11%	2,251,370	2,662,679
2.2 National	1,015,544	2%	600,000	415,544
SUBTOTAL	5,929,593	13%	2,851,370	3,078,223
3. TECHNICAL COOPERATION				
3.1 Provincial	2,986,265	7%		
3.2 National	1,426,455	3%		
3.3 Consultancies	436,000	1%		
SUBTOTAL	4,848,720	11%	1,800,000	3,048,720
RESERVE	873,585			873,585
GRAND TOTAL	\$45,576,270	100%	\$25,355,370	\$19,347,313

ANNEX 3
PLG STAFFING PLAN 2006

PLG STAFFING IN 2006

NAME		PRO	BL	POSITION
Khiev	Sophat	BMC	1702	SPPA
Siv	Seneh	BMC	1702	PPA
Um	Vanneth	BMC	1702	Provincial Finance Advisor
Long	Silux	BMC	1702	Local Administration Advisor
Sou	Somaly	BMC	1702	Local Administration Advisor
Uon	Sophal	BMC	1702	Infrastructure Advisor
6	Grand Total	BANTEAY MEANCHEY		
Kong	Sokuntho	BAT	1702	SPPA
Soun	Seyla	BAT	1702	PPA
Lak Chin	Savath	BAT	1702	Provincial Finance Advisor
Chan	Sothy	BAT	1702	Local Administration Advisor
Yim	Sokkimly	BAT	1702	Local Administration Advisor
Tith	Vath	BAT	1702	Infrastructure Advisor
Hong	Samnang	BAT	1702	Agriculture Advisor
Yim	Samnang	BAT	1702	Agriculture Advisor
8	Grand Total	BATTAMBANG		
Kung	Munichan	KPC	1702	SPPA
Eam	Piseth	KPC	1702	PPA
Sok	Rathpisey	KPC	1702	Provincial Finance Advisor
Kim	Chean	KPC	1702	Local Administration Advisor
Tat	Ny	KPC	1702	Local Administration Advisor
Khiev	Sothy	KPC	1702	Local Administration Advisor
Tauch	Vuthy	KPC	1702	Infrastructure Advisor
Moeun	Chan Sovyses	KPC	1702	Infrastructure Advisor
8	Grand Total	KAMPONG CHAM		
Lath	Ponlok	KCH	1702	SPPA
Yeth	Samen	KCH	1702	Provincial Finance Advisor
Chhun	Singha	KCH	1702	Local Administration Advisor
Keo	ChakRiya	KCH	1702	Local Administration Advisor
Ouk	Kunka	KCH	1702	PPA
Koam	Sothun	KCH	1702	Infrastructure Advisor
6	Grand Total	KAMPONG CHHNANG		
NAME		PRO	BL	POSITION
Chhin	Tepirum	KSP	1702	SPPA
Touch	Savy	KSP	1702	PPA
Nut	Buntha	KSP	1702	Provincial Finance Advisor
Chim	Charanay	KSP	1702	Local Administration Advisor
Kong	Bunthan	KSP	1702	Local Administration Advisor
Keo	Sam Ol	KSP	1702	Infrastructure Advisor
6	Grand Total	KAMPONG SPEU		
Thou	Vannak	KPT	1702	PMA
Srey	Bundoeun	KPT	1702	PPA
2	Grand Total	KAMPONG THOM		
Roeun	Sophanna	KAM	1702	PMA
Kong	Bunna	KAM	1702	PPA
2	Grand Total	KAMPOT		
Ros	Chhay	KDL	1702	SPPA
Lun	Kimhy	KDL	1702	PPA
Kheang	Chanvathana	KDL	1702	Provincial Finance Advisor
Som	Sokha	KDL	1702	Local Administration Advisor
Kong	Phaloeuk	KDL	1702	Local Administration Advisor
Ros	Buntha	KDL	1702	Local Administration Advisor
Chreay	Chamroeun	KDL	1702	Infrastructure Advisor
7	Grand Total	KANDAL		

PLG STAFFING IN 2006

Phoung	Sopheab	KKG	1702	SPPA
Kean	Chamnan	KKG	1702	PPA
El	Iem	KKG	1702	Provincial Finance Advisor
Prum	Vothana	KKG	1702	Local Administration Advisor
Ly	Nara	KKG	1702	Infrastructure Advisor
5	Grand Total	KOH KONG		
Cheap	Sam An	KRT	1702	SPPA
Khem	Yarin	KRT	1702	Planning/M & E Advisor
Svay	Sanbunna	KRT	1702	Provincial Finance Advisor
Chhun	Dy	KRT	1702	Local Administration Advisor
Or	Vibol	KRT	1702	Local Administration Advisor
Phim	Sopheap	KRT	1702	Sector Advisor
Mey	Hout	KRT	1702	Infrastructure Advisor
7	Grand Total	KRATIE		
Prak	Munny	MKR	1702	SPPA
Kongtho	Imarith	MKR	1702	Planning/M & E Advisor
Kheav	Sopheap	MKR	1702	Provincial Finance Advisor
Neth	Chhaya	MKR	1702	Local Administration Advisor
Nouv	Channarin	MKR	1702	Infrastructure Advisor
Sokhan	Savuth	MKR	1702	Sector Advisor
6	Grand Total	MONDOLKIRI		
Ros	Sokha	PNP	1702	SPPA
Lam	Vay	PNP	1702	PAA
Ung	Siri Vong	PNP	1702	Provincial Finance Advisor
Tan	Visal	PNP	1702	Local Administration Advisor
		PNP	1702	Local Administration Advisor
Sam	Ean Sithyut	PNP	1702	Urban Infrastructure Advisor
6	Grand Total	PHNOM PENH		
Tep	Kuntheara	PVR	1702	SPPA
Uy	Romnea	PVR	1702	PPA
Kheng	Khunny	PVR	1702	Provincial Finance Advisor
Chea	Ratana	PVR	1702	Local Administration Advisor
Chea	Savoeun	PVR	1702	Local Administration Advisor
Kong	Sothak	PVR	1702	Infrastructure Advisor
6	Grand Total	PRAEH VIHEAR		
Em	Sokhom	PVG	1702	SPPA
Honn	Hean	PVG	1702	PPA
Eng	Vichetr	PVG	1702	Provincial Finance Advisor
	vacant	PVG	1702	Local Administration Advisor
Bun	Sopheak	PVG	1702	Local Administration Advisor
Um	Muon	PVG	1702	Local Administration Advisor
Noun	Syrath	PVG	1702	Infrastructure Advisor
Sok	Vanna	PVG	1702	Agriculture Advisor
Chou	Cheythyrith	PVG	1702	Agriculture Advisor
9	Grand Total	PREY VENG		
Cheng	Samnang	PUR	1702	SPPA
Ho	Sovannka	PUR	1702	PPA
Houn	Chanpho	PUR	1702	Provincial Finance Advisor
Orm	Sovannavuth	PUR	1702	Local Administration Advisor
Sok	Chandarith	PUR	1702	Infrastructure Advisor
5	Grand Total	PURSAT		

PLG STAFFING IN 2006

Touch	Tonet	RAT	1702	SPPA
Yi	Soktha	RAT	1702	Planning/M & E Advisor
Seth	Sayon	RAT	1702	Provincial Finance Advisor
Neang	Sam Ath	RAT	1702	Local Administration Advisor
Nuth	Samon	RAT	1702	Local Administration Advisor
Moeung	Mounthin	RAT	1702	Infrastructure Advisor
Touch	Lakhena	RAT	1702	Sector Advisor
Chea	Phalla	RAT	1702	NREM Land Advisor
Port	Eav	RAT	1702	NREM GIS Advisor
9	Grand Total	RATANAKIRI		
Nhim	Hak	SRP	1702	SPPA
Nong	Vutha	SRP	1702	PPA
Ung	Bunsay	SRP	1702	Provincial Finance Advisor
Chhun	Sopha	SRP	1702	Local Administration Advisor
Thach	Nary Vichan	SRP	1702	Local Administration Advisor
Uch	Chan Vuthy	SRP	1702	Infrastructure Advisor
6	Grand Total	SIEM REAP		
Yam	Saveung	SHV	1702	SPPA
Hou	Serey Vathana	SHV	1702	PPA
Chann	Veasna	SHV	1702	Provincial Finance Advisor
	vacant	SHV	1702	Local Administration Advisor
Hem	Samott	SHV	1702	Infrastructure Advisor
5	Grand Total	SIHANOUKVILLE		
Chim	Saren	STG	1702	SPPA
Hou	Chhun Eng	STG	1702	PPA
Thin	Makara	STG	1702	Provincial Finance Advisor
Van	Monika	STG	1702	Local Administration Advisor
Ung	Kotaro	STG	1702	Infrastructure Advisor
5	Grand Total	STUNG TRENG		
Seng	Pho	SVR	1702	SPPA
Long	Sopheak	SVR	1702	PPA
Siek	Sorphy	SVR	1702	Provincial Finance Advisor
Hing	Sokunthy	SVR	1702	Local Administration Advisor
Lim	Bun	SVR	1702	Local Administration Advisor
Som	Chandararith	SVR	1702	Infrastructure Advisor
Iech	Thea	SVR	1702	Agriculture Advisor
Suon	Sokheng	SVR	1702	Agriculture Advisor
8	Grand Total	SVAY RIENG		
Sang	Polrith	TAK	1702	SPPA
Dy	Phalla	TAK	1702	PPA
Yin	Phalleap	TAK	1702	Provincial Finance Advisor
Oum	Phynann	TAK	1702	Local Administration Advisor
Un	Samay	TAK	1702	Local Administration Advisor
So	Saran	TAK	1702	Infrastructure Advisor
6	Grand Total	TAKEO		
Phok	Vuthy	OMC	1702	SPPA
Ek	Pranay	OMC	1702	PPA
Sin	Sieth	OMC	1702	Provincial Finance Advisor
Meas	Sam-Onn	OMC	1702	Local Administration Advisor
Heng	Siv	OMC	1702	Infrastructure Advisor
5	Grand Total	OTDAR MEANCHEY		
Leng	Nath	KEP	1702	PMA
Ngin	Sambath	KEP	1702	PPA
2	Grand Total	KEP		
Khiev	Bunroeub	PLN	1702	PMA
Nuoun	Kim Leng	PLN	1702	PPA
2	Grand Total	PAILIN		

Summary of Provincial PLG Posts	
POST TITLE	NUMBER
Senior Provincial Program Adviser	24
Provincial Program Adviser	21
Planning, Monitoring and Evaluation Adviser	3
Finance Adviser	20
Local Administration Adviser	37
Infrastructure Adviser	21
Agriculture Adviser	6
Sector Adviser	3
OTHER	2
TOTAL PLG ADVISERS IN PROVINCES	137

PLG National Staff in Phnom Penh				
NAME		PRO	BL	POSITION
1. Outposted to Ministries				
Toch	PonnPonlok	NAT	1701	Decentralization Advisor
	vacancy	NAT	1701	Deconcentration Advisor
Nhem	Sovanna	NAT	1701	NRE Advisor
Lim	Haing Kry	NAT	1701	MOI/DoLA Training Asst.
Ly	Bunthai	NAT	1701	MOI/DoLA Training Asst.
Douk	Nareth	NAT	1701	M&E/Accountability Asst.
Taing	Nguonly	NAT	1701	IT Advisor
Tes	Dara Un	NAT	1701	Finance Advisor
Mao	Narith	NAT	1701	MAFF Agriculture Advisor
Khiev	Sobunthoen	NAT	1701	MAFF Agriculture Advisor
Thach	Savy	NAT	1701	Fiscal Decentralization Adv.
Tuy	Pheap	NAT	1701	MoP Planning Advisor
Chres	Buntha	NAT	1701	Infrastructure Prog Asst.
13	Subtotal	National Ministries		
2. Seila Task Force Secretariat				
Doung	Vanna	NAT	1701	National Program Advisor
	vacancy	NAT	1701	National Program Advisor
	vacancy			Social Development Advisor
Meng	Sakphouseth	NAT	1701	Loan Portfolio Advisor
Chorn	Sokun	NAT	1701	IT Advisor
Kim	Sokleang	NAT	1701	M & E Assistant
Nget	Sotheara	NAT	1701	Contract Admin. Advisor
Kheou	Sok Eang	NAT	1301	LAN Administrator
Ros	Sarom	NAT	1301	Admin & Personnel Asst.
9	Subtotal	STFS		
22	Grand Total	PHNOM PENH		

PLG INTERNATIONAL ADVISERS			
NAME		NATION	POSITION
Scott	Leiper	American	Senior Program Adviser
Julian	Abrams	British	Program Adviser
Caroline	Rusten	Nowegian	Program Adviser
Edilberto	Angeles	Phillipines	Finance and Admin Adviser
Ung	Dara Rat Moni	France/Cambodia	Agriculture Adviser *

** Part funded by IFAD*

2006 STFS Staff Positions Funded by PLG		
NO	POSITION	INCUMBENT
Secretary General's Office		
1	Secretary General (Part Time)	Chhieng Yanara
2	Assistant Sec. General (Part Time)	Tuon Thavrak
3	IFAD/Project Coordinator *	Leaph Vannden
Program Operations Unit		
1	Chief POU	Keang Sthavuth
2	Head Financial Management	Moeung Serey
3	Financial Management (IFAD FO)*	Kim Phann Phakta
4	Finance Assistant - Provincial	Mey Kosal
5	Finance Assistant - WB loan	Sao Savy
6	Finance Assistant - National WB	Chou Setha
7	Finance Assistant STF/IFAD*	Oum Sothearos
9	Finance Clerk	Kong Sophea
10	Contract Administration Officer	Te Sambor
11	Contract/Personnel Assistant	Phon Sophany
12	Contract Asset Assistant	Lun Lina
13	Administration/Logistic Asst.	Tep Botra
14	Procurement Assistant	Sun Sideth
15	Administrative Clerk	Noun Chamroeun
Policy, Monitoring, Evaluation Unit		
1	Chief PMEU	Kim San
2	Policy and Systems Officer	Moul Phath
3	Info & Public Relation Officer	Sreng Kim Srun
4	Training & Extension Officer	Men Khunrath
5	M&E Officer	Pou Chantry
6	M&E Officer *	Chea Rithy
7	M&E Officer STF/IFAD*	Phok Sam Ath
8	Administration & Library Assist.	Keo Choeun
9	Administrative Clerk/Messenger	Sam Banan
Logistics and Support		
1	Admin and Logistics Assistant	Ly Kalyan
2	Driver	Gniem Vanna
3	Driver	Penn Socheat
4	Driver	Pen Thirith
5	Driver	Nuth Bunthon
6	Driver	Mork Ra
7	Driver	Men Ratha
8	Driver-NREM	Sim Sokchea
9	Driver	Kuth Sarom
10	Driver - RPRP*	Tith Borey
11	Driver/Messenger -Yanara	Ven Kim Seng
12	Cleaner	Chhoun Chhorvy
13	Cleaner	So Sopheap
<i>* Positions partially funded by IFAD</i>		
SUMMARY		Number of positions
1	Secretary General's Office	3
2	Program Operations Unit	15
3	Policy, Monitoring, Evaluation Unit	9
4	Logistics and Support	13
5	Provincial Drivers	31
6	Provincial Office Assistants	24
21	GRAND TOTAL	95

ANALYSIS OF 2006 PLG ADVISORY SERVICES: NATIONAL AND PROVINCIAL LEVELS

PLG ADVISORY SERVICES	Person/Years				Staff Costs			
	Intern'l	National	Province	Total	Intern'l	National	Province	Total
Core Services								
Management/Execution/Partnerships	1.8	1.7	17	20.3	276,000	39,166	375,704	690,870
Planning Systems	0.1	0.5	4	4.2	13,000	10,640	39,240	62,880
Finance Systems	0.2	1	14	15.2	22,000	16,080	151,228	189,308
M&E Systems	0.2	2.8	6	8.7	26,000	52,824	63,134	141,958
Accountability	0.2	1.2	15	16.8	24,000	17,541	191,882	233,423
CS Implementation Systems	0.2	1	19	20.1	26,000	12,375	193,347	231,722
C/S Councils Support	0.2	3.8	36	39.7	40,000	75,469	396,086	511,555
Agriculture	1.0	2	5	8.4	80,000	26,960	58,167	165,127
Sectoral Development			13	13.2	0	0	147,094	147,094
NREM	0.3	1	2	3.1	53,000	21,280	18,414	92,694
Gender/Social Development	0.1	1	2	3.5	13,000	21,280	53,672	87,952
Information Technology		3	4	7.1		36,735	45,499	82,234
STFS-PLG Finance/Administration	0.7	3		3.7	77,000	33,355		110,355
Total	5	22	137	164	650,000	363,705	1,733,465	2,747,170

ANNEX 4
PLG BUDGET 2006
Atlas Format



**United Nations Development Programme
Cambodia**

Year: 2006

Project ID: 00011822 (CMB/01/007)

Project Title: Partnership for Local Governance

Annual Work Plan													
Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget						Year
		Q1	Q2	Q3	Q4		Fund	Donor	Implet.	Account	BD Cat.	Descriptions	
Component 1: Related institutions at all levels strengthened and effectively implementing the decentralized and deconcentrated systems											2006		
Output 1: Technical support for operations at the national level	Activity 1: Provide technical support to decentralisation and deconcentration policy development and training (International staff)	x	x	x	x	- NCSC - Ministries	04000	UNDP	UNOPS	71200	PERINT	50% of 5 long-term resident advisors cost (Net+AOS)	
	Activity56: Provide technical support to decentralisation and deconcentration policy development and training (International staff)	x	x	x	x	- NCSC - Ministries	30000	DFID	UNOPS	71100	PERINT	50% of 5 long-term resident advisors cost (Net+AOS)	
	Activity 2: Provide technical support to national institutions for decentralisation and deconcentration reforms (local staff)	x	x	x	x	- NCSC - Ministries	30000	DFID	UNOPS	71400	SERCT	75% of national level local personnel (Net+AOS)	
	Activity 3: Provide support to national operations	x	x	x	x	STFS	30000	DFID	NEX	72100	SERCT	Support to STF Secretariat operations	542,000
	Activity 4: Provide support to IDRC CNRM research activities in Ratanakiri	x	x	x	x	STFS	30000	IDRC	NEX	74500	MISC	Support to PRDC in Ratanakiri	
Output 2: Support to 10 ministries / national level agencies for decentralisation and deconcentration reforms	Activity 5: Provide support to Mol [C/S Training; C/S M&E; national supervision]	x	x	x	x	Ministry of Interior	30000	DFID	NEX	72100	SERCT	STFS - Mol contract	200,000
	Activity 6: Provide support to MoEF [CSF regulations review and revision; C/S training; Provincial Treasury training; Computerized Accounting System; national supervision]	x	x	x	x	Ministry of Economy and Finance	30000	DFID	NEX	72100	SERCT	STFS - MoEF contract	40,000
	Activity 7: Provide support to MoP [CDB national information system; CIP and DI Process regulations review; national supervision]	x	x	x	x	Ministry of Planning	30000	DFID	NEX	72100	SERCT	STFS - MoP contract	55,000
	Activity 8: Provide support to MRD [CDB national information system; CIP and DI Process regulations review; national supervision]	x	x	x	x	Ministry of Rural Development	30000	DFID	NEX	72100	SERCT	STFS - MRD contract	55,000
	Activity 9: Provide support to MWVA [Gender mainstreaming at province / C/S level; national supervision]	x	x	x	x	Ministry of Women's and Veteran's Affairs	30000	DFID	NEX	72100	SERCT	STFS - MWVA contract	55,000
	Activity 10: Provide support to MAFF [Deconcentrated Provincial Agriculture Planning System review; support to non-IFAD provinces]	x	x	x	x	Ministry of Agriculture, Forestry and Fisheries	30000	DFID	NEX	72100	SERCT	STFS - MAFF contract	30,000

Annual Work Plan													
Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget						
		Q1	Q2	Q3	Q4		Fund	Donor	Implet.	Account	BD Cat.	Descriptions	Year
	Activity 11: Provide support to MoWRAM [Small-scale infrastructure design; monitoring/ strengthening of water user groups]	x	x	x	x	Ministry of Water Resources & Meteorology	30000	DFID	NEX	72100	SERCT	STFS - MoWRAM contract	35,000
	Activity 12: Provide support to MoSALVY [Piloting of new social action guidelines at C/S level in selected provinces]	x	x	x	x	Ministry of Social Affairs	30000	DFID	NEX	72100	SERCT	STFS - MoSALVY contract	16,000
	Activity 13: Provide support to CAR [Formulation of policy lessons from Seila to inform deconcentration policy]	x	x	x	x	Council for Administrative Reform	30000	DFID	NEX	72100	SERCT	STFS - CAR contract	25,000
	Activity 14: Provide support to sector ministries [Specific allocation for building better partnership with one or two sector Ministries]	x	x	x	x	Sector Ministries	30000	DFID	NEX	72100	SERCT	STFS - Ministry contract	89,000
Output 3: Consultancy support to decentralisation, deconcentration and training	Activity 15: Provide consultancy support to Mol/DoLA [Implementation of training plan for C/S Councils, DoLA and POLA]	x	x	x	x	Ministry of Interior / DoLA	04000	UNDP	UNOPS	71200	PERINT	PLG consultancy with DoLA (Net+AOS)	
	Activity 16: Provide consultancy support to IDRC CNRM	x	x	x	x	Ratanakiri IDRC CNRM	30000	IDRC	UNOPS	71200	PERINT	PLG consultancy with Ratanakiri IDRC CNRM (Net+AOS7%)	
	Activity 17: Provide consultancy support to IFAD projects in Seila Program [PSU MAFF, ADESS, RPRP and potentially CIDA]	x	x	x	x	Ministry of Agriculture, Forestry and Fisheries	04000	UNDP	UNOPS	71200	PERINT	PLG consultancy with MAFF (Net+AOS7%)	
Component 2: Efficient and effective services and investments provided for local development													
Output 4: Support to C/S Fund for local development	Activity 18: Transfer of donor support to C/S Fund for local development		x		x	MoEF	30000	DFID	NEX	72100	MISC	Donor contribution to C/S Fund	1,000,000
Output 5: Support to 24 provinces/municipalities for investments, operations and technical support	Activity 19: Provide support in Bantaey Meanchey (BMC)	x	x	x	x	PRDC BMC	30000	DFID	NEX	72100	SERCT	BMC GOV contract	80,000
	Activity 20: Provide support in Battambang (BAT)	x	x	x	x	PRDC BAT	30000	DFID	NEX	72100	SERCT	BAT GOV contract	90,000
	Activity 21: Provide support in Kampong Cham (KPC)	x	x	x	x	PRDC KPC	30000	DFID	NEX	72100	SERCT	KPC GOV contract	118,215
	Activity 22: Provide support in Kampong Chhnang (KCH)	x	x	x	x	PRDC KCH	30000	DFID	NEX	72100	SERCT	KCH GOV contract	80,000
	Activity 23: Provide support in Kampong Speu (KSP)	x	x	x	x	PRDC KSP	30000	DFID	NEX	72100	SERCT	KSP GOV contract	80,000
	Activity 24: Provide support in Kampong Thom (KPT)	x	x	x	x	PRDC KPT	30000	DFID	NEX	72100	SERCT	KPT GOV contract	70,000
	Activity 25: Provide support in Kampot (KAM)	x	x	x	x	PRDC KAM	30000	DFID	NEX	72100	SERCT	KAM GOV contract	70,000
	Activity 26: Provide support in Kandal (KDL)	x	x	x	x	PRDC KDL	30000	DFID	NEX	72100	SERCT	KDL GOV contract	79,120
	Activity 27: Provide support in Koh Kong (KKG)	x	x	x	x	PRDC KKG	30000	DFID	NEX	72100	SERCT	KKG GOV contract	70,000
	Activity 28: Provide support in Kratie (KRT)	x	x	x	x	PRDC KRT	30000	DFID	NEX	72100	SERCT	KRT GOV contract	80,000

Annual Work Plan													
Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget						Year
		Q1	Q2	Q3	Q4		Fund	Donor	Implet.	Account	BD Cat.	Descriptions	
	Activity 29: Provide support in Mondulkiri (MKR)	x	x	x	x	PRDC MKR	30000	DFID	NEX	72100	SERCT	MKR GOV contract	60,000
	Activity 30: Provide support in Phnom Penh (PNP)	x	x	x	x	PRDC PNP	30000	DFID	NEX	72100	SERCT	PNP GOV contract	80,000
	Activity 31: Provide support in Preah Vihear (PVR)	x	x	x	x	PRDC PVR	30000	DFID	NEX	72100	SERCT	PVR GOV contract	80,000
	Activity 32: Provide support in Prey Veng (PVG)	x	x	x	x	PRDC PVG	30000	DFID	NEX	72100	SERCT	PVG GOV contract	80,000
	Activity 33: Provide support in Pursat (PUR)	x	x	x	x	PRDC PUR	30000	DFID	NEX	72100	SERCT	PUR GOV contract	80,000
	Activity 34: Provide support in Ratanakiri (RAT)	x	x	x	x	PRDC RAT	30000	DFID	NEX	72100	SERCT	RAT GOV contract	80,000
	Activity 35: Provide support in Siem Reap (SRP)	x	x	x	x	PRDC SRP	30000	DFID	NEX	72100	SERCT	SRP GOV contract	80,000
	Activity 36: Provide support in Sihanoukville (SHV)	x	x	x	x	PRDC SHV	30000	DFID	NEX	72100	SERCT	SHV GOV contract	70,000
	Activity 37: Provide support in Stung Treng (STG)	x	x	x	x	PRDC STG	30000	DFID	NEX	72100	SERCT	STG GOV contract	60,000
	Activity 38: Provide support in Svay Rieng (SVR)	x	x	x	x	PRDC SVR	30000	DFID	NEX	72100	SERCT	SVR GOV contract	80,000
	Activity 39: Provide support in Takeo (TAK)	x	x	x	x	PRDC TAK	30000	DFID	NEX	72100	SERCT	TAK GOV contract	80,000
	Activity 40: Provide support in Otdar Meanchey (OMC)	x	x	x	x	PRDC OMC	30000	DFID	NEX	72100	SERCT	OMC GOV contract	60,000
	Activity 41: Provide support in Kep (KEP)	x	x	x	x	PRDC KEP	30000	DFID	NEX	72100	SERCT	KEP GOV contract	60,000
	Activity 42: Provide support in Pailin (PLN)	x	x	x	x	PRDC PLN	30000	DFID	NEX	72100	SERCT	PLN GOV contract	60,000
Output 6: Technical support to 24 provinces/municipalities	Activity 43: Provide technical support to 24 provinces/municipalities	x	x	x	x	PRDC in 24 provinces	30000	DFID	UNOPS	71400	SERCT	Local personnel in 24 provinces (Net+AOS 7%)	
	Activity 44: Local personnel in Ratanakiri (NRM activity)	x	x	x	x	PRDC in Ratanakiri	30000	DFID	UNOPS	71400	SERCT	Local personnel in Ratanakiri (Net+AOS 7%)	
	Activity 44: Equipment in Ratanakiri											canceled this activity	
Component 3: Contribution to the improvement of policy and regulations for decentralization, deconcentration and poverty alleviation													
Output 7: Policy support at the national level	Activity 45: Provide policy support for decentralisation and deconcentration reforms (International staff)	x	x	x	x	- NCSC - Ministries	04000	UNDP	UNOPS	71200	PERINT	50% of 5 long-term resident advisors cost (Net+AOS)	
	Activity 45: Support to D & D											moved to activity50	
	Activity 46: Provide policy support to national institutions for decentralisation and deconcentration reforms (local staff)	x	x	x	x	- NCSC - Ministries	30000	DFID	UNOPS	71400	SERCT	25% of national level local personnel (Net+AOS 7%)	
	Activity 47: Audit Fees	x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	74100	MISC	Audit Costs (STF & provincial level)	
	Miscellaneous/sundries	x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	74500	MISC	Miscellaneous/Other Exp.	

Annual Work Plan													
Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget						
		Q1	Q2	Q3	Q4		Fund	Donor	Implet.	Account	BD Cat.	Descriptions	Year
	Activity: 48 Facilities & Administrations (DFID)	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	75100	GMS	Facilities&Adm. (UK/DFID) 3%	219,845
	Activity:49 Facilities & Administrations (CANADA)	x	x	x	x	- NCSC - Ministries	30000	DIRC	NEX	75100	GMS	GMS of CANADA	
	Activity:50 Support to Gov./Donors Working Group on D&D in formulation of strategic Framework (UNDP)	x	x	x	x	-UNDP	04000	UNDP	NEX	71200	PERINT	Support to D&D Framework	
		x	x	x	x	-UNDP	04000	UNDP	NEX	74500	MISC	Other Expenses	
	Activity51: Support to PLG formulation (UNDP)	x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	71200	PERINT	Support to PLG Formulation for Internal staff	
		x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	72100	SERCT	Support to PLG Formulation for National Consultant	
		x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	74500	MISC	Miscellaneous/Other Exp.	
	Activity53: Provision of Personnel Ratanakiri IDRC	x	x	x	x	PRDC in Ratanakiri	30000	IDRC	UNOPS	71400	SERCT	Personnel Ratanakiri	
	Activity52: Miscellaneous/Other Expenses	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	74100	MISC	Miscellaneous/Other Exp.	18,000
	Activity54 Audit Fee	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	74100	MISC	Audit Costs (STF & provincial level)	40,000
	Activity 55: Provision of Local Equipment in 24 Provinces	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	72200	Equip	Local Equipment	250,000
	Activity 57: Support to National Staff	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	71400	SERCT	Local Staff	1,102,820
	Activity 58: International Staff	x	x	x	x	- NCSC - Ministries	04000	UNDP	NEX	71200	PERINT	International staff	500,000
	Activity 59: International Staff	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	71200	PERINT	International staff	150,000
	Activity 60: Consultancies	x	x	x	x	- NCSC - Ministries	30000	DFID	NEX	71200	PERINT	Consultancies	150,000
	GRAND TOTAL												<u>6,400,000</u>



United Nations Development Programme
Cambodia

Year: 2006

Project ID 00011829 (CMB/01/U01)

Project Title: Partnership for Local Governance

Annual Work Plan 2006

Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				2006
		Q1	Q2	Q3	Q4		Fund	Donor	Budget Description		Amount (\$)
Component 1: Related institutions at all levels strengthened and effectively implementing the decentralized and deconcentrated systems											
Output 1: Technical support for operations at the national level	Activity 1: Provide technical support to decentralisation and deconcentration policy development and training (International staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS PERINT	71200	50% of 2 long-term resident advisors cost (Net+AOS8%)
	Activity 2: Provide technical support to national institutions for decentralisation and deconcentration reforms (local staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS PERADM	71400	75% of national level local personnel (Net+AOS8%)
Component 2: Efficient and effective services and investments provided for local development											
Output 2: Support to C/S Fund for local development	Activity 3: Transfer of donor support to C/S Fund for local development		X		X	MoEF	54050	SIDA	NEX SERCT	72100	Donor contribution to C/S Fund
Output 3: Support to 24 provinces/ municipalities for investments, operations and technical support	Activity 4: Provide support in Banteay Meanchey (BMC)	X	X	X	X	PRDC BMC	54050	SIDA	NEX SERCT	72100	BMC GOV contract
	Activity 5: Provide support in Battambang (BAT)	X	X	X	X	PRDC BAT	54050	SIDA	NEX SERCT	72100	BAT GOV contract
	Activity 6: Provide support in Kampong Cham (KPC)	X	X	X	X	PRDC KPC	54050	SIDA	NEX SERCT	72100	KPC GOV contract
	Activity 7: Provide support in Kampong Chhnang (KCH)	X	X	X	X	PRDC KCH	54050	SIDA	NEX SERCT	72100	KCH GOV contract
	Activity 8: Provide support in Kampong Speu (KSP)	X	X	X	X	PRDC KSP	54050	SIDA	NEX SERCT	72100	KSP GOV contract
	Activity 9: Provide support in Kampong Thom (KPT)	X	X	X	X	PRDC KPT	54050	SIDA	NEX SERCT	72100	KPT GOV contract
	Activity 10: Provide support in Kampot (KAM)	X	X	X	X	PRDC KAM	54050	SIDA	NEX SERCT	72100	KAM GOV contract
	Activity 11: Provide support in Kandal (KDL)	X	X	X	X	PRDC KDL	54050	SIDA	NEX SERCT	72100	KDL GOV contract
	Activity 12: Provide support in Koh Kong (KKG)	X	X	X	X	PRDC KKG	54050	SIDA	NEX SERCT	72100	KKG GOV contract
	Activity 13: Provide support in Kratie (KRT)	X	X	X	X	PRDC KRT	54050	SIDA	NEX SERCT	72100	KRT GOV contract
	Activity 14: Provide support in Monduliri (MKR)	X	X	X	X	PRDC MKR	54050	SIDA	NEX SERCT	72100	MKR GOV contract

Annual Work Plan 2006

Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				2006		
		Q1	Q2	Q3	Q4		Fund	Donor	Budget Description		Amount (\$)		
	Activity 15: Provide support in Phnom Penh (PNP)	X	X	X	X	PRDC PNP	54050	SIDA	NEX	SERCT	72100	PNP GOV contract	
	Activity 16: Provide support in Preah Vihear (PVR)	X	X	X	X	PRDC PVR	54050	SIDA	NEX	SERCT	72100	PVR GOV contract	
	Activity 17: Provide support in Prey Veng (PVG)	X	X	X	X	PRDC PVG	54050	SIDA	NEX	SERCT	72100	PVG GOV contract	
	Activity 18: Provide support in Pursat (PUR)	X	X	X	X	PRDC PUR	54050	SIDA	NEX	SERCT	72100	PUR GOV contract	
	Activity 19: Provide support in Ratanakiri (RAT)	X	X	X	X	PRDC RAT	54050	SIDA	NEX	SERCT	72100	RAT GOV contract	
	Activity 20: Provide support in Siem Reap (SRP)	X	X	X	X	PRDC SRP	54050	SIDA	NEX	SERCT	72100	SRP GOV contract	
	Activity 21: Provide support in Sihanoukville (SHV)	X	X	X	X	PRDC SHV	54050	SIDA	NEX	SERCT	72100	SHV GOV contract	
	Activity 22: Provide support in Stung Treng (STG)	X	X	X	X	PRDC STG	54050	SIDA	NEX	SERCT	72100	STG GOV contract	
	Activity 23: Provide support in Svay Rieng (SVR)	X	X	X	X	PRDC SVR	54050	SIDA	NEX	SERCT	72100	SVR GOV contract	
	Activity 24: Provide support in Takeo (TAK)	X	X	X	X	PRDC TAK	54050	SIDA	NEX	SERCT	72100	TAK GOV contract	
	Activity 25: Provide support in Otdar Meanchey (OMC)	X	X	X	X	PRDC OMC	54050	SIDA	NEX	SERCT	72100	OMC GOV contract	
	Activity 26: Provide support in Kep (KEP)	X	X	X	X	PRDC KEP	54050	SIDA	NEX	SERCT	72100	KEP GOV contract	
	Activity 27: Provide support in Pailin (PLN)	X	X	X	X	PRDC PLN	54050	SIDA	NEX	SERCT	72100	PLN GOV contract	
Output 4: Technical support to 24 provinces/ municipalities	Activity 28: Provide technical support to 24 provinces/municipalities	X	X	X	X	PRDC in 24 provinces	54050	SIDA	U NOPS	PERLOC	71400	Local personnel in 24 provinces (Net+AOS8%)	
Component 3: Contribution to the improvement of policy and regulations for decentralization, deconcentration and poverty alleviation													
Output 5: Policy support at the national level	Activity 29: Provide policy support for decentralisation and deconcentration reforms (International staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS	PERINT	71400	50% of 2 long-term resident advisors cost (Net+AOS8%)	
	Activity 30: Provide policy support to national institutions for decentralisation and deconcentration reforms (local staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS	PERLOC	71300	25% of national level local personnel (Net+AOS8%)	
	Activity 68: Provide policy support to national institutions for decentralisation and deconcentration reforms (local staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	NEX	PERLOC	71300	National Staff	
	Activity 31: Agency support cost/ Miscellaneous	X	X	X	X		54050	SIDA	NEX	MISC	74500		
	Activity 32: Facilities and Administration Cost (GMS) (5%)	X	X	X	X		54050	SIDA	NEX	GMS	75100	Implementation support cost	

Annual Work Plan 2006

Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				2006	
		Q1	Q2	Q3	Q4		Fund	Donor	Budget Description		Amount (\$)	
Component 1: Related institutions at all levels strengthened and effectively implementing the decentralized and deconcentrated systems												
Output 1: Technical support for operations at the national level	Activity 33: Provide technical support to decentralisation and deconcentration policy development and training (International staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS	PERINT	71200	50% of 2 long-term resident advisors cost (Net+AOS8%)
	Activity 34: Provide technical support to national institutions for decentralisation and deconcentration reforms (local staff)	X	X	X	X	- NCSC - Ministries	54050	SIDA	UNOPS	SERCT	71400	75% of national level local personnel (Net+AOS8%)
Component 2: Efficient and effective services and investments provided for local development												
Output 2: Support to C/S Fund for local development	Activity35: Transfer of donor support to C/S Fund for local development		X		X	MoEF	54050	SIDA	NEX	SERCT	72100	Donor contribution to C/S Fund
Output 3: Support to 24 provinces/ municipalities for investments, operations and technical support	Activity36: Provide support in Bantaey Meanchey (BMC)	X	X	X	X	PRDC BMC	54050	SIDA	NEX	SERCT	72100	BMC GOV contract
	Activity37: Provide support in Battambang (BAT)	X	X	X	X	PRDC BAT	54050	SIDA	NEX	SERCT	72100	BAT GOV contract
	Activity38: Provide support in Kampong Cham (KPC)	X	X	X	X	PRDC KPC	54050	SIDA	NEX	SERCT	72100	KPC GOV contract
	Activity39: Provide support in Kampong Chhnang (KCH)	X	X	X	X	PRDC KCH	54050	SIDA	NEX	SERCT	72100	KCH GOV contract
	Activity40: Provide support in Kampong Speu (KSP)	X	X	X	X	PRDC KSP	54050	SIDA	NEX	SERCT	72100	KSP GOV contract
	Activity41: Provide support in Kampong Thom (KPT)	X	X	X	X	PRDC KPT	54050	SIDA	NEX	SERCT	72100	KPT GOV contract
	Activity42: Provide support in Kampot (KAM)	X	X	X	X	PRDC KAM	54050	SIDA	NEX	SERCT	72100	KAM GOV contract
	Activity43: Provide support in Kandal (KDL)	X	X	X	X	PRDC KDL	54050	SIDA	NEX	SERCT	72100	KDL GOV contract
	Activity44: Provide support in Koh Kong (KKG)	X	X	X	X	PRDC KKG	54050	SIDA	NEX	SERCT	72100	KKG GOV contract
	Activity45: Provide support in Kratie (KRT)	X	X	X	X	PRDC KRT	54050	SIDA	NEX	SERCT	72100	KRT GOV contract
	Activity 46: Provide support in Monduliri (MKR)	X	X	X	X	PRDC MKR	54050	SIDA	NEX	SERCT	72100	MKR GOV contract
	Activity47: Provide support in Phnom Penh (PNP)	X	X	X	X	PRDC PNP	54050	SIDA	NEX	SERCT	72100	PNP GOV contract
	Activity48: Provide support in Preah Vihear (PVR)	X	X	X	X	PRDC PVR	54050	SIDA	NEX	SERCT	72100	PVR GOV contract
	Activity49: Provide support in Prey Veng (PVG)	X	X	X	X	PRDC PVG	54050	SIDA	NEX	SERCT	72100	PVG GOV contract
	Activity50: Provide support in Pursat (PUR)	X	X	X	X	PRDC PUR	54050	SIDA	NEX	SERCT	72100	PUR GOV contract

Annual Work Plan 2006

Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				2006		
		Q1	Q2	Q3	Q4		Fund	Donor	Budget Description		Amount (\$)		
	Activity51: Provide support in Ratanakiri (RAT)	x	x	x	x	PRDC RAT	54050	SIDA	NEX	SERCT	72100	RAT GOV contract	125,862
	Activity52: Provide support in Siem Reap (SRP)	x	x	x	x	PRDC SRP	54050	SIDA	NEX	SERCT	72100	SRP GOV contract	241,155
	Activity53: Provide support in Sihanoukville (SHV)	x	x	x	x	PRDC SHV	54050	SIDA	NEX	SERCT	72100	SHV GOV contract	116,330
	Activity54: Provide support in Stung Treng (STG)	x	x	x	x	PRDC STG	54050	SIDA	NEX	SERCT	72100	STG GOV contract	133,570
	Activity55: Provide support in Svay Rieng (SVR)	x	x	x	x	PRDC SVR	54050	SIDA	NEX	SERCT	72100	SVR GOV contract	105,992
	Activity56: Provide support in Takeo (TAK)	x	x	x	x	PRDC TAK	54050	SIDA	NEX	SERCT	72100	TAK GOV contract	271,246
	Activity57: Provide support in Otdar Meanchey (OMC)	x	x	x	x	PRDC OMC	54050	SIDA	NEX	SERCT	72100	OMC GOV contract	119,719
	Activity58: Provide support in Kep (KEP)	x	x	x	x	PRDC KEP	54050	SIDA	NEX	SERCT	72100	KEP GOV contract	58,869
	Activity59: Provide support in Pailin (PLN)	x	x	x	x	PRDC PLN	54050	SIDA	NEX	SERCT	72100	PLN GOV contract	77,306
Output 4: Technical support to 24 provinces/ municipalities	Activity60: Provide technical support to 24 provinces/municipalities	x	x	x	x	PRDC in 24 provinces	54050	SIDA	UNOPS	SERCT	71400	Local personnel in 24 provinces (Net+AOS8%)	

Component 3: Contribution to the improvement of policy and regulations for decentralization, deconcentration and poverty alleviation

Output 5: Policy support at the national level	Activity61: Provide policy support for decentralisation and deconcentration reforms (International staff)	x	x	x	x	- NCSC - Ministries	54050	SIDA	UNOPS	PERINT	71200	50% of 2 long-term resident advisors cost (Net+AOS8%)	
	Activity62: Provide policy support to national institutions for decentralisation and deconcentration reforms (local staff)	x	x	x	x	- NCSC - Ministries	54050	SIDA	UNOPS	PERLOC	71300	Local personnel (Net+AOS8%)	
	Activity63: Agency support cost/ Miscellaneous	x	x	x	x		54050	SIDA	NEX	MISC	74500	MISC and Sundries expenses UNDP/PLG	20,000
	Activity64: Facilities and Administration Cost (GMS) (5%)	x	x	x	x		54050	SIDA	NEX	GMS	75100	Implementation support cost	
SUB - TOTAL													

	Activity65: Support to D & D Framework	x	x	x	x		54050	SIDA	NEX	PERINT	71200	International Advisors for D & D Framework implemt. By UNDP.	
							54050	SIDA	NEX	PERLOC	71300	National Consult. Tech.	

Annual Work Plan 2006

Expected Output	Key Activities	Timeframe				Resp. Partner	Planned Budget				2006		
		Q1	Q2	Q3	Q4		Fund	Donor	Budget Description		Amount (\$)		
						54050	SIDA	NEX	TRAV	71600	Travel cost, meeting,		
						54050	SIDA	NEX	MISS	74500	Other Expenses		
	Activity66: Facilities and Administration Cost (GMS) (6%)	x	x	x	x	54050	SIDA	NEX	GMS	75100	Implementation support cost	365,304	
	Activity67: Provide policy support to national institutions for decentralisation and deconcentration reforms (local	x	x	x	x	- NCSC - Ministries	54050	SIDA	NEX	PERLOC	71300	Local personnel	982,000
SUB- TOTAL											<u>6,453,697</u>		