

**Independent Study of Donor Support
for Decentralization and Deconcentration (D&D)**

**Current Donor Support
to Decentralization & Deconcentration (D&D) –
A Mapping Exercise**

**Phnom Penh, Cambodia
April 2006**

This report compiles and analyses data for currently ongoing and planned donor-supported activities in the D&D area, and looks at disbursement pattern since 2002. The authors would like to thank all development partners for providing and cross-checking information. The assistance from the UNDP-supported Aid Coordination Unit at CDC (Mr. Saram Channarith) merits special mentioning. The report was prepared by Rainer Rohdewohld with assistance from Anja Gaentzsch. The CDC data used was updated on 26 January 2006 from the website <<http://cdc.khmer.biz/>>.

The views expressed in this draft report are those of the authors and do not necessarily represent the views of the Royal Government of Cambodia or of the agencies funding the implementation of the Independent Study.

List of Abbreviations

ADB	Asian Development
AusAID	Australian International Aid Agency
BMZ	Federal Ministry of Economic Cooperation and Development (Germany)
CAR	Council for Administrative Reform
CDC	Council for the Development of Cambodia
CIDA	Canadian International Development Agency
CMAA	Council for Mine Affected Areas
DANIDA	Danish International Development Agency
DCR	Development Cooperation Report
DfAE	Department for Agricultural Extension
DFID	Department for International Development (UK)
DOLA	Department of Local Administration
EU	European Union
FTC	Free-standing Technical Cooperation
GTZ	German Agency for Technical Cooperation
IFAD	International Fund for Agricultural Development
IFI	International Financial Institutions
IPA	Investment Project Assistance
ITC	Investment-related Technical Cooperation
LMA	Land Management Programme
MoAFF	Ministry of Agriculture, Forestry and Fisheries
MoE	Ministry of Environment
MoEF	Ministry of Economy and Finance
MoFA&IC	Ministry of Foreign Affairs and International Cooperation
MoI	Ministry of Interior
MoIME	Ministry of Industry, Mines and Energy
MoLMUPC	Ministry of Land Management, Urban Planning and Construction
MoP	Ministry of Planning
MoPWT	Ministry of Public Works and Transport
MoRD	Ministry of Rural Development
MoWA	Ministry of Women's Affairs
PBA	Programme/Budget Aid
PRDC	Provincial Rural Development Council
RGC	Royal Government of Cambodia
SIDA	Swedish International Development Agency
UNCDF	UN Capital Development Fund
UNDP	UN Development Programme
UNICEF	UN Children's Fund
USAID	US Agency for International Development

1. Background

Following the approval by the Council of Ministers in June 2005 of the *Strategic Framework for Decentralization and Deconcentration*, the Deputy Prime Minister and Co-Minister of Interior, H.E. Sar Kheng informed donors that in exercising its responsibilities the Ministry must have an authoritative understanding and choice of options for best ensuring the sustainable support of all donors for the implementation of the Organic Laws and for the long-term development of the D&D policy. Accordingly the Ministry of Interior - through the IMC Task Force – would commission an independent study of these issues by international experts who will report to the IMC Task Force. The study, in the purpose of identifying approaches for further implementation, would cover a comparative review of donor support for decentralization and deconcentration, including all funding programs; institutional arrangements for funding; funding mechanisms, and SEILA.

In September 2005, GTZ was appointed by arrangement between the Chairperson of the IMC Task Force and the Federal Republic of Germany to facilitate the organization and conduct of the independent study. A core team of two experts conducted the study between 14 February and 7 April 2006.

This compilation and analysis of existing and planned donor support to decentralization and deconcentration, and of disbursement pattern for the period 2002-2005 provides an empirical overview of the current donor D&D portfolio as a preliminary input for the study team and the IMC Task Force, and for facilitating the debate between the Government and the donor community. Using data from the 2003 Development Cooperation Report (DCR), data for the 2004 DCR as available from the CDC, plus information provided directly by the development partners, the report outlines the present size and composition of the donor support provided for decentralization and deconcentration in Cambodia. It analyses the composition of such support pertaining to terms and types of foreign assistance, and looks at issues of regional distribution. An attempt was made to also capture future support for D&D, however the data received are rather sketchy and probably not sufficiently comprehensive to provide a full overview of pending and pipeline programmes of development partners. The report furthermore presents disbursement of D&D support in the 2002 – 2005 period.

The structure of the report is as follows: Chapter 2 provides some technical notes on the data used, terminology and categories of external assistance, and the approach utilized to identify those donor activities which are regarded as supporting decentralization and deconcentration. Chapter 3 contains the main body of data both regarding the entire portfolio of activities as of December 2005 and the disbursement of funds in D&D between 2002 and 2005. The analysis looks at sources and composition of funds, the types and terms of assistance, and the distribution of activities across the five categories. Using general ODA data of the 2002/2003 DCR, the report also looks at the regional distribution of ODA. Chapter 4 summarises conclusions from the data analysis and formulates recommendations for Government policy makers and the donor community.

Annex 1 provides the compilation of donor programmes in D&D, i.e. the D&D portfolio as of December 2005. Annex 2 summarises disbursement in D&D in the years 2002 – 2005, listing both completed and ongoing activities. Annex 3 analyses information from the 2003 DCR regarding the geographical distribution of ODA. Annex 4 and 5 provide the DCR sector classification and the international definitions of types and terms of foreign assistance. Annex 6 contains some notes and comments on the database used by CDC.

2. Some technical explanations

Data were collected between November 2005 and January 2006, and reflect the status of donor support to D&D as of December 2005. Activities listed in Annex 1 are grouped in two major categories:

- the category “*ongoing/committed*” comprises of (1) donor activities which are being implemented as of December 2005, (2) donor activities where a formal commitment on the donor side has been made (e.g. as a result of government negotiations), and/or a formal agreement between the Royal Government and the donor has been concluded as of December 2005.
- the category “*planned/pipeline*” includes those activities where donors have tentatively earmarked resources, however there is neither a formal commitment from the donor side nor has a formal agreement with the government been signed yet. These activities are included if and as reported by the respective funding agencies.

The following data sources were used to compile information:

- data for the Development Cooperation Report 2004 available from the CDC website¹
- data from the 2002/2003 DCR
- information obtained from the database established by the Konrad-Adenauer-Foundation in October 2005
- Print and electronic media (like donor websites)
- information obtained directly from embassies and agencies.

A major problem in collecting the data was to define precisely what kind of activities would qualify as “D&D activities”. The classification system used by CDC for the regular Development Cooperation Report does not include “Decentralization” or “Deconcentration” as specific sectors (see Annex 4 for the CDC sector definitions). Two sectors used by CDC would appear to be closely related to D&D: “development administration” (which includes e.g. public administration reform, of which the D&D process constitutes a major component), and “area development” (which covers e.g. integrated rural development and regional planning). However, D&D-related activities supported by donor funds can also be identified in sectors like natural resources, education, health, agriculture, and social development. The sector “economic management” can also be relevant if there are activities dealing with fiscal decentralization and tax arrangements.

Five categories were used to determine whether a project/programme would qualify as “D&D support”:

- (1) the activity is linked to the formulation, implementation and management of D&D policies at the national level (like policy formulation support, support to legal drafting, support to the management of the D&D process by individual RGC agencies and/or inter-ministerial bodies, M&E of decentralization policies) (Category D1),
- (2) the activity is linked to the implementation of decentralization (i.e. the focus is on supporting the commune/sangkat level) (like improving planning and budgeting processes of commune councils, training of councillors, provision of technical and material infrastructure) (Category D2)
- (3) the activity is linked to the implementation of deconcentration (provision of public services by regional units of national government agencies), i.e. it focuses on aspects like strengthening the technical and managerial capacities of deconcentrated government units, improvement of horizontal planning and programming, provision of

¹<<http://cdc.khmer.biz/>>. Download on 26 January 2006.

- investment and operational funds for deconcentrated units (Category D3),
- (4) the activity supports sectoral issues of D&D processes at the national level (like the adjustment of sectoral programmes and institutions) (Category D4), and
- (5) other activities related to decentralization and deconcentration (like raising people's awareness of the D&D process, involvement of civil society organisations, media training, strengthening of D&D research capacities) (Category D5).

The reporting unit used in this report is the donor country or donor agency providing funds of external assistance, irrespective of whether such support is being implemented by national or international government agencies, national NGOs or international NGOs. In some cases, project and programme names are listed more than once because funding for these activities comes from two or more funding sources.

The following data were compiled for each activity:

- Name of donor (country, agency)
- Name of activity (project, programme)
- Donor identification number (if available)
- Funds committed/earmarked
- Duration of support
- Geographical location of implementation (nationwide/individual provinces)
- Key areas of intervention
- RGC executing agency
- Specific Government programme supported by this activity (if applicable)
- Category (D1-D5)
- Type of assistance (based on the international classification, see Annex 4), and
- Terms of assistance (Grants/Concessional loans).

The data collected reflect only official development assistance funded by bilateral donors and multilateral organisations. D&D-related activities of international NGOs are not included if funded by own resources; otherwise they are listed under the respective donor (country or multilateral organisation). While Annex 1 includes short descriptions of each activity including their regional focus, there is no breakdown of donor funds by provinces as this information is sketchy. Caution is also required in interpreting the disbursement data shown in Annex 2 as the table might not list all activities which would rightly qualify as D&D support for the period before December 2005. Data of 2005 disbursement was still incomplete for some of the bilateral assistance as of January 2006. Annex 1 furthermore indicates the RGC agencies and bodies receiving assistance, but there are no precise figures available on fund allocations to an individual agency.

3. Summary and analysis of available data

3.1 Overall D&D Portfolio

As of December 2005, the portfolio of donor support to D&D consisted of around 50 projects and programmes with a total volume of investment of USD 460.1 million. International financial institutions have committed USD 178.24 million (= 38.7 percent of the portfolio), while multilateral organisations contribute USD 71.5 million (= 15.5 percent). The largest portion of the D&D portfolio comes from bilateral donors, which have committed USD 210.76 million USD (= 45.8 percent) (see Table 1). The World Bank is clearly the largest single donor in the D&D field with a total commitment of USD 86.2 million, followed by the ADB with a portfolio of USD 53.2 million. From the bilateral donors, UK and Denmark have the largest share, followed by Sweden and Germany. Taken together, these four bilateral donors alone have committed more than USD 157 million (34.3 percent) to the decentralization and deconcentration area.

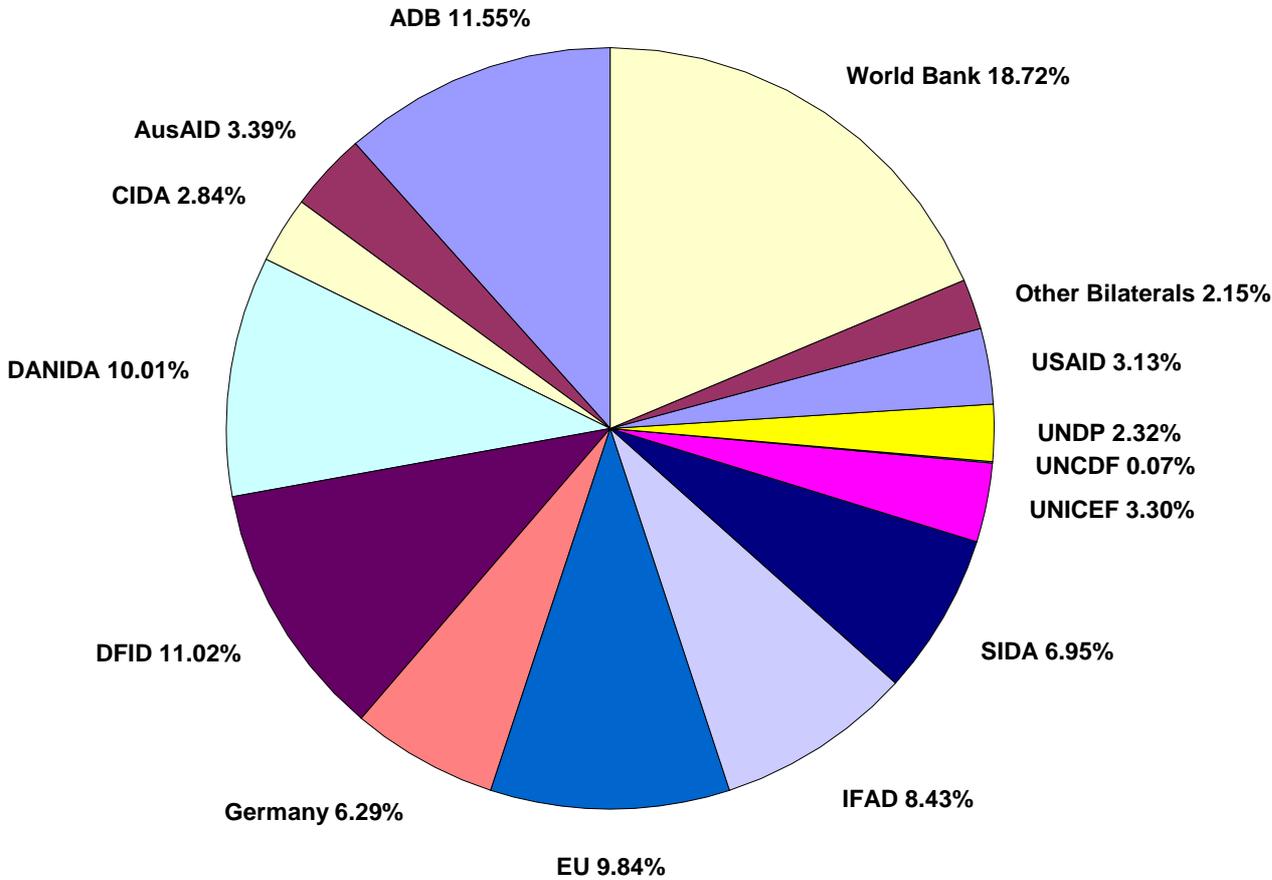
Table 1: Donor Portfolio in D&D (Dec. 2005)

<i>Donor</i>	<i>Ongoing/Committed</i>		<i>Pipeline/Not yet committed</i>	
	Funds committed	In percent	Number of activities	Funds earmarked
ADB	53,200,000	11.55		
Australia (AusAID)	15,607,000	3.39		
Belgium	654,000	0.14		
Canada (CIDA)	13,082,750	2.84		
Denmark (DANIDA)	46,072,500	10.01		
UK (DFID)	50,761,260	11.02		
EU	45,314,020	9.84		
Finland	3,500,000	0.76		
France	2,482,752	0.54		
Germany	28,962,582	6.29	1	0
IFAD	38,840,000	8.43		
Netherlands	2,825,000	0.61		
New Zealand	312,000	0.07		
Sweden (SIDA)	31,989,500	6.95		
Switzerland	107,000	0.02		
UNICEF	15,200,000	3.3	1	16,300,000
UNCDF	300,000	0.07		
UNDP	10,677,500	2.32		
UNFPA	-	-	1	5,000,000
USAID	14,400,000	3.13		
World Bank	86,200,000	18.72	1	15,000,000
Total	460,487,864	100	4	36,300,000

Source: Annex 1

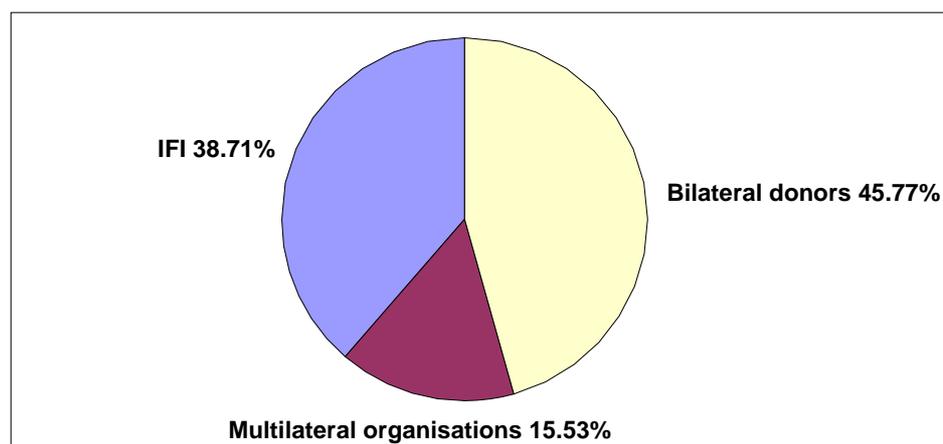
The information on planned activities and funds earmarked for the future is sketchy, with only four activities reported comprising a total volume of USD 36.3 million. However, it is rather unlikely that this represents the real pipeline of future donor support in D&D after 2006: new programmes have not been designed yet in detail because of uncertainties about details of the emerging D&D policies and their accompanying government programme(s), and experience shows that donors are often reluctant to supply concrete data on potential but yet unspecified future commitments.

Figure 1: D&D Portfolio (By Donor) (Dec. 2005)



Source: Annex 1

Figure 2: D&D Portfolio (By Type of Donor) (Dec. 2005)



Source: Annex 1

3.2 Terms and Type of D&D Support

Nearly two-third of the D&D portfolio consists of grants, amounting to USD 282.7 million (61.4 percent). Concessional loans from the IFI amount to USD 177.84 (= 38.6 percent). These figures reflect a higher proportion of loan-funding activities in D&D compared with the overall composition of ODA in 1999-2003 (see Table 2).

Table 2: Terms of Assistance

	<i>ODA (1999-2003)</i>	<i>D&D (2005)</i>
Grants	77.5	61.38
Concessional loans	26.5	38.62

Source: DCR 2003 (p.15); Annex 1

From the six types of external assistance commonly used (see Annex 3), only four types have been reported in the context of D&D support in Cambodia: Free-Standing Technical Cooperation (FTC), Investment-related Technical Cooperation (ITC), Investment Project Assistance (IPA) and Programme/ Budgetary Aid (PBA) (see Fig. 4). The vast majority of D&D assistance comes either as Free-Standing Technical Assistance (USD 192.96 million, 41.9 percent) or as Investment Project Assistance (USD 256.1 million, 55.6 percent). Investment-related Technical Cooperation accounts for USD 7.69 million (= 1.7 percent)². Only one activity has been reported as Programme/Budgetary Aid³, with a volume of USD 3.71 million (= 0.8 percent). Compared to the overall aid in the 1999-2003 period, IPA has become significantly more important for the 2005 D&D portfolio, while PBA is still a very small proportion of D&D support.

²For instance the forestry and NREM related activities funded by Denmark are reported as ITC; see Annex 1

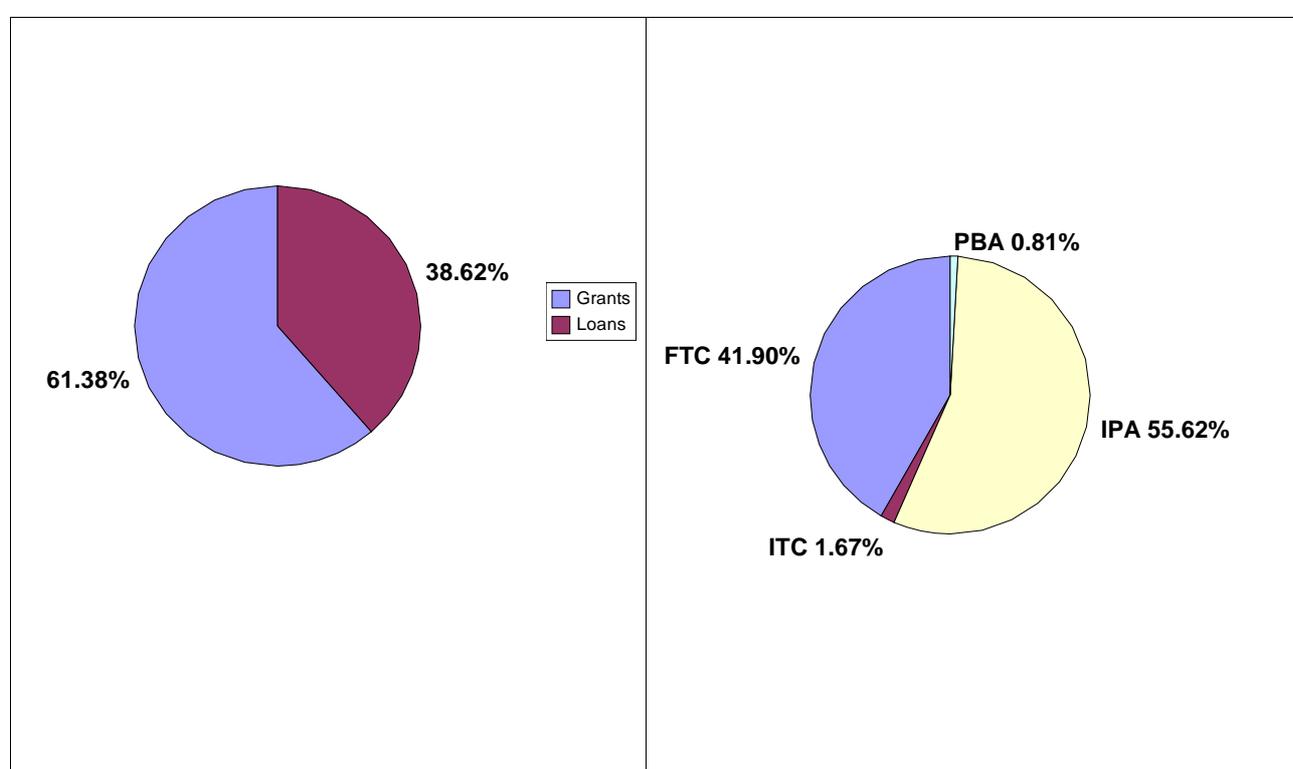
³SIDA's contribution to the ADB Commune Council Development Project; see Annex 1.

Table 3: Type of Assistance

	<i>ODA (1999-2003)</i>	<i>D&D (2005)</i>
Free-Standing Technical Cooperation (FTC)	44.1%	41.9
Investment-Related Technical Cooperation (ITC)	6.2%	1.7
Investment Project Assistance (IPA)	34.0%	55.6
Programme/Budgetary Aid (PBA)	7.9%	0.8
Food Aid (FOA)	7.0%	-
Emergency Relief (ERA)	-	-

Source: DCR 2003 (p.18); Annex 1

Figure 3: Terms and Types of D&D Assistance (Dec 2005)



Source: Annex 1

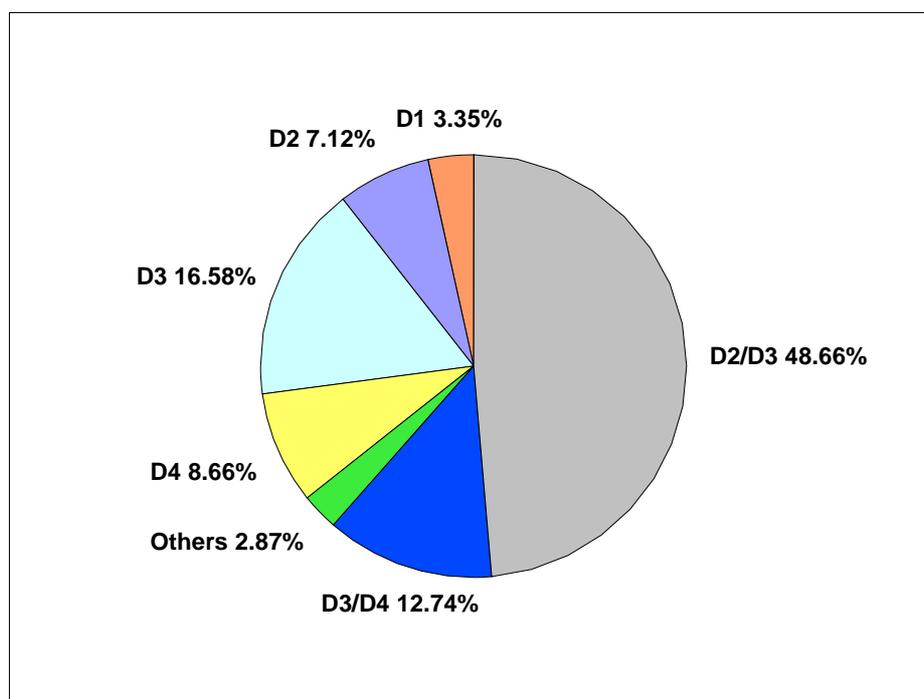
3.4 Categories of D&D Support

An attempt was made to categorize donor support to D&D using the five criteria defined above (see Chapter 2). When analysing the available information, it became obvious that in many cases the allocation of an activity to only one category would be misleading as often projects and programmes cover several levels of administration and/or include several dimensions of assistance. Therefore combinations of categories (like *D2/D3*, *D3/D4*) were used as well, and as can be seen from the data the majority of donor commitments fall into these combinations of categories.

Figure 4 shows that nearly half of the donor support in D&D falls into the category *D2/D3*, i.e. a combination of support to decentralization (=commune/sangkat level) and support to deconcentrated administration at the provincial and district level. Among others, the rural development-oriented activities can be found here, which usually involve more than one level of sub-national administration. In total, USD 224.1 million of donor-support to D&D (48.7 percent) is earmarked for this category, which includes several of the IFI-funded activities but also a substantial number of activities funded by bilateral donors. Relatively little funds are committed to the category *D1*, i.e. decentralization and deconcentration support at the policy level (USD 15.4 million, 3.4 percent). Key activities here are UNDP's *Support to Decentralization Project* (which receives substantial contributions from several bilateral donors) and the GTZ-assisted *Administration Reform and Decentralization Project* (ARDP). Considering that Cambodia's decentralization and deconcentration policy is currently undergoing substantial development, it seems a bit surprising that not more funds are channelled into this type of policy support.⁴ The *D2*-category (support to the commune/sangkat level) accounts for USD 32.8 million (= 7.1 percent) of donor funds. The most prominent example is the *Commune Council Development Project* with funding from ADB, the Netherlands and Sweden. However, substantial resources from the *D2/D3*- category go into supporting the commune level as well.

The category *D3*, indicating a support to deconcentration at district and provincial level, receives a fair share of donor support with USD 76.36 million (= 16.6 percent). Surprisingly, donors have not reported D&D activities in the health and education sectors which otherwise could be assumed to be key recipients of sectoral donor support channelled to (and through) deconcentrated units of the respective sectoral agencies.

Figure 4: D&D Portfolio (By Category) (Dec. 2005)



Source: Annex 1 (see Chapter 2 for explanation of categories)

⁴Not included in the *D1*-category but clearly an activity with important spill-over effects into the policy arena is the *Partnership for Local Governance*, one of the main support vehicles to the SEILA programme. For instance PLG resources were used in 2005 to provide support to the formulation of the June 2005 *Strategic Framework on Decentralization and Deconcentration Reforms*.

3.5 Institutional Linkages

D&D support activities are being implemented in cooperation with a wide range of national-level government agencies. Ministry of Interior (including its Department of Local Administration/DOLA), Ministry of Economy and Finance (MEF), and the CDC/Seila Task Force are listed repeatedly as responsible government agencies or executing agencies for donor support. There is also a wide range of sectoral agencies involved, mainly the Ministry of Agriculture, Fisheries and Forestry (MAFF), the Ministry of Rural Development, and the Ministry of Land Management, Urban Planning and Construction. As an interdepartmental body, the National Committee for Commune/Sangkat Support (NCSC) plays an important role in several programmes.

3.6 Alignment with Government Programmes

One of the key features of the declared policies on harmonization and aid effectiveness is the alignment of donor-funded activities with Government programmes in the recipient country. Regarding D&D support in Cambodia, activities taking place under the Seila framework and those dealing with land management issues are already aligned with a clearly defined government programme⁵. The CDC data includes reference to what is termed “major sectors/thematic programmes”, but the definition of these terms is not quite clear.⁶ Most of the activities listed in Annex 1 are not aligned with a specific Government programme.

3.6 D&D Support and the Sectors

The information in Annex 1 does not show a sectoral allocation of donor support to decentralization and deconcentration. It might be helpful to keep in mind that the 2003 DCR highlighted declining ODA (both in volume and as a share of total ODA) in two sectors which were regarded as crucial for D&D, i.e. “area/rural development” and “development administration”: while in 2000 the sector “area development” accounted for USD 67.3 million (14.4 percent of total ODA), in 2003 it accounted only for USD 44.6 million (8.2 percent). Similarly, in 2000 the sector “development administration” accounted for USD 33.4 million (8.7 %), but for only USD 25 million (4.6 percent) in 2003.⁷ It remains to be seen whether this trend is confirmed in the forthcoming DCR.

3.7 Regional distribution of ODA and Equal Access to Donor Funding

The data of Annex 1 do not allow for an assessment of D&D donor funds available to each of the provinces. Therefore no conclusion can be made yet whether current D&D donor support ensures equal access of the regions to external resources. As a proxy it is worthwhile to take a look at the findings of the 2003 Development Cooperation Report for the total ODA disbursement: the largest proportion of total donor funding reported in the 2003 DCR was spent at sub-national level: out of a total disbursement of USD 545.8 million, USD 255.5 million (46.9 percent) were spent in the provinces (that is, at provincial, district or commune level). USD 178.4 million (32.6 percent) were utilized for nation-wide programmes, and regarding another USD 111.9 million (20.5 percent) the level of disbursement was not specified. While the significant proportion of donor programmes targeting sub-national levels is evidence of their concern for regional/sub-national social and economic development, the 2003 DCR figures also indicate alarming regional inequalities in accessing donor funds (see Annex 3): Based on data from the 2003 DCR and the

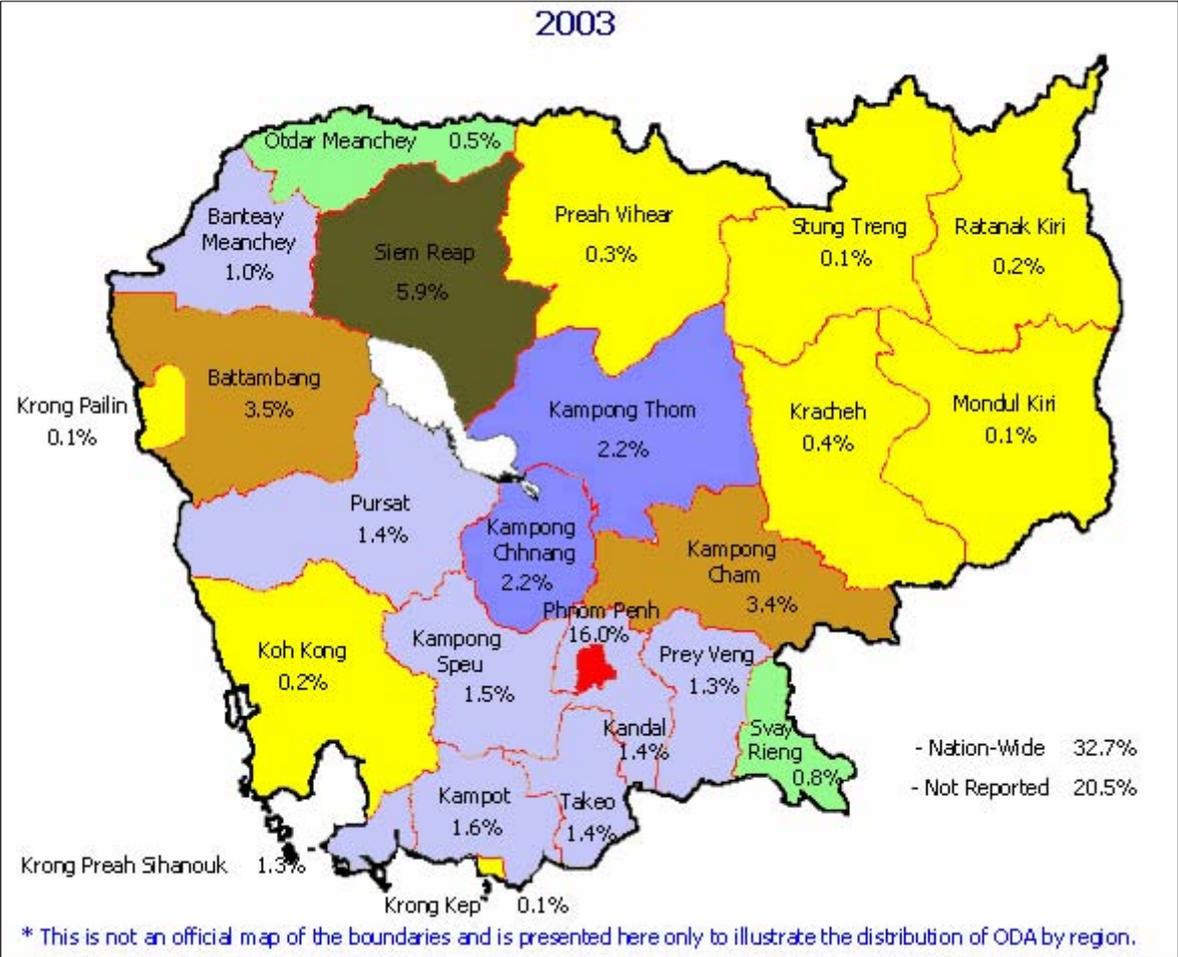
⁵Another example of aligned Government-donor programming would be the Public Financial Management Reform Programme which includes a D&D component. However, activities under this D&D component have just started.

⁶One of the proxies used by CDC is termed “Partnership for Local Governance” which is the title of one multi-donor support programme to SEILA; however the activities listed under this title capture only a selection of D&D related donor programmes.

⁷DCR 2003, Table 10 (p. 24).

1998 population census, total disbursed ODA per capita in 2003 was USD 47.7. Sub-nationally disbursed ODA per capita was USD 22.34 on average. In reality, the disbursement of sub-national ODA per capita shows significant variations between the provinces: the capital Phnom Penh has by far the highest ODA per capita with USD 87.42, followed by Krong Preah Sihanouk (USD 46.41), Siem Reap (USD 46.05), Kampong Chhang (USD 28.47) and Battambang (USD 24.39). Altogether, these five provinces (representing 26.8 percent of the 1998 population) received USD 157.9 million, i.e. 61.8 percent of the sub-national ODA disbursement. At the other end of the spectrum eight provinces have an ODA per capita of less than USD 10: Stung Treng (USD 7.13), Kandal (USD 7.22), Prey Veng (USD 7.48), Koh Krong (USD 7.74), Kratie (USD 7.92), Svay Reing (USD 8.9), Bantean Mean Chay (USD 9.34), and Takeo (USD 9.59). These eight provinces (representing 38.1 percent of the total 1998 population) received USD 35.3m, i.e. 13.8 percent of the sub-national ODA.

Figure 6: Regional distribution of ODA (2003)



Source: DCR 2003 p. 31

3.8 Duration and Timelines of D&D donor support

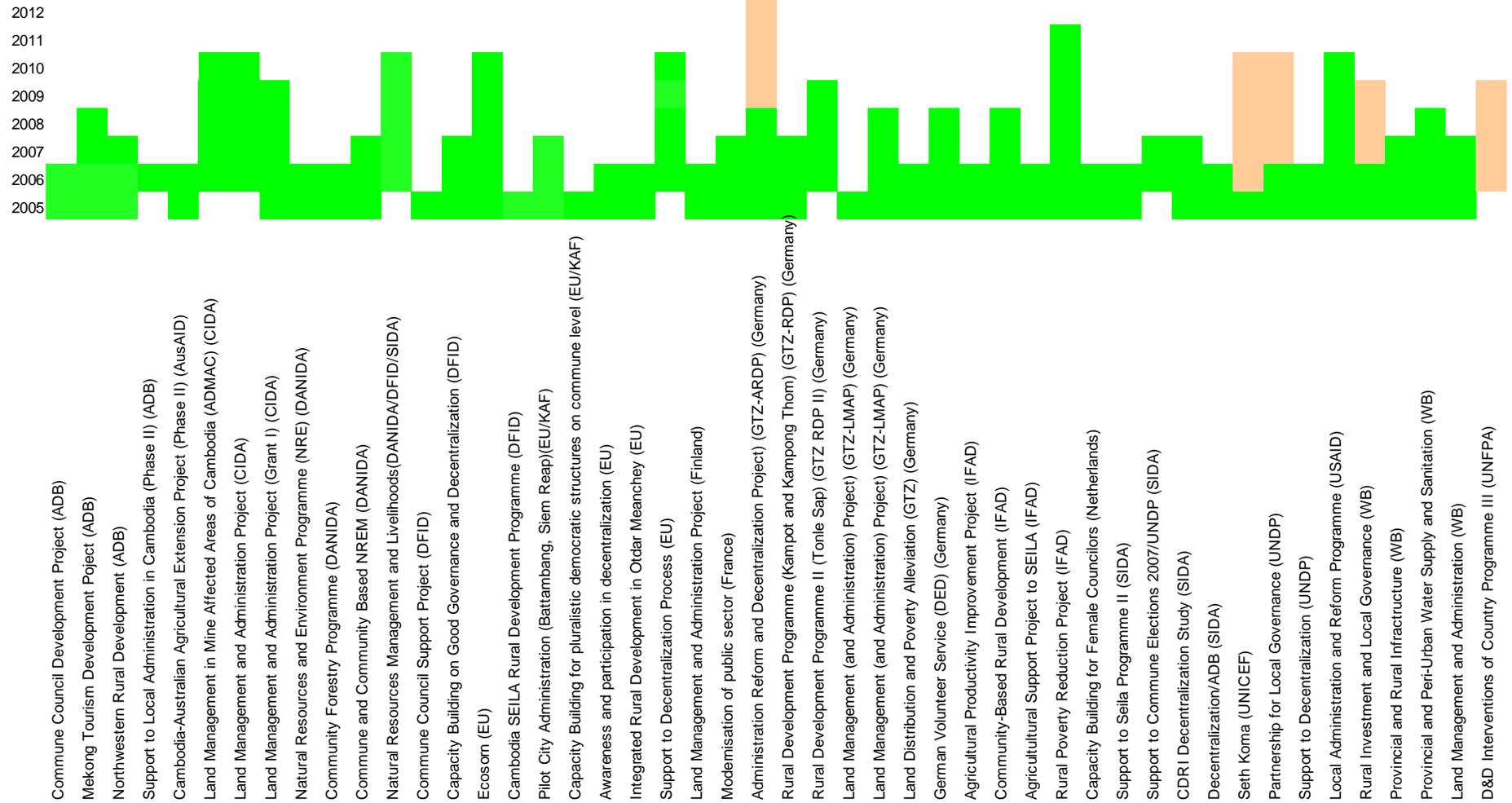
Figure 7 shows the duration and timeline of the D&D support activities identified in Annex 1. As can be seen, a substantial part of the current portfolio will come to an end either in 2006 or in 2007. This includes core decentralization activities (like the *Commune Council Development Project/ADB*, *UNDP's Support for Decentralization*) and the multi-donor support project to the SEILA programme (*Partnership for Local Governance*), but also sectoral and rural development-oriented programmes including the *Agricultural Extension Project* (AusAID), two IFAD-funded activities, the *Rural Investment and Local Governance Project* and the *Provincial and Rural*

Infrastructure Project of the World Bank, two of DANIDA's activities in natural and forestry resource management and the Kampot/Kampong Thom Rural Development Programme (GTZ). Some of these activities will be extended into follow-up phases or replaced by new programmes (like the multi-donor *NRM and Rural Livelihoods Programme* of DANIDA/DFID/SIDA, the *Rural Investment and Local Governance* project/World Bank, UNICEF's *Seth Koma Phase 2*, and the CCDP).

The USAID-funded *Local Administration and Reform Programme* (LAAR) has just started in late 2005 and will be implemented over a five-year period, while the EU-funded *Support to the Decentralization Process* project will start its activities in 2006. GTZ will begin to implement a complimentary Rural Development Programme (*RDP II*) in the Tonle Sap Region, and CIDA will commence its *Land Management in Mine Affected Areas* project.

The substantial decline of the number of activities in the D&D area from 2007 onwards underlines the need to program new donor support activities which are in line with the by then approved organic laws and will help to address the need for massive support for the implementation of these laws at national and sub-national level.

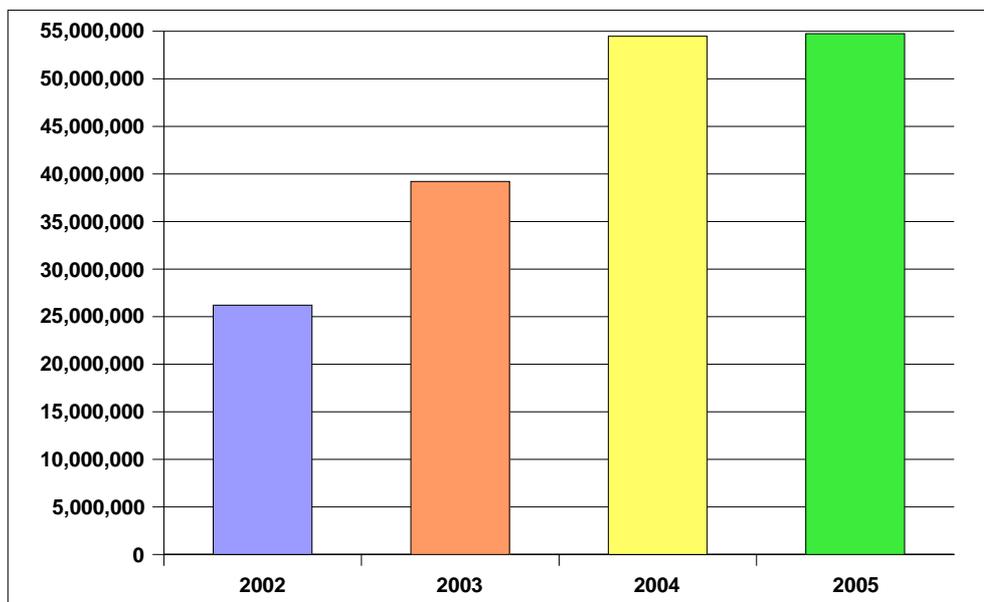
Figure 7: Time Line of Donor Support to D&D



3.9 Disbursement of D&D related donor support (2002 – 2005)

Annex 3 summarizes the disbursement of ODA in decentralization and deconcentration as reported to CDC. Total disbursement for the period 2002-2005 amounts to USD 174.65 million, with a continuing increase over this four-year period: disbursement in 2002 was USD 26.2 million and increased to USD 39.2 million in 2003. In 2003, disbursement reached USD 54.5 million in 2003, while current reported disbursement for 2005 amounts to USD 54.7.⁸

Figure 8: Total D&D Disbursement (2002 -2005)



Source: Annex 2

The World Bank is the largest single D&D donor in terms of disbursement, with a total disbursement of USD 34.9 million over the four-year period (= 20 percent), followed by Sweden (USD 27.8 million, 16 percent), the UK (USD 22.7 million, 13 percent), the ADB (USD 22.4 million, 12.8 percent), Germany (USD 14.3 million, 8.2 percent) and UNDP (USD 13.5 million, 7.7 percent). The percentage of disbursement by Sweden is considerably higher than her percentage of the D&D portfolio (see Fig. 1).⁹

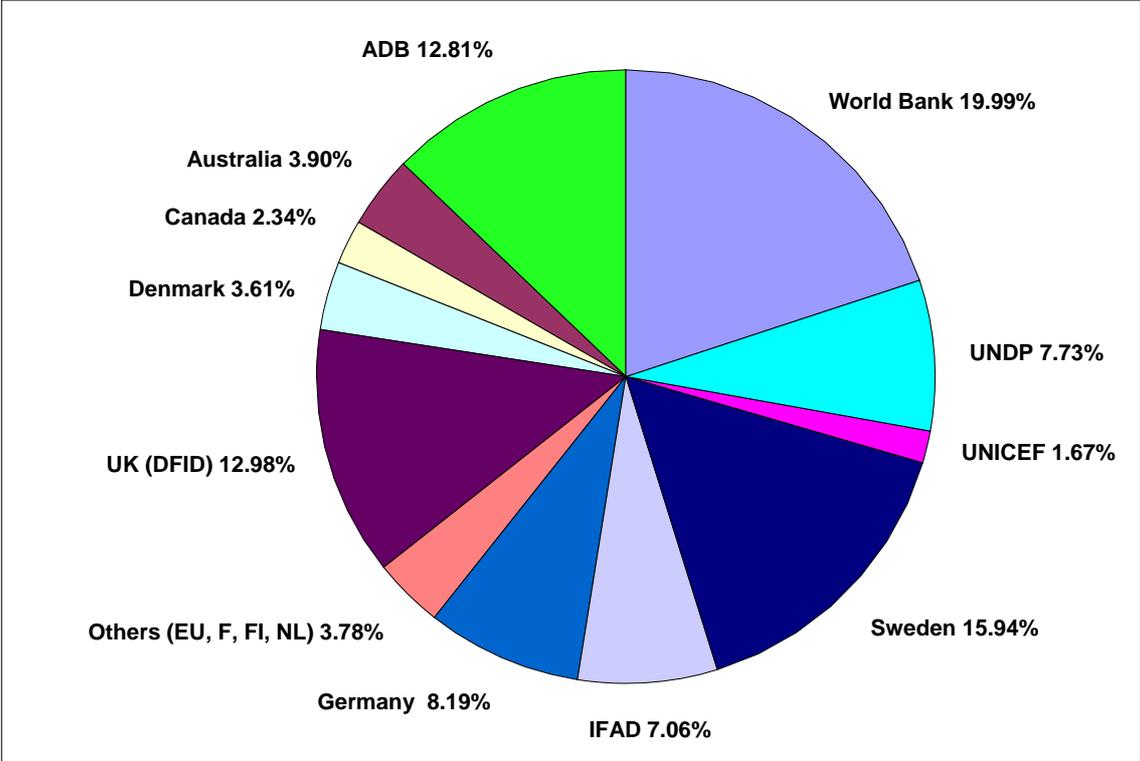
Looking at different groups of donors (bilateral, multinational, international financial institutions), bilateral donors account for the largest proportion of disbursement with USD 86.9 million (49.7 percent), followed by the IFIs (USD 69.6 million, 39.6 percent) and multilateral organisations which disbursed USD 18.2 million (10.4 percent). Over the years, the proportion of disbursement by IFIs has increased continuously. Disbursement by multilaterals peaked in 2002 and has since then decreased, while bilateral disbursement was the highest in 2004 and was reported slightly lower in 2005. These trends are also reflected in the disbursement of the individual donors as shown in Fig. 11, which shows a steep increase of disbursement by the World Bank in 2004 and 2005, and by the ADB between 2003 and 2004. The most consistent disbursement can be seen in the cases of UK, Australia and the Netherlands, while Denmark shows a considerable increase

⁸The total figure for 2005 is likely to be higher as several donors have not yet provided disbursement figures for 2005 as of January 2006.

⁹The higher percentage of UNDP's disbursement is partly explained by the fact that bilateral contributions to the *Decentralization Support Project* are reflected here as UNDP disbursement, because they are not reported under the disbursement of the respective bilateral donor.

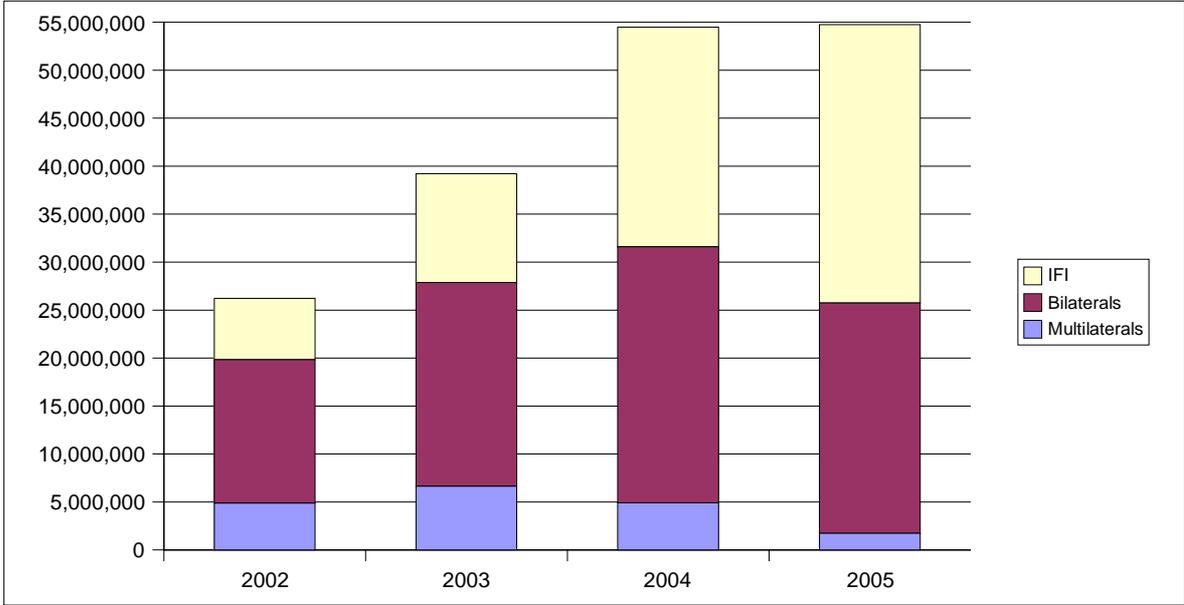
between 2003 and 2004. Sweden's disbursement has gone down considerably from 2004 to 2005.

Figure 9: D&D Disbursement 2002-2005 (By Donor)



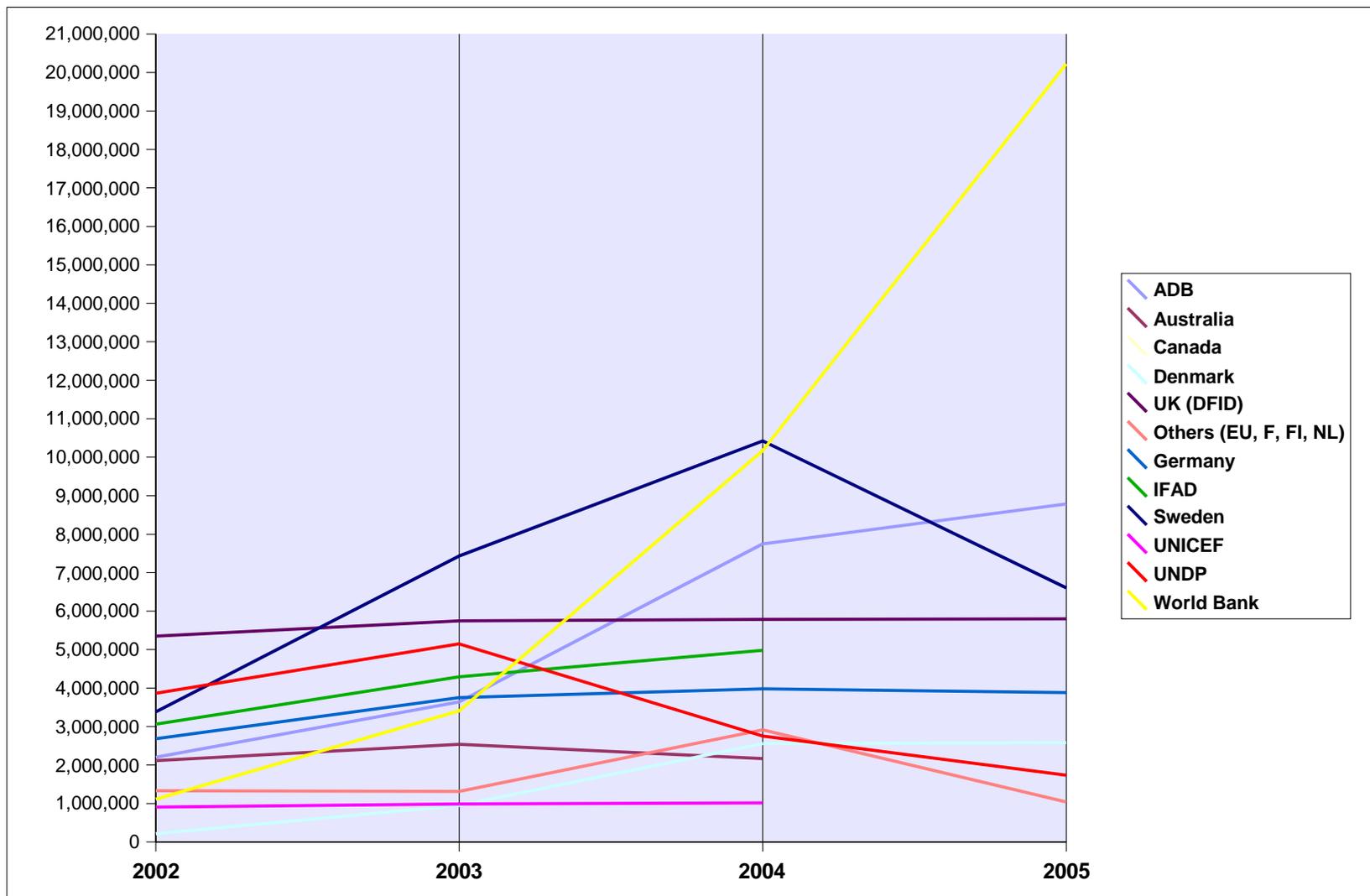
Source: Annex 2

Figure 10: D&D Disbursement 2002-2005 (By Donor Group)



Source: Annex 2

Figure 11: Annual D&D Disbursement 2002-2005 (By Donor)



Source: Annex 2

4. Conclusions and Recommendations

4.1 Conclusions

1. The commitment of donors for supporting D&D is substantial, as indicated by the volume of the D&D donor portfolio. This support comes from a wide range of donor countries and donor agencies, and is provided through a substantial number of projects and programmes. As indicated by the DCR 2003 data, a substantial amount of ODA is channelled to the sub-national level.
2. Decentralization and deconcentration being a cross sectoral issue, it is difficult to define precisely whether or not a specific donor commitment is part of the D&D portfolio, and results can be ambiguous if clear criteria of where does D&D start and where does it end, are missing. The five criteria used here are first proxies, but more consultation between Government and donor community is needed to develop a better understanding and consensus on the concepts and criteria applied.
3. Decentralization and deconcentration being cross-sectoral in nature, it is not surprising that the D&D support programmes involve a wide range of Government agencies, including several sectoral line ministries. There is not one single ministry that could claim ownership for the entire D&D donor portfolio. Overall management of the D&D support by the Government has to take this multi-stakeholder situation into account. Merging donor support into larger unified programmes will also have to deal with the considerable need for coordination between the Government agencies involved.
4. As of now, only few activities of the D&D portfolio are clearly aligned with a Government programme. This does not only apply to core D&D support activities, but also to D&D support in the sectors, land management and the donor support to the Seila programme being the exceptions.
5. The largest volume of donor support activities included in Annex 1 consists of activities covering several levels of administration. If the organic laws on provincial and district administration will assign specific functions to levels of administration, future donor support must be aligned with such functional assignments.
6. The data of Annex 1 show a relatively small volume of support for policy formulation and policy management. Considering the dimensions of the planned transformation of the government and administrative system as outlined in the June 2005 *Strategic Framework*,¹⁰ it seems that more support would be needed at this policy level for (1) support of the management of the D&D reform process (including inter-ministerial coordination, monitoring and evaluation of the impact of further decentralization, full implementation of the D&D in the sectors), and (2) the further review and development of D&D policies.
7. The data compilation does not yet include sectors like education and health which in other countries are often at the core of D&D policies. More analysis will be needed to identify to what extent D&D issues are included in donor support to these two sectors.
8. The D&D data do not yet allow for a regional breakdown of commitment and disbursement figures. The 2003 ODA figures indicate a rather unequal access of regions to external resources. This should be an issue of concern for both the Government and the donor community which would need to consider this aspect when designing new programmes.
9. 2006 and 2007 will see the end of a substantial number of donor support activities, providing the opportunity to design new programmes in line with the emerging D&D regulatory framework. Both Government and donors should take this opportunity to carefully assess the need for assistance at national and sub-national level and to find support modalities which reflect the specific requirements of these levels.

¹⁰The Deputy Prime Minister Sar Khen called it the “the most profound and complex constitutional development in Cambodia since the adoption of the Constitution”. (DPM Memo of 2 June 2005).

4.2 Recommendations

1. Government and donor need a more precise definition of what constitutes a D&D support activity; this definition should be synchronized with the CDC database so that CDC can capture and document D&D related data more accurately. Reference to national programmes and/or Technical Working Groups (TWG) might not always be sufficient as especially activities in the sectors or activities providing support to sub-national entities might be listed under different programmes and TWGs, although they have an impact on D&D implementation.
2. One of the earliest tasks of the TWG on D&D constituted in November 2005 should be to clarify this technical issue, and to decide which donor programmes would come under the “oversight” of the D&D Technical Working Group.
3. Government and donors should consider and determine practical and cost-effective ways to maintain a fairly accurate overview on D&D data using the CDC database and additional input from the donors. This needs a dedicated support structure, which can not be located at the CDC but would rather be located with a TWG secretariat.
4. The TWG should also consider and determine a practical way of obtaining more accurate and comprehensive information from the donor community on *planned activities* (i.e., the pipeline) in order to get a more precise overview on the likely future portfolio of D&D activities.
5. Closer analysis of data is needed to determine the regional equality of D&D resources. Again, this could be a task of the TWG secretariat.

Annex 1 Compilation of Donor Programmes in D&D (December 2005)

A. Committed and ongoing projects and programmes										
Project/Programme Name	Donor ID	Funds Committed	Duration	Geographical Location	Key areas of intervention	RGC Agency	RGC Programme	Category	Type	Terms
Asian Development Bank (ADB)										
Commune Council Development Project	1953-CAM (SF)	10,000,000	3/2003 – 8/2006	Nationw ide	1. Rehabilitation of provincial governors' offices, equipment (computers for provincial offices; radio communication for provinces, districts, and communes; type-w riters and motorbikes for communes) and 518 commune buildings. 2. Capacity building mostly for commune council members; and public aw areness on decentralization and civil regisration. 3. Photo mapping (for land use planning) and support for commune boundary demarcation. 4. Support to civil registration.	MoI-DoLA	n/a	D2	IPA	Concession al Loan
Mekong Tourism Development Project	1969-CAM (SF)	15,600,000	08/2003 – 06/2008	Phnom Penh, Siem Reap, Ratanakiri, Stung Treng	Infrastructure improvement, community and private sector participation, sub-regional cooperation	MoEF	n/a	D3	IPA	Conces- sional Loan
Northwestern Rural Development	1862-CAM (SF)	27,200,000	3/2002 – 12/2007	Banteay Meanchey, Siem Reap, Battambang, Otdar Meanchey	Enhancing rural livelihoods and improve socioeconomic conditions by establishing physcal and social infrastructure	MoEF, MoRD	n/a	D2/D3	IPA	Conces- sional Loan
Second Phase of Support to Local Administration in Cambodia	CAM 37256-01 (PPTA)	400,000	02/2006- 11/2006	Nationw ide	Strengthening of local public administration institutions. Within the overall context of the ongoing process of decentralization and deconcentration, the PPTA w ill explore possibilities of assistance along the follow ing four components: (i) additional support for commune council facilities; (ii) support for district administration facilities; (iii) communication and IT support for local public administration; and (iv) institutional development and capacity building.	MoI-DoLA	n/a	D2/D3	FTC	Grant
Sub-total		53,200,000								

Australia (Australian Agency for International Development- AusAID)										
Cambodia-Australian Agricultural Extension Project (Phase II)	007K0D	14,772,000	3/2001 – 2/2006	Banteay Meanchey, Battambang, Kampong Cham, Kampong Chhang, Kampong Speu, Kampong Thom, Kampot, Kandal, Phnom Penh, Prey Veng, Pursat, Siem Reap, Svay Rieng, Takeo, Krong Pailin	Support to agricultural development planning and implementation of the National Agriculture Extension Guideline; technical support to Provincial departments of Agriculture to strengthen extension services for farmers; strengthen linkage between District Extension Office, Commune Councils and farmers.	MoAFF	n/a	D3/D4	FTC	Grant
Contribution to UNDP's "Support to Decentralization"	N/A	835,000	n/a	Nationwide	(see UNDP)	CDC, NCSC, Mol	n/a	D1	FTC	Grant
Sub-total		15,607,000								
Belgium										
Contribution to UNDP's "Support to Decentralization"	N/A	654,000	n/a	Nationwide	(see UNDP)	CDC, NCSC, Mol	n/a	D1	FTC	Grant
Sub-total		654,000								
Canada (Canadian International Development Agency-CIDA)										
Land Management in Mine Affected Areas of Cambodia (ADMAC)	KH-032206	3,607,000	01/2006 – 12/2010	Battambang, Banteay Meanchey, Pailin	Improved agricultural extension and micro-finance services; improved community-based, participatory and gender-responsive land-use planning	STF, MoAFF	n/a	D2/D3	FTC	Grant
Contribution to Partnership for Local Governance (PLG) (UNDP)	N/A	238,000	6/2001 – 12/2005	Nationwide	(see UNDP)	STF	n/a	D2/D3	FTC	Grant
Contribution to UNDP's "Support to Decentralization"	N/A	646,000	n/a	Nationwide	(see UNDP)	CDC, NCSC, Mol	n/a	D1	FTC	Grant
Land Management and Administration Project	KH-032150	6,441,750	05/2006 – 12/2010	(See World Bank)	Contribution to WB	MoLMUPC	LMA	D3/D4	FTC	Grant
Land Management and Administration Project (Grant I)	KH-032150	2,150,000	01/2005 – 12/2009	(See World Bank)	n/a	MoLMUPC	LMA	D3/D4	FTC	Grant
Sub-total		13,082,750								

Denmark (DANIDA)										
Natural Resource and Environment Programme (NRE)	104.Cambodia.1.MFS.0	1,037,500	2001- 12/2006	Nationw ide	Support RGC in developing policy framework and management structure for natural resource use and environmental protection (see UNDP)	CDC	n/a	D2/D3	FTC	Grant
Contribution to UNDP's "Support to Decentralization and Community Forestry Programme"	N/A	695,000	n/a	Nationw ide		CDC, NCSC, MoI	n/a	D1	FTC	Grant
Commune and Community Based Natural Resource and Environment Management (CCB-NREM)	104. Cambodia.1.MFS.12b	1,670,000	1/2003 – 12/2006	Kampong Cham, Pursat, Kampong Chhang	Improved livelihood of rural communities through equitable and sustainable access to forestry resources	MoAFF	n/a	D2/D3	ITC	Grant
Natural Resources Management and Livelihoods Program	104. Cambodia .1.MFS.13	5,970,000	01/2004- 12/2007	Kampot, Kracheh, Siem Reap, Krong Kep, Koh Kong, Pursat, Krong Preah Sihanouk	Support to Seila and Land Management. Support to NREM and land management activities by local governments; harmonize and develop tools and methodologies for NREM and land management	STF, MOI, MoLMUPC	Na	D2/D3	ITC	Grant
Natural Resources Management and Livelihoods Program	N/A	36,700,000	2006-2010	22 Provinces, 1000 communes by 2010	Support to local governments NRM Planning and Investment; Support to Land Management; Support to pro-Poor Market Development; Support to Civil Society	MoI, MoLMUPC	LMA	D2/D3	FTC	Grant
Sub-total		46,072,500								
Department for International Development (UK)										
Commune Council Support Project (CCSP)	N/A	300,000	2003-2005	Phnom Penh & Provinces	Strengthening civil society, education, capacity building, advocacy initiatives at local level	MoI-DoLA	n/a	D2	FTC	Grant
Capacity Building on Good Governance and Decentralization	CSCF 294	557,260	7/2004 – 3/2007	Nationw ide	Village participation	n/a	n/a	D2	FTC	Grant
Contribution to UNDP's "Support to Decentralization and Cambodia SEILA Rural Development Programme"	N/A	1,364,000	n/a	Nationw ide	(see UNDP)	CDC, NCSC, MoI	n/a	D1	FTC	Grant
Natural Resources Management and Livelihoods Program	144-508-004	23,540,000	4/2002 – 12/2005	Nationw ide	Support to local decentralized systems to the Seila program; focused on a) design and operation of financial transfer facilities (Local Development Fund and Provincial Investment Fund), and b) sub-national planning, programming and budgeting procedures.	MoEF	Seila	D2/3	IPA	Grant
Natural Resources Management and Livelihoods Program	N/A	25,000,000	2006-2010	22 Provinces, 1000 communes by 2010	Support to local governments NRM Planning and Investment; Support to Land Management; Support to pro-Poor Market Development; Support to Civil Society	MoI, MoLMUPC	LMA	D2/D3	FTC	Grant
Sub-total		50,761,260								

European Commission										
<i>Strengthening of pilot city administrations Battambang and Siem Reap</i>	ASIE/2003/0 90688	883,260	12/2004- 12/2007	Battambang, Siem Reap	Revenues and budgets, transparency, people's participation	Mol	n/a	D1/D3	FTC	Grant
<i>Capacity building for pluralistic democratic structures on commune level in Cambodia (-> KAF)</i>	DDH/2002/0 02932	734,872	10/2002- 03/2006	Nationw ide	Capacity building of Commune Councilor Master Trainers; production and provision of training material; increase participation by w omen; establish electronic print media branches and enterprises at local level; establish Association of Self-Government Authorities for information exchange, advocacy, and councilor qualification programmes	Mol	n/a	D2	FTC	Grant
<i>ECOSORN</i>	ASIE/2004/0 16793	29,442,000	01/2005 – 12/2010	Battambang, Banteay Meanchey, Siem Reap	Support to agriculture and rural communities in order to create social and economic growth	MoAFF	n/a	D3/D4	IPA	Grant
<i>Using media to raise awareness and participation in Decentralization</i>	N/A	138,988	04/2005 – 09/2006	Phnom Penh, Kampong Chhnang, Banteay Meanchay, Battambang, Kampong Cham, Siem Reap, Kampot, Pursat, Svay Rieng, Kandal, Prevy Veng, Takeo, Kampong Speu, Kampong Thom, Sihanoukville, Rattanakiri	Delivery of a television and radio programme, supporting publicity, netw orking and dissemination activities	School of Journalism	n/a	D5	FTC	Grant
<i>Integrated Rural Development in Otdar Meanchey</i>	PVD/2003/0 19999	955,900	06/2003 – 06/2006	Otdar Meanchey	n/a	MoRD	n/a	D3	FTC	Grant
<i>Contribution to Partnership for Local Governance (PLG) (UNDP)</i>	N/A	1,382,000	06/2001 – 12/2010	Nationw ide	(see UNDP)	STF, CDC	n/a	D2/D3	FTC	Grant
<i>Support to Decentralization Process</i>	ASIE/2004/0 16856	11,777,000	2006 - 2010	Nationw ide	n/a	Mol	n/a	D1/D2	FTC	Grant
Sub-total		45,314,020								
Finland										
<i>Land Management and Administration Project</i>	72801801	3,500,000	01/2002 – 12/2006	Nationw ide	(See World Bank)	MoLMUPC	LMA	D3	FTC	Grant
Sub-total		3,500,000								

France										
<i>FSP Modernisation of the public service</i>	N/A	1,648,752	05/2004-05/2007	Nationw ide	Support to the Council for Administrative Reform and to the Royal School of Administration. Policy advise on modernising public administration service (see UNDP)	CAR	n/a	D1	FTC	Grant
<i>Contribution to UNDP's "Support to Decentralization"</i>	N/A	834,000	n/a	Nationw ide		CDC, NCSC, MoI	n/a	D1	FTC	Grant
<i>Sub-total</i>		2,482,752								
Germany (Federal Ministry for Economic Cooperation and Development/BMZ)										
<i>GTZ Administration Reform and Decentralization Programme (ARDP)</i>	2003.2251.1	2,826,432	01/2005-06/2008	Nationw ide	Policy development and legal support; support in rationalizing distribution of powers, functions and competencies between national and sub-national levels of government; capacity development at all governance levels; support to civil society engagement	MoI	n/a	D1	FTC	Grant
<i>GTZ Rural Development Programme (RDP) (Kampot and Kampong Thom)</i>	2003.2249.5	7,670,000	04/2002-03/2008	Kampot, Kampong Thom	Support to civil society, commune councilors, public and private service provisioners to promote social and economic development; capacity building	MoRD	n/a	D2/D3	FTC	Grant
<i>GTZ Rural Development Programme II (Tonle Sap)</i>	2005.2175.7	4,710,000	9/2006 - 8/2009	n/a	Enhancing productivity and diversity in agricultural production. Capacity building for rural population, local organizations and local	n/a	n/a	D2/D3	FTC	Grant
<i>GTZ Land Management (German contribution to multi-donor LMAP)</i>	2002.2243.0	2,936,000	01/1996-12/2005	Battambang, Kampong Speu, Kampong Penh, Kampong Cham, Kampong Thom, Mondul Kiri, Prey Veng, Ratanakiri, Krong Preah Sihanouk, Siem Reap, Takeo	Set up of a cadastral system, land policy and land legislation, capacity building in province and district structures	MoLMUPC	LMA	D3/D4	FTC	Grant
<i>GTZ Land Management (German contribution to multi-donor LMAP)</i>	2003.2250.3	2,944,200	08/2005-07/2008	11 Provinces	Support to legal framework; Institutional development; mediation of land conflicts; land administration and land management	MoLMUPC	LMA	D3/D4	FTC	Grant
<i>GTZ Land Distribution and Poverty Alleviation</i>	2003.3504.2	1,765,200	01/2004 - 12/2006	Kampong Cham, Kratie	Land distribution to land less and land poor people; empowerment of provincial, district and local authorities	MoLMUPC	LMA	D3	FTC	Grant
<i>KAF - Strengthening of Pilot City Administrations Battambang and Siem Reap (District reform)</i>	2,134,008	358,000	12/2004-12/2007	Battambang and Siem Reap Districts	Introduction of an independent district budget cycle; introduction of district revenues; introduction of e-government; public relations at district level; good governance	Battambang and Siem Reap Districts, MoI, CAR, NCSC, various line ministries	n/a	D1/D3	FTC	Grant
<i>Contribution to UNDP's "Support to Decentralization"</i>	N/A	36,750	n/a	Nationw ide	(see UNDP)	CDC, NCSC, MoI	n/a	D1	FTC	Grant
<i>KAF - Capacity Building for Pluralistic Democratic Structures on Commune Level in Cambodia (Commune reform)</i>	2,134,012	184,000	10/2002-03/2006	nationw ide	Official MoI handbook for commune councilors; training of trainers for political parties CPP, FUNCIPCEP, SRP and NGOs; promotion of the participation of women in local politics; extension of mass media at local level; establishment of commune council associations	MoI, political parties, commune councils	n/a	D2	FTC	Grant
<i>German Volunteer Service (DED) (for D&D only)</i>	N/A	5,532,000	2003-2008	Siem Reap, Battambang, Kampong Thom, Kampong, Sihanoukville, Koh Kong, Phnom Penh	Provision of advisors in the context of D&D related programmes	n/a	n/a	D2/D3	FTC	Grant
<i>Sub-total</i>		28,962,582								

International Fund for Agricultural Development (IFAD)										
Agriculture Productivity Improvement Project	IFAD 423-KH	4,740,000	09/1997-06/2006	Nationw ide	Capacity building, policy/legislation/strategy development in livestock sub-sector and training of village animal health w orkers	MoAFF	n/a	D3	IPA	Conces-sional Loan
Community-Based Rural Development Project in Kampong Thom and Kampot	IFAD 551-KH	10,000,000	3/2001-3/2008	Kampong Thom, Kampot	Food security, income generation and capacity building to poor farmers, improved water access, rural infrastructure investment, support to commune councils, institutional support to decentralization, land registration	MoRD	n/a	D3	IPA	Conces-sional Loan
Agricultural Development Support Project to Seila	IFAD 513-KH	8,600,000	2/2000-3/2006	Pursat, Battambang, Bantay Meanchey and Siem Reap	Agricultural development, capacity building of local institutions, service delivery and support to commune councils and village based organisations	MoAFF	Seila	D2/D3	IPA	Conces-sional Loan
Rural Poverty Reduction Project in Prey Veng and Svay Rieng	IFAD 623-KH	15,500,000	4/2004 – 6/2011	Prey Veng, Svay Rieng	Increased and diversified food and livestock production, capacity building for social and economic development, rural infrastructure development, netw orking w ith public and other service providers and support to	MoAFF, MoEF	n/a	D3	IPA	Conces-sional Loan
Sub-total		38,840,000								
Netherlands										
Commune Council Development Project (ADB)	KH012504	2,400,000	01/2003 – 01/2006	Nationw ide	Support to civil registration	MoI-DoLA	n/a	D2	FTC	Grant
Capacity Building for Female Councillors	N/A	25,000	06/2005-06/2006	Nationw ide	n/a	n/a	n/a	D2	FTC	Grant
Contribution to UNDP's "Support to Decentralization"	N/A	400,000	n/a	Nationw ide	(see UNDP)	CDC, NCSC, MoI	n/a	D1	FTC	Grant
Sub-total		2,825,000								

New Zealand										
<i>Contribution to UNDP's "Support to Decentralization"</i>	N/A	312,000	n/a	Nationw ide	(see UNDP)	CDC, NCSC, Mol	n/a	D1	FTC	Grant
<i>Sub-total</i>		312,000								
Sweden (Swedish International Development Agency-SIDA)										
<i>Support to Seila Programme II</i>	A7300616	25,307,000	01/2003-12/2006	Nationw ide	Poverty alleviation through good governance	STF	Seila	D2/D3	IPA	Grant
<i>CDRI Decentralization Study (Seila)</i>	A7300604	49,500	11/2002-06/2007	Nationw ide	Strengthening research capacities on D&D issues	CDRI	n/a	D5	ITC	Grant
<i>Support to Commune Elections 2007/UNDP</i>	N/A	495,000	07/2006 – 01/2008	Nationw ide	n/a	Mol	n/a	D2	FTC	Grant
<i>Natural Resource and Environment Programme (NRE) and Rural Livelihoods Decentralization/ADB</i>	N/A	2,425,000	06/2006 – 12/2011	22 Provinces, 1000 communes by 2010	(see Denmark)	MoE	LMA	D2/D3	FTC	Grant
	A7265104	3,713,000	12/2002 – 08/2006	Nationw ide	Participatory, transparent and accountable governance (Contribution to ADB Commune Council Development Project)	Mol	n/a	D2	PBA	Grant
<i>Sub-total</i>		31,989,500								
Switzerland										
<i>Contribution to UNDP's "Support to Decentralization"</i>	N/A	107,000	n/a	Nationw ide	(see UNDP)	CDC, NCSC, Mol	n/a	D1	FTC	Grant
<i>Sub-total</i>		107,000								
United Nations Childrens Fund (UNICEF)										
<i>Seth Koma (Community Action for Child Rights)</i>	ZN201	15,200,000	1/2001-12/2005	6 provinces: Kampong Speu, Kampong Thom, Otdar Meanchey, Prey Veng, Stung Treng and Svay Rieng	Advocacy, capacity building and empow erment of communities on child rights, provincial and commune investment on basic services for w omen and children	Mol, MoP, MoWA, MoRD, PRDC	Seila	D2/D3	FTC	Grant
<i>Sub-total</i>		15,200,000								

United Nations Capital Development Fund (UNCDF)										
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Contribution to UNDP's "Support to Decentralization"	N/A	300,000	n/a	Nationwide	(see UNDP)	CDC, NCSC, Na Mol	D1	FTC	Grant
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Sub-total		300,000							
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United Nations Development Programme (UNDP)										
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Partnership for Local Governance (PLG)	11822; 11829; 49185	5,900,000	06/2001- 12/2010	Nationwide	Core support to Seila Program, CS STF Fund, Provincial Investment, Capacity strengthening for government institutions and public administration at central and local levels	Seila	D2/D3	FTC	Grant
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Support to Decentralization	11827	4,777,500	07/2001- 12/2006	Nationwide	Policy advisory support to the National Committee for Support to Communes; development of a medium-term decentralization strategy; national policy systems and rules and regulations for fiscal decentralization	CDC	n/a	D1	FTC	Grant
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Sub-total		10,677,500							
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United States Agency for International Development (USAID)										
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Local Administration and Reform Programme (LAAR)	442-A-00-05	14,400,000	09/2005- 10/2010	Banteay Meanchey, Battambang, Kampong Cham, Kampong Speu, Kampong Thom, Kampot, Kandal, Phnom Penh, Prey Veing, Pursat, Siem Reap, Svay Rieng, Takeo	Increase participation and democracy at the sub-national level; build horizontal and vertical linkages; increase public participation in the commune investment planning and D&D reform process; provision of social development funds to 500 communes	Mol	n/a	D2	FTC	Grant
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Sub-total		14,400,000							
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World Bank/IBRD										
<i>Rural Investment and Local Governance Project</i>	P071146	22,000,000	09/2003-06/2007	Nationw ide	Annual budget support to CS Fund, support to decentralized regulatory framew ork, technical assistance for studies on deconcentration reforms and for review and strengthening of regulatory D&D framew ork.	CDC, STF	Seila	D2/D3	IPA	Conces-sional Loan
<i>Provincial Rural Infrastructure Project</i>	PO71207	20,000,000	03/2004-09/2007	Kampong Thom, Oddar Meanchay, Preah Vihear, Siem Reap	Establishing a system for road maintenance management; rehabilitating and maintaining 300km of secondary, 100km of tertiary roads; training programme for MPWT and MoRD central and provincial staff, support to development of a local consulting and constructing industry; policy development and implementation for various transport agencies; community aw areness programmes about landmine threats, HIV/AIDS prevention, road safety.	MoRD, MoPWT	n/a	D4	IPA	Conces-sional Loan
<i>Provincial and Peri-Urban Water Supply and Sanitation Project</i>	PO73311	19,900,000	11/2003-06/2008	Banteay Meanchey, Kampong Cham, Kampong Chhang, Kampong Thom, Prey Veng, Svay Rieng, Otdar Meanchey, Takeo, Krong Pailin, Krong Kep	Construction of new w ater supply systems; provision of household toilets, sanitation systemsand new sew erage systems; Institutional capacity building to improve delivery of w ater and sanitation services and to promote formation of w ater user groups w ithin	MoIME	n/a	D4	IPA	Concession al Loan/ Grant
<i>Land Management and Administration Project</i>	PO70875	24,300,000	6/2002 – 12/2007	Nationw ide	Support of legal framew ork for land adminsitration and management; Institutional strengthening; support land titling programmes and registration systems; strengthen dispute resolution capacities; aerial photography and satellite images, training and equipment for land classification maps.	MoLMUPC	LMA	D3	IPA	Conces-sional Loan
Sub-total		86,200,000								
Total		460,487,864								

B. Planned Projects and Programmes/ Pipeline

Germany										
GTZ Administration Reform and Decentralization Programme (ARDP)	n/a	n/a	07/2008 – 06/2012	Nationw ide	Policy development and legal support; support in rationalizing distribution of powers, functions and competencies betw een national and sub-national levels of government; capacity development at all governance levels; support to civil society engagement	Mol	n/a	D1	FTC	Grant
United Nations Population Fund (UNFPA)										
D & D Interventions of Country Programme III	N/A	5,000,000 (Estimate)	2006 - 2010	National Level and 18 ODs (14 Provinces)	Build aw areness and responsiveness of community members, youth, commune councils, w omen's and children's focal points/committees, health center management committees and village health support groups to address population, gender and reproductive health issues in selected areas"	DoLA and/or any D & D body	n/a	D2	FTC	Grant
United Nations Childrens Fund (UNICEF)										
Seth Koma (Community Action for Child Rights)	SK301	16,300,000	2006-2010	6 provinces: Kampong Speu, Kampong Thom, Otdar Meanchey, Prey Veng, Stung Treng and Svay Rieng	Advocacy, capacity building and support to sub-national administrations and local governments on child rights and provincial and commune investment in w ater supply and environmental sanitation	MoI, MoP, MoWA, MoRD, PRDC	n/a	D2/D3	FTC	Grant
World Bank/IBRD										
Rural Investment and Local Governance Project II (RILGP II)	N/A	15,000,000	2007-2009	n/a	Second phase of RILG, continued budget support to CS Fund, promote transparency and accountability at commune and province levels; support policy studies on deconcentration reforms	n/a	n/a	D2/D3	IPA	Conces-sional Loan

- Notes:**
1. Data for WB Provinial and Peri-Urban Water Supply and Sanitation Project include IDA grant of USD 3 mio
 2. Data for UNICEF Seth Koma include all resources

Technical Notes

1. Conversion rates (as of 1 December 2005)

1GBP = 1.73096 USD
1EUR = 1.17768 USD
1SEK = 0.123753 USD
1DKK = 0.15736 USD
1AUD = 0.748309 USD
1CAD = 0.8589 USD

2. Government Agencies:

MoAFF	Ministry of Agriculture, Forestry and Fisheries
DfAE	Department for Agricultural Extension
MoIME	Ministry of Industry, Mines and Energy
MoI	Ministry of Interior
DoLA	Department of Local Administration
MoLMUPC	Ministry of Land Management, Urban Planning and Construction
MoP	Ministry of Planning
MoPWT	Ministry of Public Works and Transport
MoRD	Ministry of Rural Development
MoWA	Ministry of Women's Affairs
MoE	Ministry of Environment
MoEF	Ministry of Economy and Finance
PRDC	Provincial Rural Development Council
CAR	Council for Administrative Reform
CMAA	Council for Mine Affected Areas
MoFA&IC	Ministry of Foreign Affairs and International Cooperation

Annex 2 Disbursement of D&D ODA (2002 - 2005)

	Duration	Funds committed	Disbursement			
			2002	2003	2004	2005
Asian Development Bank						
Commune Council Development Project	03/2003 – 08/2006	10,000,000		970,000	3,703,000	4,378,000
Mekong Tourism Development	08/2003 – 06/2008	15,600,000		900,000	90,000	625,000
Northw estern Rural Development	03/2002 – 12/2007	27,200,000	2,200,000	1,770,000	3,955,000	3,782,000
Second Phase of Support to Local Administration in Cambodia	02/2006 – 11/2006	400,000				
Sub-total			2,200,000	3,640,000	7,748,000	8,785,000
Australia (AusAID)						
Cambodia-Australian Agricultural Extension Project (CAAEP)	03/2001 – 02/2006	14,772,000	2,112,100	2,382,300	2,167,655	n/a
Partnership for Local Governance (PLG)	n/a	n/a		155,600		
Sub-total			2,112,100	2,537,900	2,167,655	n/a
Canada (CIDA)						
Land Management in Mine Affected Areas of Cambodia	02/2006 – 12/2010	3,607,000				
Land Management and Administration Project	05/2006 – 12/2010	6,441,750				
Land Management and Administration Project (Grant I)	03/2005 – 12/2009	2,150,000				819,061
Land Management and Administration Project (Grant II)	(completed)	3,435,600	n/a	n/a	n/a	3,276,247
Sub-total			n/a	n/a	n/a	4,095,308
Denm ark (DANIDA)						
Natural Resource and Environment Programme (NRE)	2001 – 2006	1,037,500	n/a	n/a	n/a	n/a
Community Forestry Programme	01/2003 – 12/2006	1,670,000	215,400	547,500	604,043	670,713
Commune and Community Based Natural Resource and Environment Management (CBB-NREM)	01/2004 – 12/2007	5,970,000			1,557,222	1,461,887
Mainstreaming Natural Resources and Environmental Management through Seila	(completed)	793,252	n/a	402,000	394,186	447,974
Natural Resources Management and Livelihoods Program	2006 – 2010	36,700,000				
Sub-total			215,400	949,500	2,555,451	2,580,574

UK (DFID)							
Partnership for Local Governance (PLG)	04/2002 – 12/2005	23,541,056	5,229,100	5,745,900			
Commune Council Support Project (CCSP)	2003-2005 (completed)	300,000	119,300	n/a	n/a	n/a	n/a
Seila Rural Development Programme	04/2002 – 12/2005	23,540,000			5,646,630	5,799,147	
Capacity Building on Good Governance and Decentralization	07/2004 – 03/2007	557,260			137,080	n/a	
Natural Resources Management and Livelihoods Program	2006 – 2010	25,000,000					
Sub-total			5,348,400	5,745,900	5,783,710	5,799,147	
European Union							
Reform of Battambang Province Administration	(completed)	588,840		280,100	256,187		
Strengthening of pilot city administrations Battambang and Siem Reap	12/2004 – 12/2007	883,260			288,977	n/a	
Capacity building for pluralistic democratic structures on commune level in Cambodia	10/2002 – 12/2005	734,872	93,400	233,100	397,051	n/a	
Using media to raise awareness and participation in decentralization	04/2005 – 09/2006	138,988				n/a	
Integrated Rural Development in Otdar Meanchey	06/2003 – 06/2006	955,900	14,000	n/a	209,344	n/a	
Support to Decentralization Process	2006 – 2010	11,777,000					
Sub-total			107,400	513,200	1,151,559	n/a	
Finland							
Land Management and Administration Project (LAMP)	01/2002 – 12/2006	3,500,000	288,300	n/a	961,419	1,038,012	
Sub-total			288,300	n/a	961,419	1,038,012	
France							
FSP Modernisation of the public service	05/2004 – 05/2007	1,648,752	n/a	n/a	n/a	n/a	
Cooperation Decentralisation	08/2000 – 12/2003	n/a	934,300	n/a			
Sub-total			934,300	n/a	n/a	n/a	

Germany							
GTZ Administration Reform and Decentralization Project (ARDP) (Second Phase)	01/2005 – 06/2008	2,826,432					1,030,467
ARDP (First Phase)	(completed)	2,390,690	390,400	680,500	852,746		
GTZ Rural Development Programme (RDP) Kampot and Kampong Thom	04/2002 – 03/2007	7,670,000	1,503,700	2,057,300	2,202,645		1,909,880
GTZ Rural Development Programme II (Tonle Sap)	09/2006 – 08/2009	4,710,000					
GTZ Land Management	01/1996 – 12/2005	2,936,000	789,300	1,015,500	n/a		n/a
GTZ Land Management and Administration Project (LMAP)	08/2005 – 07/2008	2,944,200			925,119		942,821
GTZ Land Distribution and Poverty Alleviation	01/2004 – 12/2006	1,765,200			n/a		n/a
KAF - Strengthening of PilotCity Administrations Battambang and Siem Reap	12/2004 – 12/2007	412,888			n/a		n/a
KAF - Reform of Battambang Province Administration	(completed)	317,974	n/a	n/a	n/a		n/a
KAF - Capacity Building for Pluralistic Democratic Structures on Commune Level in Cambodia	10/2002 – 12/2007	188,430	n/a	n/a	n/a		n/a
Sub-total			2,683,400	3,753,300	3,980,510		3,883,168
International Fund for Agricultural Development (IFAD)							
Agriculture Productivity Improvement Project	09/1997 – 06/2006	4,740,000	710,300	422,600	510,000		n/a
Community-Based Rural Development Project in Kampong Thom and Kampot	03/2001 – 03/2008	10,000,000	722,800	2,056,200	1,800,000		n/a
Agricultural Development Support Project to Seila	02/2000 – 03/2006	8,600,000	1,628,200	1,813,200	970,000		n/a
Rural Poverty Reduction Project in Prey Veng and Svay Rieng	04/2004 – 06/2011	15,500,000			1,700,000		n/a
Sub-total			3,061,300	4,292,000	4,980,000		n/a

Netherlands						
Commune Council Development Project	01/2003 – 01/2006	2,400,000		800,000	800,000	n/a
Female Commune Councillors	06/2005 – 06/2006	25,000				n/a
Sub-total			n/a	800,000	800,000	n/a
Sweden (SIDA)						
Partnership for Local Governance (PLG)			3,241,600			
Support to Seila Programme II	01/2003 – 2/2006	25,307,000		6,180,800	8,528,400	5,809,502
CDRI Decentralization Study	11/2002 – 06/2007	49,500	81,600	24,600	135,370	137,807
Commune Election Support	(completed)	n/a	57,700			
Support to Commune Election 2007	07/2006 – 01/2008	495,000				
Natural Resource and Environment Programme (NRE) and Rural Livelihoods	06/2006 – 12/2011	2,425,000				
Decentralization/ADB	12/2002 – 08/2006	3,713,000		1,228,400	1,759,828	655,528
Sub-total			3,380,900	7,433,800	10,423,598	6,602,837
UNICEF						
Seth Koma (Community Action for Child Rights)	01/2001 – 12/2005	15,200,000	905,700	988,400	1,016,110	n/a
Sub-total			905,700	988,400	1,016,110	n/a
UNDP						
Partnership for Local Governance (PLG)	06/2001 – 12/2010	5,900,000	1,125,800	1,081,600	1,992,486	568,667
Support to Decentralization	07/2001 – 12/2006	4,777,500	n/a	n/a	758,762	1,166,851
Support to the Royal Government of Cambodia in the Establishment of the Legal and Regulation Framework for Decentralization	(completed)	n/a	2,355,000	4,065,800		
Carere 2	(completed)	n/a	384,000			
Sub-total			3,864,800	5,147,400	2,751,248	1,735,518

USAID						
Local Administration and Reform Programme (LAAR)	09/2005 – 12/2010	14,400,000				n/a
Sub-total			n/a	n/a	n/a	n/a
World Bank						
Rural Investment and Local Governance Project	09/2003 – 06/2007	22,000,000		1,154,700	5,396,116	4,858,491
Provincial and Rural Infrastructure Project	03/2004 – 09/2007	20,000,000			1,765,653	9,160,316
Provincial and Peri-Urban Water Supply and Sanitation Project	11/2003 – 06/2008	19,900,000		600,000	376,350	1,976,999
Land Management and Administration Project	06/2002 – 12/2007	24,300,000	1,111,600	1,652,300	2,630,943	4,225,964
Sub-total			1,111,600	3,407,000	10,169,062	20,221,770
Total			26,213,600	39,208,400	54,488,322	54,741,334

Annex 3 Regional Distribution of ODA (2003)

Province	ODA (in US\$) (2003)	Population (1998 census)	Population share	Provincial ODA per capita (in USD) (based on sub-national disbursement)	Provincial share of sub- national ODA	Provincial share of total ODA
	(2)	(3)	(4)	(5)	(6)	(7)
Banteay Mean Chay	5,398,000	577,772	5.1%	9.34	2.11%	0.99%
Battambang	19,346,000	793,129	6.9%	24.39	7.57%	3.54%
Kampong Cham	18,457,000	1,608,914	14.1%	11.47	7.22%	3.4%
Kampong Chhnang	11,891,000	417,693	3.7%	28.47	4.65%	2.2%
Kampong Speu	8,353,000	598,882	5.2%	13.95	3.27%	1.5%
Kampong Thom	12,045,000	569,060	5.0%	21.17	4.71%	2.2%
Kampot	8,846,000	528,405	4.6%	16.74	3.46%	1.6%
Kandal	7,761,000	1,075,125	9.4%	7.22	3.04%	1.4%
Koh Kong	1,022,000	132,106	1.2%	7.74	0.40%	0.2%
Kratie	2,083,000	263,175	2.3%	7.91	0.82%	0.4%
Mondul Kiri	331,000	32,407	0.3%	10.21	0.13%	0.1%
Phnom Penh	87,403,000	999,804	8.7%	87.42	34.20%	16%
Preah Vihear	1,785,000	119,261	1.0%	14.97	0.70%	0.3%
Prey Veng	7,079,000	946,042	8.3%	7.48	2.77%	1.3%
Pursat	7,490,000	360,445	3.2%	20.78	2.93%	1.4%
Ratanakiri	948,000	94,243	0.8%	10.06	0.37%	0.2%
Siem Reap	32,058,000	696,164	6.1%	46.05	12.55%	5.9%
Krong Preah Sihanouk	7,225,000	155,690	1.4%	46.41	2.83%	1.3%
Stung Treng	578,000	81,074	0.7%	7.13	0.23%	0.1%
Svay Rieng	4,255,000	478,252	4.2%	8.9	1.67%	0.8%
Takeo	7,577,000	790,168	6.9%	9.59	2.97%	1.4%
Otdar Mean Chey	2,779,000	68,279	0.6%	40.7	1.09%	0.5%
Krong Kaeb	558,000	28,660	0.3%	19.47	0.22%	0.1%
Krong Pailin	276,000	22,906	0.2%	12.05	0.11%	0.1%
<i>Sub-National allocation</i>	<i>255,544,000</i>			<i>22.34</i>	<i>100.0%</i>	<i>46.8%</i>
	(= 46.9 percent)					
<i>Nationwide</i>	<i>178,428,000</i>					
	(= 32.6 percent)					
<i>Not reported</i>	<i>111,870,000</i>					
	(= 20.5 percent)					
Total	545,842,000	11,437,656	100%			

Annex 4 Sector Classification used by CDC

1. Economic Management, includes:

- Macro-economic policy and planning
- Fiscal policy and planning
- Monetary policy and planning
- Employment/livelihood policy and planning

2. Development administration, includes:

- Public administration and management
- Foreign aid coordination and planning (includes round tables, consultative group meetings and country programme review missions)
- Debt management
- Technology policy and planning
- General statistics (including demography)
- General cartography
- Foreign affairs and international law (excluding trade law)

3. Natural resources, includes:

- Sector policy and planning
- Land use planning
- Water resources planning
- Environmental preservation and rehabilitation
- Mineral resources exploration and exploitation
- Coal, petroleum exploration and exploitation
- Wildlife and national parks
- Sea-bed resources

4. Education (HRD), includes:

- Sector policy and planning (includes manpower planning)
- Pre and primary schooling
- Secondary schooling
- Tertiary education
- Technical and managerial education and training
- Non-formal education (includes literacy and adult basic education)

5. Agriculture, forestry and fisheries, includes:

- Sector policy and planning
- Research and development
- Support services (includes credit, extension, input supply, crop protection, agrometeorology)
- Food crops
- Industrial crops
- Livestock
- Forestry
- Fisheries (includes oceanography as it relates to fishing)

6. *Area development*, includes:

- Integrated rural development
- Village/community development (includes rural and urban cooperatives)
- Settlements
- Inter-country area development
- River basin development
- Regional planning and development

7. *Industry*, includes:

- Sector policy and planning
- Technological research and development
- Support services (includes industrial estates and duty-free zones (only if industry-wide, otherwise under specific kinds of industry))
- Cottage and small-scale industry
- Medium-scale industry
- Large-scale industry

8. *Energy*, includes:

- Sector policy and planning
- New and renewable sources of energy (includes fuelwood, methane, synthetic, solar, biomass, wind, wave, etc.)
- Hydroelectric power generation and transmission
- Geothermal power generation and transmission
- Conventional energy sources, generation and transmission (includes coal, petroleum, etc.)
- Energy conservation (includes improved stoves)

9. *International trade in goods and services*, includes:

- Sector policy and planning
- Global trade policies and procedures (including GATT, GSP etc.)
- International trade in primary goods (food, raw materials, etc.)
- International trade in secondary goods
- International trade in services (e.g., banking, insurance, etc.)
- Export promotion

10. *Domestic trade in goods and services*, includes:

- Sector policy and planning
- Domestic marketing
- Domestic trade
- Tourism
- Other service industries
- Patents

11. *Transport*, includes:

- Sector policy and planning
- Road transport
- Rail transport

- Water transport and shipping
 - Air transport
12. *Communications*, includes:
- Sector policy and planning
 - Postal services
 - Telecommunications
 - Television, radio and print media
 - Development support communication
13. *Social development*, includes;
- Social legislation and administration (includes social security, occupational health and safety, legislation on women, etc.)
 - Urban development (includes sites and services, urban planning, etc.)
 - Drinking water and sanitation
 - Housing
 - Culture (includes preservation, copyrights, general libraries)
 - Prevention of crime and drug abuse
14. *Health*, includes:
- Sector policy and planning
 - Primary health care (includes maternal and child health, nutrition)
 - Immunization and other disease control campaigns
 - Family planning
 - Hospitals and clinics
15. *Disaster preparedness*, includes:
- Meteorology (as it relates to weather warning systems)
 - Seismic predictions
 - Early warning/food information systems
 - Relief planning and institutional preparedness
 - Physical measures
16. *Humanitarian aid and relief*, includes:
- Refugees and returnees
 - Emergency relief (food, planning and logistics, medical supplies)

Source:

Council for the Development of Cambodia/Cambodian Rehabilitation and Development Board: Development Cooperation Report 2002 and 2003, Main Report, October 2004 (Annex II, p. 37-40)

Annex 4 Classification of External Assistance

1. Terms of Assistance

Grant - The provision of funds by a donor that does not require reimbursement or repayment from the Royal Government of Cambodia. This includes “grant-like” flows, i.e. loans for which the original commitment stipulates that service payments (in local currency) are to be made into the account in the borrowing country to the benefit of that country.

Loan - The provision of resources, excluding food or other bulk commodities, for relief or development purposes, including import procurement programmes, which must be repaid according to conditions established at the time of the loan agreement or as subsequently agreed.

Concessional Loan - The provision of funds by a donor as a loan which consists of a minimum 25 percent grant element, thus qualifying it as an ODA transaction. It is also commonly referred to as a “soft” loan.

Non-Concessional Loan - Any other funds being provided by the donor that must be reimbursed or repaid over a period of time under terms which do not make it eligible as ODA.

2. Type of Assistance

Free-standing technical co-operation (FTC) - The provision of resources aimed at the transfer of technical and managerial skills and know-how or of technology for the purpose of building up national capacity to undertake development activities, without reference to the implementation of any specific investment project(s). FTC includes pre-investment activities, such as feasibility studies, when the investment itself has not yet been approved or funding not yet secured.

Investment-related technical co-operation (ITC) - The provision of resources, as a separately identifiable activity, directly aimed at strengthening the capacity to execute specific investment projects. Included under ITC would be pre-investment-type activities directly related to the implementation of an approved investment project.

Investment Project Assistance (IPA) - The provision of financing, in cash or in kind, for specific capital investment projects, i.e., projects that create productive capital which can generate new goods or services. Also known as capital assistance. Investment project assistance may have a technical co-operation component.

Programme/budgetary aid or balance-of-payments support (PBB) - The provision of assistance which is not cast in terms of specific investment or technical co-operation projects but which is instead provided in the context of broader development programme and macroeconomic objectives and/or which is provided for the specific purpose of supporting the recipient’s balance-of-payments position and making available foreign exchange. This category includes non-food commodity input assistance in kind and financial grants and loans to pay for commodity inputs. It also includes resources ascribed to public debt forgiveness.

Food aid (FOA) - The provision of food for human consumption for developmental purposes, including grants and loans for the purchase of food. Associated costs such as transport, storage, distribution, etc., are also included in this category, as well as donor-supplied, food-related items such as animal food and agricultural inputs related to food production, when these are part of a food aid programme.

Emergency and relief (humanitarian) assistance (ERA) - The provision of resources aimed at immediately relieving distress and improving the well-being of populations affected by natural or man-made disasters. Food aid for humanitarian and emergency purposes is included in this category. Emergency and relief assistance is usually not related to national development efforts nor to enhancing national capacity. Although it is recorded as Official Development Assistance (ODA), its focus is on humanitarian assistance and not on development co-operation as such.

Source:

Council for the Development of Cambodia/Cambodian Rehabilitation and Development Board: Development Cooperation Report 2002 and 2003, Main Report, October 2004 (Annex II, p. 36-37)

Annex 6 Notes and Comments on the CDC Database

The CDC database on ODA (<http://cdc.khme.biz/>) is well structured, comprehensive, and includes important search functions. It is user-friendly, reasonably fast, works well with different browsers and allows for the uncomplicated printing of search results. As such it is a commendable initiative in ensuring transparency of official development aid to Cambodia.

As explained elsewhere, “decentralization and deconcentration” is not defined as a sector, and one has to pull together D&D-related information from several sectors. The database allows donors to allocate an activity to more than one sector, and to inform about the allocation of funds to each sector. In addition to sectors, the database includes the category “major sector/thematic programme” which includes clearly-defined joint government-donor programmes like the land management and public financial management programme, but also broader sectoral activities (education support programme, health support programme) and the heading “Partnership for Local Governance” which is not a programme but a multi-donor supported project. The category “technical working group” has been introduced as one element of the reporting, but relevant information is not provided for the majority of activities.¹¹ There seems to be little quality control on CDC's part regarding the reporting from the donors, and CDC staff accepts classifications from the donors without further review.

The easiest way of classifying donor support to D&D under the current database structure is the use of the TWG as decisive variable. However, this would require cross-checking of information in order to ensure consistency and comprehensiveness of data. There will also remain the issue of multi-sectoral activities in D&D, some of which would rightly come under the oversight of more than one TWG.

¹¹Nearly 400 of around 500 ongoing activities were “not reported” under this category, i.e. were not allocated to one of the TWGs.