



Kingdom of Cambodia  
Nation Religion King



National Committee for Sub-National Democratic Development

**2016 NCDD ANNUAL WORKPLAN  
AND BUDGET  
OF THE SECOND PHASE OF IP<sub>3</sub>**

January 2016



# MANAGEMENT STATEMENT

The *Law on Administrative Management of the Capital, Province, Municipality, District and Khan* (June 2008), the election of Councils at all of these sub-national tiers (May 2009), the establishment of the 10 year National Program on Sub-National Democratic Development (2010-19); the foundations established during the first 3 year implementation plan (IP3-I: 2011-2014); and the successful formulation of the second IP3, (IP3-II: 2015-2017) represent a clear commitment on the part of the Royal Government of Cambodia to political, administrative and developmental reform at the sub-national level.

Looking back, much was accomplished during 2015. Several Ministries took courageous decisions to transfer essential service delivery functions to Sub-National Administrations. The Ministry of Environment agreed to transfer urban solid waste management functions to the Capital, Municipal and District Administrations, nationwide. The Ministry of Social Affairs, Veterans and Youth Rehabilitation delegated the management and monitoring of childcare centers to targeted Sub-National Administrations. The Ministry of Education, Youth and Sports decided to transfer the management of early childhood education, primary education and non-formal education to Districts and Municipalities. The Ministry of Rural Development and the Ministry of Health piloted the delegation of rural water supply system maintenance, rural sanitation service delivery and health center management in several Districts. Based on this experience, the Ministry of Rural Development reached a decision to transfer rural road maintenance functions and the Ministry of Health decided to transfer primary health care functions to our District Administrations.

We continue to focus on service delivery, because that is what citizens care most about. To improve services, a transfer of functions must be accompanied by the transfer of resources, both financial and human. During 2015, the Ministry of Economy and Finance began developing conditional grant mechanisms for SNAs to implement their functional transfers. The Ministry of Civil Service, finalized a separate Statute for Sub-National Administration Personnel which was approved by the NCDD in its 11<sup>th</sup> meeting, on 12 January 2016. The Statute establishes a decentralized personnel management system under the common principles of public civil service management. It will empower SNAs to effectively manage and develop the capacity of their staff, to hold them accountable, to encourage civil servants to work at SNAs, to ensure neutrality of staff in fulfillment of their roles and duties, and to facilitate the transfer of staff to accompany the transfer of functions. We continue to strengthen and expand One Window Service Offices, in their provision of administrative services to our citizens.

During 2015 we developed and launched Capital and Provincial Resource Facilities across the country. These provide enormous potential to coordinate state and non-state service actors to provide CD support to our SNAs and to enable SNAs to access CD support on a demand driven basis.

Finally, we continued to strength SNA governance. All DMs are in the process of developing DM Charters which will provide strategic direction and will clearly allocate responsibilities between governors and councilors. In close collaboration with civil society, we began implementing the strategic plan on social accountability. We did so in numerous pilot Communes. These activities will ensure citizens have easy access to essential information on the use of budgets and the performance of the council and other service providers. The process promotes the participation of citizens in both monitoring and civic engagement. We expect increased citizen voice will result in a marked improvement in the services delivered at local level.

As I described in the AWPB National Formulation Workshop in Sihanouk province, all reforms, including decentralization, encounter obstacles. When this happens, we must continue forward, since decentralization is an essential and appropriate strategy to improve the delivery of public services and to promote local economic development. Our reforms are an important way to positively contribute to national development, across all sectors, and to reduce poverty amongst our people. Therefore, we need to continue our efforts and to face and overcome obstacles as they arise.

This year we have 15 priorities in our 2016 Annual Work Plan and Budget. To reemphasize them a bit, in 2016 we will need to implement our functional transfers in education, health, social affairs, rural development, and the environment. This is the heart of our decentralization efforts. It is essential we get this right, that we transfer real and meaningful powers to our SNAs. We urgently need to operationalize the SNIF. We urgently need to provide SNAs increased powers to raise discretionary funds, through own source revenues. And, we need to



## NCDD Annual Work Plan and Budget 2016

ensure our financial management systems provide SNAs autonomy in the management of resources, that they operate smoothly and efficiently and that money allocated to SNAs, through our conditional grant systems, is transparent, equitable, and efficient. During 2016 we need to effectively decentralize HR management to SNAs, and we need to promote women in SNA management positions. We need to ensure social equity and inclusiveness is addressed and promoted in all our policies, administrative procedures, and decisions. This year, Social Accountability will be implemented on a much larger scale. We need to continue our excellent partnership with civil society and to ensure our citizens can actively and constructively engage SNAs and local service providers in order to improve their performance and to promote community participation.

The success of the 2016 AWPB depends upon a high level of effort, consultation and cooperation within government at all levels. It depends upon the ability of our managers to improve our program financial management systems, M&E, communication, policy development and planning processes. It depends on how well we coordinate with civil society and with our other cross cutting reform programs in public administration and financial management. Our internal reforms, our changes within government, are essential to our success in promoting sub-national democratic development.

Every effort will be made to ensure our whole-of-government reforms benefit the people of Cambodia for whom they are ultimately designed.



Phnom Penh Capital, 27. January 2016 ✓

**Samdech Krolahom Sar Kheng,**

**Deputy Prime Minister, Minister of Interior,  
and Chairman of the NCDD**

# TABLE OF CONTENTS

Management Statement.....	i
Table of Contents.....	iii
Figures.....	iv
Tables.....	iv
Abbreviations.....	v
Terminology / Definitions.....	vii
Overview / introduction.....	1
Priorities for 2016.....	2
The 2016 AWPB budget.....	4
Planned Expenditures (needs).....	4
Technical Assistance.....	5
Fiscal transfers.....	5
The Basket Fund.....	6
DP projects and programs.....	6
Summary.....	6
Outcome #1: Reform Management.....	8
1.1. Introduction and targets.....	8
1.2. Outputs and their description.....	8
1.3. Budget overview.....	10
Outcome #2: Democratic Accountability.....	11
2.1. Introduction and targets.....	11
2.2. Outputs and their description.....	11
2.3. Budget overview.....	13
Outcome #3: Human Resource Management & Development.....	14
3.1. Introduction and targets.....	14
3.2. Outputs and their description.....	14
3.3. Budget overview.....	16
Outcome #4: SNA Service Delivery and Functions.....	17
4.1. Introduction and targets.....	17
4.2. Outputs and their description.....	17
4.3. Budget overview.....	21
Outcome #5: Fiscal Decentralization.....	23
5.1. Introduction and targets.....	23
5.2. Outputs and their description.....	23
5.3. Budget overview.....	25
Annex 1A: Opening speech by <b>H.E. Kitti Seddha Pundit Keat Chhon</b> , Permanent Deputy Prime Minister and NCDD deputy chairman at the AWPB national workshop.....	26
Annex 1B: Closing speech by <b>Samdech Krolahom Sar Kheng</b> , Deputy Prime Minister, Minister of Interior, and Chairman of the NCDD, at the AWPB national workshop.....	30
Annex 2: TA / Staffing.....	35
Annex 3: Results Framework / targets.....	36
Annex 4: Detailed activities in the AWPB.....	39

## FIGURES

Figure 1: Documents describing AWPB outputs in more detail .....	1
Figure 2: Trends in TA (all values in \$US Millions).....	5
Figure 3: Fiscal Transfers (total funding over time, in \$US Millions).....	5
Figure 4: Basket fund trends (budget in \$US Millions) .....	6

## TABLES

Table 1: Planned 2016 expenditures .....	5
Table 2: Estimated SNA Fiscal Transfers .....	6
Table 3: Detailed Sources of Funds .....	7
Table 4: Indicators /Targets for Outcome #1 .....	8
Table 5: Budget overview and sources of funds for Outcome #1.....	10
Table 6: Indicators /Targets for Outcome #2 .....	11
Table 7: Budget overview and sources of funds for Outcome #2.....	13
Table 8: Indicators /Targets for Outcome #3 .....	14
Table 9: Budget overview and sources of funds for Outcome #3.....	16
Table 10: Indicators /Targets for Outcome #4 .....	17
Table 11: Outputs implementing the functional transfer .....	19
Table 12: Budget overview and sources of funds for Outcome #4.....	22
Table 13: Indicators /Targets for Outcome #5.....	23
Table 14: Budget overview and sources of funds for Outcome #5.....	25
Table 15: IP3 staffing levels and budget for 2016.....	35
Table 16: Results Framework, matrix of indicators.....	36

# ABBREVIATIONS

ABBREVIATION	DESCRIPTION
ADB	Asian Development Bank
ADB/DPSFM	ADB Decentralized Public Service and Financial Management
ADB/PPTA	ADB Technical Assistance for Project Preparation
ADB/RWS	ADB Piloting of Decentralizing Rural Water Supply Operations & Maintenance Function
ADB/TS-PRSDP	ADB Tonle Sap Poverty Reduction and Smallholder Development Project
AWPB	Annual Work Plan and Budget
BOG	Board of Governors
CCC	The Cooperation Committee for Cambodia
CD	Capacity development
CDB	Commune Database
CMDG	Cambodian Millennium Development Goals
CPDB	Commune Planning Database
CS	Commune/Sangkat
CSO	Civil Society Organization
DM	District/Municipality
DMK	District/Municipality/Khan
DP	Development partner
EU	European Union
EU-SPACE	EU program to Strengthen Performance, Accountability and Civic Engagement of Democratic Councils
GiZ	Deutsche Gesellschaft fuer Internationale Zusammenarbeit GmbH (German implementation agency for international cooperation)
HR	Human resources
IEC	Information, Education, Communication
IP3	First three-year Implementation Plan of National program
IT	Information Technology
MCS	Ministry of Civil Service
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MEF	Ministry of Economics and Finance
MIS	Management Information System
MOI	Ministry of Interior
MOP	Ministry of Planning
MOWA	Ministry of Women's Affairs
NAD	National AWPB Database
NCDD	National Committee for Democratic Development
NCDDS	Secretariat of NCDD
NGO	Non-governmental Organization
NLCS	National League of Commune/Sangkat Councils
NP	National Program for Sub-national Democratic Development
OD	Organizational Development
OL	Organic Law
PC	Provincial/Capital
PDoWA	Provincial Department of Ministry of Women's Affairs
PITO	Provincial IT Officer
RGC	Royal Government of Cambodia
Sida	Swedish International Development Agency
SNA	Sub-national Administration(s)
SNDD	Sub-national Democratic development
SNIF	Sub-national Investment Facility
TA	Technical Assistance
TWG	Technical Working Group
UN	United Nations
UNCDF	UN Capital Development Fund
UNCDF/LDDPHS	UNCDF Local Development through Decentralized Public Health Services

## NCDD Annual Work Plan and Budget 2016

ABBREVIATION	DESCRIPTION
UNCDF/LGCC2	UNCDF Local Governance and Climate Change Project
UNDP	United Nations Development Program
UNDP-EU/ACES	UNDP and EU Association of Councils Enhanced Services Project
UNDP/SNC Scale up	UNDP Scaling-up Climate Change into Sub-national Planning and Budgeting Process
UNFPA	United Nations Population Fund
UN WOMEN	United Nations Women
WB	World Bank
WB/CTPP	WB Cash Transfer Pilot Project
WB/LASED	WB Land Allocation for Socio-Economic Development
WB- RSDSD TA	TA Support to Rural Sanitation Decentralized Service Delivery

## TERMINOLOGY / DEFINITIONS

TERM	DEFINITION
Accountability	The obligation of power-holders to answer for their actions, to an authority that may impose a penalty for failure
Activity	Actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources are mobilized to produce specific outputs
Capacity Development	A process leading to either: (i) skill upgrading, (both general and specific), (ii) procedural improvements and/or (iii) organizational strengthening. Capacity development refers to investment in people, institutions, and practices
Civic Engagement	A community-based process, where citizens organize themselves around their goals at the grassroots level and work individually or together through non-governmental community organizations to influence the decision-making process
Civil Society Organization	Non-governmental and not-for-profit organizations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations
Deconcentration	When central government redistributes decision making authority, financial and management responsibilities to lower levels of the central government bureaucracy or hierarchy.
Delegation	When central government transfers responsibility for decision-making and administration of public functions to local governments (or other independent agencies or organizations) not wholly controlled by the central government, but ultimately accountable to it. Control is exerted through a “contractual” (principal-agent) relation.
Devolution	When central government transfers responsibility for decision-making and administration of public functions to local governments who are primarily accountable to their electorate, and who operate at arms-length, largely outside the direct control of central government.
Evaluation	To judge the value, merit or worth of something; a periodic assessment of efficiency, effectiveness, impact, sustainability and relevance in the context of stated objectives
Governance	The traditions and institutions by which authority in a country is exercised; the way in which power and authority influence public life, especially economic and social development
Impact	Positive and negative, primary and secondary long-term effects produced by (caused by) a development intervention, directly or indirectly, intended or unintended; or, in a log-frame: significant long-term developmental change induced in the user of a service or product
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor
Input	The financial, human, and material resources used for the development intervention
Institutions	An established law, practice, or custom
Milestone	An important or key activity tagged or singled out for special monitoring in terms of progress or completion.
Monitoring	The systematic and continuous collecting, analyzing and using of information for the purpose of management control and decision-making
Outcome	A direct, but intermediary change or improvement in the welfare of the customer or beneficiary as a result of the use of a service (or output).
Output	The final products, capital goods and services which result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes. Organizations are accountable to produce outputs on time, of the desired quantity and quality (QQT)
Policy (a public policy)	A purposeful, consistent course of action, principles, or set of decisions: (i) produced as a response to a perceived problem, (ii) formulated by a specific political process, and (iii) adopted, implemented, and enforced by a public agency.
Program/Programme	A time-bound intervention that differs from a project in that it usually cuts across sectors, themes and/or geographic areas, uses a multi-disciplinary approach, involves more institutions than a project, and may be supported by different funding sources
Results Based Management	A life-cycle approach to management that integrates strategy, people, resources, processes, and measurements to improve decision making, transparency, and accountability. The approach focuses on achieving outcomes, implementing performance measurement, learning, and adapting, as well as reporting performance.
Transparency	Provision of timely, relevant and reliable information, accessible to all relevant stakeholders



## OVERVIEW / INTRODUCTION

The second phase of the IP3 (IP3-II) was approved by the Royal Government of Cambodia in December 2014. Building from the success of the first phase, the IP3-II emphasizes the transfer of significant functions from central government to SNAs (Sub-National Administrations); it places a renewed focus on service delivery; it better manages the complex nature of the reforms; it takes a fresh approach to capacity development; and it promotes increased participation from civil society. This 2016 AWPB (Annual Work Plan and Budget) marks the second year in implementing these important changes.

This 2016 AWPB describes the expected priorities, outputs, activities and budgets planned for the sixth year in which we are implementing the National Program. It establishes a framework for semi-annual and annual reporting. To develop this plan, numerous consultations were held with implementing agencies during the fourth quarter of 2015. Priority outputs and budget allocations were presented and discussed for final review at the National Workshop on the Formulation of the 2016 NCDD AWPB, convened on the 15<sup>th</sup> and 16<sup>th</sup> of December 2015. The workshop brought together nearly 500 people including senior officials from concerned Ministries, Council Chiefs and Governors from 25 PCs and selected DMs, Directors of relevant Provincial/Capital line Departments, development partners, NGO representatives and NCDD officials and advisors. [Annex 1](#) reproduces the opening and closing speeches of the Permanent Deputy Prime Minister **H.E. Kitti Seddha Pundit Keat Chhon** and the Deputy Prime Minister **Samdech Krolahom Sar Kheng**.

Following approval of this document, 2016 Capacity Development Plans will be completed by the 25 Provincial/Capital Resource Facilities. These plans will integrate supply driven training, designed at national level, with demand driven training, organized by the Resource Facilities. Demand driven training will be designed based on capacity development needs of SNA councilors and staff (expressed primarily through their organizational development plans) and the capacity of available training providers from government departments, advisors, civil society, and the private sector.

This document focuses on AWPB outputs, typically describing them in a single paragraph. In many cases, an output is documented in more detail somewhere else, often in a more substantial plan or strategy. For example, the Ministry of Education's draft functional reassignment implementation plan (output 4.3) is 18 pages, though this AWPB document summarizes activities for 2016 it in a few sentences. The social accountability action plan (output 2.2) is 46 pages and the communication strategy (output 1.4) is 12 pages. Reference to these more detailed documents and their reference to outputs in this plan is listed adjacently.

Chapters 1-5 of this document describe each of the five IP3-II outcomes (Reform Management, Democratic Accountability, Human Resource Management and Development, SNA Service Delivery and Functions, and Fiscal Decentralization). The remainder of this introduction outlines key priorities and provides an overview of expected sources of funds and expenditures. In addition:

- [Annex 2](#) summarizes TA
- [Annex 3](#) reproduces the IP3-II results framework (targets). All outputs and activities in this AWPB were derived based on these targets, taking into account available finances and assessment of implementation capacities
- [Annex 4](#) contains the full 2016 AWPB (including all activities)

The activities found in this plan will be finalized during the process of reaching Joint Decisions, signed between NCDD and program implementers. Once agreed, all budgets, indicators and activities will be uploaded on-line into the National AWPB Database (NAD) for monitoring purposes.

### Figure 1: Documents describing AWPB outputs in more detail

- Output 1.3: NCDD Communications Strategy
- Output 1.6: ACES strategic and annual plans
- Output 2.2: Social Accountability Action Plan
- Output 2.5: Draft NCDD MIS Strategy
- Output 3.4: ADB concept note on PPTA-8929
- Output 3.5: Various ADB/RGC documents on the construction of District Offices
- Output 4.2: Various project documents on the Tonle Sap Project; UNCDF LGCC; IFAD Aspire Project, etc.
- Output 4.3: MOEYS Functional Reassignment Action Plan (draft)
- Output 4.11: various project documents and manuals about OWSOs

## Priorities for 2016

At the National Workshop on Formulation of the 2016 AWPB, 15 priorities or milestones were presented to participants and were discussed and revised in working groups. In his closing speech (page 30), **Samdech Krolahom Sar Kheng**, Deputy Prime Minister, Minister of Interior, and NCDD Chairman, stressed the importance of implementing the functional transfer, especially primary education; ensuring conditional grant mechanisms are developed on time, as to not delay functional transfer; providing increased SNA access to financing, especially own source revenues; social accountability and gender mainstreaming.

Our 15 priorities emphasize the shift in the IP3-II to a more service delivery approach. 7 of the 15 priorities concern the transfer of functions and one concerns conditional grants, which be required to support the delivery of these services. Another four capture work not yet completed, but committed to in the NSDP (social accountability, SNIF, decentralized HR management, and own source revenues).<sup>1</sup>

There is not a relationship between whether an output is considered a priority and what its direct costs are. Some “low cost” outputs are priorities, while some “high cost” outputs are not. This is because direct output costs described in this plan, exclude overheads (TA and operations contained in output 1.2) and exclude training associated with the rollout or dissemination of the output (training is contained in output 3.3). Therefore almost all outputs, whether they are priorities in 2016 or not, include significant TA and training inputs which are budgeted elsewhere. The priorities for 2016 are listed below, with their deadlines for completion (by quarter):

### **PRIORITY #1 COMMUNICATIONS STRATEGY IMPLEMENTED (AWPB OUTPUT 1.3)**

- Q1 Develop and test fact sheets, logos, and leaflets having distinctive NCDD branding which explain the reforms in simple language
- Q2 Develop and test a set of high quality photographs and info-graphics
- Q3 Implement targeted SNA engagement (to ensure a thorough understanding of the reforms)
- Q4 Develop and implement a social media presence to stimulate the participation of citizens and government officials

### **PRIORITY #2: ON-GOING DIRECT DIALOGUE ABOUT SNDD REFORMS REGULARLY HELD BETWEEN NCDDs AND MINISTRIES IMPLEMENTING THE IP3 (AWPB OUTPUT 1.4).**

- Q1 Steering Committees for functional reassignment implementation operational and led by all participating sector Ministries
- Q4 At least 2 meetings are held with key Ministries ensuring they understand the policies and goals of the SNDD reforms

### **PRIORITY #3: IN PARTNERSHIP WITH CIVIL SOCIETY AND LOCAL COMMUNITIES, AT LEAST 300 COMMUNES IN 51 DISTRICTS COMPLETE THEIR SOCIAL ACCOUNTABILITY ACTIVITIES AND DEVELOP JAAPS BY SEPTEMBER 2016 (AWPB OUTPUT 2.2)**

- Q1 Citizen and supply side awareness creation activities completed in all targeted communes
- Q2 I4Cs posted in all targeted communes
- Q3 Citizen scorecards completed in all targeted communes, schools and health centers
- Q3 JAAPs completed in all targeted communes

### **PRIORITY #4: SNA COMPLAINTS HANDLING MECHANISMS REVIEWED, REDESIGNED AND IMPLEMENTED IN ORDER TO IMPROVE ACCESS AND USE BY CITIZENS (AWPB OUTPUT 2.3)**

- Q1 Prepare a sub-decree on revised complaints handling mechanisms
- Q3 Disseminate, train stakeholders, and implement the revised mechanism

---

<sup>1</sup> Including: “By 2016, the legal framework for SNA own source revenue collection will have been completed; by 2015, a SNIF will have been designed and approved for operation and by 2018, the SNIF will have channeled at least \$US 10 Million to local development projects; by 2015, an SNA personnel statute will have been approved and by 2015, all SNA staff (except the Boards of Governors and Directors of Administration) will have been exclusively managed by, work for, and be fully accountable to SNAs

**PRIORITY #5: ALL SUBSIDIARY HR REGULATIONS, GUIDELINES AND MANUALS TO SUPPORT THE SEPARATE STATUTE ON SNA PERSONNEL COMPLETED AND IMPLEMENTED, INCLUDING A STRATEGY TO INCREASE THE PERCENTAGE OF FEMALES IN SNA MANAGEMENT POSITIONS (AWPB OUTPUT 3.1)**

- Q1 Develop and approve regulations, guidelines and manuals fully describing the process of recruitment, hiring, managing leave and transfer, disciplinary action, HR development, staff performance appraisals and other HR functions
- Q2 Disseminate and train stakeholders on the revised HR management system
- Q2 A strategy to increase the percentage of females in SNA management positions mainstreamed into all relevant SNA personnel regulations
- Q3 Implement the revised HR management system at SNAs

**PRIORITY #6: PRIMARY, EARLY-CHILD, AND NON-FORMAL EDUCATION FUNCTIONS TRANSFERRED TO ALL DMS IN ONE TARGET PROVINCE (AWPB OUTPUT 4.3)**

- Q2 Develop and approve a sub-decree and regulations
- Q2 Disseminate, train stakeholders, and implement the sub-decree
- Q4 Evaluate the effectiveness of the functional transfer to expand to other Provinces

**PRIORITY #7: CAPITAL AND ALL DMS EFFECTIVELY IMPLEMENT THEIR URBAN SOLID WASTE MANAGEMENT FUNCTIONS (AWPB OUTPUT 4.4)**

- Q1 Guidelines and regulations developed, disseminated and implemented to transfer solid urban waste management
- Q4 Performance of DMs in solid waste management evaluated and results presented to relevant stakeholders

**PRIORITY #8: STATE ORPHAN CENTER MANAGEMENT, THE OVERSIGHT OF NGO-MANAGED CHILD CARE CENTERS, AND THE MANAGEMENT OF CHILD VICTIMS AND VULNERABLE CHILDREN IN COMMUNITIES TRANSFERRED TO THE PROVINCE, DMS AND CSS RESPECTIVELY, IN ONE TARGET PROVINCE (AWPB OUTPUT 4.5)**

- Q2 All staff and resources transferred in targeted SNAs
- Q4 Evaluate the effectiveness of the functional transfer to expand to other Provinces

**PRIORITY #9: HEALTH OPERATIONAL DISTRICT OFFICE FUNCTIONS TRANSFERRED TO TARGETED SNAS (AWPB OUTPUT 4.6)**

- Q1 Agreement finalized on the nature of the functional transfer, including a longer term strategy for hospitals
- Q2 Disseminate, train stakeholders, and implement the sub-decree
- Q4 Evaluate the effectiveness of the functional transfer to expand to other Provinces

**PRIORITY #10: PILOT TRANSFER OF RURAL SANITATION AND WATER SUPPLY OPERATIONS AND MAINTENANCE CONTINUED IN TARGETED DISTRICTS (AWPB OUTPUT 4.7)**

- Q1 Continue to implement the pilots in targeted Districts
- Q3 Evaluate the effectiveness of the pilots to expand the functional transfer

**PRIORITY #11: RURAL ROAD MAINTENANCE FUNCTIONS TRANSFERRED TO TARGETED DMS (AWPB OUTPUT 4.8)**

- Q1 Agree on the type of roads and types of maintenance to be transferred
- Q2 Disseminate, train stakeholders, and implement the sub-decree
- Q4 Evaluate the effectiveness of the functional transfer

**PRIORITY #12: AGREEMENT REACHED ON THE TRANSFER OF URBAN SERVICES FROM PROVINCIAL LEVEL TO MUNICIPALITIES, AND READY FOR IMPLEMENTATION BEGINNING IN 2017 (AWPB OUTPUT 4.10)**

- Q2 Functions assessed, identified for transfer and agreed upon.
- Q3 Regulatory instruments and guidelines created and disseminated so implementation can begin in early 2017

**PRIORITY #13: SNA CONDITIONAL GRANT MECHANISMS IN PLACE TO SUPPORT THE TRANSFER OF FUNCTIONS (AWPB OUTPUT 5.2)**

- Q1 Sub-decree on SNA conditional grant mechanisms approved
- Q2 Subsidiary regulations supporting conditional grants completed
- Q2 Conditional grants transferred to SNAs for implementing functional transfers

**PRIORITY #14: POLICY AND REGULATIONS ON SNA OWN SOURCE REVENUES DEVELOPED AND APPROVED (AWPB OUTPUT 5.3)**

- Q1 All required analysis completed and approved
- Q2 A policy / strategy completed agreeing on revenue sources to assign to SNAs
- Q2 Develop and implement guidelines and regulations to provide SNAs with own source revenues

**PRIORITY #15: SNIF REGULATIONS AND GUIDELINES DEVELOPED AND APPROVED SO THAT PROJECTS CAN BEGIN IMPLEMENTATION IN 2017 (AWPB OUTPUT 5.4)**

- Q1 Sub-Decree on the SNIF approved and disseminated
- Q1 SNIF secretariat established and functioning
- Q2 All relevant guidelines, regulations and manuals completed and approved
- Q3 2017 resource allocation informed to SNAs
- Q4 All SNIF processes (assessments of SNA minimum conditions, allocation of budgets, submission of project proposals, project appraisals, etc.) completed so that projects can be implemented in early 2017

## The 2016 AWPB budget

### PLANNED EXPENDITURES (NEEDS)

The IP3-II budget consists of “reform” activities (which are concerned with developing SNA institutional, organizational and individual capacities) and fiscal transfers to SNAs (which finance service delivery and day-to-day administration). In terms of “reform” activities, there are 3 broad categories of expenditure:

- DIRECT ACTIVITY COSTS are incurred when producing specific outputs. This includes workshops, meetings and training sessions, as well as systems management and program monitoring costs.
- TECHNICAL ASSISTANCE (TA) costs, include the costs of advisors and support staff hired on annual contracts and focused on supporting the achievement of multiple outputs
- OPERATIONAL COSTS are allocated to national and sub-national implementers, to cover overhead costs such as vehicles and office supplies. “Operations” are not specifically tied to a single output.

A summary of planned expenditures is provided below.



Table 1: Planned 2016 expenditures

EXPENDITURE TYPE	A.	B. BASKET		C. DP	TOTAL (A+B+C)	
	RGC	Value	%	PROJECTS	Value	%
<b>1. REFORM</b>	<b>\$200,000</b>	<b>\$11,249,000</b>	<b>100.00%</b>	<b>\$17,507,060</b>	<b>\$28,956,060</b>	<b>7.63%</b>
1.1. Direct Activities	\$200,000	\$4,392,364	39.05%	\$17,507,060	\$22,099,425	5.82%
#1: Reform Management	\$200,000	\$1,424,922	12.67%	\$2,000,000	\$3,624,922	0.96%
#2: Democratic Accountability	\$0	\$563,742	5.01%	\$3,000,000	\$3,563,742	0.94%
#3: HR Management	\$0	\$1,269,365	11.28%	\$6,749,124	\$8,018,489	2.11%
#4: Services & Functions	\$0	\$811,025	7.21%	\$4,417,596	\$5,228,621	1.38%
#5: Fiscal Decentralization	\$0	\$323,310	2.87%	\$1,340,340	\$1,663,650	0.44%
1.2. Operations	\$0	\$1,829,200	16.26%	\$0	\$1,829,200	0.48%
1.3. TA (technical assistance)	\$0	\$5,027,436	44.69%	\$0	\$5,027,436	1.33%
<b>2. FISCAL TRANSFER (Service Delivery)</b>	<b>\$343,119,000</b>	<b>\$500,000</b>		<b>\$6,825,360</b>	<b>\$350,444,360</b>	<b>92.37%</b>
<b>3. TOTAL (1+2)</b>	<b>\$343,319,000</b>	<b>\$11,749,000</b>		<b>\$24,332,420</b>	<b>\$379,400,420</b>	<b>100.00%</b>
% of Total	90.49%	3.10%		6.41%	100.00%	

### TECHNICAL ASSISTANCE

This year 675 staff will provide long-term technical assistance at a budgeted cost of \$US 5.1 million. This includes both advisors and contract staff. Advisors are hired at salaries that are competitive with international organizations to: develop capacity and to perform specialized tasks, similar to consultancy assignments. Contract staff are hired primarily by SNAs at salaries within the range of civil service compensation levels to fill gaps and thus ensure satisfactory performance. Ideally many contract staff will be recruited as civil servants when openings eventually arise.

The IP3-II is committed to reducing TA levels to encourage sustainability and to invest more resources in direct activity implementation. As documented in Figure 2, TA levels were significantly reduced during 2016, and IP3-II targets for TA are now on track.

Figure 2: Trends in TA (all values in \$US Millions)

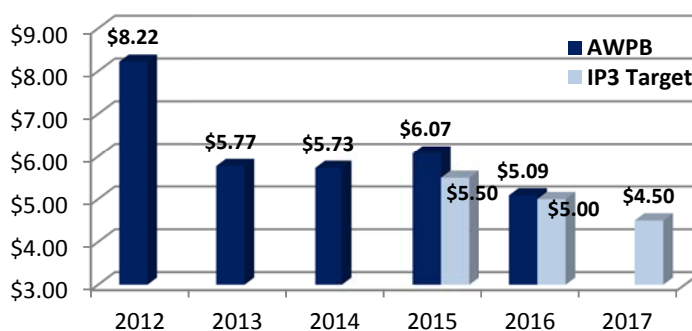
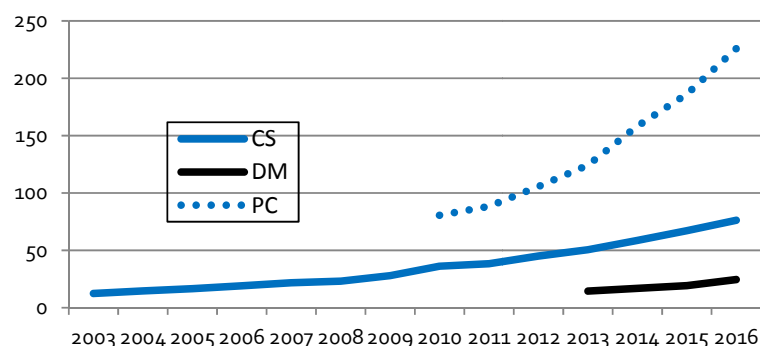


Figure 3: Fiscal Transfers (total funding over time, in \$US Millions)



### FISCAL TRANSFERS

The Government's contribution to SNA fiscal transfers has increased at a rate of about 17% per year (see Figure 3). During 2016 contributions to the CS fund will reach \$76.2 Million. The DM Fund will receive \$24.5 Million and PC budgets will reach \$225.8 Million (Table 2). During 2016 the RGC's contribution to the DM fund will be \$US 6.2 Million, which is equivalent to \$33,720 per DM or 0.23% of the annual budget.

As a result of the functional transfer, SNAs (mostly DMs) are expected to receive \$16.6 Million in conditional grants from the Government. These figures largely depend on the budget for education in Battambang. As the scope of functional transfers is expanded (most are implemented in only one Province during 2016), the NCDD expects the target<sup>2</sup> of doubling CS and DM budget allocations (from 3.6% of budget to 7.2% of

<sup>2</sup> In the IP3-II results framework, the objective is to "increase CS and DM responsibilities" where budgetary allocations are used as an indicator (imperfect measure) of these responsibilities. In the case of solid waste management, financing will largely be through user fees, so budgetary allocations under-estimate the degree to which functions have been transferred.

budget) will be met. DPs, through projects, also directly finance CS and DM expenditure. As can be seen below, it is expected the value of these conditional grants<sup>3</sup> will reach \$US 1.1 Million.

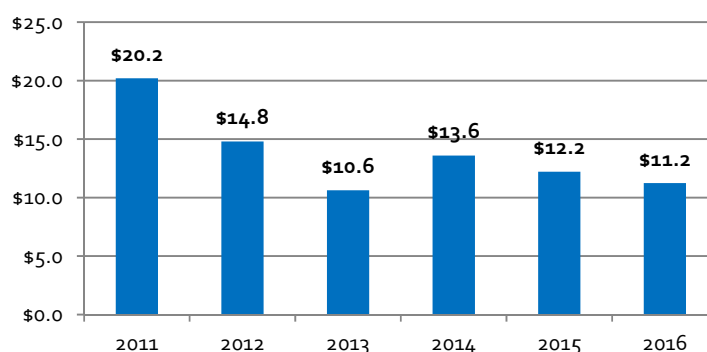
**Table 2: Estimated SNA Fiscal Transfers**

Type/Source	Value \$US	%	Note
1. PC Budget	\$225,840,000	64.44%	On average: \$9,033,600 per PC
2. DM Fund	\$24,480,000	6.99%	On average: \$132,324 per DM
3. CS Fund	\$76,150,000	21.73%	On average: \$46,632 per CS
4. RGC Conditional Grants	\$16,649,000	4.75%	From functional transfers
4.1. Education	\$12,000,000	3.42%	Includes only Battambang, and its 14 DMs. <sup>4</sup> Assumed staff costs are 4,985 staff × \$162 per month; operations are \$3,000 per district; school improvement grants are \$1,536 per school × 623 schools, and in kind transfers/investments about \$US 1.5 million.
4.2. Primary health	\$960,000	0.27%	Transfer of health centers in 4 Operational districts. Estimated as 4 Districts × \$40,000 per HC × 6 HC per district
4.3. Solid Waste	\$2,000,000	0.57%	An estimate, covers all DMs
4.4. NR conservation	\$62,500	0.02%	An estimate covering all DMs; NR =Natural Resource
4.5. Social affairs	\$250,000	0.07%	An estimate based on the 2016 budget
4.6. Rural sanitation	\$26,500	0.01%	An estimate, covering pilot areas
4.7. Rural roads	\$850,000	0.24%	An estimate based on the 2016 budget
4.8. OWSO	\$500,000	0.14%	Costs of expanding OWSOs
5. DP Project Finance	\$1,125,360	0.32%	
5.1. Climate Change	\$400,000	0.11%	IFAD/ ASPIRE
5.2. Social Services	\$631,360	0.18%	SDC, UNICEF, UNFPA, UNCDF
5.3. Social protection	\$94,000	0.03%	WB/CTPMCH
6. DP Loans (Tonle Sap)	\$6,200,000	1.77%	Loan ADB/TS-PRSDP
<b>TOTAL</b>	<b>\$350,444,360</b>	<b>100%</b>	

### THE BASKET FUND

Beginning in 2017, EU support will mostly be disbursed through the Government budget. In making this transition EU funding for 2016, will be \$US 1.7 Million, significantly less than the \$US 5-6 Million typically available. To address this shortfall, management, with the cooperation and flexibility of other DPs, successfully smoothed expenditures over the 2015/6 period. During 2016, basket fund financing will reach about \$11.2 million, a figure well within the historical bounds of reform expenditure (see Figure 4).

**Figure 4: Basket fund trends (budget in \$US Millions)**



### DP PROJECTS AND PROGRAMS

This year’s AWPB is supported through numerous DP financed projects and programs. The overall level of project support, including social accountability activities implemented by civil society, is expected to reach \$21.1 Million, or 5.6% of the overall budget (including fiscal transfers). To the degree possible, these initiatives have been aligned to the second IP3 and integrated into our plan and budget.

### SUMMARY

Overall funding (see Table 3) is expected to reach \$US 379.4 Million. The Royal Government of Cambodia remains the main contributor to reforms and their implementation, providing a total of \$US 343.3 Million, or 90.5%. This figure rises when loans from the ADB, totaling \$US 15 Million (4% of total) are included. Funding details are provided on the following page.

<sup>3</sup> These typically are transferred into the CS and DM funds, which were designed as unconditional grant mechanisms. The sub-decree on conditional grants is expected to address this issue.

<sup>4</sup> Estimates are about \$US 1 million per district. This implies a total national cost for primary, pre-primary and non-formal education of \$197 million. The total budget for education is \$497 Million. Salary figures come from <http://www.phnompenhpost.com/teachers-get-wage-hike>

## NCDD Annual Work Plan and Budget 2016

**Table 3: Detailed Sources of Funds**

Source	SNA Transfer	I. Basket Fund	II. Earmarked	III. In-kind	IV. Reform (I+II+III)	% Reform	Total	%
<b>1. RGC [1]</b>	<b>\$343,119,000</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$200,000</b>	<b>0.69%</b>	<b>\$343,319,000</b>	<b>90.49%</b>
<b>2. LOANS</b>	<b>\$6,200,000</b>	<b>\$0</b>	<b>\$8,829,464</b>	<b>\$0</b>	<b>\$8,829,464</b>	<b>30.49%</b>	<b>\$15,029,464</b>	<b>3.96%</b>
2.1. ADB/DPSFM	\$0	\$0	\$7,689,464	\$0	\$7,689,464	26.56%	\$7,689,464	2.03%
2.2. ADB/TS-PRSDP	\$6,200,000	\$0	\$1,140,000	\$0	\$1,140,000	3.94%	\$7,340,000	1.93%
<b>3. DP GRANTS</b>	<b>\$1,125,360</b>	<b>\$11,249,000</b>	<b>\$3,157,350</b>	<b>\$5,520,246</b>	<b>\$19,926,596</b>	<b>68.82%</b>	<b>\$21,051,956</b>	<b>5.55%</b>
3.1. Sweden/SIDA	\$0	\$4,425,987	\$0	\$0	\$4,425,987	15.29%	\$4,425,987	1.17%
3.2. EU	\$0	\$1,718,073	\$0	\$0	\$1,718,073	5.93%	\$1,718,073	0.45%
3.3. Swiss/SDC [3]	\$500,000	\$5,104,940	\$0	\$0	\$5,104,940	17.63%	\$5,604,940	1.48%
3.4. ADB/RWS O&M	\$0	\$0	\$125,000	\$0	\$125,000	0.43%	\$125,000	0.03%
3.5. ADB/PPTA [2]	\$0	\$0	\$0	\$400,000	\$400,000	1.38%	\$400,000	0.11%
3.6. GiZ EU-SPACE	\$0	\$0	\$0	\$350,000	\$350,000	1.21%	\$350,000	0.09%
3.7. GiZ/ARDP	\$0	\$0	\$0	\$650,000	\$650,000	2.24%	\$650,000	0.17%
3.8. GZ RED III	\$0	\$0	\$0	\$416,876	\$416,876	1.44%	\$416,876	0.11%
3.9. IFAD/ASPIRE	\$400,000	\$0	\$177,000	\$0	\$177,000	0.61%	\$577,000	0.15%
3.10. Supply side social accountability [4]	\$0	\$0	\$0	\$3,000,000	\$3,000,000	10.36%	\$3,000,000	0.79%
3.11. UNCDF/LDDPHS	\$22,000	\$0	\$30,000	\$0	\$30,000	0.10%	\$52,000	0.01%
3.12. UNCDF/LGCC2	\$0	\$0	\$151,820	\$0	\$151,820	0.52%	\$151,820	0.04%
3.13. UNDP-EU/ACES	\$0	\$0	\$1,000,000	\$0	\$1,000,000	3.45%	\$1,000,000	0.26%
3.14. UNFPA	\$39,000	\$0	\$111,141	\$0	\$111,141	0.38%	\$150,141	0.04%
3.15. UNICEF/Seth Koma	\$70,360	\$0	\$1,342,616	\$703,370	\$2,045,986	7.07%	\$2,116,346	0.56%
3.16. WB-CTPMCH	\$94,000	\$0	\$119,773	\$0	\$119,773	0.41%	\$213,773	0.06%
3.17. WB-WSP	\$0	\$0	\$100,000	\$0	\$100,000	0.35%	\$100,000	0.03%
<b>4. GRAND TOTAL (1+2+3)</b>	<b>\$350,444,360</b>	<b>\$11,249,000</b>	<b>\$12,186,814</b>	<b>\$5,520,246</b>	<b>\$28,956,060</b>	<b>100.00%</b>	<b>\$379,400,420</b>	<b>100.00%</b>
%	92.37%	2.96%	3.21%	1.45%	7.63%	0.00%	100.00%	

NOTES: [1] RGC SNA transfer includes CP/DM/CS unconditional transfers and estimates for conditional grants (see **Error! Reference source not found.**). [2]: the total is \$800,000, assumed to be over two years; [3] SDC funding in the basket includes \$5.1 Million for reform activities and \$500,000 for fiscal transfers; [4] Includes, over the next 3 years JSDF funding of \$5 Million, EU funding of 2 million Euro, USAID funding of \$US 1 Million and NGO self-financing of \$US 1 Million. The column "total" is calculated as the sum of fiscal transfers and reform activities.

# OUTCOME #1: REFORM MANAGEMENT

## 1.1. Introduction and targets

The success of the second IP<sub>3</sub> depends on how well processes of change are managed. This outcome addresses several key issues arising from the first IP<sub>3</sub>. It takes steps to: (i) coordinate and address the political nature of the reforms; (ii) strengthen ownership; (iii) improve communication and transparency; (iv) effectively manage change and results; (v) learn better and (vi) improve policy processes. The overall outcome is:

**Improved management of the NP-SNDD reform process geared towards management of change**

The table below summarizes the targets found in the IP<sub>3</sub>-II.

**Table 4: Indicators / Targets for Outcome #1**

TARGET / INDICATOR	2015	2016	2017
1. Has NCDD held at least 3 meetings per year; debated performance management in at least 2 and discussed social equity in at least 1?	YES	YES	YES
2. Expenditure on TA (in \$US Millions)	5.5	4.5	4.0
3. Number of people reached in Social marketing campaigns (undertaken with CSOs) (in thousands)	100	100	100
4. % of program implementers satisfied with NCDD's planning, policy development and financial management procedures	50%	60%	70%
5. % of program milestones and targets met on time	50%	60%	70%
6. Cumulative number of sector Ministries making public statements strongly supporting decentralization	1	2	5

NOTE: Reporting against targets is done in annual reports; 2015 and 2017 values are provided to give context to the expected results

## 1.2. Outputs and their description

The second IP<sub>3</sub> contains five outputs in terms of reform management (these are listed in red). AWPB outputs for 2016 are as follows.

### **IP3 OUTPUT 1.1: NCDD LEADS THE POLITICAL PROCESS OF REFORM AND MANAGES PROGRAM PERFORMANCE TO ENSURE IMPLEMENTATION OF THE ORGANIC LAW**

**AWPB Output 1.1: Coordination mechanisms improved and implemented to ensure effective political decision making on SNDD reforms.** The NCDD is responsible for approving D&D policies and for managing and coordinating performance across the program's 46 implementers. During 2015, the final NCDD meeting was delayed until early 2016. Performance reports, reviewing the implementation of AWPB priorities, will be used in the January meeting. Coordination meetings between the three cross-cutting reforms (SNDD, PAR and PFRMP) were initiated during 2015. During 2016, the program will continue to strengthen NCDD, especially its role in terms of policy appraisal and approval and its lead in performance management. Key activities include: (i) strengthen and convene at least 3 NCDD meetings (in which results and performance will be discussed in at least two and social equity and inclusion in at least one); (ii) strengthen and convene at least one mandatory annual meeting of each Sub-Committee to review its past performance and to set future policy direction and targets; (iii) on a regular basis, prepare and submit progress reports to NCDD; (iv) review and improve NCDD's support and reporting to NCDD and its sub-committees to better inform decision-making; and (v) participate in cross-cutting reform coordination with PAR and PFRMP, to improve reform coordination and efficiency. *This output will be led by NCDD's with the participation of NCDD member Ministries.*

### **IP3 OUTPUT 1.2: NCDD'S FACILITATES AND COORDINATES PROGRAM IMPLEMENTATION AND MANAGEMENT BY ALL IMPLEMENTERS, PROGRESSIVELY CHANGING ITS ROLE FROM OPERATIONAL TO STRATEGIC**

**AWPB Output 1.2: Structures, systems, procedures and capacity of NCDD's strengthened to improve policy development and program management.** This output contains several internal reform activities. During 2015 key internal processes were reviewed (including policy development, results based management, financial management and the AWPB formulation process). During 2016 we will strengthen the individual and organizational capacity of NCDD's. We will improve departmental meetings and meetings between NCDD's and



IP3 implementers. NCDDS will continue to review and revise AWPB and financial management processes. An NCDDS data hub will be created (as a “cloud” based system) and the provision of IT support improved. During 2015, NCDDS drafted *IP3 Policy Development Guidelines*, describing a process with increased analysis, the development of shorter strategic inputs, and more widespread participation. The lead in policy formulation is almost always with other Ministries, with NCDDS facilitating, ensuring quality, and reviewing work to ensure it is consistent with the Organic Law. Overall support to policy development will be provided through various DP projects. In addition to these internal reforms, “routine” management activities will be undertaken. NCDDS will hold governance meetings with DPs and civil society, will manage finances, and will monitor, evaluate, and report. Key outcome monitoring processes (the governance survey and capacity assessment) will be revised and procured for 2017.<sup>5</sup> Projects will be coordinated to ensure their consistency with the IP3-II and AWPB, and Technical Assistance will be managed and provided to national and sub-national implementers. A mid-term review of the National Program will be completed.<sup>6</sup> Annual plans and budgets will be developed and implementers will be provided funds to pay their overhead expenses associated with the program. Program contingencies are contained within this output, which *will be led by NCDDS*.

### **IP3 OUTPUT 1.3: A COMMUNICATION STRATEGY IS IN USE FOCUSING ON INFORMATION SHARING BETWEEN GOVERNMENT INSTITUTIONS AND BETWEEN GOVERNMENT AND THE PUBLIC IN A WAY THAT CLARIFIES KEY MESSAGES AND DETERMINES THE BEST WAY TO DELIVER THEM TO DIFFERENT STAKEHOLDER GROUPS**

**AWPB Output 1.3: Communications strategy implemented, including regular and open consultation and information sharing between stakeholders both at national and subnational levels.** During 2015 an NCDD communications strategy was developed. The strategy contains 5 components and 13 outputs and is expected to be implemented from 2016 to 2017/8. During this year, NCDDS will:

- Develop key elements of a basic communications tool kit (including fact sheets, logos, and leaflets), each having distinctive NCDD branding
- Develop internal guidelines for integrating communications into training, workshop and planning events
- Develop a set of high quality photographs and info-graphics
- Upgrade the NCDD website, making it more user friendly
- Adjust the TOR of the communications unit, focusing the library on meeting information requests
- Develop and implement a structured media program (for NCDD leaders to interact with print media, radio, and television)
- Develop and implement a social media presence to stimulate the participation of citizens and government officials
- Implement targeted SNA engagement (to ensure a thorough understanding of the reforms)
- Develop and implement structured Ministry engagement (to ensure understanding of the reforms)
- With other actors, implement a social marketing campaign highlighting functional transfers such as education, health and solid waste management
- Hold seminars and workshops to listen to SNA stakeholders and to learn from their experiences how program implementation can be improved

These activities can be found in more detail in Annex 4.

### **IP3 OUTPUT 1.4: MINISTRIES HAVE ENHANCED OWNERSHIP OF AND PARTICIPATION IN THE REFORM PROCESS**

**AWPB Output 1.4: On-going direct dialogue about SNDD reforms regularly held between NCDDS and Ministries and other institutions implementing the IP3.** To further stimulate Ministerial ownership, under this output, Ministerial D&D working groups will be strengthened and NCDDS will hold meetings (formal and informal) with Ministries to ensure understanding of the policies and goals of the SNDD reforms including functional reassignment and the decentralization of HR management. Increasingly Ministries are expected to use their own budgets to implement SNDD reforms, for example, to implement functional transfers.<sup>7</sup> Under this

<sup>5</sup> Rather than implement process every two years it was decided to complete the work at the end of each IP3 phase.

<sup>6</sup> This is not budgeted in the AWPB; EU is providing financing and supporting procurement.

<sup>7</sup> We have estimated the cost of the conditional grants involved in functional transfer, but not the costs Ministries will incur to train their staff, revise their policies, monitor, and evaluate.

output, field visits will be organized with Ministries to monitor and support SNAs on functional reassignment, HR personnel and other relevant matters. As described in outputs 4.3 to 4.8, steering committees for functional reassignment implementation will be operational during the first quarter and will be led by each of the 5 sector Ministries (Education, Health, Rural Development, Environment, and Social Affairs). *This output will be implemented by NCDDS, MCS and the Ministries participating in functional transfers.*

### **IP3 OUTPUT 1.5: SNAS HAVE INCREASED OWNERSHIP OF THE REFORM PROCESS AND INCREASINGLY MAKE PROGRESS IN SHAPING THE REFORMS TO THEIR SPECIFIC NEEDS**

**AWPB Output 1.5: SNA structures, responsibilities, and capacities reviewed and improved to implement transferred functions.** The most significant change to be implemented by Ministries will be the transfer of functions (see the budgets of outputs #4.3 to 4.9). Ministries' roles will increasingly focus on policy-making, standards, regulation and capacity development, with SNAs undertaking most significant executive functions. This change requires a review of the roles, responsibilities and capacities of SNAs. Structures and reporting relationships will have to be changed; job descriptions and TORs will need to be adjusted; extensive training and mentoring is required.<sup>8</sup> *This output will be implemented by NCDDS, PCs, and DMKs.*

**AWPB Output 1.6: Capacity of the General Secretariat of the SNA Council Associations strengthened to support and deliver services to its members.** Council associations are strengthened through the ACES project which contains a wide range of capacity development activities. In addition to this, the IP3 provides financial and operational support, for example in holding annual meetings of the Associations and their Executive Committees. *This output will be implemented by SNA Associations.*

## **1.3. Budget overview**

The total cost of this outcome, during 2016, is \$5.4 Million. Details are documented below.

**Table 5: Budget overview and sources of funds for Outcome #1**

<b>OUTPUT</b>	<b>BASKET</b>	<b>OTHERS</b>	<b>TOTAL</b>	<b>NOTE</b>
1.1 Coordination mechanisms improved and implemented to ensure effective political decision making on SNDD reforms [NAD 1.1.2.1]	\$33,200	\$0	\$33,200	
1.2 Structures, systems, procedures and capacity of NCDDS strengthened to improve policy development and program management [NAD 1.2.1.1]	\$2,981,018	\$1,200,000	\$4,181,018	(1)
1.3 Communications strategy implemented, including regular and open consultation and information sharing between stakeholders both at national and subnational levels [NAD 1.3.2.1]	\$113,900	\$0	\$113,900	
1.4 On-going direct dialogue about SNDD reforms regularly held between NCDDS and Ministries and other institutions implementing the IP3 [NAD 1.4.1.1]	\$18,200	\$0	\$18,200	
1.5 SNA structures, responsibilities, and capacities reviewed and improved to implement transferred functions [NAD 1.5.1.1]	\$0	\$0	\$0	
1.6 Capacity of the Secretariat of SNA Council Associations strengthened to support and deliver services to its members [NAD 1.5.1.2]	\$72,400	\$1,000,000	\$1,072,400	(2)
<b>TOTAL</b>	<b>\$3,218,718</b>	<b>\$2,200,000</b>	<b>\$5,418,718</b>	

NOTE: (1) includes national TA and national operations costs administered by NCDDS. The RGC will contribute \$200,000 to support and facilitate the implementation, management, monitoring and reporting of the 2016 AWPB while EU SPACE and GiZ-ARDP will support policy developing, with an in-kind contribution of roughly \$US 1 Million; (2) The estimated budget for UNDP ACES is roughly \$1. Internal codes, used in the NAD (National AWPB Database) for monitoring purposes are provided square brackets [].

<sup>8</sup> Some of this is described under outcome #4, where most activities are budgeted.

# OUTCOME #2: DEMOCRATIC ACCOUNTABILITY

## 2.1. Introduction and targets

The development of democratic institutions of local government, which represent and respond to the needs of citizens, is a primary objective of the second IP<sub>3</sub>. Under this outcome, the accountability relationship between the BOG and councilors will be better defined, social accountability and citizen engagement activities will be implemented, compliance inspection and legality control measures will be strengthened and operational systems, such as Management Information Systems will be in place to facilitate Council decision making. The overall outcome is:

**SNAs function as local democratic and accountable institutions, including accountability of the BOG to the Council, accountability of Councilors to citizens and accountabilities of SNAs to comply with national laws and standards**

The table below summarizes the targets found in the IP<sub>3</sub>-II.

**Table 6: Indicators / Targets for Outcome #2**

TARGET / INDICATOR	2015	2016	2017
1. The regulatory framework is strengthened to ensure more effective councilor oversight and decision making powers, especially in terms of resource allocation and use	Yes	Yes	Yes
2. Number of DMs adopting and implementing DM charters (*)	50	185	185
3. 80% of DM councilors who believe their powers vis a vis the BOG are significantly stronger than they were in the past	20%	50%	80%
4. Number of DMK council meetings using information generated through a web-based DMK MIS / M&E system	100	300	591
5. Number of districts where all communes posted information to the public (according to disclosure of information regulations), participated in citizen monitoring exercises, and developed (JAAPs) to improve service delivery (*)	20	70	120
6. A second phase social accountability program developed to cover other services and levels of SNAs	NO	NO	YES
7. Number of complaints collected and managed by CSs	0	1,000	3,000
8. Number of complaints collected and managed by DMKs	0	500	1,200
9. Number of citizens attending District Forums	5,000	7,000	9,000
10. Number of CSOs attending District Forums	500	700	900
11. Financial contribution of Communes to the JAAP (\$ US Millions)	0.10	0.25	0.50
12. Impact evaluation completed using control and treatment groups and showing improvement on I4C indicators	NO	NO	YES
13. % of all PCS and DMKs have been inspected for compliance with SNA laws and regulations and have received a satisfactory assessment (*)	20%	30%	40%

NOTE: Targets are reported against in annual reports; 2015 and 2017 values are provided to give context to the expected results; \* = also an NSDP target

All implementers are responsible for designing and implementing outputs to achieve these targets.

## 2.2. Outputs and their description

The second IP<sub>3</sub> contains five outputs in terms of SNA democratic accountability (these are listed in red). AWPB outputs for 2016 are as follows.

### **IP3 OUTPUT 2.1: CLEAR ROLES AND LINES OF ACCOUNTABILITY BETWEEN SNA COUNCILS AND BOARDS OF GOVERNORS ARE ESTABLISHED AND IMPLEMENTED**

**AWPB Output 2.1: Governance systems and procedures reviewed and revised to improve SNA lines of accountability.** As of the end of 2015, Charters are being developed by all Districts and Municipalities and the development and introduction of Council Operating procedures (processes for council meetings, districts forums, etc.) are almost completed. Three technical documents are currently being developed. They cover

permissive functions (under outcome #4), inter and intra government relations (under this outcome), and local economic development. These documents will be completed during 2016 and introduced to DMs. With most governance procedures in place, this year we will review the quality and effectiveness of DM Charters and other governance arrangements.<sup>9</sup> The results of the analytical work will feed into any required revision of regulations or practices in the future. *This output is implemented by NCDDS and MOI.*

### IP3 OUTPUT 2.2: VOICES OF CITIZENS AND CIVIL SOCIETY ORGANIZATIONS ARE BETTER REFLECTED IN DM AND CS DECISION-MAKING PROCESSES

**Output 2.2: In partnership with civil society and local communities at least 300 communes and 51 districts complete their social accountability activities and develop JAAPs by September 2016.** As described in the demand and supply side operational manuals and the Social Accountability Action Plan, key activities include:

ACTIVITY	IMPLEMENTER
Complete citizen awareness campaigns about social accountability	Demand side
Recruit CAFs and train demand side actors on social accountability	Demand side
Complete awareness campaigns for national, districts and provincial supply side stakeholders (non-implementers)	NCDDS/MOI
Develop a web-enabled computerized system to generate I4Cs, collect supply side indicators, record JAAPs, and monitor I4C compliance	NCDDS/MOI with UNICEF support
Train Provincial Resource Facilities on social accountability and I4Cs; train districts on computerization	NCDDS
Train Commune level staff (health, education, communes) on social accountability and I4Cs and distribute posters to commune level	Provincial Resource Facilities
Complete scorecards and citizen monitoring	Demand side
Hold interface meetings (between citizens and commune level staff) and facilitate JAAPs	Demand side
Support and monitor commune supply side implementation and hold district reflection workshops	Districts
Nationally, monitor and evaluate supply side activities (including an assessment of whether I4Cs are being used to develop JAAPs)	NCDDS/MOI
Hold governance meetings	Joint, demand and supply
Collect baseline information for impact evaluation	Joint, with World Bank support
Implement other unfunded activities found in the ISAF (for example, learning forums, developing a demand side communications strategy/materials, and expanding to urban areas and services, such as solid waste management, etc. )*	Joint, demand and supply

Note: this list stresses supply side initiatives though most activities are implemented by NGOs on the demand side. \* = activities are still under development, but some NGOs budgeted for far more Districts than they will actually cover.

**AWPB Output 2.3 SNA complaints handling mechanisms reviewed, redesigned and implemented in order to improve its access and use by citizens.** The performance of the current system of complaints handling will continue to be reviewed in terms of its quality, accessibility, as well as the confidence and awareness citizens have in it and its effectiveness. Based on this review, a revised system will be designed and documented through a sub-decree, guidelines, manuals, and other instruments. Development of a sub-decree is already at an advanced stage. The system is expected to increase available channels and the ease of complaining, and therefore in the short run to increase the number of complaints made and to meet the targets found in Table 6. Extensive consultations will be held. The new system will be tested and then rolled out through capacity development initiatives undertaken by PC Resource Facilities. *This output will be implemented by MOI and SNAs.*

### IP3 OUTPUT 2.3: INSTITUTIONALIZED, TRANSPARENT SNA COMPLIANCE INSPECTION MECHANISMS IN PLACE

**AWPB Output 2.4: SNA compliance inspection mechanisms designed and tested so that inspections can be undertaken in 2017.** During 2015, a draft inspection strategy and manual was completed (but not yet approved). The Manual describes the processes, checklist, and scoring system and its indicators were used to develop the assessment process for SNIF minimum conditions. Once completed, the system will inspect compliance with governance, human resources, finance and procurement, and administrative standards; it is

<sup>9</sup>The review is expected to cover council meetings, legislative and decision making processes, structures, roles and divisions of responsibilities between BOGs and Councilors (in terms of oversight, representation, and policy making), as well as interactions with citizens (forums, information, etc.).



expected to be implemented cooperatively across multiple Ministries and for its results to be made available to the public and to be discussed in Council meetings. During 2016 further discussions will be held to finalize all instruments and institutional arrangements, and training will be completed so that inspections can begin in early 2017. *This output will be implemented by MOI.*

### IP3 OUTPUT 2.4: SNA ADMINISTRATIVE, IT, AND M&E SYSTEMS STRENGTHENED

**AWPB Output 2.5: Design and implement a computerized DMK M&E system which provides useful information for Council meetings, which meets the needs of users, and which increasingly collects and inputs national information at the DMK level.** Work on these systems began in 2015. Systems will: (i) be developed with the full participation of DMKs, in order to meet their needs, (ii) be used to implement management processes (i.e. be “live” systems), (iii) decentralize data collection to the DMK level, (iv) be flexible, allowing indicators and data to be defined dynamically, (v) result in the production of timely and easy-to-understand reports which can form a basis of discussion during Council meetings, and (vi) facilitate increased data availability to the public, and their NGO representatives. *Systems will be designed by NCDD and implemented by DMKs.*

## 2.3. Budget overview

The total cost of this outcome, during 2016, is about \$3.6 Million. Details are documented below.

**Table 7: Budget overview and sources of funds for Outcome #2**

OUTPUT	BASKET	OTHER	TOTAL	NOTES
2.1 Governance systems and procedures reviewed and revised to improve SNA lines of accountability [NAD 2.1.2.1]	\$28,400	\$0	\$28,400	
2.2 In partnership with civil society and local communities, at least 300 communes in 51 districts complete their social accountability activities and develop JAAPs by September 2016 [NAD 2.2.1.1]	\$344,652	\$3,000,000	\$3,344,652	(1)
2.3 SNA complaints handling mechanisms reviewed, redesigned and implemented in order to improve its access and use by citizens [NAD 2.2.3.1]	\$42,460	\$0	\$42,460	
2.4 SNA compliance inspection mechanisms designed and tested so that inspections can be undertaken in 2017 [NAD 2.3.1.1]	\$37,440	\$0	\$37,440	
2.5 Design and implement a computerized DMK M&E system which provides useful information for Council meetings, which meets the needs of users, and which increasingly collects and inputs national information at the DMK level [NAD 2.4.3.1]	\$110,790	\$0	\$110,790	
<b>TOTAL</b>	<b>\$563,742</b>	<b>\$3,000,000</b>	<b>\$3,563,742</b>	

NOTE: (1) demand side funding of \$3 Million is a rough estimate. This includes, over the next 3 years, JSDF funding of \$US 5 Million, EU funding of 2 million Euro, USAID funding of \$US 1 Million and NGO self-financing of \$US 1 Million. During 2016 RACHA will fund supply side activities in 11 Districts. Internal codes, used in the NAD (National AWPB Database) for monitoring purposes are provided square brackets []. EU Space plans to contribute in kind technical support to outputs 2.1, and 2.3, though their contribution to policy development has been placed under outcome #1.

# OUTCOME #3: HUMAN RESOURCE MANAGEMENT & DEVELOPMENT

## 3.1. Introduction and targets

The number of staff an SNA has, their composition, skills and competencies, their attitudes, and the degree to which they can be flexibly managed by an SNA, are key factors in how well SNAs function. Under this outcome, SNAs will be provided increased autonomy in managing their staff (recruiting, appointing, and disciplining them) and Provincial Resource Facilities will develop the individual capacities of all cadres (administration, governors, councilors). CD will be increasingly demand driven and will include: coaching; provision of information and materials; quick responses to questions via telephone and email; workshops and forums; specific training on request, either directly or through other capacity development providers; training designed by the center on new legislation or systems; learning activities; and exchanges of experience. The overall outcome is:

**SNAs autonomously and effectively manage and develop their staff in order to meet their service delivery mandates and priorities**

The table below summarizes the targets found in the IP<sub>3</sub>.

**Table 8: Indicators / Targets for Outcome #3**

TARGET / INDICATOR	2015	2016	2017
1. % of targeted SNA administrative staff who are recruited, appointed, and disciplined based on Council decisions and without prior central government approval or participation (*)	100%	100%	100%
2. % of PC and DMK management staff have their performance appraised by their immediate superiors	50%	75%	95%
3. % of PC administration directors who are female (*)	8.18%	12.12%	16.06%
4. % of PC division heads who are female (*)	8.20%	12.13%	16.07%
5. % of DMK administration directors who are female (*)	16.23%	19.15%	22.08%
6. % of DMK administration division heads who are female (*)	21.03%	22.36%	23.68%
7. % of PC Resource Facilities providing all 5 types of CD <sup>10</sup>	100%	100%	100%
8. % of leaders completing mandatory annual training in gender mainstreaming	95%	95%	95%
9. % of all Councilors, BOG and SNA Staff feel their training adequately prepared them to undertake their job functions	20%	50%	80%
10. % of CD interventions that are demand driven	30%	40%	50%
11. Average number of by-laws passed by DMKs	.5	.75	1
12. % increase in the number of decisions taken in DMK Council	10%	25%	50%

NOTE: Targets are reported against in annual reports; 2015 and 2017 values are provided to give context to the expected results; \* = also an NSDP target

All implementers are responsible for designing and implementing outputs to achieve these targets.

## 3.2. Outputs and their description

The second IP<sub>3</sub> contains five outputs in terms of Human Resource Management and Development (these are listed in red). AWPB outputs for 2016 are as follows.

### **IP3 OUTPUT 3.1: SNA HR MANAGEMENT DECENTRALIZED AND STRENGTHENED**

**AWPB Output 3.1: All subsidiary HR regulations, guidelines and manuals to support the separate statute on SNA personnel completed and implemented, including a strategy to increase the percentage of females in SNA management positions.** The SNA Personnel Statute was completed during late 2015. To support its implementation, a series of regulations, guidelines and manuals will be developed. These will fully describe the exact process of recruitment, hiring, managing leave and transfer, disciplinary action, HR development, staff

<sup>10</sup> This includes: (i) Coaching and mentoring; (ii) a help desk and hotline; (iii) exchange visits / peer learning; (iv) facilitation of Organizational Development and (v) training

performance appraisals and other HR functions to be implemented by SNAs. Staff performance appraisals play an important role in local accountability and management. In addition to this, a strategy to increase the percentage of females in SNA management positions will be incorporated into these guidelines. The strategy, based on an analysis of constraints and a review of past experience, will develop other incentives and processes to encourage women's employment in SNAs, especially at decision making level. These actions will be necessary to meet the female employment targets found in the NSDP and second IP3. *The Ministry of Civil Service will take the lead in developing regulatory instruments; the NCDDS and MOWA will contribute in terms of mainstreaming gender; Training on decentralized HR management functions will be implemented under PC Resource Facilities.*

**AWPB Output 3.2: Social equity and inclusiveness promoted in SNAs.** During 2016 high level SNA leaders will be required to complete a dynamic and mandatory training on social equality and inclusiveness. They will learn to analyze key issues, mainstream, and promote women in leadership positions. This workshop will facilitate leaders to take practical steps in their day to day management of SNAs that will empower traditionally disadvantaged groups. At the end of the year, the individual actions agreed to be taken by SNA leaders will be reviewed to assess their impact on management decisions. In addition to this, other activities include: (i) training of SNA staff (non-leaders) on social equity and inclusiveness; (ii) strengthening PC and DMK WCCCs; (iii) rolling out the technical document on social equity and inclusiveness; (iv) holding workshops to create awareness about gender mainstreaming, social equity and inclusiveness; (v) strengthening women's councilors networks; and (vi) monitoring and evaluating social equity and inclusiveness, including the completion of a follow-up gender audit during 2016. *This output will be implemented by NCDDS and MOWA.*

### **IP3 OUTPUT 3.2 AND 3.3: DEMAND-DRIVEN CAPACITY/ORGANIZATIONAL DEVELOPMENT AND ADVOCACY SUPPORT SYSTEMS FOR SNA COUNCILS, COUNCILORS, BOARDS OF GOVERNORS AND ADMINISTRATIVE STAFF IN PLACE AT PROVINCIAL LEVEL<sup>11</sup>**

**AWBP Output 3.3: Through Provincial/Capital Resource Facilities provide a variety of capacity development services to SNA councilors, Boards of Governors and Administrators.** This output covers all CD activities of the Provincial Resource Facility (PRF), and includes both supply driven and demand driven activities, coaching, mentoring, training, help desks, etc. It supports almost all outputs described in this document. Upon the completion of this year's AWPB, supply driven CD activities, and their schedules will be developed by each PRF. To complete their training plans, PRFs will also identify alternative service providers, and complete a training needs assessment for all SNAs in their jurisdictions. Training needs will be strongly based on the OD (Organizational Development) processes already being implemented. By early 2016 comprehensive training plans (covering supply and demand, coordinating DP and CSO initiatives, and ensuring councilor's needs are adequately covered) will be developed and approved by MOI. Linkages with Council Associations and their Secretariat will be forged and all CD activities will mainstream gender and will take into account the different CD needs of women and other traditionally disadvantaged groups. Training plans will be monitored. As part of the development of a National Training Institute (output 3.4) training methodologies and effectiveness will be evaluated and the feasibility of having SNAs "purchase" CD services will be explored. *This output will be implemented by PC Resource Facilities, with support and guidance by MOI and NCDDS.*

### **IP3 OUTPUT 3.4: A RESOURCED PLAN FOR A PERMANENT LOCAL GOVERNMENT TRAINING INSTITUTE AND LONG-TERM CAPACITY DEVELOPMENT IN PLACE AND READY FOR IMPLEMENTATION**

**AWPB Output 3.4: An action plan and budget for the establishment of an SNA Training Institute adopted.** The establishment of an SNA Training Institute will require many steps. During 2016 technical assistance from the ADB is expected in order to strengthen the delivery of CD services to SNAs. During its inception phase, a detailed work plan will be developed. It is expected, TA will lead to the development of options and recommendations for establishing the institute including: (i) analyzing, assessing and evaluating current training availability, provision, costs, effectiveness, value for money, and methodology; (ii) developing a strategic plan for the SNA training institute, including the scope of services provided; (iii) defining the regulatory environment for SNA training / competency requirements; (iv) developing curriculum and programs, (v) complete a feasibility study for constructing and operationalizing the Institute. By the end of 2016, if establishing the Training Institute is feasible, resources will be identified for its construction and operation. *This output will be implemented by MOI.*

---

<sup>11</sup> At the Provincial Resource Facility, CD is provided to councilors, the BOG and administrators.

### IP3 OUTPUT 3.5: CONSTRUCT 34 DISTRICTS OFFICES TO IMPROVE THE WORKING ENVIRONMENT FOR STAFF

**AWPB Output 3.5: Construction of 34 District Offices completed.** Construction began during 2015 and is expected to be completed during 2016. *This output will be implemented by Districts with support from MOI and financing by the Asian Development Bank (under loan ADB/DPSFM 1).*

## 3.3. Budget overview

The total cost of this outcome, during 2016, is \$13.1 Million. Details are documented below.

**Table 9: Budget overview and sources of funds for Outcome #3**

OUTPUT	BASKET	ADB	TOTAL	NOTE
3.1 All subsidiary HR regulations, guidelines and manuals to support the separate statute on SNA personnel completed and implemented, including a strategy to increase the percentage of females in SNA management positions [NAD 3.1.2.1]	\$110,000	\$0	\$110,000	
3.2 Social equity and inclusiveness promoted in SNAs [NAD 3.1.6.1]	\$554,700	\$0	\$554,700	
3.3 Through Provincial/Capital Resource Facilities provide a variety of capacity development services to SNA councilors, Boards of Governors and Administrators [NAD 3.2.1.1]	\$5,629,015	\$0	\$5,629,015	
3.4 An action plan and budget for the establishment of an SNA Training Institute adopted [NAD 3.4.3.1]	\$18,490	\$0	\$18,490	[1]
3.5 Construction of 34 District Offices completed [NAD 3.5.2.1]	\$0	\$6,749,124	\$6,749,124	[2]
<b>TOTAL</b>	<b>\$6,312,205</b>	<b>\$6,749,124</b>	<b>\$13,061,329</b>	

NOTE: [1] the ADB is likely to provide significant technical assistance on capacity development. Their TA contributions can be found in output 5.6, on financial management. [2] ADB loan ADB/DPSFM 1. Internal codes, used in the NAD (National AWPB Database) for monitoring purposes are provided square brackets []. EU Space plans to contribute in kind technical support to output 3.1, though their contribution to policy development has been placed under outcome #1.



# OUTCOME #4: SNA SERVICE DELIVERY AND FUNCTIONS

## 4.1. Introduction and targets

This outcome area enables SNAs to provide meaningful services in their jurisdictions. It transfers functions from Central government to SNAs and from Provinces to Municipalities; it promotes SNA initiative, innovation and service delivery partnerships through the general mandate; and it strengthens the delivery of administrative services. The overall outcome is:

**SNAs are enabled to meet citizens' service delivery expectations and to provide meaningful services at the level of government closest to citizens**

The table below summarizes the targets found in the IP3-II.

**Table 10: Indicators / Targets for Outcome #4**

TARGET / INDICATOR	2015	2016	2017
1. % of the national budget transferred to DMs as a result of functional reassignment (*)	0.5%	1%	3.6%
2. Number of Ministries/Sectors who have transferred all the functions, staff and resources from at least 2 large District Line Offices	0	2	5
3. Number of DMs transferred all functions, staff and resources from at least 3 small <sup>12</sup> District Line Offices	5	50	185
4. Number of Municipalities which have been transferred the functions, staff and resources for urban services <sup>13</sup>	0	3	10
5. An independent evaluation concludes service delivery improved when functions were decentralized from central government to SNAs and PCs to municipalities	---	---	YES
6. % increase of CS fund expenditures on social services from 2014	50%	150%	300%
7. Number of never tried before services produced using CS and DM Funds	2	10	25
8. Number of cases of SNAs replicating other SNA success stories	2	10	50
9. Value of service delivery partnerships signed by CSs and DMs with central government, CSOs and the private sector (\$US Millions)	0.5	3	9
10. % of citizens satisfied with the delivery of new, innovative services	50%	50%	50%
11. Number of new SNAs providing OWSO services.	6	12	18
12. Average % increase in the number of different services provided and number of citizens served per OWSO	5%	10%	15%

NOTE: Targets are reported against in annual reports; 2015 and 2017 values are provided to give context to the expected results; \* = also an NSDP target

All implementers are responsible for designing and implementing outputs to achieve these targets.

## 4.2. Outputs and their description

The second IP3 contains five outputs in terms of SNA service delivery and functions (they are listed in red). Outputs for 2016 are described below.

### IP3 OUTPUT 4.1: SNAS TAKING MORE INITIATIVE TO IMPLEMENT PERMISSIVE FUNCTIONS UNDER THEIR GENERAL MANDATE

**AWPB Output 4.1: SNAs are facilitated to identify and implement a wider range of permissive functions.**

The general mandate allows SNAs to reduce poverty and to address the most pressing needs of their communities. It covers all functions an SNA decides to undertake, including both functions regulated by other government agencies under their mandates (i.e. "permissive" functions) and functions not under the mandate of other agencies (in practice these are few). Permissive functions can be undertaken independently by the SNA or in partnership with other organizations. Several information, capacity development, communications, and learning activities will be implemented in order to encourage SNAs to implement more social service activities

<sup>12</sup> Small is a district office having 1-3 staff

<sup>13</sup> Including refuse collection, sewerage, the management and development of markets and recreational areas, and at least 2 other services.

and to innovate in terms of the range of services they provide. Guidelines on permissive functions were approved during late 2015. Training will be provided and a public awareness campaign will be carried out to promote permissive functions. This will provide a clear and consistent message for SNAs to take initiative and to innovate within their general mandate and poverty alleviation functions. Mechanisms will be developed to encourage learning and the exchange of information between SNAs. Finally, the financial management, legal and regulatory framework will be reviewed and assessed, identifying possible biases towards infrastructure development and how these can be removed. *This output will be implemented by NCDDS and MOI*

**AWPB Output 4.2: Social service delivery, local economic development, climate change adaptation and other specific services strengthened through DM Fund and CS Fund implementation.** Several projects, implemented at sub-national level, make use of the DM and CS funds to make conditional grants for specific development activities. These include:

- UNICEF (Seth Koma): promoting community resilience and the survival, protection and development of infants and children, as well as children with disabilities. The total budget is \$2,116,346.
- SDC will promote, through the basket fund social service delivery. \$500,000 will be allocated for fiscal transfers
- World Bank (CTPMCH and WSP): cash transfers and bonuses for social protection and water supply. The total budget is \$313,773.
- UNFPA will focus on sexual and reproductive health and rights. It will rollout the recently endorsed DM Service Manual on social service investment at DM administrations. The total budget is \$150,141.
- ADB (TS-PRSDP Project: Tonle Sap development). The total budget is \$6,200,000.
- GiZ RED III (Regional Economic Development) will make grants for local and private sector development. The total budget is \$416,876
- IFAD (ASPIRE Project): climate change adaptation. The total budget is \$577,000.
- LGCC II (Sida and UNCDF): climate change adaptation. \$151,820 is available in support and technical assistance.

This output also develops SNA project identification and management capacities. It is implemented by MOI, NCDDS and SNAs.

### **IP3 OUTPUT 4.2: SPECIFIC AND APPROPRIATE FUNCTIONS TRANSFERRED FROM MINISTRIES TO SNAS**

Numerous steps are required to implement functional transfers. The transfer of functions will be accompanied by a transfer of decision making powers, staff, and financial resources. The lead in this process will be taken by each participating Ministry, as functional transfer is envisioned to be a strategy to improve sector service delivery. Overall, there are seven main types of implementers: sector Ministries; NCDDS, MEF, MCS, Districts, Provincial Resource Facilities; and Provincial Ministerial Offices. In each transfer, a steering committee, chaired by the sector Ministry, with participation from MOI, NCDDS, MEF, and MCS, will oversee implementation.

Work falls into five main categories: policy and regulatory development, training and capacity development, district implementation, communications and awareness creation and M&E.

Policy work will begin by clarifying the agreements made and the scope of the functions to be transferred. It will include the development of sub-decrees, performance agreements (to delegate functions), conditional grant mechanisms,<sup>14</sup> HR transfer mechanisms, reporting frameworks, revised and improved standards and the strengthening of inspection processes, development of accountability mechanisms (for example, the role of communes), restructuring of SNAs and the revision of job descriptions. M&E will include routine monitoring (both internal and independently commissioned), and impact evaluation. Provinces are intended to hold "lessons learned" workshops to exchange experiences amongst DMs and between DMs and the Provincial Sector Departments. Steering committees are expected to assign tasks to several joint working groups (each

<sup>14</sup> Output 5.3 describes the overall framework for conditional grants; in each sector subsidiary guidelines or revision to allocation formulas may be required. In some cases, such as solid waste management, the function is financed through user fees. The same holds for personnel management. The overall framework is described under output 3.1, but management of certain cadres, such as teachers, may require additional decisions or guidance.

having different areas of expertise) and to assure quality and the timely completion of each assignment. An emphasis will be placed on the education sector and it is expected the policy instruments developed in Education will serve as templates in other areas.

For each District various types of training and mentoring are required. This includes information on the functional transfer (how to validate and reassign staff; how to hold council meetings and ask relevant questions, how to monitor, how to involve Communes, etc.) as well as background on the sector (i.e. what a Councilor and the BOG needs to know about education or other new services). It is expected training of 3 days is required in terms of implementing the decentralization and 2 days is required to form a basic understanding of the sector. Training materials and a training approach need to be developed early on. Most training will be at district level, though Communes need to be strengthened to play their important monitoring roles, in terms of interacting with the community and in addressing citizens' concerns. More generally, Provincial sector departments will coordinate implementation, monitor, and develop capacity.

Districts and Communes will implement the functional transfers. They will verify transferred staff and assets, will manage grants, will develop infrastructure, will manage facilities and staff, and, in partnership with communes and civil society will monitor the provision of services. It is expected council meetings will increasingly be used to provide oversight and that will councilors will be strengthened in their role of representing citizens and advocating for improved service delivery on their behalf.

Initial awareness activities are required in all sector Ministries, MOI, and SNAs to ensure they understand the functional reassignment. Communications campaigns, where possible implemented jointly with civil society organizations, will be supported by NCDDS to ensure citizens are aware of the transfer of functions and to encourage them to provide feedback in order to improve service delivery. Where possible, social accountability and functional transfer activities will be designed and coordinated to complement one another.

Sector specific functional transfer implementation plans are currently being developed. In many cases the required activities have been outlined, but sources of funding and TA requirements have not yet been secured or agreed upon. Financing can potentially be provided through the IP3, through sector support programs, and through individual development partners (like UNICEF, EU, or EU-SPACE).

Overall the transfer of functions is expected to lead to conditional grants totaling \$16.6 million in 2016 (see Table 2). The following five outputs are related to the implementation of functional transfer and will use the process outlined above. In all of these cases, decisions will be clarified, a regulatory environment established, and **transferred functions will be implemented**.

**Table 11: Outputs implementing the functional transfer**

CODE / OUTPUT	Description
4.3 <b>Primary, early-child, and non-formal education functions transferred to all DMs in one target province</b>	In 2015 the MOEYS decided to transfer primary, early-childhood, and non-formal education to DMKs. As described above, key tasks in 2016 will include: (i) development of a regulatory environment; (ii) development and implementation of support mechanisms, including training, support and monitoring, (iii) implementation of the transfer of functions (including decentralized resource management, both human and financial); and (iv) assessment of the efficiency and effectiveness of the functional transfer, in order to improve performance and to expand to other DMs in the future. This output will be implemented by the MOEYS in cooperation with MOI, MEF, MCS, and NCDDS.
4.4 <b>Capital and all DMs implement their urban solid waste management functions effectively</b>	In 2015 the RGC issued sub-decree #113 to transfer urban solid waste management to DMs and the Capital. Key tasks in 2016 include: (i) developing a regulatory environment, in particular guidelines; (ii) developing and implementing support mechanisms, including training, technical support and monitoring, to ensure all DMs have the capacity to manage solid waste in 2016 and (iii) assessing the efficiency and effectiveness of the functional transfer, to draw lessons learned for future implementation. This output will be implemented by the MOE together with MOI, MEF and NCDDS. <sup>15</sup>

<sup>15</sup>The MOE provided 26 Municipalities roughly \$2 Million to invest in refuse disposal (for example incinerators or land fill). Waste collection is sub-contracted to the private sector and financed through user fees.

CODE / OUTPUT	Description
4.5 State orphan center management, the oversight of NGO-managed child care centers, and the management of child victims and vulnerable children in communities transferred to the province, DMs and CSs respectively, in 1 target province	In 2015 the Ministry of Social Affairs, Veterans and Youth Rehabilitation (MOSAVY) decided to delegate the following functions in Battambang: management of state orphan centers (to the Province), monitoring of childcare centers of NGOs (to DMs), and management of child victims and vulnerable children in communities (to CSs). As described above, key tasks in 2016 include: (i) developing a regulatory environment, in particular the transfer of budgets to targeted SNAs to implement their delegated functions; (ii) developing and implementing support mechanisms, including training, technical support, and monitoring, to ensure all DMs have the capacity to manage their transferred functions during 2016, and (iv) assessment of the efficiency and effectiveness of the functional transfer, in order to improve performance and expand to other SNAs in the future. This output will be implemented by the MOSAVY in cooperation with MOI, MCS, MEF and NCDDS.
4.6 Primary Health Care functions transferred to a number of target SNAs	During 2014 and 2015 the Ministry of Health (MOH) implemented a pilot transferring some management functions at health centers (mostly the management of buildings, utilities, and maintenance) in 5 target districts in Battambang and Pursat. Based on this pilot the MOH and NCDDS identified options for transferring primary health care functions to SNAs. A final agreement has not yet been reached as to which primary health care functions will be transferred and how the transfer will take place though it is expected health centers will be transferred in 4 Operational Districts. Therefore, under this output, decisions will first be reached through holding bilateral discussions between MOH and NCDDS. Once a decision has been finalized, we will: (i) develop a regulatory environment for the transfer of functions, staff and resources (including a sub-decree); (ii) develop and implement support mechanisms, including training, technical support, and monitoring, to ensure all targeted DMs have the capacity to manage primary health care during 2016, and (iii) learn lessons and assess the efficiency and effectiveness of the functional transfer, in order to improve performance and expand to other SNAs in the future. This output will be implemented by MOH in cooperation with MOI, MEF, MCS, and NCDDS.
4.7 Rural road routine maintenance functions transferred to a number of target DMs	The routine maintenance of rural roads is just one of several functions proposed by the MRD in their functional review. To ensure the transfer of this function, activities in 2016 include: (i) discussions to reach a final agreement on the functional transfer, in particular which classes of roads DMs will be responsible for; (ii) development of regulations and guidelines, (iii) development and implementation of support mechanisms (such as training, technical backstopping, and monitoring); and (iv) assessment of how well the transfer worked, in order to learn lessons for future expansion. This output will be implemented by the MRD in cooperation with MOI, MEF and NCDDS.

The second IP<sub>3</sub> identified several complimentary strategies for reaching decisions on which functions should be transferred:

- Using the existing formal, detailed process of functional mapping and functional review; this process will be largely discontinued during 2016
- Piloting (output 4.8)
- Holding high level bilateral discussions, between Ministries and NCDDS, about pre-specified significant functions (output 4.9)

**AWPB Output 4.8: The pilot transfer of rural sanitation and water supply operations and maintenance continued in targeted Districts.** These pilots are supported by the World Bank and the ADB. During 2016, a pilot on rural water supply (RWS) operations and maintenance will be implemented in 7 Districts, and a pilot in rural sanitation will be implemented in 10 Districts. Workshops and evaluations will assess the effectiveness of these pilots. It is estimated, the Ministry of Rural Development will contribute \$62,500 to SNAs for their implementation. *This output will be implemented by NCDDS and the MRD.*

**AWPB Output 4.9: Agreement reached on the transfer of additional significant functions to be implemented beginning in 2017.** As described in the IP<sub>3</sub>-II, in a delegated form of decentralization, central government is responsible for policy making, the enforcement standards, financing, and capacity development, while sub-national administrations will perform executive service delivery functions. Although significant progress has been made in terms of agreeing on an initial set of significant services to transfer, many key executive functions remain under central government. During 2016 Ministries will revisit their functional reviews

to identify other functions to transfer. Possible examples include rural infrastructure development (water systems, road construction, etc.), agricultural and veterinary promotion and extension, natural resource management (smaller forests, watersheds, fisheries, etc.), women's development, and tourism development. This year, the Ministry of Environment will complete the development of regulations to transfer several functions related to natural resource protection to SNAs. In general, during 2016 high level bilateral discussions will continue, in order to reach a consensus on what other functions should be transferred and why. *This output will be implemented by NCDDS and the transferring Ministries.*

### **IP3 OUTPUT 4.3: TRANSFER URBAN SERVICES FROM PROVINCES TO MUNICIPALITIES**

**AWPB Output 4.10: Agreement reached on the transfer of urban services from provincial level to municipalities, to be implemented beginning in 2017.** This year, NCDDS, sector Ministries, Provinces and the Capital will hold discussions with key stakeholders and assess the feasibility of transferring urban services (like the management of parks and community centers, sewer systems, parking, markets, street lights, etc.) to DMs (as was done with solid waste management). Functions will be identified and a time frame or rollout plan developed. Regulatory instruments and guidelines will be created and disseminated so implementation can begin in early 2017. *This output will be implemented by NCDDS, relevant Ministries, and the transferring PCs and Municipalities.*

### **IP3 OUTPUT 4.4: EXPAND ADMINISTRATIVE SERVICES DEVELOPED UNDER ONE WINDOW SERVICE OFFICES (OWSO)**

**AWPB Output 4.11: Full one window service offices expanded to 5 districts and alternative one window service mechanisms established in remaining SNAs.** Existing full service OWSOs (of which there are currently 40 in operation) will continue to be supported. During 2016 we will promote the expansion of services, both in terms of coverage (more OWSOs) and the range of administrative services offered. The RCG will contribute \$500,000 to this expansion, with new OWSOs formed in 5 DMKs. The regulatory framework will be periodically updated. *This output will be implemented by MOI and the participating SNAs and Ministries*

### **IP3 OUTPUT 4.5: IMPLEMENT SERVICE DELIVERY PARTNERSHIPS BETWEEN SNAS AND CSOS AND THE PRIVATE SECTOR**

**AWPB Output 4.12: Partnership arrangements between SNAs, the private sector and civil society organizations facilitated to improve local economic development and service delivery.** Partnerships are an important means to strengthen SNAs' general mandate; they may also be used to strengthen SNAs' capacity. During 2016 the priority will be to develop mechanisms and templates that facilitate partnership arrangements. National discussions with NGOs, Chambers of Commerce, etc., will also be held. A sample of SNAs with existing partnership arrangements with CSOs and the private sector will be identified to study current practice and to identify the measures to be taken to enhance collaboration and to replicate success. Mechanisms and templates will be finalized and disseminated to SNAs and CSOs and followed up through PC Resource Facilities. *This output will be implemented by NCDDS and by representatives from civil society and the private sector.*

## **4.3. Budget overview**

The total cost of this outcome, during 2016, is \$29.2 Million. Financial data is contained below.



## NCDD Annual Work Plan and Budget 2016

**Table 12: Budget overview and sources of funds for Outcome #4**

OUTPUT	REFORM ACTIVITIES		CONDITIONAL	TOTAL	NOTE
	BASKET	DPs	GRANTS (RGC)		
4.1 SNAs are facilitated to identify and implement a wider range of permissive functions [NAD 4.1.1.1]	\$20,160	\$0	\$0	\$20,160	
4.2 Social service delivery, local economic development, climate change adaptation and other specific services strengthened through DM Fund and CS Fund implementation [NAD 4.1.4.1]	\$0	\$11,335,956	\$0	\$11,335,956	UNICEF, SDC, WB, UNFPA, ADB/TS-PRSDP, LGCC2 and IFAD/ASPIRE.
4.3 Primary, early-child, and non-formal education functions transferred to all DMs in one target province. [NAD 4.2.1.1]	\$40,000	\$100,000	\$12,000,000	\$12,140,000	DP assistance by UNICEF; for RGC Conditional grants see Table 2 page 6
4.4 Capital and all DMs implement their urban solid waste management functions effectively [NAD 4.2.1.2]	\$40,000		\$2,026,500	\$2,066,500	Conditional grants to be made through the Ministry of Environment (see Table 2 page 6)
4.5 State orphan center management, the oversight of NGO-managed child care centers, and the management of child victims and vulnerable children in communities transferred to the province, DMs and CSs respectively, in one target province [NAD 4.1.2.3]	\$40,000	\$30,000	\$250,000	\$320,000	DP Assistance provided by UNICEF; for conditional grants by the RGC (see Table 2 page 6)
4.6 Primary health care functions transferred to a number of target SNAs [NAD 4.1.2.4]	\$50,000	\$52,000	\$960,000	\$1,062,000	DP Assistance from UNICEF; for RGC conditional grants see Table 2 page 6
4.7 Rural road routine maintenance functions transferred to a number of target DMs [NAD 4.1.2.6]	\$30,000	\$0	\$850,000	\$880,000	Conditional grant levels by the RGC are described in Table 2 page 6
4.8 The pilot transfer of rural sanitation and water supply operations and maintenance continued in targeted Districts [NAD 4.1.2.5]	\$40,000	\$225,000	\$62,500	\$327,500	Contributions by ADB/RWS, WB/WSP, Conditional grant made by the RGC
4.9 Agreement reached on the transfer of additional significant functions to be implemented beginning in 2017 [NAD 4.1.2.7]	\$371,200	\$0	\$0	\$371,200	
4.10 Agreement reached on the transfer of urban services from provincial level to municipalities, to be implemented beginning in 2017 [NAD 4.3.1.1]	\$17,900	\$0	\$0	\$17,900	
4.11 Full one window service offices expanded to 5 districts and alternative one window service mechanisms established in remaining SNAs [NAD 4.4.2.1]	\$161,765	\$0	\$500,000	\$661,765	
4.12 Partnership arrangements between SNAs, the private sector and civil society organizations facilitated to improve local economic development and service delivery [NAD 4.5.1.1]	\$0	\$0	\$0	\$0	
<b>TOTAL</b>	<b>\$811,025</b>	<b>\$11,742,956</b>	<b>\$16,649,000</b>	<b>\$29,202,981</b>	

NOTE: Internal codes, used in the NAD (National AWPB Database) for monitoring purposes are provided square brackets []. EU SPACE plans to contribute in kind technical support to permissive functions, the functional transfer in education and health and OWSOs but has been budgeted under outcome #1.

# OUTCOME #5: FISCAL DECENTRALIZATION

## 5.1. Introduction and targets

Fiscal transfer mechanisms will be designed and implemented in order to increase SNAs' access to financial resources. Chief amongst these are the DM Fund, conditional grant transfers, the SNIF (Sub-National Investment Facility) and SNA own source revenues. Under this outcome, financial management and planning systems will also be further developed and reviewed. These are expected to provide SNAs increased autonomy, to reduce delays in the disbursement of funds, and to facilitate SNAs to develop and implement plans which are comprehensive, clearly state strategic goals, and are led and overseen by Councilors. The overall outcome is:

**Financial resources are adequate, well planned and well managed, enabling DMs to meet their service delivery mandates**

The table below summarizes the targets found in the IP3.

**Table 13: Indicators / Targets for Outcome #5**

TARGET / INDICATOR	2015	2016	2017
1. DM development component as a% of the national revenues	----	0.5%	0.5%
2. % of DM revenues raised through own sources (*)	0%	2.5%	10%
3. Community contributions to CS and DM projects (\$US Millions)	0.2	0.5	2
4. Were delays encountered in implementing the functional transfer due to the development of conditional grant mechanisms	NO	NO	NO
5. Value of projects implemented through the SNIF (\$US Millions)(*)	0	3	3
6. Reduction in the number of delays faced by SNAs in the disbursement of funds	10%	25%	50%
7. % of PCs and DMKs using new planning systems which have clear corporate plans overseen by councilors	100%	100%	100%

NOTE: Targets are reported against in annual reports; 2015 and 2017 values are provided to give context to the expected results; \* = also an NSDP target

All implementers are responsible for designing and implementing outputs to achieve these targets.

## 5.2. Outputs and their description

The second IP3 contains 8 outputs in terms of fiscal decentralization (these are listed in red). Outputs for 2016 are described below.

### IP3 OUTPUT 5.1: DM FUND OPERATIONAL WITH 0.5% OF NATIONAL RECURRENT REVENUES RING-FENCED FOR DEVELOPMENT ACTIVITIES

**AWPB Output 5.1: Administrative and development components of the DM Fund strengthened and CS Fund, DM Fund and PC budgets transferred and implemented.** As a priority, the second IP3 aimed to increase allocation to the DM Fund (from 0.8% to 1%) and to ring-fence DM development finances at 0.5% of the national budget. Because resources were not available from DPs, during 2016, the DM development component will reach \$33,720 per DM (on average) or 0.23% of the annual budget (against a target of 0.5%). This year we will implement and monitor this allocation and arrange financing for 2017.

During 2016, CSs will be allocated \$US 76.2 Million, DMs \$US 24.5 Million, and PCs \$US 225.8 Million. *This output will be implemented by the MEF.*

### IP3 OUTPUT 5.2: CONDITIONAL GRANT MECHANISMS IN PLACE TO SUPPORT FUNCTIONAL TRANSFER

**AWPB Output 5.2: SNA conditional grant mechanisms in place to support functional transfer.** During 2015, the MEF drafted a sub-decree on SNA conditional grant mechanisms (which has not yet been finalized or approved). It will provide overall guidance and financial management procedures for conditional transfers, arising both from functional transfers and from DP initiatives (currently supporting the DM and CS funds, often using a matching formula). As offices and functions are transferred to DM SNAs, existing transfer mechanisms will be reviewed and revised, including the efficiency and transparency of existing formulas. The detailed design

of conditional grant mechanisms is expected to begin as early as possible so not to delay the transfer of functions. As these mechanisms are adjusted they will be continually monitored and evaluated. *This output will be implemented by the MEF with support from Ministries transferring functions.*

### **IP3 OUTPUT 5.4: SNAS COLLECT OWN SOURCE REVENUES**

**AWPB Output 5.3: Policy and regulations on SNA own source revenues developed and approved.** During 2016 the MEF will complete analysis to identify SNA own source revenues. Decisions will be made about which revenue streams are most viable and the regulatory environment (policies, guidelines, etc.) will be completed. Civil society organizations will be consulted concerning user fees and community contributions. Once completed, processes for collecting own source revenues will be disseminated to SNAs, via training and awareness creation workshops. *This output will be implemented by MEF.*

### **IP3 OUTPUT 5.5: SUB-NATIONAL INVESTMENT FACILITY (SNIF) ESTABLISHED AND IMPLEMENTED**

**AWPB Output 5.4: SNIF regulations and guidelines developed and approved so that projects can begin implementation in 2017.** During 2016: (i) regulatory work will be completed and disseminated to operationalize the SNIF; (ii) the SNIF Secretariat will be established; (iii) SNA assessments will be implemented which evaluate minimum conditions and SNA performance in order to allocate budgets for each DM; (iv) awareness amongst SNAs and other stakeholders will be created; (v) DMs will submit project proposals; (vi) projects will be appraised by the SNIF Secretariat and approved for implementation during 2017; and (viii) national and international funding will be mobilized. *This output will be implemented by MEF and SNAs.*

### **IP3 OUTPUT 5.7: SNA FINANCIAL MANAGEMENT SYSTEMS STRENGTHENED**

**AWPB Output 5.5: SNA financial management procedures reviewed and revised to improve timely disbursement and effective budget execution.** Based on analytical work, studies, field visits and dialogue between MEF and SNAs, NCDDS, and MOI, constraints to the current financial management system and budget execution procedures will be identified. Proposals will be formulated to enhance their efficiency and effectiveness. Special attention will be paid to how social services can be promoted and whether there are any procedural factors which affect their planning, budgeting, and implementation. The proposals and recommended revisions will be discussed in a workshop with concerned stakeholders and thereafter guidelines will be revised for introduction in the 2017 budget year. Training will ensure the revised procedures are understood by SNAs and other key stakeholders. *This output will be implemented by MEF with help from MOI and NCDDS.*

### **IP3 OUTPUT 5.8: SNA PLANNING SYSTEMS REVISED IN A MANNER THAT STRENGTHENS OVERSIGHT AND ACCOUNTABILITY ROLES WITHIN THE SNA AND BETWEEN THE SNAS AND LINE DEPARTMENTS/OFFICE**

**AWPB Output 5.6 Technical guidelines on SNA planning processes reviewed to reflect different types of SNAs (Capital, Province, Municipality/Sangkats and rural Districts/Communes).** The planning policy was completed in 2014 and during 2015 the drafting of guidelines began. As described in both the first and second IP3, planning guidelines are expected to: (i) distinguish between jurisdictional and corporate plans; (ii) be evidence based, and developed through a simple, clear and useful situation analysis; (iii) be participatory; (iv) be comprehensive (cover infrastructure, recurrent service delivery, regulatory and administrative activities); (v) be monitorable (with SMART indicators); (vi) be output-based; (vii) clearly link plans and budgets; (viii) address social equity and inclusiveness; (ix) integrate climate change, social service delivery, social accountability and other recent initiatives, and (x) and have a clear process involving meaningful decisions made by elected councilors. Based on this design, guidelines, tools and procedures will be documented and then introduced in SNAs through Provincial Resource Facilities. Revised guidelines will be widely disseminated through awareness campaigns. *This output will be implemented by SNAs; MOP will design all regulatory instruments and training materials; MOI and NCDDS will support the design; PC Resource Facilities will capacitate SNAs to use the new systems.*

**AWPB Output 5.7: Use of SNA planning databases strengthened, with data updated annually.** This output involves collecting CDB data, generating CMDG scorecards, and conducting refresher training on the use of the Sub-National Project Database (SPD). Performance of the SDB will be reviewed. *This output will be implemented by MOP.*

## 5.3. Budget overview

The total cost of this outcome, during 2016, is \$US 328.2 Million. Details are documented below.

**Table 14: Budget overview and sources of funds for Outcome #5**

OUTPUT	BASKET	OTHERS	TOTAL	NOTES
5.1 Administrative and development components of the DM Fund strengthened and CS Fund, DM Fund and PC budgets transferred and implemented [NAD 5.1.1.1]	\$0	\$326,470,000	\$326,470,000	(1)
5.2 SNA conditional grant mechanisms in place to support functional transfer [NAD 5.2.1.1]	\$0	\$537,820	\$537,820	(2)
5.3 Policy and regulations on SNA own source revenues developed and approved [NAD 5.4.1.1]	\$0	\$59,600	\$59,600	(2)
5.4 SNIF regulations and guidelines developed and approved so that projects can begin implementation in 2017 [NAD 5.5.1.1]	\$0	\$342,920	\$342,920	(2)
5.5 SNA financial management procedures reviewed and revised to improve timely disbursement and effective budget execution [NAD 5.7.1.1]	\$110,000	\$400,000	\$510,000	(3)
5.6 Technical guidelines on SNA planning processes reviewed to reflect different types of SNAs (Capital, Province, Municipality/ Sangkats and rural Districts/ Communes) [NAD 5.8.1.1]	\$16,920	\$0	\$16,920	
5.7 Use of SNA planning databases strengthened, with data updated annually [NAD 5.8.4.1]	\$216,390	\$0	\$216,390	
<b>TOTAL</b>	<b>\$343,310</b>	<b>\$327,810,340</b>	<b>\$328,153,650</b>	

NOTE: Internal codes, used in the NAD (National AWPB Database) for monitoring purposes are provided square brackets []. (1) = CS fund, DM fund and PC budgets provided by the Royal Government of Cambodia; (2) = ADB/DPSFM; (3) = ADB/PPTA

# ANNEX 1A: OPENING SPEECH BY H.E. KITTI SEDDHA PUNDIT KEAT CHHON, PERMANENT DEPUTY PRIME MINISTER AND NCDD DEPUTY CHAIRMAN AT THE AWPB NATIONAL WORKSHOP

## Opening Speech

by

**H.E. KITTI SEDDHA PUNDIT KEAT CHHON,**

**Permanent Deputy Prime Minister and Deputy Chairman of NCDD**

**at the “National Workshop on the Formulation of the**

**2016 NCDD Annual Work Plan and Budget (AWPB)”**

**Preah Sihanouk Province, Sokha Hotel, on 15-16 December 2015**

- Excellencies, Members of the Royal Government of Cambodia,
- Excellencies, Members of the NCDD,
- Excellencies, Chairmen of Capital and Provincial Councils,
- Excellencies, Governors and Deputy Governors of Capital and Provinces,
- Excellencies, Distinguished Delegates of our Development Partners and Civil Society Organizations,
- Excellencies, Ladies and Gentlemen,

I am pleased and honored to preside over the Opening of the National Workshop on the Formulation of the 2016 Annual Work Plan and Budget of the NCDD. On behalf of the NCDD, and for myself, I would like to warmly welcome you to this important event. I appreciate the commitment you have all made in terms of your invaluable time.

This National Workshop is essential. We will reflect upon the progress and challenges of implementing the 2015 AWPB and the workshop will provide an opportunity for detailed consultation, both at national and sub-national levels. During this workshop we will find solutions to the issues we have faced during 2015, and we will agree on a draft 2016 AWPB. In the near future, we will finalize this plan and then submit it to the NCDD for approval.

### **Excellencies, Ladies and Gentlemen:**

Democratic development reform at the Sub-national level is a key element within the Rectangular Strategy Phase 3 of the Royal Government of Cambodia. When looking back over the last decade, I am extremely optimistic about the progress we have made, and the achievements we have realized thus far.

The success of this reform comes from the strong willingness, perspective and vision of the RGC, and the active contribution and support from Ministries, institutions, Sub-national administrations, Development Partners, and Civil Society Organizations. I am happy to see these organizations well-represented here today.

The implementation of the first IP3 of the National Program for Sub-National Democratic Development, which ended in December 2014, established the foundation of reform. The systems developed promoted autonomy, responsibility, and sustainability. It strengthened the quality of work at sub-national administrations and it supports improved public services and local economic development through transparency, accountability, and



the increased participation of our citizens. This strengthening of sub-national democratic development has been a great achievement of the Royal Government of Cambodia.

The second three-year implementation plan of the NP-SNDD, the IP3-II, covers a period from 2015 to 2017. The focus of this phase is the transfer of functions, financial resources, and staff to sub-national administrations, especially to Districts and Municipalities. The second phase aims to continuously strengthen our local administrations to become real agents of development, to ensure they have the administrative autonomy to make decisions and that they have sufficient financial and human resources to deliver services and promote local economic development. This phase will ensure Sub-National Administrations can effectively respond to the needs of all people within their jurisdictions.

I am convinced that all of you, all Excellencies, Ladies and Gentlemen who are present today at this National Workshop, are aware of the objectives, expected outputs, and strategies defined in the second IP3. I am also sure many of you actively participated and supported the preparation and implementation of the 2015 AWPB, which was the first year of implementation of the IP3-II. To ensure continuity, to achieve new and improved results in our reform programs, this 2016 AWPB of the NCDD needs to be based on the expected outputs and strategies of the IP3-II; but, it needs to adjust these based on the key lessons learned, experiences, and the challenges we have faced during our first year of implementation in 2015.

Based on our estimation, in 2016, our program will have total resources of 359.2 million Dollars including a state budget of about 326.5 million US Dollars and the resources contributed from our DPs of 32.7 million US Dollars.

This morning a representative of NCDDs will present the progress and challenges in implementing the 2015 AWPB, our draft expected outputs and priorities of 2016, as well as the allocation of DPs' budgets both through the basket fund and through stand-alone projects. A representative of the Ministry of Economy and Finance will present details about the state budget which has been allocated to the Capital and Provinces, the Municipal and District Fund, and the Commune/Sangkat Fund. The presentation will describe other key tasks needed to harmonize the Public Financial Management Reform and the Sub-National Democratic Development Reform. A representative of the Ministry of Civil Service will present their perspective on organizing management systems for Sub-National Personnel and the key tasks to ensure an effective inter-connection between the Public Administration Reform with the SNDD Reform. These presentations will provide a basis for discussions to reach a consensus on the draft 2016 AWPB during this two day Workshop.

**Excellencies, Ladies and Gentlemen:**

In being provided this precious opportunity to speak to you, I would like to inform you that the Royal Government of Cambodia has been preparing a Consolidated Action Plan, Phase 3 (CAP3), of the Public Financial Management Reform Program. This program will be launched in December 2015 under the Chairmanship of **Samdech Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia. In addition to a wide range of other activities, the Public Financial Management Reform Program will strengthen the implementation of our fiscal decentralization policy.

Overall, the main purpose of fiscal decentralization is to ensure that sub-national administrations have access to sufficient resources to fulfill their mandates. These resources will be utilized according to our financial management procedures, in order to ensure autonomy, responsibility, efficiency, transparency, accountability, and a reduction of bureaucracy.

On behalf of NCDD, I would like to address the National Workshop on several priorities:

**First: the Capital and Provincial Budget**

The annual budget allocated to the Capital and Provinces is made according to the same formula used for Districts and Municipalities. It is currently equal to 0.96% of the current state budget revenues.

The capital and provincial budget in 2016 amounts to **914,635** Million Riel, or **225.84** Million US Dollars. The Capital and Provincial budget for 2016 will increase by 21.31%, when compared to the budget in 2015.

## **Second: the District and Municipal Fund**

The establishment and launching of the District and Municipal Fund and the development of SNA financial management systems was a remarkable achievement during the **IP3-I**. However, we recognize that the level of resources available remains somewhat limited. We also recognize most resources are being mostly used to cover allowances for councilors, salaries for officials, and administration, with only a fraction left to support the design and implementation of development projects. Hence, at the end of 2014, the RGC issued a Sub-decree on the transfer of resources from the state budget to the District and Municipal Fund which increases its proportion of the total current budget revenues from **0.80%** for 2015 to **0.90%** for 2016 and to **1%** for 2017 to 2019. Based on this, the DM Fund will increase from **19.2 Million US Dollars** in 2015 to **24.5 Million US Dollars** for 2016. Moreover, these funds are divided into two components, into an administrative component and the local development component. Concerning this, and on behalf of NCDD, I again urge each Municipality and District Council to carefully ensure funds are used effectively to respond to local needs and that they are used in accordance to established procedures. I also urge the Capital and Provincial Departments of Economy and Finance to provide increased support and intervention to ensure Municipality and District Administrations use the DM Fund effectively.

## **Third: the Commune/Sangkat Fund**

The Commune/Sangkat Fund is an unconditional grant equivalent to 2.8% of the current total budget revenue. This fund has been increasing dramatically over the past 10 years. In 2016 the Commune/Sangkat Fund will reach around **308,410 Million Riels** or **76.15 Million US Dollars**. This is an increase of **13.5%** when compared to 2015. In practice, the CS Fund is mainly used for infrastructure construction projects. To promote Communes and Sangkat to better contribute to economic and social development, I urge Councils to consider financing non-infrastructure activities related to the provision of social services, in cases where this is demanded by the people in their jurisdiction.

## **Fourth: Conditional Grants and Resources**

Conditional grant transfers are potentially a very important resource for Sub-national Administrations. Generally speaking, conditional grants will arise when a particular function is reassigned to SNAs, when the function was previously carried out by ministries and other institutions. Of course, when these functions are transferred, there must also be a transfer of resources, both financial and human, to Sub-national Administrations, in order to implement the function. Grants are conditional in the sense that the Sub-national Administration has to utilize the resources it receives for the management and implementation of the transferred function only.

Once again, I would like to underline that the **IP3-II** focuses on functional reassignment, of specific functions of ministries and institutions, in priority sectors, and that significant functions will be gradually transferred to Sub-national Administrations, for both piloting and permanent transfers, starting from 2016. In this regard, in order to support and facilitate the transfer, I propose the Ministry of Economy and Finance jointly, with relevant ministries and institutions, further studies, organizes, and puts in place all the necessary regulations related to the establishment of systems and transfer mechanisms for conditional grants, as soon as possible. In fact, in 2015, the Ministry of Environment has also piloted the management of urban sanitation services to 26 target municipalities. Accompanying this, the Ministry of Economy and Finance has transferred financial resources to those municipalities in order to carry out these functions.

## **Fifth: Pilot and expand the Sub-National Investment Facility (SNIF)**

The SNIF will allow Sub-national Administrations to access resources to implement infrastructure projects, which are in addition to their regular annual budget and normal infrastructure projects. It also provides an enabling environment to sub-national Administrations to utilize their funds to strengthen good governance, social services, and support to the poor and vulnerable in their territories.

Regarding the SNIF, the Ministry of Economy and Finance, in collaboration with relevant Ministries and institutions, has already prepared a draft sub-decree on the organizing and functioning of the investment fund for sub-national administrations. To ensure this mechanism can be fully operational from 2016 onwards, I urge

the Ministry of Economy and Finance to continue preparing all relevant regulations and to submit these promptly to the RGC for review, approval, and launching.

**Sixth: Design and Implement Own Source Revenue Mechanisms for Sub-National Administrations**

Designing own source revenue mechanisms for sub-national administrations is an important component of fiscal decentralization. Own source revenues can be generated from tax and non-tax sources. During the first IP3, studies identified several options for SNA own source revenues. In 2015, the working group of the Ministry of Economy and Finance reviewed and discussed these options several times, at technical levels. Therefore, I would like the working group to finalize the remaining tasks and to make these tasks its priority in 2016. I would like the working group to ensure the strategies and targets concerning own-source revenues, as defined in the IP3-II, are implemented as expected and that our goals described in the second IP3 are achieved.

**Seventh: Formulation of Strategic Budget Plans and the Implementation of Program Budgets for Sub-National Administrations**

Strategic budget plans and program budgets will be prepared and implemented in accordance with the goal of the Budget System Reform in Cambodia (2013-2020). These are gradual changes from the public financial management system which is currently based on inputs and is centralized towards a system which is based on outputs or performance and which is decentralized.

**Excellencies, Ladies and Gentlemen:**

Before concluding on behalf of the RGC and the NCDD, I request all participants to actively review, discuss and provide inputs into the 2016 AWPB of NCDD. Your contribution is needed to ensure the plan and budget is accurate, implementable, and strongly owned.

I would also like to take this opportunity to express my deep gratitude to our Development Partners for their invaluable technical and financial support to this essential reform process. In the future, we will further promote cooperation and partnership with Development Partners and Civil Society to ensure we achieve our reform goals.

Once again, I thank you all for your great effort and for your participation in the formulation process of the 2016 AWPB of the NCDD, and I strongly believe that this National Workshop will meet its objectives and will create meaningful results.

May I therefore bless all Excellencies, Ladies, and Gentlemen, all with good health, prosperity, and success in these tasks which have been delegated by **Samdech Techo Hun Sen**, Prime Minister of the Kingdom of Cambodia. I hereby declare open the **National Workshop of the Formulation of 2016 AWPBs of National Committee for the Development from now on.**

Thanks

# ANNEX 1B: CLOSING SPEECH BY SAMDECH KROLAHOM SAR KHENG, DEPUTY PRIME MINISTER, MINISTER OF INTERIOR, AND CHAIRMAN OF THE NCDD, AT THE AWPB NATIONAL WORKSHOP

## CLOSING SPEECH

**SAMDECH KROLAHOM SAR KHENG**

**DEPUTY PRIME MINISTER, MINISTER OF INTERIOR AND CHAIRMAN OF NCDD**

**IN THE CLOSING CEREMONY OF THE NATIONAL WORKSHOP ON THE FORMULATION OF 2016 ANNUAL WORKPLAN AND BUDGET OF NCDD**

**December 16, 2015, Preah Sihanouk Province, Sokha Hotel**

- Excellency, Deputy Prime Minister, Senior Ministers, Ministers, State Secretaries and members of the NCDD
- Excellency, Chief of Council and Provincial and Capital Governors
- Representatives of Development Partners and Civil Society Organizations
- Excellency, Ladies and Gentlemen, Participants of the Workshop

It is my honor and great pleasure to preside over the closing ceremony of the National Workshop on the Formulation of the 2016 Work-plan and Budget of the NCDD, which has been held over the past two days. I wish to thank and highly appreciate all Excellencies, Ladies and Gentlemen for your efforts and for spending your valuable time to take part in our AWPB formulation. I thank and deeply appreciate our Development Partners for their continued support, both technical and financial, to our Sub-National Democratic Development reforms. I thank and deeply appreciate our Civil Society Organizations for their contribution and for their continued support and participation in many key areas of our program. Generally, a joint collaboration between all stakeholders is the only way to ensure Sub-national Administrations can undertake their responsibilities and that they have the capacity to effectively respond to the real needs of our people.

### **Excellency, Ladies and Gentlemen:**

This year many significant achievements were realized in terms of our SNDD reform. We successfully moved from the first IP<sub>3</sub>, which focused on developing the structures, systems and working procedures of Sub-National Administrations, to the second IP<sub>3</sub> (the IP<sub>3</sub>-II), which focuses on the transfer of functions to Sub-National administrations. Our functional transfer is expected to improve the quality of services delivered, to spur local economic development and to move these closer to our citizens.

During 2015, several Ministries took courageous decisions to transfer essential service delivery functions to Sub-National Administrations. Recently, and based on the request of the Ministry of Environment, the Royal Government issued a sub decree to transfer urban solid waste management functions to the Capital, Municipal and District Administrations nationwide. The Ministry of Social Affairs, Veterans and Youth Rehabilitation delegated the management and monitoring of childcare centers to targeted Sub-National Administrations. The

Ministry of Rural Development and the Ministry of Health piloted the delegation of rural water supply system maintenance, rural sanitation service delivery and health center management in several Districts. Based on this experience, the Ministry of Rural Development reached a decision to transfer rural road maintenance functions and the Ministry of Health considered various options for the transfer of Health Operational District Office to the District Administrations. The Ministry of Education, Youth and Sports decided to transfer the management of early childhood education, primary education and non-formal education to District Administrations. In addition, these Ministries continued their functional mapping and review exercises to identify additional functions to transfer in subsequent years.

In principle, a transfer of functions must be accompanied by the transfer of resources, both financial and human. This will ensure Sub-National Administrations are able to autonomously and effectively manage and implement the functions they have received. Applying this principle, the Ministry of Economy and Finance, collaborating with relevant ministries, developed conditional grant mechanisms for several DMs to implement the transfer of environmental sanitation services and rural water supply system maintenance and repair. It also drafted legal regulations and procedures to ensure conditional grants will be made to all Sub-National Administrations for the management and implementation of all functions transferred from 2016 onwards.

During 2015, the Ministry of Civil Service, in collaboration with concerned Ministries, Sub-National Administrations, and other stakeholders, finalized the draft of a separate Statute for Sub-National Administration Personnel. The draft will be submitted to the NCDD for discussion and will then be soon submitted to the Government for final approval. The Statute establishes a decentralized personnel management system under the common principles of public civil service management. It aims to empower SNAs to effectively manage and develop their staff, to hold them accountable, to encourage civil servants to work at Sub-National Administrations, to ensure neutrality of staff in fulfillment of their roles and duties, and to facilitate the transfer of staff to be accompanied with the transfer of functions.

Another noticeable achievement has been the delegation of administrative service delivery functions to SNAs. Currently 10 Ministries have delegated more than 200 types of administrative services to 40 DMs. These services are delivered through One Window Service Offices (OWSOs). OWSOs have been actively providing these services to citizens for many years and there is strong evidence that citizens are satisfied with the services they receive. To provide some examples, within the first 9 months of 2015, OWSOs delivered around 356,000 services and collected revenues of approximately 11.55 billion Riel, equivalent to US \$ 2.85 million. We will continue to expand OWSOs to new districts and will establish other administrative service delivery mechanisms, gradually, in the Capital and Provinces during subsequent years.

In addition, 2015 we developed and launched Capital and Provincial Human Resource Facilities across the country. These are a new and important mechanism for coordination with state and non-state service providers to support Sub-National Administrations' capacity development. Related to this, to ensure the continued promotion of democratic governance, all District Administrations are currently preparing their charters, which will clearly divide roles and responsibilities between Council decision-making and executive bodies.

In close collaboration with civil society organizations, in 2015, we also started implementing the strategic plan on social accountability. We did so in numerous pilot Communes. These activities ensure citizens have easy access to essential information on the use of the budget and the performance of the council and other service providers. The process promotes the participation of citizens in both monitoring and civic engagement.

### **Excellency, Ladies and Gentlemen!**

All reforms, including decentralization, encounter obstacles. When this happens, we must continue forward, since decentralization is an essential and appropriate strategy to improve the delivery of public services and to promote local economic development. Our reforms are an important way to positively contribute to national development, across all sectors, and to reduce poverty amongst our people. Therefore, we need to continue our efforts and to face and overcome obstacles as they arise.

In a decentralized model, national ministries and institutions will apply their powers in a different way. Their will need to create effective incentives and an operating environment which promotes effective SNA service delivery local economic development. National ministries and institutions, in a decentralized model, are responsible for



developing policy, for setting standards, for providing technical support and for monitoring and ensuring SNAs provide services in line with standards and policies.

In developing policies and service delivery standards, Ministries must find a balance between quality assurance and providing Sub-National Administrations the autonomy and flexibility they need to develop local solutions, to tackle priority local issues, and to effectively respond to the needs of the people in its jurisdiction.

Sub-National Administrations at all levels need to take a stronger lead and to take more responsibility. Through the general mandate and permissive functions, Sub-National Administrations need to take more initiative and be more pro-active to address local issues, without waiting for detailed instruction from the national level. SNA leaders must understand their authority and the bounds of their autonomy and they must establish a clear vision of local development needs. They must ensure their administrations develop appropriate capacity and the ability to provide public services and local economic development in a transparent, accountable and effective manner.

### **Excellency, Ladies and Gentlemen!**

During 2016 we all need to focus on the transfer of functions and resources to the Sub-National Administrations. Several outputs and the priority activities in 2016 AWPB support this objective and we need to ensure these are well implemented. In mid-2016, the Secretariat of NCDD will review the targets of the IP3-II to ensure that by 2017, Sub-National Administrations will be fully responsible for the effective management of these transferred functions for the final IP3-III period under the 10 year National Program. I would like to discuss a few priorities in the 2016 AWPB.

#### **First: the transfer of functions**

As I noted earlier, Government recently issued a decree to transfer urban solid waste management to the Capital, Municipalities and District Administrations throughout the country. I would like to ask the Ministry of Environment, Ministry of Interior, and the Ministry of Economy and Finance to work together to prepare all required support mechanisms to ensure SNAs can fully take over full service delivery responsibilities, in 2016 and onwards. Capital, Municipal and District Administrations will need to work with Provincial, Khan, and Commune/Sangkat Administrations, with civil society organizations and with the private sector, to develop urban solid waste management plans and to establish solid waste collection services that ensure safety, public health protection, beauty and quality of the environment in all towns of their jurisdiction.

Based on the decision to transfer functions in the education sector, I propose the Ministry of Education, Youth, and Sports continues cooperation with relevant ministries and institutions to prepare regulations for the transfer of functions related to the management of primary, early childhood and non-formal education to the targeted districts in 2016 and that this is rolled out step by step to other districts as set out in the plan.

Based on the experiences of piloting the transfer of some health center management functions, I propose the Ministry of Health continues discussing with the NCDD and other relevant ministries and Sub-National Administrations to determine appropriate options to transfer primary health care services to some District Administrations in 2016.

Likewise, I would like to encourage the Ministry of Rural Development to extend the transfer of functions, to cover rural water supply system maintenance to other districts and to consider to transfer rural road repair and maintenance to some Sub-National Administrations in 2016.

The Ministry of Social Affairs, Veterans and Youth Rehabilitation needs to continue to cooperate with the Ministry of Interior, the Secretariat of the NCDD, and Sub-National Administrations to establish mechanisms to support and monitor the management of state orphanage centers, child-care centers of NGOs and victim and vulnerable child centers of communities, which has been delegated to target communes, districts and the provinces in 2015. They need to collect lessons and experiences on this delegation for the decision to permanently transfer those functions to Sub-National Administrations next year.

I propose other Ministries work more quickly to complete their functional mapping and review processes, that they quickly reach decisions on the transfer of essential functions such as agriculture extension, natural resource management, forestry, fisheries, and water resources.

The transfer of urban services from the Provincial Administration to Municipalities and Districts is also a priority for 2016. In doing so, the General Administration Department of the Ministry of Interior will cooperate with all relevant ministries and institutions, and with Sub-National Administrations to study, collect information and identify options to transfer a number of urban services, such as the management of public parks, street lights, drainage systems, the management of markets, vehicle parking and others.

In addition to the obligatory functions transferred from Ministries, Sub-National Administrations will select, manage and implement their permissive functions by using their discretionary resources to address the most relevant challenges and needs of their localities.

### **Second: fiscal decentralization**

As Excellency **Kitti Seddha Pundit Keat Chhon**, Permanent Deputy Prime Minister underlined in his opening speech yesterday, we must take many necessary measure to promote fiscal decentralization. I agree entirely with the guidance he provided, related to the promotion and efficient use of the DM and Commune/Sangkat funds, on the development of regulations establishing conditional grant transfer, on the establishment and functioning of SNIF, and in developing SNA own source revenues. I sincerely hope we follow hi guidance and that we ensure the harmonization between our two reforms, between our reforms of sub-national democratic development and public financial management reform. It is essential we ensure the consistency between the transfer of functions and the transfer of financial resources to Sub-National Administrations.

### **Third: Continue to strengthen SNAs institutional development**

We must continue to strengthen the institutional development of our SNAs, so that they are able and fully responsible to manage and implement all functions and resources transferred to them. This is a key priority for 2016.

Related to this, I learned that recently the Ministry of Public Service, in cooperation with relevant ministries and institutions, has completed the draft Royal Decree on the separate statute for SNA personnel. This draft statute will be discussed in the upcoming NCDD meeting. Therefore, in 2016, the Ministry of Public Service needs to develop all other necessary regulations and guidelines for the implementation of this statute, to ensure the regulatory framework establishes an SNA personnel management system that promotes SNA autonomy and accountability and facilitates the transfer staff associated with the transfer of functions.

Meanwhile, the General Administration Department of the Ministry of Interior needs to further collaborate with relevance ministries, institutions and stakeholders, to continue to strengthen the institutional development and human resource management capacity of all SNAs. This is however especially the case with District Administrations, where we need to ensure all steps have been taken to ensure Districts can effectively manage the public service delivery responsibilities gradually transferred to them from 2016 and onwards. Finally, I also propose we put in place a clear and systematic inspection mechanism and that we begin implementing inspections from next year. The inspection process needs to ensure SNAs correctly use the powers provided them, that they correctly carry out their roles and responsibilities and that they utilize their resources in accordance with all laws and regulations.

### **Four: continue implementing social accountability**

The strategic plan on social accountability aims to improve citizens' access to information (especially in terms of budgets and performance against standards) and to promote processes of citizen monitoring and engagement. This is intended to improve service delivery and local economic development. In 2016, the NCDDS will continue to coordinate and cooperate with relevant ministries and institutions, and its civil society organization-partners to roll out the implementation of social accountability to other targeted districts and communes. All work will take into account the lessons and experiences of 2014 and 2015.

**Fifth: Continue to promote gender mainstreaming, inclusiveness and social equity**

The IP3-II has a strong focus on gender mainstreaming and in promoting social equity and inclusiveness, especially amongst vulnerable groups and the poor. The program aims to ensure all citizens and all groups have adequate opportunities to participate and that they are supported and they receive benefits without discrimination, in either the provision of services or as a result of the political decision-making process in each local government. The IP3-II takes measures to ensure the promotion of social equity and inclusiveness and social equity in all expected outputs. Related to this, I would like to propose that MoWA and NCDDS continue coordination and support to all relevant ministries, institutions, Sub-National Administrations and concerned stakeholders to mainstream social equity and inclusiveness in all important policy documents and management systems and that they ensure that all decisions made take into account social equity and inclusiveness. In 2016 the MoWA and the NCDDS should develop guidelines on social equity and inclusiveness, should strengthen mechanisms supporting SNA Women's Networks, and should provide obligatory training to SNA leaders in order to raise new awareness on gender issues, social equity and inclusiveness. I call on all SNA leaders to take into account social equity and inclusiveness in all decisions they make and in the implementation of these decisions. SNAs are responsible for ensuring service delivery and local economic development is sustainable and harmonious in our society.

**Excellency, Ladies and Gentlemen!**

In closing, I would like to reconfirm the Royal Government's strong political commitment to our D&D reforms. Although there are some challenges that we will need to address, I am confident we will achieve our goals. To implement our reforms, in the medium term, we still require the continued support of our development partners. On behalf of the Cambodian people and the Royal Government of Cambodia, I would like to express my sincere gratitude to our DPs for their valuable support and I would like to assure you that DP assistance will continue to be used in a transparent, accountable, and effective manner. I also want to deeply thank the active contribution of civil society in all aspects of this important reform.

Once again, I would like to thank all Excellencies, Ladies and Gentlemen, who spent time to attend this workshop and to provide comments. I also want to thank the NCDDS for their efforts to organize and coordinate the planning and logistics of this workshop.

Finally, with the achievement of this national workshop, on behalf of the Royal Government of Cambodia, and on behalf of the NCDD, let me bless all Excellencies, Ladies and Gentlemen. I would like to officially announce the closing of this **National Workshop on the Formulation of the 2016 NCDD Annual Work Plan and Budget.**

Thanks

## ANNEX 2: TA / STAFFING

The table below summarizes budgeted TA for 2016. In comparing it with 2015:

- The number of staff has been decreased from 1,013 to 675 (a decrease of 33%)
- The total budget has decreased from \$US 6.07 Million to \$US 5.1 (a decrease of 16%)
- In 2016, most assistance remains at sub-national level; the subnational TA budget is 71% of all TA costs

The table below excludes insurance costs which are \$240,480. In total, insurance plus salaries and allowances are \$5,087,436.

**Table 15: IP3 staffing levels and budget for 2016**

ITEM	Advisors		Contract Staff		Total	
	Staff	Salary	Staff	Salary	Staff	Salary
<b>1. National Level</b>	<b>29</b>	<b>\$1,068,456</b>	<b>75</b>	<b>\$390,420</b>	<b>104</b>	<b>\$1,458,876</b>
1.1. NCDDS	20	\$851,292	59	\$319,080	79	\$1,170,372
1.1.1. International Advisors	2	\$411,792	0	\$0	2	\$411,792
1.1.2. National Advisors and Contract Staff	18	\$439,500	59	\$319,080	77	\$758,580
1.1.2.1. Policy Analysis and Development Division	6	\$183,480	4	\$31,080	10	\$214,560
1.1.2.2. Program Management and Support Division	3	\$78,300	3	\$25,380	6	\$103,680
1.1.2.3. Administration and Finance Division	2	\$51,660	43	\$196,200	45	\$247,860
1.1.2.4. Monitoring, Evaluation and Information Division	4	\$103,380	9	\$66,420	13	\$169,800
1.1.2.5. Internal Audit Group	3	\$22,680	0	\$0	3	\$22,680
1.2. MOI	7	\$163,764	7	\$30,960	14	\$194,724
1.3. Ministry of Public Service	1	\$26,700	2	\$10,560	3	\$37,260
1.4. Ministry of Finance	1	\$26,700	4	\$12,780	5	\$39,480
1.5. League	0	\$0	3	\$17,040	3	\$17,040
<b>2. Sub-National Level</b>	<b>281</b>	<b>\$2,521,080</b>	<b>290</b>	<b>\$867,000</b>	<b>571</b>	<b>\$3,388,080</b>
2.1. Capital and Provincial Level	96	\$1,721,880	105	\$312,000	201	\$2,033,880
2.2. Municipal, District and Khan Level	185	\$799,200	185	\$555,000	370	\$1,354,200
<b>3. Total (Row #1 + Row #2)</b>	<b>125</b>	<b>\$2,790,336</b>	<b>550</b>	<b>\$2,056,620</b>	<b>675</b>	<b>\$4,846,956</b>

## ANNEX 3: RESULTS FRAMEWORK / TARGETS

Table 16: Results Framework, matrix of indicators

Program Narrative/ Result	Indicators	Baseline / Year	Target 2015	Target 2016	Target 2017	Data Source, Note, Disaggregation
Goal: To improve the welfare and quality of life of all local residents of SNAs; to locally empower citizens through political and other processes to ensure equality, fairness and the protection of basic rights	1. CDB-CMDG1 Poverty Score		15.9%	14.9%	13.9%	Ministry of Planning, National Strategic Development Plan 2014-8
Purpose: To improve the capacity, management, governance, and service delivery of SNAs, to ensure they meet their democratic development mandate	2. Service delivery satisfaction index (**)		74.19	76.00	77.81	Governance survey; disaggregated gender, poor/non-poor, etc.
	3. Governance index (**)		57.80	59.21	60.62	As above
	4. DMK capacity index (**)		50.49	51.72	52.95	Capacity assessment; disaggregated by DM, function, office, gender
	5. SNA compliance inspection score (**)	N/A		+5%	+10%	
	6. Index of decentralization and SNA autonomy	N/A		+5%	+10%	
	Outcome #1: Improved management of the NP-SNDD reform process geared towards management of change	7. Has NCDD held at least 3 meetings per year; debated performance management in at least 2 and discussed social equity in at least 1?	NO	YES	YES	YES
	8. Expenditure on TA (\$US Millions)	5.9	5.5	4.5	4.0	
	9. Number of people reached in Social marketing campaigns (undertaken with CSOs) (in thousands)	0 (2014)	100	100	100	
	10. % of program implementers satisfied with NCDDs planning, policy development and financial management procedures		50%	60%	70%	Survey of program implementers
	11. % of program milestones and targets met on time (**)	14%	50%	60%	70%	
	12. Cumulative number of sector Ministries making public statements strongly supporting decentralization	0	1	2	5	
Outcome #2: SNAs function as local democratic and accountable institutions, including accountability of the BOG to the Council,	13. The regulatory framework is strengthened to ensure more effective councilor oversight and decision making powers, especially in terms of resource allocation and use		Yes	Yes	Yes	
	14. Number of DMs adopting and implementing DM charters (*)	0	50	185	185	
	15. 80% of DM councilors who believe their powers vis a vis the BOG are SIGNIFICANTLY stronger than they were in the past		20%	50%	80%	Governance survey; disaggregated by type of DM, gender, etc.



## NCDD Annual Work Plan and Budget 2016

Program Narrative/ Result	Indicators	Baseline / Year	Target 2015	Target 2016	Target 2017	Data Source, Note, Disaggregation
accountability of Councilors to citizens and accountabilities of SNAs to comply with national laws and standards	16. Number of DMK council meetings using information generated through a web-based DMK MIS / M&E system	0	100	300	591	DMK Capacity assessment; target is for 3 meetings / year in 2017
	17. Number of districts where all communes posted information to the public (according to disclosure of information regulations), participated in citizen monitoring exercises, and developed (JAAPs) to improve service delivery (*)	0	20	70	120	
	18. A second phase social accountability program developed to cover other services and levels of SNAs	NO	NO	NO	YES	
	19. Number of complaints collected and managed by CSs	0	0	1,000	3,000	About 2 per CS
	20. Number of complaints collected and managed by DMKs	0	0	500	1,200	About 6 per DMK
	21. Number of citizens attending District Forums	0	5,000	7,000	9,000	About 50 persons / forum
	22. Number of CSOs attending District Forums	0	500	700	900	About 5 CSOs/DM
	23. Financial contribution of Communes to the JAAP	0	\$100,000	\$250,000	\$500,000	
	24. Impact evaluation completed using control and treatment groups and showing improvement on I4C indicators	NO	NO	NO	YES	
	25. % of all PCS and DMKs have been inspected for compliance with SNA laws and regulations and have received a satisfactory assessment (*)	0	20%	30%	40%	
Outcome #3: SNAs autonomously and effectively manage and develop their staff in order to meet their service delivery mandates and priorities	26. % of targeted SNA administrative staff who are recruited, appointed, and disciplined based on Council decisions and without prior central government approval or participation	0%	100%	100%	100%	DMK capacity assessment
	27. % of PC and DMK management staff have their performance appraised by their immediate superiors	0%	50%	75%	95%	DMK Capacity assessment
	28. % of PC administration directors who are female (*)	0.3% (2013)	8.18%	12.12%	16.06%	To reach 20% by 2018.
	29. % of PC division heads who are female (*)	0.3% (2013)	8.20%	12.13%	16.07%	As above
	30. % of DMK administration directors who are female (*)	18% (2013)	16.23%	19.15%	22.08%	To reach 25% by 2018
	31. % of DMK administration division heads who are female (*)	17% (2013)	21.03%	22.36%	23.68%	As above
	32. % of Capital/Provincial Resource Facilities providing all 5 types of CD	0%	100%	100%	100%	
	33. % of leaders completing mandatory annual training in gender mainstreaming	0%	95%	95%	95%	Governors and Council chairpersons for PCs and DMKs
	34. % of all Councilors, BOG and SNA Staff feel their training adequately prepared them to undertake their job functions	N/A	20%	50%	80%	Various surveys
	35. % of CD interventions that are demand driven	N/A	30%	40%	50%	
Outcome #4: SNAs are enabled to meet citizens'	36. Average number of by-laws passed by DMKs		.5	.75	1	
	37. % increase in the number of decisions taken in DMK Council		10%	25%	50%	
	38. % of the national budget transferred to DMs as a result of functional reassignment (*)		0.5%	1%	3.6%	

## NCDD Annual Work Plan and Budget 2016

Program Narrative/ Result	Indicators	Baseline / Year	Target 2015	Target 2016	Target 2017	Data Source, Note, Disaggregation
service delivery expectations and to provide meaningful services at the level of government closest to citizens	39. Number of DMs transferred all the functions, staff and resources from at least 2 large District Line Offices		0	2	5	
	40. Number of DMs transferred all functions, staff and resources from at least 3 small <sup>16</sup> District Line Ministry Offices		5	50	185	
	41. Number of Municipalities which have been transferred the functions, staff and resources for urban services <sup>17</sup>	0	0	3	10	
	42. An independent evaluation concludes service delivery improved when functions were decentralized from central government to SNAs and from provinces to municipalities					YES
	43. % increase of CS fund expenditures on social services from 2014		50%	150%	300%	
	44. Number of never tried before services produced using CS and DM Funds		2	10	25	
	45. Number of cases of SNAs replicating other SNA success stories		2	10	50	
	46. Value of service delivery partnerships signed by CSs and DMKs with central government, CSOs and the private sector (\$US Millions)	0	0.5	3	9	Expected to be around 10% of DM and CS fund budgets
	47. % of citizens satisfied with the delivery of new, innovative services		50%	50%	50%	
	48. Number of new SNAs providing OWSO services.		6	12	18	
Outcome #5: Financial resources are well planned, well managed, and adequate for DMs to meet their service delivery mandates	49. % increase in the number of different services provided and number of citizens served per OWSO		5%	10%	15%	
	50. DM development component as a% of the national revenues	0%	0.5%	0.5%	0.5%	
	51. % of DM revenues raised through own sources	0%	0%	2.5%	10%	
	52. Community contributions to CS and DM projects (\$US Millions)		0.2	0.5	2	
	53. Were delays are encountered in implementing the functional transfer due to the development of conditional grant mechanisms		NO	NO	NO	
	54. Value of projects implemented through the SNIF (\$US Millions)		0	3	3	
	55. Reduction in the number of delays faced by SNAs in the disbursement of funds		10%	25%	50%	
	56. % of PCs and DMKs using new planning systems which have clear corporate plans overseen by councilors	0%	100%	100%	100%	

NOTE: \* = included as a commitment in the NSDP; \*\* included in the EU results framework

<sup>16</sup> Small is an district office having 1-3 staff

<sup>17</sup> Including refuse collection, sewerage removal and disposal, the management and development of markets and recreational areas, and at least 2 other services.

# **ANNEX 4: DETAILED ACTIVITIES IN THE AWPB**

## NCDD Annual Workplan and Budget 2016 (Detailed Activities and Budget)

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
<b>1</b>	<b>Improved management of the NP-SNDD reform process geared towards management of change</b>	<b>\$5,418,718</b>		
<b>1.1</b>	<b>NCDD leads the political process of reform and manages program performance to ensure implementation of the Organic Law</b>	<b>\$33,200</b>		
<b>1.1.2</b>	<b>A mandatory number of three NCDD meetings per year with a meeting schedule developed in advance focusing on key policy issues and decisions</b>	<b>\$33,200</b>		
<b>1.1.2.1</b>	<b>Coordination mechanisms improved and implemented to ensure effective political decision making on SNDD reforms</b>	<b>\$33,200</b>		
1.1.2.1.1	Convene and strengthen NCDD meetings at least 3 meetings per year	\$30,000	Basket	NCDDS (PADD)
1.1.2.1.2	Convene and strengthen meetings of NCDD sub-committees	\$3,200	Basket	NCDDS (PADD)
1.1.2.1.3	Prepare progress reports on AWPB implementation to NCDD on a regular basis	\$0	Basket	NCDDS (PADD)
1.1.2.1.4	Review and improve NCDDS communication and support to NCDD and its sub-committees in making decision on SNDD reforms	\$0	Basket	NCDDS (PADD)
1.1.2.1.5	Participate in cross-cutting reform coordination with PAR and PFRMP in order to improve coordination and efficiency	\$0	Basket	NCDDS (PADD)
<b>1.2</b>	<b>NCDDS facilitates and coordinates program implementation and management by all implementers, progressively changing its role from operational to strategic</b>	<b>\$4,181,018</b>		
<b>1.2.1</b>	<b>NCDDS structure, TOR, staffing and technical assistance compliment reviewed to reflect the strategic reform priorities in the next phase</b>	<b>\$4,181,018</b>		
<b>1.2.1.1</b>	<b>Structures, systems, procedures and capacity of NCDDS strengthened in terms of policy development and programme management</b>	<b>\$4,181,018</b>		
1.2.1.1.1	Review and revise NCDDS structure to reflect the strategic reform priorities in IP3-II as well as to manage programs/ projects under P3-II framework	\$0	Basket	NCDDS (AFD)
1.2.1.1.2	Review and revise TOR of NCDDS TAs to reflect their roles and responsibilities in supporting ministries and SNAs	\$0	Basket	NCDDS (AFD)
1.2.1.1.3	Provide capacity development to NCDDS staff through formal and informal training, attending workshop, meeting, exposure visits and other related activities	\$30,000	Basket	NCDDS (AFD)
1.2.1.1.4	Procure short term consultancies to review and develop development of policies, regulations, guidelines and procedures as required	\$50,000	Basket	NCDDS (PADD)
1.2.1.1.5	Conduct meeting and workshop with ministries and SNAs on JD implementation and capacity development	\$26,950	Basket	NCDDS (PMSD)
1.2.1.1.6	Review and assess the implementation of NP-SNDD and formulate IP3-III	\$27,850	Basket	NCDDS (PMSD)
1.2.1.1.7	Strengthen internal NCDDS meetings on a regular basis to improve day-to-day AWPB management including programs and projects	\$0	Basket	NCDDS (PMSD)

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
1.2.1.1.8	Strengthen NCDDS division meetings to improve daily program management as well as support to ministries and SNAs	\$0	Basket	NCDDS (PMSD)
1.2.1.1.9	Improve IT support for communication within NCDDS	\$6,000	Basket	NCDDS (MEID)
1.2.1.1.10	Build and strengthen NCDDS data center	\$22,000	Basket	NCDDS (MEID)
1.2.1.1.11	Revised policy development process implemented	\$0	Basket	NCDDS (PADD)
1.2.1.1.12	Support of policy development and CD in terms of SNDD and PAR reforms (EU SPACE)	\$350,000	EU SPACE	NCDDS (PMU)
1.2.1.1.13	Support of policy development and CD in terms of SNDD and PAR reforms (GiZ ARDP)	\$650,000	GIZ ARDP	NCDDS (PMU)
1.2.1.1.14	Convene NCDDS meetings with DPs such as TWG on D&D meeting, Trust Fund meeting on a regular basis regarding AWPB formulation and management as well as monitoring of progress	\$1,200	Basket	NCDDS (PMSD)
1.2.1.1.15	NCDDS organizes joint visits with DPs to monitor and learn from program implementation at SNAs	\$5,000	Basket	NCDDS (PMSD)
1.2.1.1.16	Conduct NCDDS meeting with stand-alone projects on a regular basis	\$0	Basket	NCDDS (PMSD)
1.2.1.1.17	Conduct training on the revised ADMIN and FIN manuals for implementing agencies and others	\$20,000	Basket	NCDDS (AFD)
1.2.1.1.18	Procure and implement external audits on the program implementation 2016	\$30,000	Basket	NCDDS (AFD)
1.2.1.1.19	Conduct meeting with SNAs on AWPB budget implementation, CD and sharing experiences	\$15,000	Basket	NCDDS (AFD)
1.2.1.1.20	Monitor and provide backstopping to implementing agencies on implementation of AWPB budget and audit activities	\$25,000	Basket	NCDDS (AFD)
1.2.1.1.21	Implement capacity development of internal audit unit	\$3,000	Basket	NCDDS (IAG)
1.2.1.1.22	Conduct internal audits on AWPB implementation, programs and projects undertaken and results reported	\$7,000	Basket	NCDDS (IAG)
1.2.1.1.23	Review and revise the guideline on AWPB formulation	\$0	Basket	NCDDS (PMSD)
1.2.1.1.24	Formulate NCDD AWPB with participation and consultation with stakeholders	\$1,000	Basket	NCDDS (PMSD)
1.2.1.1.25	Review and approve Joint Decisions (JDs) between NCDD and implementing agencies	\$0	Basket	NCDDS (PMSD)
1.2.1.1.26	Prepare and sign agreements between NCDD and programs and projects	\$0	Basket	NCDDS (PMSD)
1.2.1.1.27	Conduct refresher training on JDs formulation, amendment and closing	\$15,670	Basket	NCDDS (PMSD)
1.2.1.1.28	Organize national workshop on NCDD AWPB formulation with participation of all stakeholders including civil society	\$121,500	Basket	NCDDS (PMSD)
1.2.1.1.29	Organize meetings and workshops to reflect AWPB implementation, lessons learnt and identify priorities and strategies for next year	\$20,050	Basket	NCDDS (PMSD)
1.2.1.1.30	Review, revise and disseminate the technical documents on implementation of CS fund and DM fund projects	\$24,700	Basket	NCDDS (PMSD)
1.2.1.1.31	Monitor and provide backstopping to implementing agencies on AWPB implementation and management	\$31,560	Basket	NCDDS (PMSD)
1.2.1.1.32	Provide TA support to NCDDS and ministries in the implementation of 2016 NCDD AWPB	\$1,493,796	Basket	NCDDS (AFD)

NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
1.2.1.1.33	Support and facilitate the implementation, management, monitoring and reporting of 2016 NCDD AWPB by NCDDS	\$300,000	Basket	NCDDS (AFD)
1.2.1.1.34	Support NCDDS facility and utility costs to manage the IP3-II	\$200,000	RGC	NCDDS (AFD)
1.2.1.1.35	Contingencies for unplanned future costs	\$703,742	Basket	NCDDS (PMSD)
<b>1.3</b>	<b>A communication Strategy is in use focusing on information sharing between government institutions and between government and the public in a way that clarifies key messages and determines the best way to deliver them to different stakeholder groups</b>	<b>\$113,900</b>		
<b>1.3.2</b>	<b>Systems that facilitate regular and open consultation and information exchange between key stakeholders groups are established and put into practice at national and sub-national level</b>	<b>\$113,900</b>		
<b>1.3.2.1</b>	<b>Communications strategy implemented, including regular and open consultation and information sharing between stakeholders both at national and subnational levels</b>	<b>\$113,900</b>		
1.3.2.1.1	Develop core communication tools ( banners, fact sheets, leaflets, calendars, logos, video, reports, etc.) to disseminate SNDD information	\$35,000	Basket	NCDDS (MEID)
1.3.2.1.2	Develop internal guidelines for integrating communications into all training, workshop and planning events	\$0	Basket	NCDDS (MEID)
1.3.2.1.3	Develop a set of high quality photographs and info-graphics	\$15,000	Basket	NCDDS (MEID)
1.3.2.1.4	Hire a professional firm to upgrade the NCDD website, making it more user friendly	\$4,000	Basket	NCDDS (MEID)
1.3.2.1.5	Restructure and strengthen the communications unit ToR (including the functions of the library to disseminate SNDD information as well as to serve as a research center)	\$3,000	Basket	NCDDS (MEID)
1.3.2.1.6	Develop and implement a structured media program (for leaders to interact with print media, radio, and television)	\$15,000	Basket	NCDDS (MEID)
1.3.2.1.7	Engage and establish social media programs and networks on SNDD	\$20,900	Basket	NCDDS (MEID)
1.3.2.1.8	Implement targeted SNA engagement (to ensure a thorough understanding of the reforms)	\$15,000	Basket	NCDDS (PADD)
1.3.2.1.9	Gather and publish information on SNDD in important events for dissemination through NCDD website and newsletters	\$6,000	Basket	NCDDS (PADD)
1.3.2.1.10	Support other stakeholders to communicate to citizens about the transfer of functions and to encourage their feedback	\$0	Basket	NCDDS (PADD)
1.3.2.1.11	Hold seminars and workshops to listen to SNA stakeholders and to learn from their experiences how program implementation can be improved	\$0	Basket	NCDDS (PADD)
<b>1.4</b>	<b>Ministries have enhanced ownership of and participation in the reform process</b>	<b>\$18,200</b>		
<b>1.4.1</b>	<b>Line ministries further institutionalize the roles and resources of their current D&amp;D working group into their policy, planning, budgeting and M&amp;E processes so that tasks relating to functional assignment and capacity</b>	<b>\$18,200</b>		



NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	development become part of their annual mainstream activities			
<b>1.4.1.1</b>	<b>On-going direct dialogue about SNDD reforms regularly held between NCDDS and ministries and institutions implementing the IP3</b>	<b>\$18,200</b>		
1.4.1.1.1	Strengthen functioning and capacity of the D&D working group of the ministries to carry out functional assignment process more effectively	\$4,200	Basket	NCDDS (PADD)
1.4.1.1.2	NCDDS conducts meeting and provide support to ministries to ensure mutual understanding of the policies and goals of the SNDD reforms including functional reassignment, HR personnel	\$4,000	Basket	NCDDS (PADD)
1.4.1.1.3	NCDDS organizes joint visits with ministries to monitor and support SNAs on functional reassignment, HR personnel and other relevant matters	\$10,000	Basket	NCDDS (PADD)
<b>1.5</b>	<b>SNAs have increased ownership of the reform process and increasingly make progress in shaping the reforms to their specific needs</b>	<b>\$1,072,400</b>		
<b>1.5.1</b>	<b>The roles and budgets of the PC and DMK reviewed, revised and strengthened to enable activities formerly undertaken by advisors to be increasingly taken over by civil servants or contract staff</b>	<b>\$1,072,400</b>		
<b>1.5.1.1</b>	<b>SNA structures, responsibilities, and capacities reviewed and improved to implement transferred functions</b>	<b>\$0</b>		
1.5.1.1.1	Review and revise SNA structures in accordance with the transferred functions	\$0	Basket	NCDDS (CP)
1.5.1.1.2	Review and revise roles and responsibilities of civil servants and reassign to effectively carry out the transferred functions	\$0	Basket	NCDDS (CP)
1.5.1.1.3	Workplan of advisors to strengthen and transfer of capacity to SNA personnel developed and implemented	\$0	Basket	NCDDS (CP)
1.5.1.1.4	Monitor, evaluate and report on implementation of the workplan	\$0	Basket	NCDDS (CP)
<b>1.5.1.2</b>	<b>Capacity of the General Secretariat of the SNA Council Associations strengthened to support and deliver services to its members</b>	<b>\$1,072,400</b>		
1.5.1.2.1	Convene meetings on a regular basis of National Association of CP Councils and its ExCom to learn about and review progress as well as challenges regarding SNDD at SNAs	\$19,000	Basket	SNA Associations
1.5.1.2.2	Convene meetings on a regular basis of National League of MDK-CS Councils and its ExCom learn about and review progress as well as challenges regarding SNDD at SNAs	\$20,000	Basket	SNA Associations
1.5.1.2.3	Organize a workshop on roles and responsibilities of SNAs to help empower the councilors to act within their mandates	\$11,000	Basket	SNA Associations
1.5.1.2.4	Organize a forum on legitimate representation of SNA councils to collect issues/problems regarding performance of the councils and public service delivery	\$10,000	Basket	SNA Associations
1.5.1.2.5	Operation support to facilitate 2016 AWPB	\$11,400	Basket	SNA

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	implementation of the general secretariat			Associations
1.5.1.2.6	Strengthen capacity of SNA council associations and its general secretariat to enhance their services	\$1,000,000	UNDP-EU/ACES	SNA Associations
1.5.1.2.7	Coordinate and strengthen collaboration with general secretariat of SNA council associations to improve design and implementation of D&D reforms	\$1,000	Basket	NCDDS (PADD)
1.5.2	A channel created and institutionalized to enable the collective voice of the SNAs to be better represented by the Associations of SNA Councils to the NCDD and its Secretariat on how reforms can be better designed and implemented	\$0		
2	<b>SNAs function as local democratic and accountable institutions, including accountability of the BOG to the Council, accountability of Councilors to citizens and accountabilities of SNAs to comply with national laws and standards</b>	<b>\$3,563,742</b>		
2.1	<b>Clear roles and lines of accountability between SNA Councils and Boards of Governors are established and implemented</b>	<b>\$28,400</b>		
2.1.2	<b>Systems and procedures reviewed to ensure that the role of the Council is consistent with the Organic Law and that Councilors' legislative, decision making, and oversight functions are strengthened</b>	<b>\$28,400</b>		
2.1.2.1	<b>Governance systems and procedures reviewed and revised to improve SNA lines of accountability</b>	<b>\$28,400</b>		
2.1.2.1.1	Complete an evaluation of the quality and effectiveness of DM charters and other governance arrangements	\$0	Basket	NCDDS (PADD)
2.1.2.1.2	Disseminate and conduct training on technical document for inter and intra-governmental relationships	\$14,200	Basket	NCDDS (PADD)
2.1.2.1.3	Disseminate and conduct training on technical document for regional economic development	\$14,200	Basket	NCDDS (PADD)
2.2	<b>Voices of citizens and civil society organizations are better reflected in DM and CS decision-making processes</b>	<b>\$3,387,112</b>		
2.2.1	<b>Implementation of the Social Accountability Framework (ISAF), approved by the NCDD, is progressively rolled out to DM and CS throughout the country and evaluated and strengthened over time; by 2017 a second phase social accountability program is developed</b>	<b>\$3,344,652</b>		
2.2.1.1	<b>In partnership with civil society and local communities, in at least 300 communes in 51 districts complete their social accountability activities and develop JAAPs by September 2016</b>	<b>\$3,344,652</b>		
2.2.1.1.1	Conduct dissemination workshop with provincial and district management on I-SAF Implementation (40 target areas in 2016)	\$0	Basket	NCDDS (MEID)
2.2.1.1.2	Conduct dissemination workshop with provincial and district management on I-SAF implementation (50 target areas for 2017)	\$23,720	Basket	NCDDS (MEID)

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
2.2.1.1.3	Conduct ToT training on social accountability operations manual/guideline (supply side) and online I-SAF monitoring database	\$15,104	Basket	NCDDS (MEID)
2.2.1.1.4	Conduct ToT training to PITO on ISAF monitoring database	\$43,828	Basket	NCDDS (MEID)
2.2.1.1.5	Support Provincial Resource Center to conduct I-SAF training to target SNAs	\$41,000	Basket	NCDDS (CP)
2.2.1.1.6	Support 40 target districts to implement social accountability activities	\$200,000	Basket	NCDDS (MDK)
2.2.1.1.7	Strengthening JAAP committee and monitoring JAAP implementation	\$0	Basket	NCDDS (MEID)
2.2.1.1.8	JAAP monitoring and supports	\$0	Basket	NCDDS (MEID)
2.2.1.1.9	Organize I-SAF Partnership Steering Committee (PSC) meeting and other technical meetings	\$3,000	Basket	NCDDS (MEID)
2.2.1.1.10	Organize national reflection workshop for I-SAF implementation	\$0	Basket	NCDDS (MEID)
2.2.1.1.11	Develop guidelines and manuals (materials & printing: I4Cs poster, booklets, Operation & training guidelines, strategic plan, communication..etc.)	\$13,000	Basket	NCDDS (MEID)
2.2.1.1.12	Field monitoring on ISAF implementation at SNAs	\$5,000	Basket	NCDDS (MEID)
2.2.1.1.13	Implement demand side activities, and joint actions including impact evaluation, communications, and learning	\$3,000,000	SA Demand Side	NGOs
<b>2.2.3</b>	<b>Complaint handling mechanisms at all SNA levels are established, strengthened and used</b>	<b>\$42,460</b>		
<b>2.2.3.1</b>	<b>SNA complaints handling mechanisms reviewed, redesigned and implemented in order to improve its access and use by citizens</b>	<b>\$42,460</b>		
2.2.3.1.1	Develop and put in place the legislation on the establishment of complaint handling mechanisms in SNA	\$9,940	Basket	MOI
2.2.3.1.2	Disseminate the legislation on the establishment of complaint handling mechanisms in SNA to the technical team of CP resource center	\$7,160	Basket	MOI
2.2.3.1.3	Develop and put in place the manual on the procedure of the investigation and complaint handling	\$9,940	Basket	MOI
2.2.3.1.4	Train technical team of CP resource center on the procedure of the investigation and complaint handling	\$12,720	Basket	MOI
2.2.3.1.5	Provide technical support and follow up SNA complaint handling mechanisms	\$2,700	Basket	MOI
<b>2.3</b>	<b>Institutionalized, transparent SNA compliance inspection mechanisms in place</b>	<b>\$37,440</b>		
<b>2.3.1</b>	<b>Design and adopt a system of inspection to periodically monitor SNA compliance with the regulatory framework determining: the scope of the inspection, the institutional responsibilities for implementation, the capacity development requirements and the methodology for applying sanctions if necessary. The inspection system is expected to cover governance, human resources, finance and procurement, and administration</b>	<b>\$37,440</b>		
<b>2.3.1.1</b>	<b>SNA compliance inspection mechanisms designed and tested so that inspections can be</b>	<b>\$37,440</b>		

NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	<b>undertaken in 2017</b>			
2.3.1.1.1	Develop and put in place the manual on SNA compliance inspection	\$21,940	Basket	MOI
2.3.1.1.2	Train technical team of CP resource center on SNA compliance inspection	\$15,500	Basket	MOI
<b>2.4</b>	<b>SNA Administrative, IT, and M&amp;E Systems strengthened</b>	<b>\$110,790</b>		
<b>2.4.3</b>	<b>Strengthen SNA capacities and systems of IT and MIS</b>	<b>\$110,790</b>		
<b>2.4.3.1</b>	<b>Design and implement a computerized DMK M&amp;E system which provides useful information for Council meetings, which meets the needs of users, and which increasingly collects and inputs national information at the DMK level</b>	<b>\$110,790</b>		
2.4.3.1.1	Evaluate the piloting results of DMK M&E system in 10 DMKs	\$0	Basket	NCDDS (MEID)
2.4.3.1.2	Conduct training on DMK M&E system to Provincial Resource Centers (PRC) in 25 SNAs	\$28,500	Basket	NCDDS (MEID)
2.4.3.1.3	Support Provincial Resource Centers to conduct training on DMK M&E system to their target DMKs	\$0	Basket	NCDDS (MEID)
2.4.3.1.4	Support PRCs to conduct cascade training on DMK M&E system (for national staffs)	\$10,000	Basket	NCDDS (MEID)
2.4.3.1.5	Evaluate the result of DMK M&E system implementation	\$0	Basket	NCDDS (MEID)
2.4.3.1.6	Develop DMK Project Management System on webpage	\$0	Basket	NCDDS (MEID)
2.4.3.1.7	Pilot training on DMK project management system	\$9,240	Basket	NCDDS (MEID)
2.4.3.1.8	Evaluate the piloting result of DMK project management system	\$0	Basket	NCDDS (MEID)
2.4.3.1.9	Monitor and support DMK M&E system and other general M&E support	\$8,300	Basket	NCDDS (MEID)
2.4.3.1.10	Conduct training/workshop on MIS for PITO	\$10,480	Basket	NCDDS (MEID)
2.4.3.1.11	Support IT internship program of NCDDS	\$1,200	Basket	NCDDS (MEID)
2.4.3.1.12	Develop and put in place the legislation on the market management in SNA	\$9,940	Basket	MOI
2.4.3.1.13	Disseminate to the technical team of CP resource center on the legislation on the market management in SNA	\$7,160	Basket	MOI
2.4.3.1.14	Organize reflection workshop on DM and CS fund use and project implementation	\$14,810	Basket	MOI
2.4.3.1.15	Technical support and follow the SNA performance (working procedure, roles and duties implementation, planning, budgeting, project preparation and implementation and personnel)	\$11,160	Basket	MOI
<b>3</b>	<b>SNAs autonomously and effectively manage and develop their staff in order to meet their service delivery mandates and priorities</b>	<b>\$13,061,329</b>		
<b>3.1</b>	<b>SNA HR management decentralized and strengthened</b>	<b>\$664,700</b>		
<b>3.1.2</b>	<b>In a phased approach, new, decentralized SNA HR management processes are introduced and implemented by relevant grades of SNA personnel; these systems and processes are later expanded to ensure national coverage and are incorporated into the compliance in</b>	<b>\$110,000</b>		

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
<b>3.1.2.1</b>	<b>All subsidiary HR regulations, guidelines and manuals to support the separate statute on SNA personnel completed and implemented, including a strategy to increase the % of females in SNA management positions</b>	<b>\$110,000</b>		
3.1.2.1.1	Finalise and approve the royal decree on separate statute for SNA personnel	\$0	Basket	MCS
3.1.2.1.2	Disseminate the royal decree on separate statute for SNA personnel	\$27,300	Basket	MCS
3.1.2.1.3	Organize workshop on regulations for management of SNA personnel	\$18,900	Basket	MCS
3.1.2.1.4	Organize consultative workshops to collect inputs and experiences related to result-based performance	\$18,900	Basket	MCS
3.1.2.1.5	Conduct studies on integration of SNA civil servants according to functions and resources transferred to them	\$7,500	Basket	MCS
3.1.2.1.6	Monitor and support SNAs in integration of staff and implementation of laws and regulations regarding SNA personnel management	\$17,400	Basket	MCS
3.1.2.1.7	Operation support to facilitate 2016 AWPB implementation on SNA personnel	\$20,000	Basket	MCS
3.1.2.1.8	Develop and approve a strategy to increase the percentage of females in SNA management positions	\$0	Basket	MCS
<b>3.1.6</b>	<b>Each year, all SNA leaders and upper level managers will be required to complete a dynamic and mandatory training on analyzing gender issues, mainstreaming gender, and promoting women in leadership and diversity</b>	<b>\$554,700</b>		
<b>3.1.6.1</b>	<b>Social equity and inclusiveness promoted in SNAs</b>	<b>\$554,700</b>		
3.1.6.1.1	Conduct capacity development for SNA leaders on social inclusiveness and equity, resulting in concrete actions to be taken in each SNA	\$43,900	Basket	NCDDS (MoWA)
3.1.6.1.2	Organize an annual reflection workshop on the implementation of the agreement and preparation of workplan for next year	\$18,500	Basket	NCDDS (MoWA)
3.1.6.1.3	Monitor and support SNAs on mainstreaming of social inclusiveness and equity at SNAs	\$14,000	Basket	NCDDS (MoWA)
3.1.6.1.4	Workshop on dissemination and promotion the percentage of women in management positions and to better mainstream gender in SNA management processes	\$10,000	Basket	NCDDS (PADD)
3.1.6.1.5	Workshop for strengthening women councilors networking	\$35,000	Basket	NCDDS (PADD)
3.1.6.1.6	Development, consultation, dissemination and follow up the implementation of technical document on social equity and inclusiveness	\$28,000	Basket	NCDDS (PADD)
3.1.6.1.7	Strengthen functioning of NCDDS gender technical working group	\$500	Basket	NCDDS (PADD)
3.1.6.1.8	Strengthen the functioning of CP WCCCs in mainstreaming social inclusiveness and equity in plans, programs and projects as well as lobbying the CP and relevant agencies to promote social service delivery	\$37,500	Basket	NCDDS (CP)

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
3.1.6.1.9	Strengthen the functioning of MDK WCCCs in mainstreaming social inclusiveness and equity in plans, programs and projects as well as lobbying the MDK and relevant agencies to promote social service delivery	\$177,300	Basket	NCDDS (MDK)
3.1.6.1.10	Conduct meetings and workshops with line departments, offices, units, NGOs and other stakeholders to promote gender mainstreaming, women empowerment and social equity and inclusiveness at SNAs	\$30,000	Basket	NCDDS (PDoWA)
3.1.6.1.11	Conduct capacity development for relevant stakeholders on gender and social equity and inclusiveness at SNAs	\$62,500	Basket	NCDDS (PDoWA)
3.1.6.1.12	Develop and disseminate documents and statistics on gender and social equity and inclusiveness at SNAs	\$12,500	Basket	NCDDS (PDoWA)
3.1.6.1.13	Monitor and support CD activities for councils related gender mainstreaming, women empowerment and social equity and inclusiveness at SNAs	\$45,000	Basket	NCDDS (PDoWA)
3.1.6.1.14	Complete a follow up gender audit	\$40,000	Basket	NCDDS (PDoWA)
<b>3.2</b>	<b>Demand-driven capacity/organizational development and advocacy support systems for SNA Councils and Councilors in place at provincial level</b>	<b>\$5,629,015</b>		
<b>3.2.1</b>	<b>Design a SNA Resource Facility at provincial level with one section focused on functions of Councils and clarify the management arrangements at national and sub-national levels</b>	<b>\$5,629,015</b>		
<b>3.2.1.1</b>	<b>Partnership and cooperation arrangements facilitated between SNAs, government agencies, the private sector and civil society organizations to develop SNA capacity</b>	<b>\$5,629,015</b>		
3.2.1.1.1	Train staff of the Department of Training on the Approaches and Methods of Capacity Development	\$7,950	Basket	MOI
3.2.1.1.2	Train technical team of CP resource center on the Approaches and Methods of Capacity Development	\$18,280	Basket	MOI
3.2.1.1.3	Develop and put in place the strategic framework on the Capacity Development for civil servants of MOI and SNAs	\$14,215	Basket	MOI
3.2.1.1.4	Annual reflection workshop on the OD (Organizational Development) implementation at SNAs	\$18,930	Basket	MOI
3.2.1.1.5	Follow up and provide technical support to SNAs on OD implementation	\$3,300	Basket	MOI
3.2.1.1.6	Develop and implement the CP annual intervention plan for OD at SNAs	\$425,000	Basket	MOI
3.2.1.1.7	Provide TA support to coordinate and implement the CP annual intervention plan for capacity development at SNAs	\$2,046,240	Basket	NCDDS (CP)
3.2.1.1.8	Support and facilitate 2016 CP AWPB implementation, management and reporting	\$800,000	Basket	NCDDS (CP)
3.2.1.1.9	Prepare and implement specific capacity	\$98,500	Basket	NCDDS (MDK)



NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	development activities of MDKs			
3.2.1.1.10	Provide TA support to coordinate and implement specific CD activities of MDKs	\$1,487,400	Basket	NCDDS (MDK)
3.2.1.1.11	Support and facilitate 2016 MDK AWPB implementation, management and reporting	\$709,200	Basket	NCDDS (MDK)
<b>3-4</b>	<b>A resourced plan for a permanent local government training institute and long-term capacity development in place and ready for implementation</b>	<b>\$18,490</b>		
3-4-3	Key stakeholders reach consensus and a more detailed implementation plan developed, deliberated and approved	\$18,490		
3-4-3.1	An action plan for the establishment of an SNA Training Institute adopted	\$18,490		
3-4-3.1.1	Develop the implementation plan for establishment and management of the local government training institute	\$18,490	Basket	MOI
3-4-3.1.2	Organize meetings with DPs to mobilize resources to support the implementation plan	\$0	Basket	MOI
<b>3-5</b>	<b>Construct 34 Districts Offices to improve the working environment for staff</b>	<b>\$6,749,124</b>		
3-5.2	Construct offices and monitor work	\$6,749,124		
3-5.2.1	District office construction completed in 34 Districts	\$6,749,124		
3-5.2.1.1	Complete construction of 34 district offices	\$6,749,124	ADB/DPSFM 1	MOI
<b>4</b>	<b>SNAs are enabled to meet citizens' service delivery expectations and to provide meaningful services at the level of government closest to citizens</b>	<b>\$29,202,981</b>		
4.1	SNAs taking more initiative to implement permissive functions under their general mandate	\$11,356,116		
4.1.1	The general mandate, including partnership and cost-sharing arrangements between central government and SNAs will be clarified and disseminated	\$20,160		
4.1.1.1	SNAs are facilitated to identify and implement a wider range of permissive functions	\$20,160		
4.1.1.1.1	Disseminate and conduct training on technical document for implementation of permissive functions	\$14,200	Basket	NCDDS (PADD)
4.1.1.1.2	Develop information dissemination strategy	\$3,000	Basket	MOI
4.1.1.1.3	Disseminate information dissemination strategy to the CP resource center	\$2,960	Basket	MOI
4.1.4	DPs financial support to social services and climate change adaptation will be increasingly channeled through the CS and DM Funds	\$11,335,956		
4.1.4.1	Social service delivery, local economic development, climate change adaptation and other specific services strengthened through DM Fund and CS Fund implementation	\$11,335,956		
4.1.4.1.1	National and SNA officials in six target provinces, analyse, plan, coordinate, implement and monitor actions that promote community resilience and the survival, protection and development of infants and children	\$664,291	UNICEF	NCDDS (PMSD)

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
4.1.4.1.2	More caregivers in six target provinces demonstrate practices which improve the community resilience and the survival, protection and development of infants and children	\$544,695	UNICEF	NCDDS (PMSD)
4.1.4.1.3	By 2018 children with disabilities in target districts have increased access to quality social services and participate in community life	\$707,000	UNICEF	NCDDS (PMSD)
4.1.4.1.4	Support CS fund to promote social service delivery	\$500,000	Basket	
4.1.4.1.5	Test the cash transfer and bonuses on social protection (capacity development)	\$119,773	WB/CTPMCH	NCDDS (PADD)
4.1.4.1.6	Promoting social service investment by DM administrations focusing on sexual reproductive health and rights	\$111,141	UNFPA	MOI
4.1.4.1.7	Support new sub-national planning guidelines to promote young people participation (conditional grant)	\$39,000	UNFPA	MOI
4.1.4.1.8	Support commune development through block grants	\$6,200,000	ADB/TS-PRSDP	NCDDS (PMU)
4.1.4.1.9	Enhance agricultural productivity and effective project management	\$1,140,000	ADB/TS-PRSDP	NCDDS (PMU)
4.1.4.1.10	Support target communes to mainstream and implement climate change adaptation projects (Capacity Development)	\$177,000	IFAD/ASPIRE	NCDDS (PMSD)
4.1.4.1.11	Support Regional Economic Development (GiZ RED Phase III)	\$416,876	RED III	NCDDS (NCDDS)
4.1.4.1.12	Support climate change adaptation (UNCDF, LGCC II)	\$151,820	LGCC II	NCDDS (NCDDS)
4.1.4.1.12	IFAD Aspire conditional grant to climate change	\$400,000	IFAD ASPIRE	
4.1.4.1.13	UNICEF conditional grants to social services	\$70,360	UNICEF	
4.1.4.1.14	WB Cash Transfer (conditional grant)	\$94,000	WB/CTPMCH	
4.1.4.1.15	Roll out of the recently endorsed DM Service Manual, where the NCDDS is providing guidance and building capacity of DM planners, with UNICEF and UNFPA support, on social service investment at DM administrations	\$0	UNFPA	MOI
<b>4.2</b>	<b>Specific and appropriate functions transferred from Ministries to SNAs</b>	<b>\$17,167,200</b>		
<b>4.2.1</b>	<b>Transfer specific functions and related resources from key sector ministries to SNAs, beginning with the five ministries which have completed their functional review process. Clearly define implementation strategies and the time frame for the transfer of</b>	<b>\$17,167,200</b>		
<b>4.2.1.1</b>	<b>Primary, early-child, and non-formal education functions transferred to all DMs in one target province</b>	<b>\$12,140,000</b>		
4.2.1.1.1	Develop and put in place regulations and guidelines for transferring primary, early-child, and non-formal education functions to target DMs	\$5,000	Basket	NCDDS (FA ministries)
4.2.1.1.2	Disseminate the developed regulations and guidelines to stakeholders	\$25,000	Basket	NCDDS (FA ministries)
4.2.1.1.3	Pilot the transferred functions in target areas	\$12,000,000	RGC	NCDDS (FA ministries)
4.2.1.1.4	Conduct monitoring, support and assessment of the pilot and prepare report	\$10,000	Basket	NCDDS (FA ministries)
4.2.1.1.5	Improve primary education through strengthening of Community Pre-Schools (CPS)	\$100,000	UNICEF	MOEYS

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
<b>4.2.1.2</b>	<b>Capital and all DMs implement their urban solid waste management functions effectively</b>	<b>\$2,066,500</b>		
4.2.1.2.1	Develop and put in place regulations and guidelines for implementing solid waste management and NR conservation protection functions	\$5,000	Basket	NCDDS (FA ministries)
4.2.1.2.2	Disseminate the developed regulations and guidelines to stakeholders	\$25,000	Basket	NCDDS (FA ministries)
4.2.1.2.3	Pilot the transferred functions in target areas	\$0	Basket	NCDDS (FA ministries)
4.2.1.2.4	Conduct monitoring, support and assessment of the pilot and prepare report	\$10,000	Basket	NCDDS (FA ministries)
4.2.1.2.5	Fund support for implementing the urban solid waste management functions	\$2,000,000	RGC	NCDDS (MOE)
4.2.1.2.6	Fund support for implementing NR conservation functions	\$26,500	RGC	NCDDS (MOE)
<b>4.2.1.3</b>	<b>State orphan center management, the oversight of NGO-managed child care centers, and the management of child victims and vulnerable children in communities transferred to the province, DMs and CSs respectively, in one target province</b>	<b>\$320,000</b>		
4.2.1.3.1	Develop and put in place regulations and guidelines related to the transfer of orphan center management functions to target	\$5,000	Basket	NCDDS (FA ministries)
4.2.1.3.2	Disseminate the regulations and guidelines on the transfer of functions for management of orphan centers at SNAs	\$25,000	Basket	NCDDS (FA ministries)
4.2.1.3.3	Pilot the orphan center management functions in the target province	\$0	Basket	NCDDS (FA ministries)
4.2.1.3.4	Conduct monitoring, support and assessment of the pilot and prepare report	\$10,000	Basket	NCDDS (FA ministries)
4.2.1.3.5	Fund support for implementing the pilot on management and operation of orphan centers by SNAs	\$250,000	RGC	MoSAVY
4.2.1.3.6	Support in strengthening the management of orphan centers by SNAs	\$30,000	UNICEF	MoSAVY
<b>4.2.1.4</b>	<b>Primary health care functions transferred to a number of target SNAs</b>	<b>\$1,062,000</b>		
4.2.1.4.1	Develop and put in place regulations and guidelines related to the transfer of OD functions to target DMs	\$5,000	Basket	NCDDS (FA ministries)
4.2.1.4.2	Disseminate the regulations and guidelines on the transfer of OD functions to target DMs	\$25,000	Basket	NCDDS (FA ministries)
4.2.1.4.3	Pilot the operation and management of OD functions in selected MDs	\$960,000	RGC	NCDDS (FA ministries)
4.2.1.4.4	Conduct monitoring, support and assessment of the pilot and prepare report	\$10,000	Basket	NCDDS (FA ministries)
4.2.1.4.5	Pilot the functional assignment in management of OD and HC (Capacity Development)	\$30,000	UNCDF/LDDHS	NCDDS (PMU)
4.2.1.4.6	Conduct feasibility studies for transferring functions and line offices at DM level to the DM SNA and prepare plans for the actual transfer	\$10,000	Basket	NCDDS (PADD)
4.2.1.4.7	UNCDF LDDHS conditional grant for health centers	\$22,000	UNCDF/LDDHS	
<b>4.2.1.5</b>	<b>The pilot transfer of rural sanitation and water supply operations and maintenance continued in</b>	<b>\$317,500</b>		

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	<b>targeted Districts</b>			
4.2.1.5.1	Study and assess the transferred functions that have been piloted and organize reflection workshop of the assessment results	\$30,000	Basket	NCDDS (PADD)
4.2.1.5.2	Pilot on rural water supply (RWS) operations and maintenance in 7 districts	\$125,000	ADB/RWS	NCDDS (PMU)
4.2.1.5.3	Pilot on rural sanitation decentralized service delivery in 10 Districts	\$100,000	WB/WSP	NCDDS (PMU)
4.2.1.5.4	Fund support for implementing the pilot on RWS operation and maintenance and service delivery on rural sanitation	\$62,500	RGC	MRD
<b>4.2.1.6</b>	<b>Rural road routine maintenance functions transferred to a number of target DMs</b>	<b>\$890,000</b>		
4.2.1.6.1	Develop and put in place regulations and guidelines related to the transfer of rural road maintenance functions to target DMs	\$5,000	Basket	MRD
4.2.1.6.2	Disseminate the developed regulations and guidelines to stakeholders	\$25,000	Basket	MRD
4.2.1.6.3	Pilot the rural road maintenance functions in selected MDs	\$850,000	RGC	MRD
4.2.1.6.4	Conduct monitoring, support and assessment of the pilot and prepare report	\$10,000	Basket	MRD
4.2.1.7	Agreement reached on the transfer of additional significant functions of other key ministries, to be implemented beginning in 2017	\$371,200		
4.2.1.7.1	Disseminate guidelines on functional mapping and functional review to relevant ministries	\$31,200	Basket	NCDDS (PADD)
4.2.1.7.2	Consultation and verification with line ministries on functions to be transferred to SNAs	\$25,000	Basket	NCDDS (PADD)
4.2.1.7.3	Consultation with SNAs on formulation of needed regulations related to transferring and receiving functions	\$15,000	Basket	NCDDS (PADD)
4.2.1.7.4	Prepare and finalize report on functional mapping	\$27,000	Basket	NCDDS (FA ministries)
4.2.1.7.5	Prepared and finalize report on functional review	\$27,000	Basket	NCDDS (FA ministries)
4.2.1.7.6	Prepare implementation plans on functional reassignment with resources for pilot and workplan for providing CD to SNAs	\$9,000	Basket	NCDDS (FA ministries)
4.2.1.7.7	Prepare legal framework on transferring of functions and resources to SNAs	\$9,000	Basket	NCDDS (FA ministries)
<b>4.2.1.7.8</b>	<b>Develop and implement capacity development plan for SNAs on the management and implementation of the transferred functions</b>	<b>\$138,000</b>	Basket	NCDDS (FA ministries)
4.2.1.7.10	Monitor and support the line departments and CP administrations on a regular basis	\$90,000	Basket	NCDDS (FA ministries)
<b>4.3</b>	<b>Transfer urban services from Provinces to Municipalities</b>	<b>\$17,900</b>		
<b>4.3.1</b>	<b>Complete a functional analysis of urban services in Provinces, identifying which services, staff and resources can be transferred to Municipalities;</b>	<b>\$17,900</b>		
<b>4.3.1.1</b>	<b>Agreement reached on the transfer of urban services from provincial level to municipalities, to be implemented beginning in 2017</b>	<b>\$17,900</b>		
4.3.1.1.1	Develop legislations for transferring the urban	\$3,000	Basket	MOI

NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
	service function			
4.3.1.1.2	Consultative workshop with SNA and relevant Ministries	\$7,740	Basket	MOI
4.3.1.1.3	Disseminate the legislations on the transferring of urban services to the CP resource center	\$7,160	Basket	MOI
<b>4.4</b>	<b>Expand Administrative Services developed under the One Window Service Offices</b>	<b>\$661,765</b>		
<b>4.4.2</b>	<b>Extend specific services developed under the OWSO to other municipalities, districts and Khans</b>	<b>\$661,765</b>		
<b>4.4.2.1</b>	<b>Full one window service offices expanded to 5 districts and alternative one window service mechanisms established in other remaining SNAs</b>	<b>\$661,765</b>		
4.4.2.1.1	Review and encourage transfer additional administrative services from Ministries to DMK OWSO	\$3,000	Basket	MOI
4.4.2.1.2	Disseminate the revised delivery procedure of delegated services	\$2,335	Basket	MOI
4.4.2.1.3	Meetings with SNA on the expansion of OWSO to targeted 2 CP and 5 Districts	\$2,820	Basket	MOI
4.4.2.1.4	Meetings with relevant Ministries on the administrative services for delegating to the targeted CP and Districts	\$1,000	Basket	MOI
4.4.2.1.5	Train staff of new targeted Districts on roles and duties of OWSO and DO	\$20,950	Basket	MOI
4.4.2.1.6	Train on delivery procedure of the delegated services to the new 5 targeted Districts	\$13,400	Basket	MOI
4.4.2.1.7	Information dissemination and Communication	\$1,500	Basket	MOI
4.4.2.1.8	Develop legislations on the establishment of OWSO mechanisms	\$0	Basket	MOI
4.4.2.1.9	Consultative meetings on OWSO mechanisms	\$0	Basket	MOI
4.4.2.1.10	Disseminate the legislations on the establishment of OWSO mechanism in CP, District and CS	\$7,160	Basket	MOI
4.4.2.1.11	Consultative meetings on the delegation of administrative service delivery to the CP and Districts	\$1,000	Basket	MOI
4.4.2.1.12	Monitor and evaluate the implementation of transferred functions in SNA	\$6,840	Basket	MOI
4.4.2.1.13	Support and facilitate 2016 MOI AWPB implementation, management and reporting	\$101,760	Basket	MOI
4.4.2.1.13	Support expansion of OWSO infrastructure and mechanisms	\$500,000	RGC	MOI
<b>4.5</b>	<b>Implement service delivery partnerships between SNAs and CSOs and the private sector</b>	<b>\$0</b>		
<b>4.5.1</b>	<b>As part of the guidelines on the general mandate, develop mechanisms to promote service delivery partnership between SNAs, CSOs and the Private Sector</b>	<b>\$0</b>		
<b>4.5.1.1</b>	<b>Partnership arrangements between SNAs, the private sector and civil society organizations facilitated to improve local economic development and service delivery</b>	<b>\$0</b>		
4.5.1.1.1	Develop guidelines and regulations to promote service delivery partnership between SNAs, CSOs and the Private Sector	\$0	Basket	NCDDS (PADD)

NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
4.5.1.1.5	Sign MOUs with CSOs and private sector to provide capacity development and service delivery for SNAs	\$0	Basket	NCDDS (SNAs)
4.5.1.1.6	Implement the MOUs on the capacity development and service delivery for SNAs	\$0	Basket	NCDDS (SNAs)
<b>5</b>	<b>Financial resources are well planned, well managed, and adequate for DMs to meet their service delivery mandates</b>	<b>\$328,153,650</b>		
<b>5.1</b>	<b>DM fund operational with 0.5% of the national recurrent budget revenues ring-fenced for development activities</b>	<b>\$326,470,000</b>		
<b>5.1.1</b>	<b>Revise the formula for DM Fund allocations to ensure specific and separate allocations are made for administration and development</b>	<b>\$326,470,000</b>		
<b>5.1.1.1</b>	<b>DM Fund, both the administrative and development components, strengthened</b>	<b>\$326,470,000</b>		
5.1.1.1.1	Review and revise formula-based allocations for SNAs	\$0	Basket	MEF
5.1.1.1.2	DPs support to development component of MD funds	\$0	Basket	MEF
5.1.1.1.3	RGC budget support to CPs for general administration and development	\$225,840,000	RGC	MEF
5.1.1.1.4	RGC budget support to DMs for general administration and development	\$24,480,000	RGC	MEF
5.1.1.1.5	RGC budget support to CS for general administration and development	\$76,150,000	RGC	MEF
<b>5.2</b>	<b>Conditional grant mechanisms in place to support functional transfer</b>	<b>\$537,820</b>		
<b>5.2.1</b>	<b>Review existing conditional grant mechanisms of: (i) line departments and offices under the five Ministries completing functional analysis during the first phase; (ii) line departments and offices under other Ministries; and (iii) Provincial administration</b>	<b>\$537,820</b>		
<b>5.2.1.1</b>	<b>SNA conditional grant mechanisms in place to support functional transfer</b>	<b>\$537,820</b>		
5.2.1.1.1	Develop and pilot the conditional grant mechanisms at SNAs	\$60,000	ADB/DPSFM	MEF
5.2.1.1.2	Consultative meeting on conditional grant mechanisms to stakeholders	\$10,320	ADB/DPSFM	MEF
5.2.1.1.3	Disseminate workshop on regulations on the conditional grant mechanisms and procedures	\$62,500	ADB/DPSFM	MEF
5.2.1.1.4	Pilot the implementation of conditional grant to SNAs	\$400,000	ADB/DPSFM	MEF
5.2.1.1.5	Monitor and evaluate the implementation of the conditional grant mechanisms and procedures	\$5,000	ADB/DPSFM	MEF
<b>5.4</b>	<b>SNAs collect own source revenues</b>	<b>\$59,600</b>		
<b>5.4.1</b>	<b>Identify viable own source revenues streams for each level of SNA including the collection of voluntary contributions</b>	<b>\$59,600</b>		
<b>5.4.1.1</b>	<b>Policy and regulations on SNA own source revenues developed and approved</b>	<b>\$59,600</b>		
5.4.1.1.1	Prepare policy paper on SNA potential own source revenue sources	\$4,000	ADB/DPSFM	MEF
5.4.1.1.2	Study on own sources revenues of SNAs	\$10,000	ADB/DPSFM	MEF
5.4.1.1.3	Conduct study on own source revenues to be delegated to SNAs	\$5,000	ADB/DPSFM	MEF



NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
5.4.1.1.4	Organize consultative workshop on the developed regulatory framework on own source revenues	\$4,400	ADB/DPSFM	MEF
5.4.1.1.5	Disseminate the regulatory framework on own source revenues	\$36,200	ADB/DPSFM	MEF
<b>5-5</b>	<b>Sub-National Investment Facility (SNIF) established and implemented</b>	<b>\$342,920</b>		
<b>5.5.1</b>	<b>Develop the regulatory framework required to establish the SNIF institutional &amp; financing framework;</b>	<b>\$342,920</b>		
<b>5.5.1.1</b>	<b>SNIF regulations and guidelines developed and approved so that projects can begin implementation in 2017</b>	<b>\$342,920</b>		
5.5.1.1.1	Prepare Subnational Investment Fund (SNIF)	\$60,000	ADB/DPSFM	MEF
5.5.1.1.2	Consultative workshop on Subnational Investment Fund	\$11,520	ADB/DPSFM	MEF
5.5.1.1.3	Dissemination workshop on Subnational Investment Fund	\$66,700	ADB/DPSFM	MEF
5.5.1.1.4	Develop technical guidelines for implementing SNIF	\$12,000	ADB/DPSFM	MEF
5.5.1.1.5	Disseminate the technical guidelines for implementing SNIF	\$0	ADB/DPSFM	MEF
5.5.1.1.6	Study and develop SNA eligibility criteria for SNIF funding	\$7,500	ADB/DPSFM	MEF
5.5.1.1.7	Disseminate the criteria for SNIF funding to SNAs and other stakeholders	\$25,000	ADB/DPSFM	MEF
5.5.1.1.8	Develop procedures and protocols for SNAs to prepare and submit project proposals for SNIF funding	\$3,500	ADB/DPSFM	MEF
5.5.1.1.9	Train SNAs and other relevant stakeholders on the procedures	\$45,000	ADB/DPSFM	MEF
5.5.1.1.10	Develop regulations to establish institutions and organizations responsible for managing the SNIF	\$40,000	ADB/DPSFM	MEF
5.5.1.1.11	Dissemination workshop on SNIF to DPs	\$5,000	ADB/DPSFM	MEF
5.5.1.1.12	Sign agreements with DPs on support to SNIF	\$0	ADB/DPSFM	MEF
5.5.1.1.13	Pilot SNIF implementation	\$0	ADB/DPSFM	MEF
5.5.1.1.14	Organize refectation workshop on the pilot of SNIF implementation	\$66,700	ADB/DPSFM	MEF
<b>5-7</b>	<b>SNA Financial management systems strengthened</b>	<b>\$510,000</b>		
<b>5.7.1</b>	<b>Complete analytical work identifying constraints and exploring options to remove bottlenecks in the disbursement and availability of funds to SNAs</b>	<b>\$510,000</b>		
<b>5.7.1.1</b>	<b>SNA financial management procedures reviewed and revised to improve timely disbursement and effective budget execution</b>	<b>\$510,000</b>		
5.7.1.1.1	Conduct a study to identify constraints on disbursement and availability of funds to SNAs	\$0	Basket	MEF
5.7.1.1.2	Conduct consultative workshop to discuss and agree on an appropriate option to improve the fund transfer to SNAs	\$43,000	Basket	MEF
5.7.1.1.3	Review and revise regulations to improve SNA financial management systems	\$0	Basket	MEF
5.7.1.1.4	Monitor and support the implementation of SNA financial management systems	\$2,500	Basket	MEF
5.7.1.1.5	Train financial systems & procurement procedures to national staff	\$8,000	Basket	MEF

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
5.7.1.1.6	Train financial systems & procurement procedures to SNAs	\$24,500	Basket	MEF
5.7.1.1.7	Conduct training on SNA annual budget closure report	\$12,000	Basket	MEF
5.7.1.1.8	Support and facilitate 2016 MEF AWPB implementation, management and reporting	\$20,000	Basket	MEF
5.7.1.1.9	Provide technical support and inputs to improve SNA financial management systems and other relevant regulations	\$400,000	ADB/PPTA	MEF
<b>5.8</b>	<b>SNA Planning Systems revised in a manner that strengthens oversight and accountability roles within the SNA and between the SNAs and line departments/offices</b>	<b>\$233,310</b>		
<b>5.8.1</b>	<b>Policy on SNA Planning, approved in late 2014, transformed into guidelines for the preparation of both territorial plans (integrating all plans/budgets within the SNA jurisdiction) and corporate plans (focused on the SNA's own budget). The guidelines will reflect the different types of SNAs (Capital, Province, Municipality/Sangkats and rural Districts/Communes) and the different processes to be followed in preparing plans/budgets</b>	<b>\$16,920</b>		
<b>5.8.1.1</b>	<b>Technical guidelines on SNA planning processes reviewed to reflect different types of SNAs (Capital, Province, Municipality/Sangkats and rural Districts/Communes)</b>	<b>\$16,920</b>		
5.8.1.1.1	Conduct meeting to discuss and comment on technical guidelines on investment programming of Capital-Khan, Province-District-Commune and Municipality-Sangkat	\$3,000	Basket	NCDDS (PADD)
5.8.1.1.2	Organize workshop to review the final draft of the technical guidelines on the formulation of investment program of the province, district and commune	\$13,920	Basket	MOP
5.8.1.1.3	Finalize and put in place the technical guidelines on the formulation of investment program of the province, district and commune	\$0	Basket	MOP
<b>5.8.4</b>	<b>Together with key stakeholders, develop and revise computerized planning tools to support the planning process</b>	<b>\$216,390</b>		
<b>5.8.4.1</b>	<b>Use of SNA planning databases strengthened, with data updated annually</b>	<b>\$216,390</b>		
5.8.4.1.1	Conduct training on methods for data processing and producing profiles	\$13,155	Basket	MOP
5.8.4.1.2	Conduct training on analysis of profiles, method to use of CMDG scorecards and by sector for logical planning process	\$16,565	Basket	MOP
5.8.4.1.3	Conduct refresher training on data collection and use of database of the village, commune/ Sangkat, district, municipality, Khan, Capital and province	\$13,155	Basket	MOP
5.8.4.1.4	Conduct refresher training on use of Sub-National Project Database (SPD) for SNA planning process	\$13,155	Basket	MOP
5.8.4.1.5	Monitor and provide technical backstopping to SNAs on planning, data collection and management of databases	\$10,360	Basket	MOP

## NCDD Annual Work Plan and Budget 2016

CODE	RESULT	BUDGET	SOURCE	IMPLEMENTER
5.8.4.1.6	Capital and provinces coordinate, monitor and support in collection, preparation and dissemination of databases for SNA planning	\$80,000	Basket	MOP
5.8.4.1.7	SNAs conduct capacity development on data and tools for planning process	\$25,000	Basket	MOP
5.8.4.1.8	Preparations for the organization of workshops and forums on SNA planning	\$45,000	Basket	MOP
<b>TOTAL Budget</b>		<b>\$379,400,420</b>		