Sub-Decree and Guidelines on General Processes of Transfer of Functions and Resources to Sub-National Administrations

- Functional Mapping and Review -

Publication supported by GIZ/EU SPACE
"Strengthening Performance, Accountability and Civic Engagement"

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Royal Government of Cambodia

National Committee for Sub-National Democratic Development

1. Sub-Decree On General Processes of Transfer of Functions and Resources to Sub-National Administrations

and

2. Guidelines On Functional Mapping and Review for Sector Ministries, Institutions, Units and Authorities at All Levels

NCDD-S

August 2013

Preface

With the purpose of implementing the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans and promoting the Sub-National Democratic Development process, the Royal Government of Cambodia, on 10 May 2012, adopted and promulgated the Sub-Decree on General Processes of Transfer of Functions and Resources to the Sub-National Administrations. NCDD-S, with technical support from development partners including ADB, UNICEF, GIZ/EU-SPACE, has developed two Guidelines: the Guidelines on Functional Mapping for sector ministries, institutions, departments, units and authorities at all levels were promulgated on 28 September 2012 and the Guidelines on Functional Review for sector ministries, institutions, departments, units and authorities at all levels were promulgated on 28 June 2013.

Due to the necessity of these two guidelines, NCDD-S with support from GIZ/EU-SPACE has compiled and published the two guidelines and Sub-Decree No. 68 ANK.BK on General Processes of Transfer of Functions and Resources to the Sub-National Administrations for sector ministries, institutions, departments, units and authorities at all levels and relevant stakeholders to be able to use these documents as practically needed.

NCDD-S strongly believes that this compilation will help sector ministries, institutions, departments, units and authorities at all levels and relevant stakeholders in the processes of functional mapping and review in order to enable the successful implementation of the processes of transfer of functions and resources from sector ministries, institutions, departments, units and authorities at all levels to the sub-national levels. These processes will contribute to the implementation of sub-national administration reform policy and strengthening the effectiveness of public service delivery, development and poverty deduction.

Phnom Penh 19 August 2013

Introduction

Sub-National Democratic Development (SNDD) reform has introduced elected councils at all sub-national levels in Cambodia: the Capital, provinces, municipalities, districts, khans, communes and sangkats. These councils are accountable to citizens to improve citizen welfare and to contribute to poverty reduction through improved service delivery, improved natural resource management and increased local economic development and employment opportunities. SNDD reform is meant to improve governance by bringing government closer to citizens where councils can better understand and respond to local needs and where citizens are more able to engage with government.

SNDD requires the transfer of functions and resources from the national level to the elected councils so that these councils have substantial responsibilities to make decisions about matters that affect the lives of their citizens. Such council decisions must be made in the public interest and in ways that are responsive to local needs. Functional mapping and functional review are the processes through which it is decided what functions and resources will be transferred to councils. The National Committee for Sub-National Democratic Development (NCDD) is responsible to oversee these processes.

Functional mapping is the first stage and involves identifying (mapping) a sector's functions and resources, including finances, personnel and assets. Functional mapping ensures that informed decisions can be made during functional review.

Functional review is the process of analyzing a government sector in order to identify what functions and resources will be transferred to sub-national councils. Applying a set of criteria, functional review examines mapped functions to determine which of those functions should be transferred to a level of councils together with corresponding resources.

When it is decided to transfer a function to a level of councils, the functional review process determines whether the function should be obligatory or instead a permissive function. The process also involves deciding whether the function should be assigned as a council's 'own' function or instead delegated. In addition, functional review identifies what resources and capacity development are required when transferring the function.

This publication includes the main Sub-Decree and two guidelines that are related to functional mapping and functional review:

- Sub-decree 68/2012 on General Processes of Transfer of Functions and Resources to Sub-National Administrations
- NCDD Guidelines on Functional Mapping for Sector Ministries, Institutions, Departments, Units and Authorities at all Levels
- NCDD Guidelines on Functional Review Functional Mapping for Sector Ministries, Institutions, Departments, Units and Authorities at all Levels

Sub-decree 68 was issued to elaborate the legal framework for functional mapping and functional review. The functional mapping guidelines and functional review guidelines have been prepared by the NCDD Secretariat as technical tools for Ministries to use when mapping and then reviewing their functions for the purpose of transferring functions and resources to councils.

(Unofficial Translation)

Kingdom of Cambodia
Nation Religion King

Royal Government of Cambodia
No. 68 ANK.BK

Sub-Decree
On
General Processes of Transfer of Functions and Resources to the Sub-National Administrations

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The Royal Government of Cambodia

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Decree No. NS/RKT/0908/1055 dated 25 September 2008 on the Appointment of the Royal Government of Cambodia;
- Having seen the Royal Kram No. 02/NS/94 dated 20 July 1994 promulgating the Law on Establishment and Functioning of the Council of Ministers;
- Having seen the Royal Kram No. SN/RKM/0196/08 dated 24 January 1996 promulgating the Law on Establishment and Functioning of the Ministry of Interior;
- Having seen the Royal Kram No. NS/RKM/0301/05 dated 19 March 2001 promulgating the Law on Administrative Management of Communes/Sangkats;
- Having seen the Royal Kram No. NS/RKM/0508/016 dated 13 May 2008 promulgating the Law on Public Finance System;
- Having seen the Royal Kram No. NS/RKM/0508/017 dated 24 May 2008 promulgating the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans;
- Having seen the Royal Kram No. NS/RKM/0611/011 dated 17 June 2011 promulgating the Law on Financial Regime and Property Management for Sub-national Administrations
- Having seen the Royal Decree No. NS/RKT/1208/1429 dated 31 December 2008 on the Establishment of the National Committee for Sub-National Democratic Development;
- Having seen the Sub-Decree No. 23ANR.BK dated 27 January 2009 on Establishment and Functioning of the Secretariat of the National Committee for Sub-National Democratic Development;
- Having seen the Sub-Decree No. 234ANR.BK dated 19 January 2012 on the amendment to the Articles 4, 8, 12, 13, 15, 16 and 17 of the Sub-Decree No. 23ANR.BK dated 27 January 2009 on Establishment and Functioning of the Secretariat of the National Committee for Sub-National Democratic Development;
- Receiving the agreement from the Council of Ministers in the meeting dated 27 April 2012.

DECIDES

Chapter 1
General Provisions

Article 1:

This sub-decree aims to ensure that the transfer of functions and resources from ministries, Institutions, departments, units and authorities at all levels to the Sub-National Administrations shall be carried out in a systematic manner with phasing, rationale, coordination, consultation, transparency and equity in order to improve the effectiveness of public service delivery and development.

Article 2:

The purpose of this sub-decree is to determine the general process and timeframe for transferring functions and resources to the Sub-National Administrations as required under the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans and the Law on Administrative Management of Communes/Sangkats.

Article 3:

This sub-decree has a scope of application to the transfer of functions and resources from ministries, institutions, departments, units and authorities at all levels to the Sub-National Administrations, and between Sub-National Administrations.

Article 4:

For the purpose of this sub-decree:

- "Functions" refer to acts or activities including the provision of public services, infrastructures and other mechanisms.
- "Councils" refer to the Capital Council, Provincial Councils, Municipal Councils, District Councils, Khan Councils, Commune and Sangkat Councils;
- "Resources" refer to properties, finance, revenues, personnel and capacity.
- "Asset" refers to machineries, vehicles, equipment, furniture, materials, offices, letters, documents, public land, public real estates, public building or public infrastructures such as bridges, canals, roads or similar items.
- "Sub-National Administrations" refer to the Capital, Province, Municipality, District, Khan, Commune and Sangkat.
- "Obligatory Functions" refer to mandatory functions that shall be managed and performed by sub-national administrations according to standards and procedures defined by law, royal decree or sub-decree or legal instruments.
- "Permissive Functions" refer to optional functions that sub-national administrations may or may not choose to implement.
- "Transfer" refers to the assignment or delegation of functions.

- "Assignment of Function" refers to the transfer of the ownership of the function, authorities and resources to sub-national administrations to respond to community needs.
- "Delegation of Function" refers to the transfer of functions, responsibilities, power and discretions to sub-national administrations to administer and implement functions on behalf of the delegating authorities based the delegation requirement. The delegation authorities maintain the ownership of the delegated functions.
- "Systematic Transfer" refers to the transfer of functions accompanied by the transfer of appropriate resources.

Chapter 2
General Process of Transfer of Functions and Resources

Section 1
Principles

Article 5:

The transfer of functions and resources to sub-national administrations shall be carried out through an orderly, consultative, systematic, transparent and equitable process.

Article 6:

In the process of functional transfer priority shall be given to necessary activities which directly impact on poverty reduction, livelihood improvement of the people and local development.

Article 7:

Functions should be assigned or delegated by applying the following principles:

- Relevant to jurisdiction of the council;
- Manageable and practical for the council's jurisdiction;
- Beneficial and useful for residents within the council's jurisdiction;
- Capable of making a major impact within the council's jurisdiction.

Functions should be assigned or delegated by:

- Ensuring that the transfer of commensurate financial, human and other resources follow the transfer of functions;
- Ensuring a transparent and consultative process with the participation of the Ministries and Institutions and representatives of the recipient sub-national administrations as facilitated by the National Committee for Democratic Development at Sub-National Level with an abbreviation "NCDD" and its Secretariat ; and
- Ensuring minimal disruption to the ongoing operations of the Royal Government.

Article 8:

The NCDD shall review the responsibilities and functions of ministries, institutions, departments, units and authorities at all levels to identify functions to be transferred to sub-national administrations.

Article 9:

The NCDD, assisted by its Sub-Committee on Functions and Resources and its Secretariat, shall oversee, coordinate, support and monitor the process of transfer of functions and resources, which will be the responsibility of the Ministries and Institutions.

Section 2
Mapping of Functions

Article 10:

Ministries, Institutions, departments, units and authorities at all levels shall carry out a mapping exercise to identify:

- All current actual functions, and units which manage and exercise functions that fall within their jurisdiction;
- The legal framework under which the functions are exercised;
- The current actual financial resources spent to exercise their functions;
- Current actual human resources assigned to the exercise of the functions;
- Equipment, materials and any other resources assigned to the exercise of the functions.

Article 11:

The NCDD shall produce a Functional Mapping Guideline which will be used by the Ministries, Institutions, departments, units and authorities at all levels as the basis for carrying out the mapping exercise.

Once the mapping exercise has been completed, the Ministries and Institutions shall submit a copy of the final report to the NCDD for review and approval.

Section 3
Review of Functions

Article 12:

Once the result of the mapping exercise has been approved by the NCDD, the Ministries and Institutions shall review the functions, related regulatory and service delivery responsibilities to establish what should be transferred to sub-national administrations.

Article 13:

The review of functions shall be carried out in accordance with:

- Articles 215, 216, 217, 218, 219, 220 and 221 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans;
- The approved function mapping report;
- The principles set out in Articles 5, 6 and 7 of this Sub-decree; and
- Any decisions or guidelines provided by the NCDD.

Article 14:

The NCDD, Ministries and Institutions shall ensure that there is coherence in the review of functions in any sector that involves more than one Ministry or Institution and must consult with involved Ministries, Institutions as well as other national and sub-national stakeholders.

Article 15:

Where functions are to be transferred to sub-national administrations, the review process shall also identify the resources that are to be transferred along with the functions, together with any capacity development plans that may be required to ensure proper management, supervision and implementation of these functions and resources.

Article 16:

The Ministries and Institutions shall determine their new roles and responsibilities after the transfer of functions.

The determination of the new roles and responsibilities include policy development, standard setting and oversight; and identifying of any capacity development requirements associated with these new roles and responsibilities.

Article 17:

The NCDD shall produce a Functional Review Guideline which shall be used by the Ministries, Institutions, departments, units and authorities at all levels as the basis for carrying out the review of functions.

Once the review of functions has been completed, the Ministries and Institutions shall submit a copy of the final report to the NCDD for review and approval.

Section 4
Capacity Development to Receive Functions and Resources

Article 18:

The Ministries, Institutions, departments, units and authorities at all levels shall be responsible for building the capacity of the sub-national administrations to receive functions and resources over time under the supervision of the NCDD as stipulated in Article 235 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.

Article 19:

The Ministries, Institutions, departments, units and authorities at all levels shall formulate plans for capacity development to equip sub-national administrations to properly receive functions; and to properly manage, supervise and implement those function to at least the same or above standards that currently apply.

Article 20:

The formulation of the plans for capacity development shall be carried out in close collaboration and consultation between national and sub-national levels.

Section 5
Transfer of Functions and Resources

Article 21:

The assignment and delegation of functions shall be done by law, royal decree, sub-decree or other legal instrument, in accordance with Article 238 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.

Article 22:

The transfer of functions to sub-national administrations shall be carried out in accordance with Articles 233, 234, 235, 236, 237, 238, 239 and 240 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.

The transfer of financial resources for performing functions transferred to sub-national administrations shall be carried out in accordance with the provisions of Section 6 of Chapter 5 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans, and the provisions of Section 2 of Chapter 3 of the Law on Financial Regime and Property Management for Sub-national Administrations.

The transfer of asset for performing functions transferred to sub-national administrations shall be carried out in accordance with the provisions of Section 7 of Chapter 5 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans, and the provisions of Chapter 4 of the Law on Financial Regime and Property Management for Sub-national Administrations.

Article 23:

The NCDD shall review all the draft laws, royal decrees, sub-decrees and other legal instruments that transfer functions and resources to sub-national administrations to ensure consistency with the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans and with this sub-decree.

Article 24:

The transfer of functions to Communes/Sangkats shall exclude the sectors stipulated in the Article 45 of the Law on Administrative Management of Communes/Sangkats.

The transfer of functions to Capital, Provinces, Municipalities, Districts and Khans shall exclude the sectors or functions which are exclusively reserved for national Ministries and Institutions.

Article 25:

Processes and procedures for the transfer of financial resources shall be defined by the laws, royal decrees, sub-decrees or Prakas transferring the functions.

Section 6
Implementing Agencies

Article 26:

The NCDD, assisted by its Sub-Committee on Functions and Resources and its Secretariat, has overall responsibility to the Royal Government for reviewing and transferring functions and resources in accordance with the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.

The NCDD shall periodically report to the Royal Government on the progress of review and transfer of functions and resources.

The implementing ministries and institutions shall periodically report to the NCDD on the progress of review and transfer of functions and resources.

Article 27:

Ministries and Institutions have primary responsibility to the NCDD for mapping, reviewing and transferring functions and resources.

Article 28:

The sub-national administrations have responsibility for contributing to the functional transfer process whereby they receive and manage new functions and resources.

Article 29:

The Capital and Municipal Administrations have responsibility to review their functions in accordance with the principles set out in Article 5, 6 and 7 of this sub-decree in order to identify which of their functions together with corresponding resources should be delegated to Khan and Sangkat Administrations.

Section 7
Support mechanisms

Article 30:

The NCDD shall ensure that the transfer of functions and resources to sub-national administrations shall be carried out through a systematic, orderly, rational, consultative, transparent and equitable process.

Article 31:

The Sub-Committee on Functions and Resources has responsibilities to assist and advise as well as provide recommendations to the NCDD on all matters related to the duties and responsibilities of the NCDD in identifying and transferring functions and resources to the sub-national administrations.

The NCDD Secretariat are responsible for assisting the Sub-Committee on Functions and Resources and the NCDD on technical, coordination and consultative matters as well as technical and financial support to the functional transfer process.

Chapter 3
Transitional Provisions
Section 1
Process of Transfer of Functions and Resources for Priority Sectors or Activities

Article 32:

The NCDD shall give priority over the period 2012-2013 to transfer of functions and resources in the following sectors or activities:

- Agriculture;
- Education;
- Forestry, fishery, natural resources and environment;
- Health, nutrition and services for people including other needs of women, men, youth, children, vulnerable groups and indigenous people;
- Industry and support to economic development;
- Land use;
- Cadastral Works and Constructions;
- Electricity production and distribution;
- Water management;
- Particular or special needs for the Capital, Province, Municipality, District, Khan, commune and Sangkat including tourism, historical sites and cultural heritage;
- Social Welfare;
- Rural Development.

It shall be paid close attention to the transfer of infrastructures, means, materials and facilities that are necessary to support the management and exercise of the above assigned or delegated functions.

Article 33:

Ministries, Institutions, departments, units and authorities at all levels responsible for functions in the priority sectors or activities as indicated in Article 32 shall complete and submit its functional mapping and review reports to the NCDD for review and approval no later than 2012.

After the NCDD has approved its functional mapping report and its report on review of functions, Ministries, Institutions, departments, units and authorities at all levels shall carry out a process of transferring functions, along with the transfer of necessary and appropriate financial and human resources and other resources, following phases to begin no later than 2013.

Article 34:

Ministries, Institutions, departments, units and authorities at all levels responsible for functions which are not in the above priority sectors or activities shall follow the same mapping and review process, and shall submit their functional mapping and review reports for transfer of functions not later than 2013.

Article 35:

The detailed timeframe, phases and processes by which Ministries, Institutions, departments, units and authorities at all levels start transferring functions and appropriate financial, human and other resources shall be determined by the decision of the NCDD.

Section 2
Transfer of Human Resources

Article 36:

In the absence of laws or regulations or a separate statute for personnel of sub-national levels, processes and procedures for the transfer of human resources shall be defined by the laws, royal decrees, sub-decrees or Prakas transferring those functions and in accordance with the provisions of the Section 8 of Chapter 5 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.

Chapter 4
Final Provisions

Article 37:

Any provisions that contradict this sub-decree shall be abrogated.

Article 38:

The National Committee for Sub-National Democratic Development, Minister in charge of the Office of the Council Ministers, Minister of the Ministry of Interior, minister of the Ministry of Economy and Finance, Chairman of the National Committee for Democratic Development at Sub-National Level, ministers and secretaries of state of all ministries and institutions, and all Sub-national Administrations shall effectively implement this sub-decree from the date of its signature onward.

Phnom Penh Capital, 10 May 2012

Prime Minister

Samdech Aka Moha Sena Padei Techo **Hun Sen**

Copy to:

- Ministry of Royal Palace
- General Secretariat of Constitutional Council
- General Secretariat of Senate
- General Secretariat of Parliament
- General Secretary of Royal Government
- Cabinet of Prime Minister
- Cabinet of Deputy Prime Minister
- As Article 38
- Royal Gazette
- Archives

Royal Government of Cambodia

The National Committee for Sub-National Democratic Development

GUIDELINES

ON

FUNCTIONAL MAPPING FOR SECTOR MINISTRIES, INSTITUTIONS, DEPARTMENTS, UNITS AND AUTHORITIES AT ALL LEVELS

September, 2012

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Acronyms and Abbreviations

C/S	Commune/Sangkat
CSF	Commune Sangkat Fund
D&D	Deconcentration and Decentralization
D/Ms	Districts/Municipalities
DP	Development Partner
EU	European Union
FWUC	Farmer Water User Community
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IP3	Three year Implementation Plan the first 3 years of the NP-SNDD
IWRM	Integrated Water Resources Management
M&E	Monitoring and Evaluation
MAFF	Ministry of Agriculture, Forestry and Fisheries
MoEYS	Ministry of Education, Youth and Sport
MoI	Ministry of Interior
MOWRAM	Ministry of Water Resources & Meteorology
MPWT	Ministry of Public Works and Transport
MRD	Ministry of Rural Development
MTEF	Medium-Term Expenditure Framework
NCDD	National Committee for Sub-National Democratic Development
NCDD-S	NCDD Secretariat
NP-SNDD	National Program for Sub-national Democratic Development
PDRD	Provincial Department of Rural Development
PDWRAM	Provincial Department of Water Resources & Meteorology
PFM	Public Financial Management
PFMRP	Public Financial Management Reform Program
PIM	Project Implementation Manual
RGC	Royal Government of Cambodia
SAW	Strategy for Agriculture and Water (2010-2013)
SD	Sub Decree
SN	Sub-National (referring here to Provincial Departments and District Offices)
SNA	Sub-National Administration (Councils and Boards of Governors)
SNFL	Sub-National Finance Law
SPACE	EU Program for Strengthening Performance, Accountability and Civic Engagement of Democratic Councils in Cambodia Implemented by GIZ
STWG	Sector Technical Working Group
ToR	Terms of Reference

1. Objectives

These guidelines are designed as a guide for Ministries/Institutions/Departments/ Units and authorities at all levels in preparing Functional Mapping which are practically implemented and the unit that manages and is responsible for the legally mandated functions for implementing the functions, finances and current human resources, transportation, materials and other necessary resources.

The guidelines provide a step-by-step process to collecting information required for preparing a functional mapping report for an individual Ministry/Institution/Department/ Unit and authority at all levels. By preparing a functional mapping report the Ministry/Institution/Department/Unit and authority at all levels, in consultation with the National Committee for Democratic Development (NCDD), will have a firm basis for a later stage conducting a review allowing for consideration of functions for further deconcentration and decentralization. It is important that ministries conduct functional mapping in a consistent and comparable manner, so as to help the RGC to decide how best to proceed with the decentralization and deconcentration of government functions across sectors and ministries.

2. Basis of the Guideline

These guidelines are developed based on the following legal and policy framework:

- Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans;
- Law on Administrative Management of Communes/Sangkats;
- Sub Decree No. 68 ANK.BK dated 10 May 2012 on General Processes for Transfer of Functions to the Sub-National Administrations;
- Strategic Framework for Decentralization and Deconcentration Reforms;
- Ten National Program for Sub-National Democratic Development (NP-SNDD) (2010-2019);
- Three Year Implementation Plan (IP3) (2011-2013);

These legal and policy frameworks require priority sector Ministries/Institutions/ Departments/Units and authorities at all levels to starting their functional mapping exercise, before those Ministries/Institutions/Departments/Units and authorities who do not fall under the priority sectors, and shall finalize the exercise in accordance with the timeframe defined by NCDD. The later Ministries/Institutions/Departments/Units and authorities who are not in the priority sectors shall also start their functions mapping in accordance with the timeframe defined by NCDD.

3. Scope of the Guideline

These guidelines mainly outline the mapping of functions of Ministries/Institutions/ Departments/Units and authorities at all levels. The other guidelines will focus on reviewing of functions of Ministries/Institutions/ Departments/Units and authorities at all level.

4. Key Concepts and Terminology in this Guideline

- **Decentralization:** The RGC gives sub-national councils the ownership of government functions, authorities and resources in order to respond to local

needs. The council must be accountable to local residents;

- **Deconcentration:** The RGC, ministries or institutions delegate functions and resources to their own lower units or to one of the council categories to implement on their behalf. The unit or the council must be accountable to the Royal Government or Ministries/Institutions in accordance with the requirements of the delegation;

- **Function.** Function refers to action or activity including public services delivery, provision of infrastructure and other means. Function is divided into sub-functions. Commonly a function also has closely related sub-functions that are grouped together under that function. For example the broad function of roads construction and maintenance might have sub-functions as set out in the example in Box 1. Often sub-functions relate to different management categories, e.g. (i) management and administration; (ii) legal/regulatory; (iii) planning; (iv) construction /production; (v) operations and maintenance; and (vi) monitoring and evaluation;

Box 1: Functions/Sub-Functions for Roads

Function: 1. Roads Construction and Maintenance

Sub-Functions:

1.1 Rural Roads Construction and Maintenance:

1.1.1 Administration linked to rural roads

1.1.2 Legal, Regulatory, standards for rural roads

1.1.3 Plan / design for new rural roads and for maintenance

1.1.4 Construction and maintenance of rural roads

1.1.5 Monitoring of existing rural roads

1.2 National Roads Construction and Maintenance:

1.2.1 etc.

- **Other terms are sometimes used interchangeably with functions.** Shorthand terms sometimes used in the discussion of functions of a Ministry include: (i) activities performed; (ii) responsibilities assigned; and (iii) documentation of what a Ministry does with its resources;

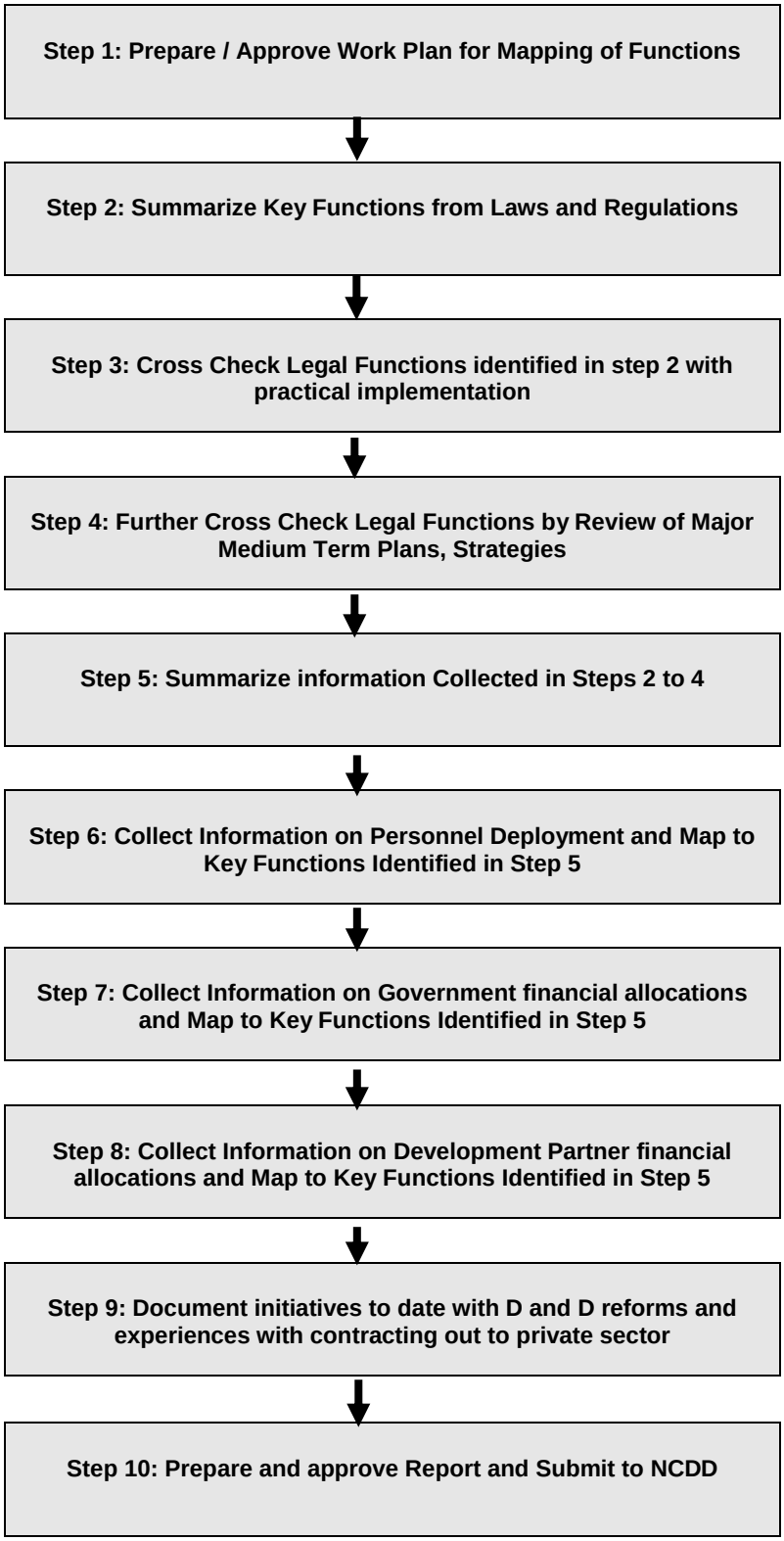
5. Process of Functional Mapping Exercise:

Ministries/Institutions shall have ownership in the process of functional mapping exercise and shall ensure participation from Ministries/Institutions/Departments/Units and authorities at all levels.

For Ministries/Institutions who have been carrying out or have just recently finalized the process of functional mapping shall review and adjust consistent with this guideline.

The nine key steps in functional mapping are as set out in Figure 1.

Figure 1: Nine Key Steps for Functional Mapping



Step 1: Prepare and Approve a Work Plan

1.1 Objective

The main objective of this step is that ministry/institution in coordination with and support from NCDD-S prepares and approves a work plan.

1.2 Expected Outcome

The expected outcome of this step is a work plan prepared by ministry/institution.

Figure 2: Draft Work Plan and Reporting Framework. Ministry of .....

No.	Step	Milestones / Sub-steps	Person(s) Responsible	Target Date	Reporting on Status of Completion
1	Prepare and Approve Work Plan	• . •			
2	Summarize Key Functions from Laws and Regulations	• . •			
3	Cross Check Legal Functions identified in step 2 with practical implementation	• . •			
4	Further Cross Check Legal Functions by Review of Major Medium Term Plans, Strategies	• . •			
5	Summarize information Collected in Steps 2 to 4	• . •			
6	Collect Information on Personnel Deployment and Map to Key Functions Identified in Step 5	• . •			
7	Collect Information on Government financial allocations and Map to Key Functions Identified in Step 5	• . •			
8	Collect Information on Development Partner financial allocations and Map to Key Functions Identified in Step 5	• . •			
9	Document initiatives to date with D and D reforms and experiences with contracting out to private sector	• . •			
10.	Prepare and approve Report and Submit to NCDD	• . •			

1.3 Process

The key activities for the implementation of step 1 are as follows:

1. **Notification from NCDD-S to Ministry/Institution** requesting it to undertake functional mapping, and setting out any assistance that NCDD-S will provide to the Ministry in line with the requirements of SD. No. 68 dated May 10, 2012 on

General Process for Transfer of Functions to the Sub-National Administrations and other Decisions (e.g. background workshop and training materials, consultancy support etc.);

2. **Ministry/Institution provides concurrence with the notification from NCDD-S.** This should be endorsed at senior levels in the Ministry/Institution (preferably by the Minister or head of institution) and indicate the Ministry/Institution's focal point for function mapping, which would normally be the Head of the Ministry/Institution's D&D Working Group, plus other staff who are to be dedicated to this exercise;

3. **Head of the D&D Working Group convenes meetings** of the Group to discuss the purpose of function mapping and the tasks entailed;

4. **D&D Working Group to establish a Technical Working Group** from members of the Group to facilitate all stages of the mapping. The D&D Group should ensure that the TWG has the expertise, rank, gender balance etc. to properly address function mapping;

5. **Decide if there is a need for technical assistance.** If the D&D Working Group deems that assistance is needed to undertake functional mapping, it should identify required international and/or national expertise in consultation with NCDD-S. NCDD-S will assist where possible: (i) in formulating appropriate TORs and in identifying international and national candidates for assisting function mapping; and (ii) facilitating related DP financial assistance;

6. **Preparing work plan:** The TWG should develop a work plan and timetable for completing different steps. An example of a simple work plan appears in Figure 1;

7. **Schedule Departments etc to be consulted at headquarters level.** Identify key units and personnel for inclusion in surveys and/or interviews (address gender balance). Prepare a timetable of internal meetings and provide advance information about the nature of the study;

8. **Plan any proposed fieldwork well in advance.** Structure the timing and extent of field work and identify very early in the process the Central Ministry/Institution and regionally based Ministry/Institution staff who will lead the fieldwork;

9. **Consult other parties as necessary.** Outline the consultative process with other stakeholders such as NGOs and DPs active with the Ministry/Institution;

10. **Reviewing and approval of the work plan:** after the work plan is prepared, TWG shall circulate the final work plan to the full D&D Working Group and if necessary more senior levels of the Ministry for reviewing and approval. Once approved commence to implement the work plan.

Step 2: Summarize Key Functions from Laws and Regulations

1.1. Objective

The main purpose of this step two is to develop a detailed list of functions of Ministry, Institution, Department, Unit and Authority at all levels as stipulated in the existing laws and regulations.

1.2. Expected Outcome

The expected outcome in this step is a detailed list of functions of Ministry, Institution, Department, Unit and Authority at all levels defined by laws and regulations.

Figure 2: detailed list of functions of ministries.....

Function	Laws and Regulations	Implementing Agency			
		Ministry	Provincial Departments/ Units	M/D/K Office	Others (If any)
Function 1.....					
Sub-Function 1.....					
Sub-Function 2.....					
Sub-Function 3.....					
Function 2.....					
Sub-Function 1.....					
Sub-Function 2.....					
Sub-Function 3.....					
Function 3.....					
Sub-Function 1.....					
Sub-Function 2.....					
Sub-Function 3.....					

1.3. Process

The key activities in step 2 are as follows:

1. **Collection of laws and regulations and information relevant to the functions of Ministry/Institution:** Technical Working Group of each Ministry/Institution collects laws, regulations and information that are relevant to the functions of the Ministry/Institution. Main basis data information is the RGC Powers and Functions database which is available in softcopy at the NCDD-S. This database is useful for each ministry/institution to start preparing their functional mapping exercise because this database contains information which is already analysed in a functional framework that make it relatively easy for grouping and listing of functions and sub-functions in a coherent functional framework.

2. **Selection of existing function in Laws and Regulations:** Technical working group of each ministry/institution must select functions and sub-functions from laws and regulations of the ministry such as laws, Royal Decrees, Sub-Decrees, Prakas or regulations and input into the table as showed in figure 2. The technical working group of the ministry can use the RGC powers and functions database as a basis to generate the functions to input into the table as showed in figure 2 and verify with relevant laws and regulations related to the functions.

3. **Meeting for reviewing and cross-checking the list of selected function:** After summarizing key legal functions, D&D working group of each ministry/institution should arrange an internal meeting to review and cross check the list of selected functions.

Step 3: Cross Check Legal Functions identified in step 2 with practical implementation

3.1. Purpose

The main purpose of this step is to cross check legal functions of ministry, institution, department, unit and authority at all levels with practical implementing functions through internal consultation.

3.2. Expected outcome

The expected outcome of this step is that the difference between the practical functions implemented by ministry, institution, department, unit and authority at all levels and the legal functions is identified. The above difference includes the legal mandated functions that are not practically implemented and some functions that are practical implementing but that are not stipulated in the laws and regulations. Based on the identification of this difference, the legal mandated functions can be added or delete from the legal mandated functions in the figure 2.

3.3. Process

The key activities in step 3 are as follows:

1. **Compile and update the structure of ministries, institutions, departments, units and authorities at all level:** The Technical working group of the ministry shall compile and update the structure of ministry, institution, department, unit and authority at all level defined by laws and regulations with the actual structure as well as the structure that is developed to support the implementation of the DP's projects or programs .
2. **Identify the units in the structure of ministry, institution, department, unit and authority at all levels for consultation:** According to the above compiling and updating structure, the technical working group of ministry/institution shall identify some or allunits of ministry/institution, capital/provincial department, office, unit and authority at all levels, relevant key officials, and local community that ministry/institution have agents or representatives who are delegated to perform their work at sub-national level. (Ex: farmer group, water user, fishery community, forestry community and village rural development group) to do consultation. The above participants have to insure gender equity.
3. **Consultation:** The technical working group of the ministry/institution shall organise the consultation with above units and stakeholders. The consultation can follow the following approaches:
    - **Workshop**: These could be a large workshop and gather important units and stakeholders at one time and/or separated workshop by bringing similar management type e.g. (i) Administration, finance, (ii) policy maker and regulation, (iii) technical, (iv) capital/provincial department and (v) D/M/Khan office...etc.
    - **Small Group Discussions.** These would be mainly focused on a particular provincial department or office or specific official group.
    - **Preparation and fulfilling written questionnaire:** Technical working group of ministry/institution prepares key questionnaire to send to units, provincial departments, offices and authorities at all levels and also key relevant agencies to fulfil. The answer would need to be followed up and analyzed by the technical working group.

1. What is the title and location of the Work Unit consulted?
2. What are the main legal instruments (Laws, Royal degree, Sub-decree, Prakas, etc) that influence work of this unit?
3. What are the main administrative documents beside the legal instruments influencing work of the unit?
4. What are the main functions undertaken by this work unit – list them and grade their importance in terms of time and resources used on them (from 1 to 5)? (1=very important, 5=not so much important)
5. Considering the list of the functions in point 4 above, please provide the information on how many (the type of body category and education qualification) staff work on each of the listed functions.
6. Considering the list of the main functions in point 4, please advise the level of your total budget this year and approximately how much is allocated to each of the listed functions.
7. Does your work unit have responsibility for implementing programs or projects that are financed by international development partners? If so, please provide details (name of development partner, condition, starting date and finish, total expenditure).
8. Does your work unit have any pilot D&D programs / projects or other initiatives with SNA Councils? If so, please provide details.
9. Do you perform any functions in this work unit that are not covered in the main Laws / administrative?
10. Are there any functional responsibilities contained in your main laws and regulations arrangements that your work unit is supposed to do but which does not do? Why?
11. Let us now together review a comprehensive list of functions sent and please answer of each questions with indicate (yes or no) whether that function is undertaken by this work unit.
12. Do you have any suggestions for piloting the delegation r transfer of functions from your office to SNA Councils? If so, please provide details.

Note: In consultation, technical working group can use the above questionnaire or can create new questions.

- **Interview with key leaders:** In case it is necessary, the interview with key leaders of ministries, institutes would be organised.
- **Sample of case study at Sub-national level:** If the collection of information through the whole country cannot be done, some sub-national units will be chosen and reviewed according to the sample of case study. The criteria for choosing sub-national units need to be developed to insure the location of representative of function of ministries, institutes and local representative of responder is chosen.

Note: In consultation, technical working group has to refer to necessary information related to the actual function and sub-function implemented by units of ministry/institution including financial resource and human resource classified for those function and sub-function.

4. Output of consultation:

After consultation, technical working group has to extract and compile the practically implemented functions but not covered by laws and legal instruments and function contained in laws and legal instruments but not actual implemented to input into figure 3 as below:

Figure 3: List of functions practically implemented but are not legally mandated and legal functions but not practically implemented

Function	Legal Reference	Practically implemented functions that are not legally mandated	Legally mandated functions that are not practically implemented	Implementing Agency			
				Ministry	Provincial Department	M/D/K Office	Other (if any)
Function 1:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							
Function 2:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							
Function 3:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							

Note: Functions to be incorporated into this table are functions practically implemented that are not legally mandated and legal functions that are not practically implemented.

Step 4: Further Cross Check Legal Functions by Review of Major Medium Term Plans, Strategies etc.

4.1. Objective

The objective of this step is to further cross check legally mandated functions by reviewing major medium term plans and strategies that defined the strategic issues and priority functions for ministry.

4.2 Expected Outcome

The expected outcome of this step is a list of functions that is developed in step 2 is cross checked with policy and medium term strategies plan by adding functions as defined in those policy and medium term strategies plans that are not determined in the regulations or reversely by removing legally mandated functions that are not consistent with the medium term plans and strategies.

4.3 Process

Key activities in this step are:

1- **Collect and document major medium term plans and strategies:** TWG shall collect and document major medium term plans and strategies that are relevant to functions of the ministries, institutions, units, departments and authorities at all level. Before further cross check these documents with the functions prepared in step 3, an approval from the leadership of the ministry shall be sought.

2- **Cross checking medium term plans and strategies:** Once an approval of the leadership of the ministry/institution is made, TWG shall cross check these documents by extracting and recording functions which are defined in medium term plans and strategies but not legally mandated, and legal functions but not in the medium term plans and strategies, and incorporate this into the following table as in Figure 4:

Figure 4: List of functions defined by medium term plans and strategies that are not legally mandated and legal functions that are not consistent with medium term plans and strategies

Function	Legal Reference	Practically implemented functions that are not legally mandated	Legally mandated functions that are not practically implemented	Implementing Agency			
				Ministry	Provincial Department	M/D/K Office	Other (if any)
Function 1:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							
Function 2:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							
Function 3:							
Sub-Function 1.....							
Sub-Function 2.....							
Sub-Function 3.....							

Note: Functions that shall be inserted into this table are the functions which are determined in policy and medium term strategies plan, not stipulated in regulations. And functions defined by regulations that are not consistent with policy and medium term strategies plan.

Step 5: Summarize Information Collected in Steps 2 to 4 in a List of Key Functions

5.1 Objective

The main objective of this step is to summarize information collected in steps 2 to 4 to produce a current list of functions which is cross checked and compared with legally mandated functions and practically implemented functions and functions defined by medium term plans and strategies

5.2 Expected Outcome

A list of functions which is incorporated:

1. Legally mandated functions practically implemented and consistent with medium term plans and strategies;
2. Functions practically implemented consistent with medium term plans and strategies but are not legally mandated functions;
3. Functions are defined by medium term plans and strategies but are not legally mandated functions

5.3 Process

TWG shall use information collected in step 2 as a basis for comparing and cross checking with the information collected in step 3 and 4 by:

1. Removing legally mandated functions but not practically implemented or not in consistent with the medium term plans and strategies;
2. Inclusion of functions defined by the medium term plans and strategies and practically implemented but not legally mandated.

Figure 5: detailed list of functions of ministries.....

Function	Legal Reference	Legally mandated and practically implemented functions	Practically implemented that are not legally mandated functions	Functions defined by medium term plans and strategies that are not legally mandated	Implementing Agency			
					Ministry	Provincial Department	M/D/K Office	Other (if any)
Function 1:								
Sub-Function 1.....								
Sub-Function 2.....								
Sub-Function 3.....								
Function 2:								
Sub-Function 1.....								
Sub-Function 2.....								
Sub-Function 3.....								
Function 3:								
Sub-Function 1.....								
Sub-Function 2.....								
Sub-Function 3.....								

Step 6: Information Collection on Personnel Deployment and Map to Key Functions Identified in Step 5

6.1 Objective

The objective of step 6 is to collect information on personnel deployment and map to key functions indentified in step 5.

6.2 Expected Outcome

Through collection of information on personnel deployment and map to key functions, expected outcome in this step 6 is that a detailed list of personnel of Ministry/Institution at central and sub-national level (figure 6.1) and a mapping list of personnel with functions in figure 5 (figure 6.2) is prepared.

6.3 Process

Personnel information is collected in two parts:

Part 1: **Collection of information on personnel through management structure of Ministry, institution, department, unit and authority at all levels**: Technical Working Group collects personnel data in each unit of management structure of Ministry, institution, department, unit and authority at all levels to input into the table as figure 6.1. The collection of this information shall be done in details as below:

- The information of all significant departments, offices shall be separately shown by breaking down the information to the lowest level, such as office level, as possible.
- The information of departments, offices level at SNA shall be broken down to as much detail as possible. If there are many offices in the departments, it shall separately provide the number of personnel in each office.
- Offices at Municipality/District/Khan level shall show the number of personnel separately from number of personnel in Capital/Provincial department level. If there are regional offices or other offices, it also needs to separately provide the information.
- Identify the number of female personnel in each unit.
- Provide information on the educational qualification of personnel in each unit.
- Provide information on the personnel number by each body of categories in each unit.
- Provide information on the number of personnel who receive incentive allowances from programs/projects of the Ministry/Institution funded by DPs.

Note: The more detailed information can be collected in this step, the easier complete this part 2 of this step. The data of personnel used for inputting in the table as figure 6.1 shall be newly updated data (current year data or no later than recent years).

Figure 6.1. : Detail Personnel data of Ministry/Institution…… by Unit Management Structure in 2011

Department/Office	Number of Personnel			No. By Educational Qualifications[1]				No. by Body Category				No. of personnel receive Incentives
	Female	Male	Total	1	2	3	4	A	B	C	D	
A. National Level												
Department……												
- Office……..												
- Office……..												
Department……												
- Office……..												
- Office……..												
Department……												
- Office……..												
- Office……..												
B. Capital/Provincial Level												
Capital/Provincial Department……..												
- Office……..												
- Office……..												
C. Municipality/District/Khan Level												
Office												
- Unit……..												
D. Sub National Unit Or Other Special Unit (if available)												

[1] 1 = primary schooling or below; 2 = secondary schooling; 3 = Tertiary Diploma or Degree; 4 = Higher Tertiary Post Graduate Degree.

Part 2: Preparing a list of personnel as identified in step 5: This mapping list of the number of personnel requires each Ministry/Institution to collect the number of personnel who are practically implementing each function. In order to complete this list, the TWG of Ministry/Institution needs to follow the following instruction:

1. National Level:

- Technical Working Group of Ministry/Institution needs to prepare a list of the number of personnel that map to functions and sub-functions as a sample provided (see figure 6.2.A) by collecting from figure 5 the functions and sub functions implemented by national and sub-national level.

- After preparing a table as in figure 6.2.A, the Technical Working Group of Ministry/Institution should send this table to each unit at national level to complete. Each unit needs to collect only the number of personnel who implement each actual function and sub-function.

- After completing this table, each unit should send it to the Technical Working Group for consolidation.

Figure 6.2.A. : List of Personnel by Function of Unit (Department, Office) ……

Functions	Number of Personnel		% Compare to Total	No. By Educational Qualifications[2]				No. by Body Category				No. of personnel receive Incentives
	Female	Male		1	2	3	4	A	B	C	D	
Functions 1……..												
Sub-function 1												
Sub-function 1												
Sub-function 1												
Functions 2……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Functions 3……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Total												

[2] 1 = Primary School or below; 2 = Secondary School; 3 = Tertiary Diploma or Graduate Degree; 4 = Post Graduate Degree.

2. Capital/Provincial Level:

- Technical Working Group of Ministry, Institution prepares a list of the number of personnel at Capital/Provincial level in accordance with functions/sub functions as a sample provided (see figure 6.2.B) by collecting from figure 5 the functions and sub-functions implemented by Capital/Provincial and Municipal/District/Khan level.

- After preparing a table as in figure 6.2.B, the Technical Working Group of Ministry/Institution should send this table to each Capital/Provincial to complete. Each Capital/Provincial unit needs to collect only the number of personnel who implement each actual function and sub-function.

- After completing this table, each unit should send it to the Technical Working Group for consolidation.

Figure 6.2.B. : List of Personnel by Function of Capital/Provincial Department, Unit……

Functions	Number of Personnel		% Compare to Total	No. By Educational Qualifications[3]				No. by Body Category				No. of personnel receive Incentives
	Female	Male		1	2	3	4	A	B	C	D	
Functions 1……..												
Sub-function 1												
Sub-function 1												
Sub-function 1												
Functions 2……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Functions 3……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Total												

[3] 1 = primary school or below; 2 = secondary school; 3 = Tertiary Diploma or Graduate Degree; 4 = Post Graduate Degree.

3. Municipality/District/Khan Level:

- Technical Working Group of Ministry, Institution prepares a list of the number of personnel at Municipality/District/Khan level in accordance with functions/sub-functions as a sample provided (see figure 6.2.C) by collecting from figure 5 the functions and sub-functions implemented by and Capital/Provincial level.

- After preparing a table as in figure 6.2.C, the Technical Working Group of Ministry/Institution should send this table to each Municipality/District/Khan office to complete. Municipality/District/Khan office needs to collect only the number of personnel who implement each actual function and sub-function.

- After completing this table, each Municipality/District/Khan office should send it to the Technical Working Group for consolidation.

Figure 6.2.C. : List of Personnel by Function of Municipal, District, Khan Office……

Functions	Number of Personnel		% Compare to Total	No. By Educational Qualifications[4]				No. by Body Category				No. of personnel receive Incentives
	Female	Male		1	2	3	4	A	B	C	D	
Functions 1……..												
Sub-function 1												
Sub-function 1												
Sub-function 1												
Functions 2……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Functions 3……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Total												

[4] 1 = primary school or below; 2 = secondary school; 3 = Tertiary Diploma or Graduate Degree; 4 = Post Graduate Degree.

Figure 6.2.D. : List of Personnel by Function at Municipal, District, Khan level of Capital/Province……

Functions	Number of Personnel		% Compare to Total	No. By Educational Qualifications[5]				No. by Body Category				No. of personnel receive Incentives
	Female	Male		1	2	3	4	A	B	C	D	
Functions 1……..												
Sub-function 1												
Sub-function 1												
Sub-function 1												
Functions 2……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Functions 3……..												
Sub-function 1												
Sub-function 2												
Sub-function 3												
Total												

[5] 1 = primary school or below; 2 = secondary school; 3 = Tertiary Diploma or Graduate Degree; 4 = Post Graduate Degree.

4. Consolidation

After receiving the lists of personnel from all units at national and sub national level (figure 6.2.A, 6.2.B and 6.2.D), the Technical Working Group of Ministry needs to consolidate them into a table as a sample provided in figure 6.2.

figure 6.2. Details Data of Personnel of Ministry/Institution……., classified by Function, Year 20……..

Functions	Central Level	Provincial Level	Municipal/ District/Khan Level	Number of Personnel		% Compare to Total	No. By Educational Qualifications[6]				No. by Body Category				No. of personnel receive Incentives
				Female	Male		1	2	3	4	A	B	C	D	
Functions 1……..															
Sub-function 1															
Sub-function 1															
Sub-function 1															
Functions 2……..															
Sub-function 1															
Sub-function 2															
Sub-function 3															
Functions 3……..															
Sub-function 1															
Sub-function 2															
Sub-function 3															
Total															

[6] 1 = Primary School or below; 2 = Secondary School; 3 = Tertiary Diploma or Graduate Degree; 4 = Post Graduate Degree.

Step 7: Collect Information on Government financial allocations and Map to Key Functions Identified in Step 5

7.1 Objective

The purpose of step 7 is to collect information in relation to the government financial allocations and map it to key functions indentified in step 5.

7.2 Expected Outcome

Through the collection of information on government financial allocations and mapping to key functions, expected outcome in this step is a detailed list of financial resources of Ministry/Institution at central and sub-national level in comparison with prepared functions.

7.3 Process

The collection of information on government financial allocations shall follow the following process:

1. **Collection of information on government financial allocations through budget content in a form of economic or program categories**: Technical Working Group collects data on financial allocations through budget content in a form of economic or program categories of ministry, institution, department other unit and authority at all levels to input in a table as in figure 7.1 or 7.2.

   A. Collection of the information should reflect the following financial data:

   - Personnel expenditure, non wage current expenditures and capital expenditures at Ministry level, Capital/Provincial Department level and Municipal/District/Khan Office level.
   - Indicate data of both actual and budget plan for the last three years.

Figure7.1. Expenditure (Economic Format) Ministries level, Provinces level, Districts level, 20…..-20...., (Billion Riel) Ministry/Institution of .....

Classification / Location / Year	20..		20..		20..	
	Actual	Budget	Actual	Budget	Actual	Budget
A. Ministry Level (Program and Non Program Combined)						
Personnel Expenditures						
Non Wage Current Expenditures						
Capital Expenditures						
Sub Total						
B. Provincial Departments of Ministry/Institution (all Provinces Combined and District Data)						
Personnel Expenditures						
Non Wage Current Expenditures						
Capital Expenditures						
Sub Total						
C. Total Ministries/Institutions (Central and Provincial Level)						
Personnel Expenditures						
Non Wage Current Expenditures						
Capital Expenditures						
Grand Total						

B. Collection of information on government financial allocations by program should indicate the budget data of both plan and actual budget of program and sub-program for last three years as the following sample table:

Figure 7.2. : Ministry/Institution Expenditures by Program / Sub Program, 20…-20…,(Billion Riel[7])
Ministry/Institution of .....

Program/Sub Program	20…		20…		20…	
	Actual	Budget	Actual	Budget	Actual	Budget
Program 1.....						
Sub-Program 1.1						
Sub-Program 1.2						
Sub-Program 1.3						
Sub-Total						
Program 2.....						
Sub-Program 2.1						
Sub-Program 2.2						
Sub-Program 2.3						
Sub-Total						
Program 3.....						
Sub-Program 3.1						
Sub-Program 3.2						
Sub-Program 3.3						
Sub-Total						
Total Ministry (Programs 1 +2 + 3)						

Note: *Key data resources can be found at National Treasury of Ministry of Economy and Finance or Budget Department of Ministry of Economy and Finance or Department/Office of Finance of Ministry of Economy and Finance.*

2. **The Ministry should also aim to prepare a list of financial Mapping mapped with functions as identified in Step 5:** Technical Working group of Ministry/Institution prepares the list of financial mapping by using the following table as provided in figure 7.3:

[7] Program based data will only be available in Ministries conducting program budget piloting.

Figure 7.3. : Expenditures of Ministry/Institution of ....., by Function, year: 20…..-20….. (Billion Riels)

Functions	Year: ……..								Grand Total
	Central Level				Capital/Provincial Department/Office				
	Personnel Expenditures	Non Wage Current Expenditures	Capital Expenditures	**Total**	Personnel Expenditures	Non Wage Current Expenditures	Capital Expenditures	**Total**	
Function 1:									
Sub-function 1									
Sub-function 2									
Sub-function 3									
Sub-Total									
Function 1:									
Sub-function 1									
Sub-function 2									
Sub-function 3									
Sub-Total									
Function 1:									
Sub-function 1									
Sub-function 2									
Sub-function 3									
Sub-Total									
Total									

Preparing this list of financial Mapping mapped with functions may be complex due to some necessary information required to complete this part that is not available in the government financial management system that need to use techniques of expenditure estimation for each function. Using this technique can vary from one ministry/institution to another depending on how complex the function is. Expenditure estimation techniques for each function are:

Technique 1: This technique applies for any ministries to use parts of the budget through program and non-program based execution. Technical working group of each ministry/institution should convert the financial data by program and non-program as shown in figure 7.1. and figure 7.2. into functional formats in figure 7.3. as following:

A. Review and compare thoroughly the programs and functions. Based on budget data by program and sub-program identified in figure 7.2. , shall convert program and sub-program expenditures into functions and sub-functions expenditures. This conversion can be made if the program and function expenditures classification are similar.

B. Converted non-program expenditures for function into personnel and non-personnel expenditures:

    - Conversing non-program expenditures of non-personnel into each function and sub-function expenditures are in proportion to function expenditures which is done in point A. For example, non-program expenditures of non-personnel of Ministry A is 100 Million Riel and program expenditures for function 1 is 20%, thus non-program expenditure of non-personnel equal to 100 Million Riel x 20 % = 20 Million Riel.

    - For personnel expenditures convert each functions based on personnel data

C. Conversion of capital expenditures by each functions: Conversion of capital expenditures by each functions application based on the actual expenditures for specific functions according to Government decision.

D. Conclusion conversion data in point a, b and c into figure 7.3

Technique 2: This technique applies for any Ministry/Institution which use non-program budget. Technical working group of each Ministry, Institution allocate total expenditures in three (3) parts are personnel expenditures, non-personnel expenditures and capital expenditure:

A. **Conversion personnel expenditures by each functions**: personnel expenditures converted by each functions based on personnel data in figure 6.2.

B. **Conversion non personnel expenditures by each function**: convert non-program expenditures into each function expenditures are proportion to personnel number of function identified in step 6. For example: non-program expenditures of Ministry A is 100 Million Riel and personnel number for function 1 is 20%, thus non-program expenditures for function 1 equal to 100 Million Riel x 20%= 20 Million Riel.

C. **Conversion of capital expenditures by each functions**: Conversion capital expenditures by each functions application based on actual expenditures for specific functions according to Government decision.

D. Consolidation of conversion data in point a, b and c into figure 7.3

Step 8: Collect Information on Development Partner Financial Allocations and Map to Functions identified in Step 5

8.1. Objective

The objective of this step is to collect information on financial allocations from Development Partners (DPs) and map it to functions identified in step 5.

8.2. Expected Outcome

Expected Outcome in step 8 is that a list of functions financially allocated by development partner is developed.

8.3. Process

Technical Working Group of Ministry/Institution collects financial Information from DPs programs and projects, and aims also to prepare detailed function and sub - function mapping list such as in the approach proposed in step 7. However, the available data on DPs financial allocated programs and projects is very limited in Cambodia. At this point Technical working group of Ministry, Institution prepare programs/ projects listing for all DPs interventions within their Ministry, converted to functions and sub-functions follow as below:

- Prepare programs/projects listing for Ministry, Institutions by sector which estimated the total expenditures of programs/projects into annual expenditures in Million Riel unit as shown in figure 8.1
- Convert programs/projects in the above list into functions and sub-functions identified in step 5 as sample in figure 8.2. If the sector names are the same as the functions, this sector is converted to this function. If not, Technical working group of Ministry, Institution examines in detail on programs and projects and try to classify those programs and projects to appropriate functions.

Data used for preparing programs and projects list of DPs in Ministry, Institution is available in Council for Development of Cambodia (CDC) website at http://cdc.khmer.biz .

Technical working group of Ministry, Institution examines and adjusts data from searchable website of CDC with data of each Ministry, Institution. In case, it varies, Technical working group examines and studies this case and adjusts as necessary.

Figure 8.1. List of Program and Sector Project of Development Partners in Ministry/Institution..... …… (Million Riel)

Sector	Total Budget	%	Budget Resource	1st Year Budget	2nd Year Budget	3rd Year Budget
1. Sector……..						
1.1. Project/Program…….						
1.2. Project/Program…….						
2. Sector……..						
2.1 Project/Program…….						
2.2 Project/Program…….						

Figure 8.2. : Development Partner Programs and Projects in the Ministry, Institution of ..... by Function, Year: 20……., (Million Riel)

Function	DPs Name	Status	Start and End Dates	Total Cost	Average Annual Cost	Collaboration Other Ministries
Function 1:						
Sub-function 1.....						
Sub-function 2.....						
Sub-function 3.....						
Sub-Total						
Function 1:						
Sub-function 1.....						
Sub-function 2.....						
Sub-function 3.....						
Sub-Total						
Function 1:						
Sub-function 1.....						
Sub-function 2.....						
Sub-function 3.....						
Sub-Total						
Total All Functions						

Step 9: Document of D&D Reform Experiences and Contracting Out to Private Sector and CSOs

9.1 Objective

The objective of this step is to learn from experiences and lessons related to D&D reforms and contracting out to private sector and CSOs in implementing functions on service delivery and other tasks.

9.2 Expected Outcome

Expected Outcome in step 8 is that experiences and lessons related to D&D reforms and contracting out to private sector and CSOs in implementation function on service delivery and other tasks is documented.

9.3 Process

To prepare this document, Technical Working Group of Ministry/Institution needs to:

- Document experiences related to decentralization and deconcentration of functions from their Ministries/Institutions at National level to Capital/Provincial Departments and Municipal/District/Khan offices.
- Briefly describe experiences, challenges, efficiencies and level of achievements of their Capital/Provincial Department and Municipal/District/Khan office which implemented the functions.
- Briefly describe experiences, challenges, efficiencies and level of achievements of delegation or transfer functions from Ministry/Institution at central level to Councils and Sub-National Administration-SNA (Capital, Province, Municipal, District, Khan, Commune, Sangkat)
- Briefly describe the consultative process, planning, implementation and service delivery monitoring and infrastructure of Ministry/Institution.
- Briefly describe experiences, challenges, efficiencies of capacity development from their Ministry/Institution at National level to Capital/Provincial Departments and Municipal/District/Khan office as well as SNA council to implement the delegated or transferred functions.
- Briefly describe experiences, challenges, efficiencies and level of achievements which Ministry/Institution, Capital/Provincial Departments and Municipal/ District/Khan offices contracting out to private sector, CSOs in implementation of service delivery functions and other tasks under their jurisdiction.
- Briefly described procedure of contracting out to private sector and CSOs the implementation of current service delivery functions and other tasks as well as skills that SNA staffs need for capacitating in order to receive roles in preparing and managing those contracts.

In order to document, the Technical Working Group shall base on the results of internal consultative meeting of Ministry/Institution as proceed in step 3, comments made by leadership of the ministry, and the general knowledge of D&D working group on experiences and lessons related to D&D reforms and contracting out to private sector and CSOs in implementation service delivery, and other related research reports.

Step 10. Preparation report on Functional Mapping and Ministry/Institution Approval of a Final Functional Mapping Report before Submitting to NCDD

9.1 Objective

The purpose of step 10 is the preparation of Functional Mapping report and approval from Ministry/Institution before submitting to NCDD for review and approval.

9.2 Expected Outcome

Expected Outcome in step 10 is a report on Functional Mapping is prepared and approved by Ministry/Institution.

9.3 Process

In order to prepare this report, Technical Working Group of Ministry/Institution needs to:

- Prepare draft report on Functional Mapping as outlined below;
- Prepare Ministry/Institution internal consultative meeting to adjust this draft report;
- Prepare report and submit to Minister or Head of Institution for review and approval;
- Submit final report to NCDD for review and approval.

Technical Working Group of Ministry/Institution shall prepare a functional mapping report in a form as outline below:

Contents	
Chapter	
1.	Introduction
2.	Methodology
3.	Legally Mandated Functions
4.	Reviews Legal Functions and Practical Implementation
5.	Review Legal Functions and Plans and Strategies
6.	Summary List of Functions
7.	Mapping Information on Personnel to Functions
8.	Mapping Information on Finance to Functions
9.	Mapping Information on Development Partner to Functions
10.	Experiences related to Decentralization and Deconcentration of Functions and Contracting Out to Private Sector and CSOs
11.	Conclusions

Royal Government of Cambodia

The National Committee for Sub-National Democratic Development

GUIDELINES

ON

FUNCTIONAL REVIEW FOR SECTOR MINISTRIES, INSTITUTIONS, DEPARTMENTS, UNITS AND AUTHORITIES AT ALL LEVELS

June, 2013

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I. Introduction

The Sub National Democratic Development (SNDD) is a reform process of the Royal Government of Cambodia to enable Sub National Administrations (SNAs) to be accountable to citizens and to promote local development by bringing services closer to citizens in a sense of service improvement, strengthening natural management and local governance.

In order to reach the above objective, ministries/institutions, departments, units and authorities at all levels have to gradually transfer their specific functions and resources including finances, assets and personnel for implementing those functions.

The procedure of transferring functions and resources to sub-national level is stipulated in the Sub-Decree No.68 ANK.BK dated 10 May 2012 on the general process of transfer of functions and resources to the sub-national administrations. This sub-decree required NCDD to issue two guidelines for supporting the transferring functions and resources to sub–national administrations 1). Functional Mapping Guidelines and 2). Functional Review Guidelines. NCDD has approved and promulgated the first guidelines on 28 September 2012 as a basis for functional mapping exercise among ministries/institutions, departments, units and authorities at all levels. Based on the guideline, some ministries/institutions have finalised their functional mapping report and submitted to NCDD for review and approval.

For the next step, in order to provide guiding principles to ministries/institutions to review functions as identified in the functional mapping report of each ministry/institution, NCDD has developed and issued guidelines on functional review to define different steps in compiling key information for preparation of the functional review report.

The report on the functional review process of ministries/institutions, departments, units and authorities at all levels will be a concrete basis for consideration of functions and resources that will be transferred to the sub-national level in a systematic, orderly, rational, transparent and equitable way.

The NCDD Secretariat (NCDD-S) will provide necessary technical and financial support, as far as there is request, to ministries/institutions in the process of functional review.

II. Purpose

These guidelines have been developed as guidance for sector ministries/institutions/ departments/units and authorities at all levels to review their functions for the purpose of transferring functions and resources to sub-national councils.

III. Scope of Guidelines

These guidelines refer only to the process of functional review of sector ministries/institutions/departments/units and authorities at all levels based on the report of functional mapping of sector ministries/institutions/departments/units and authorities at all levels approved by NCDD.

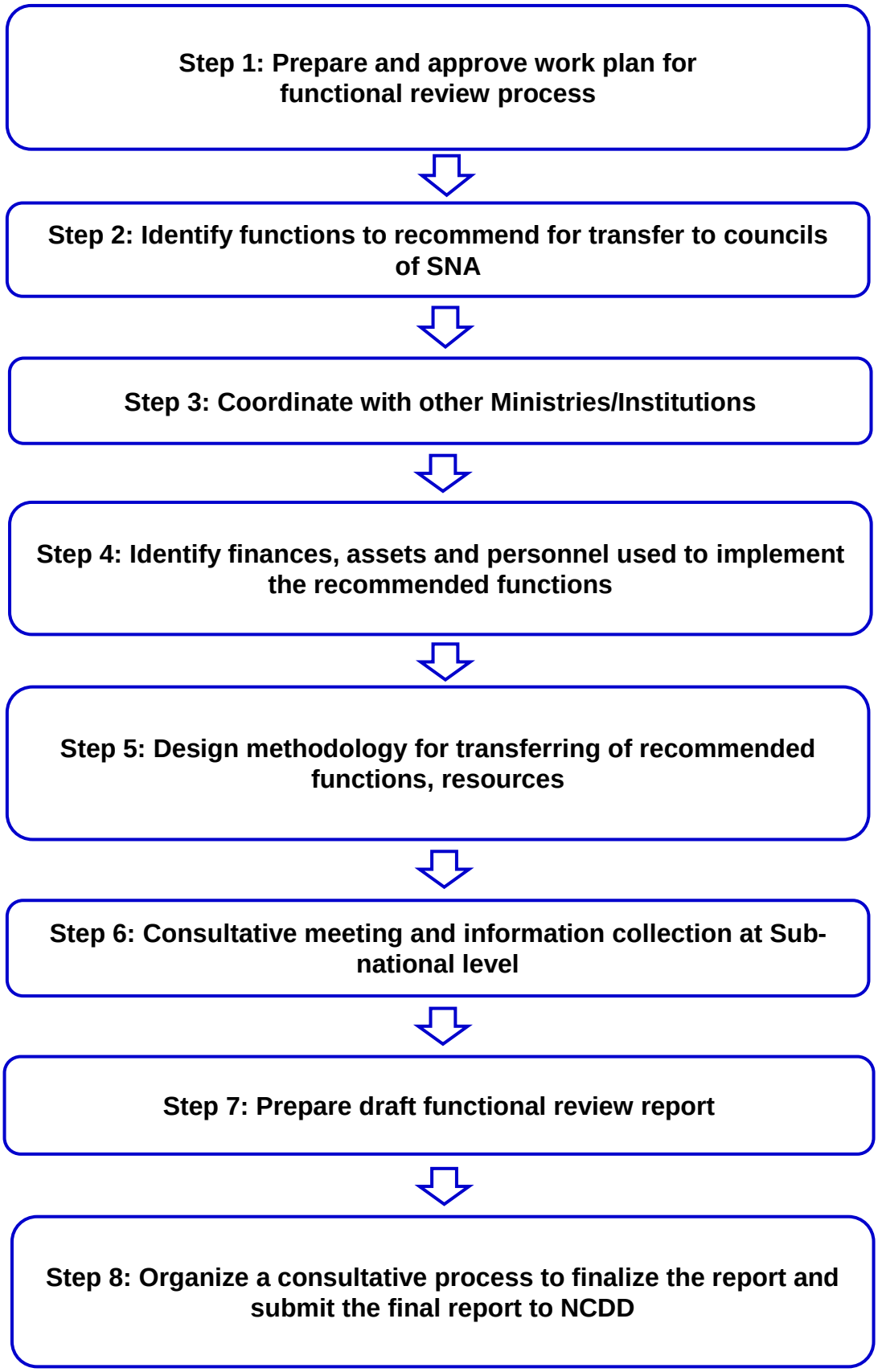
IV. The Process of Functional Review

Sector ministries/institutions/departments/units and authorities at all levels have ownership of functional review in their sector and they are responsible to ensure that there is participation from the relevant units of ministries/institutions/departments/units

and authorities at all levels. For ministries/institutions that have been working on functional review shall review and revise in accordance with the content of these guidelines.

In the process of functional review, the ministries/institutions/departments/units and authorities at all levels shall be based on their Functional Mapping report, approved by NCDD and shall be implemented involving 8 Steps as set out below:

Key steps for the process of functional review for ministries, institutions, departments, units and authorities at all levels



STEP 1: Prepare and Agree on Work plan for Functional Review Process

A. Objective

The purpose of Step 1 is to prepare and agree on a work plan by ministries/institutions for implementation of the functional review process with the step and timeframe.

B. Expected Outcome

The expected outcome of this step is the preparation of a work plan for the functional review process of ministry/institution.

Chart 1: Work Plan for Functional Review Process of Ministry/Institution……

No.	Step	Detail Activities	Responsible	Start and End Date	Other
1.	Prepare and approve work plan for FR process				
2.	Identify functions to recommend for transfer to SNA				
3.	Coordinate with other Ministries/Institutions				
4.	Identify finances, assets and personnel resources used to implement the recommended functions				
5.	Design strategy for phasing the transfer of recommended functions and identify any need to pilot				
6.	Conduct field work to validate the recommended functions				
7.	Prepare draft functional review report				
8.	Organize a consultative process to finalize the report and submit the final report to NCDD				

C. Process

After approval from NCDD on functional mapping report, the ministry/institution prepares the work plan on the process of functions and resources review in accordance with the key activities as follows:

1. **Hold the internal meetings:** The Technical WG briefly reports to the leadership of the ministry/institution on the functional review process. The briefing includes the legal framework, timeframe, the formality of functional review report, and other support from NCDD-S.

2. **Identify requirements for technical assistance**: The D&D WG of the ministry/institution, in consultation with the NCDD-S, identifies any technical assistance needed to conduct functional review if necessary.

3. **Prepare a draft work plan:** The Technical WG defines detailed activities, responsible persons and start and end dates for each step of the functional review process. This draft work plan includes necessary tasks relevant with a significant action plan for consultation with other units of concerned ministries/institutions, sub-national levels and other relevant ministries/institutions.

4. **Review and approve the work plan**: After preparing the above draft work plan, the Technical WG sends the draft to the D&D WG in order to review and submit to the leadership of the ministry/institution for review and approval. After approval, the Technical WG disseminates the work plan to all relevant stakeholders and immediately commences implementation of the work plan.

5. **Inform on the FR process:** Ministry/institution should inform their units and subordinated staffs about the reason to undertake functional review and clearly indicate that the process will be transparent without losing advantage and seniority of those staffs.

STEP 2: Identify functions for recommended transfer to sub-national administrations

A. Objective

The purpose of this step is to identify what functions and/or sub-functions will be recommended for transfer to the council of SNAs.

B. Expected Outcome

The expected outcome of this step is the development of a list of recommended and reviewed functions and sub-functions to transfer (Chart 2 and 3).

C. Process

Based on the functional mapping report of ministry/institution approved by NCDD, the key activities to implement in Step 2 are as follows:

1. **Identify function and/or sub-function for recommended transfer:** Technical WG chooses one by one the function and/or sub-function from detailed list of functions (Chart 5) of the functional mapping report of concerned ministry/institution to review with referral to functions stipulated in legal framework and clearly implemented with resources for implementing these functions and/or sub-functions. Functions and/or sub-functions review to recommend for transfer is based on the principle as defined in the Organic Law and Sub-Decree No. 68 concerning overall process of transferring functions and resources to SNA (defined in the list below). The Technical WG also draws upon good experiences in Cambodia and other countries in comparable circumstances to identify functions (or sub functions)

Principle	Consideration Point
1. Relevance to Jurisdiction of SNA Council	• On which level are those functions and/or sub-functions relevant to the jurisdiction of SNA? Would efficiencies / economies of scale be achieved**?** • Are those functions and/or sub-functions implemented by a specialized department or unit at Capital/Provincial level or a specialized office at Municipal/District/Khan level? • Where are similar functions with relevant functions of other ministries/institutions that would help effective implementation of functions and/or sub-functions in jurisdiction of SNA? • On which SNA level are the current personnel and assets related to the functions and/or sub-functions located?
2. Can manage and efficiency practicality in jurisdiction of the council of SNA	• What is the lowest level of council that can effectively and efficiently implement the function?

	• Is there any cost effective expense? • The functions and/or sub-functions can be managed and implemented by a council or two councils or more councils?
3. Serve and Benefits for citizens	• Is the function and/or sub-function a basic and essential service for the citizens? • Would local citizens perceive benefits and be willing to pay for at least part of the cost of this service? • What level of councils is best able to enhance accountability to citizens in management and implementation of the function and sub-function? • Will the function and/or sub-function directly impact poverty reduction, improve quality of life and local development?
4. Impact in the Jurisdiction of the council of SNA	• Will the function and/or sub-function be impact localized or broader? • Are there cross-border implications? • Will any localized impact be strong?

NOTE:

- This principle will help the technical WG to balance the advantages and disadvantages of transferring a function to SNA and determine which level of function should be transferred to SNA
- In many cases, the whole function (with all its sub-functions) meets the above principle for transfer to SNA. Transferring of whole functions to SNA is desirable because it is most efficient to manage and implement a whole function rather than transferring only some sub-functions
- But in some cases, however, a whole function may not meet the principle of the sub-decree. In this case, the technical WG is necessary to review each of the function's sub-functions in order to decide whether any of the sub-functions are appropriate for transfer to SNA

2. When **considering options for transferring sub-functions**, the technical WG shall consider:
   - transferring to councils of SNA the function to make decisions about how and to whom a service will be delivered, but not transferring the function to actually implement and deliver that service (e.g. a commune council decides that vocational training to boys should focus on moto repair, but it is the district council and its personnel that implement/deliver this service);
   - transferring most implementation sub-functions to councils while the Ministry retains overall control of the function (in which case the function would be delegated, see below).
3. Technical WG shall c**onsider a transfer of function at the same time as other functions that are closely related** to it that are likely to be transferred together (e.g. if some functions are delivered through the same facility in one health center, such as child and maternity care service before and after delivery and bird control).

4. If there is difficulty deciding whether a function should be transferred to the council, the technical WG has to control the Annex 2 that offers additional considerations to

take into account –including options for Ministries/institutions with sub-national units that have geographic boundaries more than one administrative boundaries of the Capital, provinces, districts, municipalities, Khan, communes, Sangkat (e.g. operational health districts, health center).

5. The technical WG selects the function and/or sub-function that is appropriate to the above principle to put into Chart 2 as follows:

Chart 2: List of recommended functions, sub-functions for reviewing

Functions	Legal References	Implementing Agency			Recommended Level	Assigned or Delegated	Obligatory or Permissive
		Ministry	Capital/ Province Departments/ Units	Municipal/District/Khan Office			
Function 1……							
Sub-function 1.2……							
Sub-function 1.2……							
Sub-function ……							
Function 2……							
Sub-function 2.1……							
Sub-function 2.2……							
Sub-function ……							
Function 3……							
Sub-function 3.1……							
Sub-function 3.2……							
Sub-function 3.3……							

6. For whole functions or only one or some sub-functions that meet the principles for transfer to the level of the council, the technical WG enters the level of **SNA** (Capital, Province or Municipality, District, Khan or Commune, Sangkat) in the column (***Proposed Level of Government)*** of Chart 2

7. For sub-functions that do not meet the principles for transfer to any council, the sub-functions remain the sub-functions of the Ministry/institution/provincial department/unit. For those sub-functions, enter *national level* in the column entitled *Proposed Level of Government.*

8. The technical WG defines the appropriated reasons in the report on the functional review for proposed function transfer to each level of council and keep it at national level.

9. For each function and/or sub-function that is recommended for transfer, the Technical WG decides whether the function should be recommended as an obligatory function or a permissive function.

Note:

- An obligatory function is a function that relates to basic and essential services which is managed and implemented by SNA in accordance with the standard and procedure as defined by laws, Royal Decree, Sub-Decree and regulations and as requested by NCDD, ministries/institutions of the Royal Government. In this sense, SNA must implement as mandatory the transferred obligatory functions received from ministries/institutions. The obligatory functions can be transferred as assignment or delegation. The assignment or delegation of obligatory functions must promote the sub-national democratic development by:
    - Maximizing SNA power to enabling them to supervise, manage and implement those functions.
    - Requiring SNA to supervise, manage and implement those functions in a responsive and accountable manner to citizens in their jurisdiction.
- Permissive function is a function that is not obligatory. SNA has the rights to choose either to implement or not implement the permissive functions transferred by the sector ministries/institutions. The permissive functions will be transferred to SAN through assignment.

10. For each function and/or sub-function that is recommended for transfer to council of SNA, **the Technical WG next decides whether to recommend that the function be *assigned* to** councils **or instead *delegated* to** councils**.** A function that is assigned becomes the 'own function' of the council of the SNA and can implemented autonomously without participation or regular support from the ministries/institutions. This assigned function is no longer a Ministry/Institution/provincial department and authority function. A function that is delegated to councils continues to be the function of the Ministry/Institution but councils of the SNA are responsible for implementing the function on behalf of representatives and in accordance with Ministry/Institution guidelines.

11. In some cases, the technical WG can propose a different way of implementation of transfer function for council of SNA at the same level (e.g. commune, sangkat or municipal, district council can receive one function and other commune council and sangkat council cannot receive that kind of function)

NOTE:

- Example 1: in some cases it may be efficient to transfer a function to commune council, sangkat council or municipal council, district council with large populations but it would be inefficient to transfer the same function to commune, sangkat council or municipal council, districts council having very small populations.
- Example 2: for municipalities that are the municipalities of the province, it may be inefficient to transfer them the same functions that are managed by other municipalities – it may be more efficient in these municipalities for the function to be managed by the provincial council. Asymmetry, may be justified when there are differences in size and/or capacities that make it unlikely that functions can be discharged by some councils of SNAs at that level even after the councils receive resources and capacity development to implement the function.

12. If the technical WG determines that one function should be transferred through the above way, the technical WG defines the condition of the level of SNA, then defines the specific SNA that would receive these functions

13. The Technical WG lists all the functions or sub-functions it has recommended for transfer to SNA according to the level of council by completing the *Chart of Recommended Functions or sub-functions by Level* (see Chart 3 below)

14. The Technical WG reviews the set of functions it is recommending for each level and ensures that each level has a set of functions and/or sub-functions that is coherent, makes sense as a set of functions to be implemented by one body and can promote efficiencies

NOTE:

- Example: For transfer of function that relates to infrastructure, the transfer of the function of construction, maintenance and repair should be transferred to SNA at each level rather than transfer function of construction to one level of SNA and function of maintenance to other one level of SNA and function of repair to other one level of SNA

15. The Technical WG also ensures that functions and/or sub-functions that would be transferred make sense from the perspective of achieving priorities in the sector of the ministry/institution, even if the recommendations might entail adjusting current sector strategies and plans.

16. The technical WG prepares the internal consultative meeting of ministry/institution on recommended functions and/or sub-functions for transfer in Chart 2 and Chart 3.

Chart 3: List of recommended functions, sub-functions for transferring to each level of Councils of SNA

Functions	Sub-functions	National	Capital	Provincial	Municipality	District	Khan	Commune	Sangkat	transferred		Type of functions	
										Assigned	Delegated	Obligatory	Permissive
1	1.1												
	1.2												
	1.3												
	1.4												
2	2.1												
	2.2												
	2.3												
	2.4												
	2.5												
3	3.1												
	3.2												

STEP 3: Coordination with related Ministries/Institutions

A. Objective

The purpose of this Step is to ensure that recommended functions and/or sub-functions for transfers to councils of SNA are coherent among Ministries/Institutions.

B. Expected Outcome

The expected outcome of this step is that recommended functions and/or sub-functions for transfer to councils of SNA as provided in chart 3 are adjusted.

C. Process

In the application of this step, the Technical WG of each ministry/institution shall implement the following key activities:

1. After completion of Step 2, the Technical WG shall identify ministries/institutions that are relevant to the recommended functions and/or sub-functions for transfer as mentioned in Chart 3.

2. The concerned ministry/institution shall hold meetings with relevant ministries/institutions to consult about the recommended functions and/or sub-functions of relevant ministries/institutions for transferring to councils of SNA. The concerned ministry/institution can request NCDD-S to coordinate this consultative meeting if necessary.

3. In some cases, some ministries/institutions may have overlapping functions, shared functions or highly similar functions with another ministry/institution and there is a need to ensure that a common approach is taken for these functions in order to achieve efficiency (e.g. where district councils have the role to organize extra-curricular activities in primary schools, it may make sense for district councils to also be responsible for health programs run in schools).

4. Where there are overlapping, shared or highly similar functions recommended for transfer to councils of SNA, the ministry/institution must achieve consensus with the other ministry/institution to determine the role and coordination mechanism of councils of SNA to implement those functions and/or sub-functions.

5. Discussions with other ministries/institutions may require the Technical WG to adjust its information in Chart 3 based on the results of discussion. If there change is required, the Technical WG adjusts the Chart 3 and creates Chart 4 as below.

Chart 4: List of recommended functions, sub-functions after consultation with related Ministries/Institutions

Functions	Sub-functions	National	Capital	Provincial	Municipality	District	Khan	Commune	Sangkat	transferred		Type of functions	
										Assign	Delegate	Obligatory	Permissive
1	1.1												
	1.2												
	1.3												
	1.4												
2	2.1												
	2.2												
	2.3												
	2.4												
	2.5												
3	3.1												
	3.2												

STEP 4: Identify finances, assets and personnel for implementing the recommended functions for transfers

A. Objective

The purpose of this step is to identify finances, assets and personnel that are described in the Functional Mapping report for implementing the recommended functions for transfer to councils of SNA.

B. Expected Outcome

The expected outcome of this Step is that additional information about the finances, assets and personnel in Chart 3 used for implementing the recommended functions for transfer to councils of SNAs is added.

C. Process

In the application of this step, the Technical WG of each ministry/institution shall implement the following key activities:

1. Technical WG should review the finances, asset and personnel resources for each function/sub-function in the Functional Mapping report of ministry/institution in order to identify the appropriate finances, assets and personnel resources for recommended functions and/or sub-functions for transfer to councils of SNA.

2. In the event that the functional mapping report does not provide adequate information to clearly identify what finances, assets and personnel would be transferred together with the recommended functions and/or sub-functions, Technical WG shall clarify the information or seek for the missing information for implementing those specific functions/sub-functions.

3. If the Technical WG believes that the councils of SNA may require additional finances, assets or personnel that correspond to particular functions, the Technical WG should record this brief mention in the Functional Review report.

4. After identifying the appropriated finances, assets and personnel resources for recommended functions and/or sub-functions for transfer to councils of SNA, the Technical WG should record this into Chart 5.

Chart 5: List of recommended function, sub-function and resources for transfer to councils of SNA

Functions Code	Sub-function Code	National	Capital	Provincial	Municipality	District	Khan	Commune	Sangkat	Resources			transferred		Type of functions	
										Finances	Assets	Personnel	Assign	Delegate	Obligatory	Permissive
1	1.1															
	1.2															
	1.3															
	1.4															
2	2.1															
	2.2															
	2.3															
	2.4															
	2.5															

STEP 5: Design methodology for transfer recommended functions and resources

A. Objective

The purpose of this step is to design methodology for transferring recommended functions and corresponding resources to the council of SNA.

B. Expected Outcome

The expected outcome of this step is a methodology for transferring functions and that corresponding resources are identified.

C. Process

In this step, the Technical WG shall identify methodologies for transferring each function and/or sub-function to the council of SNA. Methodologies which Technical WG should consider include:

1. Methodology for Phasing

- First, the Technical WG may recommend that it will transfer to sub-national administration only some of the recommended functions and/or sub-functions. For example, Ministry of Education, Youth and Sports transfers to district administration some functions related to primary education immediately then transfers functions related to vocational training to district councils at a later time. This kind of phasing gives councils a chance to gradually absorb new functions from the ministries, institutions, departments and authorities over time.

- Referring to the Chart 5 on recommended functions and/or sub-functions and resources for transferring to sub-national administration, the Technical WG may recommend only some functions for transferring in the short term. Functions and/or sub-functions for considerations to transfer in the short term include:

  - Functions and/or sub-functions that are relatively simple and easy for Councils of SNAs to implement and would not require extensive ministry/institution support;

  - Functions and/or sub-functions that are already being implemented and are clearly identified in the sector legal framework and that already have dedicated finances, assets and personnel;

  - Functions and/or sub-functions that do not require extensive cross-sector coordination or collaboration;

  - Functions and/or sub-functions that some Councils of SNAs have already successfully taken up on their own initiative and should become formal obligatory functions; and

  - Functions and/or sub-functions that are successfully implemented at sub-national administration in Cambodia and in other countries.

- Second, the Technical WG may recommend to roll-out the transfer of some functions systematically by geographic area rather than all at once nation-wide. For instance, Ministry of Agriculture, Forestry and Fisheries may transfer the function to provide agricultural extension services to municipality, district administrations in the north-east, later to municipality, district administrations in the north-west, and finally the function is transferred to all remaining municipality, district administrations. And the function to provide state pre-school programs is transferred to councils of SNAs in urban areas before the function is transferred to councils of SNAs in rural areas. This kind of phasing takes into account the ministry's//institution's own capacity to manage and monitor a nation-wide roll-out all at once.

- The Technical WG may recommend to use none, one or both ways to phasing the transfer of functions. The Technical WG presents its recommendations for phasing with justification and rationale**.**

2. Methodology for Piloting

- Piloting functions and/or sub-function will provide lesson learnt to ministry/institution as a basis for deciding to permanently transfer a function and/or sub-functions to councils of SNA. Piloting, therefore, is appropriate if there is considerable doubt that councils of SNAs can undertake a function and/or sub-function successfully, or if there is doubt as to what is required to achieve and improve a standard of service delivery. This doubt may relate to lack of information or lack of consensus regarding the best approach to implementation or the resources needed.

- Piloting is also appropriate where there is significant uncertainty about the capacity needs of councils of SNAs that will have to be met in order for councils of SNA to take up functions and/or sub-functions successfully, or the type of capacity development and on-going support that will be needed from the ministry/institution. A pilot can answer these questions about capacity needs and how best to address them.

- If the Ministry/Institution decides to recommend piloting the transfer of functions and/or sub-functions, it is critical that the ministry/institution actively involves councils of SNAs, as well as other key stakeholders in decision-making and pilot design.

- Piloting process for transferring functions and/or sub-functions should:

  - have a clear and specific purpose;
  - have a clear design so that the pilot, if successful, could be sustained and eventually scaled-up (including having resources that match government systems as much as possible);
  - have adequate resources, including for monitoring and assessment by related Ministry/Institution and the NCDD-S.

- The Technical WG confirms any recommendations of functions and/or sub-functions for piloting with justification and clear rationale.

STEP 6: Consultation and information collection at Sub-National Level

A. Objective

The purpose of this step is to consult and collect information from relevant stakeholders at sub-national levels to ensure that the recommended functions, resources and methodology for transfer are implementable and responsive to the needs of citizens and relevant stakeholders in a transparent, accountable and effective way.

B. Expected Outcome

The expected outcome of this step is that a report on consultation and information collection at sub-national levels is prepared and the chart of recommended functions and/or sub-functions and resources for transfer to the council of SNAs (Chart 5) is adjusted.

C. Process

In the application of this step, the Technical WG of each ministry/institution should implement the following key activities:

1. The Technical WG prepares working group, work plan, timeframe and identifies target provinces, municipalities, districts, communes for consultation and information collection.

2. For the fieldwork for consultation and information collection, the Technical WG should select:
   - at least three provinces, one of which the ministry/institution visited during the functional mapping process;
   - all municipalities in selected province;
   - at least three sangkats in each target province, one of which the ministry/institution visited during the functional mapping process;
   - at least four districts in each target province, one of which the ministry/institution visited during the functional mapping process; and
   - at least four communes in each province, one of which the ministry/institution visited during the functional mapping process.

3. When selecting provinces; municipalities; districts and communes, the Technical WG shall consider:
   - delivery configurations for the recommended functions;
   - covering of the different geographical areas;
   - poverty rates;
   - population size and density;
   - population diversity;
   - remoteness; and
   - other considerations relevant to the ministry/institution.

4. The Technical WG decides about the methodology and timeframe to involve stakeholders in Step 6 (see Annex 1).

5. During consultation and information collection, the Technical WG should conduct structured interviews with:

   - Provincial departments and district offices of the concerned ministry/institution and other sub-national structures of relevant ministries/institutions;
   - Councils (councillors);
   - Council administration (at least representative of the board of governors); and
   - Relevant professional associations, NGOs, community based organizations, sector structures and any user groups.

6. The Technical WG prepares a brief presentation about the purpose of interviewing to the stakeholders. The presentation includes a brief introduction to SNDD reform and a brief introduction to the Technical WG's initial ideas about functions and resources to transfer to council of SNAs.

7. Areas to explore with stakeholders (both men and women) include:
   - Do stakeholders feel that the recommended functions for transfer to sub-national administration are appropriate in terms of their scale and scope? Do they think that the functions are manageable and implementable for sub-national administration?
   - Do they think that other recommended functions should transfer to which level of sub-national administration?
   - What capacities and abilities do stakeholders feel already exist in sub-national administration to implement the recommended functions?
   - What capacities and abilities do stakeholders feel are still needed in order for the functions to be successfully implemented by sub-national administration?

8. The Technical WG analyzes the information that it has gathered at sub-national levels and prepares a report.

9. The Technical WG meets to discuss the fieldwork report and decide whether it should change any of its recommendations/options on the basis of the information that was gathered in the field. If the Technical WG decides to change any of its recommendations/options, it must change the information in Chart 5 and establish new Chart 6 as following.

10. If there is any change of its recommendations/options, Technical WG has to provide justifications and rational in the functional review report of the ministry/institution.

Chart 6: Recommended functions and resources for transfer to council of SNAs after consultation with sub national levels

Functions Code	Sub-function Code	National	Capital	Provincial	Municipality	District	Khan	Commune	Sangkat	Resources			transferred		Type of functions	
										Finances	Assets	Personnel	Assign	Delegate	Obligatory	Permissive
1	1.1															
	1.2															
	1.3															
	1.4															
2	2.1															
	2.2															
	2.3															
	2.4															
	2.5															

STEP 7: Prepare draft functional review report

A. Objective

The purpose of this step is to prepare a draft Functional Review report of ministry/institution that sets out the review process of functions and resources and its recommendations/options for transfer functions and resources of ministry/institution to council of SNAs along with its justifications and rationale. The report will be used by the ministry/institution and NCDD as a basis for decision making for transfer functions and resources to council of SNAs.

B. Expected Outcome

The expected outcome of this step is that a draft functional and resources review report is prepared for submission to the leadership of the ministry/institution for review and approval.

C. Process

In this step, the Technical WG prepares a draft functional review report as suggested, outlined as follows:

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1. **Introduction**: brief background on SNDD reform, the mandate of ministry/institution, and the steps taken by the ministry/institution toward functional review (e.g. establishment of a Technical WG, functional mapping exercise).
2. **Description of the steps taken and methodology:** describe the methodology used in the functional review process and how stakeholders were involved, how coordination was achieved with other Ministries/Institutions and field work consultation and collection of information at local level.
3. **Recommendations/options functions and resources for transferring to Councils of SNAs:** describe key points as below with its justifications and rational:
    - which functions and/or sub-functions should be transferred to which levels;
    - which functions and/or sub-functions should be assigned and which should be delegated;
    - which functions and/or sub-functions should be obligatory and which should be permissive
    - which functions should recommend to implement with different methodology at sub national administration at same level
    - which functions should be transferred in a first phase;
    - corresponding resources to be transferred (finances, assets and personnel) with greatest specificity for the functions to be transferred in a first phase;
    - initial impressions based on the fieldwork about existing capacities of Councils of SNAs, to implement the recommended functions and outstanding capacity needs that the Ministry/Institution may need to address.

4. **Methodology for phasing the transfer and any piloting of recommended functions:** describe recommendations/options for phasing the transfer and piloting of recommended functions to sub-national administration with its justifications and rational.

5. **Conclusion:** briefly summarizing the key recommendations/options and recommended next steps.

STEP 8: Organize a consultative process to finalize the report and submit the final report to NCDD

A. Objective

The purpose of this step is to collect and incorporate input from key stakeholders into a final functional review report for ministry/institution leadership review and approval before submission to the NCDD.

B. Expected Outcome

The expected outcome of this step is that a final functions and resources review report is approved by the leadership of the ministry/institution and submitted to the NCDD for review and approval.

C. Process

In the application of this step, the Technical WG of ministry/institution has to implement the following key activities:

1. The ministry/institution organizes consultative workshops and collects input from key stakeholders to adjust and finalize the functions and resources review report. The workshop presents the draft recommendations and options for transfer to sub-national administration with its justifications and rationale. The ministry/institution will decide which stakeholders to involve in step 8 (see Annex 1).

2. The Technical WG makes appropriate adjustments to the functional review report based on workshop outcomes and submits the final draft report to the leadership of the ministry/institution for review and approval before submission to the NCDD for review and approval.

Annex 1: Stakeholders in the Functional Review Process

A stakeholder is *any person or group with an interest in the functional review process.* Including stakeholders in the functional review process ensures that different perspectives are considered and, therefore, including stakeholders should **improve the quality of recommendations**. Including stakeholders and giving them a chance to contribute will also **enhance the legitimacy of the process.**

Stakeholders in the functional review process shall include:

- Sub-National Administration (councils, Board of Governors, and administrative officers)
- local government associations
- Ministries, Institutions and departments at all levels
- Customers and user groups related to the sector
- Professional associations involved in service delivery
- Communities and community-based organizations related to the sector
- NGOs in the sector
- Private sector related to the particular sector
- Collaborating agencies
- Development Partners/funders in the sector
- Researchers
- NCDD, and
- Others with an interest in the functional review process.

There are key stakeholders that the Technical WG must consult during the functional review process. However, it is most interesting l that the Technical WG hears the perspectives of sub-national administrations about what functions and resources they believe they could manage and effectively implement.

It is also interesting to hear the perspectives of Ministry/Institution's own sub-national structures and related ministries, institutions at capital, provincial and specialized offices at municipality, district, and khan level. That is the key input, since it will be some of their functions that are transferred to Councils of SNAs.

Options for consideration to ensure the involvement of key relevant stakeholders:
Technical WG may invite some key relevant stakeholders to participate in the oveall process of functional review.

Technical WG may invite other key relevant stakeholders to involve in any of the following steps of functional review:

- Prepare and approve work plan for functional review process
- Identify functions for recommendation for transfer to Councils of SNAs
- Coordinate with other Ministries/Institutions
- Identify resources used to implement the recommended functions
- Design strategy for transferring of recommended functions
- Consult and collect information at Sub-National levels
- Prepare draft functional review report
- Organize a consultative process to finalize the report and submit the final report to NCDD

Annex 2: Additional Considerations for Determining Level of SNA for Transfer

International criteria for functional review

- **economies of scale:** mean that where is the unit cost for delivery the lowest (e.g1. purchasing pharmaceuticals in bulk may be more economical than purchases by many individual councils of SNA; e.g2. a district may be able to economically justify the services of an organic rice extension service worker, while that worker would not have enough to keep him/her busy if working only for one commune);
- **population size/service benefit area:** mean that what size population justifies a service (e.g. a primary school can be run efficiently and economically when there is a minimum of x number of primary school aged children);
- **cost-benefit:** mean that where is there an acceptable balance between maximizing benefits to citizens and cost of provision (e.g. it may cost more to provide a service at the local level, but the service provided may be significantly better tailored to local needs);
- **equity issues:** mean that which level can best ensure equitable outcomes (e.g. where can effective incentives and mechanisms be created to ensure equal participation and benefits in service delivery for men and women, for the poor/poorest and other vulnerable groups);
- **need for high level of accountability:** mean that which Councils of SNAs level can qualify implement the functions with local participation, monitoring and/or where the need for accountability is particularly high (e.g. the provision of potable water);
- **local preferences:** mean that whether local citizen preferences are the same or different across jurisdictions (e.g. a jurisdiction predominantly populated by indigenous peoples may have preferences that are different from the mainstream);
- **local conditions:** mean that whether relevant local conditions and circumstances are the same or different across jurisdictions (e.g. one jurisdiction may have very different needs for disaster mitigation given its geographic features);
- **spillover:** mean that whether the benefits, costs and any negative consequences associated with the function are limited (or mostly limited) to the area of the council of SNA (e.g. building a dam that affects water levels in neighbouring jurisdictions);
- **traditional local functions:** mean that whether a function is traditionally associated with local government (e.g. conflict resolution);
- **local information:** mean that whether local information is required to implement the function (e.g. monitoring the daily attendance of teachers);
- **local coordination:** mean that whether implementation of the function requires local coordination and/or mobilization of local resources (e.g. building a drainage system);
- **inter-jurisdictional cooperation:** mean that whether there is potential for two or more Councils of SNAs to cooperate in providing a service that, individually, they could not provide (e.g. two communes cooperating to build a culvert that spans parts of both communes);
- **sectoral coordination:** mean that whether inter-sectoral coordination is required to effectively implement the function (e.g. land use planning);

Considerations for Ministries/Institutions with sub-national structures that are not geographically aligned with Sub-national administrations (e.g. health operational districts)

There are several options for Ministries/Institutions wishing to transfer functions to Sub-national administrations where the Ministry has sub-national units that are not geographically aligned with councils:

- Align the sub-national unit with district/municipal or commune boundaries as much as possible.
- If it is not desirable to re-align the Ministries/Institutions sub-national units, consider:
    - transferring the function to the suitable level of councils of SNA (e.g. a function that benefits two or more communes could be transferred to the district administration; a function that benefits two or more districts could be transferred to the provincial administration);
    - transferring the function to two or more Councils of SNAs with requires those Councils of SNAs share resources (Article 236, Organic Law) in order to administer and implement functions . For functions that are transferred jointly to two or more Councils of SNAs, consider whether coordination structures should be established and whether a formal legal entity is needed as a joint service delivery agency.