



**Kingdom of Cambodia**  
**Nation, Religion, King**



**National Committee for Sub-National Democratic Development  
(NCDD)**

# **2017 NCDD ANNUAL WORKPLAN AND BUDGET**

**January 2017**

## MANAGEMENT STATEMENT

The vision of our 10 year National Program on Sub-National Democratic Development is to **bring government closer to the people**. For this vision to be realized, service delivery must be decentralized to Sub-national administrations. SNAs must be provided sufficient levels and control over discretionary financial resources. They must manage their own staff. Local transparency and accountability must be in place, both to citizens and to central government Ministries, in order to meet service delivery and management standards. SNAs require the capacity to implement these changes. Increasingly they will be expected to take initiative to solve local problems.

Looking back on 2016, much was accomplished in terms of this vision. We completed an independent mid-term review of our 10 year National Program. This assessment documented the significant progress we have made, especially in the second IP3. The development of an EU budget support program is moving ahead and we are gradually implementing our communications strategy.

In terms of social accountability, the World Bank recently concluded a supervisory mission which shows implementation to be on track. Government and Civil Society cooperation remains excellent. We are revising our complaints handling processes to make them more accessible to citizens, and 46 Districts are now using a computerized management information system which can provide reports for Council debate and discussion.

In terms of human resource management and development, the King approved the *Royal Decree on Particular Statute for Sub-National Administration Civil Servants*. We are implementing a wide ranging series of SNA capacity development initiatives, many of them demand driven. We have begun the process of establishing a National School of Local Administration.

We continue to focus on service delivery, to demonstrate results to citizens. During 2017 fourteen Ministries will implement their functional transfers. Reaching this point required intensive discussion and debate within Ministries during 2016, at both at the technical and political levels. This past year we provided guidance to SNAs on implementing their general mandate and we developed ways to provide services through new one-window service mechanisms.

In terms of fiscal decentralization, the SNIF has been established with an overall budget of \$20 Million. The NCDDS and the Ministry of Economy and Finance have worked closely together to increase resources available for DM development expenditures, in light of rises in public service salaries.

Despite this substantial progress, 2017 marks the final year of our second IP3, and we remain with several key challenges.

First, Districts and Municipalities require discretionary funds, to solve local problems, and to meet the service delivery needs of our citizens. They need to be provided a predictable budget. Districts and Municipalities need to know, each year, how much money they can expect to receive through the DM Fund, through own source revenues and tax sharing arrangements, and through conditional grants. They require financial flexibility and decision making powers. It's simply not possible from the national level to correctly and efficiently allocate all public resources across the entire country and across all sectors. We therefore need to give SNAs space to identify their local priorities and to redirect fiscal transfers to the areas where it is most needed.

Second, we need to transfer functions. Some Ministries have still not identified which functions they will reassign. Others, although agreeing to transfer essential and specific functions, have not fully

implemented their decisions. In some instances they have not transferred financial resources, property, and human resources. Most Ministries have not established service delivery standards or technical guidance and they have not provided adequate support to SNAs. As such SNAs are still unable to take responsibility for managing and implementing the functions reassigned to them and we have, therefore, transferred functions to SNAs on paper only. We urgently need to learn from, solve, and improve this situation together, in a cooperative way.

Third, with the transfer of functions and resources to SNAs, central ministries will be responsible to develop policies, regulations, and technical standards and to provide appropriate support to SNAs. This is a major change in what they do and how they operate. Central ministries will be responsible for undertaking compliance inspections to ensure SNAs manage and implement the transferred functions and manage resources in line with rules, regulations, procedures, and standards. In general, compliance inspection aims to promote roles, responsibilities, and autonomy of SNAs, to enhance good governance, and to prevent the misuse of public resources. We urgently need to strengthen these systems and processes.

In my closing speech at the workshop to formulate the 2017 AWPB, I mentioned several other challenges. These included the need to strengthen gender mainstreaming, social equity and inclusiveness, the importance of improving our communications approach, the need to restructure SNAs and to improve the delivery and value for money of capacity development, as well as several others. Our priorities in 2017 reflect these challenges.

The success of the 2017 AWPB depends upon a high level of effort, consultation and cooperation within government and at all levels. It depends upon the ability of our managers to improve our program financial management systems, M&E, communication, policy development and planning processes. It depends on how well we coordinate with civil society and with our other cross cutting reform programs in public administration and financial management. Our internal reforms, the changes needed within government, are essential to our success in promoting sub-national democratic development.

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

This 2017 NCDD AWPB document was approved by the NCDD in its 13<sup>th</sup> meeting held on 04 January, 2017. *pe*

Phnom Penh Capital, *12* January 2017

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



**Samdech Krolahom Sar Kheng**

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## ABBREVIATIONS

ABBREVIATION	DESCRIPTION
ADB	Asian Development Bank
ADB/DPSFM	ADB Decentralized Public Service and Financial Management
ADB/PPTA	ADB Technical Assistance for Project Preparation
ADB/TS-PRSDP	ADB Tonle Sap Poverty Reduction and Smallholder Development Project
AWPB	Annual Work Plan and Budget
BOG	Board of Governors
CD	Capacity development
CS	Commune/Sangkat
CSO	Civil Society Organization
DMK	District/Municipality/Khan
DP	Development partner
EU	European Union
GiZ	Deutsche Gesellschaft fuer Internationale Zusammenarbeit GmbH (German implementation agency for international cooperation)
GIZ DAR	GIZ Decentralization Administrative Reforms
HR	Human resources
IP3	First three-year Implementation Plan of National program
IT	Information Technology
MCS	Ministry of Civil Service
M&E	Monitoring and Evaluation
MEF	Ministry of Economics and Finance
MIS	Management Information System
MOI	Ministry of Interior
MOP	Ministry of Planning
MOWA	Ministry of Women's Affairs
NAD	National AWPB Database
NCDD	National Committee for Democratic Development
NCDDS	Secretariat of NCDD
NGO	Non-governmental Organization
NLCS	National League of Commune/Sangkat Councils
NP	National Program for Sub-national Democratic Development
OD	Organizational Development
OL	Organic Law
PC	Provincial/Capital
RGC	Royal Government of Cambodia
Sida	Swedish International Development Agency
SNA	Sub-national Administration(s)
SNDD	Sub-national Democratic development
SNIF	Sub-national Investment Facility
TA	Technical Assistance
UN	United Nations
UNCDF/LDDPHS	UNCDF Local Development through Decentralized Public Health Services
UNCDF/LGCC2	UNCDF Local Governance and Climate Change Project
UNDP	United Nations Development Program
UNDP-EU/ACES	UNDP and EU Association of Councils Enhanced Services Project
UNFPA	United Nations Population Fund
WB	World Bank
WB/LASED	WB Land Allocation for Socio-Economic Development

## TERMINOLOGY / DEFINITIONS

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

TERM	DEFINITION
Program/Program	A time-bound intervention that differs from a project in that it usually cuts across sectors, themes and/or geographic areas, uses a multi-disciplinary approach, involves more institutions than a project, and may be supported by different funding sources
Results Based Management	A life-cycle approach to management that integrates strategy, people, resources, processes, and measurements to improve decision making, transparency, and accountability. The approach focuses on achieving outcomes, implementing performance measurement, learning, and adapting, as well as reporting performance.
Transparency	Provision of timely, relevant and reliable information, accessible to all relevant stakeholders



## I. OVERVIEW AND INTRODUCTION

The second IP3 (IP3-II) describes how Cambodia's decentralization will be implemented during the 2015 to 2017 period. It executes the Organic Law<sup>1</sup> and is implemented by 7 central agencies,<sup>2</sup> 14 Sector Ministries involved in the transfer of functions, 24 Provinces and the Capital (PCs) and 185 Districts and Municipalities (DMs). The focus is on service delivery improvement, especially at the District and Municipal level, though the program works with all tiers of local government.

The vision of the reforms is to **bring government closer to the people**, to bring service delivery, decision making and accountability closer to our citizens. In doing so, Districts, Municipalities, and the Capital will be the main service provider. Building from the successes of the first phase, the second IP3 aims:

- To provide SNAs greater decision making powers, discretion, and autonomy;
- To provide SNAs increased responsibilities in the delivery of local services, for example primary education. This will happen both by transferring service delivery responsibilities from central to local government and by enabling SNAs to provide a wider range of services, based on their right of initiative;
- To provide SNAs greater powers to manage their resources, including money and staff;
- To promote SNA good governance, responsiveness and accountability to all citizens living in SNA jurisdictions—to men, to women, to the poor, to indigenous groups, and to youth;
- To improve SNA management and develop the skills and knowledge SNA staff need to undertake their functions;
- To better manage and coordinate these changes;

**Figure 1: Results chain/theory of change**



This 2017 AWPB describes the expected priorities, outputs, activities and budgets planned for the sixth year of our National Program. It also marks the final year of the second IP3.

To develop this plan, extensive consultations were held with implementing agencies during the fourth quarter of 2016. Priorities, outputs, and budget allocations were presented and discussed for final review at the National Workshop on the Formulation of the 2017 NCDD AWPB, convened on the 24<sup>th</sup> and 25<sup>th</sup> of November 2016. The workshop brought together nearly 500 people including senior officials from concerned Ministries, Council Chiefs and Governors from 25 PCs and selected DMs, Directors of relevant Provincial/Capital line Departments, development partners, NGO representatives and NCDDs officials and advisors.

Following approval of this document, 2017 Capacity Development Plans will be completed by the 25 Provincial/Capital Resource Facilities. These plans will integrate supply driven training, designed at national level, with demand driven training, organized by Provincial Resource Facilities. Demand

<sup>1</sup> Law on Administrative Management of the Capital, Province, Municipality, District and Khan 2008. The IP3-II is the 2nd phase of the National Program for Sub-National Democratic Development (NP-SNDD). Democratic Development is: public representation; local autonomy; consultation and participation; responsiveness and accountability; promotion of quality of life of local residents; promotion of equity; transparency and integrity; and measures to fight corruption and abuse of power

<sup>2</sup> Central implementers are the: (i) the NCDDs, (ii) Ministry of Interior (iii) Ministry of Public Functions, (iv) Ministry of Economy and Finance, (v) Ministry of Planning, (vi) National League of Sub-National Councils and (vii) Ministry of Women's Affairs.

driven training will be designed based on capacity development needs of SNA councilors and staff (expressed primarily through their organizational development plans) and the capacity of available training providers from government departments, advisors, civil society, and the private sector.

This document focuses on AWPB outputs, typically describing them in a single paragraph.<sup>3</sup> The reminder of this chapter outlines key priorities and provides an overview of expected sources of funds and expenditures. Chapters 1-5 describe our five outcomes (Reform Management, Democratic Accountability, HR Management and Development, SNA Service Delivery and Functions, and Fiscal Decentralization). A series of links (will be provided) have been created so that readers can download supplementary information, including: (i) key speeches including the opening and closing speeches of the Senior Minister of Economy and Finance, H.E. **Aun Pornmoniroth** and the Deputy Prime Minister H.E. Samdech Krolahom **Sar Kheng**; (ii) details about TA; and (iii) the full AWPB, including all activities and individual cost items.

## A. OUTPUTS FOR 2017

NCDD has identified 37 outputs in the 2017 NCDD AWPB which is the final year of IP3-II. Essentially these outputs were identified based on:

- The 5 outcomes and outputs of the IP3-II,
- Priority outputs from 2016 (forming a majority part of the 2017 outputs); these require multiple years to achieve,
- New outputs of IP3-II which should be implemented in 2017 such as the formulation of the IP3-III, development of a policy paper on SNA long and medium-term revenues and expenditures etc.

The 37 outputs of 2017 NCDD AWPB are described below:

**Table 1: Outputs of 2017 NCDD AWPB**

1	At least 2 NCDD meetings held to lead and coordinate SNDD reforms
2	IP3-III 2018-2020 of NP-SNDD formulated and approved
3	A strategy to improve NCDDS sustainability developed and implemented
4	IP3 Governance, planning and M&E processes strengthened and implemented
5	NCDD administration and financial management procedures strengthened and implemented
6	Communication strategy on SNDD reforms implemented
7	Coordination and dialogue on SNDD reforms regularly held between NCDDS, cross-cutting reform programs, and IP3 implementers
8	SNA structures and responsibilities reviewed and revised to implement transferred functions
9	Governance systems and procedures reviewed and revised to improve SNA lines of accountability
10	Social accountability action plan implemented in 90 target Districts
11	SNA complaints handling mechanisms finalized and implemented
12	Policy paper/ concept note/ strategic plan on compliance inspection system and processes at CP and MDK levels reviewed and approved
13	SNA administrative and operational systems, especially at DMK level reviewed and revised

<sup>3</sup> Commonly, an output is documented in more detail elsewhere, for example a project document (ACES, UNICEF) or supporting strategy (social accountability, communications, etc.).

14	SNA Management Information Systems (MIS) simplified, integrated, and decentralized to DMK level
15	Guidelines on process and procedures for SNA staff management developed and put in place
16	Gender, social equity and inclusiveness promoted and mainstreamed in SNAs
17	SNA capacity development arrangements streamlined and facilitated between government agencies, private sector and civil society organizations
18	Capacity of Associations of Sub-National Administration Councils (ASAC) in promoting SNDD reforms strengthened
19	An action plan for the establishment of the National School of Local Administration (NASLA) adopted
20	Social service delivery and climate change adaptation strengthened through DM Fund and CS Fund implementation
21	Early childhood education, primary education and non-formal education functions transferred and implemented in all MDs in at least 1 province
22	Functions from other 2 ministries at least prepared and transferred to SNAs such as MoSAVY and MOH etc.
23	Reports and regulations on functional reassignment and functional transfer of other 10 ministries completed
24	Target SNAs effectively implement the transferred functions in close cooperation and coordination with concerned ministries/ institutions and units
25	Targeted urban services transferred from Provinces to Municipalities
26	A total of 52 OWS Offices and OWS Mechanisms established and operating in PCs and DMKs
27	Development component of DM fund increased to ensure DMs have appropriate funding for their general mandate
28	Joint MOI, NCDDS, MEF review and report completed analysing DM Development Component expenditure choices
29	Mechanisms on conditional transfer of SNA financial resources put in place
30	Policy paper on SNA long-term and medium-term revenues and expenditures developed and put in place
31	SNA own source revenues finalised and put in place including draft sub-decree on own sources of revenue for SNAs
32	Regulations and guidelines on Sub-National Investment Fund (SNIF) projects finalized and put in place
33	SNIF proposals developed, appraised and implemented in an effective and transparent manner
34	Regulations and guidelines on CP budget establishment and functioning reviewed and revised
35	SNA financial management system implemented in an effective and transparent manner
36	Technical guidelines on SNA development planning and 3-year rolling investment programming reflecting different types of SNAs put in place and disseminated
37	Dissemination and use of SNA planning databases including data on social services and climate change strengthened

## B. PRIORITIES FOR 2017

At the National Workshop on the Formulation of the 2017 AWPB, priorities were presented to participants and were discussed and revised in small working groups. Our 22 priorities for 2017 are listed below, together with quarterly milestones or intermediary activities which will help us monitor whether the priority is likely to be met mid-year:

**Table 2: 2017 Priorities**

PRIORITY	QUARTER, ACTIVITY COMPLETED
1. <b>At least 2 NCDD meetings held to lead and coordinate SNDD reforms (1.1.2.1)</b>	<ul style="list-style-type: none"> <li>Q1: At least 1 meeting has been held</li> <li>Q3: At least 2 meetings have been held, and performance against priorities has been reviewed</li> </ul>
2. <b>IP3-III 2018-2020 of NP-SNDD formulated and approved (1.1.2.2)</b>	<ul style="list-style-type: none"> <li>Q1: National program addendum approved and recruitment of consultants to support the IP3-III formulation completed</li> <li>Q2: Analytical work, including reviews of CD and governance have been completed and the formulation process has begun</li> <li>Q4: IP3-III approved</li> </ul>
3. <b>A strategy to improve NCDDs sustainability developed and implemented (1.2.1.1)</b>	<ul style="list-style-type: none"> <li>Q2: Develop a long-term plan and exit strategy for TA and to reduce IP3 operational costs</li> <li>Q4: NCDDs organizes joint visits with DPs to monitor and learn from program implementation at SNAs</li> </ul>
4. <b>Communication strategy implemented (1.3.2.1)</b>	<ul style="list-style-type: none"> <li>Q2: 2 brochures on SNDD developed and disseminated</li> <li>Q3: A set of high quality photographs and info-graphics developed and disseminated</li> <li>Q3: Campaign to disseminate information about the transferred function on primary education conducted in target DMs</li> </ul>
5. <b>Social Accountability action plan implemented in 90 target districts (2.2.1.1)</b>	<ul style="list-style-type: none"> <li>Q2: At least 80% of all targeted organizations enter I4C computerized data</li> <li>Q4: At least 80% of all targeted organizations produce JAAPs</li> <li>Q4: Study on ISAF sustainability completed and presented to key stakeholders</li> </ul>
6. <b>SNA complaints handling mechanisms finalized and implemented (2.2.3.1)</b>	<ul style="list-style-type: none"> <li>Q1: Sub-decree and guideline on the establishment and functioning of SNA Ombudsmen approved</li> <li>Q2: Approve a manual on the procedure of investigation and complaint handling</li> <li>Q4: Revised complaints handling system in operation</li> </ul>
7. <b>Policy paper/ concept note/ strategic plan on compliance inspection system and processes at CP and MDK levels reviewed and approved (2.3.1.1)</b>	<ul style="list-style-type: none"> <li>Q2: Review and analysis of options completed</li> <li>Q4: Policy paper/ concept note/ strategic plan approved</li> </ul>
8. <b>Regulations, guidelines and manuals for SNA personnel management completed and implemented (3.1.2.1)</b>	<ul style="list-style-type: none"> <li>Q1: Regulations, guidelines and manuals approved</li> <li>Q4: Rollout guidelines through training and capacity development</li> </ul>
9. <b>Gender, social equity and inclusiveness promoted and mainstreamed in SNAs (AWPB output 3.1.6.1)</b>	<ul style="list-style-type: none"> <li>Q1: Strategy to promote women in SNA management positions and gender audit completed and approved</li> <li>Q3: Mandatory awareness creation of SNA leaders completed</li> <li>Q4: Succession planning implemented to promote women in SNA management positions</li> <li>Q4: Social equity and inclusiveness mainstreamed into the IP3-III and addendum to the NP</li> </ul>



<b>PRIORITY</b>	<b>QUARTER, ACTIVITY COMPLETED</b>
<b>10. SNA CD arrangements streamlined and facilitated between government, private sector and civil society organizations (3.2.1.1)</b>	<ul style="list-style-type: none"> <li>Q3: Implement a management course for DMK leaders</li> <li>Q4: Guidelines / regulations and facilitation materials on cooperation between government CD providers, the private sector and civil society completed</li> </ul>
<b>11. Capacity of Associations of Sub-National Administration Councils (ASAC) in promoting SNDD reforms strengthened (3.2.4.1)</b>	<ul style="list-style-type: none"> <li>Q3: Update and implement capacity development plan of the Associations of Sub-National Administration Councils for governing bodies, leaders and staff</li> <li>Q4: Design and implement advocacy strategy of the Associations of Sub-National Administration Councils</li> </ul>
<b>12. An action plan for the establishment of the National School of Local Administration (NASLA) adopted (3.4.3.1)</b>	<ul style="list-style-type: none"> <li>Q3: With the assistance of the ADB, complete all analytical work as an input into the feasibility study, strategic plan and action plan of NASLA</li> <li>Q4: Approve the action plan to establish the NASLA</li> </ul>
<b>13. Early childhood, primary and non-formal education functions transferred and implemented in all MDs in at least 1 province (4.2.1.1)</b>	<ul style="list-style-type: none"> <li>Q1: CD of all relevant staff from DMs, CSs, and transferred education line offices completed</li> <li>Q2: All staff and assets officially transferred</li> <li>Q4: Conditional grants for early childhood, primary and non-formal education provided to DMs in the 2018 budget</li> </ul>
<b>14. A total of 52 OWS Offices and OWS Mechanisms established and operating in PCs and DMKs (4.4.2.1)</b>	<ul style="list-style-type: none"> <li>Q1: Put in place regulations to establish one window mechanisms</li> <li>Q4: 54 offices and mechanisms in operation</li> </ul>
<b>15. Development component of DM fund increased to ensure DMs have appropriate funding for their general mandate (5.1.1.1)</b>	<ul style="list-style-type: none"> <li>To be determined</li> </ul>
<b>16. Joint MOI, NCDD, MEF review and report completed analysing DM Development Component expenditure choices (output 5.1.3.1)</b>	<ul style="list-style-type: none"> <li>Q3: Report completed and discussed amongst relevant stakeholders</li> <li>Q4: If relevant, actions agreed by MEF to adjust the regulatory environment for the DM Fund development component</li> </ul>
<b>17. Mechanisms on SNA conditional grants transfers in place (5.2.1.1)</b>	<ul style="list-style-type: none"> <li>Q1: Conditional grants sub-decree approved</li> <li>Q4: Conditional grants allocated to all SNAs receiving transferred functions in 2018</li> </ul>
<b>18. SNA own source revenues finalised and put in place including draft sub-decree on own sources of revenue for SNAs (5.4.1.1)</b>	<ul style="list-style-type: none"> <li>Q2: Policy paper on own-source revenues completed</li> <li>Q4: Training of SNAs on own-source revenue completed</li> </ul>
<b>19. Regulations and guidelines on the SNIF finalized and in place (5.5.1.1)</b>	<ul style="list-style-type: none"> <li>Q1: all guidelines and manuals approved</li> </ul>
<b>20. SNIF proposals developed, appraised and implemented in an effective and transparent manner (5.5.6.1)</b>	<ul style="list-style-type: none"> <li>Q1: Regulatory environment and manuals for the SNIF completed</li> <li>Q3: SNIF project appraisal completed</li> <li>Q4: Resources transferred</li> </ul>
<b>21. SNA financial management system implemented in an effective and transparent manner (5.7.1.1.)</b>	<ul style="list-style-type: none"> <li>Q2: Study to identify constraints on disbursement and availability of funds to SNAs</li> <li>Q4: Complete adjustments to financial management systems</li> </ul>
<b>22. 6 Revised SNA planning guidelines in use (5.8.1.1.)</b>	<ul style="list-style-type: none"> <li>Q1: all guidelines completed</li> <li>Q4: all guidelines rolled out to SNAs</li> </ul>

## C. 2017 ESTIMATED COSTS

### C.1. PLANNED EXPENDITURES (NEEDS)

Summaries of planned expenditures, by source and by type of expenditure are provided below.

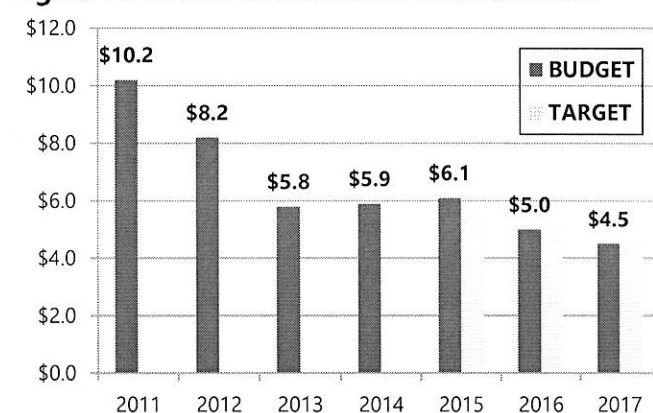
**Table 3: Planned 2017 Expenditures**

OUTCOME AREA	RGC	Basket/ EU	DP PROJECTS	TOTAL	%
<b>1. Reforms</b>	<b>200,000</b>	<b>11,347,966</b>	<b>18,588,835</b>	<b>30,136,801</b>	<b>6.87%</b>
<b>A. Activities</b>	<b>200,000</b>	<b>4,698,026</b>	<b>18,588,835</b>	<b>23,486,861</b>	<b>5.36%</b>
1: Reform Management	200,000	1,049,001	0	1,249,001	0.28%
2: Democratic Accountability	0	780,960	4,034,333	4,815,293	1.10%
3: HR Management	0	1,377,197	1,577,223	2,954,420	0.67%
4: SNA Services & Functions	0	1,021,730	11,175,114	12,196,844	2.78%
5: Fiscal Decentralization	0	469,138	1,802,165	2,271,303	0.52%
<b>B. Operations</b>	<b>0</b>	<b>2,160,440</b>	<b>0</b>	<b>2,160,440</b>	<b>0.49%</b>
<b>C. TAs</b>	<b>0</b>	<b>4,489,500</b>	<b>0</b>	<b>4,489,500</b>	<b>1.02%</b>
<b>2. SNA Transfers (services)</b>	<b>397,196,250</b>	<b>2,514,255</b>	<b>8,745,796</b>	<b>408,456,301</b>	<b>93.13%</b>
<b>3. TOTAL (1+2)</b>	<b>397,396,250</b>	<b>13,862,221</b>	<b>27,334,631</b>	<b>438,593,102</b>	<b>100.00%</b>
<b>% of Total</b>	<b>90.49%</b>	<b>3.10%</b>	<b>6.41%</b>	<b>100.00%</b>	

### C.2. TECHNICAL ASSISTANCE

This year 660 staff will provide long-term technical assistance at a budgeted cost of \$US 4.5 million. This includes both advisors and contract staff. Advisors are hired at salaries that are competitive with international organizations to develop capacity and perform specialized tasks, similar to consultancy assignments. Contract staff are hired primarily by SNAs at salaries within the range of civil service compensation levels to fill gaps and thus ensure satisfactory performance. Ideally many contract staff will be recruited as civil servants. We are committed to reducing TA levels to encourage sustainability and to invest more resources in direct activity implementation. As documented in Figure 2, TA levels have been significantly reduced, both in absolute terms and as a fraction of total core reform expenditures.

**Figure 2: TA trends and other relevant data**



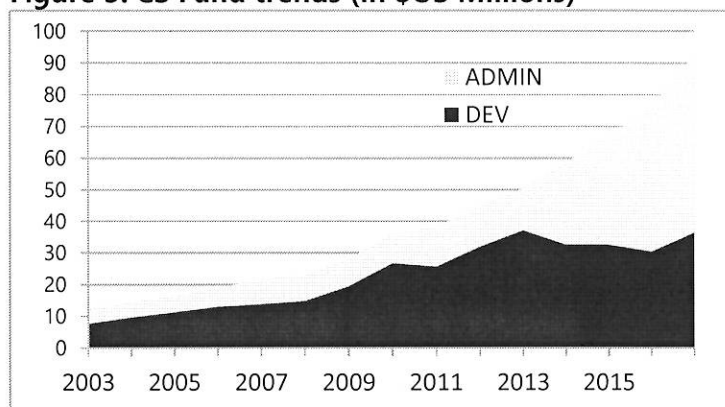
YEAR	CORE REFORM	TA ACTUAL	TA TARGET	TA % OF CORE
2011	\$20.2	\$10.2		50%
2012	\$14.8	\$8.2		55%
2013	\$10.5	\$5.8		55%
2014	\$13.6	\$5.9		43%
2015	\$11.8	\$6.1	\$5.5	52%
2016	\$11.2	\$5.0	\$5.0	45%
2017	\$11.9	\$4.5	\$4.5	38%

**NOTE:** All values in \$US Millions. TA = Technical assistance. In 2017 the contribution of \$2 Million for the DM Fund is not considered "core reform" in order to better compare trends with previous years

### C.3. FISCAL TRANSFERS

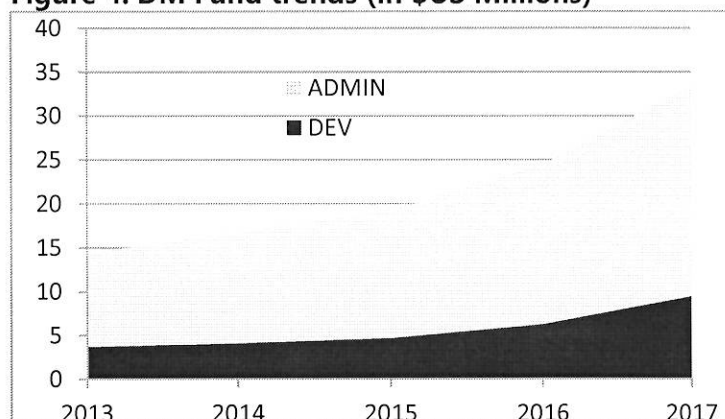
During 2017, the **CS Fund** will reach \$92.7 Million or on average \$56,762 per Commune. The average CS will receive \$22,348 for development. The local development component, in 2017, comprises 39.7% of the total. Since 2002, the overall level of the CS Fund has increased, on average 18.9% per year.<sup>4</sup> The transfer of the CS fund is equivalent to 2.8% of total current revenues.

**Figure 3: CS Fund trends (in \$US Millions)**



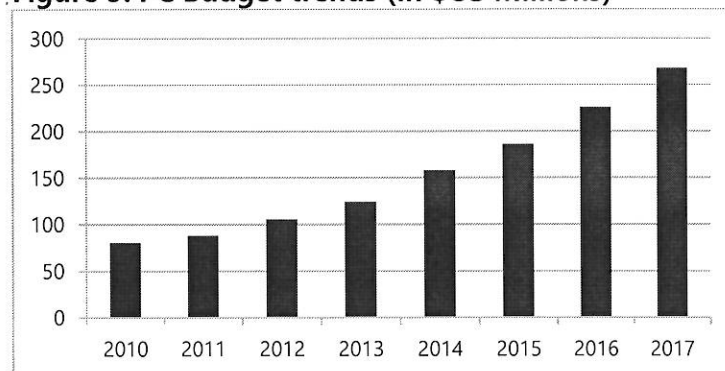
During 2017, the **DM Fund** will reach \$33.1 Million or on average \$178,943 per DM. Most of this (71.42%) covers staff costs. The average DM will receive \$51,134 for development. The local development component, in 2017, comprises 28.58% of the total. Since 2013, the overall level of the DM Fund has increased, on average 23.3% per year. The transfer of the DM fund is equivalent to 1.0% of total current revenues.

**Figure 4: DM Fund trends (in \$US Millions)**



During 2017, the **PC Budget** will reach \$268 Million or on average \$10.8 Million per PC. Of this, the average PC will receive \$6.6 Million for development. 88% of the PC budget comes from own source revenues, with state fiscal transfers reaching \$31.8 Million. Since 2013, the overall level of the PC Budget has increased, on average, 18.7% per year. The transfer of the PC Budget is equivalent to 0.96% of total current revenues.

**Figure 5: PC Budget trends (in \$US Millions)**



During 2017, it is estimated conditional grants will reach, \$ 2.5 Million (this excludes salaries).

### C.4. SUMMARY

Overall AWPB funding is expected to reach \$US 438.6 Million. The RGC remains the main contributor to reforms and their implementation, providing a total of \$US 397.43 Million, or 90.6%. This figure rises when loans from the ADB and World Bank, totaling \$US 16.6 Million (3.8% of total) are included. Funding details are provided on the following page.

<sup>4</sup> All percentage increases are compounded from the first year to the last.

Table 4: Detailed Sources of Funds 2017

Source	SNA Transfer	Core Reform Costs					TOTAL	%
		Basket / EU	Earmarked	In-kind	Total	% Reform		
<b>1. RGC</b>	<b>397,196,250</b>	<b>0</b>	<b>200,000</b>	<b>0</b>	<b>200,000</b>	<b>0.66%</b>	<b>397,396,250</b>	<b>90.61%</b>
<b>2. LOANS</b>	<b>7,458,803</b>	<b>0</b>	<b>9,177,701</b>	<b>0</b>	<b>9,177,701</b>	<b>30.45%</b>	<b>16,636,504</b>	<b>3.79%</b>
2.1. ADB/DPSFM II	4,000,000	0	970,000	0	970,000	3.22%	4,970,000	1.13%
2.2. ADB/TS-PRSDP	717,898	0	608,534	0	608,534	2.02%	1,326,432	0.30%
2.3. ADB/SPCR	0	0	630,744	0	630,744	2.09%	630,744	0.14%
2.4. ADB/CDRR	438,000	0	343,600	0	343,600	1.14%	781,600	0.18%
2.5. WB/LASED II	2,302,905	0	6,624,823	0	6,624,823	21.98%	8,927,728	2.04%
<b>3. DP GRANTS</b>	<b>3,801,248</b>	<b>11,347,966</b>	<b>4,294,004</b>	<b>5,117,131</b>	<b>20,759,100</b>	<b>68.88%</b>	<b>24,560,348</b>	<b>5.60%</b>
3.1. Sweden/Sida	0	3,797,156	0	0	3,797,156	12.60%	3,797,156	0.87%
3.2. EU	2,000,000	5,700,000	0	0	5,700,000	18.91%	7,700,000	1.76%
3.3. Swiss/SDC	514,255	1,850,810	0	0	1,850,810	6.14%	2,365,065	0.54%
3.4. ADB/PPTA	0	0	0	400,000	400,000	1.33%	400,000	0.09%
3.5. GIZ/DAR	0	0	0	820,000	820,000	2.72%	820,000	0.19%
3.6. IFAD/ASPIRE	800,000	0	783,040	0	783,040	2.60%	1,583,040	0.36%
3.7. UNCDF/LGCC2	430,545	0	166,363	0	166,363	0.55%	596,908	0.14%
3.8. UNDP-EU/ACES	0	0	903,223	0	903,223	3.00%	903,223	0.21%
3.9. UNFPA	0	0	150,000	0	150,000	0.50%	150,000	0.03%
3.10. UNICEF/Seth Koma	56,448	0	845,880	897,131	1,743,011	5.78%	1,799,459	0.41%
3.11. WFP	0	0	37,915	0	37,915	0.13%	37,915	0.01%
3.12. WB/PFM	0	0	685,000	0	685,000	2.27%	685,000	0.16%
3.13. Sida/PACT	0	0	722,583	0	722,583	2.40%	722,583	0.16%
3.14. Demand Social Account.	0	0	0	3,000,000	3,000,000	9.95%	3,000,000	0.68%
<b>4. GRAND TOTAL (1+2+3)</b>	<b>408,456,301</b>	<b>11,347,966</b>	<b>13,671,704</b>	<b>5,117,131</b>	<b>30,136,801</b>	<b>100.00%</b>	<b>438,593,102</b>	<b>100.00%</b>
%	93.13%	2.59%	3.12%	1.17%	6.87%	0.00%	100.00%	



## **II. OUTCOMES OF 2017 NCDD AWPB**

This is the most essential part of the 2017 NCDD AWPB document, describing the 5 outcomes of the IP3-II as well as the outputs under each outcome which needs to be achieved in 2017. The 5 outcomes are:

1. Reform management
2. Democratic accountability
3. Human resource management and development
4. SNA service delivery and functions and
5. Fiscal decentralization.

Each outcome includes introduction, annual targets and a description of outputs. Each output summarizes strategies and priority activities set out to achieve these outputs.

# 1. OUTCOME ONE: REFORM MANAGEMENT

## 1.1 INTRODUCTION AND TARGETS

The success of the IP3 depends on how well processes of change are managed. This outcome area takes steps to: (i) coordinate and address the political nature of the reforms; (ii) strengthen ownership; (iii) improve communication and transparency; (iv) effectively manage change and results; (v) learn better and (vi) improve policy processes. The overall outcome is:

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

The total budget for this outcome is **\$2,885,261**, including \$2,685,261 from the basket fund/EU and \$200,000 from the RGC

## 1.2 OUTPUTS AND THEIR DESCRIPTION

The second IP3 contains five outputs in terms of reform management (these are listed in red). AWPB outputs for 2017 are as follows.

**Table 5: IP3-II Indicators and Targets for Outcome #1**

TARGET and INDICATOR	2015	2016	2017
1. Has NCDD held at least 2 meetings per year;	--	2	2
2. Expenditure on TA (in \$US Millions)(*)(PAF)	5.5	5.0	4.5
3. Number of people reached in Social marketing campaigns (undertaken with CSOs) (in thousands)	100	100	100
4. % of program implementers satisfied with NCDDs planning, policy development and financial management procedures	50%	60%	70%
5. % of program milestones and targets met on time	50%	60%	70%
6. Cumulative number of sector Ministries making public statements strongly supporting decentralization	1	2	5

**NOTE:** Reporting against targets is done in annual reports; 2015 and 2016 values provide context on the expected results; \* this indicator was listed as \$4 Million in the English version of the IP3-II (an error) but \$4.5 Million in the Khmer version. The target was to decrease by \$500,000 per year. PAF indicators are: (1) At least 2 NCDD meetings held; (2) total budgeted expenditure on long term TA and contract staff does not exceed \$4.5 million

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 1.1: NCDD LEADS THE POLITICAL PROCESS OF REFORM AND MANAGES PROGRAM PERFORMANCE TO ENSURE IMPLEMENTATION OF THE ORGANIC LAW</b>		
<b>AWPB Output 1.1.2.1: At least 2 NCDD meetings are held to lead and coordinate SNDD reforms.</b>	TOTAL BUDGET: \$11,500 BASKET/EU: \$11,500	The NCDD is responsible for approving D&D policies and for managing and coordinating program performance. In the past performance management was incorporated into meetings by reviewing progress towards AWPB priorities. Sub-committees will convene regular meetings and reports will be prepared by NCDDs and submitted to the NCDD.
<i>This output will be led by NCDD/NCDDs</i>		

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>AWPB Output 1.1.2.2: IP3-III (2018-2020) of the NP-SNDD formulated and approved.</b> <i>This output will be led by NCDDS with the participation of NCDD member Ministries.</i>	TOTAL BUDGET: \$200,000 BASKET/EU: \$200,000	The addendum to the 10 year NP will be drafted and approved. Using a participatory process, the IP3-III will be formulated. Formulation will take into account a review of the quality, methodology and effectiveness of capacity development, the 2016 local governance surveys (quantitative and qualitative), the 2016 gender audit, the Mid-Term Review, and a review and assessment of appropriate long term TA levels and requirements (a "CD exit strategy").
<b>IP3 OUTPUT 1.2: NCDDS FACILITATES AND COORDINATES PROGRAM IMPLEMENTATION AND MANAGEMENT BY ALL IMPLEMENTERS, PROGRESSIVELY CHANGING ITS ROLE FROM OPERATIONAL TO STRATEGIC</b>		
<b>AWPB Output 1.2.1.1: A strategy to improve NCDDS sustainability developed and implemented.</b> <i>This output will be led by NCDDS, working with MOI.</i>	TOTAL BUDGET: \$25,000 BASKET/EU: \$25,000:	As we move into the final phase of the NP, we will shift resources and procedures into government systems. In 2017 we will: (i) develop a long term plan and exit strategy for TA and the reduction of operational costs; (ii) integrate NCDDS into the government budget and pursue government funding for NCDDS and core reform activities; (iii) review and revise NCDDS and MOI structures, with MOI taking over implementation, and (iv) strengthen capacities of government staff in policy development and program and financial management to systematically take over responsibilities from advisors
<b>AWPB Output 1.2.1.2: IP3 Governance, planning and M&amp;E processes strengthened and implemented.</b> <i>This output will be led by NCDDS.</i>	TOTAL BUDGET: \$503,965 BASKET/EU: \$503,965	We will: (i) revise and implement AWPB planning processes; (ii) revise TOR of technical advisors to better reflect their responsibilities in the 2017 AWPB; (iii) hold regular meetings with DPs and program implementers; (vi) backstop EU budget support; (v) develop and implement more effective ways to coordinate projects and better integrate them into the IP3; (vi) undertake periodic monitoring exercises, including joint DP and NCDDS SNA visits; (vii) design and implement periodic evaluations and analytical work; and (viii) review, revise and disseminate technical documents on CS and DM fund projects.
<b>AWPB Output 1.2.1.3: NCDD administration and financial management procedures strengthened and implemented.</b> <i>This output will be led by NCDDS.</i>	TOTAL BUDGET: \$1,998,260 BASKET: \$1,798,260 RGC: \$200,000	In 2016, an assessment of NCDDS management procedures was undertaken with the support of the Global Climate Fund (GCF), leading to an action plan to improve our finance, administration and internal audit procedures and manuals. This output finances national TA and operational expenses (accounting for a majority of its costs) and also: (i) with the Review Committee, completes external audits, ensuring they assess internal audit, procurement and implementation of past recommendations; (ii) monitors and backstops implementation; (iii) develops capacity and conducts internal audit; (iv) SNDD unplanned events and operations.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 1.3: A COMMUNICATION STRATEGY IS IN USE FOCUSING ON INFORMATION SHARING BETWEEN GOVERNMENT INSTITUTIONS AND BETWEEN GOVERNMENT AND THE PUBLIC IN A WAY THAT CLARIFIES KEY MESSAGES AND DETERMINES THE BEST WAY TO DELIVER THEM TO DIFFERENT STAKEHOLDER GROUPS</b>		
<b>AWPB Output 1.3.2.1: Communications strategy implemented.</b> <i>This output will be led by NCDDS.</i>	TOTAL BUDGET: \$134,956 BASKET/EU: \$134,956	In 2016, consultancies to develop photos, upgrade the NCDD website, implement a structured media program and develop a social media presence were postponed due to disbursement delays. They will be implemented in 2017. Other key activities include: (i) a communications campaign is implemented in Battambang to promote citizens' participation in education decentralization; (ii) quarterly newsletters are disseminated on the NCDD Facebook page (iii) five core communications materials are developed and tested (factsheets, calendars, FAQs, brochures, etc.); (iv) 2 brochures or other communications materials are presented to at least 2000 different SNA officials during training events); (v) 5 articles or advertisements are prepared and carried by newspapers; (vi) 1 television show is aired using social marketing techniques to affect citizens' behavior; (vii) the social media strategy is implemented; (viii) 3 Provinces are supported to air local radio programs; (ix) the library implements a help hotline via telephone, email and the web-site; and (x) collaborate with UNICEF to implement a communications campaign is implemented in 45 Communes about the provision of social services
<b>IP3 OUTPUT 1.4: MINISTRIES HAVE ENHANCED OWNERSHIP OF AND PARTICIPATION IN THE REFORM PROCESS</b>		
<b>AWPB Output 1.4.1.1: Coordination and dialogue on SNDD reforms regularly held between NCDDS, cross-cutting reform programs, and IP3 implementers.</b> <i>This output will be implemented by NCDDS and key Ministries</i>	TOTAL BUDGET: \$4,220 BASKET/EU: \$4,220	To further stimulate ownership, Ministerial D&D working groups will be strengthened and NCDDS will hold meetings (formal and informal) with Ministries to ensure understanding of the policies and goals of the SNDD reforms including functional reassignment and the decentralization of HR management. Increasingly Ministries are expected to use their own budgets to implement SNDD reforms, for example, to implement functional transfers. Under this output, joint field visits will be organized with Ministries to monitor and support SNAs on functional reassignment, HR personnel, fiscal decentralization and other relevant matters.
<b>IP3 OUTPUT 1.5: SNAS HAVE INCREASED OWNERSHIP OF THE REFORM PROCESS AND INCREASINGLY MAKE PROGRESS IN SHAPING THE REFORMS TO THEIR SPECIFIC NEEDS</b>		



OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<p><b>AWPB Output 1.5.1.1: SNA structures and responsibilities reviewed and revised to implement transferred functions.</b></p> <p><i>This output will be implemented by NCDDS, Line Ministries, PCs, and DMKs.</i></p>	<p>TOTAL BUDGET: \$7,360</p> <p>BASKET:</p> <p>DONORS:</p>	<p>The most significant change to be implemented by Ministries will be the transfer of functions to Districts and Municipalities. This change requires a review of the roles, responsibilities and capacities of SNAs. Structures and reporting relationships will have to be changed; job descriptions and TORs will need to be adjusted; and extensive training and mentoring is required to ensure everyone understands their new functions.</p>

## 2. OUTCOME TWO: DEMOCRATIC ACCOUNTABILITY

### 2.1. INTRODUCTION AND TARGETS

The development of democratic institutions of local government which represent and respond to the needs of citizens is a primary objective of the second IP3. Under this outcome, the accountability relationship between the BOG and councilors will be better defined, social accountability and citizen engagement activities will be implemented, compliance inspection and legality control measures will be strengthened and operational systems, such as Management Information Systems will be in place to facilitate Council decision making. The overall outcome is:

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

The total budget for this outcome is **\$4,815,293**, including \$780,960 from the basket fund/EU and \$4,034,333 from DP projects and CSOs (mostly social accountability)

**Table 6: IP3-II Indicators and Targets for Outcome #2**

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

**NOTE:** Targets are reported against in annual reports; 2015 and 2016 values are provided to give context to the expected results; \* = also an NSDP target. PAF indicators for 2017 are: (1) At least 80% of all targeted primary schools, health centers, and communes in go DMs enter I4C computerized data; and (2) Policy paper/ concept note on SNA standards and compliance inspection approved

## 2.2. OUTPUTS AND THEIR DESCRIPTION

The second IP3 contains four outputs in terms of SNA democratic accountability (these are listed in red). AWPB outputs for 2017 are as follows.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 2.1: CLEAR ROLES AND LINES OF ACCOUNTABILITY BETWEEN SNA COUNCILS AND BOARDS OF GOVERNORS ARE ESTABLISHED AND IMPLEMENTED</b>		
<b>AWPB Output 2.1.2.1: Governance systems and procedures reviewed and revised to improve SNA lines of accountability.</b> <i>This output is implemented by NCDDS and MOI.</i>	TOTAL BUDGET: \$60,000 BASKET/EU: \$60,000	As of the end of 2016, all DMs have approved charters and were fully implementing management and administrative systems. SNAs have been introduced to the general mandate. This year, two key technical documents will be rolled out, on the management of SNA council staff and on SNA capacity development.
<b>IP3 OUTPUT 2.2: VOICES OF CITIZENS AND CIVIL SOCIETY ORGANIZATIONS ARE BETTER REFLECTED IN DM AND CS DECISION-MAKING PROCESSES</b>		
<b>AWPB Output 2.2.1.1: Social accountability action plan implemented in 90 target Districts.</b> <i>This output is implemented by NCDDS, CSOs, Districts and others.</i>	TOTAL BUDGET: \$3,541,083 BASKET/EU : \$518,500 CSO FUNDING: \$3,000,000 GIZ/DAR: \$273,000 SIDA/PACT: \$722,583	Key activities include: (i) complete citizen awareness campaigns about social accountability (demand side); (ii) recruit CAFs and train demand side actors on social accountability (demand side); (iii) complete awareness campaigns for national, districts and provincial supply side stakeholders non-implementers (NCDDS/MOI); (iv) collaborate with GDSNAF and GDNT on budget information for ISAF implementation in target Districts (NCDDS/MOI/MEF); (v) train Provincial Resource Facilities on social accountability and I4Cs; train districts on computerization (NCDDS); (vi) train Commune level staff (health, education, communes) on social accountability and I4Cs and distribute posters to commune level (Provincial Resource Facilities); (vii) generate I4Cs using a web-enabled computerized system (NCDDS/MOI ); (ix) complete scorecards and citizen monitoring (demand side); (x) hold interface meetings (between citizens and commune level staff) and facilitate JAAPs (demand side);(xi) support and monitor commune supply side implementation and hold district reflection workshops (Districts) Internally monitor and evaluate supply side activities (NCDDS/MOI); (xii) hold governance meetings (Joint, demand and supply); and (xiii) implement the learning component, including impact evaluation (The Asia Foundation). In addition to this, and although they are not implementing the social accountability action plan, we have included two other activities to strengthen citizen voice and to promote human rights: these will be implemented by GIZ DAR and PACT

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>AWPB Output 2.2.1.2 SNA complaints handling mechanisms finalized and implemented.</b> <i>This output will be implemented by MOI and SNAs</i>	TOTAL BUDGET: \$49,840 BASKET/EU: \$49,840	The IP3 aims to make complaints handling processes more accessible to citizens. This year we will finalize and disseminate a sub-decree and guideline on the establishment and functioning of SNA Ombudsmen. We will also develop guidelines for investigation and complaint handling. The system is expected to increase available channels and make complaining easier; in the short run increasing the number of complaints made (see the targets in Table ). The new system will be rolled out through capacity development initiatives undertaken by PC Resource Facilities.
<b>IP3 OUTPUT 2.3: INSTITUTIONALIZED, TRANSPARENT SNA COMPLIANCE INSPECTION MECHANISMS IN PLACE</b>		
<b>AWPB Output 2.3.1.1: Policy paper / concept note on compliance inspection system and processes at PC and DMK levels reviewed and approved.</b> <i>This output will be implemented by MOI.</i>	TOTAL BUDGET: \$46,700 BASKET/EU: \$46,700	This year we will review and analyze the existing structure, system and procedures of SNA compliance inspection in order to provide options to decision makers on how inspections should be undertaken. An important goal is to ensure inspections are well coordinated.
<b>IP3 OUTPUT 2.4: SNA ADMINISTRATIVE, IT, AND M&amp;E SYSTEMS STRENGTHENED</b>		
<b>AWPB Output 2.4.2.1: SNA administrative and operational systems, especially at DMK level reviewed and revised.</b> <i>This output will be implemented by DMKs.</i>	TOTAL BUDGET: \$88,570 BASKET/EU: \$76,820 WFP: \$11,750	We will put in place, rollout and monitor guidelines on the preparation of Commune Council end-of-mandate reports, the Commune Project Implementation Manual (PIM), and procedures for implementing border passes.
<b>AWPB Output 2.4.3.1: SNA Management Information Systems (MIS) simplified, integrated, and decentralized to DMK level.</b> <i>Systems will be designed by NCDDS and implemented by DMKs</i>	TOTAL BUDGET: \$29,100 BASKET/EU: \$29,100	The SNA MIS is a web-enabled application. It aims to: (i) decentralize data collection to the DMK level, (ii) be flexible, allowing indicators and data to be defined dynamically, (iii) result in the production of timely and easy-to-understand reports which can form a basis of discussion during Council meetings, and (iv) facilitate increased data availability to the public, and their NGO representatives. During 2016, the system was in use in 46 DMKs while in 2017 the target is to cover all DMKs.

### 3. OUTCOME THREE: HR MANAGEMENT AND DEVELOPMENT

#### 3.1. INTRODUCTION AND TARGETS

The number of staff an SNA has, their composition, skills, and attitude, and the degree to which they can be flexibly managed by an SNA, are key factors in how well SNAs perform. Under this outcome, SNAs will be provided increased autonomy in managing their staff and Provincial Resource Facilities will develop the individual capacities of all cadres. CD will be increasingly demand driven and will include a wide range of CD services. The overall outcome is:

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

In total, the budget for this outcome is **\$7,968,100**, including \$6,390,877 from the basket fund/EU and \$1,577,223 from DP projects

**Table 7: IP3-II Indicators and Targets for Outcome #3**

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

**NOTE:** Targets are reported in annual reports; \* = also an NSDP target. PAF indicators for 2017 are: (1) Guidelines for decentralized SNA recruitment and disciplinary action of staff approved; and (2) 95% of all PC and DMKs have at least one member from their BOG and one councilor attend gender awareness training. The 5 types of CD in target #7 include: (i) Coaching and mentoring; (ii) a help desk and hotline; (iii) exchange visits / peer learning; (iv) facilitation of Organizational Development and (v) training



## 3.2. OUTPUTS AND THEIR DESCRIPTION

The second IP3 contains four outputs in terms of HR Management and Development (these are listed in red). AWPB outputs for 2017 are as follows.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 3.1: SNA HR MANAGEMENT DECENTRALIZED AND STRENGTHENED</b>		
<b>AWPB Output 3.1.2.1: Guidelines on process and procedures for SNA staff management developed and put in place.</b> <i>MCS will develop regulatory instruments; CD will be provided by PRFs.</i>	TOTAL BUDGET: \$378,680 BASKET/EU: \$104,680 GIZ/DAR: \$274,000	The SNA Personnel Statute was approved by the King in April 2016. To support its implementation, a series of regulations, guidelines and manuals need to be developed. These will fully describe, in detail, the exact process of recruitment, hiring, managing leave and transfer, disciplinary action, HR development, and other HR functions to be implemented by SNAs. Staff performance appraisals play an important role in local accountability and management. The appraisal process will be based on revised job descriptions.
<b>AWPB Output 3.1.6.1: Gender, social equity and inclusiveness promoted and mainstreamed in SNAs.</b> <i>This output will be implemented by NCDDS and MOWA.</i>	TOTAL BUDGET: \$518,012 BASKET/EU: \$518,012	SNA leaders will complete mandatory training in social equality and inclusiveness, and using this training, to take management decisions to empower traditionally disadvantaged groups. These agreed actions will be reviewed to assess their effectiveness. We will also: (i) train and mentor other SNA staff on social equity and inclusiveness; (ii) strengthen PC and DMK WCCCs and women's councilors networks; (iii) implement the strategy to promote women in SNA management positions; (iv) hold gender working group meetings; and (vi) monitor and evaluate
<b>IP3 OUTPUT 3.2: DEMAND-DRIVEN CAPACITY/ORGANIZATIONAL DEVELOPMENT AND ADVOCACY SUPPORT SYSTEMS FOR SNA COUNCILS AND COUNCILORS IN PLACE AT PROVINCIAL LEVEL</b>		
<b>AWBP Output 3.2.1.1: SNA capacity development arrangements streamlined and facilitated between government agencies, private sector and civil society organizations.</b> <i>This output will be implemented by PRF with support from MOI</i>	TOTAL BUDGET: \$5,668,150 BASKET/EU: \$5,668,150	This output covers all CD activities of Provincial Resource Facilities, including supply and demand driven CD, coaching, mentoring, help desks, etc. It supports all outputs described in this AWPB. Training needs assessment for all SNAs will be completed (based on the OD process). Linkages with Council Associations will be forged and all CD activities will mainstream gender. Key training covers social equity and inclusiveness, CS decentralization, budget preparation, financial management, and other topics.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>AWPB Output 3.2.4.1: Capacity of Associations of Sub-National Administration Councils in promoting SNDD reforms strengthened.</b> <i>This output will be implemented by SNA Associations.</i>	TOTAL BUDGET: \$973,258 BASKET/EU: \$70,035 UNDP-EU/ACES: \$903,223	Council associations are strengthened through the ACES project which contains a wide range of capacity development activities. In addition to this, the IP3 provides financial and operational support, for example in holding annual meetings of the Associations and their Executive Committees. A key activity will be the development of an advocacy strategy for the Association.
<b>IP3 OUTPUT 3.4: A RESOURCED PLAN FOR A PERMANENT LOCAL GOVERNMENT TRAINING INSTITUTE AND LONG-TERM CAPACITY DEVELOPMENT IN PLACE AND READY FOR IMPLEMENTATION</b>		
<b>AWPB Output 3.4.3.1: An action plan for the establishment of the National School of Local Administration (NASLA) adopted.</b> <i>This output will be implemented by MOI.</i>	TOTAL BUDGET: \$430,000 BASKET/EU: \$30,000 ADB/PPTA: \$400,000	Establishing the NASLA requires many steps. During 2017 TA from the ADB will assist in the development of a strategy, feasibility assessment, and curriculum. This will establish NASLA's scope of work, its institutional and regulatory framework, and other elements required in its operationalization.

## 4. OUTCOME FOUR: SNA SERVICE DELIVERY AND FUNCTIONS

### 4.1. INTRODUCTION AND TARGETS

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

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

In total, the budget for this outcome is **\$19,966,145**, including \$1,535,985 from the basket fund/EU, \$2,509,250 from the RGC and \$15,920,910 from DP projects

**Table 8: IP3-II Indicators and Targets for Outcome #4**

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

**NOTE:** 2015-16 values provide context to the expected results; \* = also an NSDP target. PAF indicators for 2017 are: (1) In at least 1 Province all DMs have been transferred primary education (2) A total of 52 OWS Offices and OWS Mechanisms are operating in PCs and DMs.

## 4.2. OUTPUTS AND THEIR DESCRIPTION

Essentially this outcome focuses on transfer of functions from ministries to SNAs. In this regard, 14 key ministries are actively involved in the functional reassignment process and some of them such as the Ministry of Environment, Ministry of Education, Youth and Sports have reached a critical stage of transferring specific functions to a selected number of SNAs. These ministries in 2017 will receive support from NCDD to continue the functional reassignment process in their ministry. The 14 ministries are:

1. Ministry of Education, Youth and Sports
2. Ministry of Environment
3. Ministry of Social Affairs, Veterans and Youth Rehabilitation
4. Ministry of Health
5. Ministry of Rural Development
6. Ministry of Agriculture, Forestry and Fishery
7. Ministry of Water Resources and Meteorology
8. Ministry of Commerce
9. Ministry of Tourism
10. Ministry of Industry and Handcraft
11. Ministry of Mines and Energy
12. Ministry of Culture and Fine Art
13. Ministry of Public Works and Transportation and
14. Land Management, Urbanization and Construction.

The second IP3 contains four outputs in terms of SNA service delivery and functions (they are listed in red). Outputs for 2017 are described below.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 4.1: SNAS TAKING MORE INITIATIVE TO IMPLEMENT PERMISSIVE FUNCTIONS UNDER THEIR GENERAL MANDATE</b>		
<b>AWPB Output 4.1.4.1: Social service delivery and climate change adaptation strengthened through DM Fund and CS Fund implementation.</b> <i>It is implemented by MOI, NCDDS and SNAs.</i>	TOTAL BUDGET: \$16,318,482 BASKET/EU: \$440,100 DP PROJECT: \$15,878,265 as described adjacently	This output contains several SNA-level projects. Each makes use of the DM and CS funds to make conditional grants for specific development activities. These include: (i) UNICEF, social service delivery and early childhood care and development. The total budget is \$2,998,691; (ii) support, through the basket fund social service delivery. \$500,000 will be allocated for fiscal transfers; (iii) GIZ DAR, support to implementation of permissive functions (\$273,000); (iv) UNFPA support on sexual reproductive health and rights, maternal health and gender based violence (\$120,000); (v) ADB (TS-PRSDP Project: Tonle Sap development). The total budget is \$1,326,432; (vi) IFAD (ASPIRE Project): climate change adaptation. The total budget is \$1,583,040; (vii) World Bank, LASED (providing land concessions and supporting concessions through local infrastructure (\$8,927,728); (viii) LGCC II, climate change adaptation (\$596,908); (ix) ADB, disaster management (\$781,600); and (x) ADB, climate change adaptation (\$630,744). This output also develops SNA project identification and management capacities and promotes partnerships with the private sector and civil society.
<b>IP3 OUTPUT 4.2: SPECIFIC AND APPROPRIATE FUNCTIONS TRANSFERRED FROM MINISTRIES TO SNAS</b>		
<b>AWBP Output 4.2.1.1: Early childhood education, primary education and non-formal education functions transferred and implemented in all MDs in at least 1 province.</b> <i>This output will be implemented by MOEYS.</i>	TOTAL BUDGET: \$170,000 BASKET/EU: \$70,000 UNICEF: \$100,000	In 2016 the MOEYS completed a sub-decree to transfer primary, early-childhood, and non-formal education to DMs. As described above, key tasks in 2017 will include: (i) development of a regulatory environment; (ii) developing capacity of key staff, both on managing the transfer of functions and at Provincial level, to support and inspect the transfer, (iii) implementation of the transfer of functions (including decentralized resource management, both human and financial); (iv) providing financial support (\$100,000) to DMs implementing the functional reassignment and (v) monitoring and assessment of the efficiency and effectiveness of the functional transfer, in order to improve performance and to expand to other DMs in the future.



OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>AWPB Output 4.2.1.2: Functions from other 2 ministries at least prepared and transferred to SNAs such as MoSAVY and MOH etc.</b> <i>This output will be implemented by all Ministries transferring functions</i>	TOTAL BUDGET: \$2,709,050 BASKET/EU: \$180,000 RGC: \$2,509,250 (conditional grants) UNICEF: \$19,800	This output will implement the steps outlined in Section (policy development, CD, M&E, etc.) covering 2 Ministries. The budget includes an expected transfer of conditional grants to SNAs (totaling about \$US 2.5 Million). Some UNICEF support is included to assist the MoSVY with decentralized social service delivery.
<b>AWPB Output 4.2.1.3: Reports and regulations on functional reassignment and functional transfer of other 10 ministries completed.</b> <i>This output will be implemented by all Ministries transferring functions</i>	TOTAL BUDGET: \$450,000 BASKET/EU: \$450,000	This output will also implement the steps outlined in Section (policy development, CD, M&E, etc.) covering 10 Ministries.
<b>AWPB Output 4.2.2.1: Target SNAs effectively implement the transferred functions in close cooperation and coordination with concerned ministries/ institutions and units.</b> <i>This output will be implemented by NCDS, relevant ministries and target SNAs.</i>	TOTAL BUDGET: \$83,680 BASKET/EU: \$83,680	Target CPs and DMs are responsible for preparation and implementation of the transferred functions in an effective manner. Activities under this output also include that the ministries have responsibility to develop regulations on process and procedures for transferring and implementing those functions.
<b>IP3 OUTPUT 4.3: TRANSFER URBAN SERVICES FROM PROVINCES TO MUNICIPALITIES</b>		
<b>AWPB Output 4.3.1.1: Targeted urban services transferred from Provinces to Municipalities.</b> <i>This output will be implemented by NCDDs, relevant Ministries, and the transferring PCs and Municipalities.</i>	TOTAL BUDGET: \$34,010 BASKET/EU: \$34,010	This year, regulations will be put in place and disseminated which describe which functions will be transferred and how they will be implemented.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 4.4: EXPAND ADMINISTRATIVE SERVICES DEVELOPED UNDER ONE WINDOW SERVICE OFFICES (OWSO)</b>		
<b>AWPB Output 4.4.2.1: A total of 52 OWS Offices and OWS Mechanisms established and operating in PCs and DMKs. <i>This output will be implemented by MOI and the participating SNAs and Ministries</i></b>	TOTAL BUDGET: \$201,040 BASKET/EU: \$201,040	Existing 46 full service OWSOs are currently 46 in operation and 6 additional full OWSOs will be established in 2017. So the 2017 activities include support to the existing and newly established full OWSOs as well as feasibility studies for basis in expanding and establishing one widow service mechanisms in other SNAs.

## 5. OUTCOME FIVE: FISCAL DECENTRALIZATION

### 5.1. INTRODUCTION AND TARGETS

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

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

In total, the budget for this outcome is **\$US403** Million, including \$US 2.4 Million from the basket fund/EU, \$US 5.8 Million from DP projects, and \$US 394.7 Million in RGC fiscal transfers to SNAs

**Table 9: IP3-II Indicators and Targets for Outcome #5**

TARGET and INDICATOR	2015	2016	2017
1. DM development component as a% of the national revenues	----	0.33 %	<b>0.35%</b>
2. % of DM revenues raised through own sources (*)	0%	2.5%	<b>10%</b>
3. Community contributions to CS and DM projects (\$US Millions)	0.2	0.5	<b>2</b>
4. Were delays encountered in implementing the functional transfer due to the development of conditional grant mechanisms	NO	NO	<b>NO</b>
5. Value of projects implemented through the SNIF (\$US Millions)(*)	0	3	<b>3</b>
6. Reduction in the number of delays faced by SNAs in the disbursement of funds	10%	25%	<b>50%</b>
7. % of PCs and DMKs using new planning systems which have clear corporate plans overseen by councilors	100%	100%	<b>100%</b>

**NOTE:** \* = also an NSDP target. PAF indicators for 2017 include: (1) the development component of the DM Fund reaches \$11.45M of the previous year's domestic budget, and; (2) Joint MOI, NCDD, MEF review and report completed analyzing DM Development Component expenditure choices in 2017, and visiting at least 10 DMs.

## 5.2. OUTPUTS AND THEIR DESCRIPTION

The second IP3 contains five outputs in terms of SNA service delivery and functions (they are listed in red). Outputs for 2017 are described below.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 5.1: DM FUND OPERATIONAL WITH 0.5% OF NATIONAL RECURRENT REVENUES RING-FENCED FOR DEVELOPMENT ACTIVITIES</b>		
<b>AWPB Output 5.1.1.1: Development component of DM fund increased to ensure DMs have appropriate funding for their general mandate. This will be implemented by the MEF.</b>	TOTAL BUDGET: \$395,760,000 BASKET/EU: \$2,000,000 DP PROJECTS: \$0 RGC: \$393,760,000	The level and trend of funds transferred to SNAs is documented in the introduction. In 2017, the IP3 will contribute an additional \$2 Million to the DM Fund Development Component.
<b>AWPB Output 5.1.3.1: Joint MOI, NCDDDS, MEF review and report completed analyzing DM Development Component expenditure choices. This output will be implemented by NCDDDS in close cooperation with MEF and MOI.</b>	TOTAL BUDGET: \$26,000 BASKET/EU: \$26,000 DP PROJECTS: \$0 RGC: \$0	Joint analytical reviews, implemented by MEF, MOI, and NCDDDS, will be undertaken to address two main issues: (i) some funds allocated to the DM Development Component have been used to upgrade and equip offices rather than provide services or public infrastructure to citizens, and thus a clearer definition of "development" is required; and (ii) after allocating resources to salaries, 24% of the remainder goes to administration and 76% to development. Therefore administrative costs will automatically rise indefinitely whenever domestic revenues increase
<b>IP3 OUTPUT 5.2: CONDITIONAL GRANT MECHANISMS IN PLACE TO SUPPORT FUNCTIONAL TRANSFER</b>		
<b>AWPB Output 5.2.1.1: SNA conditional grant mechanisms in place to support functional transfer. This output will be implemented by the MEF with support from Ministries transferring functions</b>	TOTAL BUDGET: \$250,000 BASKET/EU: \$0 WB/PFM: \$250,000 RGC: \$0	In late 2016, the sub-decree on SNA conditional grant mechanisms was finalized. It provides overall guidance and financial management procedures for conditional transfers arising from functional transfers. During 2017, SNAs will be made aware of conditional grant procedures and as offices and functions are continually transferred to DM SNAs, prevailing transfer mechanisms will be revised including the efficiency and transparency of existing formulas.
<b>IP3 OUTPUT 5.3: DEVELOP A MEDIUM TERM VISION AND TARGETS FOR SNA REVENUES AND EXPENDITURES</b>		
<b>AWPB Output 5.3.1.1: Policy paper on SNA long-term and medium-term revenues and expenditures developed and put in place. This output will be implemented by the MEF</b>	TOTAL BUDGET: \$155,000 BASKET/EU: \$0 WB/PFM: \$155,000 RGC: \$0	During late 2017, a framework for SNA finances (both revenues and expenditures) will be developed using a consultative process.

OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 5.4: SNAS COLLECT OWN SOURCE REVENUES</b>		
<b>AWPB Output 5.4.1.1: SNA own source revenues finalized and put in place including draft sub-decree on own sources of revenue for SNAs. This output will be implemented by MEF.</b>	TOTAL BUDGET: \$170,000 BASKET/EU: \$0 WB/PFM: \$170,000 RGC: \$0	A tax-sharing mechanism is currently in place in the Capital. During 2017, we will allow Sangkat in the Capital and Municipalities to receive an additional 30% of Capital and Provincial property tax and DMs to receive shared tax revenues from Provincial Administrations, as their own revenues. Using a consultative process, the MEF will complete analysis to identify other SNA own source revenues, and develop regulations to implement their collection. Where relevant, CSOs will be consulted concerning user fees and community contributions. Once completed, processes for collecting own source revenues or sharing taxes will be disseminated to SNAs, via training and awareness creation workshops.
<b>IP3 OUTPUT 5.5: SUB-NATIONAL INVESTMENT FACILITY (SNIF) ESTABLISHED AND IMPLEMENTED</b>		
<b>AWPB Output 5.5.1.1: Regulations and guidelines on Sub-National Investment Fund (SNIF) projects finalized and put in place. This will be implemented by MEF</b>	TOTAL BUDGET: \$245,000 BASKET/EU: \$0 ADB/DPSFM: \$245,000 RGC: \$0	During the beginning of 2017 we will complete and approve all SNIF guidelines, operational manuals, and related documentation. These will be shared with key stakeholders.
<b>AWPB Output 5.5.6.1: SNIF proposals developed, appraised and implemented in an effective and transparent manner. This output will be implemented by MEF and SNAs.</b>	TOTAL BUDGET: \$5,652,000 BASKET/EU: \$0 ADB/DPSFM: \$4,725,000 RGC: \$927,000	During 2016 the SNIF and its Board and Secretariat were established. Financing through the ADB (totaling \$US 20 Million) was secured. In 2017 the following will be implemented: (i) SNA assessments will be undertaken which evaluate minimum conditions and SNA performance in order to allocate budgets for each DM; (ii) awareness amongst SNAs and other stakeholders will be created and SNAs will be trained on SNIF procedures; (iii) SNAs will submit project proposals; (iv) projects will be appraised by the SNIF Secretariat; (v) pilot projects will begin implementation. During 2017, a total of \$4 Million will be available
<b>IP3 OUTPUT 5.6: BUDGET ALLOCATION FOR PROVINCES/CAPITAL REVIEWED, REVISED AND IMPLEMENTED</b>		
<b>AWPB Output 5.6.3.1: Regulations and guidelines on CP budget establishment and functioning reviewed and revised. This output will be implemented by MEF.</b>	TOTAL BUDGET: \$110,000 BASKET/EU: \$0 WB/PFM: \$110,000 RGC: \$0	During 2017, using a consultative process, the CP budget allocation mechanism and formula will be reviewed and revised.



OUTPUT (IMPLEMENTER)	FINANCE	DESCRIPTION
<b>IP3 OUTPUT 5.7: SNA FINANCIAL MANAGEMENT SYSTEMS STRENGTHENED</b>		
<b>AWPB Output 5.7.1.1: SNA financial management system implemented in an effective and transparent manner.</b> <i>This output will be implemented by MEF with help from MOI and NCDDDS.</i>	TOTAL BUDGET: \$138,698 BASKET/EU: \$138,698 DP PROJECTS: \$0 RGC: \$0	Based on analytical work, field visits and dialogue with SNAs, NCDDDS, and MOI, constraints to the current financial management system and budget execution procedures will be identified. This will lead to a revision of financial regulations. Training will ensure the revised procedures are understood by SNAs, with topics covering accounting and procurement. At the end of the year, a review of implementation will be completed.
<b>IP3 OUTPUT 5.8: SNA PLANNING SYSTEMS REVISED IN A MANNER THAT STRENGTHENS OVERSIGHT AND ACCOUNTABILITY ROLES WITHIN THE SNA AND BETWEEN THE SNAs AND LINE DEPARTMENTS/OFFICE</b>		
<b>AWPB Output 5.8.1.1: Technical guidelines on SNA development planning and 3-year rolling investment programming reflecting different types of SNAs put in place and disseminated.</b> <i>This will be implemented by MOP; PC Resource Facilities will provide CD to SNAs</i>	TOTAL BUDGET: \$265,145 BASKET/EU: \$117,980 UNFPA, UNICEF, WFP: \$147,165 RGC: \$0	The planning policy was completed in 2014 and during 2015 and 2016 guidelines were drafted which cover the 5-year Development Plan and 3-year investment program for each type of SNA. This year, guidelines for the rolling 3-year investment program will be disseminated and data collection procedures to complete Provincial Profiles will be implemented.
<b>AWPB Output 5.8.4.1: Dissemination and use of SNA planning databases including data on social services and climate change strengthened.</b> <i>This output will be implemented by MOP.</i>	TOTAL BUDGET: \$186,460 BASKET/EU: \$186,460 DP PROJECTS: \$0 RGC: \$0	This output involves collecting CDB data, generating CMDG scorecards, and conducting refresher training and rollout of the revised Sub-National Project Database (SPD). Performance of the SDB will be reviewed.