

**REPORT AND RECOMMENDATION  
OF THE  
PRESIDENT  
TO THE  
BOARD OF DIRECTORS  
ON A  
PROPOSED LOAN  
AND TECHNICAL ASSISTANCE GRANT  
TO THE  
KINGDOM OF CAMBODIA  
FOR THE  
COMMUNE COUNCIL DEVELOPMENT PROJECT**

**November 2002**

## CURRENCY EQUIVALENTS

(as of 28 October 2002)

Currency Unit	–	riel (KR)
KR1.00	=	\$0.0002607
\$1.00	=	KR 3,835.00

## ABBREVIATIONS

ADB	-	Asian Development Bank
ATP	-	annual training plan
CB	-	capacity building
DGA	-	Department General of Administration (MoI)
DoLA	-	Department of Local Administration (MoI)
GIS	-	geographic information system
GPS	-	global positioning system
GTZ	-	Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)
JICA	-	Japanese International Cooperation Agency
KAF	-	Konrad Adenauer Foundation
LMAP	-	Land Management and Administration Project (World Bank, MoLMUPC)
MEF	-	Ministry of Economy and Finance
MoI	-	Ministry of Interior
MoLMUPC	-	Ministry of Land Management, Urban Planning, and Construction
MoPWT	-	Ministry of Public Works and Transport
NCSC	-	National Committee for Support to Commune-Sangkat Councils
NGO	-	nongovernment organization
OoCR	-	Office of Civil Registration (MoI)
PLG	-	Partnership for Local Governance (Seila Program TA)
POLA	-	provincial office of local administration
PTC	-	project technical cell
Sida	-	Swedish International Development Cooperation Agency
SOE	-	statement-of-expenditure
TA	-	technical assistance
TORs	-	terms of reference
UNDP	-	United Nations Development Program

## NOTES

- (i) The fiscal year (FY) of the Government corresponds to the calendar year.
- (ii) In this report, "\$" refers to US dollars.

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## LOAN AND PROJECT SUMMARY

<b>Borrower</b>	Kingdom of Cambodia
<b>Classification</b>	Thematic: Good Governance Poverty: Poverty Intervention
<b>Environment Assessment</b>	Category C Environmental implications were reviewed, and no significant adverse environmental impacts were identified.
<b>Project Description</b>	The Project will support the operations of the 1,621 commune and <i>sangkat</i> councils, newly elected in February 2002, by (i) strengthening operating facilities, communication, and transport equipment in selected rural communes and provincial departments; (ii) financing capacity development, including (a) councilor and officer training; (b) a mass media awareness campaign; and (c) policy, legal, and decentralization TA; (iii) providing communes with photomaps as part of the jointly funded national orthophoto mapping initiative; and (iv) supporting the establishment of the new national civil registration system for births, deaths, and marriages.
<b>Rationale</b>	In a highly centralized country, the creation of an elected local government tier offers significant new opportunities to (i) strengthen governance; (ii) embed peace and security; (iii) increase accountability, transparency, and participation; and (iv) increase the efficiency and effectiveness of service delivery.
<b>Objectives and Scope</b>	The purpose of the nationwide Project is to provide to most commune and sangkat councils the facilities, equipment, systems, training, popular understanding, and support required to function effectively.
<b>Cost Estimates</b>	Total Project cost = \$ 17.40 million, of which - foreign exchange = \$ 6.38 million - local currency = \$ 11.02 million
<b>Financing Plan</b>	- ADF loan: \$10.0 million - Sida grant: \$3.0 million - Government of the Netherlands grant: \$2.4 million - Cambodia: \$2.0 million in kind

Final approval for the Government of Netherlands cofinancing is expected by the end of November 2002 and for Sida by mid-December.

<b>Loan Amount and Terms</b>	The equivalent in various currencies of special drawing rights (SDR) (\$10 million) from ADB's Special Fund resources with a term of thirty-two years, including a grace period of eight years and an interest rate of 1.0% during the grace period and 1.5% thereafter.
<b>Period of Utilization</b>	Until August 2006
<b>Estimated Project Completion Date</b>	February 2006
<b>Implementation Arrangements</b>	<p>(i) Component 1: Commune and provincial facilities. Implemented by commune-sangkat councils with support from the Ministry of Interior (Mol) and Department of Local Administration, and the support of the project technical cell (PTC) in DoLA.</p> <p>(ii) Component 2: Capacity building. Implemented by the DoLA Capacity-Building Office, with support from PTC, through specialist providers of local training, and mass media agencies, with international technical assistance (TA) support.</p> <p>(iii) Component 3: Photomapping. Implemented by the Ministry of Land Management, Urban Planning, and Construction (MoLMUPC) as part of the joint donor-financed national aerial orthophoto mapping initiative, and in liason with the PTC.</p> <p>(iv) Component 4: Civil registration. Implemented by Mol's Office of Civil Registration, with support from PTC.</p>
<b>Executing Agency</b>	Ministry of Interior
<b>Consulting Services</b>	<p>(i) 56 person-months of international consultants</p> <p>(ii) 132 person- months of local consultants</p>

## **Project Benefits and Beneficiaries**

The immediate beneficiaries and benefits are as follows:

(i) Component 1: 440 commune-sangkat councils and 24 provincial line departments were provided with essential operating facilities and communication and transport equipment.

(ii) Component 2: 14,000 councilors and government officers were trained; the whole population provided with information about local government roles and responsibilities; and TA provided to National Committee for Support to Commune-Sangkat Councils and line ministries.

(iii) Component 3: 550 communes and sangkat were provided with up-to-date photomaps for land-use planning and land allocation (as part of the multi jointly funded national orthophoto mapping initiative).

(iv) Component 4: all communes, sangkat, districts, and provinces were provided with effective systems, training, and equipment to operate the new national civil registration system.

The ultimate beneficiaries will be the population of Cambodia, who will benefit from improved governance, greater voice, and more accountable and transparent service delivery, enabled by a properly resourced, trained, and motivated tier of elected local government.

## **Risks and Assumptions**

Achievement of the Project outputs is low risk. Achievement of the Project's poverty-reducing goal depends on the assumption that councilors and government staff effectively use the facilities, equipment, training, systems, and maps provided, and that the Government ensures that the positive opportunities created by decentralization are not undermined by other weaknesses in governance and public institutions.

## **Technical Assistance**

TA is to be provided, at the request of the Government, for \$1.26 million, with financing expected from Sida and the Government of the Netherlands.

The TA will include support for (i) sound procurement and utilization of all works and goods; (ii) capacity building analysis, organizational development, and training; (iii) mass media awareness campaigns; (iv) photomapping; and (v) civil registration.

## I. THE PROPOSAL

1. I submit for your approval the following report and recommendation on (i) a proposed loan to the Kingdom of Cambodia for the Commune Council Development Project; and (ii) administration by Asian Development Bank (ADB) of proposed technical assistance (TA) for the Royal Government's Ministry of Interior (MoI) and Ministry of Land Management, Urban Planning, and Construction (MoLMUPC).

## II. RATIONALE: SECTOR PERFORMANCE, PROBLEMS, AND OPPORTUNITIES

2. Since early 2001, decentralization has been the fastest-progressing element in Cambodia's effort to strengthen governance and promote administrative reform. The creation of elected commune and *sangkat* councils in February 2002 produced significant opportunities to embed peace and democracy in the country, increase accountability and transparency, and enhance pro-poor participatory development. Decentralization marks a significant alteration in the structure of governance and is intrinsically multisectoral.

3. The authenticity of the Government's commitment to decentralization is apparent from (i) the pace at which legislation and supporting subdecrees and pronouncements have been enacted in 2001–2002, including the laws on commune elections and the administration of communes in early 2001; (ii) creation in mid-2001 of the Interministerial National Committee for Support to Communes-Sangkat (NCSC), and its subcommittees, which are responsible for implementing decentralization; and (iii) commitment of significant resources from the national budget to the election process and to the fund for commune administrative and development expenditure.

4. The Government views decentralization as a pro-poor initiative that will help reduce poverty more effectively than previous efforts. This view is evident in formal position papers, notably the *Socioeconomic Development Plan 2 (2002)* and the Governance Action Plan 2001, and in repeated verbal commitments by government leaders.

5. Most observers considered the first commune-sangkat council elections, held on 3 February 2002, to have been free and fair. Although registration and the run-up to polling day saw some violence, observers agree that the elections created genuine popular interest and have been a significant step forward in embedding democratic concepts and practices in Cambodia. The election results have been broadly accepted, and no concerted campaign has been waged against the conduct of the election or its outcome.

### A. Performance Indicators and Analysis

6. With Cambodia's 1,621 elected commune-sangkat councils coming into existence only in February 2002, no performance data are available. The key administrative and local council data are in Appendix 1.

### B. Analysis of Key Problems and Opportunities

7. Despite remarkable progress to date in introducing democracy to Cambodia, the Government faces multiple problems in ensuring that decentralization leads to positive change in people's lives. The country has 1,621 new councils, each with one clerk; 11,261 newly elected councilors; and a population still unfamiliar with the concept and role of elected local government. The task of formulating and internalizing transparent democratic practices and

appropriate legal, administrative, fiscal, and supervision mechanisms is, therefore, immense, particularly as human resources and institutional capacity are weak throughout the country.

8. The Project preparation team<sup>1</sup> conducted a thorough needs appraisal, including interviews with newly elected councilors; provincial, district, and central government officials; externally funded projects; and nongovernment organization (NGOs). The first need, identified by all informants, was for council meeting and working facilities, communications, transport and equipment, particularly in poorer rural communes, and in many provincial and district offices responsible for supporting and supervising councils. Several informants also stressed that commune-sangkat premises are “mini-parliaments” that must promote local pride in councils and in the democratic process from which they derive their mandate. The second need, identified by all informants, is for continued capacity building (CB), training, coaching, and support for councilors, clerks, and local and central government officers, to embed an understanding of democratic functioning, roles, and responsibilities, and to familiarize all participants with the details of the legal system and procedures governing council and provincial operations. The third and pressing need is to deepen popular awareness of the scope of local democracy and the roles of citizens, councilors, and officers in elected local government. All citizens must understand that councilors are elected representatives who can amplify the popular voice and channel concerns over the quality of service delivery and other matters of local concern. Fourth, the emerging legislative and procedural framework for council operations requires strengthening. Ten subdecrees, pronouncements, and associated guidelines have been issued within the framework of the Law on Commune Administration, but more are required, and all informants agree that those published need to be more consistent, simple, and clear. Fifth, the first ministerial responsibility devolved to the newly elected councils is civil registration of births, deaths, and marriages. The existing provision is a patchwork of different provincial systems; statistical aggregation is difficult, and millions of births, deaths, and marriages going back many years remain nonformalized. MoI has made good progress with establishing a new, nationally standardized system, founded on the new civil registration subdecree adopted in December 2000, but support is required to develop councils’ ability to operate the new system, and establish an effective national statistical system based upon it. (For the recent history of civil registration, see Appendix 2)

9. The components and activities selected for financing under this Project address all of these identified needs. All the proposed activities are fully consistent with the decentralization support needs presented by Government at the sixth consultative group meeting for Cambodia held in Phnom Penh in June 2002. All activities have been thoroughly discussed with the Government and are also consistent with the approach and future resourcing plans of other donors. The Project complements the Seila Program, which is the largest current donor support initiative for decentralization.

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<sup>1</sup> ADB. 2002. *Technical Assistance to Cambodia for Preparing the Decentralization Support Program*. Manila.

### III. THE PROPOSED PROJECT

#### A. Objective

10. The Project goal is faster poverty reduction through more participatory, transparent, and accountable governance. The Project purpose is to provide most commune and sangkat councils with facilities, equipment, systems, training, popular understanding, and support required to function effectively. The Summary Poverty Reduction and Social Strategy Form is in Appendix 3.

11. The Project will help develop a new tier of democratic local government throughout Cambodia, and is the first such project of the ADB in any country. The commune-sangkat governs local affairs of its territory based on the Constitution, law, royal decree, subdecree, proclamations, and relevant norms and standards. The full list of functions is being developed over time through the promulgated legal framework. Among the functions assigned are planning and implementation of small-scale rural infrastructure (Seila Program), civil registration, and voter registration. The training and CB, and TA support under component 2, the multidonor orthophoto mapping initiative to which component 3 contributes, and support for the civil registration system under component 4 are all national in scope. Beneficiary communes for facility assistance under component 1 will be selected from all rural provinces.

#### B. Components and Outputs

##### 1. Component 1: Commune and Provincial Facilities (\$9.09 million)

12. Component 1 will provide or improve the meeting, communication, transport, and working facilities that commune-sangkat councils require. The component will also provide equipment and some facility support to the provincial offices of local administration (POLAs) and meet the essential needs of provincial treasuries.

13. Subcomponent 1-1 (commune facilities) will provide or rehabilitate facilities and furnish approximately 440 commune-sangkat councils. Two model designs will be developed to suit different local circumstances. The model designs will provide the basic space required and include flexibility in the initial lay-out, enabling future adaptation or expansion by the councils over time. The initial design concept includes four rooms in a large, covered meeting space. The first will be a multipurpose room for council members and small meetings. The second will be sufficient for the council clerk to undertake his or her duties, including safekeeping of council and civil registration records, petty cash, equipment, and the communications radio. The third and fourth rooms will provide meeting space for commune-level line ministry and other service delivery activities, including meetings of school and/or community governing bodies, women's associations, and community organizations. All four rooms will be furnished with locally procured wooden furniture. Large, covered, and protected information boards will display council notices, income and expenditure information, the voter list, and activities of service ministries, including education enrolment dates and procedures, mobile health team and vaccination visits, land allocation issues, and HIV/AIDS and other awareness campaign information.

14. Other elements have been considered for addition to the model designs, including more offices, a water pump and well, latrines, a kitchen, fencing and gates, and a surrounding garden. However, the intention of the Project is to provide the essential basic facilities to as many poor communes as possible. Plenty of evidence exists—from pagoda construction and many official

and NGO projects—that communes are able to mobilize additional resources from local contributions, NGOs, local elites, etc. The intention of this Project is that once councils have a basic, distinctive facility of which they can be proud, the other desirable features of council operations should be provided over time from the council's own initiative and from local resources.

15. The Project, however, will not be able to meet the whole demand for improved council facilities, and an NCSC-approved prioritization and selection methodology will be required. The prioritization procedure must be objective, clear, and transparent. This procedure is summarized in Supplementary Appendix A.

16. The sangkat within the four municipalities are ineligible for three reasons: (i) average incomes and local resources are higher within the municipalities, (ii) meeting and communication facilities are less of a constraint, and (iii) the likelihood of sangkat mergers as a result of the commune boundary review may be greater than in rural areas.

17. The prioritized and selected commune-sangkat councils will choose the model design most appropriate to their location, vulnerability to flooding, and land conditions. Councils will be free to adapt the basic design but within the fixed subsidy package for each model design. The facility allocation to each commune will be incorporated into the commune council's annual budget, either as an amendment if works are scheduled for the current year, or as part of the following year's budget. To facilitate transfer, reporting, and supervision, the works in the selected communes will be organized in provincial batches. Following a pilot phase in one province, implementation will be in three further phases covering all communes in 6, 6, and 7 provinces respectively (total 20 provinces). The three phases are expected to last about 12 months each, but will overlap, for a total implementation period for subcomponent 1-1 of about 24 months.

18. The commune council will procure works in accordance with the Ministry of Economy and Finance (MEF) subdecree on the commune-sangkat financial management system and the associated procurement guidelines (as used for existing transfers from the Government's Commune Fund and the Seila Program). The selected councils will plan, manage, and implement the building or rehabilitation process, using local contractors, including certification of payments to contractors. This local contracting and procurement process is already reasonably familiar in many communes as a result of the Seila Program. Communes will be required to publicize all financial allocations to the commune, and the contract amounts awarded to local contractors.

19. Existing or new plots of land for the commune facilities will be on state land. Any new plot chosen will be centrally located and on a main road. The commune will be required to register the land in the name of the council, in accordance with the provisions of the Land Law 2001. Any new selected site will be unoccupied, either by official or unofficial, unregistered settlement. This requirement will be formally verified by the supervising architect or engineers before the block grant subsidy is transferred.

20. The running costs, repair, and maintenance of the facilities will be the sole responsibility of the commune council after completion. No recurrent cost problems are likely.<sup>2</sup> International

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<sup>2</sup> Annual maintenance costs of an average \$14,000 building/furniture are around \$600. Recurrent costs of radios, motorcycles (excluding fuel), and typewriters are about \$100 to \$150 per commune-sangkat per annum.

experience is that once local government facilities become an established center for the community, councilors are keen to maintain and upgrade facilities over time. Many local governments worldwide choose to upgrade their own facilities ahead of other needed local works. This risk is likely to be moderated in Cambodia since the local administrative budget is tight and centrally controlled as a share of total commune resources. Provided the initial facilities are sufficient to generate pride and respect, councilors will no doubt seek to maintain and improve their premises. The facilities and equipment provided will constitute durable assets assigned to the council, within the meaning of Article 49 of the MEF subdecree on the commune-sangkat financial management system. The council has no right to sell or transfer the durable assets assigned, other than with the approval of Mol and MEF.

21. Subcomponent 1-2 will provide around 1,000 radios and cell phones and around 580 motorcycles for remote commune-sangkat councils. Improved radio and motorcycle communications are essential for liaison between councils and provincial departments for financial, planning, and administrative matters. Few remote rural communes have access to land-line telephone networks. Although the cell-phone network is expanding and urban areas are now well served, coverage in remote rural areas is poor and recurrent costs continue to be very high. The use of radio systems has been well piloted through the Seila Program and the National Election Commission, and radios are the most appropriate and cost-efficient means of communication in remote areas. In communes where cell-phone coverage is newly available, the Project will consider supplying cell phones rather than radios if so requested by the commune. The equipment will be centrally procured by the project technical cell (PTC)—which will be established temporarily in Mol's Department of Local Administration (DoLA) for the Project duration—and delivered to POLAs for collection by the selected communes.

22. Subcomponent 1-3 will conduct minor refurbishment for up to 12 POLAs and provincial treasuries and will support essential equipment needs not met by other donor partners. The equipment to be supplied will include computers, telephones, fax, e-mail, and motorcycles.

23. The PTC is budgeted under component 1 as subcomponent 1-4.<sup>3</sup> PTC staffing is as follows:

- (i) One accountant (a local consultant, 36 person-months) experienced in ADB procedures and responsible for all accounting, safekeeping of expenditure records, and financial reporting to ADB.
- (ii) One architect (international consultant, 12 person-months) and four local consultant architects and/or engineers (24 person-months each) to support all aspects of the implementation of component 1 and the design of the cupboard or safes under component 4. Experienced international TA is essential in view of the size of component 1, and because the financing and reporting systems for subcomponent 1-1 are new to Cambodia and ADB. Activities will include (a) finalizing the commune selection procedure and the commune facilities agreement, (b) surveying selected communes, (c) finalizing standard designs and adaptations to meet local needs, (d) monitoring and supervising ongoing works, and (e) helping with financial transfers and reporting. This is a substantial task: with at least 440 communes involved for 24 months, the three PTC

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Commune-sangkat income in 2003 is likely to include an average \$2,500 administrative cost transfer, plus civil registration fees and other local charges.

<sup>3</sup> The PTC will take over the office equipment provided under the project preparatory technical assistance (PPTA). The only additional PTC equipment budgeted under this Project is three vehicles, to enable support and supervision of component-1 activities.

architect/engineers in the field will supervise and help works in about 20 communes per month.

- (iii) One coordinator and four other staff, seconded to the PTC from DoLA. They will support and coordinate as, appropriate, the implementation of activities under components 1, 2, 3, and 4, including liaising with DoLA's six offices, Office of Civil Registration (OoCR), 24 POLAs, MoLMUPC, and other government ministries.

## **2. Component 2: Capacity Building (\$2.75 million)**

24. All four Project components contribute to developing aspects of decentralization capacity, including the provision of council operating facilities under component 1, commune photomaps under component 3, and equipping and civil registration system capacities under component 4. Component 2 provides a package of interventions to help build institutional, organizational, and individual capacities.

25. The starting point for this component will be a concise but comprehensive CB analysis to (i) define the long-term strategic CB requirements for the Government's decentralization program, including needs at commune-sangkat council, district and/or provincial, and national levels; (ii) provide a baseline assessment against which progress in CB can be measured over time; (iii) assess the gender impact of CB to date, and identify concrete CB measures to enhance the role and representation of women in decentralization; and (iv) assess immediate CB needs, and determine priorities for the use of the training and public awareness resources provided by the Project. This CB analysis will be undertaken by the international TA (subcomponent 2-3) and DoLA CB staff, and in close coordination with the other providers of TA to DoLA.<sup>4</sup> The outcome of the analysis will be submitted to the NCSC CB subcommittee, and will be used to help develop and refine the DoLA/NCSC work plans and to guide the annual training plans (ATPs) and mass media campaign plans for subcomponents 2-1 and 2-2.<sup>5</sup>

26. Subcomponent 2-1 finances NCSC training programs for commune-sangkat councilors, clerks, and local and national officials to ensure they are aware of their roles and functions and able to implement decentralization procedures effectively. The training activities will be implemented over three years. The NCSC CB subcommittee has established good coordination among agencies in implementing the 2002 national program of initial councilor training, and developed professional methodologies and materials.<sup>6</sup> Building on the cooperation arrangements achieved, DoLA will prepare an ATP, for agreement by the NCSC CB subcommittee. The ATP will define training priorities for the coming year, implementation methods, costing, and financing arrangements. With several agencies already committed to supporting CB during the Project (notably Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation) [GTZ], the Seila Program, Partnership for Local Governance (Seila Program TA) [PLG], and United Nations Development Program [UNDP]), the ATP will indicate sources of financing for each element of the plan. Priorities will include training in governance and democratic concepts, council internal procedures, planning and financial procedures, and implementation of the Land Law 2001. Detailed information on support to decentralization from external funding agencies is in Appendix 4.

<sup>4</sup> SIDA. 2001. *Sida's Policy for Capacity Development* provides a useful analytic framework for the capacity building (CB) analysis.

<sup>5</sup> A preliminary assessment of DoLA's capacity to implement this Project is in Appendix 7.

<sup>6</sup> GTZ. 2001. *Capacity Building for Decentralization and Commune-Sangkat administration and management: How to initiate the first steps - An Operational Handbook*.

27. Training modules will include refresher training for the 11,200 commune-sangkat councilors and clerks in their roles, functions, and procedures; and training for the concerned government staff in all 24 provinces and their districts in supporting and supervising the commune-sangkat councils. Provincial treasury staff teams will receive training in computerized accounting techniques, supporting the work initiated by the Seila Program and PLG in 17 provinces. Training will include provincial and national seminars to review procedures, and systems' overall progress and needs, with reference to the financial management aspects of commune facility development under subcomponent 1-1.

28. As the role of commune-sangkat councils in land-use planning, management, allocation, and natural resource management comes to be defined over the loan period, training in these issues, enabled by the availability of commune-sangkat photomaps (see component 3), will become significant.<sup>7</sup> The DoLA Capacity-Building Office will manage the design and production of agreed-upon training modules. As for the council orientation training in 2002, the responsible line ministries will lead the technical content of the training modules and provide master trainers. Targeted training programs will be provided for female and ethnic minority councilors, clerks, and officials. Training implementation will be through a combination of the Seila Program and PLG network, master trainers, and other facilitators already available in many provinces, and subcontracting to NGOs.

29. Subcomponent 2-2 finances an NCSC public awareness campaign, using the mass media, to help embed among the whole population essential concepts of local democracy; and citizen, councilor, and officer rights, roles, and responsibilities. The campaign will cover council service delivery activities, including implementation of local development schemes, financed through the Commune Fund.<sup>8</sup> A public awareness campaign was approved by NCSC in autumn 2001, as part of the first NCSC work plan, but was not implemented due to a shortage of financing and TA. DoLA staff, with TA support, will design an annual mass media campaign plan, for approval by NCSC. The mass media strategy will be based on the preparation of a brief for subcontracting to experienced local media agencies, procured on a competitive basis. Like similar campaigns on mine awareness and health issues, the campaign is likely to use a mix of radio, TV, posters, audiotapes, and public meetings. Production and distribution of a regular NCSC information bulletin will be an early priority.

30. Subcomponent 2-3 provides a total of 30 person-months of international TA to DoLA and NCSC, including one long-term position (18 person-months) and a series of short-term inputs (total 12 person-months). In close cooperation with other TA providers, this TA will accomplish the following:

- (i) Contribute to the CB analysis.
- (ii) Ensure the effective planning and use of the training fund provided under subcomponent 2-1.
- (iii) Help conceptualize, design, and make subcontracting arrangements for the public awareness campaign.
- (iv) Help strengthen NCSC liaison with major service ministries, including identifying service areas with the potential for decentralization, or where commune-sangkat councils could have greater involvement in particular line ministry service

<sup>7</sup> In August 2002, the Ministry of Land Management, Urban Planning, and Construction (MoLMUPC) has prepared guidelines for the commune-sangkat role in land-use planning, dispute resolution, and other Land Law-related matters.

<sup>8</sup> About 60% of communes and sangkat are expected to have Commune Fund development finance during 2003, and all by 2004.

functions. The priority ministries for initial decentralization discussions are agriculture, education, health, land, and public works. The TA and DoLA staff will establish a liaison mechanism with the major service ministries, and—where developing a role for commune-sangkat councils is of interest—will help develop action plans and pilot activities. Early opportunities are likely to include piloting a role for commune-sangkat councils with the Ministry of Education, Youth, and Sports in relation to education incentives for girls and ethnic minorities (under funding from ADB and Japan Fund for Poverty Reduction) and in building primary schools (under scheduled ADB, World Bank, United Nations Children's Fund [UNICEF], and Belgium Aid support). A similar opportunity may be in strengthening the women and children subcommittee of commune-sangkat councils, in partnership with the Ministry of Women's and Veterans Affairs.

- (v) Help DoLA and the Department of General Administration (DGA) develop a decentralization policy, the legal system, and procedures, including gender analysis and strengthening, according to need.

31. The TA consultants will not seek to develop an autonomous project role or sphere of influence. All TA inputs will be incorporated into the framework of DoLA and NCSC annual and medium-term work plans, and the various subplans for training, mass media, and other activity areas. The TA will work in close cooperation with other providers of TA to DoLA and NCSC ministries and will aim to develop the autonomous strength and corporate capacity of DoLA, Mol, and NCSC.

### **3. Component 3: Commune-Sangkat Photomapping (\$1.20 million)**

32. Resolving issues of land-use planning, land disputes, access to common-property land and water resources, and land allocation and management is central to poverty reduction, and development. Component 3 is the Project's contribution to the joint donor-financed initiative to provide up-to-date digital and paper photomaps for the whole country. Photomaps are essential in enabling commune and sangkat councils to play their designated role in land-related issues. Up-to-date maps and the associated digital database will also be important for the NCSC's boundary review process and subsequent commune boundary demarcation, and are a necessary part of the national data infrastructure and of importance to several ministries and activities.

33. During the first mandate of the commune-sangkat councils (2002–07), the NCSC boundaries and urbanization subcommittee, chaired by MoLMUPC, leads in defining the role of commune and sangkat councils in implementing the Land Law 2001. Initial draft papers assign a significant role to councils in land management, land-use planning and allocation, issuing permits, and other aspects of the implementation of the 2001 Land Law. This subcommittee will also be leading NCSC's review of commune and sangkat boundaries.

34. The output of this component is provision of hard copies of digitally enlarged, up-to-date aerial photomaps (at a scale of 1:10,000, or at any other scale required) to about 550 commune and sangkat councils and the concerned provincial and district departments and national authorities, to enable their role in land management and planning, as part of the joint-donor initiative to finance mapping of the whole country. The major activities for this component are aerial photography of one third of the country, followed by scanning, digitizing, and rectification, leading to production of digital orthophotos. The required inputs are financing of the aerial photography, digitizing, and map production, and 5 months of geographic information system

(GIS)—digital mapping TA to support MoLMUPC's National Mapping Initiative, also funded by the World Bank, Japanese International Cooperation Agency (JICA), ADB, and GTZ.

35. The technology is proven, and already in use by MoLMUPC. The most cost-effective and useful method of creating maps for local land management purposes is to obtain recent aerial photographs (at scale 1:40,000), convert them into digital orthophotos by scanning, followed by rectification to establish exact locations. Maps can then be digitally enlarged or reduced to the required size and scale, printed, and made widely available to commune-sangkat councils, provincial/district departments, and other involved organizations.

36. Maps based on aerial photographs provide commune and sangkat councils with the essential visualization tool for land-use planning and management. Pilot work in 20 communes by GTZ and the Government of Finland's contractor FINNMAP (as TA to MoLMUPC in association with the World Bank-supported \$34-million Land Management and Administration Project [LMAP]) has shown that ordinary people can readily understand and interpret aerial photographs. Commune-based working groups can easily identify land, buildings, infrastructure, and forests and then map individual plots, commune and village boundaries, assets, and resources. Access to visualized local information thus becomes a powerful democratic tool.

37. The outline for the joint-donor initiative to finance up-to-date aerial photomapping of the whole country, and orthophoto and map production was discussed by the NCSC boundaries and urbanization subcommittee in May 2002. The proposal received unanimous support as the most appropriate, cost-efficient, and rapid solution for enabling Government and commune-sangkat councils to obtain the maps required for land management. Following the subcommittee meeting, the minister of land management reported the joint-donor initiative to the Council of Ministers.

38. Nationwide coverage will be achieved on an area- and cost-sharing basis as follows: (i) JICA, through the Ministry of Public Works and Transport (MoPWT), 30% (partly completed in January-February 2002); (ii) MoLMUPC and World Bank LMAP [World Bank, MoLMUPC], 15% (approved May 2002); (iii) ADB Tonle Sap Resource Project, 20%; and (iv) ADB Commune Council Development Project, 35%. The flying season in Cambodia is limited to November to February. One fifth of the country was photographed from the air in January and February 2002, financed by the Government of Japan. The remaining parts covered by JICA and LMAP will be photographed in November 2002 to February 2003. The two ADB-financed parts will be photographed in November-February 2003–04 and 2004–05. The orthophoto maps will be available in phases beginning from the end of 2002. MoLMUPC has requested MoPWT and JICA to provide access to the data produced from the areas photographed in early 2002.

#### **4. Component 4: Civil Registration (\$2.08 million)**

39. The output of this component is a well-established and efficient civil registration system for births, deaths, and marriages by the end of 2005, with no unregistered backlog. The recent history of civil registration system is in Appendix 2.

40. The component includes 10 activities:

- (i) Commune-sangkat councilors will be thoroughly trained to operate the new national system, and the monthly and quarterly statistical information system. Training will ensure that women and ethnic minority councilors and officials are

fully involved, and that training materials and methodologies are adapted to meet women's and ethnic minorities' needs.

- (ii) Copies of the instruction manual for the system, statistical system, and associated documents will be made available at all levels.
- (iii) An intensive public awareness and mobilization campaign will be launched, using mass media methods and local mobilizers, mainly NGOs, to encourage households in low-turn-out areas to complete historic and current registrations. Because women will be key beneficiaries of marriage and birth registration, the media campaign and selection of NGOs will prioritize reaching women and ensuring that they understand the importance of registration. Mobilization will also ensure that ministries and NGOs working with the homeless, street children, orphans, and other hard-to-reach groups are aware of the importance of registration and take steps to ensure that these groups are not excluded.
- (iv) All communes/sangkat, district and provincial offices (other than those with new facilities financed through component 1, which includes brick cupboards/safes) will be provided with simple but secure steel storage cupboards to preserve registration records, with a separate safe compartment for petty cash.
- (v) All commune-sangkats and district offices will be supplied with manual Khmer typewriters.
- (vi) All provincial offices of general affairs (under the governor's cabinet) will be provided with a computer set (computer, printer, UPS<sup>9</sup>, modem) for record keeping and communications.
- (vii) OoCR will be provided with basic operating equipment, including computers, copiers, three motorcycles, phone or fax, and furniture.
- (viii) OoCR will be provided with one four-wheel-drive vehicle to facilitate field visits.
- (ix) Nine months of international TA (3 months per annum), specializing in modern civil registration systems, will be provided. This TA will support all aspects of developing an efficient modern civil registration system, including developing the capacity of the OoCR staff, systems, and procedures, including unique serial numbering of registration forms, evaluating the performance of councils in implementing the system, extent of coverage achieved, and the rate of reduction of registration backlog, identification of low-registration areas, and quality of the statistical data provided from the commune to the center. (Outline terms of reference [TORs] for this TA are in Appendix 5).
- (x) Eight staff selected from OoCR and provinces/communes will visit an appropriate developed ADB member country to study the design and implementation of a modern civil registration system.

### **C. Special Features**

41. No new institutions or special implementation agencies are required and no items remain to be costed.

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<sup>9</sup> Uninterrupted Power Supply.

## D. Cost Estimates

**Table 1: Cost Estimates**  
(\$ million)

Component	Foreign Exchange	Local Currency	Total Cost
<b>A. Base Cost</b>			
1. Component 1: Facilities	3.10	5.96	9.06
2. Component 2: Capacity Building	0.60	2.15	2.75
3. Component 3: Photomapping	1.20	0.00	1.20
4. Component 4: Civil Registration	0.61	1.48	2.09
5. Project Review	0.04	0.00	0.04
<b>Subtotal (A)</b>	<b>5.55</b>	<b>9.59</b>	<b>15.14</b>
<b>B. Contingencies</b>			
1. Physical Contingency (est. at 10% of Base Cost)	0.56	0.96	1.51
2. Price Contingencies (est. at 5% of Base Cost)	0.28	0.48	0.76
<b>Subtotal (B)</b>	<b>0.84</b>	<b>1.44</b>	<b>2.27</b>
<b>Total</b>	<b>6.39</b>	<b>11.02</b>	<b>17.41</b>

Note: Figures may not add up due to rounding. (Full information on the cost estimates is in Appendix 6.)

## E. Financing Plan

**Table 2: Financing Plan**  
(\$ million)

Component	Foreign Exchange	Local Currency	Total Cost
Asian Development Bank	4.70	5.30	10.0
Sida	0.98	2.02	3.0
Government of the Netherlands	0.70	1.70	2.4
Kingdom of Cambodia	0.00	2.00	2.0
<b>Total</b>	<b>6.38</b>	<b>11.02</b>	<b>17.4</b>

Notes: Full information on Project financing is in Appendix 6. Each budget line is financed from one source only: Asian Development Bank (ADB); Swedish International Development Cooperation Agency (Sida), the Government of Netherlands, or Government of Cambodia. The total contingency is estimated at 15% of base cost. The contingency for the Sida-financed items is included in the ADB budget. Formal approval for the Sida grant and the Government of Netherlands grant is expected to be forthcoming. If this funding does not materialize, the Government has agreed to seek alternative cofinancing or to make other arrangements, acceptable to ADB, to fund the amount intended to be provided by Sida and the Government of Netherlands.

42. Proposed ADB financing is for a loan of \$10.0 million equivalent (57% of the total Project cost) from Asian Development Fund resources, including \$5.3 million equivalent of the local currency cost. ADB financing of local currency cost is justified on the basis of the low level of national income (around \$290 per capita) and savings (14.2% of national income in 2000).

43. The balance of \$7.4 million is expected to be financed by the Government, Swedish International Development Cooperation Agency (Sida) and the Government of Netherlands. Sida parallel cofinancing of \$3 million will cover the training fund; the public awareness mass media campaign in component 2; and the TA for components 1, 2, and 3. The Government of Netherlands parallel cofinancing of \$2.4 million will support the whole of component 4. The Government will provide a total of \$2 million in kind: the imputed land value of the commune

council premises and the councilor and staff time required for training activities. This Project was formulated under PPTA TAR-35274: TA to the Kingdom of Cambodia for Preparing the Decentralization Support Program.

## **F. Implementation Arrangements**

### **1. Project Management**

44. The Project will be executed by Mol. Mol has around 7,000 staff, organized into (i) Department General of Police, and (ii) DGA. It is responsible for all civil administration, including the appointment and management of provincial governors.

45. DoLA was established in Mol in July 2001. By mid-2002, DoLA had 39 staff. It is responsible for implementing the Government's decentralization program, and for acting as secretariat to the interministerial NCSC, chaired by Mol. A summary and assessment of DoLA's current organization, staffing, and capacities is in Appendix 7.

46. The project director will be the director general, DGA, Mol. The project manager will be the director of DoLA. Because this is the first ADB loan to be executed by Mol, provision has been made within the PTC, attached to DoLA, for a local consultant accountant familiar with ADB procedures and requirements to be engaged during the entire Project to help meet accounting and reporting requirements.

47. Component 1 will be implemented by commune-sangkat councils with support from DoLA and the PTC. Component 2 will be implemented by the DoLA Capacity-Building Office, with support from PTC, and will utilize specialist local training providers and mass media agencies, with international TA support. Component 3 will be implemented by the General Department of Cadastre and Geography, MoLMUPC, as part of a joint donor-financed initiative, in liason with PTC. Component 4 will be implemented by OoCR in the ministry's Department of General Administration and with the support of PTC.

48. The PTC will report to ADB and liaise with MEF, and ensure that all Project activities are in accordance with ADB requirements. The PTC has different roles in implementing the four Project components. Because DoLA has little in-house capacity for procurement or construction planning and supervision, and because these tasks will not be major ones for DoLA in the future, the PTC will play a central role in supporting implementation of component 1. For component 2, the PTC will support implementation by DoLA's CB and other offices, and will help build their capacity. For component 3, the PTC will help DoLA liaison with MoLMUPC. For component 4, the PTC will help OoCR design the steel cupboards/safes and procure equipment.

### **2. Implementation Period**

49. The Project implementation period is three years. The Project is expected to be complete by February 2006. Component 1 is expected to be completed by February 2005. Financing for component 2 is for three years. For component 3, the activities are timed as follows: (i) aerial photography, 2003–04; (ii) scanning and orthophoto production, 2003-05; and (iii) production of around 8,000 orthophoto maps, 2004-05. Financing for component 4 is for three years (Appendix 8).

### 3. Procurement

50. Under subcomponent 1-1, commune council facilities, including buildings and furniture, will be procured in accordance with the MEF subdecree on the commune-sangkat financial management system and ADB's *Guidelines for Procurement and Regulation on Financial Management*. The facilities subsidy will be transferred as a block grant (average \$14,000 per commune) to each selected commune, and works will be procured following tendering by the commune council procurement committee among local contractors. The selected beneficiary councils and successful local contractors will sign model Project contracts and payment schedules provided by the PTC. (Supplementary Appendix A provides an overview of the implementation of subcomponent 1-1.)

51. Procurement of all equipment will be managed by DoLA and the PTC in accordance with the ADB's *Guidelines for Procurement and Regulation on Financial Management* (including bulk procurement of equipment).

### 4. Consulting Services

52. A total of 188 person-months of TA will be required: 56 person-months of international (30%) and 132 person-months of local TA (70%). Consultants recruited under component 2 will be recruited using the quality- and cost-based selection method. Consultants recruited under other components will be recruited through an individual, competitive selection (section IV, TA; outline TORs are in Appendix 5). All international and domestic consultants funded by grants expected from Sida and the Government of the Netherlands will be procured in accordance with ADB procedures for grant-funded projects. Advance action to recruit consultants was approved at the MRM in August 2002. The full list of contract packages is in Appendix 9.

### 5. Disbursement Arrangements

53. The funds from ADB will be deposited into an imprest account held at the National Bank of Cambodia. It will delegate management of this account to the project director and project manager, with support from the local consultant accountant attached to the PTC within DoLA. All Project finance will be disbursed through this account, with the exception of international and local TA, which will be directly procured by ADB and disbursed through standard ADB arrangements. The initial ceiling of imprest advance will be based on 6 months' estimated expenditure, not to exceed \$1,000,000. The statement-of-expenditure (SOE) procedure will be followed for all individual payments not exceeding the equivalent of \$50,000.

54. Supplementary Appendix A provides an overview of the implementation arrangements for subcomponents 1-1 and 1-2, including financial disbursement and reporting arrangements.<sup>10</sup> For subcomponent 1-1, the ADB imprest advance will include the 6-month budget for all communes in the participating provinces. When MEF and DoLA have received the commune budgets and budget amendments for each provincial batch of communes, MoI will request MEF to authorize the National Treasury to transfer the whole subsidy for that province to the provincial treasury as block grants for each commune.

55. Disbursement by the Provincial Treasury to contractors selected to provide commune facilities will accord with the MEF subdecree on the commune-sangkat financial management

<sup>10</sup> The proposed arrangements were selected following a thorough review of possible alternatives, including disbursement arrangements under the Social Fund.

system and associated guidelines, under which the provincial treasuries act as commune cashiers and/or accountants. The commune council will inspect all works before issuing payment certificates. The PTC architect and/or engineers will spot-check the quality and volume of works and participate in preparing the completion certificate for works in each commune (Supplementary Appendix A).

56. Provincial treasuries will make payments directly to contractors, upon presentation of payment certificates signed by the commune chiefs. Provincial treasuries will make periodic SOEs to the National Treasury, which will send these on to MEF, DoLA, and PTC for ADB reporting and liquidation of the imprest account.

57. For component 1, subcomponents 2 and 3; and components 2, 3, and 4, disbursement will be made from the imprest account to contractors and implementors, in accordance with ADB procedures and the *Project Accounting Manual*.

## **6. Accounting, Auditing, and Reporting**

58. The project accountant in the PTC will be responsible for maintaining all Project accounts and documentation of local expenditure, and preparing and submitting quarterly and annual financial reports to ADB and MEF. All of these reports will require the approval of the project manager (director of DoLA) and the project director (Director General, MOI). Accounting for the Project will be separate from other activities of Mol. The accounting system will be in accordance with the *Project Accounting Manual* issued by MEF on 23 June 1998 under ADB regional technical assistance (RETA) 5689 (integrating Government and ADB requirements).

59. Supplementary Appendix A provides an overview of the procedures for subcomponent 1-1. Provincial treasuries will submit statements of income and expenditure to the National Treasury, in accordance with the MEF subdecree on the commune-sangkat financial management system and ADB's *Guidelines for Procurement and Regulation on Financial Management*. These SOEs will include payments made to contractors for all selected communes in the province. The National Treasury will provide the SOEs for each province (covering all selected communes in the province) to DoLA and the PTC accountant. The PTC accountant and staff will facilitate this process, including liaison and joint work with national and provincial treasuries and POLAs as required. Over the life of the Project, the Government will demonstrate commitment to improving treasury operations, including by providing operating budgets for the provincial treasuries (Assurance 1). Under subcomponent 2-2, the Project will help build capacity of national and provincial treasuries, including through annual reviews by the treasury, POLA, and DoLA staff of progress and procedures under subcomponent 1-1, as a case study of the wider issue of commune financial management arrangements.

60. For subcomponents 1-2, 1-3, 1-4, and for components 2, 3, and 4, full receipts, vouchers, and reports will be submitted to the project accountant and maintained in accordance with ADB procedures.

61. External auditors acceptable to ADB will be commissioned by MEF. Audits will be carried out by international audit companies established in Cambodia. They will audit all accounts and financial statements annually. All audit costs will be borne by the Government. Certified copies of the annual audits will be submitted to ADB within 9 months after the close of each fiscal year. (The Government has been advised that ADB may suspend loan disbursements if the audit reports are not submitted within the deadline.) The external auditors will be required to audit the SOEs for subcomponent 1-1 and provide a separate audit opinion on these.

## **7. Project Performance Monitoring and Evaluation**

62. DoLA and the PTC will draft quarterly and annual progress reports on Project implementation for submission to the project manager and project director, and thence to the Government, ADB, Sida, and the Government of Netherlands. The Project coordinator (seconded to the PTC from DoLA) will take the lead in preparing these reports with assistance from PTC staff and TA. DoLA will operate a monitoring and evaluation system that reports implementation progress using the indicators specified in the Project framework (Appendix 10). This system will provide the basis for the Quarterly Progress Reports.

63. The quarterly and annual progress reports will be submitted to ADB and MEF within 30 days of the end of each quarter. MoLMUPC, responsible for implementing component 3, and the director of OoCR, responsible for implementing component 4, will provide material for the quarterly and annual reports to the PTC. They will be in a format acceptable to ADB and MEF and will include (i) full factual information on progress against target, technical and financial; (ii) brief written commentary on progress against target, including a description of any problems encountered during the quarter; (iii) remedial measures taken or proposed; and (iv) activities proposed for the following quarter. These reports should also monitor the significant risk at the purpose level and other risks such as adequacy of budget resources to cover operations and maintenance costs, report on their occurrence or not and, if necessary, propose mitigation measures.

64. DoLA and the PTC will draft a project completion report for submission to the project manager and project director. This completion report will be submitted to ADB not later than 3 months following the physical completion of the Project.

## **8. Project Review**

65. Six months after the Project start-up, ADB will assess Mol's accounting and record-keeping system, the treasury transfer and SOE system, and imprest account arrangements.

66. Twelve months after Project start-up, a project review mission will be initiated. This mission is expected to be in February 2004, and will (i) identify changes since the time of loan appraisal, (ii) assess implementation performance, (iii) review compliance with loan covenants, (iv) identify problems and constraints, and (v) make recommendations accordingly. The mission will make recommendations on the use and allocation of the contingencies budget line. The review team will include the Government, ADB, Sida, and the Government of Netherlands representatives. Two months of international and 2 months of local TA have been budgeted to support the project review. In the last 3 months of the Project, all Project partners will undertake an end-of-project review mission.

## **IV. TECHNICAL ASSISTANCE**

67. TA will be financed through grant cofinancing expected from Sida and the Government of Netherlands, to ensure sound procurement and utilization of all works and goods, and to provide technical support to CB analysis, organizational development and training, mass awareness campaign, photomapping, and civil registration. The total cost of the TA is estimated at \$1.26 million, comprising a foreign exchange cost of \$1.16 million and a local currency cost of \$100,000 equivalent. The TA will be implemented over 36 months. The Executing Agency will be DoLA. A firm will be recruited to undertake component 2. Individual consultants will be recruited for other components and for all local TA. Since consultants will be financed through

grant cofinancing, consultant selection will be by ADB in accordance with ADB's *Guidelines on the Use of Consultants by ADB and its Borrowers*. A total of 56 person-months of international TA will be required as follows:

Component 1: facilities architect	12 person-months
Component 2: decentralization policy, training, and media specialists	30 person-months
Component 3: GIS and digital mapping specialist	5 person-months
Component 4: civil registration specialist	9 person-months

68. A total of 132 person-months of local TA will be required for the PTC as follows:

Accountant	36 person-months
4 architects and/or engineers (24 person-months each)	96 person-months

69. For the project review, 2 months of international and 2 months of local TA have been budgeted. Outline TORs for all international and local TA positions are in Appendix 5.

**V. PROJECT BENEFITS, IMPACTS, AND RISKS**

70. The decision to hold commune-sangkat council elections in February 2002 was announced just a year in advance, and despite remarkable progress by the Government in putting the basic legal framework and administrative structure in place, much work remains to be done to establish the procedural and physical foundation for democratic local government.

71. The benefit of providing and upgrading commune council and provincial working facilities (component 1) is that elected commune-sangkat councils, and the provincial departments that support them, will be able to function. At least 440 poor rural communes that have no or very poor facilities will have a modest but distinctive roofed area suitable for large meetings, and four offices, sufficient for small meetings and for the council clerk to ensure safekeeping of council documents, civil registration and procurement records, cash, and council equipment. With local adaptation of standard designs, these "local parliaments" will help to engender civic pride and support for the councils, and for the democratic process on which they are founded. The radios and motorcycles provided will enable councils to communicate with district and provincial departments of planning, finance, and local administration, which is essential in implementing the recently issued legal procedures determining council operations. A commune council motorcycle will also facilitate communication between councilors and the villages and constituents they represent. Commune councils will be responsible for budgeting, planning, managing, and supervising the procurement of their new facilities. This provision will reinforce the councils' capacity and role as implementors, as the Seila Program did for local development works. Local procurement of buildings and furniture will bring immediate benefit to residents by creating new labor opportunities in the selected communes. A commune meeting place will be of benefit to other service-delivery activities in education, primary health, and land, and will be available for community organization use.

72. In component 2, the benefit of the training fund is that it will enable NCSC annual training work plans to be implemented, including initial and refresher training for councilors, clerks, and officials in all decentralization systems and procedures, including council powers and functions, clerk duties, provincial line department roles, planning, local development, procurement, and financial management. The development of the NCSC ATPs will include

careful attention to the particular training needs of women and ethnic minority councilors and provincial/district staff, to ensure that they benefit equally from the courses and modules offered.

73. The three year mass media campaign will benefit the whole population by introducing and reinforcing essential democratic concepts, including the rights and responsibilities of citizens, councilors, and officers. The 2002 local elections were not preceded by awareness raising on the role of councilors in representing their constituents; the respective roles and responsibilities of councilors and the clerk, the relationship between the chief and other council members, the appropriate role of political parties, or the relationship between the council and provincial line departments. Critical concepts such as legitimate opposition and voluntarism in local council operations are not yet clearly defined and embedded in people's minds. The mass media campaign will help deepen the understanding of democracy and local government by addressing all these issues over three years. The population will benefit from the information provided about the role of local councils in relation to service delivery, local development, and the role of councils in giving voice to local views about the services provided by line departments. The campaign will help embed understanding about council roles in land, education, and future devolved areas of service. The campaign will also be an important complement to the training program by reaching councilors and officials as well as ordinary citizens.

74. The TA provided under component 2 will benefit DoLA, NCSC, and, thus, the decentralization process as a whole by further developing the legal and procedural framework for decentralization, ensuring the efficient implementation of the training and mass media funds provided; and strengthening liaison with major service ministries to pilot new service functions and service roles to be devolved to commune-sangkat councils.

75. The numerous land-related problems must be solved to reduce poverty and promote sustainable development. The first benefit of component 3, as part of the joint-donor-assisted orthophoto mapping initiative for the whole country, is that commune-sangkat councils will obtain the essential visual maps they require for the councils' roles in land-use planning, land administration and information, allocation of building permits, natural resource management, and demarcation of village and commune boundaries. Information entered onto the maps can be rapidly transferred to the digital database to enable legal registration of land boundaries, together with associated information. The second benefit is that the digital orthophotos will form part of a harmonized national data infrastructure for land, which is important for several ministries and service sectors. MoLMUPC intends to make a land information system linking the graphical information of the digital orthophotos with statistical and possibly ownership information available as maps or in digital format from MoLMUPC's General Department of Cadastre and Geography. The third benefit is that the component will facilitate the latter stages of the commune boundary review. Once the NCSC boundaries and urbanization subcommittee has enabled a process to determine the kind of communes and sangkats Cambodia wants for the future, and the boundary realignments have been prepared, the orthophoto maps will provide a ready means of finalizing and registering the new commune boundaries.

76. The establishment of an efficient, comprehensive civil registration system will benefit households by providing them with the documentation to prove citizenship; place of origin; parentage; age; marital status; inheritance; and entitlement to land, property, and voter registration. Women particularly benefit from the legal foundation for marriage, divorce, property rights, inheritance, and parentage. The system will benefit (i) children by establishing age, parentage, and place of origin, and by enabling enforcement of child-labor laws; (ii) organizations by improving information about employees, individual suppliers, and customers;

and (iii) the nation by regularizing information on citizenship and improving demographic information flow. The provision of typewriters and secure fire-proof steel cupboards/safes to all communes and districts, and computers to provincial offices of general affairs through component 4 will benefit all council and provincial support activities.

## **A. Impacts**

77. Local government's role in local development, managing local affairs, and mediating local disputes will become more significant. The voice of the people, through their elected representatives, on matters such as the quality of services provided by line departments will be more apparent, and service delivery by local councils will be better attuned to local needs and preferences. An efficient modern civil registration system will establish a key element of the national institutional infrastructure on which individual contracts, exchanges, entitlements, and their enforcement depend.

## **B. Risks**

78. The output level risks are moderate. The provision of council facilities and equipment procurement is low risk. The Seila Program has shown that communes are able to procure and complete simple buildings to acceptable standards. Training for councilors and officials is ongoing and several agencies in Cambodia are experienced in preparing mass media information and procuring airtime. The technology and methodology for component 3 are proven and have been successfully piloted, including commune-level meetings where people use orthophoto maps to identify local land uses and ownership. However, three other types of risk at the output level should be noted. First, CB TA may fail to improve performance of government officials and organizational units.<sup>11</sup> The Project will thus systematically define official functions, assess initial capacity to carry out these functions, provide CB assistance, assess improved functional capacities, undertake annual reviews, and improve the process based on lessons learned. A second and related risk is that the PTC and other mechanisms may become parallel systems that bypass government structures and put priority on reporting to ADB rather than to the Government. Thus, for the first time an ADB project provides that loan funds be disbursed through and accounted back through the provincial treasury system, and helps ensure that capacities are strengthened while the Project is implemented. A third risk is that this Project will be ADB's first focusing on capacity development of rural local government, and that ADB staff will not have the experience to supervise the Project effectively. The Project has addressed this risk by drawing on the experience of similar projects funded by other donors in other countries, and by providing an important role for specialist consultants experienced in working on such projects.

79. The most significant risk is at the purpose level (linking achievement of project purpose to that of the project goal), and therefore, by definition, outside the control of the Project. This risk is the familiar internationally established fact that no automatic relationship exists between decentralization and improved participation, equity, growth, and, thus, poverty reduction. Even if the Project is entirely successful, and communes and provinces have the facilities, systems, training, and awareness required for local democratic systems to function, several contingent factors remain, determining whether or not the result will be increased participation, transparency, efficiency of resource allocation, quality of service delivery, and, thus, poverty

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<sup>11</sup> Godfrey, Chan Sopha, Toshiyasu Kato, Long Vou Piseth, Pon Dorina, Tep Saravy, Tia Savora and So Sovannarith. 2002. *Technical Assistance and Capacity Development in an Aid-dependent Economy: The Experience of Cambodia*, World Development.

reduction. Elements such as a malfunctioning democratic process, enduring patronage relationships, a weak legal system and judiciary, and rent-seeking or interference by provincial officials reduce the potential poverty-reducing benefits offered by local democracy. This risk is significant in a country that has been through acute recent trauma, where the history of multiparty democracy is relatively short, and where poverty and a long history of weak institutions have led to rent-seeking behavior as the norm. However, reasons for optimism do exist:

- (i) The Government, from the highest level, has authentic commitment to decentralization and to ensuring that the Government achieves greater accountability and more effective poverty reduction.
- (ii) Mol has proven commitment to advancing decentralization and has achieved commendable progress in many areas, including preparing and negotiating many items of decentralization and civil registration legislation despite acutely constrained resources and little external assistance.
- (iii) The 2002 local elections engendered a high degree of participation and interest, and the results were generally accepted.
- (iv) Decentralization now has firm support from across the donor community.

### **C. Cost Effectiveness**

80. The creation of commune facilities at an estimated average cost of \$14,000 each is more cost-effective than that under other schemes and projects.<sup>12</sup> Training activities financed by the training fund (subcomponent 2-1) and under component 4 will build on the success of the 2002 councilor training program, which reached about 14,000 people in a highly cost-effective manner. The mass media campaign (subcomponent 2-2 and component 4) will be procured through competitive bidding among local agencies with proven media expertise. The methodology of using orthophotos as the basis of land allocation and planning has proven to be highly cost-effective compared to traditional ground-based global positioning system (GPS).

### **D. Overall Assessment**

81. The Project significantly supports governance reform in Cambodia. Democratic local government offers a valuable complement to other national governance and public administration reforms designed to increase accountability and transparency and reduce abuses. The Project is a significant addition to the support offered by other donors to the decentralization program and reinforces the commitment by all sides to ensure that decentralization achieves a real and sustainable impact on governance, on strengthening national institutions, and, over time, on the lives of the poor.

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<sup>12</sup> The cost-effectiveness assessment is based on the following design features: a least-cost approach provides for a reinforced concrete slab of about 150 square meters (m<sup>2</sup>) (rather than backfill with a thin cement screed, to promote quality and life) and a traditional-style slate pitched roof (appropriate for the "local parliament," rather than the simple roof used for schools) plus four offices, each around 20 sq.m., at around \$12,000 total (or around \$80 per sq.m.) plus around \$2,000 for site development, furniture, fittings, covered notice board, and brick safe. In flood-prone areas, stilt construction will be required, with some modification of dimensions and costs. At 2002 prices, this compares favorably with primary schools, constructed to normal school standards, during 1999-2001 (with European Union support) at an average \$83 per sq.m. for cost of works (contractor costs only, excluding design, management, and other overheads.)

## VI. ASSURANCES

### A. Specific Assurances

82. MEF will ensure the timely disbursement of appropriate funds to the provincial treasuries during the Project period.

83. From their own resources, Mol, MoLMUPC, provinces, districts, and commune-sangkat councils meet recurrent costs of all equipment and vehicles supplied under the Project.

84. The Mol will ensure that (i) all activities are consistent with ADB policies on indigenous peoples; (ii) facilities provision, training, mass media, and civil registration activities will be adapted to meet the particular needs of areas with large ethnic minority populations; and (iii) people with or without land titles will not be displaced as a result of building or rehabilitating commune facilities.

### B. Conditions for Loan Effectiveness

85. Establishment, staffing, and start-up of the PTC will be completed.

## VII. RECOMMENDATION

86. I am satisfied that the proposed loan would comply with the Articles of Agreement of ADB and recommend that the Board approve

- (i) the loan in various currencies equivalent to Special Drawing Rights 7,577,000 to the Kingdom of Cambodia for the Commune Council Development Project, from ADB's Special Funds resources with an interest charge at the rate of 1.0% per annum during the grace period and 1.5% per annum thereafter; a term of thirty-two years, including a grace period of eight years; and such other terms and conditions as are substantially in accordance with those set forth in the draft Loan Agreement presented to the Board;
- (ii) the administration by ADB of technical assistance not exceeding the equivalent of \$3,000,000 to the Government of Cambodia for the Commune Council Development Project expected to be provided by the Swedish International Development Cooperation Agency (Sida) on a grant basis; and
- (iii) the administration by ADB of technical assistance not exceeding the equivalent of \$2,400,000 to the Government of Cambodia for the Commune Council Development Project expected to be provided by the Government of the Netherlands on a grant basis.

Tadao Chino  
President

11 November 2002

## DECENTRALIZATION IN CAMBODIA

1. During 2001–02, decentralization was the fastest-moving area of governance and administrative reform in Cambodia. Decentralization and the election of 1,621 commune-sangkat councils in February 2002 has created a new tier of governance, founded on popular mandate. Formerly appointed, the commune chief is now the leader of an elected multiparty council with 5–11 members.
2. As commune-sangkat councils only came into existence in early 2002, no performance data are available. The key administrative and council data are as follows: Cambodia is organized into 20 provinces; four municipalities; and 1,621 communes-sangkat, of which 1,510 are rural communes. The municipalities of Phnom Penh, Kep, Pailin, and Sihanoukville have 111 sangkat. The number of communes per province differs substantially, from 173 in Kompong Cham to 21 in Mondolkiri. The average commune-sangkat has 8,000 people: 35% of communes-sangkat had under 5,000 people in 1998, while 20% had over 10,000. The small average size of communes will be an issue during the review of commune boundaries, to be completed before the second mandate elections in 2007.
3. Of the 11,261 elected commune-sangkat councilors, 8.5% are female and an estimated 10.2% are ethnic minorities. Facilities, and human and financial resources are highly constrained. With many rural roads still in very poor condition, travel to many remote communes remains difficult. Electricity and telephone services are similarly limited in remote areas. Each council has one staff, the council clerk, who is a Ministry of Interior (Mol) employee.
4. The subdecree on decentralization of powers, roles, and duties to commune-sangkat councils (22/ANK/BK, 25 March 2002) further develops the role of councils first outlined in the Law on Administration of Communes/Sangkat, issued in March 2001. The subdecree defines two different roles for the council: (i) “promote and facilitate the development of the commune-sangkat by invoking assistance, and mobilizing capacities” (Article 11); and (ii) “promote and coordinate the process of democracy in the commune-sangkat” (Article 12). Views differ about how the balance between these two roles will and should develop. Some argue that direct council control over service delivery is the principal decentralization objective. Others argue that with very small communes with limited resources, and in a country with little history of local participation and empowerment, developing the representative “voice of the people,” which the creation of elected councils has enabled, will be more significant in promoting development and good governance.
5. The Commune Administration Act gives councils “local affairs” duties to maintain security and public order; manage public services; promote welfare, economic, and social development; protect and conserve the environment; and promote tolerance and mutual understanding (Article 43; and Article 61, powers subdecree). However, these articles must be understood as conferring discretionary, supplementary roles on councils since they are not responsible for the police, education, health, or other services and are explicitly excluded from involvement in forestry.
6. The most advanced area of council involvement in service delivery to date is in planning, allocating, and implementing the development portion of transfers from the Commune Fund under the Seila Program. About 1,000 communes are expected to receive a Commune Fund development allocation in 2003, for local infrastructure and other rural development investments.

7. Major service ministries are beginning to assess what role councils might play in service delivery, and component 2-3 will promote this assessment. With councils in their infancy, however, and with only one clerk, conferring major service delivery responsibilities is clearly a long-term project. The most significant emerging role for councils in key service provision will be in implementing the Land Law 2001, including land-use planning, local resolution of plot disputes, and monitoring illegal usages (see component 3 for the project support for this role.)

8. The act also gives councils the power to take on agency roles, delegated by the state (Article 42). The first agreed-upon agency role is for civil registration (component 4; Appendix 2). The draft legislation to revise the election system, now before the National Assembly, proposes to delegate responsibility for updating voter lists from the National Election Commission to the commune-sangkat councils beginning in 2003.

9. Ways to increase councils' revenue are under discussion, but for the medium term, transfers will remain the most significant source of income. For 2002, the Government has allocated KR20 billion from the national budget to the Commune Fund. The Seila Program has contributed an additional KR5.6 billion. One third of the Commune Fund is for administration, giving the average council about \$1,000 in 2002. The remaining two thirds is for local development activities in communes that have already completed commune development plans. From 2003 to 2005, the share of the national budget committed to the Commune Fund is planned to increase to 2.5%, in part enabled by the World Bank Rural Infrastructure and Local Governance Project, which intends to reimburse some rural development expenditures financed by Commune Fund transfers. At present, the provincial treasuries under Ministry of Economy and Finance acts as the fund holder and accountant for commune-sangkat councils. Communes are only entitled to manage transfers through their own bank account with the approval of the minister of finance.

10. The Government's decentralization program is led by the National Committee for Support to Communes-Sangkat (NCSC), established by royal decree in 2001. NCSC is chaired by Mol, and includes the ministries of economy and finance; land management, urban planning, and construction; planning; rural development; women's and veterans affairs; and the Council of Ministers. NCSC has five subcommittees: council powers and functions, finance, planning, boundaries and urbanization, and capacity building<sup>13</sup>. The NCSC secretariat is the Department of Local Administration in Mol. Department of Local Administration functions and capacities are described in Appendix 7.

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<sup>13</sup> For more details on the NCSC and its responsibilities for inter-ministerial coordination, see DoLA, "Support to Decentralization – Assisting the NCSC to Implement its Action Plan", October, 2001.

## CIVIL REGISTRATION: THE RECENT HISTORY

1. During the 1970s, one consequence of the war and the Khmer Rouge period was the destruction of birth, death, and marriage records, and the country's civil registration system. In 1980, some districts in Phnom Penh began to collect civil records, and provinces have progressively introduced their own systems in recent years. As a result, civil registration is a patchwork of different methods; statistical aggregation is difficult; and millions of births, deaths, and marriages going back many years remain nonformalized. The consequences for individuals and organizations include difficulties in proving identity, legal birth, age, inheritance, ownership rights and entitlements, proof of residence, and citizenship<sup>14</sup>.
2. On 29 December 2000, the Government adopted a new subdecree on vital registration. The subdecree's 67 articles define a single national system, based on centrally produced forms, record-keeping, and statistical systems.
3. The subdecree defines the role of civil registration as the common bond tying nationality with the state, and the status of a person with his or her own family and national society, and establishes duties and obligations for that person. The subdecree defines the commune-sangkat chiefs' responsibility for local registration activity. They keep two copies of annual registration books, which are sent to the district and provincial court for safekeeping at the end of each year. All births must be registered within 30 days; orphanages must register abandoned babies. After 30 days, births must be adjudicated by the local court, prior to registration in the commune-sangkat. Marriage notices are posted at the local commune-sangkat offices of both partners for 10 days, prior to registering and witnessing. Death certificates must be issued within 15 days, at the deceased's normal place of residence. Any suggestion of crime must be reported to the police. The birth, marriage, and death provisions all make provision for Khmer citizens living outside Cambodia, and for foreign nationals living within the country.
4. The subdecree sets out a procedure for validating previously unregistered births, marriages, and deaths, based on corroboration by two witnesses. Applicants are entitled to receive letters validating birth, death, and marriage. The registration of the backlog is to be completed within 3 years. Then a court decision is required before registration can be completed. Copies of certificates can be obtained from the commune-sangkat within a calendar year, or from the district after the end of the year. The subdecree includes various provisions to promote honesty, and avoid abuse and multiple registrations.
5. On 24 June 2002, the civil registration fee rates were established by subdecree. Birth and death certificate applications are free (Article 58 of the December 2000 subdecree). Marriage certificates; letters certifying births, deaths, and marriages; and all copy forms cost KR400. In the five officially poorest provinces (Ratanakiri, Mondolkiri, Stung Treng, Preah Vihear, Oddar Meanchey) the rate is KR100 Riel. Marriage applications and all copy certificates also require stamp fees varying from KR300–1,500. Although the cost of printing the books and forms is borne by the state budget (Article 56 of the December 2000 subdecree), Article 3 of the fees subdecree specifies that all revenue collected by the commune-sangkat from selling all kinds of civil registration will be treated as the commune-sangkat's own revenue. The delegation

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<sup>14</sup> For example, at the 14 provincial women's legal rights seminars organized by the NGO Women for Prosperity during 2002, participants were unanimous that the absence of civil registration records is a central handicap to women's ability to prove the existence of marriage; to pursue property rights at divorce; and to validate parentage, age, and right to school attendance.

of civil registration has thus been used as an opportunity to create a modest new source of commune-sangkat local income.

6. A short amending subdecree, also issued on 24 June 2002, formally establishes commune-sangkat council responsibility for civil registration, and defines the 3-year period for clearing the unregistered backlog, without reference to a court, as 1 August 2002 to 1 August 2005.

7. The Office of Civil Registration within the Mol Department of General Administration manages the new civil registration system. Office of Civil Registration has made good progress in preparing for implementation. A set of 13 forms has been produced: 4 each for birth and death, and 5 for marriage. The four forms for each category are for first-time and repeat certificates for historic and current life events. (The fifth form for marriage is the public notice.) Record-keeping books have been produced for each of the three life-event categories. The commune-sangkat clerk will maintain two copies of each record book. The forms and record books are color-coded. Each form is printed over a colored national symbol, making unlawful duplication difficult. A total of 20 million forms have been printed and have been distributed since mid-2002.

8. Initial training for the commune clerks in the new system was completed in early 2002, although without the benefit of an instruction manual, which is being drafted. The new system formally comes into operation on 1 August 2002. The intention is that councils will provide monthly registration statistics to districts, and districts to provinces, and provinces will provide quarterly statistics to Ministry of Interior.

9. Progress has been achieved with very limited resources and without any donor support. At commune, district, and provincial levels, only basic orientation training has been provided; councils and clerks have no manuals; most offices have no safekeeping facility for blank forms and records; and all recording is by hand. Publicizing the importance of civil registration, clearing the backlog through the 3-year intensive campaign, and motivating ordinary people to register are major challenges. Office of Civil Registration, with 10 staff, has had no international assistance in modern civil registration methodologies and has minimal resources and equipment.

## SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY FORM

Linkages to the Country Poverty Analysis	
Sector identified as a national priority in country poverty analysis? Decentralization is a key component. Yes	Sector identified as a national priority in country poverty partnership agreement? Decentralization is a priority in the Asian Development Bank (ADB) country assistance strategy and plan. Yes

### A. Contribution of Decentralization to Reducing Poverty in Cambodia

Supporting decentralization and the operations of the 1,621 commune-sangkat councils elected for the first time in February 2002 offers an important opportunity to embed peace and security; strengthen accountability, transparency, and good governance; and promote participation and democracy. All of these will help reduce poverty, and promote growth and social development. However, decentralization and poverty reduction are not automatically linked. This Project will be a first ADB contribution to what will inevitably be a long-term effort of government and external funding agencies to ensure that implementation of decentralization is pro-poor. Indicators of government commitment to pro-poor decentralization are positive. Coordinated donor efforts to complement political decentralization launched by government with the development of pro-poor administrative, fiscal, and resourcing systems will be critical to poverty reduction in a previously highly centralized country.

### B. Poverty Analysis Proposed Classification: Thematic: Good Governance. Poverty Intervention.

Cambodia has extensive poverty literature, notably the Ministry of Planning's 1999 Cambodia Poverty Assessment, assisted by various donors. The project preparation was well informed of this literature. As part of a governance project, components 2, 3, and 4 are national and systemic. The selection procedure for component 1, which accounts for most project resources, will prioritize rural communes (Supplementary Appendix A), which have a significant degree of poverty as measured by World Food Program poverty data.

### C. Participation Process

Project preparation included extensive stakeholder consultations with (i) commune-sangkat councils and their clerks, (ii) provincial and district officials, (iii) ministry officials who are members of the interministerial National Committee for Support to Commune-Sangkat Councils, and (iv) donors and nongovernment organizations (NGOs) with experience on working in different aspects of decentralization. A roundtable meeting with donors and NGOs on the preliminary design for the Project, hosted by Ministry of Interior in late May 2002, expressed clear support for the project concept and the selected components and implementation approach. This support has continued through the formulation proposal, and was also expressed by the stakeholders represented at the Appraisal Mission wrap-up meeting in August.

Participation strategy required: No

### D. Potential Issues

Item	Significant/ Not Significant/ Uncertain/None	Strategy to Address Issues	Plan Required
Resettlement	None	New and refurbished commune council facilities will be on land owned or controlled by commune-sangkat councils. The land must be unoccupied, either through legal title or unofficially. This requirement will be checked and validated by the Department of Local Administration-project technical cell architect engineers during their initial site visits.	None
Gender	Significant	The Project requires that capacity building and public awareness activities fully incorporate the needs and interests of women, and take steps to meet the needs of female councilors, district/provincial officials, and female citizens (components 2 and 4 project descriptions, associated technical assistance terms of reference in Appendix 5, and Benefits.)	None

Item	Significant/ Not Significant/ Uncertain/None	Strategy to Address Issues	Plan Required
Affordability	Not significant	Recurrent costs of maintaining and servicing council facilities provided under the Project will be borne by the councils. The principal source of funds is the administrative element of the Commune Fund, which is set by subdecree at one third of the total fund. Provision of radios and motorcycles will increase the cost-efficiency of communication and travel, and reduce the need for private financing. The new national civil registration system will reduce the cost burden and difficulties faced by the poor in obtaining birth, death, and marriage certificates. Initial certificates are free of charge, and, for duplicate certificates, reduced rates apply in the five poorest provinces.	None
Labor	Not significant	No negative labor impact is likely. The facilities component will be implemented by commune/district contractors and will increase short-term jobs throughout the country. Priority will go to poorer rural communes. The training and mass media activities under component 2 will create employment for NGOs and private training and mass media agencies.	None
Indigenous People	Significant	Facility provision, training, and mass media publicity activities will be adapted to meet the particular needs of high ethnic-minority areas, notably in the mountainous eastern provinces. The Project requires that capacity building and public awareness activities fully incorporate the needs and interests of indigenous people, and take steps to meet the needs of indigenous councilors and district/provincial officials and citizens (components 1, 2, and 4, project descriptions, associated technical assistance terms of reference in Appendix 5, and Benefits.)	None
Other Risks/ Vulnerabilities	Not significant	No other risks or vulnerabilities are anticipated.	None

## EXTERNAL ASSISTANCE

1. Many donors and nongovernment organizations (NGOs) are assisting the Government's decentralization program. The Seila Program and its technical assistance (TA) arm, Partnership for Local Governance, are the largest and most significant source of support to decentralization. The Seila Program has helped shape thinking around decentralization and formulate the emerging legal framework for council operations. Growing out of the multidonor Carere rehabilitation program, in 1996 the Seila Program began piloting decentralized and deconcentrated local investment methodologies in five provinces and is now a major program covering 17 rural provinces. It is executed by the interministerial Seila Task Force through a secretariat of the Committee for Development of Cambodia. The Seila Program has the most extensive TA and provincial support network and also provides important advisory and financial support to National Committee for Support to Commune-Sangkat Councils (NCSC) ministries, including the Ministry of Interior (Mol) Department of Local Administration (DoLA). Seila/ Partnership for Local Governance is mainly financed by the United Nations Development Program, the United Kingdom's Department for International Development, and Swedish International Development Cooperation Agency (Sida). The Seila Program channels resources for provincial and commune-led development from World Food Program, International Fund for Agricultural Development, United Nations Children's Fund, and Danish International Development Assistance (Danida). The two-third share of the Commune Fund for development activities is now the principal Seila Program financing channel for local development investments. The World Bank's \$23 million Rural Investment and Local Governance Project, expected to be approved in autumn 2002, significantly finances council development through reimbursement of Commune Fund expenditures. The Project will complement the decentralized aspect of Seila Program activities by (i) strengthening facilities, equipment, and communications; (ii) undertaking systems development and councilor and government staff and training; and (iii) increasing popular awareness of elected local government roles and responsibilities.

2. The Government of Germany, through Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation) (GTZ), is providing TA to DoLA from 2002 to 2004, including specialist assistance in training materials, methodologies, course design and implementation, and mapping major service delivery tiers of responsibility. An additional allocation of about \$2.0 million, mainly to support TA, training, and capacity building, is expected to be agreed upon shortly. The German Government has agreed to finance this allocation on the understanding that the GTZ TA and resources will be deployed in close cooperation with the Asian Development Bank (ADB), Sida, and the Government of Netherlands. The design and financing of component 2 of the Project assumes that the German Government will contribute to capacity building, training, and other activities.

3. GTZ is supporting decentralization in Kampong Thom and Kampot, including capacity building and training for councilors and staff in the provinces and districts. GTZ also provides the principal TA to the Ministry of Land Management, Urban Planning, and Construction, which is responsible for implementing the Land Law 2001, and which chairs the NCSC's boundaries and urbanization subcommittee. The GTZ TA to Ministry of Land Management, Urban Planning, and Construction will support the implementation of component 3 of this Project.

4. The Konrad Adenauer Foundation (KAF) has an ongoing program of short-term TA educational inputs to Mol, Council for Administrative Reform, and the Council of Ministers. In conjunction with the Asia-Urbs program of the European Union (EU), KAF is supporting pilot approaches to urban governance, including twinning the towns of Battambang and Siem Riep

with European cities. KAF is financing production and promulgation of new commune-sangkat legislation, and training political parties in concepts of democratic local government. KAF has also planned to initiate a national federation of commune-sangkat councils.

5. The UNDP, through Project CMB/01/004 (2001–05) supported the National Electoral Commission with voter registration and organization of the commune elections. This project also finances the TA provided through the Decentralization Support Program to DoLA, and the TA to the Ministry of Economy and Finance for fiscal decentralization, financial management, and procurement regulations and procedures.

6. The EU provided substantial financial support to the local elections in February 2002. EU is working with KAF on urban issues through Asia-Urbs. A substantial program of EU support to decentralization is expected to be identified in late 2002.

7. The Government of France will be formulating a TA project in September-October 2002 to support the Ministry of Economy and Finance in fiscal decentralization, including the province-commune relationship and local revenue raising. TA formulation will consider the role of NCSC and DoLA in local government financing systems. France will also support further work on deconcentration through the Council for Administrative Reform under its forthcoming civil service modernization project.

8. A group of leading NGOs has formed the Commune Council Support Project (CCSP), hosted by International Cooperation for Development and Solidarity to mobilize NGO support for decentralization. The *CCSP Bulletin* is already an important source of information for the NGO community and others about decentralization progress. In September 2002, NCSC is expected to approve the establishment of a CCSP liaison office (financed by the Seila Program) within DoLA.

9. About 50 NGOs have assisted in the 2002 program of orientation training of councilors. The Cambodia Institute of Human Rights, financed by the Government of New Zealand, has trained councilors and council clerks.

10. Sida and Department for International Development (UK) are financing a longitudinal research study of the implementation and impact of decentralization, managed by the Cambodia Development Research Institute.

11. Several countries, including Germany, Japan, Philippines, Sweden, and United States, have invited key officials of MoI, DoLA, and other NCSC ministries to participate in decentralization-related study tours.

12. During 2001, ADB provided support to DoLA to help prepare the first NCSC work plan (in association with GTZ), and to prepare a roadmap for the major policy and implementation measures to be achieved during the first mandate. In late 2001, ADB sought to strengthen liaison between DoLA and funding agencies by beginning to host donor decentralization roundtable meetings at the ADB Cambodia Resident Mission. With more TA and support available to DoLA from various sources, responsibility for calling these meetings moved to DoLA in May 2002. The preparation of this loan, associated TA inputs, and resourcing to DoLA were supported through TA 3836-CAM: Preparing the Decentralization Support Program, for \$500,000, approved on 15 February, 2002.

## OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

### A. The Commune Council Development Project

1. Decentralization is one of the most significant areas of progress in public administration and governance reform in Cambodia. Its first local elections for 1,621 commune-sangkat councils were held on 3 February 2002. The election process was generally agreed to have been free and fair, and the outcome was broadly accepted in the country. Decentralization is an authentically government-driven initiative, and substantial resources have been committed from the national budget to finance the elections and commune resources. Several funding agencies and nongovernment organizations are now backing the Government's decentralization initiative.

2. The Commune Council Development Project (CCDP) is a significant contribution to this multidonor support effort. The CCDP is a \$17.4-million project implemented in 2003 to 2005. The Asian Development Bank (ADB) is contributing \$10 million; Swedish International Development Cooperation Agency is expected to contribute \$3 million; the Government of the Netherlands is expected to contribute \$2.4 million; Government of Cambodia \$2 million in kind. The purpose of the Project is to provide most commune-sangkat councils with facilities, equipment, systems, training, popular understanding, and support required to function effectively.

3. The CCDP has four components:

- (i) Component 1: Commune Facilities. Construction, rehabilitation, furnishing for commune-sangkat councils of about 440 commune facilities; provision of about 1,000 radios and/or cellular phones; and about 580 motorcycles to commune-sangkat councils; and modest support to provincial facilities.
- (ii) Component 2: Capacity Building. Training for councilors, clerks, and officers; mass media public awareness campaign; international technical assistance (TA) for component 2; and further policy and legal development and piloting of major service decentralization.
- (iii) Component 3: Commune-Sangkat Photomapping. National aerial photography, leading to production of commune orthophoto maps, as part of a multidonor program with the Ministry of Land.
- (iv) Component 4: Civil Registration. TA, training, and equipment to establish an efficient modern civil registration system for births, deaths, and marriages.

4. The CCDP is executed by the Ministry of Interior (MoI) through its Directorate General Administration and Department of Local Administration (DoLA). DoLA is the secretariat of the interministerial National Council for Support to Communes (NCSC), which guides and implements decentralization. A temporary project technical cell (PTC) staffed by DoLA officials and consultants will help implement the Project.

5. Since consultancy services are expected to be funded by grant cofinancing from Swedish International Development Cooperation Agency and the Government of Netherlands, these services will be engaged in accordance with ADB procurement and contracting procedures for grant-funded TA.

## 1. Component 1

### a. Facility Architect (international, 12 person-months)

6. Working in the PTC, the consultant will ensure the effective implementation of component 1 of the Project, including the procurement of all works and goods. Local procurement of works will respect decentralization, autonomy of local councils, and legal procedures governing the transfer of public funds to councils.

7. The consultant will

- (i) be a qualified architect,
- (ii) have a sound understanding of Cambodia,
- (iii) have a sound understanding of decentralization and of the role and mandate of elected local government units,
- (iv) have proven experience of procurement of small-scale works and equipment, and
- (v) be a national of an ADB member state.

8. The consultant will be directly recruited by ADB; report to the project manager, project director, and ADB; and ensure the closest cooperation with other TA and donors working on decentralization and with MoI, DoLA, and NCSC.

9. The consultant's tasks are the following:

- (i) Help DoLA establish the PTC, including redeployment of DoLA staff to the PTC, and helping ADB recruit the local consultants to the PTC.
- (ii) Help prepare alternative model designs for new buildings, selective rehabilitation, and knockdown steel cupboard/safes (component 4).
- (iii) Help refine the selection criteria to target support to commune-sangkat councils (for facilities, radios/cellular phones, and motorcycles) and provincial facilities, including ensuring NCSC approval of commune selection criteria and methodology and orienting provincial governors and staff on the selection process.
- (iv) Oversee the detailed survey of the selected communes.
- (v) Prepare contract documents and forms for use by the selected commune-sangkat councils, including undertakings from the commune-sangkat councils that land where new facilities are sited will be registered in the name of the commune council and that the future operation and maintenance of all facilities and equipment supplied will be ensured and financed from the councils' own income.
- (vi) Organize monitoring of provincial and commune-sangkat councils' work, including organizing support from provincial office of local administration (POLA) and provincial technical staff in support of commune-sangkat councils.
- (vii) Ensure effective liaison with the MoI Department of Finance and Ministry of Economy and Finance (MEF) over the transfer and reporting modalities.
- (viii) Ensure effective liaison for project implementation with the Seila Program and its Partnership for Local Governance provincial support staff.

- (ix) Ensure that the central procurement of motorcycles, typewriters, safes, and radios for communes, and equipment of provincial offices is in accordance with ADB procedures.
- (x) Help PTC prepare all required reports for component 1.
- (xi) Help design and implement stakeholder satisfaction and impact surveys as part of the monitoring process.

10. The TA is anticipated to be required for a total of 12 months. The first input of about 6 months will take place at project start-up, expected to be February 2003. This input will include establishing the PTC; initiating implementation of component 1; and initiating the procurement of equipment for DoLA, POLAs, and commune-sangkat councils. The balance of 6 months will be provided as short-term inputs, timed as required to ensure the successful implementation of component 1, including monitoring, completion, and closure of accounts; evaluation of outcomes; and final reporting.

**b. Local Consultant Architects (3, 72 person-months total)**

11. The three local architects will be fully qualified and experienced in the design and implementation of small-scale works. Attached to the PTC and reporting to the facilities architect and the project manager and project director, the three consultant architects will do the following:

- (i) Prepare architectural drawings and detailing for model commune council facilities.
- (ii) Undertake detailed surveys of commune council facility sites and help commune-sangkat councils finalize drawings for their own facilities.
- (iii) Help councils prepare final site development plans for their facilities.
- (iv) Help train POLA and provincial technical staff in procurement, monitoring, and reporting.
- (v) Help supervise and monitor commune council implementation of works.
- (vi) Verify completion of site works and participate in pre-handover meetings.
- (vii) Help prepare quarterly and annual progress reports.
- (viii) Make inputs to stakeholder satisfaction and impact surveys.

**c. Local Consultant Engineer (1, 24 person-months)**

12. The local engineer will be fully qualified and experienced in the costing and implementation of small-scale works. Attached to the PTC and reporting to the facilities architect and the project manager and project director, the consultant engineer will do the following:

- (i) Prepare specifications and cost estimates for model commune facility designs.
- (ii) Prepare estimates and subsidy allocations for each project.
- (iii) Finalize facility-financing packages for each commune site.
- (iv) Help train POLA and provincial technical staff in project monitoring and reporting.
- (v) Help supervise and monitor council implementation of works.
- (vi) Verify completion of sites and participate in pre-handover meetings.
- (vii) Help prepare quarterly and annual progress reports.
- (viii) Make inputs to stakeholder satisfaction and impact surveys.

13. The duration of the domestic consultant inputs will be from around February 2003 until around February 2005.

**d. Project Accountant (1, 36 person-months total)**

14. The local project accountant will be fully qualified and experienced in the management of accounts and reports for major donor-assisted externally funded projects. The local project accountant will be familiar with ADB procedures and requirements. Attached to the PTC and reporting to the Project Manager and Project Director, the project accountant will do the following:

- (i) Facilitate the establishment of all project financial systems, and the implementation of all project-financed activities in accordance with ADB procedures and requirements.
- (ii) Prepare all payment orders for signature by the project manager and director, and ensure the timely payment.
- (iii) Liaise closely with MoI Finance Department, MEF, PTC, and DoLA staff, and all other concerned parties to ensure prompt and correct disbursements and reporting.
- (iv) In accordance with ADB requirements, maintain all books, vouchers, and receipts and make them all available to auditors and other authorized officials.
- (v) Help design and deliver training in financial management to appropriate officials, in accordance with training-needs assessment and in coordination with other training providers.
- (vi) Prepare quarterly and annual financial progress reports on project activity.

**2. Component 2**

15. ADB is inviting bids from companies (Quality-Cost-Based Selection basis) interested in providing the consulting services under Component 2. The company's role and responsibilities would be to

- (i) provide a total of 30 months of TA, over the period 2003 to 2005, in principle as specified below, in order to support NCSC and DoLA in the implementation of Component 2 of the CCDP;
- (ii) provide substantive support to the Team Leader, other TA listed below, and to DoLA on all issues covered under Component 2;
- (iii) provide professional backstopping services through its home office coordination mechanism, to the Team Leader and other TA listed below, on subject matter issues and project management; and
- (iv) discuss and agree, with DoLA and in close cooperation with the Team Leader, on the timing as well as possible adjustments regarding contents and duration of assignments to be undertaken by the TA listed below so as to allow a flexible approach to and use of the consulting services to be provided.

16. The company will:

- (i) have a good record of successfully managing projects in the areas of decentralization and public service reform,
- (ii) proven experience of managing projects which entail change processes at the highest level of government, and
- (iii) proven experience from working in a process-oriented and participatory manner have considerable previous experience from working in developing countries.

**a. Team Leader, Decentralization and Training Specialist (international: 18 person-months total)**

17. The specialist will
- (i) have proven experience as a team leader,
  - (ii) have proven practical experience in facilitating change at the highest level of government,
  - (iii) have proven experience in adopting a process-oriented and participatory approach in reform implementation,
  - (iv) have a sound understanding of decentralization, and of the role and potential of local government units,
  - (v) have a sound understanding of Cambodia, and
  - (vi) be a national of an ADB member state.
18. Reporting to the project manager, project director, and ADB, and working in close cooperation with other providers of TA to DoLA and NCSC, the team leader will be responsible for the following:
- (i) Assist DoLA prepare a concise but comprehensive capacity building analysis as the starting point for component 2, which will help build institutional, organizational, and individual capacities. The analysis will (a) define the long-term strategic capacity-building requirements for the Government's decentralization program, including needs at the commune-sangkat council, district/provincial, and national levels; (b) provide a baseline assessment against which progress in capacity building can be measured over time; (c) assess the gender impact of capacity building to date, and identify concrete capacity-building measures to enhance the role and representation of women within decentralization; (d) assess immediate capacity-building needs; and (e) determine priorities for the use of the training and public awareness resources provided by the Project.
  - (ii) Ensure that the necessary planning, monitoring, and implementation systems are in place for the training funds provided by the Project to be efficiently and effectively used. Work in close cooperation with other providers of TA to DoLA, and help design and implement of annual training plans (part of the DoLA/NCSC overall work plan) and all associated training activities, including providing refresher training for commune-sangkat councils and clerks, and provincial and district ministry staff in the full range of decentralization issues, including council administrative, financial and planning procedures, provincial support and supervision, and other commune functions.
  - (iii) Help the DoLA Capacity-Building Office and other TA providers prioritize training activities to be financed from the project training fund. Ensure that the particular needs and interests of women and ethnic minorities are fully incorporated in all training activities. Help develop modalities for the disbursement, monitoring, and reporting of the project training fund, including quarterly reports to the NCSC capacity-building subcommittee. Contribute to improving training materials and methodologies, identifying training subcontractors, strengthening course organization and methods of measuring training effectiveness, and improving impact.
  - (iv) Support the project director and project manager in developing the Government's decentralization program as requested, including, inter alia, DoLA/NCSC work-

- planning and monitoring systems, capacity building within DoLA and NCSC, and strengthening donor coordination.
- (v) Ensure that the TA team does not seek to develop an autonomous project role or sphere of influence within DoLA. All TA inputs will be incorporated within the overall framework of the DoLA and NCSC annual and medium-term work plans, and the various subplans for training, mass media, and other activity areas. The TA will work through the DoLA offices, and in close cooperation with other providers of TA to DoLA and NCSC ministries, and will aim to develop the autonomous strength and corporate capacity of DoLA, Mol, and NCSC throughout.
  - (vi) Manage the component-2 TA team, including (a) coordination and successful completion of all TA inputs; and (b) provision of all required reports to the project director, project manager, PTC, and ADB.
  - (vii) Develop a program of work with the DoLA Finance Office, the MEF Decentralization Task Force, the National Treasury, and Seila, to strengthen the skills, understanding and performance of provincial treasury staff in their role as commune-sangkat accountants.

**b. Major Service Decentralization Specialist (international, 2.5 person-months total)**

19. This specialist will
- (i) have proven practical experience in conceptualizing and planning the decentralization of major service functions,
  - (ii) have proven practical experience in a process-oriented and participatory approach to reform,
  - (iii) have a sound understanding of decentralization, and of the role and potential of local government units,
  - (iv) have a sound understanding of Cambodia, and
  - (v) be a national of an ADB member state.
20. Reporting to the project manager, project director, and the team leader, and working in close cooperation with other providers of TA to DoLA and NCSC, the specialist will be responsible for the following:
- (i) Facilitate dialogue between NCSC, DoLA, and selected major service ministries (notably including agriculture, education, health, land, public works, women) on the design of pilot programs for decentralization, and associated deconcentration of authority, including clear definition of the role and function of commune-sangkat councils. Early opportunities are likely to include aspects of service decentralization with the Ministry of Education, Youth, and Sports, and the Ministry of Women's and Veterans Affairs, and the consultant will explore these initially.
  - (ii) Help DoLA and service ministries coordinate on developing major service decentralization options and pilots, including arranging joint progress monitoring and evaluation for feedback to NCSC.
  - (iii) Supporting the project director and project manager in the development of the Government's decentralization program as requested
  - (iv) Provide all required reports to the project director, project manager, PTC and team leader, as required.

- (v) Undertake additional tasks that may be agreed upon between DoLA and the team leader or consultancy firm.

**c. Decentralization Legal Specialist (international, 4 person-months)**

21. The specialist will

- (i) have proven practical experience of policy and procedure design and development and legal drafting in relation to decentralization and local government operations,
- (ii) have proven practical experience of a process-oriented and participatory approach to reform implementation,
- (iii) have a sound understanding of Cambodia, and
- (iv) be a national of an ADB member state.

22. Reporting to the project manager, project director, and the team leader, and working in close cooperation with other providers of TA to DoLA and NCSC, the specialist will be responsible for the following:

- (i) Review, draft, and strengthen decentralization policy, legislation, systems, and procedures as required, including in relation to (a) council and provincial/district operations, powers, functions, and procedures; (b) village arrangements; and (c) financial and planning legislation and procedures.
- (ii) Support the project director and project manager in developing the Government's Decentralization Program as requested.
- (iii) Provide all required reports to the project director, project manager, PTC and team leader.

**d. Mass Media Specialist (international, 5.5 person-months total)**

23. The specialist will

- (i) have a background in planning and implementing mass media campaigns in developing countries on public policy issues,
- (ii) have a sound understanding of Cambodia, and
- (iii) be a national of an ADB member state.

24. Reporting to the project manager, project director, and the team leader, and working in close cooperation with other providers of TA to DoLA and NCSC, the specialist will be responsible for the following:

- (i) Ensure that the necessary planning, monitoring, and implementation systems are in place for the mass media campaign funds provided in sub-Component 2-2, and in Component 4, to be efficiently and effectively used.
- (ii) Play a major role in helping DoLA and the NCSC capacity building subcommittee scope a mass media campaign.
- (iii) Identify the priority messages and issues to be publicized and clear these key messages through NCSC.
- (iv) Assist with the preparation of a brief for subcontracting to specialist media agencies on a competitive basis.

- (v) Facilitate competitive bidding by specialist media agencies, including defining short-listing criteria and selection processes; prepare contract forms, contract monitoring, performance benchmarks and staged payment systems develop ways to evaluate the impact of mass media messages; and adapt design and content accordingly.
- (vi) Ensure that the particular needs and interests of women and ethnic minorities are fully incorporated in the mass media campaign.
- (vii) Undertake additional tasks that may be agreed upon between DoLA and the team leader or consultancy firm.

### **3. Component 3**

#### **a. Geographic information system (GIS) and Digital Mapping Specialist (international, 5 person-months)**

25. The specialist will be based in Ministry of Land Management, Urban Planning, and Construction (MoLMUPC) and will support all component-3 activities.

26. The consultant will

- (i) have proven qualifications and proven practical experience in GIS and digital map production and use,
- (ii) be a national of an ADB member state, and
- (iii) have a sound understanding of Cambodia.

27. Reporting to the director, Department of Cadastre and Geography, MoLMUPC; and then to the project manager and project director, and working in close collaboration with the Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation) TA to MoLMUPC, the consultant will do the following:

- (i) Help prepare and evaluate tenders for component-3 activities.
- (ii) Help monitor contract performance.
- (iii) Ensure quality control of the aerial photography, and scanning and digital orthophotos.
- (iv) Organize digital map production and distribution.
- (v) Develop simple guidance notes for commune council use of the maps provided.
- (vi) Develop training modules for commune-sangkat councils.

### **4. Component 4**

#### **a. Civil Registration Specialist (international, 9 person-months total)**

28. The specialist will be based within the Mol's Office of Civil Registration (OoCR), and will support all component-4 activities.

29. The consultant will

- (i) have proven practical experience in modern civil registration system design and implementation,
- (ii) be a national of an ADB member state, and
- (iii) have a sound understanding of the Cambodian context.

30. Reporting to the director of OoCR, and then to the project manager and project director, and working in close collaboration with DoLA/PTC and other TA providers, the consultant will help ensure the effective implementation of all aspects of component 4, and the development of an efficient modern civil registration system.

31. The consultant will prepare an inception report addressing all pertinent issues of the implementation of component 4. This report will be submitted to Mol, ADB, and the Government of Netherlands, within 2 months of the commencement of the assignment.

32. Specific duties will include the following:

- (i) Develop the capacity of the Mol/OoCR staff, systems, and procedures.
- (ii) Evaluate the (a) performance of councils, districts, and provinces in implementing the civil registration system; (b) extent of coverage achieved; and (c) rate of reduction of registration backlog; and identify low-registration areas.
- (iii) Evaluate the quality of the statistical data provided by the commune to the center, and design compensating and system-strengthening measures as required.
- (iv) Assist with gender disaggregation of the birth and death registration data to find out if any discrepancy exists in the reporting for males or females, and, if so, design compensating awareness actions.
- (v) Review the potential for birth registration to include a unique province, district, commune, village serial number to strengthen the quality of the registration system and provide the basis for future national registration for social security and similar purposes.
- (vi) Liaise with DoLA/PTC on the efficient procurement and distribution of all equipment and materials provided under the component.
- (vii) Organize computer training for OoCR and provincial staff.
- (viii) Liaise with the DoLA capacity building unit on organizing civil registration training.
- (ix) Liaise with DoLA in implementing the mass media civil registration campaign and contracting of nongovernment organizations and other mobilizers to help reach low-registration areas.
- (x) Organize a study tour.
- (xi) Assist with quarterly and annual reporting to ADB on component-4 activities.

## COST ESTIMATES AND FINANCING PLAN

### Commune Council Development Project (\$ million)

Base Cost	Project Budget				Financed by				Forex/Local		ADB		Sida		GoN		RGC	
	Unit	No	\$000	\$m	ADB	Sida	GoN	RGC	Forex	Local	Forex	Local	Forex	Local	Forex	Local	Forex	Local
<b>Component 1: Facilities</b>																		
<b>1-1 Commune Facilities</b>																		
Works: Construction, Rehabilitation, Furniture	number	440	14.00	6.16	6.16	0.00	0.00	0.00	1.85	4.31	1.85	4.31	0.00	0.00	0.00	0.00	0	0.00
Commune Council Facility Land Value	number	440	3.16	1.39	0.00	0.00	0.00	1.39	0.00	1.39	0.00	0.00	0.00	0.00	0.00	0.00	0	1.39
<b>1-2 Commune Equipment</b>																		
Eqpt: Motorbikes	number	580	0.90	0.52	0.52	0.00	0.00	0.00	0.52	0.00	0.52	0.00	0.00	0.00	0.00	0.00	0	0.00
Eqpt: Radios	number	1,000	0.30	0.30	0.30	0.00	0.00	0.00	0.30	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0	0.00
<b>1-3 Provincial Facilities</b>																		
Works: Construction, Rehabilitation, Furniture	number	12	3.50	0.04	0.04	0.00	0.00	0.00	0.01	0.03	0.01	0.03	0.00	0.00	0.00	0.00	0	0.00
Eqpt: Motorbikes	number	24	0.90	0.02	0.02	0.00	0.00	0.00	0.02	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0	0.00
Eqpt: Office (phone, fax, computer, peripherals)	Prov's	24	4.00	0.10	0.10	0.00	0.00	0.00	0.10	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0	0.00
<b>1-4 Project Technical Cell</b>																		
International TA: Facilities Architect	month	12	20.00	0.24	0.00	0.24	0.00	0.00	0.24	0.00	0.00	0.00	0.24	0.00	0.00	0.00	0	0.00
Local TA: 1 Accountant	month	36	0.70	0.03	0.00	0.03	0.00	0.00	0.00	0.03	0.00	0.00	0.00	0.03	0.00	0.00	0	0.00
Local TA: 4 Architect, Engineers (24 months each)	month	96	0.70	0.07	0.00	0.07	0.00	0.00	0.00	0.07	0.00	0.00	0.00	0.07	0.00	0.00	0	0.00
Eqpt: Vehicles (double cab 4x4)	number	3	20.00	0.06	0.06	0.00	0.00	0.00	0.06	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0	0.00
Operating Cost (PTC costs, drivers, travel, DSA)	month	36	3.60	0.13	0.00	0.13	0.00	0.00	0.00	0.13	0.00	0.00	0.00	0.13	0.00	0.00	0	0.00
<b>Component 2: Capacity Building</b>																		
<b>2-1 Training</b>																		
Training Fund	lump	1	1,000.00	1.00	0.00	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0	0.00
Councilor and Government Staff	Pers-mo	14,000	0.03	0.35	0.00	0.00	0.00	0.35	0.00	0.35	0.00	0.00	0.00	0.00	0.00	0.00	0	0.35
<b>2-2 Mass Media Awareness Campaign</b>																		
Mass Media Fund (production and media time)	lump	1	800.00	0.80	0.00	0.80	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.80	0.00	0.00	0	0.00
<b>2-3 Policy, CB, Legal, Major Service Decision TA</b>																		
Int'l TA: Policy, CB, Mass Media, Service Dec'n	month	30	20.00	0.60	0.00	0.60	0.00	0.00	0.60	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0	0.00
<b>Component 3: Photomapping</b>																		
Aerial Photography	0	0.00	0.60	0.60	0.00	0.00	0.00	0.60	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Scanning, GPS Control, Orthophotos	0	0.00	0.35	0.35	0.00	0.00	0.00	0.35	0.00	0.35	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Map Production (around 8,000)	0	0.00	0.15	0.15	0.00	0.00	0.00	0.15	0.00	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
International TA: GIS and Digital Mapping	mo	5	20.00	0.10	0.00	0.10	0.00	0.00	0.10	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0	0.00
<b>Component 4: Civil Registration</b>																		
Council and Staff Training	class-wk	880	0.60	0.53	0.00	0.00	0.53	0.00	0.00	0.53	0.00	0.00	0.00	0.00	0.00	0.53	0	0.00
Manuals and Materials	lump	1	250.00	0.25	0.00	0.00	0.25	0.00	0.08	0.18	0.00	0.00	0.00	0.00	0.08	0.18	0	0.00
Public Mobilization, Awareness Materials and Airtime	lump	1	300.00	0.30	0.00	0.00	0.30	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.30	0	0.00	
Council, District, Province Steel Cupboards, Safes	number	1,300	0.15	0.20	0.00	0.00	0.20	0.00	0.06	0.14	0.00	0.00	0.00	0.06	0.14	0	0.00	
Commune and District Typewriters	number	1,800	0.27	0.48	0.00	0.00	0.48	0.00	0.15	0.33	0.00	0.00	0.00	0.14	0.34	0	0.00	
Provincial Computer Sets	number	24	2.10	0.05	0.00	0.00	0.05	0.00	0.05	0.00	0.00	0.00	0.00	0.05	0.00	0	0.00	
Mol/OoCR Office Equipment	lump	1	30.00	0.03	0.00	0.00	0.03	0.00	0.03	0.00	0.00	0.00	0.00	0.03	0.00	0	0.00	
Mol/OoCR Vehicles (double cab 4x4)	number	1	20.00	0.02	0.00	0.00	0.02	0.00	0.02	0.00	0.00	0.00	0.00	0.02	0.00	0	0.00	
Int'l TA: Civil Registration	month	9	20.00	0.18	0.00	0.00	0.18	0.00	0.18	0.00	0.00	0.00	0.00	0.18	0.00	0	0.00	
Int'l Study Visit (14 days)	persons	8	6.30	0.05	0.00	0.00	0.05	0.00	0.05	0.00	0.00	0.00	0.00	0.05	0.00	0	0.00	

(Continued)

Base Cost	Project Budget				Financed by				Forex/Local		ADB		Sida		GoN		RGC	
	Unit	No	\$000	\$m	ADB	Sida	GoN	RGC	Forex	Local	Forex	Local	Forex	Local	Forex	Local	Forex	Local
<b>Project Review</b>																		
International TA	month	2	20.00	0.04	0.00	0.04	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0	0.00
Local TA	month	2	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00	0	0.00
<b>Total</b>				<b>15.13</b>	<b>8.30</b>	<b>3.00</b>	<b>2.08</b>	<b>1.74</b>	<b>5.55</b>	<b>9.58</b>	<b>3.96</b>	<b>4.34</b>	<b>0.98</b>	<b>2.02</b>	<b>0.61</b>	<b>1.48</b>		<b>1.74</b>
<b>Contingencies</b>																		
Physical Contingency (estimated at 10% of base cost)			0.00	1.51	1.13	0.00	0.21	0.17	0.56	0.96	0.49	0.64	0.00	0.00	0.06	0.15	0.00	0.17
Financial Contingency (estimated at 5% of base cost)			0.00	0.76	0.57	0.00	0.10	0.09	0.28	0.48	0.25	0.32	0.00	0.00	0.03	0.07	0.00	0.09
<b>Total</b>				<b>17.40</b>	<b>10.00</b>	<b>3.00</b>	<b>2.40</b>	<b>2.00</b>	<b>6.38</b>	<b>11.01</b>	<b>4.70</b>	<b>5.30</b>	<b>0.98</b>	<b>2.02</b>	<b>0.70</b>	<b>1.70</b>		<b>2.00</b>

ADB = Asian Development Bank, CB = capacity building, class-wk = class per week, Dec'n = decentralization, DSA = daily subsistence allowance, GIS = geographic information system,

GoN = Government of the Netherlands, Int'l = international, PTC = project technical cell, Pers-mo = person-month, Prov's = provinces, RGC = Royal Government of Cambodia,

SIDA = Swedish International Development Cooperation Agency, TA = technical assistance.

Note: Totals may not add due to rounding

#### Project Components as a Share of Donor Financing

Donor Financing	\$m	Share
Component 1: Facilities	7.66	49.8%
Component 2: Capacity Building	2.40	15.6%
Component 3: Photomapping	1.20	7.8%
Component 4: Civil Registration	2.08	13.5%
Project Review	0.04	0.3%
Contingencies	2.01	13.0%
<b>Total Donor Financing</b>	<b>15.40</b>	<b>100.0%</b>
International TA as a Share of Total Donor Financing	1.16	7.5%

## DEPARTMENT OF LOCAL ADMINISTRATION: ORGANIZATIONAL ASSESSMENT

1. The Department of Local Administration (DoLA) of the Ministry of Interior was established in mid-2001. The DoLA office is in the main Mol compound in Phnom Penh, with easy access to the director general of the Department of General Administration, secretary of state, and ministers. All DoLA staff work in the same building.
2. By August 2002, DoLA had 39 staff. The director is a widely respected former governor of Siem Reap Province. Unlike most government employees, DoLA staff are young—in their late 20s—and well educated. Two staff have masters degrees; 25 have bachelors degrees (22 from the Faculty of Law at Phnom Penh University, one from the Faculty of Literature, and one from the Royal School of Public Administration); and 9 have higher secondary certificates. Only one staff is female (and training in Australia). DoLA intends to recruit more female staff, and recruiting more males is banned.
3. DoLA is organized into six offices: (i) administration; (ii) finance; (iii) capacity building, training and education; (iv) planning, statistics, and information; (v) monitoring and evaluation; and (vi) research. A deputy director heads each office. Interoffice cooperation is good.
4. Three technical assistance (TA) project offices (financed by United Nations Development Programme, Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation), and the Seila Program) have been established in DoLA. The Commune Council Support Project (the nongovernment organization federation supporting decentralization) will establish a liaison office in DoLA in the latter part of 2002.
5. Following the completion of the major program of councilor and officer orientation training in mid-2002 (covering commune-sangkat council administration, planning, and financial procedures), which occupied most DoLA staff at different times from March to July 2002, DoLA work priorities include (i) evaluating the impact of the initial training program; (ii) establishing the structure, functions, procedures, and resourcing of the provincial offices of local administration (POLAs); (iii) preparing radio-TV items for broadcast; (iv) organizing the 2002 second-tranche Commune Fund transfer; and (v) planning the 2003 Commune Fund allocation. The review of existing decentralization legislation and procedures and the preparation of new items, and organizational and secretariat functions for meetings of the National Committee for Support to Commune-Sangkat Councils (NCSC) and its subcommittees are ongoing tasks.
6. DoLA is preparing a work plan that addresses the major outputs and tasks required to embed decentralization over the first mandate. Following TA in conceptualizing the work-planning process and designing formats, the work plan preparation has been led by DoLA, involving all six DoLA offices and staff. Following translation, the work plan will be subject to wider discussion. The intention is that, as well as providing the means of planning and tracking the activities of DoLA offices and staff, the work plan will provide the overall framework for co-coordinating DoLA TA inputs; determining NCSC policymaking priorities and timescales over the first mandate; and identifying unmet resourcing needs for decentralization. The ministry and TA units in DoLA are committed to avoiding the organizational fragmentation and capacity draining that have occurred in other government ministries and departments, which have balkanized around different externally funded project activities. The work plan will provide a practical, transparent, and government-determined framework for DoLA activities, for the decentralization program as a whole, and for co-coordinating donor resourcing and TA activity.

7. The DoLA equipment and the recurrent operating budget is very limited. Operating costs are minimal for travel and communications; meetings, seminars, and training; materials and maintenance; and print, publications, and translation. In practice, most activities depend on support from the various TA providers<sup>15</sup>. Some staff receive modest salary supplements through TA support, and these are pooled by all DoLA staff.

8. In August 2002, POLAs were established under the office of the governor in all 24 provinces and municipalities. An official complement of 29 POLA staff exists. Accommodation, equipment, and official operating budgets are very limited. However, most POLA offices and staff are assisted by local project activities, notably through the Seila Program, which rapidly accommodated the creation of POLAs in the multisectoral Provincial Rural Development Committee and Executive Committee. The United Nations Development Programme Decentralization Support Program is reviewing means of increasing support to the POLAs and councils in the seven provinces and municipalities not included under the Seila Program. Developing the organization, staffing, resourcing, and role of the POLAs is a priority for DoLA.

9. DoLA is an atypical government department. First, it is new, with young, relatively well-educated staff. It is well led and has close and easy contact with senior decision makers. Second, it is the implementing agency for a program, which has authentic government support and commitment. DoLA was created explicitly to implement the Government's decentralization program and to act as secretariat to NCSC. That objective-oriented *raison d'être* is clearly apparent in DoLA's day-to-day activities and performance.

10. DoLA staff lack the experience of more seasoned civil servants. However, the evidence of DoLA's achievements over its first year—notably in preparing, negotiating, and issuing the initial decentralization legislation and organizing nationwide three-course training for 13,000 people—strongly indicates that this lack is fully compensated by the youth, motivation, and education of DoLA staff, and the leadership and commitment of the director and the director general.

11. To implement the Project, DoLA has only one qualified architect, and has no experience in Asian Development Bank (ADB) financial procedures or reporting requirements<sup>16</sup>. The project technical cell (PTC), including one international and four national architect and/or engineers and one national consultant experienced in ADB financial procedures, will bring these missing skills and experience into DoLA for the duration of the Project. The five DoLA staff attached to the PTC had preliminary training in ADB procedures in 2002, and will start additional English-language training in September 2002. Three have helped prepare this report and recommendation of the president. All five are bright, young, motivated people, with a good working relationship with the DoLA director and Director General, Ministry of Interior (the project manager and project director, respectively), and they and the PTC will no doubt make up an effective management, implementation, and reporting team for the Project.

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<sup>15</sup> The 2002 ADB project preparatory technical assistance is providing a range of support, including a telephone network; computer equipment; furniture; training; seminar and translation costs; and a library, record-keeping, and reception area. The equipment provided under the project preparatory technical assistance will be available for use by the project technical cell, and no additional office equipment (other than three vehicles) is budgeted under the Project.

<sup>16</sup> For more details on financial management capacity of DoLA, provincial treasuries, and commune councils, see ADB. 2002. "Financial Management Assessment of Executing Agencies". Phnom Penh.

## IMPLEMENTATION SCHEDULE

**RGC/ADB/Sida/GoN Commune Council Development Project: Implementation Schedule**  
**Expected Project Start-up: September 2002**

Month	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
<b>A. COMPONENT 1 - FACILITIES</b>																
<b>1. Subcomponent 1-4: Establish Project Technical Cell</b>																
Finalization of Designs and Selection																
<b>2. Subcomponent 1-1 and 1-3: Commune and Provincial Facilities</b>																
<b>a. Pilot Phase (1 province)</b>																
Survey Pilot Province																
Implementation - Pilot Province																
Hand Over of Pilot Province Facilities																
<b>b. Expansion Phase 1 (6 provinces)</b>																
Survey																
Implementation																
Handing Over Phase 1																
<b>c. Expansion Phase 2 (6 provinces)</b>																
Survey																
Implementation																
Handing Over Phase 2																
<b>d. Expansion Phase 3 (7 provinces)</b>																
Survey																
Implementation																
Handing Over Phase 3																
<b>3. Subcomponent 1-2: Procurement of Equipment</b>																
Distribution of Equipment																
<b>B. COMPONENT 2 - CAPACITY BUILDING</b>																
<b>1. Subcomponent 2-1: Training</b>																
Capacity Building Analysis Completed																
Annual Training Plans agreed by NCSC CB Subcommittee																
Implementation and Monitoring																
Training Impact Evaluation																
<b>2. Subcomponent 2-2: Mass-Media Awareness Campaign</b>																
Design Annual Campaign and NCSC CB Subcommittee Approval																
Procurement of Mass Media Service Agencies																
Implementation and Monitoring																
Campaign Impact Evaluation																
<b>3. Subcomponent 2-3: Policy, CB, Legal, Service Decentralization TA</b>																
International TA Inputs (estimated)																
<b>C. COMPONENT 3 - PHOTOMAPPING</b>																
Procure Aerial Photography																
Scanning, Rectification, Digitizing																
Photomap Production and Distribution																
International TA Inputs																
<b>D. COMPONENT 4 - CIVIL REGISTRATION</b>																
Council and Staff Training																
Manuals and Materials																
Public Mobilization/Awareness Materials and Airtime																
Design, Procure, Distribute Council/District/Province Safes																
Procure and Distribute Commune and District typewriters																
Procure and Distribute Provincial Computer sets																
Procure Mol/OoCR Office Equipment																
Procure Mol/OoCR Vehicles - Double Cab 4x4																
International TA: Civil Registration																
International Study Visit (14 days)																
<b>PROJECT REVIEW</b>																

Month	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
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International TA: Civil Registration																								
International Study Visit (14 days)																								
<b>PROJECT REVIEW</b>																								

ADB = Asian Development Bank, CB = capacity building, GoN = Government of Netherlands, Mol = Ministry of Interior, NCSC = National Committee for Support to Commune-Sangkat Councils, OoCR = Office of Civil Registration, TA = technical assistance, RGC = Royal Government of Cambodia, Sida = Swedish International Development Cooperation Agency.

## CONTRACT PACKAGES

Item	No. of Contracts	Total (\$m)	Method of Procurement	Responsible	Expected date
<b>A. Civil Works</b>					
Commune Facilities and Furniture (component 1)	440	5.9500	LCB	C-S's + DoLA/PTC	Apr 03-Apr 05
PoLA Rehabilitation (component 1)	12	0.0400	LCB	PoLA/DoLA/PTC	Apr 03-Feb 06
<b>B. Equipment</b>					
Radios (component 1)	1	0.3000	LCB	DoLA/PTC	Jun-03
Motorcycles (C-S C's and provincial offices) (component 1)	1	0.5500	ICB	DoLA/PTC	Jun-03
Provincial Office Equipment (components 1-3 and 4)	3	0.1500	LCB	DoLA/PTC	Jun-03
DoLA/PTC and OoCR Vehicles (4 total) (components 1-4 and 4)	1	0.0800	DP	DoLA/PTC	Apr-03
OoCR Office Equipment (component 4)	4	0.0300	DP	DoLA/PTC	Apr-03
C-S and District Typewriters (khmer) (component 4)	1	0.4800	DP	DoLA/PTC	May-Sep 03
Commune/District Steel Cupboards/Safes (component 4)	1	0.2000	LCB	DoLA/PTC	May-Sep 03
<b>C. Services</b>					
Training Providers (components 2 and 4)	1-3	1.5300	DP	DoLA/PTC	Apr 03-Dec 05
Mass Media Agencies (components 2 and 4)	10-15	1.1000	DP	DoLA/PTC	Apr-Dec 05
Aerial Photography (component 3)	2	0.6000	DP	MoLMUPC/GTZ	Sep 03-Jan 06
Scanning, GPS Control, Orthophotos (component 3)	4	0.3500	LCB	MoLMUPC/GTZ	Sep 03-Sep 05
Map Production (component 3)	2	0.1500	LCB	MoLMUPC/GTZ	Sep 03-Sep 05
<b>D. Technical Assistance</b>					
International TA: Facilities Architect (component 1)	1	0.2400	DC	ADB	Feb-03
International TA: Policy, Legal, Service Decen'n (component 2)	3-5	0.6000	DC	ADB	Feb 03-Oct 05
International TA: GIS and Digital Mapping (component 3)	1	0.1000	DC	ADB	Sep-03
International TA: Civil Registration (component 4)	1	0.1800	DC	ADB	Feb-03
Local TA: 1 Accountant (PTC - subcomponent 1-4)	1	0.0300	DC	ADB	Feb-03
Local TA: 4 Architect and Engineers (24 mo each) (subcomponent 1-4)	4	0.0700	DC	ADB	Feb-03
Project Review: International TA	1	0.0400	DC	ADB	Feb-04
Project Review: Local TA	1	0.0014	DC	ADB	Feb-04

ADB = Asian Development Bank; C-S = commune-sangkat; Decen'n = decentralization; DC = direct contracting by ADB; DoLA = Department of Local Administration; DP = direct purchase through local shopping (for contracts under \$100,000); GIS = geographic information system; GPS = global positioning system; GTZ = Deutsche Gesellschaft fur Technische Zusammenarbeit (German Agency for Technical Cooperation); LCB = local competitive bidding (for contracts \$100,000 to \$500,000); MoLMUPC = Ministry of Land Management, Urban Planning, and Construction; OoCR = Office of Civil Registration; PTC = project technical cell; TA = technical assistance.

Note: DP of Training Providers and Mass Media Agencies Services require at least 3 quotations, in accordance with ADB's Guidelines for Procurement and Regulation on *Financial Management* for use with ADB funded project.

## PROJECT FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Goal</b> Enhanced poverty reduction through more participatory, transparent and accountable governance at commune-sangkat level throughout Cambodia</p>	<p>By 2007, the majority of poor people say they have more voice, information and influence with commune-sangkat councils, than under the old system</p>	<p>Public Opinion Surveys</p>	
<p><b>Purpose</b> Commune councils effectively managing the democratic development of their communes.</p>	<p>By 2006:</p> <p>Commune councils effectively promote the interests of their constituencies through effective lobbying of government for services and resources</p> <p>Annual local development plans, reflecting the needs and priorities of all commune citizens, especially the poor, prepared and implemented effectively</p> <p>Civil registration services and updating of voter lists provided effectively by commune-sangkat councils</p> <p>The majority of the population understand the essentials of democratic local government</p>	<p>Independent evaluation of commune-sangkat council operations</p> <p>Independent evaluation of commune-sangkat council operations</p> <p>Independent evaluation of commune-sangkat council operations</p> <p>Public opinion survey</p>	<p><b>Purpose to Goal Level</b></p> <p>Assumptions:</p> <p>Councilors and government staff are motivated and use the facilities, equipment, systems, training and maps provided effectively</p> <p>Patronage, rent-seeking, weak judicial systems etc. do not undermine council functioning</p>
<p><b>Components/Outputs</b></p> <p><b>1. Commune and Provincial Facilities</b></p> <p>Commune Councils and supporting provincial line departments have the working facilities and communications necessary to function effectively</p>	<p>At least 440 commune council premises established by Dec 2005</p> <p>At least 1000 councils have radio and/or cellular phone communication with provincial centers by Dec 2003</p> <p>All POLAs fully established, equipped and operational by Jan 2004</p>	<p>Reports from Provincial Office of Local Administration (POLAs) and Ministry of Interior (MoI)/Department of Local Administration (DoLA)/project technical cell (PTC)</p>	<p><b>Output to Purpose Level</b></p> <p>Assumptions:</p> <p>Most councilors and concerned provincial staff are familiar with local government systems, their roles and responsibilities</p> <p>The majority of the population understand the essentials of democratic local government</p> <p>Most citizens are aware of the role and functions of elected councils; by target date</p>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>2. Capacity Building</b></p> <p>An appropriate legal framework for decentralization is in place</p> <p>NCSC coordinating efforts to support appropriate decentralization of service delivery in major service ministries</p> <p>Councilors, clerks and district and provincial officials have been trained in their respective roles, functions and operating procedures</p> <p>Nationwide mass media public awareness campaign conducted</p> <p><b>3. Commune-Sangkat Photo-mapping</b></p> <p>Commune and sangkat councils have up-to-date orthophoto maps to enable their role in implementing the Land Law</p>	<p>Decrees and Prakas specified in National Committee for Support to Commune-Sangkat Councils (NCSC) action plan approved and promulgated by Dec 2005</p> <p>Up to 4 service ministries reviewing or piloting service decentralization options by Dec 2005</p> <p>11,200 commune-sangkat councilors and clerks have received selective refresher training by Dec 2005</p> <p>Provinces and their districts have received training on support and supervision to commune-sangkat councils by Dec 2005</p> <p>Improved job performance of trained commune-sangkat councilors and clerks</p> <p>Awareness campaign completed by Dec 2005</p> <p>Aerial photography (1:40,000) for 35% of Cambodia completed by Dec 2004</p> <p>Aerial photographs scanned, rectified and digital orthophotos produced Sep 2005</p> <p>550 commune-sangkat's provided with photomaps by Dec 2005</p>	<p>Semi-annual progress reports on NCSC action plan</p> <p>Semi-annual progress reports on NCSC action plan</p> <p>Progress reports from DoLA and PTC</p> <p>In addition to DoLA and PTC report, also citizen survey reports</p> <p>Reports to DoLA from General Department of Cadastre and Geography, Ministry of Land Management, Urban Planning, and Construction (MoLMUPC)</p>	<p>Risks:</p> <p>Commune boundary review process may lead to some consolidation of communes</p> <p>Delayed transfers and/or reporting through the developing treasury transfer system</p>

<b>Design Summary</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>4. Civil Registration</b></p> <p>The national civil registration system for births, deaths and marriages is fully operational.</p>	<p>Quarterly statistical reports received by Mol from all provinces on a regular basis by July 2005</p> <p>95% of communes implementing civil registration effectively by Dec 2005</p> <p>The unregistered backlog is 80% cleared by Dec 2005</p>	<p>Office of Civil Registration (OoCR) reports</p> <p>Field sample survey</p> <p>Field sample survey</p>	
<p><b>Activities</b></p> <p><b>1. Commune and Provincial Facilities</b></p> <p>Establish PTC within DoLA cell</p> <p>1.1.1 Finalize commune survey and selection procedure and clear through NCSC</p> <p>1.1.2 Finalize standard designs and costings</p> <p>1.1.3 Councils select and adapt designs</p> <p>1.1.4 Implementation and monitoring</p> <p>1.1.5 Mol issues handover certificate and authorizes final payment</p> <p>1.2 Procure and distribute radios and/or cellular phones and motorcycles</p> <p>1.3.1 Finalize POLA survey and/or selection procedure</p> <p>1.3.2 Implementation and monitoring</p> <p>1.3.3 Completion and hand over</p>	<p>See project Implementation schedule</p>	<p>Reports from POLAs and Mol/DoLA/PTC</p> <p>Quarterly and annual MOI/DoLA/PTC progress reports</p>	<p><b>Activities to Outputs</b></p> <p>Assumption:</p> <p>Effective cooperation from Ministry of Economy and Finance and other involved agencies.</p>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>2. Capacity Building</b></p> <p>2.1.1 Review of Decree and Prakas priorities in NCSC action plan.</p> <p>2.1.2 Preparation of required background documents required for Decree and Prakas approval.</p> <p>2.2.1 NCSC to develop effective communication and liaison mechanisms with service ministries.</p> <p>2.2.2 NCSC to revise, as necessary, roles and responsibilities of commune-sangkat councils to implement evolving decentralization of services by line ministries.</p> <p>2.3.1 Recruit international technical assistance (TA)</p> <p>2.3.2 Prepared capacity building analysis</p> <p>2.3.3 Assist preparation of annual training plan/s for NCSC</p> <p>2.3.4 Prepare additional training modules and implementation as required</p> <p>2.3.5 Implement training modules</p> <p>2.3.6 Monitor and evaluate training.</p> <p>2.4.1 Design mass media campaign strategy and clear through NCSC</p> <p>2.4.2 Prepare brief for specialist media agencies, tender and recruit</p> <p>2.4.3 Sample survey to evaluate impact</p>	<p>See Project Implementation Schedule</p>	<p>2.1 –2.2 Semi-annual progress reports on NCSC action plan</p> <p>2.3-2.4 Quarterly and annual MOI/DoLA/PTC progress reports</p>	

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>3. Commune-sangkat Photo-mapping</b></p> <p>3.1 Finalize memorandum of understanding between MoLMUPC/World Bank/Land Management and Administration Project, Ministry of Public Works and Transport /Japanese International Cooperation Agency/Ministry of Energy/Asian Development Bank (ADB) Tonle Sap, Mol/ADB/Swedish International Development Cooperation Agency</p> <p>3.2 Procure and implement aerial photography services</p> <p>3.3 Scan, rectify, enlarge commune maps (Orthophotos)</p> <p>3.4 Produce and distribute photomaps to communes, provinces and ministries</p>	See project implementation schedule	<p>Reports to DoLA from General Department of Cadastre and Geography, MoLMUPC</p> <p>Quarterly and annual MOI/DoLA/PTC progress reports</p>	
<p><b>4. Civil Registration</b></p> <p>4.1 Recruit international TA</p> <p>4.2 Implement council and staff training</p> <p>4.3 Produce manuals and materials</p> <p>4.4 Commission a public mobilization and awareness campaign</p> <p>4.5 Design, procure and distribute council/district/province safes</p> <p>4.6 Procure and distribute commune and district typewriters</p> <p>4.7 Procure and distribute provincial computer sets</p>	See project implementation schedule	<p>Reports to DoLA from OoCR</p> <p>MOI/DoLA/PTC quarterly and annual progress reports</p>	

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
4.8 Procure OoCR office equipment and vehicles  4.9 Organise international study visit			
<b>Inputs</b>  <b>Comp. 1: Commune and Provincial Facilities</b>  Commune facilities Commune equipment Provincial facilities International TA Local TA Vehicles Operating costs  <b>Comp. 2: Capacity Building</b>  Training Mass media awareness campaign International TA  <b>Component 3: Photomapping</b>  Aerial photography, scanning, GPS control, and map production International TA  <b>Component 4: Civil Registration</b>  Training Public awareness campaign Equipment Vehicle International TA International study visit  Government counterpart	\$6.16 million (excl. land value) \$0.82 million \$0.16 million \$0.24 million \$0.10 million \$0.06 million \$0.13 million  \$1.35 million \$0.80 million \$0.60 million  \$1.10 million \$0.10 million  \$0.78 million \$0.30 million \$0.76 million \$0.02 million \$0.18 million \$0.05 million  \$2.0 million	ADB disbursement records	