ASSESSMENT OF THE SECOND TERM OF DECENTRALIZATION IN CAMBODIA:

Commune Council Performance and Citizens' Participation, 2007-2012

COMFREL

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Acronyms and Abbreviations

BoG	Board of Governor
C/S	Commune/*Sangkat*
C/SF	Commune/*Sangkat* Fund
CCs	Commune Councils
CCWC	Commune Committee for Women and Children
CDRI	Cambodia Development Resource Institute
CIP	Commune Investment Plan
COMFREL	Committee for Free and Fair Elections in Cambodia
CP	Capital and Province
CPP	Cambodian People's Party
D&D	Decentralization and Deconcentration
D/M	District/Municipality
DFT	District Facilitation Team
DMK	District, Municipality, Khan
EIC	Economic Institute of Cambodia
FP	Focal Point
FUNCINPEC	National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia
IP3	First Three-Year Implementation Plan
LDF	Local Development Fund
MEF	Ministry of Economic and Finance
MoI	Ministry of Interior
NAA	National Audit Authority
NCDD	National Committee for Sub-National Democratic Development
NCDD-S	National Committee for Sub-National Democratic Development Secretariat
NP-SNDD	National Program for Sub-National Democratic Development
NRP	Norodom Ranariddh Party
OL	Organic Law
PSDD	Project for Support to Democratic Development/United Nation
SNA	Sub-National Administration
SNIF	Sub-National Investment Fund
SRP	Sam Rainsy Party
TSO	Technical Support Officer (provincial)
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Program
VCS	Village and Commune Safety
WCCC	Women and Children Consultative Committees

Acknowledgements

1. Introduction

Cambodia has taken the substantial step in implementing decentralization reform for the past decade. A concern however has been raised as to whether decentralization fits well with the Cambodian reality given the hierarchy and patrimonialism embedded in governance institution (Blunt and Turner 2005). Decentralization in Cambodia aims to deepen democracy and contribute to poverty reduction by placing vital decision making at the local level through the election of commune councils.

The assessment of the first term (2002-2007) by COMFREL provides initial understanding of the situation of reform process. As another follow-up study, this report aims to review the progress of current implementation of decentralization reform and assess the performance of commune councilors and citizens' participation in the second term of decentralization (2007-2012). This study will inform COMFREL of the current situation and challenges related to the decentralization reform and highlight key lessons learnt that may be useful for COMFREL to design and plan future activities.

This report is based on a review of secondary data including ongoing research reports from COMFREL and other reports from various institutions such as government agencies working on decentralization. The approach of analyzing the data is to draw key themes and analysis derived from recent studies and to explain the results and compare them against the first term achievements of decentralization.

This report is divided into nine sections. The second section provides a summary of key findings of the report, followed by the third section which highlights the background of the reform process. Section four describes the current phase of decentralization reform and section five assesses the reform implementation and identifies key issues and challenges inhibiting the reform process. Section six focuses on the performance of CCs and section seven looks into the level of citizen participation. Section eight identifies new issues that have emerged and the final section (section nine) concludes the report and provides an overview of the lessons learnt.

Given the substance of the report, there may be some limitations due to the approach the research team has used and the lack of fieldwork to validate some of the information. However, we strongly hope this report is useful to donors and NGOs who work in the fields of decentralization and development in Cambodia. This report can also serve as reference for future research and for strategic planning.

2. Summary of Key Findings

Compared to the first term, the second term of decentralization (2007-2012) marks relative progress in decentralization reform. During the first term there was minimal change in relation to political decentralization and political distribution, checks and balances, and democratic accountability of local elected officials. Although there as the establishment of sub-national councilors in the first term through indirect elections for province, municipality, district, and khan councils in 2009, the election system used to elect sub-national councils was not democratic and did not reflect the principle of universal suffrage.

With less progress in communes, administrative decentralization in the second term focused more on districts and municipalities. The government kick-started the preparation of 'Functional Assignment Exercise' to transfer selected functions to lower level, notably the districts and municipalities, and it is now in the first stage of functional mapping piloted by five ministries (Health, Education, Youth and Sports, Agriculture, Rural Development and Water Resources). The fiscal decentralization marks progress with more fiscal transfer from the state recurrent revenue to C/SF. The government also mobilizes resources from development partners as an addition to C/SF. Attention by the government to district and municipality fund has also increased, paving way for the endorsement of the Sub-decree No. 36 on the establishment of the DM fund to be implemented in 2013.

The implementation of decentralization contributes to the broad goals of the reform agenda to deepen democracy and reduce poverty. Downward accountability of CCs towards citizens has been somewhat improved and the decision making and planning processes of CCs have been enhanced to promote democratic principles. CCs performance and their concerns are more centered on local demand, indicating that the gap between state and citizens has been bridged to some extent as expected in theory. Furthermore, CCs substantially contributed to addressing local disputes and ensuring peace and safety on the ground, even though their capacity is still limited in regards to local governance. Because C/SF remains small, CCs have to rely on external funds from political parties or *saboraschon* which creates another type of accountability. Through the use of C/SF, CCs have so far achieved improved physical infrastructure, notably rural roads, although their contribution to social services still lags behind. A few challenges have been identified which influence decision making for CCs and limit CC's roles and mandates in relation to natural resource protection and inhibit the overall performance of CCs.

Minimal participation of citizens continues to be observed in the second term although citizens express better awareness about their freedom to speak and join organizations. Low participation in meetings and public forums is caused by the lack of interest of citizens in the affairs of CCs, economic and cultural factors, poor facilitation skills of meeting organizers, lack of information about the meetings, and minimal incentives and prospects for attending. Participation seems to be restricted in events where decision making exists. While participation is still low in formal meetings, citizens prefer to voice their demand informally

to village chiefs or village elders. During critical times however a high level of participation is observed.

New emerging issues have been identified which include scaling up nationwide implementation of the commune committee for women and children (CCWC), the introduction of climate change at the commune level, the establishment of two associations; one for C/S and D/M and the other for provincial councils, and the new commitment from CCs in the third mandate to focus on social services.

3. Background of Commune Election and Decentralization

The Commune/*Sangkat* reform is derived from a programme known as *Seila*. *Seila* started in 1996 and was initially implemented as a framework to match the delivery of capital for infrastructure projects from a variety of donors and the national government to address local needs in target provinces in Cambodia. In the same year the "Local Development Fund (LDF)" supported by UNCDF was introduced to provide support to communes and *sangkats* from 1996 to 2000 within target provinces. The LDF then transferred financial resources and decision-making powers to lower tiers of governance who then used the resources to respond to local needs and priorities through local planning whereby local plans were used as a basis for accessing the LDF funds. The program was designed as a test for D&D planning, financing, and the management of local development at commune and provincial levels. This paved the way for the development of the Law on the Administration and Management of Commune/*Sangkat* (2001), and the establishment of the C/SF in 2002. As a result the first commune election took place in 2002, the second in 2007, and the third in 2012.

It should be noted that while decentralization has focused mainly on communes since 2002, the RGC began paying more attention to the district and provincial levels with the adoption of the *Strategic Framework for Decentralization and De-concentration Reforms* in 2005. This lays out the key characteristics of an envisioned sub-national administration including a unified administration, an indirectly elected council, and a centrally appointed Board of Governors at the district, municipality, *khan* (DMK), capital, and provincial (CP) levels. The main objective of the reform was to create a sub-national governance system to operate with transparency and accountability in order to promote local development and delivery of public services to meet the needs of citizens and contribute to poverty reduction within the respective territories.

Following the adoption of the Law on Administrative Management of the Capital, Province, Municipality, District and Khan known as "the Organic Law" in 2008, the first indirect elections for the respective councils were held in 2009. The elections were however indirect as the members of the commune and *sangkat* (C/S) councils were the ones voting for the municipal, district and khan councils and the party composition of these councils and the results were therefore a direct reflection of the composition of the commune/*sangkat*

councils. Although more attention has been placed on municipality, district and khan levels, commune councils still play a very important role in decentralization and deconcentration in Cambodia. This is why our study focuses particularly on commune performance in the second term (2008-2012) while the overview of the progress of municipal, district and khan council development is also provided.

4. Current Phases

Following the adoption of the Organic Law in June 2008 and the indirect election of Sub-National Councils in May 2009, the ten-year National Program for Sub-National Democratic Development (NP-SNDD) was approved in May 2010 and the first three-year implementation plan (IP3) was endorsed in 2010. The NP-SNDD and IP3 have a goal to develop accountable, sub-national democratic institutions with effective and accountable administrations and to promote improved sub-national development for the benefit of the Cambodian people.

The IP3 has a specific emphasis in the first three years (from 2011-2013) to focus on the district/municipal level. It is now mid-way through and is currently being reviewed and the progress towards the IP-3 expected outputs and outcomes is being assessed. This includes assessing the efficiency and cost effectiveness relating to the recommendations for the design and implementation of the remainder of the IP3 period, and also recommendations regarding the orientation and actions to be taken for the design of the next phase of NP-SNDD implementation (NCDD Forthcoming).

The National Committee for Sub-National Democratic Development (NCDD) continues to play a vital role as the overall program authority through its Secretariat (NCDD-S) responsible for policy formulation and program coordination. Implementation of the National Program is assigned to six national institutions, each with their own subprogram including the NCDD-S, the Ministries of Interior, Economy and Finance, and Planning, the State Secretariat for Civil Service, and the National League of Council Associations.

There has been progress in sector decentralization reforms and functional reassignment as consensus has been reached on the process of re-assigning functions and a sub-decree and guidelines for functional mapping have been approved by the NCDD. Currently, functional mapping is now taking place in 5 ministries including: Ministry of Agriculture, Health, Water Resources, Rural Development and Education, Youth and Sports. As planned, it is expected that the functional mapping and review will be completed by the end of 2012. The next step will be the review of the mapping before the identified functions can be delegated to SNA.

The DMs have established a new office called "the planning and commune/sangkat office" to assist commune/sangkat with technical and professional services when needed and when resources are available. DMs also invite representatives of commune/sangkat to DM council meetings when appropriate (NCDD Forthcoming).

5. Assessment of Reforms: Key Issues and Challenges

5.1 Political decentralization

A number of new municipalities, districts, khans, communes, sangkats, and villages have been established since 2007. Nine new districts/municipalities/khans, twelve new communes/sangkats, and 144 villages have been founded (NCDD 2011). The commune councilors have therefore increased from 11,261 in the first term to 11,353 in the second term. 40,44% of commune councilors are new and were not commune councilors in the first term (NCDD 2011).

In this study, political decentralization mainly focuses on local election, redistribution of political power, political checks, and democratic accountability of local elected officials. From the 2007 commune election, 11, 353 commune councilors were elected 1, 812 of which were women, equal to 16, 10 % of the total (NCDD 2011). Based on COMFREL's Final Assessment Report on the 2007 Commune Council Elections (COMFREL 2007), there has been a creditable increase in political space in the second term. The second term also marks the presence of multiple political parties at local governance. Around 90% of the 1,621 communes/sangkats have councilors from a variety of parties which include:

- The Cambodian People's Party (CPP) who received 61% of the vote, equal to 7,993 commune councilors or 70% of total commune councilors.
- The Sam Rainsy Party (SRP) obtained 25% of the vote, equal to 2,660 commune councilors or 23% of commune councilors.
- The Norodom Ranariddh Party (NRP) saw 8% of the vote, equal to 425 commune councilors or 4.5 % of commune councilors.
- FUNCINPEC obtained 5% of the vote, equal to 274 commune councilors or 2.5 % of commune councilors.

Most of the communes where the SRP and FUNCINPEC won commune chief positions are in remote areas which have systems of checks and balances between non-government political parties and the CPP authorities, for instance, in dealing with land or governance issues. This includes the SRP in Sophy commune, Or Chroy district, Banteay Meanchey province; Pa Te commune, O'yadav district, Ratanakiri province; Chheb Pi and Tbeng Pi communes, Preah Vihear province, Phlov Touk commune, Kampong Leng district, and Kampong Chhnang province. It also includes FUNCINPEC in O Marah commune, Seam Bok district, Stung Treng province and Ampil commune, Banteay Ampil district, and Oddar Meanchey province.

One positive outcome from the commune council elections has been the modest increase in the participation of women. 1,662 (14.64%) of the 11,353 commune councilors are women, compared to 920 (8%) of the 11,261 commune councilors in 2002.

A National Program for Sub-National Democratic Development 2010-2019 was adopted by the government in early 2010. Beginning in 2010, the Royal Government of Cambodia

(RGC) has taken steps to implement the National Program on Sub–National Democratic Development (2010-2019) to devolve more power to the local level and empower citizens to participate in sub-national democracy. However, the sub-national election system does not reflect the objective of democratic development, which is a stated goal in the Decentralization and De-concentration reforms of the Cambodian government. Under the election system used for the sub-national council's ordinary voters cannot strengthen the accountability of elected officers. Through surveys and forums, COMFREL found that the public does not have confidence in this electoral system and citizens have asked for a system of direct elections to select the provincial, municipal, district and khan levels of the government.

It is understood that the dominant mindset of commune councils/councilors continues to follow the old hierarchy. Old behaviors and attitudes in governance remain and instead of making decisions on the input of local residents, decisions are made according to alliances and personal biases. Knowledge about the role of citizens and members of civil society and participation in local governance remains limited as well.

The second term also exhibits the new indirect election for the provincial and district/municipal/khan councils on the 17th of May 2009. The proportional system was used where political parties prepare their candidate list and eligible voters are drawn from existing commune councilors (123 votes are added which are cast by members of the National Assembly, in addition to the commune council votes). This system enables commune councilors to vote by the party with which they are affiliated. Commune councilors had to elect their political party rather than the individual candidate of the people's choice in both the 2006 Senate elections and the 2009 sub-national council elections. Hence, the number of seats is proportional to the current number of commune councilors of the major parties from the Cambodian People's Party (CPP), (7,993 commune councilors), the Sam Rainsy Party (SRP) (2,660 commune councilors), the Norodom Ranariddh Party (NRP) (425 commune councilors), and FUNCINPEC (274 commune councilors), and the results can be easily forecast for the senate or sub-national council elections. The 2009 indirect elections of the sub-national council resulted in show the CPP winning 2,551 seats, the SRP winning 579 seats, the NRP winning 44 seats, and FUNCINPEC winning 61 seats.

This kind of indirect election system where the voters consist of elected members from the major political parties results in the National Assembly and commune council majority party having a disproportionate amount of control over all indirect elections. This type of local political system continues to be under overwhelming control of the CPP with 98% of commune chiefs and 98% of village chief's members of the CPP. Whereas seven different parties are represented in the C/S councils, only the four that carry the most seats are represented in the district/municipal/khan (DMK) level and provincial/capital councils, with the ruling party carrying 78% of the total seats. Only some 363 seats (out of 2880, being 13%) in the DMK councils are filled by female party representatives. At present, DMK structures are in place and operational with all 185 D/M structures and 9 khan structures up and running (NCDD Forthcoming).

A certain level of DM/SNA autonomy is key to the realization of the IP-3 objectives (NCDD Forthcoming). Given the DM/SNA structures as outlined in the Organic Law, this autonomy is vested in the council. However, there is great variation between the DM councils in terms

of their political capability to be autonomous. Some DM councils are advanced since they work well with the Board of Governors. Other councils are still struggling with their identity and functions and are uncertain of their position and responsibilities, especially when it comes to planning and budgeting. These councils now depend much more on their BoG and thus play a minor political role so far.

Through awareness raising in the second term there has been some level of increase in local people's participation in decision making and local development, although it is not yet satisfactory. Such participation takes place in the process of development planning and investment program at the commune and sangkat level by raising issues and priority needs and preparing and implementing projects. Based on the training provided so far by MoI, relevant institutions and NGOs have helped to increase councilor's capacity to implement their roles (NCDD 2011).

Challenges[1]:

- A monopoly still exists in 166 communes where the CPP took all commune council seats compared to 148 in 2002. Just 28 of the 1,621 commune chiefs are from SRP and two from FUNCINPEC. Among the most concerning is that all parties other than CPP had difficulty nominating enough candidates to contest for this election. This led to the paradox situation with the CPP the only contester, whereby the number of communes/*sangkats* where only CPP candidates have run has further increased.
- Under the current election system citizens are unable to stand for elections as independent candidates from a political party. The system of party based candidate lists and indirect elections used in commune level elections make councilors beholden to their party leaders more than to their constituents. As a result councilors reported disillusionment as they felt they do not have enough power in relation to the party structure to intervene in resolving local problems. Most political parties in Cambodia have no clear democratic procedures for the selection of candidates for their party list. The party leadership has control of the content of the party list, making candidates on the party list more loyal to the party leadership than to their own constituents. Furthermore, the party has the power to remove the candidate from their position even when they already hold an elected seat.
- Capacity development is conducted hierarchically from central to provincial or municipal level and from municipal or provincial level to commune or *sangkat*. There is also some training provided directly from central to commune/*sangkat* level. Despite this, since 40,44% of commune councilors are new, capacity building needs to started again and on-going capacity development is needed for them to fulfill their functions effectively in order to respond to local people's needs and meet requirements stated in the legal instruments. Therefore more resources are spent.

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[1] The challenges is based on COMFREL report on the Final Assessment and Report on 2007 Commune Council Elections

5.2 Administrative decentralization

Apart from its mandate, the commune/*sangkat* has another function as an agent stipulated in the law on the administration of commune/*sangkat*. The agent's roles include issuing birth certificates, updating voting lists, land registration, and providing support in terms of materials, budget, and human resource development (NCDD 2011).

Even though the law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans and NP-SNDD outline the functional assignment to sub-national administration, up to now the SNA has not received any function yet. This requires in-depth study and a clearly defined strategy to engage relevant actors (NCDD 2011).

At DMK, apart from putting structures and autonomous councils in place, another important component of the first phase of the NP-SNDD is to provide DM/SNAs with additional functions best dealt with at that level, such as the transfer of selected functions of central government line ministries (together with the appropriate related human and financial resources) to lower levels of government, notably the DM/SNAs (NCDD Forthcoming).

The decentralization of specific central government functions is now being prepared under a 'Functional Assignment exercise' which is in its first stage of ongoing functional mapping in five ministries (Health, Education, Youth and Sports, Agriculture, Rural Development and Water Resources). This exercise is aimed to be finalized by the end of 2012 but may take longer. The next step to follow is a functional review, which should later lead to actual decisions on the transfer of functions from these line ministries to the DM/SNAs.

Challenges

- Time and resources could have been saved if the functional mapping process had started by identifying major potential functions relevant and suitable to be decentralized (NCDD Forthcoming). Some improvements in relation to efficiency could have been achieved by more carefully selecting the pilot sectors for 'quick wins'. As much as DM/SNAs may have their own staff to undertake some of the functions that are to be transferred, the fastest way to effectively transfer some functions is when there is already staff at the DM levels (NCDD Forthcoming)

5.3 Fiscal decentralization

The commune/*sangkat* has so far receives financial resources from C/SF, contributions from local people, and development partners' projects or programs only. Own source revenues which include tax, non-tax, and other fees have been not been researched or considered yet (NCDD 2011).

An unconditional grant, the C/SF, was established and increased over time. As in the second mandate of Commune/*Sangkat*, the government decided to transfer state recurrent revenue to C/SF equal to 2.56 % in 2007, 2.70% in 2008, 2.75% in 2009, and 2.80% in 2010 and 2011. The government also mobilized resources from development partners to target

commune/*sangkats*. Commune/*sangkats* also received money contributions from local people from 2007 to 2010 of the amount of 5,656,690,000 Riel (USD 1,414,173 approximately).

Despite unclear functions and limited resources, communes have continued to perform local development. This is partly in response to local needs and partly due to the initiative of councils (especially their chiefs). Therefore communes have been involved in social service delivery including security and social order, natural resource management, conflict resolution, waste and market management (especially in urban areas), education, health and agriculture.

Performance and results of these social functions has been very uneven. This has been determined by commune chief leadership and other external factors such as support from political parties and NGOs and cooperation from line ministry officials. Councils have been at pains to "do something" with limited CSF. They have strongly urged the formalization and clarification of their functions and the authority and resources that should accompany them.

Fiscal decentralization since 2002 has focused mainly on the Commune/*Sangkat* Fund (C/SF). The fiscal decentralization, while still giving priority to communes, has begun to pay more attention to districts and municipalities (Pak 2011). Before the indirect election in May 2009, only limited provincial and district reforms had been made and the provinces were considered just an extension of the centre. Limited power and resources made them rather like a line department of the Ministry of the Interior and the district administration was not even considered a budgetary level.

As the availability of financial resources is critical to the performance of the newly established DM/SNAs, the second main objective to the IP-3 is to provide the DM/SNAs with the financial resources to fund their mandates. It distinguishes four types of incomes for the DM/SNAs to fund their activities as follows:

- The discretional DM fund
- The Sub-National Investment Fund (SNIF)
- The (conditional) sector funds, to fund the transferred functions, and
- Own revenue sources, both tax and non-tax based.

Sub-decree No.36 on the establishment of the DM fund was established with the decree stipulating that the resources will be made available through an unconditional transfer from the national state budget to D/Ms to fund their activities including the cost of salaries and allowances of councilors, administrative operations, and local development which is the general mandate. However, while DM funding is expected to start in 2013, the rest is not happening any time soon.

It should also be noticed that at present there are 17 D/Ms piloting the One Window Server Office program funded by the World Bank and state budget. They have gradually gained experience collecting fees for services rendered but these are mostly delegated functions of line ministries and D/M are not allowed to utilize the revenue. In addition to this, D/Ms

continue to receive substantial contributions and support from local people (NCDD Forthcoming).

5.4 Legal framework and mechanisms supporting decentralization

5.4.1 Legal framework

The legal and regulatory framework is the backbone for reforms as it provides the rules of operation for different levels of government including administrative, political, and financial (ADB 2011). The constitution of Cambodia states that the municipality, province, district, khan, commune/*sangkat* shall be governed in accordance with organic law. Following the constitution and government's policy on D&D reform, a number of key laws were adopted including:

- Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans (2008)
- Law on Elections of Capital Council, Provincial Council Municipal Council, District Council and Khan Council (2008)
- Law on public finance system (2008)
- Law on financial regime and asset management of sub-national administration (2011)

Between 2007- 2011, more than 192 legal instruments were issued in order to implement the law on commune/*sangkat* administration, the law on province, municipality, district and khan and D&D policy. During 2012, nine legal and policy documents were developed which include the Sub-Decree on General Processes of Transfer of Functions and Resources to the Sub-National Administrations[2]. Other important documents are the Sub-decree on the DM Fund and several guidelines on predominantly financial management issues which have been completed by NCDD-S in collaboration with respective ministries.

However, these legal and policy frameworks are not sufficient and consistent with the roles and functions of relevant institutions, municipality, province, district and khan, and line departments are not clear in response to D&D framework. To solve the above problems, the government has put in place a road map for the 10 year national program for SNDD and IP-3 (NCDD 2011).

The NP-SNDD (2010-2019)

Further to the Organic Law, the NP-SNDD (2010) was to be considered a key document for the D&D reforms, aiming to provide the framework for the implementation, guiding the work-plans of the NCDD, NCDD-S, and the implementation of parties across government with a time horizon of 10 years. Based on the main thrust of the Organic Law, the focus of the NP-SNDD is to extend the first wave of D&D reforms largely focused on the commune and sangkat levels, and to also include other sub-national tiers, notably the districts, municipalities, and provinces (NCDD Forthcoming).

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[2] Please see Annex A for more detail on the legal and policy framework

The NP-SNDD reiterated the same overall long-term objective as formulated for the D&D strategy (2005). This is to develop management systems of provincial, municipal, district, khan and commune/*sangkat* levels, based on the principles of "democratic participation". Further to the original strategy, the NP-SNDD distinguished three phases (called platforms) for the implementation of the reforms each with its own specific objectives over a 10 year period.

IP-3 (2011-2013)

The IP-3 vision is naturally very much in line with NP-SNDD (2010-2019) and has succeeded the NP-SNDD as the latest D&D document (NCDD Forthcoming). The purpose of IP3 is to develop the functioning and capacity of SNA, in particular districts and municipalities, khan, communes and sangkats, to represent the views of local citizens and to respond to their demands. Compared to the NP-SNDD, the IP3 puts particular emphasis on:

- The specific focus on districts and municipalities (DMs) next to the communes and sangkats (as reflected in the stated *purpose* of the IP-3)
- The specific attention for *voice and representation* as reflected in the IP-3 programme *goal,* emphasizing the new orientation on democratic development that goes well beyond D&D

Challenges[3]:

- Policy development is lagging behind. Despite the expectation that many legal and policy documents would be in place by mid-2012, many still exist in draft format only or are still waiting to be drafted.
- The issue of limited capacity within NCDD-S for policy development, combined with the 'centralized' approach to policy development whereby NCDD-S becomes the 'implementer' rather than the facilitator of policy development, makes it difficult to keep pace with the demand for all the identified legal, administrative and policy documents.
- Although not all policy and legal documents will be directly relevant for the SNA-level, it is clear that it is impossible for councilors at district and municipal level to be familiar with a great number of decrees, sub-decrees, *prakases*, policies and guidelines.

5.4.2 The mechanisms to support decentralization reform

The mechanism to support decentralization reform will focus on the key actors who play important roles in the institutional setting for Deconcentration and Decentralization Reforms. They include:

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[3] This section is drawn from NCDD report on IP-3 midterm review.

Ministry of Interior: the MOI remains a very influential player. It was instrumental in preparation of the 2005 strategic framework for deconcentration and decentralization reform and was the sole player in development of the 2008 Organic Law (OL).

Ministry of Economy and Finance: Overall, MEF managers support a cautious and gradual approach to deconcentration and decentralization, taking into account capacity constraints at the sub-national level.

National Committee for Democratic Development of Sub-national Administrations (NCDD): As per the provision of the OL, the NCDD and representatives of all major government ministries and institutions that have a role to play in the reforms, was established by Royal Decree in December 2008 with the task to coordinate and lead implementation of the OL, with assistance of a Secretariat (the NCDD-S) for day-to-day management operations.

National Audit Authority: The National Audit Authority (NAA) is responsible for external audits of the sub-national administrations. The NAA however has major capacity constraints and is unable to meet these audit requirements. It has negligible involvement at the sub-national administration level and can give only minor support at the commune and provincial levels.

6. Performance of CCs

The wider framework of implementing decentralization reform is to deepen democracy and to contribute to poverty reduction in Cambodia. As a democratic local institution, CCs are assumed to bridge the gap between the state and citizens for better service delivery and higher participation from citizens. The mandate of CCs has entered into the third term after the commune election on June 3, 2012. To what extent decentralization has made progress in promoting democracy and poverty reduction thus far requires an analysis of CCs' performance on a number of key aspects.

6.1 Accountability

Downward accountability of CCs towards citizens is reported to exist in local governance of Cambodia (EIC 2010; Öjendal and Kim 2011; Plummer and Tritt 2011). CCs perceive better understanding about their own obligation, see the demands of local people, and consider this as primary (Chheat, Lun et al. 2011). Two different surveys confirm positive results of the perceived downward accountability of CCs towards local citizens in the second term of CCs. 94 percent of councilors interviewed by EIC in 2010 confirm the downward accountability of CCs to citizens while CDRI's baseline survey in 2011 showed that 70 percent of 531 councilors claimed to be primarily accountable to their electorates (Chheat, Lun et al. 2011).

CCs try to be accountable to their citizens for the decision they make (Öjendal and Kim 2011; Plummer and Tritt 2011).Where issues are outside their mandates, CCs still manage to

respond to local demands (Kim and Öjendal 2009; Plummer and Tritt 2011). CCs believe they have an obligation to assist individual citizens who asked for help (EIC 2010). They also express relief at not having to be autocratic and repressive, but rather responsive to local protection and support (Kim and Öjendal 2009). Although a survey found over half of interviewed councilors are still skeptical about the right of citizens to examine documents at commune office, 90 percent reported they recognize the right of citizens to know about the affairs of the commune. This includes the right to attend commune and village meetings an become informed about financial matters in order to make more informed decisions (EIC 2010). CCs also disseminate the progress reports and budget implementation reports through village or commune notice-boards (NCDD 2011). The performance of CCs to share information with citizens corresponds to the principle of accountability in theory. According to Schedler (1999), accountability arises when elected bodies are able to inform or explain their decisions to citizens, take into account the right of citizens to receive information, and release all necessary details including facts and evidence.

While CCs elicited their downward accountability, citizens also agreed that the commune councils in the second term have better respect for their voters than in the first mandate. For instance, 96 percent of citizens interviewed in 2009 (up from 87 percent in 2005) believe that their CCs respect ordinary citizens (Öjendal and Kim 2011). In the survey conducted by EIC in 2010, 84 percent of citizens interviewed also express the same view that CCs broadly share the same priorities and indicated their satisfaction with the performance of CCs in most development areas (EIC 2010).

Accountability also refers to enforceability meaning that elected bodies need to bear punishment for their decisions. Without such enforcement accountability becomes toothless (Schedler 1999). Enforceability has emerged in local governance although not yet at a satisfactory level. Ann (2008) found that citizens in his studied commune could watch and see the performance of their elected bodies and they had already voted out leaders who failed to deliver services as promised. Likewise, a survey in 2009 showed that more than 90 percent of 583 respondents claimed that they could hold their commune councils accountable by voting them out of office if their response was not satisfactory (Kim and Öjendal 2009). Plummer and Tritt (2011) describe two interesting cases; in one case citizens vote out councilors who refuse to support their complaints against a land concession owner, and in another case citizens protested and finally removed a village chief who demonstrated mismanagement of local contribution.

Furthermore, to hold elected councils more accountable accountability boxes have been used. 3,024 accountability boxes were placed at capital, province, city, district, khan, and commune/*sangkat* offices across the country (NCDD 2011). From 2007 to 2011, 2,379 complaints were received, 987 (approximately 42 percent) of which were relevant to accountability issues. Of the 987 complaints, 419 (approximately 42 percent) have been addressed successfully (NCDD 2011). The extent to which these accountability boxes enhance accountability of CCs remains unclear as raised by (NCDD 2012), and so further research is required.

6.2 Decision making process

Since the first election of CCs, decision making in communes has improved in relation to democratic principles, especially on the use of C/SF. The primary decision making task for CCs is the implementation of annual development investment plans and the allocation of the C/SF. Plummer & Tritt (2011) found that the allocation of C/SF is to some extent based on local needs, preferences of people, and the knowledge of CCs of local situations. Decision making in this area is carried out according to regulation with an attempt to achieve transparency (Plummer & Tritt 2011). It starts from CCs review and update of its plan and submission to the District Integration Workshop where several stakeholders such as line departments and NGOs take part to respond to commune priority. After this workshop, CCs can make decisions on how to use C/SF for the year.

However, decisions in communes on other issues are still influenced by external players. The decision of CCs to select contractors for development projects is influenced by provincial authorities (e.g. TSOs and DFTs). The provincial authorities are assigned to help pre-qualify the capacity of contractors for CCs. Interestingly the provincial authorities decide the time and the place for bidding meetings. This has confused CCs since they feel less control over the ultimate decision to select contractors. Clarification on the responsibility and control between CCs and TSO on the matter is required for CCs to feel ownership since they are the ones who take responsibility for local development in their jurisdiction (Plummer & Tritt 2011).

The decision to appoint village chiefs has been transferred to CCs in 2006 to ensure the control of human resources within communes. However, it is reported that the village chief voting process is politicized (Ann 2008; Plummer and Tritt 2011). Councilors in different parties within a commune try to negotiate and compete for the space of their own party candidates (Plummer and Tritt 2011).

CCs also play important roles in decision making in other arenas such as NGO activities, line ministry programs, donation, and natural resource protection in communes. While decisions made by CCs related to NGO activities and line ministry programs seem less complicated, CCs' role in decision making on external donation mark interesting stories. Each commune chief could mobilize external resources, especially from political patrons for development investment in their commune if they are active enough in party networks. Although most CCs are active in their political party, communication skills and personality types of each commune chief marks a difference in the level of external support and donations to their commune (Thon, Ou et al. 2009; Plummer and Tritt 2011).

The decision making of CCs in relation to the protection of natural resources remains limited. Heng, Kim et al. (2011) found that CCs are usually confronted with three informal powerful institutions that cause hindrance to their decision to protect natural resources. They are: (i) provincial departments who are often accountable upward to their line ministries and bypass CCs, (ii) powerful tycoons who often receive licenses to use certain resources in commune, with CCs having no power to change it, and (iii) powerful territorial authorities such as

military, police or provincial officials who are often more accountable to political parties than local people.

6.3 Dispute resolution and problem solving

In COMFREL's assessment report of CC performance 2007, youth gangs, domestic violence, and small land conflicts were identified as critical local disputes (COMFREL 2007). The second term indicates not only the above problems, but also other social issues such as drugs and rape. Interestingly, over the last three to five years robbery and theft are reported to have declined and people feel safer in their homes at night in 2010 compared to 2007 (TAF 2011).

The second mandate of CCs also exhibits the government's efforts to combat local violence through the implementation of Village and Commune Safety (VCS) Policy issued on August 16, 2010. According to this guideline, communes or villages are considered to be safe when there is no theft or robbery, no production; circulation; or use of illegal drugs, no pedophilia, no trafficking of children and women or domestic violence, no youth gangs, and no gambling or illegal use of guns.

Village chiefs and CCs are reported to be key players in dispute resolution and problem solving. Öjendal & Kim (2011) found that 81 percent of respondents (an increase from 55 percent in 2005) said that CCs generally manage to solve conflicts in villages. More than 91 percent claimed that CCs took their complaints seriously and indicated they would turn to CCs if they had problems. Results from citizens' score card evaluation conducted by COMFREL also revealed that 94 percent of 83 respondents from seven remote and indigenous communes indicated that CCs had moderately enforced the implementation of village and commune safety policy (COMFREL 2013). The good points about village and commune chiefs identified include: they are accessible or helpful when assistance is requested, they are helpful in information sharing and awareness raising, and they are fair in conflict resolution (TAF 2011). Local people report to often avoid reporting matters to the police due to the prevalent practice of the police asking for informal payments whenever they intervene (TAF 2011). Citizens however do continue to report serious crimes to the police (TAF 2011).

An assessment report conducted by COMFREL in 2007 also identified the prevalence of corruption and nepotism in commune council mediation in the first term. In the second term, Thon, Ou et al. (2009) found that cash was being taken by CCs for responding to local conflicts and administering certificates. However, such money is not considered by CCs as corruption practice but rather as a gift or fee for them to carry out services. Besides the involvement of CCs, there are reported cases where clerks charge citizens for civil registration much more than the required fees (TAF 2011).

Economic transformation brings about higher land prices and economic land concessions in many places in rural Cambodia. In this regard, the roles of CCs are active not only in certifying land deals, but also in resolving land conflicts. The second term of CCs marks a growing level of land conflicts between villages, villagers, concessionaires or outside speculators, and sometimes involving commune councilors themselves (Thon, Ou et al.

2009). CCs are effective in dealing with small land conflicts where mediating strategies to calm potential conflict are used. However, in serious conflicts that involve powerful tycoons from outside, and when protest against them does not work, CCs become proactive and in some circumstances request support from upper authorities (Plummer and Tritt 2011). Because there is no direct intervention, some citizens view that CCs have not helped to resolve their land conflicts. For example, according to COMFREL (2013), 58 percent of 207 respondents who participated in citizens' score cards evaluation did not agree that local elected officials had solved or reconciled land dispute (land concession) or gave land forest back to the community (COMFREL 2013).

6.4 Communication within CC

The three commune elections held in 2002, 2007 and 2012 crafted the presence of a pluralist political party system in local governance of Cambodia. This arrangement means Cambodian local political landscape is not controlled by one party as previously (Ann 2008). However, to what extent the pluralist party system at commune generates political debate and better choice for citizens requires investigation into the level of communication and interplay between councilors within communes.

COMFREL (2007) reported the existence of discrimination and rivalry between councilors from different parties in the first term of CCs. In the second term, several surveys reported collaboration between councilors in response to local demands as a priority; however, competition between parties still exists. In communes where CPP holds the majority, decisions on important issues seem to be driven by the dominant party, especially on the election of village chiefs. The instruction from MoI in 2006 states that village chiefs shall be elected by commune councilors and those elected will be entitled to select a deputy village chief and an assistant. Seeing the potential of village chiefs to gather votes, CPP grips and expands its party network down to the village level. As a result, village structure remains under CPP control (Ann 2008).

Various strategies have been used by CPP councilors to manipulate village chiefs to vote for their own party candidate in the rule of democratic game. This includes building alliance with other parties for the voting process and the use of special arrangements in exchange for the cooperation of other councilors (from other parties). Ann (2008) identified the concern of other opposition party councilors who felt disadvantage due to being unable to manipulate the vote for village chief position.

Although competition is found between councilors from different parties, the intention to balance power and ease political temperature is also observed (Plummer and Tritt 2011). Plummer and Tritt (2011) found that where an opposition party takes the majority of votes, the opposition party commune chiefs rarely selected their party candidates as village chiefs. This is to ease political temperature and sensitivity of the CPP hierarchy at higher level. This has provided an easy environment for CCs' to conduct everyday work and assure continuous support from above.

A space for each political party councilor to exercise their legitimacy is found in communes. Ann (2008) found that while the commune chief (in his studied commune) use strategies such gifts, promises, and the attempt to control village chiefs to enhance popularity for next election, the first deputy commune chief from the opposition party used a different strategy based on fairness and honesty and to build trust with citizens. Likewise, in other communes while some councilors ignore land conflict issues, other councilors show their support to citizens to claim ownership against private concession owners (Plummer and Tritt 2011). Having political space is good in the way that it gives better choices to citizens and it makes political parties compete with each other for popularity.

6.5 Commune/Sangkat Fund

Commune/Sangkat Fund (C/SF) transferred from the government to the C/S councils includes both tax revenue and development partner contributions to cover administration and local development. Furthermore, C/S councils are entitled to collect local resources however, as C/S councils do not have powers to collect taxes local resources cover only local contribution at present (RGC 2009).

While COMFREL's assessment report (2007) identified low fiscal transfer to CCs as the major obstacle inhibiting the performance of CCs in the first term, some improvements in fiscal allocation is observed in the second term. Compared to the first term of CCs, fiscal transfer increased from 1.5 percent in 2002 to 2.80 percent in 2010. In total, for four years of implementation (2007-2010) USD 197 million was allocated to C/SF, 76 percent of which was from the government and PSDD/UNDP project, and 24 percent (USD 47 millions) from other development partners. From the total, 67 percent was earmarked for development work and 33 percent for administrative tasks. In 2012 each commune received around USD 27,517 of C/SF on average (RGC 2012). The government also continues to encourage local contribution to cover part of the cost of development projects. From 2007 to 2010 local contribution accounted for USD 1.4 million (NCDD 2011).

Although the C/S fund is annually topped up, is not yet enough for CCs to respond to local demands effectively. According to Kim and Ojendal (2007) this scenario indicates a mismatch between responsibility and resources. Limited C/SF means that CCs have to rely on external funds, and this creates other types of accountability. A study by Plummer and Tritt (2011) reported that the role of party financing is contributing to local development, especially prior to election. In the same vein, Craig and Pak (2011) found party financing in their cases was two to three time more than the C/SF. Party financing causes political marginalization and creates political accountabilities that the C/S fund and other donor-oriented program might not.

6.6 Local development planning process

The development planning process in communes mainly consists of two major tasks, (1) developing the comprehensive five-year Commune Development Plan (CDP), and (2) reviewing and updating the annual Commune Investment Plan (CIP). The process of

developing these two plans occurs through village meetings, the planning and budget committee meeting, and council meetings.

The planning process of CCs marks a certain level of participation from citizens and partnership between stakeholders (Plummer and Tritt 2011). The district integration workshop shows the importance of the participation of NGOs, line departments, and CCs to share information to respond to the commune priority. CCs can also make a request and call for external support to their area.

However, a number of constraints still exist in relation to the planning process at commune.

- Capacity of CCs in planning and budgeting remains an issue and the amount of CSF is still small. This results in reluctance of CCs to choose certain sector/services as priority in CIP besides physical infrastructure such as rural roads (Plummer and Tritt 2011).
- Low level of participation of citizens in village and commune planning makes it difficult for CCs to process planning and to integrate local needs into development agendas. While CIP requires 60 percent of households attend meetings, in practice, villagers choose not to attend such meetings. People who attend meetings are often women or young people whose participation if often passive (Plummer and Tritt 2011).
- Effective planning should translate into real implementation. The challenge now is concerning disconnection between planning and implementation. While planning suggests local need for social services, implementation focuses more on rehabilitating physical infrastructure. Planning has created high expectation from citizens but provides empty results in the end (Plummer and Tritt 2011).

6.7 Public service delivery

The key achievement of CCs in the second term lies in the visible improvement in physical infrastructure, especially rural roads (EIC 2010; Chheat, Lun et al. 2011). For example, 60.5 percent of 853 respondents from 64 remote and indigenous communes who participated in the citizens' score card evaluation facilitated by COMFREL moderately agreed that their local elected officials had built new roads and bridges and conducted maintenance (COMFREL 2013). The fact that rural roads become the most popular investment choice is due to several reasons. Besides local need, the decision to select rural roads is driven by political economic motivation with the idea that roads could enhance local economic development. Choosing rural roads means CCs can respond to local needs while also aligning with their technical capacity and limited resources (Plummer and Tritt 2011).

Although CCs have interest in rehabilitating rural roads, they show less interest in other areas of infrastructure such as irrigation. For example, the score card results collated by COMFREL showed that 56.7 percent of 430 respondents from 34 remote and indigenous communes claimed they did not agree that CCs had built pump stations, dug and repaired canals, water gates, ponds, dams, or drainage in their communes (COMFREL 2013). CCs also have less investment in irrigation due to certain risk the project could carry. Irrigation is

only suitable for certain geographical locations and investing in such project means CCs need to plan for people with certain skills to manage, control, and maintain irrigation schemes. Benefits from irrigation therefore are only provided to certain groups of people who have land near water canals, and not to people in general (Plummer and Tritt 2011).

Besides providing registrar record services, CCs also make an effort to intervene in other services, namely water supply and sanitation, school repairs, maternal and child health service, nutrition, child protection, and support to vulnerable families. Such services however are less popular among CCs because they require investigation and coordination with line ministries and involve risk of delays and uncertainty by lack of technical staff to work in these areas (Plummer and Tritt 2011).

Service delivery provided by CCs depends on their knowledge of people's needs and available funds. However, the small amount of C/S funds do not allow CCs to provide effective services to citizens, therefore the reliance on political parties and generous people (*saboraschon*) is important. It has been found that party finance has so far contributed great deal to building local infrastructure, especially in schools, irrigation, and roads. Such contribution is not consistent in all communes and depends on the communication skills and networking of CCs, the personality of each commune chief in relation to their pragmatism, and initiative and discretion to utilize both formal and informal funds for local development (Heng, Kim et al. 2011). It also depends on the connection between each commune and political elites, such as whether it is the birthplace of any political elites, or whether public face can be withdrawn from the commune support (Craig and Pak 2011).

Although party financing seems to have a great impact on local service delivery, shortfalls are found in this financing mechanism. Party financing is irregular depending on election cycle and entirely focuses on infrastructure such as building schools, while the focus on service delivery such as motivating teachers to teach is rare. The focus on infrastructure without attention to maintenance is often translated into unsustainable investment, for example, the case of rural roads (Craig and Pak 2011).

The second mandate of CCs marks an effort by CCs to protect natural resources for the benefit of their citizens. However, a few studies (Heng, Kim et al. 2011; Plummer and Tritt 2011; NCDD 2012) identified unsatisfactory response by citizens towards the performance of CCs in this sector. A survey conducted by NCDD (2012) reveals that citizens consider the performance of CCs as "poor" regarding their role to protect forestry and fishery resources. Plummer and Tritt (2011) however argue that CCs cannot be the core blame. Less satisfaction from citizens does not necessarily mean that CCs had poor performance in resource protection. The reason of their failure lies in the limitation of their roles and mandate in resource protection that hinder their intervention. Plummer and Tritt (2011) found that CCs had tried many ways to solve land conflicts, but when they do it often translates into personal price. CCs are therefore torn between their upward and downward accountabilities.

6.8 Capacity of CCs

Commune councilors in the second mandate continue to have low educational backgrounds. A survey by CDRI in 2011 showed over half of interviewed councilors (55 percent of 531 interviewed) received between one to six years of education, 30 percent between seven to nine years, 13 percent between 10-12 years, and only 2 percent 13 years or more. According to Thon et al (2009), it is not surprising to see the turnout result of low education of CCs given that of the Law on Commune/*Sangkat* Administration and Management in 2001 states that Khmer citizens who can read and write Khmer script are eligible for CC election - meaning primary education is satisfactory for CCs.

While low education is a problem for CCs, Plummer & Tritt (2011) found commune councilors often have poor capacity in planning and financial management. With low educational background, CCs have difficulties catching up, and this means CCs have to rely on commune clerks who are recruited based on merit and receive professional experience from MoI to deal with complex technical projects.

Low education does not entirely translate into poor administering capacity of CCs. Öjendal & Kim (2011) defend that regardless of their level of education, CCs are knowledgeable about local situations because they are living in the area. Thon et al (2009) found that most of interviewed councilors have a lot of experience in administration because they had previously held positions in the public domain since 1979 or during the Khmer Rouge. Also, their leadership characteristics, legitimacy, and their ability to attach themselves to the right network are other valuable attributes they have. Failures in administering may be a result of other factors and not limited to education per se, but rather the lack of financial resources and political shortcoming of CCs in their mandate to pursue pro-active politics to protect their citizens (Kim and Öjendal 2007).

Despite limited educational background, confidence in CCs to maintain downward accountability to citizens has improved (EIC 2010) due to the experience gained from the first term. However, training is still important in this regard to strengthen the capacity of both old and new councilors. About 40.44 percent of councilors in 2007-2011 were newly elected to the position. Training can also help to add more knowledge to old CCs to perform their roles more effectively.

COMFREL's report in 2007 shows the training courses provided to CCs were too intensive, too broad, and not sufficiently tailored to the local situation. To address this issue the NCDD conducted an in-depth study on capacity building needs of CCs to define modules, strategies, timeframe, budget, and agencies responsible for providing training to CCs in the second term (NCDD 2011). As a result training modules were developed and provided to CCs. Below is the description of training modules provided to CCs from 2007 to 2010.

Table: Training modules provided to CCs from 2007-2010

2007	2008	2009	2010
• Commune/*Sangkat* administrative management • Development planning and Commune/*Sangkat* investment programme • Commune/*Sangkat* activities to prevent HIV/AIDS in community • Gender for local administration	• Conflict mediation • Functional Implementation of Committee of Women's and Children's Affairs • Validation of registrar book data	• Implementation of Commune/*Sangkat* Fund • Monitoring and evaluation on administrative and financial affairs at Commune/*Sangkat* • Leadership for Commune/*Sangkat* councils • Law on administrative management of Capital, Provinces, Municipalities, Districts and Khans • Preparation for transfer of roles and responsibility from old administration of Capital, Province, Municipalities, Districts and Khans • Basic guidelines for sub-national administration	• Development ideas for Commune/*Sangkat* • Commune/*Sangkat* activities for social development • Small-scale proposal writing • Functional implementation of Committee of Women's and Children's Affairs for social development • Structural integration of civil servants at Capital, Provinces, Municipalities, District, Khan into the new structure • Roles, responsibility and procedures of the sub-national administration • Dissemination on the sub-degree and Prakas to support the implementation of Law on the Administrative Management of Capital, Provinces, Municipalities, Districts and Khans

Cited from (NCDD 2011)

7. Citizens' Participation

COMFREL reported a low level of participation of citizens in the first term of CCs. The second term of CCs continues to exhibit minimal participation of citizens in project and budget planning (EIC 2010; Plummer and Tritt 2011) although it seems citizens express better awareness about their freedom to speak and to join organizations (EIC 2010). Interestingly, high level of citizens' participation is observed at critical times described further in this section.

Participation is low in both quality and quantity in village meetings. Only 41 percent of respondents surveyed by EIC in 2010 stated they attended village level planning meetings. Citizens who attended meetings seemed to lack purpose and their attendance was due to the instruction from village chiefs. For example, 77 percent of those who had attended meetings stated that they went to a meeting because they were told to attend by authority whilst 18 percent claimed that they went because they were personally invited (EIC 2010).

In theory village meetings serve as a forum where citizens can contribute their ideas and voice their demands for development activities in their villages or commune. A village meeting requires 60 percent of villagers to attend, but in practice village chiefs often fail to meet this proportion and end up holding it with fewer people. The strategy used by the village chief in the facilitation of meetings is often through one way communication and does not create a forum in which citizens can contribute and participate effectively (Plummer and Tritt 2011). Compared to meetings organized by NGOs or political parties, participation in village meetings is less interactive. The reason for this is due to the lack of explicit incentives to participate and facilitation styles used by workshop facilitators. In practice village meetings are conducted to inform, rather than to enable local people to participate. This prevents local peoples from participating in decision making as decision making occurs only at the commune level (Plummer and Tritt 2011).

Participation in council meetings or other meetings (e.g. commune development planning) held by CCs is also low (EIC 2010). According to Thon et al. (2009) in one of their cases examined participation has reduced to the level where CCs hire loudspeakers to broadcast information. A survey by EIC in 2010 found that 87 percent of respondents and 92 percent of poor citizens have not attended a council meeting in the past year. Another survey by COMFREL in 2011 revealed that only 33.70 percent of respondents attended council meetings in the second mandate of CCs. The latest survey by NCDD in 2012 shows only 40.7 percent of 1412 respondents claimed they attended a council meeting.

Citizens who attend council meetings mostly listen, but not to make a demand or raise their problems or concerns (Malena and Chhim 2009; COMFREL 2011). NCDD found in a survey conducted in 2012 that only 28.4 percent of those who attended a council meeting ever contributed their idea. The survey also revealed that young people are less likely to participate and speak up in meetings than their elders. Such limited participation is caused by a combination of several factors including: the lack of interest of citizens in the affairs of CCs

(EIC 2010), economic and cultural factors (COMFREL 2011; Heng, Kim et al. 2011; Kim 2011), lack of information about the meeting, and lack of incentive and prospects for attending (COMFREL 2011). The fact that CCs cannot respond to local demand effectively due to limited CSF is also a reason why citizens lose interest in attending meetings (Heng, Kim et al. 2011). Participation also depends on who holds the meeting For example, meetings organized by NGOs and political parties often result in high attendance from citizens because of gifts and snacks provided to people (Heng, Kim et al. 2011).

Participation seems to be restricted in events where decision making exists (Plummer and Tritt 2011). Although the Commune/*Sangkat* law prescribes that the commune meetings must be open to the public, in practice commune meeting are rather only open to invited persons such as village chiefs or TSOs (Meerkerrk, Hean et al. 2008; Malena and Chhim 2009). Although in some communes citizens are allowed to attend council meeting, the opportunity for them to engage in decision making is still limited (Plummer and Tritt 2011). Council meetings are often reported to provide opportunity for village chiefs to formally discuss project progress and other issues related to project implementation in their commune, however there is little opportunity for the village chiefs to address citizens' demand. The meeting is often controlled by commune chiefs, especially in terms of making arguments and decisions (Plummer and Tritt 2011).

Whereas participation of citizens is still low in formal meetings, seemingly citizens prefer to voice their issues and concerns informally to village chiefs or village elders who can further pass them on to CCs (Thon, Ou et al. 2009; EIC 2010). This is partly because Cambodian citizens are still not used to speaking with higher authorities (Plummer and Tritt 2011). According to the EIC (2010), 35 percent of citizens claimed they had contacted their village chief to express their view at least once in the past year, and 44 percent had contacted an elder (EIC 2010). Plummer and Tritt (2011) and Thon et al. (2009) similarly found that information sharing to village elders is an effective route to influence the decision of CCs as CCs tend to respect village elders and take on board their opinions when making decisions on development in communes. Village elders have more influence not only because they are old, but also because they have gained respect with high degree of legitimacy and often have a connection with CPP (Plummer and Tritt 2011).

Interestingly, it is found that during critical times a high level of participation is observed and citizens become mobilized to voice their demands directly to CCs. Plummer and Tritt (2011) noted that local citizens tend to become more mobilized and defend their interests directly when promises by CCs are broken, when their contribution to the part of project costs does not yield explicit result, and when people have a sense of injustice, for example, in the case of land conflict. The rising of local grievance indicates the emergence of the culture of participation from the bottom which is what decentralization aims to achieve.

8. Emerging Issues

8.1 The establishment of the commune committee for women and children (CCWC)

The first CCWC was established in 2004 however it was not nationwide. Until 2007 the MoI recommended that these committees be established nationwide. As a result, the NCDD issued Guideline No. 082 on 8 August 2007 to establish CCWC in 1,621 communes throughout the country (MoI and Unicef 2009).

The role of the CCWC which is an advisory sub-committee to the commune council is to recommend, advocate, coordinate, monitor and report to ensure women and children receive appropriate, beneficial, and inclusive services in social and economic sectors. Members of the CCWC include key members of the commune council (the Chief, Deputy Chief and the Commune Clerk) as well as the Women and Children Focal Point (FP). Members are either elected female commune councilors or selected by the commune council. There is also representation from the health centre, the cluster school servicing the commune, and the police and village headman (MoI and Unicef 2009).

Results from various surveys show that the CCWC are having a positive impact. High priority is given to women and children's issues in communes where the CCWC have been established compared to communes where the CCWC is newly-established or not yet in place. CCWC activities have also become a key determinant in the integration of women's and children's issues in the agenda of the commune council meetings as well as the commune development plans. In addition, the committee is fulfilling a vital role in helping to expand the commune councils' mandate to improve access to local social services. The members of the committee are also taking on roles as advocates for women's and children's issues in their communities.

Furthermore, in 2011 MoI issued a guideline for commune/*sangkats* to pay more attention and allocate funding to CCWC (NCDD 2011). CCWC will continue to play a very important role addressing women and children issues at the commune level. Interestingly, the Women's and Children's Consultative Committees (WCCC) at DMK councils were also established following the Prakas on the establishment of the functioning of the WCCC in capital councils, provincial councils, municipal councils, district councils, and khan councils in 2009.

8.2 Introducing climate change at the commune level

Climate change adaptation and mitigation is potentially an important cross cutting issue that affects many people, especially in rural areas. Developing countries, including Cambodia, are more vulnerable to climate change as people are poorer, infrastructure is less developed, and there is lack of knowledge on climate change and its consequences. It is therefore imperative that climate change is put on the political agenda and dealt with nationally and locally. It is probably too early to demand a comprehensive climate change policy or strategy from either

NCDD-S or SNAs but it is recommended that NCDD-S consider how climate change and its consequences should be addressed by SNAs (NCDD Forthcoming).

More recently and with support of UNCDF SNAs are being prepared to integrate aspects of climate change and climate change adaptation and mitigation in their planning of activities and to build local capacity for the same. The activities are however, still in their piloting phase.

8.3 Development of an Association of SNA Councils

A consultative workshop facilitated by the National League of Communes/Sangkat was conducted in mid-2012 to discuss on the creation of association of SNA councils which was an activity continued from 2011. After subsequent discussion, the First National Congress of Establishing the Association of Capital and Provincial Councils took place on March 27-28, 2013. As a result, we have two associations, one is the commune/sangkat council association which was established since 2006 and the recently established-association of capital and provincial councils. However, district and khan council is being considered to be included in either one of the associations.

8.4 The focus of commune-*sangkat* on social service delivery in the third term

Commune/*sangkat* funds play an important role in the reform process at local level. The commune/sangkat fund has been increased from year to year. One third of C/SF is allocated for administrative affairs whilst the rest is reserved for the preparation and implementation of priority development projects including physical infrastructure and social services. Compared to previous years where most of the CSF was spent on physical infrastructure, in 2012 most communes and sangkats have paid more attention to social service delivery by allocating their C/SF fund and the resources from development partners for activities including support for community preschools, clean water and sanitation, new born babies and maternity health, nutrition, child protection, vulnerable families, and birth certificate registration.

The Guideline on the Commune/*Sangkat* Development Plan 5-year cycle prepared by the Ministry of Planning in July 2012 has reduced the components in the section "current C/S situation and challenges" from five to four and has since indicated social focus as the first component rather than the second component in the old guideline.

9. Conclusion and Lessons Learnt

1. Decentralization in the second term exhibits substantive progress in the development of a legal framework and a shift towards district and province in support of commune/*sangkats*. The achievements of the reform so far set potentials to develop democracy in Cambodia, which is revealed through better awareness of citizens about their freedom to speak and to join organizations and a closer relationship between state and society.

2. Although the reform progress has been identified, decentralization reform is not yet full-fledged. Where decision making and planning processes of CCs are pursued according to the procedure of the reform, 'patronage-based' practice is still evident. Promoting political pluralism should not focus only at the commune level, but also at the village tier. Attention should be given to the interplay between political parties in the recruitment of village chiefs.

3. The key principle in fiscal decentralization is that finance should follow functions. This means that when function is transferred, financial resources should be disbursed to ensure the function is performed. While fiscal transfer has been improved, the amount of C/SF is not yet sufficient for CCs to respond to local demand. Improving fiscal transfer to C/SF should remain the priority to enhance downward accountability of CCs to citizens.

4. When local decision-making by CCs regarding the implementation of development investment plan gains momentum, the decision-making of CCs to protect natural resources fades away. CCs do not have any power to change or influence decisions on big issues pertaining to natural resources in their commune. Their intervention often results in personal expense. Decentralization reform that aims to empower local decision making lacks clarification on how CCs should address natural resource matters that occur in their jurisdiction in response to the local demand of their citizens.

5. As stated in the theory, decentralization works well when participation from citizens exists. It's important to accept that Cambodian citizens are still not used to speaking up to their leaders except in critical times. Time and commitment is required to promote local participation. However, it's worth noting that participation also requires trust between citizens and CCs, local prospects and incentives.

6. Whereas the decentralization reform is now at the stage of preparing Functional Assignment exercise, political will at ministry level is important, especially in identifying suitable functions to be transferred to the DM/SNAs.

7. Ongoing capacity building for commune councilors, especially those in charge of CCWC should be provided. Capacity building for district, municipal and provincial councils is also required to avoid dependency on BoG. Clarification on the identity and functions of

councils is critical for the implementation of their responsibilities, especially when it comes to planning and budgeting.

8. The input of NGOs and CSOs is needed to catalyze the decentralization process. NGOs and CSOs can contribute to raising awareness of citizens, building local participation and social accountability, and serving as support systems to citizens and CCs when necessary.

Annex A: List of Legal and Policy Framework Related to D&D

Year	Title	Purpose
2007	Guideline on the organization and establishment of CCWC	The guideline determines the composition of the committee and the roles and duties of the council and its members.
2008	Royal decree to establish NCDD Sub-national Level	NCDD is established to coordinate and lead the implementation of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans, Law on Administrative Management of Communes/*Sangkats* and the implementation of policy on D&D reform.
2008	Law on public finance system	The Law aims to set fundamental principles to manage overall financial system and to develop the Law on Finance, especially each step of budget preparation, adoption, and implementation, to review budget performance, identifications of roles and responsibilities, and consequences of wrongdoings in public financial management of ministries, institutions, similar public entities, public establishments, and sub-national administrations.
2008	Decision on the establishment of one window service office and ombudsman office at district/khan level	The objective of this decision is to pilot the establishment of a mechanism of public service delivery to citizens through a simple procedure with transparency and in a timely manner; and at a one stop office through one window service office at district/khan level.
2008	Law on administrative management of the capital, provinces, municipalities, districts and khans	The law defines administrative management of the capital, provinces, municipalities, districts and khans.
2008	Law on elections of capital council, provincial council municipal council, district council and khan council	The purpose of this law is to determine the organization, the administration and the conduct of indirect elections of the capital council, provincial councils, municipal councils, district councils and khan councils.
2009	Sub-decree on the establishment of NCDD-S	NCDD-S is established to be the secretariat of NCDD to implement the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans, Law on Administrative

		Management of Communes/*Sangkats* and the policy on D&D reform.
2009	Sub-decree on the development plan and three-year rolling investment program of the capital, provinces, municipalities, districts and khans	The purpose of this sub-decree is to define the principles, mechanisms and procedures for consultation in the formulation, management and implementation of the development plan and three years rolling investment program of sub-national administrations as required by Article 38 and 39 of the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans.
2009	Prakas on the establishment and the functioning of WCCC at capital, provincial, municipal, district and khan councils	This Prakas has a purpose to determine the establishment and functioning of the WCCC, at the Phnom Penh capital council, provincial councils, municipal councils, district councils and khan councils and stipulate about their roles and responsibilities.
2010	Guideline on implementing functions of CCWC in social development related to maternal health, community preschool, hygiene, gender equity and child protection in commune/*sangkats*	The guideline is established to help the CCWC to implement their functions related to maternal health, community preschool, hygiene, and gender equity in child protection at commune/*sangka*t.
2010	NP-SNDD (2010-2019)	It aims to provide the framework for the implementation, guiding the work-plans of the NCDD, NCDD-S and the implementing parties across government for a period with a time horizon of 10 years.
2010	Instructional plan on the organization for the implementation of the Village-Commune Safety policy (VCS)	The purpose of VCS is to build and strengthen peace and safety by way of struggling to eliminate all kinds of crime in the local villages and communes/*sangkats* and also encourage cooperation and participation with the competent authorities from all different compositions, both in the government, political parties, non-governmental organizations, private sectors and every citizen to form a joint force, joint measure and joint means.
2010	IP-3 (2011-2013)	The purpose of IP-3 is to develop the functioning and capacity of SNA, in particular districts and municipalities, khan, communes and *sangkats* to

		represent the views of local citizens and to respond to their demands.
2011	Law on financial regime and property management for sub-national administrations	This law aims to establish the sources of financial resource for the sub-national administrations by the provision of sufficient capacity for sustainable local democratic development and strengthening implementation of the Royal Government's decentralization and deconcentration policy for poverty reduction.
2012	Sub-decree on the general process for the transfer of functions and resources to SNA	It aims to ensure the transfer of functions and resources from ministries, institutions, department and authorities at all level to SNA in order to promote the efficiency of public service delivery and development.
2012	Guideline on preparation of functional analysis lists of the government ministries, institutions, departments, units and competent authorities at all Levels	The main purpose of preparation of functional analysis lists is to form the basis for reassignment of functions of the government ministries, institutions, departments, units, and competent authorities at all levels.
2012	Sub-decree on DM fund	It has a purpose to determine the organization and functioning of district and municipality fund as established by the law on financial regime and state asset at SNA.

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