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Swedish International Development Agency**

CAMBODIA

**CAMBODIA AREA REHABILITATION
AND REGENERATION PROJECT
(SEILA / CARERE2)
CMB/95/011 .IJ**

Report of the Joint Evaluation Mission

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AusAI D CAAEP CAR CARARE CAU CDC CDCs CDP CIB
 CRDB DCC DFT DOP DPM DRD DRR DWVA EU ExCom FAO GTZ I FAD IO
 IPF LCB LCBU LDF LPP M&E MAFF MEF MOI MOP MRD MWVA NCSCC
 NGO NPMU PDIP PDP PFT PIP PM
 PO PPM PRASAC

ABBREVIATIONS

Australian, Agency for International Development Cambodia Australia
 Agricultural Extension Project Council for Administrative Reform
 Cambodian Area Rehabilitation and Regeneration Project Contract Agreement
 Unit
 Cambodia Development Council Commune Development
 Committees Commune Development Plan Cambodian
 Investment Board
 Cambodian Rehabilitation and Development Board District Development
 Committee District Facilitation Team
 Department of Planning Deputy Programme Manager
 Department of Rural Development Deputy Resident
 Representative
 Department of Women's and Veteran's Affairs European Union
 Executive Committee of PRDC
 United Nations Food and Agriculture Organisation German Development
 Assistance Agency International Fund For Agriculture and Development
 International Organisation Indicative Planning Figure Local Capacity
 Building
 Local Capacity Building Unit Local Development
 Fund Local Planning Process Monitoring and
 Evaluation
 Ministry of Agriculture Forestry and Fisheries Ministry of Economics
 and Finance Ministry of Interior

Ministry of Planning
Ministry of Rural Development
Ministry of Women's and Veteran's Affairs
National Committee for Support to the Commune Councils Non-Government
Organisation National Programme Management Unit Provincial Development
Investment Plan Provincial Development Plan Provincial Facilitation Team
Public Investment Programme Programme Manager
Programme Officer
Provincial Programme Manager
Support Programme for. the Agricultural Sector in Cambodia

PRDC PSO RD RGC RR SEILA Sida SIP STF TA TOR TSS UNDCF UNDP
UNICEF UNOPS VDC VDP WATSAN

Provincial Rural Development Committee Programme Support
Office Rural Development
Royal Government of Cambodia Resident
Representative
A Khmer language word approximating to "foundation stone" Swedish
International Development Cooperation Agency SEILA Investment Programme
SEILA Task Force
Technical Assistance
Terms of Reference
Technical Support Staff
United Nations Capital Development Fund United Nations
Development Programme United Nations Children's Fund
United Nations Office for Project Services Village Development
Committee Village Development Plan
Water Supply and Sanitation

Executive Summary and Key Recommendations

EXECUTIVE SUMMARY AND KEY RECOMMENDATIONS

Note: This report was -prepared in March 2000 by members of a joint mission assigned to conduct a strategic evaluation of the CAREERE2 / SEILA programme.

Our terms of reference were:

"To assess the relevance, effectiveness, sustainability and replicability of the SELLA programme in the context of decentralized development, with special emphasis on the relevance for a future programme."

SEILA has now matured to a position where it can be described as both a **concept** for regional planning and local development and an operational **programme**. The SELLA concept is founded on principles that relate to empowerment and participation, transparency and accountability. It consists of a set of objectives, definitions of roles and relationships between actors, methods,

techniques, tools, administrative routines and modes of management. It encompasses civic society institutions at grass-roots level as well as a range of provincial and district level organs of the state. A unique feature of SELLA is hence the attempt to address the system of regional and local development as a whole. As a programme, SELLA continues to fine-tune the concept as applied in five provinces.

There is no doubt in our minds that SEILA has succeeded beyond expectations. Most importantly, SEILA has visibly changed attitudes. Communities have become more active and self-reliant, provincial and district government staff have become more responsive to community needs. Put differently, SELLA has made notable progress in promoting democratic values and good governance.

SELLA has also evolved and made operational a concept for regional and local planning and development, and has made substantial progress toward building sustainable capacity among actors to implement the concept. It has been effective in reunifying former Khmer Rouge communities, and delivered essential basic services to needy communities in more than 2,000 villages. SEILA has also strongly

influenced central government policy on decentralisation and deconcentration. However, SELLA has hardly reached the point of sustainability, and continues to rely on support from CARERE. The national level is characterised by weak ownership, inadequate understanding of SELLA, feeble leadership and limited management capacity. Some components of the concept are in need of further refinement and simplification.

Perhaps the single most important factor contributing to SEILA's success is the learning-by-doing approach to capacity building, made possible by funding both capacity building and development activities as one package. Also important are learning from experiments, salary supplements to many government staff, and especially the quality of support provided by CARERE through UNOPS, which has been intensive, extensive and sustained over time.

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Detailed findings

a. Acceptance and ownership of the SEILA programme

At the commune and village levels, people have increasingly come to accept SEILA as the programme proves its ability to deliver infrastructure and services. Through their participation and contributions in cash and kind, villagers develop a growing sense of ownership in the programme and the facilities delivered. At the provincial and district levels, acceptance and ownership appear to be well established. Government officials see the programme as valuable in transferring skills and resources, and perceive it as a government policy to which they are making an important contribution. Private contractors appreciate the transparency of the SEILA bidding process that enables them to participate. Despite early suspicions, NGOs (non-government organisations) now accept the programme and collaborate with it in village development activities. Acceptance and ownership at the central level is

more problematic. Among those associated with the SEILA Task Force (STF),

there does not yet appear to be a clear understanding of the programme, or their role in it. This may be because the STF is still relatively new, as is the debate on decentralization and deconcentration, and the implications of imminent public sector reforms are unclear.

b. Appropriateness of the SEILA model

Financial systems. In June 1999 an important step was taken to internalise SEILA in the government structure, and empower this structure, by transferring the management responsibility for certain SEILA funds to the provincial authorities, notably to ExCom (Executive Committee of the Provincial Rural Development Committee). Preceding this transfer, a new financial management and accounting system was developed. The new financial system is well conceived and corresponds to international standards as generally requested by donor agencies. With the new financial management system in place, including provisions for external auditing, we recommend that all future donor funding of SEILA should be channelled through government structures (Ministry of Economy and Finance to the provinces) and be included in the national budget. This will enhance ownership, increase the possibility for the central government to monitor the availability and use of resources, and reinforce deconcentration.

Local planning process. The primary purpose of the local planning process is to generate community driven proposals for development and to allocate resources to priority projects. Although simpler than it was originally, the process requires considerable assistance from provincial and district facilitators. In practice, facilitators do not have time to do all these tasks effectively. We question whether some of the technical analyses add much to what CDC (Commune Development Committee) members already know about their community, or significantly affect decisions on the use of LDF (Local Development Fund) funds. We recommend, therefore, that the local planning process be simplified further.

Provincial planning process. The planning process at the provincial level is less well established, and is still evolving. The broad intention is to design a process that promotes decentralised and deconcentrated planning, and coordinates projects and programs undertaken by actors at the commune, province and national levels. Compared with the situation a few years ago, and in other provinces today, SEILA has made considerable progress. Future efforts need to address several weak

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points. PDPs (Provincial Development Plans) are shaped more by anticipation of available funds than a broader vision, and pay little attention to local economic development, or linkages between urban and rural areas. PDIPs (provincial Development Investment Plans) are little more than an aggregation of sectoral plans, and will be of limited use as an investment program until funding from central government and donors becomes more secure. As resources from central government increase, the SIP (SEILA Investment Programme) will need to be converted into a Provincial Investment Programme, to include all development resources available to the province.

Gender. Efforts to incorporate gender throughout SEILA's activities have changed attitudes and are beginning to show positive results. Gender concerns are well reflected in VDC (Village Development Committee), CDC, and sector development plans. The local planning process is designed to encourage women to speak about their needs, and they participate extensively. VDCs now include at least two women among the five members, and in Siem Reap province, nine women now occupy the position of commune leader, a positive trend achieved within a relatively short time. Despite this progress, problems remain. There is still no clear framework for longterm gender integration. The Ministry and Departments of WVA (Women's and Veterans' Affairs) are still regarded as primarily responsible for this task, but they have limited capacity and influence. Few focal points responsible for gender are able to exert great influence in their organisations. Many lack confidence and require additional capacity building and a more supportive environment.

Management structure. In view of RGC (royal Government of Cambodia) initiatives for administrative reform, decentralization and deconcentration, steps should be taken to institutionalise CAREERE's functions within the government structure. At the national level, this presents problems. The SEILA Task Force has few staff and virtually no management capacity. Policy making in the area of decentralization and deconcentration is spread among several actors and in a state of flux. Those involved in formulating the next phase should keep in mind that the programme and the concept behind it are portable. The main concern is to ensure that the concept is preserved and properly understood by those in charge of the programme.

Towards this end, the policy making body needs to be greatly strengthened, with a clear mandate, supported by a strong executive secretariat. Its composition should also be expanded to include other key ministries involved in development, and representatives from the provinces covered by the programme. Responsibility for managing the programme should be internalised within central government as an Executive Secretariat. A strong support team will still be needed at both the national and provincial levels, to perform tasks similar to those performed by CAREERE at present. At the national level, this is best attached to the management unit, but in the provinces, it may be better to distribute members to strategic points where they can make the most impact.

Monitoring and evaluation. This is perhaps the weakest and least sustainable element of the SEILA concept. Over the last year a new and better monitoring and reporting system has been put into operation, but it still has flaws. Massive amounts of data and reports are generated, but much of it is of limited use for management purposes, and there is hardly any monitoring of processes and impact, or analysis of the data. The information system should focus more on what is needed for

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management purposes. It would also be valuable for learning purposes to document experiments that were less successful, and the lessons drawn from

that experience.

Capacity building methods. The methods currently applied in SEILA provinces constitute a finely tuned and strategically focused process, which has achieved remarkably successful results. The key has been learning by doing, which requires funds for both capacity building and development activities. The SEILA approach to capacity building is also particularly relevant in the context of current initiatives for decentralisation to communes and deconcentration to provinces. As such, it is singularly appropriate for replicating in other provinces. Capacity building is also the rationale for CAREERE support to the SEILA programme, and this has been crucial in motivating participants, transferring skills, and providing policy guidance. The resource cost, however, has been very substantial, and will continue to be in the next phase of the programme. Replication to other provinces will entail building the capacity to understand the SEILA concept among numerous actors at all levels. In addition, intensive capacity building will also be needed at the central level for the policy and executive bodies in order for them to carry out their functions effectively.

c. Common ground with other projects

The clear finding of the mission is that no other donor project or programme has so far attempted to develop a comprehensive model for decentralised planning and development. For the most part, donor projects have generally created their own planning processes and operational structures, by-passing government systems, rather than trying to strengthen them. However, donors are becoming more aware of the SEILA model, and recognize its potential usefulness in providing ready made systems and institutions for the decentralised delivery of resources. Prior to starting new provinces., SEILA should explore opportunities for collaborating with other donors in strengthening the decentralisation process.

d. Relevance to ongoing government reforms

The CAREERE2 / SEILA programme has itself been the catalyst spurring public interest and the government's current policy thrust towards decentralization and deconcentration. It has done this by creating a model for coordinated planning and development of communes and provinces, and demonstrating that it works. SEILA provides mechanisms specifically addressed to building capacity at the commune and village levels, and has already put in place mechanisms that anticipate the transfer of functions and resources to provincial administrations. Through many experiments, SEILA has now developed a whole system of methods and procedures that collectively represent a proven model for decentralised planning and development. The SEILA programme has also been instrumental in evolving processes and precedents for administrative reform of the public sector. The SEILA concept contributes to broader national goals of promoting democracy and good governance, through its emphasis on changing attitudes, and generally fostering a stronger sense of self-reliance among the population at large. In summary, we see SEILA as being highly relevant to ongoing government reforms for democracy and governance, and a highly practical way of implementing them, with a strong potential to realise significant results and achieve real progress for the country.

e. Replicability

Replicating SEILA is primarily about replicating *SEILA as a concept*. It is not so much a matter of training people in administrative procedures, as changing minds

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and attitudes in line with basic principles of good governance and democracy. As such the replication of SEILA will take concerted and high quality efforts over an extended period of time. One possible constraint is the availability of skilled personnel that understand the SEILA concept, and have internalised it in their way of thinking about development. Another is the capacity of the new programme management unit to be established in the next phase. A third is a potential lack of donor funding. We recommend a modest and gradual replication, initially focusing on a few new provinces in addition to consolidation in the present ones.

2. Risks

The SEILA *programme* faces an immediate risk of disruption. Given the time needed to finalise agreements for a next phase, we fear CAREERE support staff may leave if their jobs are not secure. A loss of this key resource, even in part, will mean a major set-back for the programme and constrain any plans for expansion.

The SEILA *concept* risks getting lost if the programme is pushed to replicate too fast in new provinces, if projects are implemented too quickly leading to shortcuts in applying principles, or if other donors in SEILA provinces implement parallel projects operating on markedly different principles. The programme may also be pressed to assist the government in implementing the Commune Administration Law, which would blur its mission and divert resources.

3. Recommendations

a. Continuity

- In order to guarantee continuity of the programme, donors should extend the present phase (say for 6 months) to allow time for the proper formulation of donor and national components, and to maintain valuable existing human resources.

b. Focus of the programme

- The primary focus of the programme has been, and should continue to be, building capacity to operate a system for decentralised and deconcentrated planning and development.
- The programme should not become the primary vehicle for building the capacity of commune councils. This is better done by other programmes designed specifically for the purpose. SEILA's contribution should serve a longer term perspective rather than immediate needs.

c.Strategy for replication

- SEILA should be replicated because it is highly relevant in the context of government's policies for decentralisation and deconcentration.
- However, replication to new provinces should be modest and gradual, with no specific target for reach and coverage. Decisions to expand should take into account the availability of capable people to serve as support staff, and the capacity of the national programme management unit.

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d. Strategy for capacity building

- The approach to capacity building should be based on "learning by doing", and for this purpose funds should be provided in a single package for both capacity building and development activities.
- At the provincial level, capacity building should be intensive, extensive and sustained. Intensive means approximately the present level of support per province. Extensive means including line departments concerned with socioeconomic development (to be determined in each province).
- At the central level, capacity building should be relevant, sustained and focused on senior policy makers, the executive body, and ministerial focal points, and these people should participate in designing this activity.
- In replicating the SEILA model in new provinces and districts, capacity building should cover a wide range of actors at all levels.
- The support function should be strong and staffed with capable people, to ensure the integrity of the concept is maintained in the face of ambitious expansion targets and time-frames.

e. Management structure

- In view of RGC initiatives for administrative reform, decentralization and deconcentration, steps should be taken to institutionalise CAREERE's functions within the government structure.
- The policy making body should be greatly strengthened. It should be given a clear mandate and responsibilities for decision making, and should be supported by a strong executive secretariat.
- At the national level, responsibility for managing the SEILA programme should be internalised within government as an Executive Secretariat.
- The unit should be administratively located under a neutral lead agency, capable of providing strong leadership, whose authority is respected, and which is able to coordinate the line ministries involved.
- At the national level, the support team should be attached to the management unit, but in the provinces, members should be distributed to

strategic points where they can make the most impact.

f. Funding

- All future donor funding of SEILA should be channelled through government structures (Ministry of Economy and Finance to the Provinces) and be included in the national budget.
- In order to maintain the principle of learning by doing, donor funding should cover both capacity building and development projects in the same package.

g. Programme

systems Please see the main

text for details.

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h. Recommendations for donors

- Support the SELLA concept of decentralised planning and development in the next phase of the programme.
- Support the consolidation of activities in existing provinces and replication to other provinces.
- Ensure that any investment funds for development activities are accompanied by adequate resources for capacity building in line with the SELLA concept.
- Support complementary mechanisms to implement the Commune Administration Law, in order to reduce potential pressure on SEILA to expand prematurely.

Report of the Technical Evaluation Mission

A. INTRODUCTION

This report was prepared in March 2000 by members of a joint mission assigned to conduct a strategic evaluation of the CARERE2 / SEILA programme. For brevity, this is referred to hereafter as the SEILA programme. Our terms of reference were:

"To assess the relevance, effectiveness, sustainability and replicability of the SEILA programme in the context of decentralized development, with special emphasis on the relevance for a future programme."

As such, this report is neither a conventional final evaluation of the programme, nor a formulation for a future programme.

The mission spent four weeks in Cambodia, three in Phnom Penh, and one visiting provinces where the programme operates. In Phnom Penh, we held numerous meetings with donors, government agencies and others involved in the SEILA programme. In the provinces, we spent two or three days each in Pursat, Batambang and Siem Reap, and paid a fleeting call on the CARERE

office in Banteay Meanchey. Apart from the latter, we had the opportunity in each case to meet with members of the ExCom (Executive Committee of the Provincial Rural Development Committee) and its various units, many CDCs (Commune Development Committee), and each of the CAREERE field teams.

B. OVERVIEW

1. What is SEILA?

Some of the difficulties casual observers often find in defining SEILA stem from the fact that SEILA has been a dynamic process shifting its focus and content substantially over time. Growing out of a major relief effort, what eventually was called SEILA gradually turned into a development effort of an experimental nature in 1996/97. The evolution of the methodology for decentralised planning as its prime task has implied continuous and substantial changes in content and approaches. The need to respond to the challenge of integrating former Khmer Rouge areas resulted in a modification of SEILA objectives as well as the areas covered, which in turn changed SEILA.

SEILA has now matured to a position where it can be described or defined in the following way.

SEILA is a *concept* for regional and local level planning and development. This concept is founded on a number of principles. These principles relate to empowerment and participation, transparency and accountability. In SEILA policy documents the principles are elaborated around four key words: dialogue, clarity, agreement and respect.

Embodying these principles the SEILA concept for regional and local planning and development consists of a set of objectives, definitions of roles and relationships between actors, methods, techniques, tools, administrative routines and modes of management. An important characteristic of the concept is its scope. It encompasses civic society institutions at the grass-roots level. (VDCs and CDCs, service user groups, NGOs, etc) as well as many provincial and district organs of the state.

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A unique feature of SEILA is hence the attempt to address the system of regional and local development as a whole.

SEILA is also an *operational programme*. As such SEILA continues to fine-tune and modify the concept, applying it in five provinces. Not only has this been a deliberate approach to develop, and ostensibly prove, its potential, but also the way in which SEILA has been able to contribute to its development objective.

2. Achievements

A range of evaluations (the mid-term review, the EU (European Union) evaluation of its support, the evaluation of the LDF (Local Development Fund) and internal evaluations) as well as other informed in-depth observations, for example by Sida's (Swedish International Development Agency) advisory team, all suggest

that SEILA has demonstrated impressive achievements and has largely succeeded in reaching its immediate objectives. This is also our general conclusion. Given the context of SEILA, given its historic roots and given the difficult and ambitious task it has set for itself, there is no doubt in our minds that SEILA has succeeded beyond expectations.

While not complete and consistent in all respects, SEILA has developed and made operational a concept for regional and local planning and development. To translate the concept into practice, SEILA has made substantial progress toward building sustainable capacity at province, district and community levels in five provinces. Most important, perhaps, is that SEILA has visibly changed attitudes. From having been passive recipients of assistance, communities have become more active and self-reliant actors with a notable degree of self-esteem. Likewise the attitudes of

provincial and district government staff have changed, and become more responsive and self-reliant. Put differently, SEILA has made notable progress in promoting democratic values and good governance. Furthermore, it is clear that SEILA has strongly influenced central government policy on deconcentration and particularly decentralisation. SEILA has also proven to be an effective mechanism for approaching former Khmer Rouge communities, and for dealing with ethnic diversity in pursuit of the government's reconciliation efforts. SEILA has also delivered essential basic services to needy communities in more than 2,000 villages.

Finally, SEILA has been successful in attracting funding. More than half of its present funding comes from sources other than those it began with, such as UNDP, Sida and UNCDF (United Nations Capital Development Fund). This bears witness to the recognition SEILA has attained among funding agencies.

We also note some limitations of SEILA. We are less convinced that SEILA has made a significant *direct* contribution to poverty alleviation. Neither the scope nor the nature of services delivered suggest a significant impact. Having said that, it should be recalled that poverty alleviation is not an immediate objective but a longer term development objective for the programme. Furthermore, SEILA has hardly reached the point of sustainability, at the present scale, efficiency and quality, but continues to rely on inputs from CARERE support staff. Whereas ownership features strongly at province and commune level, we find the national level characterised by weak ownership, an inadequate understanding of SEILA, feeble leadership and limited management capacity. Finally, as discussed in section C, we find some of the systems in need of further refinement and simplification.

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These limitations do not distract from the very favourable overall conclusion on achievements made.

3. Factors contributing to the success of SEILA

Perhaps the most important factor contributing to the success of SEILA is the

approach of learning-by-doing applied both in developing the concept and its elements as well as in capacity building. This has been made possible by the combined funding of methods development, capacity building and development activities as a package over a wide range of actors. These include the PRDC (Provincial Rural Development Committee) and its executive committee, ExCom, various line departments at province and district level, as well as community based organisations. A second crucial factor contributing to success is the experimental and learning approach of the effort, which has been consistently supported by the government and donors. It is also beyond doubt that the intensive, extended and high quality support provided by CAREERE through UNOPS (United Nations Office for Project Services) to SEILA has played, and continues to play, a decisive role. While the number of expatriate staff has been reduced from a maximum number of 37 to about 10 at present, the locally recruited CAREERE technical assistance staff amount to no less than some 110, of which about a third provide technical assistance to line departments. It should also be recognised that the use of substantial pecuniary incentives to a large cadre of regular government staff, numbering some 250 people, has played, and continues to play, a significant role.

While SEILA operates in a complex, fluid, and in part unpredictable, context, this has also been to its advantage. At the time the predecessor to SEILA entered the five provinces, qualified staff in the provinces were largely inactive, lacking resources and direction, in the midst of pressing needs for relief and development. CAREERE I and later SEILA provided opportunities, dynamism, new ideas, meaningful tasks and job satisfaction, which gave momentum and commitment to the effort.

Likewise, the central government's growing ambitions to further democracy in the country by developing a system for local government have helped to drive SEILA further forward. Being the government's only large scale experience of regional and local level planning and development, SEILA has become an important ingredient not only in the policy formulation process but also in visioning the implementation of a reform programme for decentralisation and deconcentration.

C. DETAILED FINDINGS

1. Acceptance and ownership of the SEILA programme

The mission had many opportunities to discuss the SEILA programme at the provincial, district, commune, and village levels. At the commune and village levels, the degree of acceptance of the programme directly relates to the length of time the programme has been operating there. Acceptance is generally quite tentative prior to the delivery of benefits resulting from the Local Planning Process (LPP), but increases dramatically as concrete results become apparent. This was most clearly demonstrated in the reunification areas where intensive planning activities were followed by delays in funding. People had been suspicious and disinclined to contribute community funds for projects in advance of construction. However, as

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plans turned into reality, people's attitudes clearly became more positive. Adjacent communes now have a clearer understanding of the programme and many are keen to join the programme. Generally, as communities move through the annual cycles of the programme, acceptance and understanding grow accordingly. As a result of the participatory planning and prioritisation process, and the community contributions in cash and labour, villagers' sense of ownership of the facilities delivered through the programme appears to be high. Participation in the VDC and CDC is good, and villagers describe high attendance and participation by both men and women.

At the provincial and district levels acceptance of the programme also appears to be well established. Meetings with provincial ExComs in three provinces conveyed a strong sense of ownership. Not only was the SEILA programme seen as valuable in transferring skills and resources to the province, it was also perceived as government policy; and a policy to which provincial government staff had made an important contribution. Meetings with provincial line departments also attracted

favourable comments on the value of the programme to the province, the line departments and local communities.

The mission also met with a group of private contractors who were bidding for contracts to implement commune activities funded through the LDF. Those we spoke to viewed the programme favourably, and appreciated the transparency of the bidding process that enabled them to compete for work.

Despite early suspicions, NGOs in SEILA provinces now appear to accept the programme and generally collaborate in village development. NGOs mentioned several positive aspects. The local development structure put in place by SEILA helps them to work in villages and communes. The information provided through the commune data-base assists them in targeting communities. The District Integration Workshops allow them to discuss community priorities and negotiate collaborative responses with community representatives and line departments.

Acceptance and ownership at the central level is more problematic. The nominal management body is the SEILA Task Force (STF) which is a multi-agency body representing the Ministries of Economy and Finance (MEF), Rural Development (MRD), Planning (MoP), Agriculture (MAFF), Women's and Veterans' Affairs (MWVA), Interior (Mol), and the Cambodian Development Council (CDC). The task force has a small Secretariat, supported by one CARERE technical assistant. The STF and the Secretariat coordinate with the ministries and provincial departments through focal points within the ministries, who are seen as the "working partners" of the Secretariat. From our meetings with them, we gained the impression that there is no clear consensus as to the SEILA programme, or to their roles and functions within it. In some cases strong commitment to the programme voiced in the STF setting was not indicated by the same people when met in a different context. While the STF performs a valuable function in providing authority to the programme in the SEILA provinces,

members vary in their interpretation of what is meant by acceptance of the SEILA concept. This is understandable, since the STF is relatively new and is operating in a context of uncertain pending state reforms and legislation concerning decentralization and deconcentration. STF members and focal points also have dual and sometimes conflicting institutional loyalties.

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2. Appropriateness of the SEILA model

The SEILA model is made up of a number of components having to do with finance, planning, gender, management, and monitoring and evaluation. Each of these is discussed below.

a. Financial systems

Funds for regional and local level activities in the SEILA programme reach the province level through three main channels. UNDP funds for provinces are transferred directly to a bank account operated by the PRDC. Funds from IFAD (international Fund for Agriculture and Development) and the World Bank are transferred through the Ministry of Economy and Finance (MEF) to the provincial department of MEF, where the operation of the funds is transferred to the PRDC. Government funds are transferred to the treasury of the province. The treasury operates the fund as a cashier, whereas the finance unit under ExCom in the MEF province office fulfils the role of financial controller. The Governor acts as approving officer for all three sets of funds.

The significance of transparent and effective financial management systems hardly demands elaboration. Those we met from the MEF, both at the centre and in the provinces, recognised that existing government systems for financial management, including accounting systems, are much in need of improvement. Until June 1999, CAREERE managed the fund provided to SEILA by UNDP. That is to say that CAREERE at the provincial level released funds upon requests from line department offices, PRDC and others, and accounted for these funds. In June 1999

an important step was taken to internalise SEILA in the government structure, and to empower this structure, by transferring management responsibility for the funds to provincial authorities, namely the ExCom. Preceding this transfer, a new financial management and accounting system was developed, and has now been in operation for about 8 months.

The new financial system is well conceived and corresponds to international standards as generally requested by donor agencies. It provides for transparency and instruments for internal control and management.

With the new financial management system in place, including provisions for external auditing, **we recommend** that all future donor funding of SEILA should be channelled through government structures (Ministry of Economy and Finance to the provinces) and be included in the national budget. This will enhance ownership, increase the possibility for the central government to monitor the availability and use of resources, and reinforce deconcentration.

Discussions with the users of the new financial system suggest that it works without major problems. This is not surprising, as long as key staff operating the system have an adequate background in accounting, and sufficient training and back-up support is provided. At the province level, we were told that more training would have been useful, but the training received had been well designed and efficient. Since no major problems in operating the system have been experienced so far in the three provinces we visited, suggests that the transfer has been relatively smooth, and that the system is appropriate from the point of view of replication.

One aspect of the financial system which drew our attention is the role played by the CDCs in financial management. In the provinces visited, SEILA has generally

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retreated from an earlier position of transferring funds to the CDCs for payment of contractors to direct payments made by the ExCom. The transfer of responsibility and management of funds to the CDCs can rightly be seen as an important measure for empowerment. The arguments for payment by ExCom, as given to us, related to cash flow problems and matters of efficiency and convenience (transaction costs). We do not find the cash flow argument particularly convincing, but notice that some CDCs also see it as a simple and practical arrangement.

However, under the new law, Commune Councils will manage their own funds. This being the case, **we recommend** that SEILA reconsiders the policy on payment of contractors, transfers this responsibility to CDCs, when feasible, and undertakes the necessary capacity building efforts in anticipation of the future situation.

b. Local planning process

The primary purpose of the local planning process is to generate community driven proposals for development and to allocate resources to priority projects. The process is made up of five steps, which include: an initial orientation for each CDC; a village workshop to identify priorities; a CDC workshop to formulate a development plan and annual investment program; a District Integration Workshop held in August; and another commune workshop to prepare a Commune Investment Plan. In addition, each village assembles a "Village Data Book", compiled from a household questionnaire.

This local planning process, as it stands, requires considerable assistance from provincial and district facilitators, both to explain the methods and techniques involved to CDCs and villages, and to support them at each step of the way. Although the current version is considerably simpler than the one introduced originally, some elements remain quite complex, particularly methods for screening, scoring and ranking village proposals based on village household data. Collection of data requires facilitators to train enumerators, check questionnaires, and supervise the entry of information in computer databases.

In practice, facilitators evidently do not have time to do all these tasks effectively. Users of the data complain of poor quality, and we suspect CDCs may simply

skip some exercises, especially after the first year. We also question whether some of the technical analyses add much to what CDC members already know about their community, or significantly affect decisions on the use of LDF funds. At the end of the day, all villages in a commune need infrastructure of some sort, and CDCs are clearly keen to make sure each village gets an equitable share of resources.

We recommend, therefore, that the local planning process be simplified further. This will have to be done in any case, since facilitators will not be able to handle the increased workload entailed in expanding SEILA to additional districts and communes. Measures should be taken to eliminate elements that make little difference to outcomes, and to reduce the need for assistance from facilitators. The collection of data for planning purposes can be simplified greatly through structured random sample surveys, which would improve quality with little loss of information.

Some have questioned the wisdom of shifting the focus of capacity building and the local planning process from the VDC to the CDC. They fear this will lead to reduced participation of villagers in decision making, and undermine efforts to build trust and confidence in the SEILA way of doing things.. These are legitimate considerations, but programme managers found that it was simply not feasible to replicate on a large

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scale. Once the programme started to expand to an increasing number of districts and communes, it became clear that sufficient resources would not be available and a more cost-effective approach was needed.

The current local planning process protects village participation and aims to build confidence in other ways. Measures include setting up elected VDCs, village workshops to identify priorities, inclusion of two village representatives on the CDC, and the participation of villagers in project design and implementation. The capacity built up by SELLA among VDCs and the CDC represents a valuable asset for future commune councils. **We recommend** that these measures be retained.

One particularly attractive element of the local planning process is the District Integration Workshop. This is a recent innovation, and allows representatives from CDCs, provincial line departments and interested NGOs to exchange information and enter into tentative agreements on activities to be undertaken. More importantly, it provides CDCs with direct access to a variety of service providers, and an opportunity to promote their needs and mobilise resources without having to rely on intermediaries. **We recommend** that concerted efforts be made to encourage broad participation of line departments and NGOs in this workshop.

Two issues are problematic. One relates to the period covered by community investment plans and the implications for contracting and construction. Since CDCs do not receive confirmation of provisional allocations from the LDF until the start of each year, bidding, contracting and construction are squeezed into a narrow window before the onset of the rainy season. As SEILA expands to other

districts and communes, facilitators and technical support staff will not be able to handle the increased work load in the time available. **We recommend**, therefore, that ways be found to commit LDF funds for a rolling two year period, so that contracting and construction can be spread more evenly throughout each year. Current procedures for selecting contractors are good and should be maintained. Pre registration and classification of contractors in terms of capacity, equipment and prompt delivery, makes the final selection simpler, limiting discussion only to the question of price.

The other relates to the LDF. The bulk of these funds are currently used for a restricted range of small infrastructure projects, typically culverts, small roads, and wells. Such things are obvious priorities at the outset, but communities may conclude these are the only things that can be funded, and may not be so familiar with other kinds of initiatives. **We recommend** that the menu be broadened to include other public works and services, but not economic activities, which are better addressed in other ways. Facilitators should be made aware of other appropriate activities and should encourage communities to consider them.

c. Provincial planning process

The provincial planning process is less well established than the local planning process. It is still evolving, and will continue to evolve further, as ongoing reforms take place at the national level. The broad intention is to design a process that promotes decentralised and deconcentrated planning, and coordinates projects and programs undertaken by actors at the commune, province and national levels.

The instruments of planning are a Provincial Development Plan (PDP); a rolling Provincial Development Investment Programme (PDIP); and an annual SELLA Investment Programme (SIP). The PDP is intended to provide an overall vision or strategy for development in the province, but plans produced so far are limited in

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scope and shaped more by anticipation of available funds. They pay little attention to local economic development, urban centres, or linkages and complementarities between urban and rural areas. Since one of SELLA's longer term development objectives is to alleviate poverty, **we recommend** that additional assistance be sought to formulate a more coherent approach to these matters, and make these plans a more potent tool for guiding future directions.

The purpose of the PDIP is to translate PDPs into provisional forward budgets, based on the allocation of resources among proposed development activities. To date, the PDIPs cover only a two year period, and are 'little more than an aggregation of sectoral plans, which themselves tend to be the sum of existing or imminent projects and programmes. Work is now underway to produce three year plans in accordance with recent directives from the Ministry of Planning, in an attempt to mainstream provincial plans into the national Public Investment Programme (PIP).

At present, the PDIPs are of limited use as an investment program and guide to available resources. All but a small part of development funding comes from

SELLA, and much of this has been uncertain. This means the PDIP has been a largely speculative estimate of future funding, rather than a provisional budget against which preliminary decisions can be made and commitments undertaken. This will continue to be the case, until funding from central government and donors becomes more secure.

The SIP amounts in effect to the annual development budget for the province, since the provincial administration receives little else for this purpose. In the longer term, as central government makes more resources available to the province, the SIP will need to be converted into a Provincial Investment Programme or budget, to include all available development resources.

In June 1999, responsibility for managing SELLA resources, and allocating part of them, was transferred from CARERE to provincial authorities. The provincial planning process aims to provide opportunities for line departments and others to participate in making these decisions, particularly in allocating resources among sectors. It is difficult to say if this is true in practice. Members of planning departments and the ExCom claimed that decisions reflect the broad consensus of line departments and the PRDC, but some members of the mission are more sceptical. No doubt some officials retain earlier habits of centralised planning and closed decision making. This merely underlines the importance of ensuring that provincial government leaders are included in capacity building efforts to change attitudes and role perceptions.

Some things are clearer. Unconditional block grants provided by SELLA to each province have allowed the provincial administration (through the PRDC and ExCom) to start engaging in planning and allocating resources. Line departments are able to initiate their own proposals, rather than simply implementing plans prepared, by national ministries. The planning process facilitates greater interaction and coordination between line departments in the province, making it possible to work towards

*common goals, although this is only just beginning to happen. Likewise, the preparation of Commune Development Plans and the District Integration Workshop spurs line departments to become more responsive to local needs and demands. **We recommend** all these elements be retained and strengthened.*

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d. Gender

The responsibility for integration of gender concerns under the SEILA programme at the national level is vested with the Ministry of Women's and Veterans Affairs. The Ministry is a member of the STF and acts as advisor to the Task Force in regard to women's affairs. At the province level, the DWVA (Department of Womens' and Veteran's Affairs) is represented on the PRDC and on ExCom. The DWVA is responsible for gender mainstreaming at the provincial and local levels. The DWVA plays an advocacy role within the policy and planning bodies and provides support for gender mainstreaming through focal points located within the line departments and the SEILA rural development structure.

Key objectives in relation to gender include: promotion of gender awareness at

all levels; building capacity for gender mainstreaming within the SEILA programme; and providing opportunities for women and strengthening their capacity to effectively participate as equals in local organisations and in the local planning process. Capacity building of the DWVA to carry out these tasks has been supported by CAREERE over the life of the programme.

Although there remain areas for improvement and further progress, achievements resulting from the gender mainstreaming process in the SEILA provinces has been considerable. Gender concerns are well reflected in VDC, CDC, and sector development plans. Databases distinguish between men and women, as does the reporting system in relation to participation and beneficiaries. The presence of gender focal points throughout the SEILA structure, from national to local level, facilitates the discussion of gender concerns and responses to practical and strategic gender needs. Throughout the local planning process there is a high level of women's participation and women have the opportunity to identify and vocalise their particular needs. The substantial efforts undertaken over the life of the programme to raise gender awareness - at the management and planning level, within line departments, and at the local level with the CDCs, VDCs and the communities at large - has contributed significantly to attitude change at all levels.

The gender approach of the SEILA programme has also enhanced the socio-political status of women. VDCs now include at least two women among the five members, and in Siem Reap province, nine women now occupy the position of commune leader, a positive trend achieved within a relatively short time. In Siem Reap province nine women (18%) now occupy the position of commune leader. This represents an extremely positive trend in meeting gender strategic needs, achieved within a relatively short time-frame.

Despite the substantial progress already made relation to gender integration and attitude change within the SEILA programme, certain problem areas remain and need to be addressed. Gender integration is still seen primarily as the responsibility of the DWVA.. However, the Ministry, at both the national and province levels, has limited influence' and capacity, and is therefore limited in the extent to which it can influence and support the gender objectives of the programme. There is still no clear framework for long-term gender integration. The present interventions remain largely focused on training activities to promote gender awareness. Despite an numerous gender focal points at all levels of the SEILA structure, many of them are not, in strategic organisational positions, and are therefore often unable to move forward gender strategies and mainstreaming. In addition, many lack personal

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confidence and require additional capacity building and a more supportive environment.

e. Management structure

At present, CAREERE still retains a prominent role in managing and steering the SEILA programme. At the provincial level, most management functions have been transferred to the ExCom, but CAREERE field teams still provide extensive

support.

At the national level, the SEILA Task Force is nominally responsible for policy making, but depends heavily on CAREERE for guidance.. CAREERE is also responsible for managing the national programme and provides a vital link between provincial authorities and the national government. While notable progress has been achieved at the provincial level, the same cannot be said of the centre.

In view of RGC initiatives for administrative reform, decentralization and deconcentration, **we recommend** that steps be taken to intensify capacity building efforts at the national level and to institutionalise CAREERE's functions within the govern

ment structure. There are three aspects to consider: policy making, programme management, and advisory support.

Policy making. At the centre, responsibilities for policy making in the area of decentralization and deconcentration are unclear and in a state of flux. Apart from the STF, the main actors involved are the existing Council for Administrative Reform (CAR), the proposed National Council for Support to the Commune Councils (NCSCC) envisaged in the Commune Administration Law, and the Ministries of Interior, Planning, Economy & Finance. Each is responsible for specific aspects, but

their roles overlap, and no single body is currently charged with coordinating the whole. It is not yet known which ministries are to be represented on the NCSCC, but they will likely include several of those already represented on the STF and the CAR, and some representatives may be the same individuals.

Over the next few months, it is expected that the Commune Administration Law will be enacted, the NCSCC will be established, and new directives will be issued on deconcentration. These may result in changes affecting the STF. Conceivably, it may be assigned new responsibilities, repositioned, or even merged with another body.

However things turn out, we urge those involved in formulating the next phase not to become overly preoccupied with the issue of who is to be responsible for the SEILA programme. The programme and the concept behind it are portable. The more important issue is to ensure that the concept is preserved and properly understood by those in charge of the programme.

Having said that, **we recommend** that the policy making body be greatly strengthened. It should be given a clear mandate and responsibilities for decision making, and should be supported by a strong executive secretariat, so that it can carry out its mission effectively. Given the scope of activities at the provincial level, and the need to build wider support at the national level for the SEILA concept, it may be prudent to expand the composition of the policy making body to include other key ministries involved in development and particularly representatives from the provinces covered by the programme.

At the provincial level, policy making is in the hands of the PRDC, and appears to be working satisfactorily.

Programme management. At the national level, **we recommend** that responsibility for managing the SEILA programme should be transferred from CAREERE and internalised within government as an Executive Secretariat, National Programme Management Unit (NPMU) or something similar. The main functions of this unit will be to support the policy making body, carry out its decisions, manage programme resources, monitor progress, provide guidance to provinces, and mobilise additional resources for the programme. We envisage this unit as being similar to the provincial ExCom, with leadership from key ministries, and capable staff seconded full time from those ministries. The unit would best be located administratively under a neutral lead agency, capable of providing strong leadership, whose authority is respected, and which is able to coordinate the line ministries involved. **We recommend** that most staff work in the same place, so that they can interact more effectively and build a cohesive team, but some may have to be physically located part or full time in their respective ministries. The unit should be allocated sufficient funds to attract capable people, allow them to travel frequently to the field, and perform their work efficiently.

At the provincial level, most management functions have already been transferred to the ExCom, which reports to the PRDC.

Advisory support. A strong support team will still be needed at both the national and provincial levels. The main tasks of the support staff will be similar to those performed by CAREERE at present, namely to strengthen the capacity of units and personnel both at the centre and in the province, primarily through workshops, on the job training, working together with counterparts, designing processes and procedures, manuals and guidelines, and supporting policy makers. At the national level, the support team is best attached to the management unit, but in the provinces, members may be better distributed to strategic points where they can make the most impact. The level of support for provinces should be similar to that presently provided. As far as possible, members of the support teams should be recruited from within the country, and expatriate inputs should be limited to key resident advisors and short term consultants.

f. Monitoring, and evaluation

The design and successful operation of monitoring and evaluation (M&E) systems is inherently problematic. SEILA is no exception in this regard. It is therefore hardly surprising that the M&E system in SEILA is perhaps the weakest and least sustainable element of the concept. In Battambang province 12 non-CAREERE M&E staff members and M&E focal points from line departments ranked their ability to operate the M&E system without CAREERE support on a scale 1-10 (easy-difficult). The average score was 7.

Over the last year a new and better monitoring and reporting system has been put into operation, but it still has flaws. A massive amount of data is generated and reported (monthly, quarterly and annually), referring primarily to activities and outputs, but rarely to components, let alone, project objectives. There is hardly any monitoring of processes and impact. Furthermore, the data and the information in the reports tend to be descriptive, not analytical. In this latter respect, we note that a small step has been taken in so far as progress reports

generally have a short elaboration of problems encountered and solutions proposed.

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We question the usefulness for management purposes of parts of the information presently generated and received no good answer to our question on how the sheer volume of data can be effectively digested and used as a management tool.

Having said this, we are aware that in the past SEILA has also been criticised for having too little data on its activities, not least from donors, and we realise it is difficult to strike a balance. This is hardly the time to suggest major revisions to a system which is still being introduced, but at some point this should be considered. Most urgently, the information system should focus on what is needed *for management purposes*, which probably implies reducing the volume and frequency of data generated, as well as changing some of its content.

In one respect we feel that SEILA falls short of reasonable expectations on M&E, and that is to document experience with experimentation and learning. Reports and manuals document some of the outcomes, but not many, and rarely record the approaches and experiments that were tried and proved less successful. For learning purposes, and as a means to strengthen the institutional memory, this is often as important as documenting what eventually succeeded.

SEILA has been subject to intensive external monitoring by a Sida sponsored team. We understand that this has provided CARERE and SEILA with high quality discussion partners.

SEILA has also been subject to a series of external and internal evaluations either of SEILA as a whole (e.g. the mid-term evaluation) or important elements of the concept (e.g. the independent monitoring and evaluation of the local planning process). Evidently, the evaluation activities have been well conceived, were of high quality, and have contributed constructively to the evolution of the SEILA concept and programme.

g. Appropriateness and replicability of capacity building methods

From field observations, the mission generally agrees with the conclusions of earlier observers that tremendous advances had been made in capacity building within the target provinces, although there is room for consolidation particularly at the commune and village levels. However, no clear base-line exists against which objective comparisons can be made.

Capacity building has been the essence of CARERE support to the SEILA programme. It forms the rationale for the support project and permeates almost all activities. Initially, a broad based approach was employed, aimed at building basic technical and planning skills at the provincial and line department level, undertaken in parallel with an intensive village based local planning process. Over the course of CARERE 2 the capacity building methodology has been refined and simplified and has incorporated a gender mainstreaming approach.

Capacity building for the local planning process involves the transfer of skills in management, planning, finance and monitoring to the community. At the local level, active participation and a feeling of ownership must be created to sustain

the process, and to facilitate community contributions and maintenance of facilities. This entails a change in attitudes and perception of roles. The programme appears to have been particularly successful both in stimulating attitude changes, and in developing clear, transparent and consistent methods and procedures to cover all steps and eventualities in the process.

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The resource cost, however, has been considerable. In the five current provinces, a total of some 37 CAREERE Local Capacity Building staff support some 252 ExCom LCBU staff, 174 staff of the Provincial and District Facilitation Teams, and 50 Technical Support Staff who are all government employees undertaking capacity building in relation to the local planning process. A further 70 CAREERE staff are working with SEILA counterparts to build capacity within the PRDCs, ExComs and provincial line departments, related to other aspects of the SEILA concept, system, and its management.

At the provincial level, working through the PRDC and ExCom, and key participating line departments, the CAREERE support to capacity building now focuses on management of the decentralised planning system. There has been a shift away from provision of technical skills to the line departments.

In all of this, CAREERE support has been crucial in motivating participants, and providing staff to assist in transferring skills, incentives to those working under the Local Capacity Building Unit (LCBU), and most importantly the resources required for all actors to learn by doing.

The capacity building methods as currently applied in the five SEILA provinces constitute a finely tuned and strategically focussed process. This process has been generally successful to date and is particularly relevant to the current government policy focus on decentralisation to the commune level. As such, the capacity building methodology is singularly appropriate for replication in support of the SEILA concept in other provinces. Successful replication, however, will demand substantial human and financial resources and a realistic time-frame.

Replication. Replication in new provinces will entail building the capacity to understand the concept among numerous actors, and will involve changes in attitude and perceptions at all levels of government as well as within communities. Capacity building in new provinces will have to be undertaken in a thorough, systematic and sustained manner, and cover new structures, planning systems and procedures. The STF currently hopes to achieve this in all provinces and districts, serving a total of 1,425 communes, by the year 2005. The mission sees this as an extremely ambitious task, if it is to be accomplished without compromising the SEILA concept.

Factors and obstacles impeding the task. The first and major constraint will be the availability of human resources. While the *Draft Programme Framework* foresees a drastic reduction in human resource requirements for replication, the mission has strong reservations about the extent to which reductions in support and operational staff can be made without compromising successful replication of the SEILA concept. We fear that excessive staff cuts will undermine efforts to change attitudes and perceptions, with the result that critical components of the

system, such as the local planning process, may degenerate into little more than a set of administrative procedures. This becomes even more of a worry, if there is pressure to achieve national coverage within an unrealistic time-frame. Added to this, there is a need for concentrated capacity building at the national level, and for the new Commune Councils.

Another factor to take into account is that new provinces no longer represent the development vacuums that existed during the CARERE 1 and CARERE/SEILA phases of the programme. Established systems and ways of operating are already in place to varying degrees. Resources have also been introduced, although often in

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ways outside, or parallel to, the government system. The assumption of easily establishing a hegemony of concept and methodology in new provinces may well be challenged by existing institutional practices and other realities on the ground.

Capacity building at the provincial and local levels must also be complemented by intensive capacity building at the centre, focussing on the policy and executive bodies in order for them to carry out their functions effectively. Similarly, in order for effective mainstreaming to be achieved, capacity building in relation to cross-cutting issues such as gender should be undertaken in the new provinces prior to the implementation of the SEILA systems. Both these issues will require additional capacity building resources.

Factors facilitating the task. Despite certain obvious limitations and constraints in new target provinces, there are other factors at work which should help facilitate the replication task. The systems developed to date at considerable financial and human resource cost in the SEILA provinces will require relatively little modification during the next phase. Subject to possible further simplification and adaptation to the new Commune Council context, which could be completed prior to implementation in new provinces, the SEILA processes, systems and methods would no longer be subject to significant change, as occurred during the experimental phase. The switch from experimentation to application would be an inherently simpler task.

It can also be assumed that the level of technical skills within many of the line departments in the new provinces is now much higher than was the case when the SEILA programme started in the five existing provinces. This will allow SEILA resources to be concentrated on capacity building for replication of the concept, with less need to focus on technical assistance to line departments. Opportunities may exist to work with other projects and programmes already planned or in place in new provinces. If so, programme resources could be concentrated on capacity building objectives that are key to the SEILA concept. While each new province presents a different situation, the low base-line commonly found when the current phase began, is unlikely to exist. For this reason, prior to entering a new province, it will be necessary to undertake a detailed assessment of capacity and needs. This should include an analysis of potential resources which may be utilised in support of

common objectives through a collaborative process.

The programme currently has a remarkable human resource base in the SEILA provinces, located within the CARERE support function, the government and SEILA structures, and at the community level. These resources could be utilised effectively in the replication process. Orientation and exposure visits at all levels, interprovincial staff rotation and short-term placements, together with strategic relocation of support staff could contribute effectively to the capacity building process.

It can also be assumed that extensive replication would only occur with the authority of national policy. This would greatly assist the integration of the programme with the government system at the provincial level. In addition, there are some senior government personnel who have been reassigned from the SEILA provinces to what may become new target provinces. These people, already orientated to the SEILA concept and supportive of it, can assist in promoting acceptance of the concept and the capacity building process.

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3. Common ground with other projects

The mission did not have the opportunity to observe projects in non-SEILA provinces. However, a meeting was held with representatives of UNICEF, the EC / PRASAC project, GTZ, The World Bank supported North East Village Development Project, and the Social Fund of the Kingdom of Cambodia. Documents describing these projects were also provided to the mission. Individual meetings were also held with Sida, AusAID and the World Bank. During field visits, the team also met with staff of projects such as CAAEP, FAO technical staff, and technical support staff of the IFAD agricultural support programme in the north-west provinces. Discussions were also held with IO (international Organisation) and NGO staff in the provinces.

The clear finding of the mission is that no other project or programme has consistently shared the SEILA objective of developing a model for decentralised development which involves a systematic set of relationships among all levels and actors within the province, particularly at the commune level, and that no other project or programme has, intentionally or otherwise, succeeded in developing such a model.

In the absence of a functioning decentralised development planning model in the majority of provinces, donor imperatives and project strategies have generally led to the creation of relatively independent operational environments. For the most part, other projects are focused on sectors, tend to by-pass government planning and financial systems, and implemented through particular line agencies. Where multiagency bodies have been established, their purpose is to facilitate the delivery of resources, rather than strengthen the government system. While some projects have a strong participatory focus, in order to take into account issues of local demand, ownership, and sustainability, such participation is primarily focused on the village, rather than the commune, and is geared to the delivery of specific products and services.

However, discussions with representatives of other projects suggest they may include some methods and techniques which SEILA could learn from, and which might be appropriate to incorporate in the SEILA model in new or existing provinces. These might apply to community activities, or work with line agencies. We **recommend** that opportunities for cross-fertilisation between the SEILA approach and other projects be explored prior to replicating the SEILA model in new provinces where those projects are operating.

As donor institutions and development actors become more aware of the SEILA model, they have come to recognize its relevance and potential utility in terms of providing ready made systems and local institutions for the decentralised delivery of resources. This has taken many forms, for example: IFAD support to agriculture in the North-West provinces; bi-lateral support for the Reconciliation Programme from a number of donors including the World Bank and AusAID; and significant collaboration with NGOs in SEILA provinces, especially in support to local communities.

Replication of the SEILA model in other provinces provides a potential framework for new and existing programmes to contribute more significantly to strengthening decentralisation and national ownership of the development process. **We recommend** that prior to entry into new provinces, SEILA should explore opportunities for optimising cross-fertilisation and harmonisation of approaches.

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4. Relevance

The Mission was asked to assess the strengths and weaknesses of the SEILA model in the context of ongoing efforts of the RGC towards state reform and the democratic process, particularly decentralization and public administration reform.

As is well known, the CARERE2 / SEILA programme itself has been the catalyst spurring public interest and the government's current policy thrust towards decentralization and deconcentration. It has done this by creating a model for coordinated planning and development of communes and provinces, and demonstrating that it works.

In terms of decentralization and the creation of local councils envisaged in the Commune Administration Law, SEILA provides mechanisms specifically addressed to building capacity at the commune and village levels. These include a local planning process to generate community driven proposals; methods for community based planning, decision making, contracting, implementation, and financial administration; and a Local Development Fund designed to channel resources from government and donors to communes for development activities. While all these mechanisms can easily be adapted to accommodate the creation of commune councils, SEILA does not offer the knowledge, experience or skills required to set up councils and build capacity in commune administration.

In terms of the deconcentration of government from the centre to provinces, SEILA has already put in place mechanisms that anticipate the transfer of functions and resources to provincial administrations. These include a process

for inter-sectoral planning and allocation of resources; the provision of unconditional block grants that allow line departments to generate their own initiatives; systems for managing resources and monitoring funds; and techniques for strengthening the capacity of line departments, ExCom units, CDCs, VDCs, NGOs, contractors and other actors in the private sector.

Through many experiments, SEILA has now developed a whole system of methods and procedures that collectively represent a proven model for replication in other provinces. This model brings about decentralised planning and development by establishing a structure for managing the process, procedures that facilitate dialogue between government and communities, and methods for channelling resources to local communities.

The SEILA programme has also been instrumental in evolving precedents for administrative reform of the public sector. Notable here are the procedures adopted by the programme for making government more responsive to public needs and demands, for facilitating cooperation and coordination between provincial line departments, and for managing and accounting for the use of public funds. Many of these techniques can be applied not only by CDCs and provincial authorities, but also by commune councils, once they are established, and by public agencies at all levels of government.

In a larger sense, the SEILA concept contributes to broader national goals of promoting democracy and good governance. Particularly important is the emphasis on changing attitudes on rights and responsibilities among civil servants and the people they serve, encouraging communities to articulate demands and take initiatives, and generally fostering a stronger sense of self-esteem - and self-reliance among the population at large.

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In summary, we see SEILA as being highly relevant to ongoing government reforms for democracy and governance, and a highly practical way of implementing them, with a strong potential to realise significant results and achieve real progress for the country.

5. Replicability

In the previous section we argue that SEILA is highly relevant in the context of government reforms associated with decentralisation and deconcentration. There are strong arguments for the government to look at the SEILA *programme* (the operational activities in the field) as an important mechanism to support implementation of these reforms.

Presently the debate is primarily on how the Commune Councils can be supported. It is foreseen that councils will require at least minimum attention in terms of providing them with information, training and support at an early stage after the elections. It is also foreseen that the rote, capacity and activity of councils, and the capacity building outreach to councils in this regard, will only grow and evolve over time. Putting it simply, there are two tasks ahead: one which is more immediate covering as many councils as possible; and one which

is more long-term.

At the same time, deconcentration is now receiving renewed attention. The Ministry of Interior is in the process of drafting a legal framework for deconcentration affecting state organs at the centre, province and district.

SEILA provides a concept for *decentralised* and *deconcentrated* regional and local level planning and development as a whole. As such SEILA seems particularly relevant and useful in pursuing more long-term goals, rather than the more specific and immediate needs of supporting commune councils nation wide. SEILA can play a role in satisfying some of these needs (in some provinces), but other mechanisms, to be defined by the National Committee for Support to the Commune Councils, will have to complement SEILA's contribution.

SEILA should be replicated because it is highly relevant to government policies for decentralisation and deconcentration. But replicating SEILA is primarily about replicating *SEILA* as a *concept*. As elaborated in section C.1, this concept embodies a set of principles and comprises a set of instruments for applying the concept to regional and local planning and development. Replication of SEILA, therefore, is not primarily a matter of training people to use manuals, draw up contracts, and write monitoring reports and such. Replication of SEILA is more fundamentally about changing minds and attitudes in line with basic principles of good governance and democracy.

As such, the replication of SEILA is a task of no small order. As argued elsewhere in this report, it will take concerted and high quality efforts over an extended period of time in order to ensure sustainability of the SEILA concept in minds of people and in the mode of planning and development. The experience in the current phase bears ample witness to this.

We foresee that one constraint to replication will be the availability of skilled personnel who not only understand the SEILA concept intellectually, but have also internalised the concept in their way of thinking about development. Another

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constraint will be the capacity of the national management unit, if this to be institutionalised within government, and a third factor, conceivably, is donor funding.

6. Risks .

The SEILA *programme* faces an immediate risk of disruption. There is a growing concern among the CARERE support staff over the future of CARERE beyond December 31st, 2000. From their perspective the issue is simply whether they will have a job after that date or not. As time goes by this concern will grow and it would hardly be surprising if an increasing number of staff start to look for alternative employment as the end of their current contracts draws to a close.

The locally recruited CARERE support staff still play a key role in the present SEILA provinces and they will have to play a key role in any programme for replication and expansion. A *loss of* this key resource, even in part, will mean a

major set-back for the programme and constrain any plans for expansion. Given the time a two staged formulation process will take, and given the time decision making and administrative processes will require to finalise agreements and make funds available, we are deeply concerned that a situation will develop that makes the above scenario a reality. We noticed that the same warning was given by Sida's advisory team in June 1999. As far as we can see, little of what they consid

ered urgent at that time has yet been addressed. **We urge** UNDP and its supporting donors to take necessary measures to avoid disruption, and these measures must specifically satisfy the needs of the staff that may be lost.

The SEILA *concept* risks getting lost for a number of reasons. A potentially serious risk is that replication is made too fast. In our view the plan for expansion of SEILA to cover all communes in all provinces as laid down in the SEILA five year plan (2001-2005) would make SEILA fall prey to this risk.

A related problem would arise if projects are implemented too quickly, leading to shortcuts in applying principles, method and techniques. In particular, capacity building efforts aiming at changing attitudes and perception of roles are likely to be

more or less seriously undermined.

The SEILA concept also risks being distorted or getting lost, if donors other than those supporting SEILA implement parallel projects in SEILA provinces that operate on markedly different principles and apply markedly different approaches and methods. Provincial and district staff cannot apply and operate on SEILA principles "in the morning" and on a set of other principles "in the afternoon". This may well happen in provinces where the adoption of the SEILA financial management system prompts donors to "buy in to" the programme, while implementing projects at variance with the broader SEILA concept. It is also an open question how SEILA can be replicated in provinces with on-going projects that operate on other principles. The provinces considered for replication would have to be addressed on a case by case basis in this respect in order to see how differences can be accommodated.

The SEILA programme may also come under considerable pressure to expand its outreach as a means to assist the government in implementing commune reforms. In the sections on relevance and replicability, we have argued that the SEILA concept has an important role to play in supporting government goals for decentralisation and deconcentration, but that SEILA's contribution should serve

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longer term objectives rather than immediate needs. SEILA is not the only mechanism for supporting commune councils.

On the basis of these arguments **we recommend** a modest and gradual expansion of SEILA to new provinces without setting any specific target for reach and coverage. Expansion could focus on a few new provinces, in addition to consolidating progress in the present ones. Further expansion should be subject to a review of the sustainability of the concept in "old" provinces, and an

assessment of replication experience in "new" ones, say, after a period of two years.

D. LESSONS LEARNED

While contexts differ, the SEILA experience provides an opportunity for learning not only to Cambodia but also to other countries pursuing policies of decentralisation and deconcentration. Whereas such programmes are attempted in many countries, cases of success similar to SEILA are not all that common. Perhaps one important lesson is that decentralisation and deconcentration of planning and development *can* be successfully achieved even in countries like Cambodia with hierarchical social structures and top-down bureaucratic cultures historically concerned primarily with law, order and security.

A number of other more specific lessons can be summarised as follows:

- Learning-by-doing engaging a wide range of actors from province to community level has proven to be a highly effective approach to the development of a concept for decentralisation and deconcentration and to capacity building.
- Development and application of a concept for decentralisation and deconcentration requires that the effort addresses the system as a whole, involving a range of actors at different levels of the state (province, district), local government bodies as well as civic society institutions.
- The process of developing the concept should be characterised by experimentation, learning and adjustment.
- Even when it is seen as a pilot activity or an experiment in decentralization and deconcentration, the effort has to be large enough to encompass the whole system in a region (e.g. a province). The scale is also important to demonstrate relevance.
- Critical to success is a strong and high quality support function that yields creative inputs in methods development, generates a critical mass of attitudes, perceptions and understanding of decentralisation / deconcentration, and provides sustained and extensive capacity building.

Factors external to the effort play a significant role in determining progress and success. The context specific factors of particular importance to SEILA have been the absence of resources and direction at province level when its predecessor entered the scene, a supportive donor and government attitude, and more lately, central government commitment to further the democratisation process through decentralisation.

- It is essential to consider consciously the long-term purpose of an experiment when designing it. Much time and resources could have been saved if what

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eventually became SEILA had been designed at the outset with the goal of national replication in mind.

- As far as possible, deliberate and conscious measures should be taken to avoid creating the perception that an effort and its outcome (SEILA) is strongly linked to a particular donor, since this tends to preclude, or at least reduce, interest in the effort from other donors.

In our view these seem to be the most important lessons learnt from the SEILA experience up to this point. As SEILA now passes into a new phase with important changes in its context bearing directly on SEILA and the role SEILA will play, other important lessons are likely to emerge. These lessons should be documented, analysed and debated.

E. RECOMMENDATIONS

This section summarises recommendations made in the preceding sections, and includes more detailed recommendations on specific aspects.

1. Continuity

- In order to guarantee continuity of the programme, donors should extend the present phase (say for 6 months) to allow time for the proper formulation of donor and national components, and to maintain valuable existing human resources.

2. Focus of the programme

- The primary focus of the programme has been, and should continue to be, building capacity to operate a system for decentralised and deconcentrated planning and development.
- The programme should not become the primary vehicle for building the capacity of commune councils. This is better done by other programmes designed specifically for the purpose. SEILA's contribution should serve a longer term perspective rather than immediate needs.

3. Strategy for replication

- SEILA should be replicated because it is highly relevant in the context of government's decentralisation and deconcentration policies.
- However, replication to new provinces should be modest and gradual, with no specific target for reach and coverage. Decisions to expand should take into account the availability of capable people to serve as support staff, and the capacity of the national programme management unit.
- Prior to entry into new provinces SEILA should undertake, as part of a needs

and capacity analysis, a process to optimise opportunities for cross-fertilisation between new and existing provinces, and to harmonise approaches with other programmes already operating in a new province.

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4. Strategy for capacity building

- The approach to capacity building should be based on "learning by doing", and for this purpose funds should be provided in a single package for both capacity building and development activities.
- At the provincial level, capacity building should be intensive, extensive and sustained. Intensive means approximately the present level of support per province. Extensive means including line departments concerned with socioeconomic development (to be determined in each province).
- At the central level, capacity building should be relevant, sustained and focused on senior policy makers, the executive body, and ministerial focal points, and these people should participate in designing this activity.
- In replicating the SEILA model in new provinces and districts, capacity building should cover a wide range of actors at all levels.
- The support function should be strong and staffed with capable people, to ensure the integrity of the concept is maintained in the face of ambitious expansion targets and time-frames.
- Capacity building should be flexible enough to allow local adaptation to the wide range of replication environments that will be encountered. Flexibility should be aimed at encouraging local relevance and ownership.
- Prior to replication in new provinces, orientation and capacity building should address the mainstreaming of gender and other key cross-cutting issues.
- Prior to allocation of capacity building resources, a detailed capacity assessment should be undertaken in new provinces, including the potential of other projects and programmes to contribute towards SEILA objectives.
- Replication strategies should take into account the existing human resource base in the SEILA provinces and seek to optimise their use in future capacity building. Base-line data on capacity should also be recorded in order to facilitate future evaluation.

5. Management structure

- In view of RGC initiatives for administrative reform, decentralization and deconcentration, steps should be taken to institutionalise CAREERE's functions within the government structure.
- The policy making body should be greatly strengthened. It should be given a clear mandate and responsibilities for decision making, and should be

supported by a strong executive secretariat.

- At the national level, responsibility for managing the SEILA programme should be internalised within government as an Executive Secretariat.
- The management unit should be administratively located under a neutral lead agency, capable of providing strong leadership, whose authority is respected, and which is able to coordinate the line ministries involved.
- Provision should be made to maintain a strong support team to serve both national and provincial levels.

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- At the national level, the support team should be attached to the management unit, but in the provinces, members should be distributed to strategic points where they can make the most impact.
- Staff of the support unit should work in the same place, so that they can interact more effectively and build a cohesive team, and the unit should be allocated sufficient funds to attract capable people, allow them to travel frequently to the field, and perform their work efficiently.
- Those involved in formulating the next phase should not become overly preoccupied with the issue of who is to be responsible for the SEILA programme. The programme and the concept behind it are portable. The more important issue is to ensure that the concept is preserved and properly understood by those in charge of the programme.

6. Funding

- All future donor funding of SEILA should be channelled through government structures (Ministry of Economy and Finance to the Provinces) and be included in the national budget.
- In order to maintain the principle of learning by doing, donor funding should cover both capacity building and development projects in the same package.

7. Programme systems

a. Financial system

- SEILA should reconsider the policy on payment of contractors, transfer this responsibility to CDCs when feasible, and undertake the necessary capacity building.
- Once it is established, SEILA should discuss with the NCSCC actions to be taken to rationalise the roles of the LDF and the Commune Revenue Fund (envisaged in the Commune Administration Law).

b. Local planning process

- The local planning process should be simplified further. Steps should be taken to eliminate elements that make little difference to outcomes, to reduce the effort required to compile the database, and minimise the need for assistance from facilitators.
- Current methods and procedures in the local planning process for village participation and capacity building should be retained.
- Concerted efforts should be made to encourage broad participation of line departments and NGOs in the District Integration Workshop.
- Ways should be found to commit LDF funds for a rolling two year period, so that contracting and construction can be spread more evenly throughout each year.
- The menu of activities eligible for LDF funding should be broadened beyond simple infrastructure projects to include other public works and services, but not economic activities. Facilitators should be made aware of appropriate activities and should encourage communities to consider them.

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- Once it is established, SEILA should discuss with the NCSCC measures to be taken to preserve and make use of the human resource assets built up by SEILA among VDCs and CDCs.

c. Provincial planning process

- SEILA should continue efforts with the Ministry of Planning to rationalise and improve the utility of provincial development plans and investment plans as an integral part of national plans
- Additional assistance should be sought to formulate a more coherent approach to local economic development, and make provincial development plans a more potent tool for guiding future directions.
- Elements of the provincial planning process should be retained and strengthened. These include unconditional block grants provided by SEILA for line department activities, procedures to improve interaction and coordination between line departments in the province, and methods to make sectoral activities more responsive to local needs and demands.

d. Gender

- A program wide gender policy and guideline should be developed to be used in all SEILA provinces as a framework for a long-term strategy of gender mainstreaming.
- Prior to planning activities in the new provinces those province should be subject to a gender sensitisation process, which may include exposure to best practices in existing SEILA provinces.
- Capacity building in relation to gender awareness and gender mainstreaming

should be carried out at the SEILA policy and executive levels.

- Selection of gender focal points should consider not only their potential to understand the issues but also their strategic ability to influence the gender integration process within their organisations.
- A supporting environment for gender focal points should be enhanced through networking, both within and among the SEILA provinces, with a view to the promotion of coordination and information exchange.
- The impact and effectiveness of gender training methodologies and content and other gender related activities employed to date in the SEILA provinces should be reviewed and assessed with a view to drawing lessons and adjusting the approaches to be used in replication to new provinces.

e. Monitoring and evaluation

- Steps should be taken to focus systems for monitoring and reporting on information needed for *management purposes*. Greater emphasis should be put on the analysis and interpretation of data and the quality of reports, rather than volume and frequency.
- Given the experimental nature of the programme, the monitoring system should also include a component designed to document the process of experimentation and learning it has passed through.

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8. Recommendations for donors

- Support the SEILA concept of decentralised planning and development in the next phase of the programme.
- Support the consolidation of activities in existing provinces and replication to other provinces.
- Ensure that any investment funds for development activities are accompanied by adequate resources for capacity building in line with the SEILA concept.
- Support complementary mechanisms to implement the Commune Administration Law, in order to reduce potential pressure on SEILA to expand prematurely.
- Provide funding to provincial line departments that is sufficiently flexible to allow them to develop their own programmes and projects in keeping with the intent of deconcentration.
- All stakeholders should work together to ensure a timely formulation and resource mobilisation process whereby disruption and the loss of key resources will be avoided. It is essential that key human resources, valuable experience and established momentum are not lost through delays in the formulation and resource mobilisation process.
- Every effort should be made by donors to ensure timely resource flows to a

future support programme. Delays in the external provision of planned resources, often exacerbated at the local level by limited seasonal windows for activity implementation, can disrupt the planning process, destroy momentum, and reduce the concept of local ownership.