

EVALUATION OF DFID COUNTRY PROGRAMMES: CAMBODIA



Paul Thornton, Dane Rogers, Chan Sophal, Chris Vickery

OVERVIEW OF COUNTRY PROGRAMME EVALUATIONS

DFID has a rolling programme of Country Programme Evaluations (CPEs) with 5 or 6 evaluations of countries or regions per year. A synthesis report pulling together findings from 5 recent CPEs is also produced annually. CPEs are challenging evaluations attempting to provide an overview of the entire DFID programme over a 5 year time frame and evaluate whether DFID made appropriate strategic choices in the given context and delivered effectively. CPEs are ideally undertaken in the year prior to development of a new Country Assistance Plan, as they are designed to meet DFID's needs for lessons that can inform future strategy and programming, as well as accountability for funds spent at country level. CPEs are intended for a wide audience including DFID's country office staff and partners, senior DFID managers in the relevant regional divisions and members of the public/ other stakeholders.

Each CPE is managed by DFID's Evaluation Department and carried out by 4-6 independent international consultants with a mixture of evaluation and development skills. The terms of reference for the CPE programme include a generic evaluation framework closely linked to standard evaluation criteria; this is customised a little for each individual evaluation (and annexed to the report). For CPEs, interpretation of each of the evaluation criteria is as follows:

- Relevance** – CPEs should provide high quality, well evidenced material and judgements on whether 'DFID did the right things'
- Effectiveness** – CPEs should examine key interventions and partnerships and identify and explain successes and failures
- Efficiency** – CPEs should tell a narrative around the allocation of resources (financial and staffing) to deliver the results DFID was hoping to achieve
- Impact** – CPEs cannot produce new information on impacts attributable to DFID, but should consider DFID's contribution to long term outcomes
- Sustainability** – CPEs should discuss evidence on progress towards sustainability in terms of ownership of reforms, capacity development and resilience to risks.

Typically CPEs comprise a one week inception mission to the country to make contacts, scope the boundaries of the evaluation, customise the generic evaluation matrix and make decisions around issues such as field visits. The main CPE fieldwork then takes place around a month later and lasts up to three weeks. DFID's Evaluation Department provides each evaluation team with a large documentary evidence base comprising strategies, project/ programme information and context material sourced from a thorough search of paper and electronic files, DFID's intranet system and the internet. During the fieldwork the team interview stakeholders in country and current and past DFID staff. A list of people consulted is annexed to each study.

The views expressed in CPE reports are those of the independent authors. The country office can comment on these in a 'management response' within the Evaluation report. CPE reports are quality assured by an independent consultant who has no other involvement in the CPE programme.

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

Evaluation Report 703

Evaluation of DFID Country Programmes: Cambodia

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Preface

This evaluation of DFID's Cambodia country programme is one of a series of regular Country Programme Evaluations (CPEs) commissioned by DFID's Evaluation Department. The studies are intended to improve performance, contribute to lesson learning and inform the development of future strategy at country level. Collectively, the CPEs are important in terms of DFID's corporate accountability and enable wider lessons across the organisation to be identified and shared.

The evaluation was carried out by a team of independent UK and national consultants, led by ITAD Ltd. The evaluation focused on DFID's programme during the period 2003-2008 and was managed by Iain Murray and Mark Herbert of Evaluation Department (EvD). The evaluation was carried out between October and December 2008. This included a one week inception visit carried out by EvD and Paul Thornton, the Team Leader for this CPE, and a three week field visit by the consultancy team.

In accordance with EvD policy, considerable emphasis was placed on involving the country office staff during the process and on communicating findings. They were invited to discuss findings at a workshop during the evaluation, offered written comments on the draft reports and participated in a seminar discussing the findings previous to the final draft.

The evaluation acknowledges the significant contribution made by DFID to development in Cambodia, most notably in catalysing the movement of the donor community beyond a post conflict perspective, prioritising aid effectiveness and maximising development effectiveness. For example:

- Improved health facilities with increased access to services and growing and more predictable budget allocations to the sector.
- Support to a government led pro-poor policy framework through a proactive approach to the planning and development of the National Strategic Development Plan.
- The strength of the partnership with the World Bank, supporting the establishment of its presence and together breaking new ground in poverty analysis, financial and economic reform and models of co-financing.

This has been an important lesson learning opportunity for DFID, particularly in terms of considering the options for the programme beyond the planned closure of the office in 2011. We are pleased that the report was timely and helpful to the country office in feeding into this planning process. EvD would like to acknowledge the contribution made by the evaluation team itself. The active and positive cooperation of DFID staff in this evaluation was excellent, as was the engagement from development partners in Cambodia. We would like to convey our warm thanks to those involved.

Nick York
Head of Evaluation Department

Acknowledgements

This evaluation was undertaken by an independent team from the ITAD Ltd consortium. The team was led by Paul Thornton and consisted of Dane Rogers, Chan Sophal and Chris Vickery. Jane Alexander from DFID's Policy Division joined the team for the final few days of the main visit to Cambodia to provide support in reflecting on lessons in relation to fragile states and state building.

The DFID Cambodia team in Phnom Penh provided excellent support and advice throughout the evaluation and their cooperation and practical assistance ensured an effective process. In particular, thanks are due to Marjolaine Nicod and Channa Kram for providing extensive logistical and organisational support and to Yolande Wright and Jean-Marion Aitken for facilitating the visits outside Phnom Penh. Research assistance at ITAD was provided by Jodie Dubber and Corrie Bell, quality assurance by Hilary Thornton and proof reading by Heidi Mason. The evaluation was managed by Lynne Henderson, Iain Murray and Mark Herbert from DFID's Evaluation Department who provided support throughout the process.

The team would like to thank all those respondents interviewed during the evaluation for giving freely of their time and sharing their experiences and opinions openly and candidly.

However, other than the management response, full responsibility for the text of this report rests with the authors. In common with all evaluation reports commissioned by DFID's Evaluation Department, the views contained in this report do not necessarily represent those of DFID or of any of the people consulted

Executive Summary

Introduction

S1 This is the report of an evaluation of the UK Department for International Development (DFID) programme in Cambodia from 2003 to 2008. The purpose of the evaluation was to assess the relevance of DFID's strategy in Cambodia and the performance of the programme with respect to that strategy. DFID is preparing its next country plan for the programme and the evaluation was invited to draw lessons specifically to inform that process.

Context

S2 By 2003 Cambodia had been through ten years of post-conflict transition, during which there had been three national elections and the first local elections. Whilst fragilities remained, Cambodia was moving away from a post-conflict situation and facing the challenges of moving towards a more normal development paradigm. The period since 2003 has seen continued state building and further movement towards Cambodian People's Party (CPP) dominance confirmed by the 2008 elections. Cambodia is no longer fragile in terms of active conflict, insecure basic service delivery and political instability, but there are continuing fragilities. These include lack of regard for the rule of law, corruption, contested property rights, social exclusion, continued poverty and growing inequality.

S3 Economic growth has been impressive, but is narrowly based. Further growth is at risk from the global crisis. The slow increase in resources for priority services raises concerns over whether allocations will keep pace with inflation and impact sufficiently on poverty and inequality. Cambodia has made good progress towards achieving the Millennium Development Goals (MDGs), but poverty and inequality are still widespread and the annual rate of poverty reduction is less than half the economic growth rate. After the Paris Peace Agreement was concluded in 1991, Cambodia received a substantial influx of external assistance and remains highly aid dependent. There is still a large donor presence including significant new donors (China, Korea, Gulf States) with a wide range of bilateral and strong multilateral representation. DFID's programme dates back to the 1990s, with an office presence since 2000.

Strategic Development

S4 The period of the evaluation is covered by the final years of DFID's 2000 Country Strategy Paper (CSP), and the 2005 Country Assistance Plan (CAP), which has been extended to October 2009. In 2009 there will be a new style Country Plan covering the period up to and beyond the original proposed closing date for the office (not the programme) of 2011.

S5 When DFID decided to open an office to support its programme, there was a ten-year commitment with a limited portfolio centred on health and rural livelihoods and a focus on working through multilaterals. At the start of the period covered by the evaluation this position was reaffirmed, with the programme focused on partnerships through multilaterals and bilaterals and an intention to work entirely through these partners by 2011. The concept of 'partnership' was seen as a modality for exit, it was *not* a vision; there does not appear to have been a clear strategy for the whole period of engagement or a clearly defined purpose to be achieved before closure.

S6 The 2005 CAP was based on a comprehensive analysis shared with the Asian Development Bank (ADB), World Bank and UN that was highly relevant to the context. There was no explicit purpose statement in the CAP but the overarching objective included "improving development

effectiveness”, “support to off-track MDGs through government-led programmes” and “improving the development system’s focus on the poor and excluded.” This emphasis on development effectiveness, the MDGs, and a poverty focus was based on a clear pro-poor governance narrative but this was not clearly linked to the commitment to closure within ten years.

S7 The CAP included four objectives:

1. Contribute to rapid increases in the impact of development resources in Cambodia by:
 - i. Supporting government efforts to improve public financial management and accountability;
 - ii. Stronger accountability of government to its citizens;
 - iii. Applying best practice in donor assistance to Cambodia.
2. Responsive, accountable and effective local government for all people, especially the poor and socially excluded.
3. Support government and civil society to strengthen the livelihoods of poor people.
4. Increased access to health services and information.

S8 These objectives were relevant to the context, but ambitious given the resources. A limited range of activities were proposed but these were not sufficient for the objectives. Accountability was the weakest link; not featuring heavily in the portfolio despite the CAP analysis and inclusion in partner programmes. Interventions have focused on supply-side governance and service delivery, with inadequate attention paid to wider citizen accountability and civil society strengthening. There is also evidence of a series of contested narratives underpinning the strategies being pursued: before the CAP – sustainable livelihoods and poverty; during the CAP – governance, aid effectiveness and budget support; for the future – fragile states and state building. Whilst DFID should remain responsive to changes in the political and socio-economic context, the transition from one narrative to the next appears not to have been underpinned by a supporting strategic analysis to guide programme level adjustments in design and delivery that were consistent across the portfolio.

Relevance

S9 During the period of the evaluation, the DFID Cambodia strategy was based on strong analysis and paid appropriate attention to risks especially at the political and governance levels. The objectives are well framed and the 2005 CAP builds on the 2000 CSP: providing a clear, public statement of the rationale, approach and objectives of DFID’s programme in Cambodia. However, at the operational level, design and delivery have not reflected this higher level analysis. The strategy development has been influenced by developing policy and analysis within DFID. The earlier sustainable rural livelihoods approach that informed the CSP gave way in the CAP to a strong aid effectiveness and governance perspective centring on the local governance programmes and national level interventions. Though relevant to the Cambodian context, this resulted in lower priority being given to livelihoods for the poor, which is a concern. More recently, fragile state policy has influenced the direction of the strategy serving to reinforce the governance dimension and the focus on the state and state structures.

S10 The strategy was, however, overambitious, given the financial resources available, and set too high expectations for the in-country team. With the inadequate monitoring of the strategy, this compounded the confusion over direction and performance. The desire to make sense of the inappropriate commitment to the ‘vision’ of a programme based on delegated partnerships by 2011 added to these tensions and seems to have resulted in an exaggerated view of the progress being

made by the Royal Government of Cambodia (RGC) and an assumption that budget support and sector programmes should be the main channels for future support. This perspective has been tempered more recently, but the overall result of sticking too rigidly to the proposed exit route has been a lost opportunity to test, monitor and revise the strategy over the course of the ten-year engagement. A thorough assessment after an initial period of engagement that set clear milestones for strategic development over the ten years, with regular reviews conducted jointly with government and development partners, would have given a more realistic and tempered approach that could have been more flexible and responsive.

Effectiveness and Efficiency

S11 DFID has made a significant contribution to development in Cambodia over the period under consideration – most notably in catalysing the movement of the donor community beyond a post-conflict perspective, and in prioritising aid effectiveness and maximising development effectiveness in ways that were difficult for others to ignore. Without detracting from this contribution, it is only part of the strategy; in terms of delivering on the specific objectives, DFID's achievements are more mixed. This is more a factor of excessive ambition with limited resources (human and financial) than a failure to deliver. Whilst objectives did address DFID priorities, the volume of funds available through the main partnerships at local level and the institutional incentives (e.g. spreading funds equitably at the expense of critical mass) meant that the programmes have had insufficient traction against poverty.

S12 Of the four CAP objectives, only Objective 4 can be said to have been largely achieved. Both Objectives 2 and 3 had single interventions, which were both insufficient to achieve the objective. Despite this limitation there has been satisfactory progress towards Objective 2, but it is unachievable in advance of the new RGC legislation supporting decentralisation (passed in 2008) and its operationalisation by RGC (due mid 2009). Objective 3 has been unsatisfactory in its achievement. Whilst the objective was ambitious, livelihoods has been the cornerstone of the DFID strategy since 2000, and yet the contribution to strengthening the livelihoods of poor people remains weak. Objective 1 articulates the contribution that DFID has made, yet here too an overambitious aim – rapid increases in the impact of development resources – resulted in only satisfactory achievement. Whilst Cambodia was ten years beyond the conflict in 2003, seeing rapid increases in the subsequent five year period was expecting too much.

S13 DFID has used its resources effectively and efficiently and has made good progress. More focus on M&E related to impact and informing the monitoring of the strategy would have improved performance, as would more attention to team working and a reappraisal of the vision for 2010. A ten year timeframe set a challenge that could have been addressed innovatively, but partnership for exit became a strait-jacket and a ten year strategic opportunity was missed.

Impact

S14 The most significant impact of DFID support has been in the health sector, where there is evidence of institutional improvements including increased access to services, improved health facilities and growing and more predictable budget allocations to the sector. Support to the sector has had a positive impact on government capability and responsiveness. More broadly, there is evidence that DFID support has contributed to a proactive approach to planning and policy by RGC, notably through the development of the National Strategic Development Plan (NSDP) as a government-led pro-poor policy framework. Impact related to the decentralisation objective is less evident, notwithstanding the contribution made to institutional improvements at the sub-national level. The contribution to decentralisation has been most significant at the policy and process level, ensuring continued donor support and focus. The benefits will only be fulfilled now that formal

changes are taking place and more coherent donor support is being articulated, especially by the European Union members.

S15 Livelihood impact is the least significant. The reduced emphasis at the outset of the period was only restored in 2006 and even then relied on one major partnership. The small amount of investment funds available to each sub-national level, coupled with inattention to pro-poor socio-economic planning at provincial and district levels, point to limited impact on socio-economic development. The over-reliance on improved supply-side interventions for delivering poverty reduction and improved livelihoods presented significant risks. The civil society component to this programme has been slow to take off and relies excessively on approaches based on service delivery models. Greater attention to strengthening voice and accountability would have complemented DFID's portfolio and contributed to greater prospects for sustainability, not only with respect to livelihoods but across the whole programme.

Lessons

For DFID Cambodia:

S16 The **missing vision and long-term narrative** – why you came and why you stay – needs to be centre stage, whatever the future duration of the programme. When DFID decided to open an office to support its Cambodia programme there was a commitment to stay for ten years and, for that reason, a focus on working through multilaterals. At the start of the period covered by the evaluation this position had been reaffirmed with the programme focused on partnerships with multilateral and bilateral development partners. The concept of 'partnership' was a modality for exit, it was *not* a vision; there was no clear overarching strategy for the period of engagement or purpose to be achieved before closure and this weakened programme effectiveness.

S17 **Poverty and social exclusion** continue to be amongst the most significant aspects of Cambodia's fragility. The role of government is constrained and limited – livelihood gains are not state/commune bound – but leadership, regulation, and enabling frameworks are essential. Private sector, NGOs, civil society and individual enterprise are possible entry points. Fear reinforces social exclusion and is present at all levels. The loss of the poverty focus has diminished the rationale for the continuation of the Cambodia programme.

S18 There have been **inflated expectations for what Decentralisation and Deconcentration (D&D) could deliver** in the short term on poverty reduction and governance – "D&D policy offers no short cut route to local development...Rather D&D policy commits to the longer and infinitely more complex route of fostering local development through representative forms of local governance at all levels."¹ DFID has stayed with a difficult and at times frustrating process. The long-term benefits can now begin to be realised, probably outside the earlier partnership, with DFID playing an intellectual leadership role within the EU division of labour.

S19 The risks involved in **challenging partners and being assertive over policy divergence** and programme direction can be overcome if alliances, evidence, and clear processes are utilised. If the team can apply these lessons in a collaborative and supportive way with respect to livelihoods its place at the centre of the programme could be restored.

¹ Rohdewohld, R and Porter, D. (2006) *Independent Study of Donor Support for Decentralisation and Deconcentration*, p. 7.

S20 **Mediating and moderating the relationships between partners** – ADB, the World Bank and to a lesser degree the United Nations Population Fund (UNFPA) under the Health Sector Support Programme (HSSP) phase 1 and the wider group of development partners now committed to pooled financing under HSSP phase 2 – has been DFID’s key contribution to the health sector. The same skills and insights can make a contribution across the sector now that the Ministry of Health has been put in the forefront of public administration reform and decentralisation by RGC. A similar role has been played more recently in ensuring alignment and an emerging coherent voice amongst a significant donor grouping with respect to decentralisation and deconcentration. Here DFID’s acknowledged governance analysis has been the basis for laying the groundwork for new modes of support and influence for RGC.

S21 DFID has contributed to **the contentious arena of aid effectiveness** and contributed to the gains that have been made. However, much remains to be done in a development partner environment that is still crowded and fragmented. There is a risk in being too proactive when others should be taking the lead. Continued DFID presence should encourage the UN and the World Bank to place aid effectiveness centre stage, with DFID focusing its attention on using its analytical capacity effectively; linking in with political processes, challenging the government, creating space for civil society, and ensuring programmes deliver results.

S22 **Monitoring and evaluation are essential for learning** and reflective programme development. Well designed and appropriate systems need to be in place at strategic, programme and implementation levels. DFID cannot be held to account for impacts and outcomes that lie within the domain of government or other partners. However, DFID is accountable for its interventions and the delivery of an effective and efficient strategy.

For the **future of the Cambodia Programme**:

S23 A **fully delegated programme** for Cambodia is neither appropriate nor advisable. Continued DFID influence and presence as a champion of aid effectiveness and a positive force within the donor community is as important as continued or increased financing.

S24 **Closure of the programme** given the low strategic priority for DFID and the number of other donors present is a positive aid effectiveness route. Withdrawal from a fragile state that is still a low-income country must be handled with care to avoid mixed messages. Government and key partners will be disappointed at the loss of a critical ally; but, after ten years, DFID’s contribution to the developing aid environment has been significant, and, if the next three years are planned well, closure in 2011 could be an honourable conclusion.

S25 Based on the lessons and experience of the last five years, continued engagement – with the same or reduced spend, managed by an enhanced Embassy incorporating DFID, with the organising principle of ‘pro-poor state building’ and a stronger emphasis on accountability and state/society relationships – could form the basis for **an innovative long-term partnership** between the UK and Cambodia.

For **Partnership** working:

S26 Partnerships are **means not ends** – be clear about the policy direction and base the relationship on shared understanding and analysis not on the practicalities of delegated operational activity. Ensure both parties appreciate the degree of delegation and extent of reporting that is expected. Strong partnerships based on mutual understanding, shared commitment, and honest exchange can be effective as the basis for harmonised support. Relationships need to be robust enough to renegotiate, adjust or even end the partnership.

S27 The **nature of partnership** – common vision, like-minded approach to aid effectiveness (alignment, harmonisation, ownership, mutual accountability and management by results), joint working and joint decisions – is different from a simple subcontracting relationship of investment in a good programme, developed and managed by another. In the latter case, the value added is at a lower level and expectations need to be adjusted.

S28 **Appraisal, monitoring and wider measurement** (impact of programme and milestones of partnership) have been concerns across all the current partnerships. A mutually agreed monitoring framework, covering both the impact of the intervention and the progress of the partnership, is essential. It should set realistic purpose level success criteria that take account of the financial and non financial aspects of the relationship.

S29 **Policy engagement and influence on development effectiveness** has been achieved in Cambodia as a result of active presence. Silent partnerships are counter-intuitive to DFID's aims and partners were resistant to accept delegated responsibility for DFID's resources. They value the intellectual contribution more than the financial support. In a situation of aid dependency, agreements over division of labour, limited sector engagement, and reducing the number of donors are being seen as more relevant.

For work in **Post-Conflict/Fragile Contexts**:

S30 Engagement with **fragile states** depends on a flexible and politically sensitive approach that requires continuity of presence and analysis – these situations are less conducive to long-term stable engagement, especially through third parties (silent partnerships). The principles of starting with the context, doing no harm, acting fast ... but staying engaged (OECD, 2007) apply to decisions about long-term engagement as much as to medium term strategic planning and short-term interventions.

S31 **State building** as a means of ensuring stability needs to be balanced with civil society development as a means of building accountability and social cohesion. Stability requires a capable, accountable and responsive state, positive state/society relationships and an atmosphere of safety, security and choice in which citizens are and feel able to function and achieve personal, family and community level ambitions. state building must not be viewed in a state-centric way – but must incorporate notions of citizenship and social stability alongside state stability.

S32 Post-conflict **transition is a process** that is not linear; it takes time for the deeper impacts and fragilities to be addressed. Cambodia is now more than fifteen years on from the formal end of the conflict, yet some fragilities persist, reinforced by deeper social norms, whilst new fragilities emerge as the state becomes dominant, creating new tensions and risks of social conflict.

S33 There are differences between **state building and peace building** (or long-term conflict prevention) processes and the two must not be confused. Progress can be made in one area and not the other. In some areas, Cambodia's state building successes have consolidated its ability to resolve future conflicts peacefully, or prevent conflict occurring, whilst in others the same successes undermine and exacerbate tensions.

Recommendations

S34 Where DFID is entering into a limited or time-bound engagement with a partner country, **Senior Management** should ensure there is a strategy in place for the whole period that is realistic, relevant and responsive to the context in terms of the level of resources and duration of engagement. The strategy should include a monitoring framework, built-in reviews, by senior

management, and clear break points. Such long-term commitments should be developed in partnership with the concerned government.

S35 **Human Resources Division** should review how HR policy and practice can take the longer-term timeframe of country programmes and the need for continuity into account. In particular, the implications for the recruitment and posting of staff, length of contract, continuity of appropriate development and technical skills, and career development should be considered.

S36 **Policy Division** should incorporate an analysis of stable societies, citizen accountability and the role of civil society voice and accountability in its further development of DFID's understanding of state building, setting the conceptualisation of 'state' within a broader socio-political framework.

S37 The **DFID Team in Cambodia** should engage proactively with the recipients of Programme Partnership Agreements (PPAs), Civil Society Challenge (CSCF), Conflict, Humanitarian and Security Department (CHASE) and Central Research support to deepen its understanding of advocacy, voice and accountability and the deeper social impact of the conflict on civil society.

S38 The **DFID Team in Cambodia** should develop an implementation strategy following approval of the forthcoming Country Plan. This should include a monitoring framework for the plan at strategic, programme and implementation levels with process milestones and benchmarks for each objective, partnership and intervention; together with a proposal to strengthen the M&E systems and analysis in all areas of DFID engagement.

S39 The **DFID Team in Cambodia and Danida** should undertake a joint review of MDLF/NRMLP at programme and management level to revise mutual expectations for livelihoods and NRM, the scope of MDLF to deliver them, and agree revisions at purpose and output level for the next phase as early as possible.

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Abbreviations

ADB	Asian Development Bank
AJPR	Annual Joint Programme Review
AFD	Agence Française de Développement
BoP	Balance of Payments
CAP	Country Assistance Plan
CAS	Country Assistance Strategy
CDC	Council for the Development of Cambodia
CDRI	Cambodia Development Resource Institute
CGA	Country Governance Assessment
CHASE	Conflict, Humanitarian and Security Department, DFID
CMDGs	Cambodian Millennium Development Goals
CPE	Country Programme Evaluation
CPF	Country Performance Framework
CPP	Cambodian People's Party
CRDB	Cambodian Rehabilitation and Development Board
CSCF	Civil Society Challenge Fund
CSF	Commune/Sangkat Fund
CSO	Civil Society Organisation
CSP	Country Strategy Paper
D&D	Decentralisation and Deconcentration
DAC	Development Assistance Committee
Danida	Danish International Development Assistance
DDP	Director's Delivery Plan
DFID	Department for International Development
DFIDC	DFID Cambodia
DoC	Drivers of Change
EvD	Evaluation Department
FCO	Foreign and Commonwealth Office
FDI	Foreign Direct Investment
FUNCINPEC	United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia
GDP	Gross Domestic Profit
HDI	Human Development Indicator
HE	His Excellency
HoO	Head of Office
HMG	Her Majesty's Government
HSP	Health Sector Strategic Plan
HSS	Health System Strengthening
HSSP	Health Sector Support Programme
IDA	International Development Association
IFI	International Finance Institution
IHP	International Health Partnership
IMF	International Monetary Fund
INGO	International Non-Government Organisation
JAPR	Joint Annual Programme Review
KPNLF	Khmer People's National Liberation Front
KPRP	Kampuchean People's Revolutionary Party
M&E	Monitoring and Evaluation
MBPI	Merit-Based Pay Incentive
MDG	Millennium Development Goal
MDLF	Multi-Donor Livelihoods Facility

MEF	Ministry of Economy and Finance
MMR	Maternal Mortality Ratio
MoH	Ministry of Health
MoI	Ministry of the Interior
MoP	Ministry of Planning
NCDD	National Committee for the Management of Decentralisation and Deconcentration Reform
NGO	Non-Government Organisation
NPPR	National Planning for Poverty Reduction Programme
NPRS	National Poverty Reduction Strategy
NRM	Natural Resource Management
NRMLP	National Resource Management and Livelihoods Programme
NSDP	National Strategic Development Plan
NSP	National Strategic Plan for HIV/AIDS
ODA	Overseas Development Assistance
OECD	Organisation of Economic Cooperation and Development
OGD's	Other Government Departments
OPR	Output to Purpose Review
OVI	Objectively Verifiable Indicator
PBA	Programme-Based Approach
PCR	Project Completion Report
PFM	Public Financial Management
PFMRP	Public Financial Management Reform Programme
PLG	Partnership for Local Governance
PPA	Programme Partnership Agreement
PRBS	Poverty Reduction Budget Support
PRGO	Poverty Reduction and Growth Operation
PRK	People's Republic of Kampuchea
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSDD	Project to Support Decentralisation and Deconcentration
RGC	Royal Government of Cambodia
RH	Reproductive Health
RLF	Rural Livelihoods Fund
RMMP	Reducing Maternal Mortality Project
RSP	Rural Sanitation Project
SCRHP	Strengthening Cambodia's Response to HIV/AIDS Programme
Sida	Swedish International Development Agency
SM	Social Marketing
TA	Technical Assistance
TCAP	Technical Cooperation Action Plan
TWG	Technical Working Group
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNTAC	United Nations Transitional Authority in Cambodia
USAID	United States Agency for International Development
VSO	Voluntary Service Overseas
WHO	World Health Organisation

1. Introduction and Methods

Introduction

1.1 This evaluation examines the performance of the bilateral programme of United Kingdom development assistance provided by the Department for International Development (DFID) to Cambodia during the five and a half year period from April 2003 to October 2008. DFID's performance management system is supported by periodic independent evaluations at project, programme, sector and thematic level. The primary audience for these evaluations is the UK government and DFID senior managers including heads of country offices. The purpose of this evaluation was to assess the relevance of DFID's strategies to individual country policies and DFID's own corporate objectives; the choices of aid interventions and their effectiveness; and DFID's added value as a development partner and the impact of its programme on poverty.

1.2 The evaluation of the Cambodia Programme is one of the 2008/09 series of independent Country Programme Evaluations (CPEs) commissioned by the Evaluation Department (EvD) of DFID. During 2008/09 five evaluations were proposed, all of which are of country programmes in states with a fragile/post-conflict context.

Approach

1.3 The CPEs undertaken during 2008/09 follow a common approach (See Terms of Reference in Annex 1) drawing on the evaluation criteria developed by the Development Assistance Committee (DAC) of the Organisation of Economic Cooperation and Development (OECD), those of relevance, effectiveness, efficiency, impact and sustainability. A specific evaluation matrix has been developed for fragile states by the evaluation consultants and EvD. This matrix groups questions under the five DAC criteria and includes a section for lessons and recommendations. These are 'light touch' evaluations with three weeks for collecting data on effectiveness, impact and sustainability through documentation review and interviews. There is no primary data collection. Whilst the independent evaluation team are responsible for the assessment, the process has been as participatory as possible – with EvD and the Cambodia team involved throughout in finalising the matrix and in feedback sessions to test emerging conclusions and share findings.

1.4 For the Cambodia CPE a one-week inception visit to Cambodia was made in October 2008 to plan the evaluation, collect documentation, and conduct briefing interviews. During this visit, additional questions from the Cambodia team were integrated into the matrix and adjustments were made to the evaluation approach based on these questions and issues raised by the DFID staff team. An inception note was issued summarising the approach to be taken and incorporating the final matrix (the Cambodia CPE matrix is at Annex 2).

1.5 The evaluation took place over a three-week period in November 2008. Two days were spent collecting data in UK after which the evaluation team spent two and a half weeks in Cambodia reviewing documentation and meeting as wide a range of stakeholders as possible. (Annex 3 lists all those interviewed.) Two field visits were undertaken to gain experience of the livelihoods activities in Siem Reap province and of interventions in the health sector in provinces in the south. These visits significantly added to the evaluator's appreciation of the operational context and extent of current implementation. In addition, telephone conference calls were held with DFID staff and other stakeholders who were not available in London or Cambodia.

Methodology

1.6 The documentation review focused on the annual reports, and formal reviews of all the projects and programmes undertaken between 2003 and 2008. These contemporary assessments of effectiveness and impact were reviewed with reference to the objectives in the strategies that covered the evaluation period. The strategies themselves, any evaluations or studies undertaken in the preparation of the strategies, and file records indicating decisions taken to change or adjust the strategic direction were also reviewed. Finally financial data was analysed to assess spending levels throughout the period and administrative costs during the final year.

1.7 Interviews and discussions with individuals and groups of DFID staff, donor representatives, government officials, contractors, civil society representatives and service users gave qualitative assessments of the perceived impact and effectiveness of DFID's programme and presence in Cambodia. The findings from semi-structured interviews were triangulated with findings from other sources to build up a comprehensive view of the ways in which the strategic objectives had been pursued through projects and programmes, policy engagement, influence and representation. Emerging findings were shared with the Cambodia team to test hypotheses and understandings.

Report Structure

1.8 The remaining chapters of this report present the findings of the Cambodia CPE. **Chapter 2** describes the political, economic and social context; the role of external support and the level of development assistance are then reviewed together with the history of DFID's assistance. **Chapter 3** presents the findings with respect to the relevance of DFID's strategic objectives, their alignment with corporate policy, and that of government and other partners; how risk was assessed, and how resources were allocated and results gathered. **Chapter 4** looks at the dual aspects of programme effectiveness and efficiency. The focus is on the delivery of the strategies, the results achieved; efficiency in application of financial and human resources; and achievements in terms of aid effectiveness. **Chapter 5** reviews the impact and sustainability of the outcomes with respect to the objectives set in the Country Assistance Plan (CAP) and other strategies. Finally, **Chapter 6** presents the conclusions of the evaluation and a set of lessons and recommendations.

2. Context

2.1 This chapter gives the background to DFID's programme in Cambodia. It presents the political and post-conflict situation within the historical and social context. It provides a summary of the economic and development challenges facing Cambodia and the development support being received. Finally, the chapter describes how the DFID programme has grown since its inception in 1991, and, in particular, its development since the last Country Programme Evaluation in 2003².

Political, Social and Economic Context

Historical Background

2.2 Despite the passage of time, Cambodia is still affected by the physical and psychological devastation inflicted during the Khmer Rouge period, the civil war that preceded it and the civil war and insurgency that followed.

2.3 After the Khmer Rouge seized power in 1975, over a million Cambodians, out of a total population of 8 million, were either executed or died from overwork, starvation and disease. Hundreds of thousands more fled across the border into neighbouring Thailand. In 1978 Vietnam invaded Cambodia and in 1979 created the new People's Republic of Kampuchea (PRK) ruled by the Kampuchean People's Revolutionary Party (KPRP), which was staffed by former Khmer Rouge officials and in which Hun Sen and other Khmer communists were prominent.

2.4 The 1980s saw the non-communist resistance, the Khmer People's National Liberation Front (KPNLF), leading the political struggle for Cambodia's independence and the formation of the political organisation, the United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia (FUNCINPEC) by Prince Sihanouk. By 1988/89, the military arms of FUNCINPEC and the KPNLF had gained in strength and expanded their presence in Cambodia's interior. These organisations provided a political alternative to the Vietnamese-supported KPRP (renamed the Cambodian People's Party (CPP) in 1991) and the Khmer Rouge; their increasing strength gave impetus to peace negotiations. Peace efforts began in Paris in 1989, culminating two years later in October 1991 in a comprehensive peace settlement, the Paris Peace Agreement.

2.5 The Paris Peace Agreement made provision for a UN peacekeeping operation (the United Nations Transitional Authority in Cambodia or UNTAC) to supervise the transition from a one-party state and civil war to a peaceful multi-party democracy. UNTAC's role was to supervise disarmament and demobilisation of the majority of each faction's forces, organise repatriation and reintegration of refugees, coordinate international reconstruction aid and ensure conditions for 'free and fair' elections between the 'civil-war-antagonists-turned-political-parties'. International funding agencies resumed relations with Cambodia and the number of aid agencies and International Non-Government Organisations (INGOs) working in the country mushroomed.

2.6 General elections were held in 1993, 1998 and 2003 with the CPP gradually gaining more control from its position as minority member of a coalition with FUNCINPEC in 1993 to gaining a

² The evaluation took place in 2003 but was published in 2004 and is referred to as the 2004 CPE in this report.

60% majority in 2003. Some domestic commentators refer to the first National Assembly election in 1993 as the only truly free election since the Peace Agreement, notably the only election that the CPP has not won. In the 2002 inaugural local elections, the CPP secured a landslide victory, winning 68% of Commune Council seats; this increased slightly to 70% in 2007.

2.7 The July 2008 National Assembly election was the fourth election held in Cambodia since the Paris Peace Agreement. The CPP won 72 of the 123 seats and 58% of the popular vote, and, as one respondent to the CPE commented, there is now little difference between party and government.

Governance and Human Rights

2.8 The CPP's ability to achieve political dominance has been credited to a range of factors. In the elections prior to 2008, other political parties and domestic and international observers characterised CPP's approach as one of electoral and political manipulation, ranging from outright violence and vote fraud in earlier elections, to more recent manipulation of the voter registration process, co-option of the National Electoral Commission, mobilisation of government staff for CPP electioneering and control of broadcast media.

2.9 The political settlement in Cambodia is driven significantly by the use of economic incentives and rewards to secure loyalty to the CPP and its aims, and by the association of CPP with the peace and security that prevails (and, by implication, the risk of conflict if the CPP were to be removed from power). Thus, economic land concessions, the promise of a share of oil and gas revenues and tolerance of rent seeking are used to placate key groups or individuals. CPP also maintains and strengthens its hold on power through provision of local infrastructure and services via the party apparatus, so demonstrating party commitment to the rural population³.

2.10 The Cambodia Human Rights Assessment⁴ carried out in 2007 suggests that "there is a significant gap between human rights principles and human rights practice in Cambodia". The constitution enshrines the human rights of the individual but the necessary legal frameworks and laws for enabling individuals to claim their rights are still to be put in place. There is evidence that the human rights situation in Cambodia has progressed over the past decade, notably in health, education, the treatment of HIV/AIDS and gender equity. Basic rights to freedom of association, press freedoms, and deepening political participation are also in evidence. However, the government's capability, accountability and responsiveness for its human rights obligations could be stronger in many areas, most notably those concerning civil liberties, anti-corruption measures, the protection of political and human rights, and the rule of law especially with regard to property rights and rules-based governance. Social unrest in sporadic uncoordinated forms in the next five to ten years is a strong possibility if current patterns of land alienation and conflict continue, unemployment levels remain high, and rural poverty among the very poor deepens. Fear of this prospect and of the CPP's tactics is seen by some to permeate all levels of society and to act as a significant constraint to genuine progress towards responsive and accountable governance.

³ DFID Country Governance Analysis, Hughes and Un, 2007.

⁴ Cambodia Human Rights Assessment, DFID, 2007b.

The Economy

2.11 Cambodia achieved impressive economic growth over the decade up to 2005, albeit narrowly based in the garments, tourism and construction sectors and in the face of rising inequality. Since 2005, there have been successive declines in growth from 13.3% in 2005 to 10.2% in 2007, though it remained above average for the region⁵. However, high dollarisation has contributed to a rise in consumer confidence and resulted in inflation remaining low. Continued strong economic growth and the highly concessional structure of Cambodia's lending have resulted in debt remaining on a sustainable path. International reserves are steadily accumulating, increasingly from foreign direct investment (FDI) with donor financing remaining stable. The fiscal deficit is more than financed externally but revenue is low constraining public expenditure. However, the situation is likely to change; available data for the first nine months of 2008 and current local and global economic trends suggest that Cambodia's economic growth is likely to slow significantly in 2008 and beyond.

2.12 Agriculture remains the dominant sector, accounting for over 30% of Gross Domestic Product (GDP) and 70% of employment in 2007. The rapidly expanding industrial sector has been a key driver of growth: nearly doubling its share of GDP to 27% over ten years to 2005. This largely reflects strong growth in the garments industry – now Cambodia's largest foreign exchange earner and single largest non-agricultural employer – which has continued to grow even after the ending of the Multi-Fibre Agreement in 2005. Tourism also continues to grow, with some 4 million visitors in 2007, making it the second largest industry in the country.

Government Effectiveness

Table 1. Cambodia's Central Government Revenue (\$ millions)⁶

	2005	2006	2007 (est)	2008 (prov)	2009 (prov)
Total Domestic Revenues	641.74	711.19	989.89	1191.50	1381.00
<i>Annual increase</i>		<i>10.8%</i>	<i>39.2%</i>	<i>20.4%</i>	<i>15.9%</i>
Tax Revenues	467.01	553.50	837.28	1019.25	1196.25
Profit Taxes	42.03	63.86	95.66	122.50	148.25
Excise Taxes	92.86	101.88	180.23	219.50	263.00
Value Added Taxes	178.40	212.04	281.80	357.50	426.75
International Trade Taxes	140.03	157.20	251.48	285.00	317.25
Other Tax Revenues	13.69	18.52	28.11	35.00	41.00
Non-tax Revenues¹	174.73	157.69	152.61	172.00	184.75

¹ Including Capital Revenue

Source: Cambodia Economic Watch, Economic Institute of Cambodia, October 2008.

2.13 Public sector performance remains constrained by the state of the civil service, which is characterised by low pay, low skills and poor management. While state regulatory functions remain weak, Cambodia's public financial management reforms have generated tangible gains. Revenues grew by 21% from 2004/05 to 2006/07 and over 80% of tax revenue is now collected through the

⁵ IMF Article IV Consultation – Staff Report, 2007.

⁶ Exchange rates – Cambodia Riel to US dollar: Annual average 2005 – 4092; 2006 – 4103; 2007 – 4056; estimated 2008/09 – 4000. (Source: Economic Institute of Cambodia.)

banking system rather than using a more corruption-prone cash system (see Table 1). Procurement has been streamlined and strengthened. Five line ministries have established internal audit units and senior civil servants are now paid through commercial banks instead of by cash. However, the tax ratio, at 8–9%, of GDP remains low. This is due primarily to weak tax and customs administration as well as a proliferation of untaxed activities.

2.14 Expenditure has continued to rise throughout the evaluation period. However, the increases in allocations for the priority sectors of education, health and agriculture are lower than for other sectors and are predicted to be insufficient to meet Cambodian needs in 2008 (see Table 2). Total expenditure as a share of GDP is only likely to increase to 14.6% in 2008 from 14.4% in 2007 with budget disbursement as a share of GDP for priority sectors predicted to reach 2.4%. These figures suggest that expenditure is not keeping pace with inflation, giving rise to concerns as to whether it will be possible to maintain living standards and achieve poverty reduction without a significant increase in expenditure.

Table 2. Cambodia's Central Government Expenditure (\$ millions)

	2005	2006	2007 (provisional)	2008 (provisional)	2009 (provisional)
Total Expenditure	777.61	1,002.19	1,242.85	1,612.25	1,828.50
Current Expenditure	480.69	631.73	762.08	1049.25	1251.75
Civil Administration	370.48	505.00	594.18	794.75	959.50
Priority Sector ¹	157.38	192.79	195.02	265.00	320.50
Other Civil Ministries	213.10	312.21	399.16	529.50	639.25
Defence & Security	110.22	126.74	167.90	254.50	292.25
Defence	70.63	83.84	124.51	190.75	215.25
Security	39.59	42.90	43.39	63.75	76.75
Capital Expenditure	296.92	370.46	480.77	563.00	576.75
Through National Treasury	76.98	92.37	108.48	179.50	167.00
Direct External Financed	219.94	278.09	372.29	383.50	409.75
Memorandum Items					
Wages	156.40	173.29	202.66	405.25	485.25
Non-Wages Operating Costs	276.15	306.12	436.39	644.00	766.50

¹Health, education, agriculture, and rural development

Source: Cambodia Economic Watch, Economic Institute of Cambodia, October 2008.

Poverty and Progress Towards the MDGs

2.15 Cambodia has made significant progress since 2000 in reducing poverty and hunger, as evidenced by the improvements in health and education indicators given in Table 3 below. Its Human Development Indicator (HDI) ranking was 136 out of 179 countries in 2007⁷, and 30.1% of the population were living below the national poverty line⁸. Income inequality between urban and rural areas continues to increase and poverty is most evident amongst the rural poor, women and those from minority ethnic groups (tribal communities).

⁷ UNDP 2007/2008 Human Development Report, UNDP, 2008.

⁸ Mid-Term Review of the National Socio-economic Development Plan, November 2008, RGC, 2008b.

Table 3. Selected Development Indicators

	2000	2005	2006	2007
Population and poverty				
Population, total (millions)	12.78	13.96	14.20	14.45*
Population growth (annual %)	2.0	1.7	1.7	1.7*
Life expectancy at birth, total (years)	56	58	59	..
Fertility rate, total (births per woman)	4.0	3.4	3.3	..
Births attended by skilled health staff (% of total)	32	44	..	..
Mortality rate, under 5 (per 1,000)	104	85	82	..
Malnutrition prevalence, weight for age (% of children under 5)	40	..	28	..
Immunisation, measles (% of children ages 12–23 months)	65	79	78	..
Primary completion rate, total (% of relevant age group)	47	85	87	..
Ratio of girls to boys in primary and secondary education (%)	82	..	89	..
Prevalence of HIV, total (% of population ages 15–49)	..	..	..	0.8
Environment				
Forest area (sq. km) (thousands)	115.4	104.5	..	..
Agricultural land (% of land area)	27.0	30.3	..	..
Improved water source (% of population with access)	38	..	65	..
Improved sanitation facilities, urban (% of urban population with access)	51	..	62	..
Economy				
GDP (current US\$) (billions)	3.65	6.27	7.26	8.63
GDP growth (annual %)	8.8	13.5	10.8	10.3
Inflation, GDP deflator (annual %)	-3.2	6.1	4.7	6.4
Agriculture, value added (% of GDP)	36	31	30	..
Industry, value added (% of GDP)	22	25	26	..
Services, etc., value added (% of GDP)	42	44	44	..
Exports of goods and services (% of GDP)	50	64	69	..
Imports of goods and services (% of GDP)	62	73	76	..
Revenue, excluding grants (% of GDP)	..	9.7	9.8	..
Cash surplus/deficit (% of GDP)	..	0.0	-1.7	..
Military expenditure (% of GDP)	2.2	1.1	1.1	0.9
Fixed line and mobile phone subscribers (per 100 people)	1	8	12	18
Internet users (per 100 people)	0.0	0.3	0.5	0.5
Foreign direct investment, net inflows (BoP, current \$) (millions)	149	379	483	..
Workers' remittances and compensation of employees, received (\$ mill)	121	200	297	353

Source: World Development Indicators database, September 2008. * 2008 Census gives a total population of 13.4 million and thus for 1998-2008 an average growth rate of 1.5% per year.

2.16 Progress towards achievement of the Millennium Development Goals (MDGs) has been mixed (See Annex 4 for details). Primary School Enrolment stands at 93% with near parity between girls and boys. The incidence of infant and child mortality has decreased and child immunisations have increased. Progress has also been made in reducing HIV prevalence and expanding access to antiretroviral combination therapy, reducing incidence of malaria and TB and expanding access to safe water. However, fully achieving these MDG targets remains a challenge and the achievement of other goals is unlikely. In particular, little or no progress has been made in reducing maternal mortality; increasing the proportion of children, especially girls, reaching grades six and nine; or the proportion of people having access to basic sanitation in rural areas.

2.17 Cambodia is a highly aid-dependent country, with Overseas Development Assistance (ODA) accounting for between 87% and 88% of total capital expenditure in the period 2005 to 2008. ODA disbursements have grown from \$555 million in 2004 to an estimated \$887 million in

2008. Over this period, the UK has disbursed an increasing amount of ODA, rising from \$17 million in 2004 to an estimated \$37.8 million in 2008, some 4.3% of total ODA. Over the same period, Japan as the major donor has seen a steady increase in disbursements overall since 2004, whilst China has quadrupled its disbursements from \$32.5 million in 2004 to an estimated \$128 million in 2008. Table 4 gives details of disbursements by development partner and shows the growing significance of China, other regional partners and introduction of the Global Fund. Full data for the period since 1998 is given in Table 13 of Annex 5.

Development Assistance

Table 4. Development Partner Disbursements (\$ million) 2004–2008⁹

Development Partner	2004	2005	2006	2007 (provisional)		2008 (estimated)	
				\$m	%	\$m	%
Japan	101.8	111.7	103.7	122.1	15.4	144.6	16.3
China	32.5	46.6	53.2	92.4	11.7	127.9	14.4
ADB	76.7	89.4	67.5	69.4	8.8	114.0	12.8
UN (core)	36.3	41.1	54	52.4	6.6	94.1	10.6
World Bank	49.5	37.8	24.5	47.6	6.0	57.1	6.4
USA	40.6	43.3	51	58.1	7.4	54.9	6.2
EC	15	23.7	46.5	44.9	5.7	52.1	5.9
UK	17	20.6	20.7	23.7	3.0	37.8	4.3
France	23	24.4	21.8	21.8	2.8	33.3	3.8
Germany	14.1	27.3	32.4	36.5	4.6	33.0	3.7
Global Fund	--	18.8	21.9	21.1	2.7	32.3	3.6
Australia	24.3	16.8	22.5	29.6	3.7	23.0	2.6
Canada	1.5	9.1	7.9	8.7	1.1	19.2	2.2
Sweden	22.0	13.6	16	17.3	2.2	17.9	2.0
Rep. of Korea	24.1	14.9	13.3	31.4	4.0	12.1	1.4
Denmark	5.8	4.8	4.1	9.8	1.2	10.1	1.1
Spain			2.8	4.1	0.5	7.4	0.8
Finland	3.3	3.3	4.5	5.2	0.7	6.8	0.8
Switzerland	3.2	2.8	2.4	3.6	0.5	3.8	0.4
Belgium	5.2	11.7	7.3	8	1.0	3.3	0.4
New Zealand	2.4	2.1	1.7	3.8	0.5	3.3	0.4
IMF	2.4	0.3	83.5	0.9	0.1	--	--
Netherlands	1.6	1.1	0.1	0.1	0.0	--	--
Norway	3.4					--	--
NGO (core)	49.4	44.7	50.2	77.7	9.8	--	--
TOTAL	555.1	609.9	713.5	790.2	100.0	888	100.0
Annual % increase		9.8	16.9	10.8		12.3	

Source: CDC/CRDB, Cambodia ODA Database, October 2008.

⁹ The development assistance data here and in Annex 5 is taken from the Council for Development in Cambodia's database, which is used by government and all development partners and provides accurate information, including data for countries not included in the OECD/DAC database which is used as the source for most Country Programme Evaluations. The data is consistent with the DAC source and so comparisons with other evaluations are possible.

2.18 Table 14 in Annex 5 gives the disbursement by sector. The sectors receiving most support in 2007 were health including HIV/AIDS (\$150 million), education (\$88 million), and rural development and agriculture (\$114 million). Combined governance support was \$110 million, almost half of which was for decentralisation and deconcentration reform, to which DFID has been a key contributor.

DFID in Cambodia

2.19 The DFID programme in Cambodia was established in the early 1990s as part of the wider international response to the poverty facing the country as it emerged from the period of extended conflict. The small, low-priority programme was administered by an in-country First Secretary (Development) based in the UK Embassy. The DFID (then the Overseas Development Administration) regional office in Bangkok provided adviser support for the programme focused on education, health (with seconded advisers supporting the Ministry of Health via the World Health Organisation – WHO) and a range of small projects. In addition, there was significant support for humanitarian and post-conflict interventions by UK NGOs, notably related to demining.

2.20 Following preparatory studies in 1998 and 1999¹⁰, the programme was expanded with a dedicated DFID office in Phnom Penh as part of the major donor effort to provide support as stability increased following the 1998 elections. For DFID, this move was a compromise between a political imperative to capitalise on the peace dividend in Cambodia and the desire to limit the proliferation of new offices, especially in low-priority/low-spend countries. The result was a proposed ten-year bilateral programme working in partnership with multilateral partners. The approach is detailed in the Country Strategy Paper (CSP) published in March 2000, and is fully reviewed in the 2004 CPE, which covered the whole period from 1997 to 2003.

2.21 DFID Cambodia saw a significant increase in disbursements from \$9,966,000 in 1998 to an estimated \$23,656,000 in 2007; almost three times as much as in 2001 (see Table 5 and Annex 5). DFID's disbursements as a percentage of EU and total donor disbursements also increased from an average of about 10% and 2.3% respectively in the 1998–2002 period to 14% and 3% in the 2003–2007 period.

Table 5. DFID Disbursements 1998–2007¹¹

Thousands of US\$	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 (prov)	Sub-Total 2003–2007
DFID	9,866	9,416	13,000	8,711	11,644	15,367	17,015	20,555	20,671	23,656	97,264
DFID as % of EU	8.3%	10.1%	11.9%	8.8%	10.8%	13.4%	15.9%	15.7%	13.2%	13.8%	14.3%
DFID as % of TOTAL	2.3%	2.4%	2.8%	1.8%	2.2%	2.8%	3.1%	3.4%	2.9%	3.0%	3.0%

Source: CDC/CRDB, Cambodia ODA Database.

¹⁰ Most significantly, the Sustainable Livelihoods study prepared by Cate Turton of the Overseas Development Institute (ODI) and published in 2000 (Turton, 2000).

¹¹ This table and those in Annex 5 are based on data from RGC's own Council for Development in Cambodia (CDC) statistics, which coordinates aid effectiveness data. These figures are therefore in US dollars.

2.22 In addition to the DFID bilateral country programme, DFID has provided support for humanitarian interventions and civil society development through central departments. These presently include the Programme Partnership Agreements (PPAs), which provide core funding to UK-based international non-government organisations (INGOs) for their overall programmes. It is not possible to disaggregate by country, but, in the case of Cambodia, this covers significant support to Voluntary Service Overseas (VSO), World Vision, Oxfam and others. Additional civil society support detailed in Table 6 is provided through the Conflict, Humanitarian and Security Department (CHASE) and the Civil Society Challenge Fund (CSCF). Between 1997 and 2003, almost one third of the total DFID payments to Cambodia were made through such central departments and agreements. Leaving aside allocations to PPAs, disbursements to NGOs have dropped dramatically, accounting for only 4.5% of spend in the 2003–2009 period. However, this still remains significant in cash terms.

Table 6. DFID Disbursements to NGOs 2003/04–2008/09

Category (£)	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	Total
CHASE			151,725	417,080	397,621		966,426
CSCF	166,451	299,065	468,830	327,773	328,597	157,239	1,747,955
Total	166,451	299,065	620,555	744,853	726,218	157,239	2,714,381

Source: Collated from DFID documents

Summary

2.23 Cambodia completed ten years of transition from the conflict in 2003, with three national elections and the first local elections held. The following five years from 2003 to 2008 have seen continued state building and further movement towards CPP dominance confirmed by the 2008 elections. Cambodia is no longer fragile in terms of active conflict, insecure basic service delivery and political instability, but there are continuing fragilities. These include lack of respect for the rule of law, corruption, contested property rights, social exclusion, continued poverty and growing inequality.

2.24 Economic growth was impressive up to 2005, but is narrowly based. Further growth is potentially at risk from the global crisis. The slow increase in resources for priority services raises concerns over whether allocations will keep pace with inflation and ultimately impact on poverty outcomes. Cambodia has made good progress towards achieving the MDGs, but poverty levels are still high and poverty reduction is less than half the growth rate. Cambodia remains highly aid dependent, with ODA accounting for nearly 90% of total capital expenditure. There is a large donor presence, including significant new donors (China, Korea, Gulf States) and a wide range of bilateral and strong multilateral representation. DFID's programme dates back to the 1990s with an office presence since 2000.

3. The Relevance of DFID's Strategy for Cambodia

3.1 This chapter presents the findings of the evaluation with respect to DFID's emerging strategy over the evaluation period. It outlines the development, justification and content of the strategy and its congruence with DFID corporate policies and alignment with Cambodia's development policies. It assesses whether the strategy was appropriate, relevant and feasible given the context outlined in the previous chapter, paying particular attention to the fragilities of this post-conflict state and the challenges facing Cambodia and its development partners as it develops greater stability.

3.2 The evaluation period 2003–2008 is covered by the latter part of DFID's 2000 Country Strategy Paper (CSP) for Cambodia and the 2005 Country Assistance Plan (CAP). The CSP was drafted to cover the period 2000–2002, but was extended to 2004 because the production of the CAP was delayed to take account of the findings of the 2004 CPE and to allow for the joint analysis undertaken with the World Bank, the Asian Development Bank (ADB) and the UN. In turn, the CAP was extended to October 2009 to allow for the findings of the present evaluation to be taken into account in preparing the next country plan for the period from 2009 onwards.

The Developing Strategy

3.3 The 2000 CSP gave centre stage to the challenge of reducing poverty with a focus on rural livelihoods, and meeting the international development targets. Its key features were:

- A commitment to a collaborative, multi-donor approach, with the ambition to channel all DFID support through multilateral agencies by 2010.
- A focus on rural livelihoods and the health sector as entry points for developing a more collaborative way of working.
- An emphasis on engagement with government to strengthen policies and institutions.
- An increase in DFID staff capacity in Cambodia.

3.4 The ambition of limited engagement is spelt out in the 2000 CSP, which states that “This will not be a narrow ‘bilateral’ programme. We aim to be in a position in ten years’ time to continue support to Cambodia completely through multilateral agencies, without the need for a bilateral aid programme.”¹² It continues: “The collective challenge for donors and government is to avoid ‘project (and strategy) proliferation’ in its worst form – where donors compete amongst themselves to provide projects that are uncoordinated, lack national ownership and impose many separate types of donor procedures and objectives. This can make the situation worse rather than better. There is a need to find more effective ways of working in an environment of weak government capacity.”¹³

3.5 The overall purpose for the DFID programme set out in the 2000 CSP – to promote a new way of working for donors to improve rural livelihoods significantly over the subsequent ten years (i.e. the planned shift to purely multilateral support in 2010) – proposed three main objectives. Two

¹² 2000 CSP Para. A5, p. 1.

¹³ 2000 CSP Para. C2, p. 8.

related to DFID's existing programmes in rural livelihoods and basic services (specifically health). The third was to "enhance government capacity to plan and implement pro-poor policies, to raise resources, and to account for their use"¹⁴. This latter objective, when combined with the statements quoted above, implies a concerted involvement in improving donor partnerships with government and civil society in Cambodia.

3.6 The 2004 CPE concludes its assessment of this strategy with the statement that "The 2000 CSP was a considerable advance on the previous strategy in terms of providing a clear, public statement of the rationale, approach and objectives of DFID's programme in Cambodia. The inclusion of a ten-year aim – a shift from bilateral to multilateral programming – was noteworthy. Whether it was, and is, an appropriate or feasible aim can be questioned. It was not based on an objective assessment of the relative effectiveness of providing assistance through bilateral, multilateral or NGO channels. With hindsight, it seems to have been based on an over-optimistic view of the effectiveness of multilateral agencies, or of DFID's capacity to exert influence on them in areas where diagnosis, objectives or strategy differed."¹⁵

3.7 The 2005 Country Assistance Plan (CAP) built on the objectives of the 2000 strategy with a stronger collaborative analysis shared with the three leading multilateral agencies: the World Bank, ADB and the UN. This was a significant move and demonstrated the progress made towards the DFID aim of working through partnerships, shared at that stage by the three multilaterals. The intention of working entirely through multilaterals from 2011 was retained, but the partnership approach extended to include bilaterals as recommended by the 2004 CPE.

Table 7. Purpose and Objectives of the DFID Strategy 2000–2009

	<i>Country Strategy Paper (2000) covering the period 2000–2004</i>	<i>Country Assistance Plan (2005) covering the period 2005–2009</i>
Purpose	To promote a new way of working for donors to improve rural livelihoods significantly over the next ten years by working in partnership with the state, civil society and donors to promote three interlocking objectives.	Unlike the CSP, the CAP did not have a specific purpose statement but stressed "improving development effectiveness" including "support to off-track MDGs through government-led programmes" and "improving the development system's focus on the poor and excluded."
Objectives	<ul style="list-style-type: none"> • Encourage broad-based rural development that empowers poor and disadvantaged people. <i>[maps to CAP Objective 2 and 3]</i> • Enhance government capacity to plan and implement pro-poor policies, to raise resources, and to account for their use. <i>[maps to CAP Objective 1]</i> • Support improved policies and systems that enable the state to guarantee the equitable provision of effective basic services. <i>[maps to CAP Objective 4]</i> 	<ol style="list-style-type: none"> 1. Contribute to rapid increases in the impact of development resources in Cambodia by: <ol style="list-style-type: none"> i. Supporting government efforts to improve public financial management and accountability ii. Stronger accountability of government to its citizens iii. Applying best practice in donor assistance to Cambodia. 2. Responsive, accountable and effective local government for all people, especially the poor and socially excluded. 3. Support government and civil society to strengthen the livelihoods of poor people. 4. Increased access to health services and information.

¹⁴ 2000 CSP Para. E6, p. 12.

¹⁵ 2004 CPE Para. 3.25, p. 12.

3.8 There was a logic to the developing strategy, supported by DFID's own analytic work in the case of the 2000 CSP and the joint analysis of the 2005 CAP, which is also reflected in the strategies of the other three partners, notably the World Bank and ADB¹⁶. This joint analysis was realistic in its assessment of poverty reduction strategies (PRS), government capacity and the political economy. The analysis places strong emphasis on political economy in many critical fields: the political environment, legal and judicial reform, public financial management reform, public administration reform, corruption and decentralisation. With this increased understanding, the DFID strategy had grown in terms of scale and ambition by 2005. Whilst the prospects for Cambodia had improved as it had progressed along its post-conflict trajectory, the environment remained challenging and the expectations of movement to budget support and sector-wide approaches appeared optimistic given the continuing fragilities. Nevertheless, the continued commitment to strengthening the livelihoods of the poor and increasing access to health built on earlier experience and continued the sustainable livelihoods approach that underpinned the 2000 CSP, following its promotion as a core principle of DFID's strategy for pro-poor policy making¹⁷. The focus on national and local government capacity was supported by the strong governance perspective in the joint analysis and DFID's own policy commitments¹⁸.

3.9 Prior to 1996 there was little cohesive national-level planning. Cambodia's five-year Socio-Economic Development Plans (SEDP1 1996–2000, SEDP2 2001–2005) were supported primarily by the ADB, which pressed for their adoption by the National Assembly. In parallel, the World Bank encouraged the production of a Poverty Reduction Strategy Paper (PRSP) and thus the National Poverty Reduction Strategy (NPRS) was prepared for 2003–2005 following the Interim-PRSP 2001–2002. The United Nations Development Programme (UNDP) was also calling for country commitments to follow its flagship MDGs and Cambodia produced its own 'Cambodia MDGs' (adding demining as the 9th goal). The Cambodian government in 2003 came up with its own 'Rectangular Strategy'¹⁹. By 2005, all development partners agreed to support one National Strategic Development Plan (NSDP), which was first produced for 2006–2010 with significant support from the DFID/World Bank poverty trust fund. The joint analysis and the subsequent strategies of the four development partners endorsed and built on the NSDP. In particular, the four DFID CAP objectives reflect the priorities of the NSDP, the Royal Government of Cambodia's (RGC) Rectangular Strategy and other policies.

3.10 DFID is perceived by government and other development partners as a 'model donor' for its commitment to Aid Effectiveness principles, and the CAP clearly committed it to government policy alignment and pro-poor interventions. Given the transition from post-conflict to established and relatively stable government (albeit with one dominant political party) overt peace building is over and the focus has now shifted to address the continuing fragilities, the needs of an emerging state and ensuring support for state building with a pro-poor and citizen-accountable perspective.

¹⁶ World Bank Cambodia Country Assistance Strategy 2005–2008; ADB Cambodia: Country Strategy and Program 2005–2009.

¹⁷ DFID (1997) *Eliminating World Poverty: A Challenge for the 21st Century*, White Paper on International Development, Cm 3789, London, Stationery Office.

¹⁸ DFID (2006) *Eliminating World Poverty: Making Governance Work for the Poor*, White Paper on International Development, Cm6876, London, Stationery Office.

¹⁹ The Rectangular Strategy combined Enhancement of the Agriculture Sector, Private Sector Development and Employment Generation, Capacity Building and Human resource Development and Further Rehabilitation and Construction of Physical Infrastructure around the common core of Good Governance – Fighting Corruption, Legal and Judicial reform, Armed forces reform and rehabilitation and Public Administration reform; see diagram on p. 11, CAP 2005.

This is reflected in **Objective 1 – the rapid increases in the impact of development resources** – as a development of the 2000 CSP focus on pro-poor planning and resource mobilisation with capability and accountability, as key governance aims.

3.11 Similarly, the support for the RGC's policy for decentralisation and deconcentration in **Objective 2 – responsive, accountable and effective local government for all people** – endorses the RGC strategy²⁰ and the provision of decentralised services and accountability mechanisms that respond to the poor and the socially excluded. The CSP did not prioritise state building and local government reform, but its commitment to “develop a new generation of rural livelihoods programmes” and to do this collaboratively with other donors does provide a broad rationale. However, this is not developed in any detail in the CAP; in particular, the decision to support local government reform is not accompanied by an analysis of what would constitute ‘good enough governance’. In addition it does not consider what the likely trade-offs would be when balancing DFID's objective (pro-poor, responsive, accountable and effective local government) with RGC's stated and actual commitment to a rights-based approach to governance.

3.12 Until 2005, this strategic engagement with local governance had been integrated with livelihoods in the rural development objective. The CAP separated the two with the local government objective, and alongside it **Objective 3 – support for government and civil society to strengthen the livelihoods of poor people**. This objective continued the emphasis on sustainable livelihoods within the CSP. At that time, the incidence of rural poverty (43%) was more than four times higher than the 11% reported for Phnom Penh, whilst rural households – and particularly those with agriculture as a primary source of income – were estimated to account for almost 90% of Cambodia's poor²¹. Between 1999 and 2005 there was no national household survey to estimate trends in poverty and livelihoods. A study on rural livelihoods in 2001/02 found little poverty reduction in the nine communities selected and even rising poverty in some communities²². Cambodia remains the poorest country in the region (30% poor and 18% food insecure²³) and the livelihoods component of DFID meets the highest priority of the country.

3.13 From the early 1990s DFID provided continuous support to improving health in four main areas: Malaria; birth spacing, family planning and reproductive health; Health Systems Strengthening (HSS); and HIV/AIDS. The 2000 CSP narrowed health support down to further HSS, policy development and service delivery for the poorest; and combating HIV/AIDS and reproductive health issues. The 2005 CAP broadened the context of this strategy with **Objective 4 – increased access to health services and information**. This DFID strategy is unequivocally aligned with RGC's first Health Sector Strategic Plan (HSP1 2003–2007) which was the health sector interpretation of the NPRS, and subsequently reflected in the NSDP.

3.14 The Cambodia MDG Report 2003 sets out targets for 2005, 2010, and 2015. It also added a ninth goal on demining, unexploded ordinance and victim assistance, which is an important factor for poverty reduction for Cambodia. In 2003, poverty (MDG1), primary education (MDG2), and

²⁰ Royal Government of Cambodia Strategic Framework for Decentralization and De-concentration Reforms, June 2005.

²¹ The Ministry of Planning 1997 poverty study cited in Turton, 2000.

²² Chan Sophal and Sarthi Acharya (2002) *Facing the Challenge of Rural Livelihoods*, conducted by Cambodia Development Resource Institute (CDRI) funded by DFID.

²³ Mid-Term Review of the National Socio-economic Development Plan, November 2008, RGC, 2008b.

maternal health (MDG5) were off track²⁴. There has subsequently been improvement in reducing overall poverty, though inequality is increasing; primary enrolment is improving, but drop-out and achievement are not, and maternal mortality remains off track. The DFID strategy clearly addresses MDG1 with its rural livelihoods focus. It was agreed by the joint partners that ADB would lead on education and this has not been included in the DFID strategy since 2000. Given the lack of progress on MDG5, DFID identified and sought to balance HSP1's suboptimal focus on the estimated over 25% of the maternal mortality ratio (MMR) in Cambodia that is due to unsafe abortion, with a specific intervention under the Objective 4, the Reducing Maternal Mortality Project (RMMP). The strategy maintained a high profile with respect to HIV/AIDS (MDG6), in line with the National Strategic Plan for HIV/AIDS (NSP). The 2005 CAP added rural water and sanitation (MDG7) based on national analysis that indicated major shortcomings, despite the MDG being on track overall.

3.15 Development policy is the major focus of the UK presence in Cambodia and the DFID strategy is endorsed and supported by the Foreign and Commonwealth Office (FCO)²⁵. The political, governance, rights, security and development dimensions are common across Her Majesty's Government (HMG). FCO priorities are stronger in terms of human rights and this has informed DFID's approach²⁶. There is a close working and policy level relationship between Ambassador and head of office, mediated but not dependent on the shared office and the origins of the DFID programme within the Embassy.

The Ten Year Vision and Partnership

3.16 The overarching influence on the DFID strategy as it developed from 2003 to 2008, superseding the strong alignment with RGC's own policies and the responsiveness to need, was the decision to limit bilateral engagement to ten years with the expectation of working entirely through multilaterals (2000 CSP) or joint donor offices (2005 CAP) by the end of the ten-year period. This aim became, in the parlance of the office, a 'vision' that seems to have increasingly been seen as non-negotiable, being continually reinforced by senior management without the proposed reviews taking place.

3.17 The aim of working with other donors was relevant from the perspective of efficiency, partnership expansion, exit strategy, donor harmonisation, resource pooling, and collective leverage on government to adopt specific reforms. In particular, it was relevant as an approach to aid effectiveness (as envisaged in the CSP), minimising bilateral projects and maximising collaboration. The relationship that developed with the ADB, World Bank and UN, culminating in the joint analysis and coordinated strategies in 2004/05, demonstrated the benefits of the approach. Similarly, the collaboration with the World Bank was highly praised by the then Country Director based in Bangkok for providing scope for quality analytic work, and support to decentralisation to the country office. Joint working and 'influence' were evident, with the alliance between DFID and the World Bank building a solid base for improving donor coordination²⁷. For DFID, the

²⁴ Ministry of Planning (2003) Cambodia's Millennium Development Goals Report.

²⁵ Interviews with current and immediate past UK Ambassadors to Cambodia.

²⁶ See, for example, the discussion of the partnership benchmarks required under DFID's conditionality policy that reflect this UK stance.

²⁷ World Bank CAS Progress Report, 2008a.

relationship with ADB and the UN has been less prominent; however, the wider donor environment has been strengthened, and the World Bank has decided to extend its 2005 Country Assistance Strategy (CAS) to 2011 in order to link with the next RGC NSDP and work towards an enlarged joint strategy²⁸.

3.18 Bilateral partnerships (with Sida and Danida relating to Objectives 2 and 3 respectively) have been more limited – focusing on specific programmes. In the case of Sida, the longstanding partnership in support of Seila, the rural development programme, and its successor local governance programmes, did not move beyond this shared sector interest to a broader strategic partnership. With Danida, the lengthy process of design for the natural resources/livelihoods programme has only recently become fully operational. The very recent discussions around the EU Code of Conduct²⁹, particularly with respect to decentralisation and deconcentration suggest that more strategic partnerships with other bilaterals may now be possible, here within the collective discipline of the EU.

3.19 Working predominantly with partners was relevant to the context. As proposed in the 2000 CSP, it provided a way of addressing the proliferation of projects and crowded and unaligned donor space. However, partnerships do not in themselves provide a vehicle for DFID exit and do not necessarily address achievement of the purpose of DFID strategy. Simply establishing a number of partnerships did not pave the way for the 2011 goal and constrained the delivery of the strategy, becoming, in effect, a surrogate of an overarching strategic vision for the programme.

From Sustainable Livelihoods through Fragile States to State Building

3.20 A second key DFID influence on the Cambodia strategy seems to have been the corporate DFID policy agenda and lessons from other programmes. As noted in para. 3.8 the original rationale for the programme, strongly reflected in the 2000 CSP, was informed by the sustainable livelihood approach (a core policy in the first White Paper³⁰). The governance thrust in the 2005 CAP and its first two objectives reflect the emerging priority of the third White Paper³¹. In addition, there has been a consistent aid effectiveness theme at purpose level – voiced initially as “new ways of working” and subsequently in the CAP as “maximising development effectiveness” – that predated the Paris Declaration and has contributed to and benefited from the policies and lesson learning in relation to the Paris Principles. More recently, the changes in emphasis around Objectives 1 and 2 have been informed by the Fragile States Policy³², especially by the concept of ‘good enough governance’; over the last year, the emerging conceptual framework of state building³³ has informed, and been informed by, the experience in Cambodia, especially around the area of local governance. The influence of corporate policy and thinking on the developing strategy

²⁸ Ibid, p. 8.

²⁹ EU Code of Conduct on Complementarity and Division of Labour in Development Policy, Council of the European Union, 15 May 2007.

³⁰ DFID (1997) *Eliminating World Poverty: a Challenge for the 21st Century*, White Paper on International Development, London, HMSO.

³¹ DFID (2006) *Eliminating World Poverty: making governance work for the poor*, White Paper on International Development, Norwich, HMSO.

³² DFID (2005c) *Why we need to work more effectively in fragile states*, DFID, UK.

³³ Whaites, A. (2008) *States in Development: Understanding State-Building*, DFID, Policy and research Division.

is an encouraging feature. However, the evaluation had concerns as to whether this was evidence of an informed strategy or a strategy being driven by policy fashions in London.

3.21 Rural livelihoods was an appropriate organising principle for the strategy in 2000, coming ten years after the peace agreement, with the conflict passed, and the rural poor of Cambodia being in greatest need and most disconnected from the emerging state. Indeed, it can be argued that this framework remained pertinent through 2003, 2005 and even to 2008. This raises the question as to whether sufficient progress had been made towards the strategic purpose of improving rural livelihoods by 2005 to warrant governance concerns taking precedence. Certainly, ten years on from the first elections in 1993 the RGC was appropriately the centre of attention for development assistance and its performance as an emerging state was of major concern. The joint donor analysis put governance to the fore, yet DFID's own driver of change study³⁴ highlights significant limits to pro-poor policy making in Cambodia through the "subordination of state systems to network interests" and the "paucity of channels of connection, communication and accountability between state and society, particularly in rural areas where poverty is concentrated"³⁵. These weaknesses in state-society linkages support the priority given in the 2005 CAP to citizen accountability and pro-poor local government, though they question how such accountability is to be achieved. However, a further question arises as to whether these boundaries to pro-poor policy making justify the shift in priority away from livelihoods towards governance. The evaluation concludes that, whilst the strategy has benefited from the appropriate emphasis of DFID's policies and practice related to governance, the livelihoods objective has unfortunately suffered in the process.

3.22 Cambodia's trajectory from conflict to stability suggests that the DFID Fragile States Policy and the DAC Fragile States Principles³⁶, which now provide the international guiding framework, may be applicable to the context of this strategy. However, whilst Cambodia is listed as a fragile state³⁷, it does not readily fit with the general understanding (a low-income country characterised by weak state capacity and/or weak state legitimacy) or DFID's working definition, i.e. those states where, "the government cannot or will not deliver core functions to the majority of its people, including the poor"³⁸. Cambodia has a strong state structure and aspires to the established legitimacy of the current governance arrangements, even if this is contested. The current government is regarded internationally as doing a good job in ensuring political and macroeconomic stability, and an average job in reducing poverty and gender discrimination and improving human development. The government is regarded as poor in establishing the rule of law and combating corruption; respecting human rights, especially political rights; in establishing an environment likely to attract investors; and in instituting mechanisms of accountability³⁹. Two key measures, political stability and voice and accountability, when tracked over the period 1996–2006

³⁴ Hughes, C. and Conway, T. (2003) *Understanding Pro-Poor Political Change: The Policy Process*, Cambodia, ODI.

³⁵ Ibid p. 35.

³⁶ OECD (2007) *Principles for Good International Engagement in Fragile States and Situations*, April 2007.

³⁷ A list derived from 1999–2003 includes: Afghanistan, Angola, Azerbaijan, Burma, Burundi, Cambodia, Cameroon, Central African Rep, Chad, Comoros, Cote d'Ivoire, Dem Rep of Congo, Djibouti, Dominica, Eritrea, Ethiopia, The Gambia, Georgia, Guinea, Guinea Bissau, Guyana, Haiti, Indonesia, Kenya, Kiribati, Lao PDR, Liberia, Mali, Nepal, Niger, Nigeria, Papua New Guinea, Rep of Congo, São Tomé & Príncipe, Sierra Leone, Solomon Islands, Somalia, Sudan, Tajikistan, Timor Leste, Tonga, Togo, Uzbekistan, Vanuatu, Yemen, and Zimbabwe. For more details, see the Annex. The World Bank list of Low-Income Countries Under Stress adopts a slightly different approach. Source: Branchflower, A. et al (2004) 'How Important are Difficult Environments to Achieving the MDGs?' *PRDE Working Paper 2*. Unpublished manuscript; DFID.

³⁸ DFID (2005c), *Why we need to work more effectively in fragile states*, DFID, UK, p. 7.

³⁹ Hughes, C. and Kheang, U. (2007) *Cambodia Governance Analysis*, DFID, unpublished.

show Cambodia largely stabilised in the second half of the 1990s, yet remaining static or even declining in terms of voice and accountability⁴⁰.

Box 1. Cambodia – Fragile State or Post-Conflict Fragilities?

Based on the indicative features in DFID's policy, Cambodia is no longer a fragile state in terms of its capacity, but still has aspects of fragility in terms of willingness. Overall, however, some areas provide grounds for concern and the analysis gives a useful basis for identifying areas for focus.

DFID's Indicative Features of Fragile States	Cambodia	
	Capacity	Willingness
State authority for safety and security	Clear international sovereign status. Can control its external borders and internal territory. <i>NO LONGER FRAGILE</i>	All groups are formally provided security by the state, though violence or the fear of violence is still prevalent. <i>STILL AN ISSUE</i>
Effective political power	The power of the executive is subject to controls to a limited degree, informally by the party and formally by the legislature. Effective channels for political participation are limited due to the dominance of one party. <i>SOME LIMITATIONS</i>	Formally no groups are excluded from political processes, though in practice the Cambodia People's Party controls access to official processes, e.g. commune elections. <i>SOME LIMITATIONS</i>
Economic management	Public financial management tools, such as a budget cycle and planning processes, are being developed. <i>IMPROVING</i>	There is transparency in the public management of natural resource extraction, but it is open to corruption. <i>SOME CONCERNS</i>
Administrative capacity to deliver services	The state levies (less than 15%) 8.6% of GDP ⁴¹ in tax. <i>IMPROVING BUT STILL LOW</i>	Access to public services for remote rural regions of the country is limited, but not deliberately. <i>SOME LIMITATIONS</i>

Source: DFID Fragile States Policy and Evaluators' Assessment based on DFID Governance Assessment and other data.

3.23 As indicated in Box 1, there are areas of continuing fragility in Cambodia. However, post-conflict fragility is not the same as fragility 10–15 years after the conflict has ended. In some areas, more progress may have been expected; in others, the issues relate to the contemporary political settlement and the deeper tensions between formal and informal power relations. The evaluation found that development partners' strategies vary between those that take an initial peace building/post-conflict approach, which assumes a high level of dependency and weak government, and those that assume stability has been achieved and 'normal' development processes are possible. The reality lies between the two, and so the fragile state model and the language it employs may be less relevant than the state building framework, which stresses a more dynamic approach.

⁴⁰ Figures 2 and 3, p. 10. Idealism without Illusions, An, M. et al (2008), based on data from Kauffman, et al *Governance Matters VI: Governance Indicators for 1996–2006*, World Bank Policy Research.

⁴¹ IMF (2007) Article IV Consultation Staff Report.

3.24 The OECD principles offer a richer analysis, which has influenced the DFID strategy and is informing the preparation for the next country plan. Attention has been paid to context (principle 1), doing no harm (principle 2), and the priority given to state building (principle 3). Principle 3 identifies two main areas, supporting the legitimacy and accountability of the state by addressing issues of democratic governance, human rights, civil society engagement and peace building; and secondly, strengthening the capability of states to fulfil their core functions (security and justice, mobilising revenue, an enabling environment for basic service delivery, economic performance and employment generation) in order to reduce poverty⁴².

3.25 Here the need to strengthen citizens' confidence, trust and engagement with state institutions is seen as important; not just as an aspect of the initial political settlement, but as a function of developing democratic processes and legitimisation for the state. This perspective is weaker in the DFID state building framework, which seems to focus more on the early stages of state building – political settlement, survival functions and expected functions⁴³ – rather than the continuous processes of state society engagement through which the political settlement moves beyond a compact between elites to a settlement that can form a sustainable basis for legitimacy between state and people. State building in Cambodia has moved beyond these early stages in the process. The dominance of the CPP has established a new settlement at the level of national politics, but has yet to be tested at the local level beyond the current commune-focused investment planning process.

3.26 DFID Cambodia's strategy incorporated these concerns with its focus on accountability and on local government. However, engagement with civil society has reduced, with priority given to government and development partner partnerships. The fragile state policy and (more recently) the state building framework have informed strategy development increasingly over the last two years. However, this has simply served to reinforce the governance and aid effectiveness perspective that was adopted at the time of the CAP. If anything, DFID Cambodia's strategic thinking seems to have moved closer to the view that the state can lead the development process without addressing the risks of fragility arising from the fear and social exclusion grounded in, but no longer related solely to, the conflict. The 'normal development paradigm' is still being established and exaggerating the role of the state at this stage in the process is potentially as dangerous as ignoring the state. The strategy at the time of the CAP had a strong poverty dimension and incorporated the need to build citizen accountability, but this aspect has become weaker. The governance focus has been reinforced with support for budget support, but whilst the analysis took account of human rights at the policy level, it gave less attention to state–civil society relations and the need for development to address the deeper social norms that are outside the range of state-focused governance approaches.

3.27 DFID's governance and fragile states approaches have been enhanced over the last two years with the further development of the concept of state building. The national level reform agenda and support for decentralisation in Cambodia pre-empted this approach to a degree. As Box 2 illustrates, DFID's response to the fragilities in Cambodia has built on the governance narrative in the 2005 CAP and moved away from a simple fragile states approach. However, the ambition of moving to budget support and fully fledged sector-wide programmes was at odds with the stage of

⁴² Op. cit. OECD (2007) Principle 3.

⁴³ Whaites, 2008, section three, pp. 6–14.

development that had been reached. The target of early exit contradicted the fragile state principle of longer-term engagement and contributed to this overambitious approach. The result appears to have been, as in the state building framework, a focus on the state without citizen accountability.

Box 2. DFID Cambodia's Response to the Fragilities

How did DFID's Strategy respond to the post-conflict fragilities?

- From 2000 the DFID strategy gave priority to government capacity and the provision of basic services as precursors to state building.
- From 2005 this emphasis was reinforced with Objectives 2 and 3 focusing on capability, accountability and responsiveness of national and local government.
- Livelihoods for the poor remained a priority, but with less emphasis overall.

To what extent has preventing future conflict/fragility been part of DFID's rationale for engagement?

- The CAP saw Cambodia moving "from a post-conflict situation to a more normal development paradigm." Future conflict was not envisaged, but the governance and aid effectiveness perspectives clearly informed the approach to fragility.
- Fragilities were seen as aspects of the transition to be moderated and addressed in process terms rather than a position to be prevented.

Are DFID's objectives appropriate given the context and stage of transition from conflict?

- The objectives are informed by aid effectiveness and governance perspectives; this is appropriate as Cambodia has moved away from a post-conflict position.
- The objectives give an emphasis to accountability, but assume a level of state responsive legitimacy that is over-optimistic given the stage of transition.
- Continuation of the emphasis on civil society partnerships, as in the 2000 CPE, would be more appropriate to complement the state building/development focus.
- Whilst stated as objectives in the CAP, the civil society/citizen interventions have been less well developed.

Does the fragility/state building approach inform DFID's interactions and decision-making?

- Whilst stressing that state building is a process, the analysis focuses on the early stages and tends to be viewed in a state-centric way; undervaluing the need to build state–society linkages and address those aspects of social cohesion that are beyond state influence.
- DFID Cambodia adopted the state building emphasis in the fragile states policy; strategic decisions since the CAP seem to have reinforced a state-focused approach with increased engagement with government at national and local level and less evidence of choices that focus on poverty and civil society.
- The new state building framework does not counter this approach. The risk is that DFID Cambodia will fail to balance state engagement with a civil society and pro-poor perspective as it moves towards its next country plan and neglect the deeper fragilities that remain.

Risk Management

3.28 The CSP provided no risk assessment. However, the 2005 CAP incorporated a detailed analysis of the risks to achieving Cambodia's development objectives undertaken as part of the joint analysis and reflected in the strategies of ADB, DFID, and the World Bank. A risk matrix was produced mapping the risk issues by their probability and impact on development. Weak public sector incentives, Cambodia's fragile competitiveness, and competing interests, were viewed as most probable and likely to have the highest impact. These high risk factors were taken into account

in framing the strategy and are reflected in some of the programme level risk assessments. Surprisingly, fiduciary risk was only identified as having medium impact and low probability, whereas World Bank CAS gives it much higher priority in terms of probability and impact. In practice, it is clear from programme and project level risk assessments that corruption was seen as a significant issue.

3.29 At objective and programme level governance (Country Governance Assessment – CGA), political governance (Drivers of Change – DoC) etc. were assessed. The governance advisers have consistently maintained high standards of appropriate risk awareness, which they shared with others in the office. State building lessons related to risk are being applied in the preparatory work for the next country plan. The risks of partnership working itself do not seem to have been given attention, with the assumption being that working with others was a positive step in all cases.

3.30 Under Objective 1, extensive risk analysis (including fiduciary risk and human rights assessment) was done for the Poverty Reduction Budget Support (PRBS) to meet management and ministerial concerns. Risks were well recorded in the project memoranda and other documentation for most projects, and, in the case of co-financed activities, the World Bank in particular gave a high priority to risk assessment.

3.31 For Objective 2, risks with regard to Decentralisation and Deconcentration (D&D) were identified in the Project to Support Decentralisation and Deconcentration (PSDD) project document and during the Sida-funded appraisal of the PSDD. The joint appraisal document states that the document contains an “unusually good analysis of risk and means to mitigate these risks”. However, the appraisal goes further to state that “the problem is that the measures to mitigate these risks listed under the heading D&D Policy Response/Intentions are assumed and not real. Furthermore, they seem to reflect an ideal design and performance of D&D”. Indeed, the proposed mitigation measures were based largely on an appreciative view of the timing and content of the forthcoming Organic Law and the subsequent design of the national programme. Thus, the mitigation measures are themselves assumptions, many of which appear to be high risk.

3.32 The livelihoods programme (developed jointly with Danida) that dominates Objective 3, also had risk assessment built into the Danida design process. However, there is no record of any independent appraisal by DFID of the risks it perceived in the multi-donor approach or in the programme itself.

3.33 In the case of Objective 4, fiduciary risk for the sector programme was managed in line with the respective World Bank and ADB assessments and mitigation strategies; the United Nations Children’s Fund (UNICEF)-implemented water and sanitation programme was managed in line with the UNICEF/DFID global framework. In the latter case, the risks of the partnership with UNICEF were analysed and mitigated through a systematic appraisal undertaken by DFID and the concerned ministry. The other health sector projects under this objective also had effective project level risk assessments.

3.34 There is little evidence of scenario/contingency planning across the whole DFID programme. Risk assessment informed the decision whether to invest or not rather than how to mitigate during implementation. Once commitments were entered into they seem to have continued irrespective of risk. The exception is the PRBS where DFID fund release is conditional on separate Partnership Commitment Benchmarks in addition to the World Bank-led appraisal process.

Portfolio Profile

3.35 A matrix giving a summary of the interventions supported by DFID from 2003 to 2008 under each of the four objectives in the strategy is at Annex 6. This demonstrates how earlier livelihoods and health programmes have transformed into sector-based support for local government, livelihoods and health in partnerships under which implementation responsibility is held by others. The earlier poverty planning and resource mobilisation interventions have developed into broader aid effectiveness programmes. Despite some delays in design and transition, the programme had, by 2006, achieved a fit with the four strategic objectives; by mid 2007 the present coherent set of interventions were all in place. The one significant gap is in relation to the accountability element of Objective 1. Whilst accountability is addressed to a degree under other objectives, this is usually on the supply-side of responsiveness by government rather than downward accountability to citizens and communities. There is no dedicated intervention that focuses on building citizen voice and participation. Interventions planned in partnership with the World Bank did not come to fruition, civil society partnerships are limited within the bilateral programme, and the Multi Donor Livelihoods Facility (MDLF) civil society component engages international NGOs as implementing agents. This remains the most significant area of weakness, especially given the ambivalent attitude of government towards civil society and its role in empowering citizen voice.

3.36 Under Objective 1 the earlier support for public financial management (PFM) – comprising a commitment of £1.4 million for technical assistance to support the International Monetary Fund (IMF)-led Multi Donor Technical Cooperation Action Plan (TCAP) from 2001 to 2004 – was of limited success. However, it paved the way for the World Bank-led support to the RGC's PFM Reform Programme (PFMRP) with DFID's support of £4.5 million being channelled through the World Bank administered Trust Fund alongside support from Australia, Sweden and the European Commission. In addition there is parallel support from a growing number of donors including France, Germany, Japan and UNDP. This phase of PFMRP runs from 2004 to 2010. Budget support of up to £15 million a year (5% of aid to Cambodia) is also being provided as a World Bank-led Poverty Reduction and Growth Operation (PRGO) currently supported by DFID (£7.5 million), Japan, the EC, and Canada in response to policy reforms in PFM, private sector investment climate and natural resource management. A separate strand for supporting government to improve financial management and accountability builds on the earlier support to planning and implementing pro-poor policies. This was delivered through the Poverty Support Programme (2002–2007, £1.43 million); again through a World Bank Trust Fund it funded a poverty specialist within the World Bank and a series of studies and support to the PRS process. A new intervention, the National Planning for Poverty Reduction Programme, will run from 2008 to 2013 with £5 million supporting both Ministry of Planning and World Bank activities.

3.37 Support for best practice in donor assistance, the other strand of Objective 1, covers DFID's aid effectiveness work. Much of this is delivered through adviser inputs to Technical Working Groups (TWGs) including the co-facilitation of the Partnership and Harmonisation TWG where considerable adviser input has been provided to the development and maintenance of aid effectiveness coordination. The Multi Donor Support to the Council for the Development of Cambodia (CDC), a UN executed programme (2006–2009), co-financed with Canada, Australia and New Zealand is providing Technical Assistance (TA) to CDC and related activities for a DFID contribution of £650,000. Aid effectiveness, as the entry point for best practice in donor assistance, has been given priority across the programme with harmonisation and alignment principles to the fore. Adviser time under this objective has been focused on promoting and encouraging others to share these priorities rather than relying on project investments alone.

3.38 For Objective 2, DFID supported two major interventions over the period: the Partnership for Local Governance⁴⁴ (PLG) and the Project to Support Decentralisation and Deconcentration (PSDD) and a small accountable grant to CDRI⁴⁵. PLG was, and its successor PSDD is, a joint programme with UNDP and Sida to provide a harmonised approach to support the RGC's developing strategy for local development. PLG ran from 2002 to 2006; PSDD from 2007 to 2010. In addition, complementing PSDD, DFID has since July 2008 provided funding under a delegated partnership with Sida to improve coordination among donors and to support the design of a multi-donor programme from 2010. The Local Government Policy Support Programme will fund: i) a full-time technical adviser to improve the workings of the donor group on D&D; ii) specific technical studies or consultancies to reduce stand-alone donor initiatives and support the work of the donor-government working group; and iii) support the CDRI to undertake independent policy research on local governance and poverty reduction.

3.39 Prior to 2003, support for rural livelihoods and local governance were both provided under the Seila programme. Though this started as a rural livelihoods initiative, it moved increasingly towards local governance, with support from 2002 channelled through the new Commune Councils. Thus, at the beginning of the evaluation period Seila was no longer supporting livelihoods (CAP Objective 3) and livelihoods support was limited to residual natural resource (notably forestry) sector activities. These were complemented by the Rural Livelihoods Fund (RLF – 2001–2005) through which the new livelihoods opportunities were developed and the Trust Fund for Natural Resource Management (NRM), which in 2003 and 2004 drew the earlier NRM investments to a close. The substantive rural livelihoods intervention, the MDLF, began in 2006 after a lengthy design process and negotiations with Danida. MDLF became the sole intervention to achieve the livelihoods objective. Through the MDLF DFID is co-financing the first phase (2006 to 2010) of Danida's Natural Resources Management and Livelihoods Programme (NRMLP), which reflects the respective foci on NRM by Danida and livelihoods by DFID as the major partners in the pooled fund. New Zealand has subsequently become a third partner.

3.40 Objective 4 built on the longstanding support to the health sector. The Health Sector Support, delivered since the early 1990s, led to the first Health Sector Support Programme (HSSP1) 2003–2008, which supported RGC's First Health Sector Strategic Plan (HSP1). DFID co-financed both the World Bank (£1.2 million) and ADB (£7.2 million) HSSP1 projects, with other donors providing parallel support. This emerging programme-based approach will enter a second phase (2009–2013) with HSSP2 co-financed by DFID (\$50 million), Australia (\$30 million) and the World Bank (\$30 million), through a World Bank Trust Fund and with lower levels of funding from UNICEF, United Nations Population Fund (UNFPA), Belgian Technical Cooperation (BTC) and France (AFD). Most funds will be channelled through a pooled account managed by RGC. Alongside HSSP1, DFID also provided TA support (£2.5 million) for institutional strengthening and had a stand-alone project to support safer motherhood, the Reducing Maternal Mortality Project (£2.3 million). Other interventions focus on the HIV/AIDS epidemic. These include support for the social marketing of reproductive health commodities (2001–2006, £7.1 million; 2007–2013, £7.5 million) and support for the National Strategic Plan for AIDS through the Strengthening Cambodia's Response to HIV/AIDS Project (SCRHP) from 2003–2008 (£11.5 million). For HSSP2, support for HIV/AIDS will be incorporated in the sector programme, but the social

⁴⁴ On PRISM the project title is "Cambodia SEILA Rural Development Programme".

⁴⁵ Originally Cambodia Development Resource Institute, now known by its acronym CDRI – Cambodia's Leading Independent Policy Research Institute.

marketing intervention will continue separately. In addition, this objective covers the intervention supporting rural water and sanitation: the UNICEF implemented Rural Sanitation Project (RSP), to which DFID has committed £1.2 million over three years (2008–2010).

Aid Instruments

3.41 With the DFID objectives focusing on improving development effectiveness (including support to off-track MDGs, through government-led programmes⁴⁶ and the aim of working through partnerships with other development partners from 2011) the emphasis was on funding through government systems and pooled mechanisms. Whilst there is extensive collaboration with RGC for planning, shared implementation and some monitoring, “90% of aid bypasses government systems”⁴⁷, partly due to the large number of donors taking a traditional project-based approach and partly because of concerns over corruption. Under the Poverty Reduction and Growth Operation (PRGO), DFID is joining the tentative moves towards budget support initiated by the World Bank (£1.5 million or about 12% of DFID’s 2007/08 aid framework in the first year rising to 20% of a slightly larger framework by 2009/10). In addition, the support to PFM and the health sector programme are channelled through World Bank Trust Funds, which adopt programme-based approaches that utilise government systems to some extent.

3.42 However, the two major partnership mechanisms for livelihoods support (MDLF with Danida) and D&D (PSDD with Sida and UNDP) are both aligned largely with government systems⁴⁸, although funds are channelled to sub-national levels in parallel to the provincial treasury and provide significant levels of separate technical assistance. Despite the commitment to support off-track MDGs through government-led programmes, the safer motherhood and social marketing initiatives (MDGs 5 and 6) have continued as stand-alone projects implemented by contractors. However, the mainstream support for HIV/AIDS, initially provided as project support to the government programme, has subsequently been folded into the health sector support. Finally, the support for poverty planning, PRS and aid effectiveness, though pooled through Trust Funds, is executed largely by the World Bank and UNDP respectively, with substantial technical assistance.

3.43 The choice of multi-donor co-financing was a response to aid effectiveness principles and the governance context. DFID has been instrumental in encouraging the use of government systems with significant success, but at times the commitment to partnerships has pulled in the opposite direction⁴⁹ (i.e. the UNDP implemented PSDD and the MDLF). Given the concerns over

⁴⁶ 2005 CAP, Para. 6.5, p. 19.

⁴⁷ Poverty Reduction and Growth Programme 2007, Para. 12.

⁴⁸ Contributions to PSDD and MDLF are channelled to local levels through Excom accounting arrangements rather than through the Provincial Treasury; implementation is managed with the support of significant and longstanding UNDP technical assistance. A senior MEF official stated clearly that given recent improvements in Provincial Treasury systems and management, he would prefer PSDD to fund through the Provincial Treasury in order to strengthen sub-national public financial management, and expressed his disappointment at the lack of dialogue on this issue. While PLG and PSDD have been successful in leveraging significant additional ODA, this too is channelled through Excom accounts rather than through the Provincial Treasury.

⁴⁹ While the rationale for entering into partnership with UNDP (and Sida) to support first the PLG and then PSDD was consistent with the objective of working with and through other donors, with the strong reliance of both programmes on the contracted national and provincial support teams, it does run counter to DFID’s stated aim to reduce the proportion of ODA spent on technical assistance (Head of Office, 2006).

transparency of government systems, the present cautious approach to moving further towards budget support and greater use of government public financial management systems is appropriate. Overall, the resulting balance of aid instruments is appropriate to the context and to the DFID strategy. It aligns well with the commitment to aid effectiveness and models good practice. For the major programmes being supported, the balance of government to non-government funding is appropriate, though the options of funding D&D and more livelihoods activities through national government should be explored. The interpretation of the strategy has, however, reduced the opportunities for funding of civil society activities through NGOs and other non-government and non-donor channels.

3.44 There were no significant funding shifts between instruments, though the decision to support HIV/AIDS through the health sector programme caused some discontinuity when the project support to the national HIV/AIDS programme ended. Similarly, there have been discontinuities resulting from the inefficiencies of trust fund mechanisms⁵⁰; though unfortunate these are operational difficulties and to a degree the price that has to be paid for co-financing arrangements

Partnership Working

3.45 Partnerships have been at the centre of the strategy and DFID has approached government in a positive and effective manner. The desire to improve development effectiveness was evident not only in relation to Objective 1 but across the strategy. Time has been given to work with and listen to RGC; this has contributed to positive relationships and the view from across government that DFID is a valued partner and a champion of aid effectiveness. There are particularly strong relationships with key interlocutors at the centre of government (finance, planning and donor coordination) and in other ministries, notably health, where the relationship has lasted for over 15 years. The evaluation found evidence of DFID being treated with trust and respect, and thus able to play a major role in, for example, the development of budget support – where bilateral involvement gave confidence and political credibility at a time when there had been tensions between government and the World Bank.

3.46 Whilst partnerships with multilateral agencies and bilateral donors were approached in a thoughtful way, the assumption that partnerships formed around specific programme activities could be expected to lead to fully delegated relationships in ten years' time was not substantiated, and, in practice, has not been supported by the evidence. The evaluation did not find evidence of a well-grounded strategic vision for these partnerships. The lessons from the effective transition of partnerships over time (e.g. the health sector⁵¹) do not seem to have been applied to other sectors. Partnerships are means (delivery with and through like-minded partners) not ends in themselves. Where the DFID objective has changed, or does not seem to be shared with the partner, the relationship needs to be robust enough to renegotiate, adjust or even end the partnership. Whilst DFID often sets out its expectations in formal partnership principles, there does not seem to have been mutual understanding or a shared approach to the development over time.

⁵⁰ Review of World Bank and ADB Health Sector Trust Funds, August 2008.

⁵¹ Expansion of the partnership to include more partners, influencing the ADB and World Bank as the managing agents, decreasing the control of the World Bank over the partnership (revolving chair, influence on Project Appraisal Document at goal and objective level, influence on implementation through DFID funding TA).

3.47 The relationship with the World Bank has been the most robust. The two partners initiated the joint analysis on which their respective country plans and those of ADB and the UN were based in 2005. However the relationship between the two predates this period. DFID effectively brought the World Bank and ADB together in the early stages of the health sector programme, thus ensuring a degree of coherence that may not have been achieved otherwise. DFID also partnered the World Bank in the Poverty Support Programme. Here, and subsequently in PFM and health, DFID support enabled the World Bank to build staff capacity in Phnom Penh to support government-led programming. Together, the two partners have had a significant influence on aid effectiveness, building broader partnerships (harmonisation) and encouraging greater coherence with government policy (alignment) and systems (including but not limited to financial management processes).

3.48 Whilst there are differences of emphasis and approach between DFID and the World Bank, which have led to some robust and frank engagement, there has been a consistency of approach and mutual support. This was maintained despite administrative problems over fund flow (arising from the World Bank's tensions with RGC over corruption in procurement and International Development Association (IDA) replenishment in mid 2008) and trust fund management (both the health and poverty trust funds falling foul of World Bank procedural intricacies). Joint analysis led both DFID and the World Bank to put governance at the centre, and the support for government leadership ensured a common view of policy dialogue and programme development. The resulting close working relationship has contributed to the early success of the PRGO and the attraction of wide donor support for PFM, HSSP and PRGO. At the same time, DFID has been prepared to confront and challenge its partner: influencing the poverty content and encouraging wider donor participation in pooled arrangements. Despite, or indeed because of, this 'open and frank' relationship, the World Bank sees benefit in the alliance continuing even in the absence of a critical mass of donor support for the shared view on alignment and the use of government systems.

3.49 Whereas the World Bank partnership seems to have been robust enough to sustain 'full and frank' challenges, the partnerships with UNDP (PLG/PSDD and the multi-donor support to CDC) have not. Box 3 sets out the PLG/PSDD story as a case study. Overall, the difficulty seems to have arisen from conflicting expectations of the relationship, with DFID looking for partnership and UNDP expecting more of a subcontracting approach. This was exacerbated by the desire to establish partnerships that may lead to full financial delegation. Taking the easy and quiet route failed to satisfy either partner. There also seem to have been differences in the perspective on the government's role, the place of technical assistance and the overall policy direction. In these situations DFID again seems to have tacitly decided that maintaining the partnership took precedence. Here, without the shared analysis and approach, the transition to full delegation is even less likely or appropriate.

3.50 If the aim is long-term value added from DFID's investments, clarity over the concepts of delegation, 'silence', influence, and the need for an intellectually robust relationship as well as financial investment are important. The nature of partnership – common vision, like-minded approach to aid effectiveness (alignment, harmonisation, ownership, mutual accountability and management by results), shared approach to cross-cutting themes, poverty and governance, joint working and joint decisions – is different from a simple subcontracting relationship where DFID invests in a good programme developed and managed by another.

3.51 The experience with the Danida partnership gives similar lessons. Here, Danida was both funding partner and implementing agent. DFID wanted to develop a livelihoods approach to build on and beyond the initial commitment to rural livelihoods. Danida's technical approach was centred on natural resource management, and despite a lengthy design process these two aspects were not fully resolved. DFID offered social development inputs in addition to the support of their

livelihoods adviser to reinforce the poverty dimension, but Danida, assuming a subcontracting relationship with a future 'silent partner', understandably wished to take the lead operationally. These institutional relationships were further confused by tensions amongst the personalities, the inappropriate linkages to D&D and ambitious expectations from the civil society component. Danida wished to manage, and DFID were unable to resolve the competing tensions.

Box 3. The UNDP/SIDA/DFID Partnership

The UNDP/Sida/DFID partnership was established in 2001 to provide harmonised donor support to the Seila programme through the jointly funded Partnership for Local Government (PLG) and continues to play this role through PSDD, which commenced in 2007.

The partnership has been problematic from an early stage. The 2004 CPE concluded strongly that the 2000 CSP had been over-optimistic about the capacities of the multilaterals to design and manage 'good' projects and pointed to "doubts about the wisdom of contracting projects with the UN agencies". The CPE also concluded that insufficient attention had been paid to defining partnership arrangements that are both strategic and feasible. The problem has persisted for a number of years, with a recent review of DFID performance frameworks concluding that "the key challenge seems to be that existing partnerships have not been established with clear definitions of the role of lead donors, and partners might not even be entirely aware of DFID's expectations of the partnership". (Achim Engelhardt, October 2007). Notwithstanding the significant achievements of PLG and PSDD, there have been longstanding difficulties between DFID and UNDP concerning issues of representation, capacity or workload, transparency and expectations, which have undermined the contribution of the partnership to programme effectiveness (PSDD Mid-Term Review, Draft Report, July 2008).

Given the already chequered history of the partnership, the preparations for PSDD in 2006 presented a significant opportunity either to dissolve the partnership and seek alternative arrangements (although this would clearly have been a very contentious approach) or to reconstitute the partnership in a more strategic and realistic mould. In the event, the partnership was continued, but with tightened contractual conditions for UNDP – an approach that seems to have further strained the relationship between UNDP and DFID.

In the absence of a strategic partnership agreement, the conflation of partnership-based and contract-based relations has muddied the waters and has led ultimately to the urgent need to seek alternative partnership arrangements (PSDD Mid-Term Review, Draft Report, July 2008). Indeed, the context within which a new partnership must be established has become perhaps more polarised. Recent attempts by UNDP to address concerns about its capacity and role (e.g. facilitating a common UN position on D&D, scaling back its workload in order to better focus on its core mandate) are coming late in the process and after seven years in partnership with DFID and Sida. Its future role in partnership-based support to D&D is as yet unclear⁵². The new common position and division of labour agreed by EU member states⁵³ offers an alternative to past arrangements and Sida have indicated their willingness to take on a greater implementation role. Nonetheless, these potential new arrangements are at an early stage of development and currently provide a policy position rather than an agreement on future operational roles.

3.52 Appraisal, monitoring and wider measurement, including the impact of programmes and milestones for partnerships, seem to be of concern across all the current relationships. Maintenance

⁵² As of now, DFID and Sida do not have an agreed position on the possible future role of UNDP, and yet Sida is engaged in active dialogue with UNDP on this same issue.

⁵³ Strengthened Public Sector Management through Sub-National Democratic Development – Statement by Eva Smedberg, Sida Country Director Cambodia, on behalf of the Development Partners, 27 November 2008.

and development of partnerships in a context in which personalities dominate institutional relationships is a critical factor and will become more so as the transition to new modes of engagement takes place. The original strategy of moving to full delegation ran counter to other strategic aims. Finding ways to monitor these dual expectations presented another challenge. The lesson is that partnerships require additional and sustained engagement and that the process is not always smooth. Ignoring difficulties for the sake of the relationship is not an effective strategy. The tensions in the health sector have resulted in progress, whereas not addressing perceived difficulties early enough has led to deteriorating situations in local governance and livelihoods.

3.53 Lessons were learnt and applied in the case of the choice of UNICEF as partner in the water and sanitation sector. A more systematic and strategic appraisal was possible as it was a new relationship in a new sector. A clearer and separate treatment of a shared vision on the one hand (partnership principles, shared expectations) and the delineation of implementation roles on the other (contractual relationship) resulted in a more stable and instrumental relationship⁵⁴. Such an approach was consistent with DFID's partnership commitments in the 2005 CAP and the perceived imperative under DFID Cambodia's 'vision' to establish long-term partnerships through which future support could be provided. The question of when and how to move to full financial delegation should, however, be addressed separately.

3.54 It is apparent that the majority of DFID's current and potential donor partners are not interested in financial support alone but see DFID bringing its analysis and active presence to the table. The expectation that by 2010 DFID's outcomes could be achieved through full delegation, and that partners would see this as a desired position, does not seem to have been tested at all and is neither expected nor seen as appropriate.

3.55 There are two other sets of partnerships that have been important in the strategy, the relationships with local government and those with civil society. DFID does not engage with government at the sub-national level other than through D&D and MDLF and contact is primarily through the implementing partners. Given the prominence of responsive, accountable and effective local government as an objective, a more proactive relationship may have been useful. Similarly whilst there are some good individual linkages (e.g. with CDRI) DFID does not seem to have approached work with civil society in a concerted manner. There is no planned collaborative engagement with the PPA, CSCF and CHASE recipients, either the larger UK INGOs or the smaller local organisations, which is a missed opportunity for working with civil society.

3.56 As noted, DFID has given high priority to aid effectiveness and the Paris Declaration Principles; not only amongst its immediate partners but within the wider donor community. These efforts to improve harmonisation and alignment in an almost uniquely fragmented development partner landscape are to be commended. In addition to the examples cited earlier, advocacy for RGC to be in the first wave of the International Health Partnership (IHP) countries was successful and the establishment of a water and sanitation TWG was an example of high level advocacy in a difficult environment.

3.57 DFID has worked hard to build the confidence of RGC and donor partners and generally has a reputation for good communication and strong intellectual leadership. It is where the partnerships

⁵⁴ For guidance on addressing partnership principles, see "Key questions for equitable and accountable partnerships" handout provided at DFIDSEA Regional Workshop: Review of DFID's M&E Processes, ITAD, 2007. The workshop was attended by DFID Cambodia staff.

are weaker and more brittle that the need for communication is greatest and yet is more difficult. This is where DFID has been less successful. We conclude that DFID communicates well, but is more comfortable when there are positive messages to share. Communicating more challenging information and handling conflict with partners is a skill that needs to be developed and shared within the team. Reflecting on experience, learning from it and being able to identify and share the skills is a key part of building an effective team approach.

Cross-Cutting Themes

3.58 DFID Cambodia based its cross-cutting policy development and strategy on corporate policy. The Human Rights (HR) Assessment (2007), Governance Assessment (2007) and Social Accountability Study (2005) all took corporate policy as a starting point. However, mainstreaming as such is less evident. For example, Environment and HIV/AIDS were addressed comprehensively at a sector/objective level but less so in Objectives 1 and 2. Gender was addressed as a mainstreaming issue within Cambodia policy through the Cambodia Gender Assessment (2008) and social exclusion through the Linking Citizens and the State (2008) work, but both these are very recent. The Gender Audit (2007) and Gender Mainstreaming Strategy List and Action Plan 2008/09 are very comprehensive, but it is too early to assess whether they have led to more concerted efforts at mainstreaming within the DFID programme or more widely.

3.59 The transfer of this analysis into partnership-based programmes has not been that successful. The evaluation found conflicting views on gender and social exclusion between internal DFID documentation and programme reviews, suggesting differences of emphasis were not being effectively shared with partners. There does not seem to have been a clear strategy in practice for approaching the mainstreaming of these cross-cutting issues at national, programme and partnership level. There are situations where accepting the comparative advantage between partners and realising that DFID is a relatively small player in terms of scale may indicate that compromises are appropriate. DFID does not seem to have taken this into account and all corporate policy priorities seem to have been seen as equally significant.

3.60 Poverty and social exclusion is the cross-cutting theme that was instrumental in DFID opening its bilateral programme in Cambodia and remains at the core of the strategy. Both continue to be amongst the most significant aspects of Cambodia's fragility, and the fear that presents at all levels, as a collective inheritance from the conflict, further reinforces exclusion. However, with governance coming to the fore, the level of attention given to poverty and exclusion seems to have reduced. Most significantly, the poverty impact of the MDLF is weak, in part due to inadequate analysis and lack of targeting. Poverty at a cross-cutting level needs to engage with the private sector, NGOs, civil society and individual enterprise as possible entry points, as well as with local and national government and donors. DFID's advocacy and analysis alongside that of the World Bank could make a stronger contribution given its strategic priority.

Resources

3.61 The 2000 CSP was relatively modest, continuing the two entry points of health and rural development. This was appropriate for the small but increasing programme from 2000–2003 when a doubling of the programme from £5 million to £10 million for 2003/04 and beyond was planned. The 2005 CAP continued this planned growth with increases from £11 million for 2005/06 through £12.5 million for 2006/07 to £13 million for 2007/08. The health programme had been developing over a number of years and together with the specific investment for HIV/AIDS came to dominate

the budget with planned expenditures reaching £7 million in 2005/06. Given the expected leveraging of IFIs investment through HSSP1 and the pooled support for HIV/AIDS, this element of the strategy (becoming Objective 4 under the CAP) seemed appropriate to the level of resources. However, the resources available for the other three objectives were more constrained. Despite rural livelihoods being set at purpose level for the CSP, expenditure was set at £0.5 million for 2005/06 growing to £2.5 million in 2007/08. In part, this was accounted for by the fact that the Seila programme had previously been seen as a livelihoods and rural development investment, but was, from 2003, focusing on local governance. Nevertheless, the livelihoods objective required a higher level of investment if it was to make the expected impact. Similarly, the budget allocation of £1.5 million a year for Objective 1 and £2.7 million for local governance (Objective 2) throughout the CAP period were relatively modest. Overall, whilst the end of the CSP period seemed adequately resourced, the CAP strategies seem to be overambitious given the resources available.

3.62 In 2003 the previous complement of two advisers (governance/rural development and health) based in Phnom Penh was increased to three (governance, livelihoods and health). This reflected the strategic emphasis as well as the historic development of the programme. In 2005 the office was strengthened with a resident programme manager and social development adviser. These staffing resources together with the additional support from the South East Asia regional office in Bangkok reflected the strategic objectives as set out in the 2005 CAP more appropriately than the planned spend. The staffing thus informed and contributed to the development of the four objectives and the strategy's stronger aid effectiveness focus. There is a degree of 'chicken and egg' about the development, with poverty and aid effectiveness informed by an active social development adviser and programme manager and the existing local governance and health programmes growing. The livelihoods 'gap' is only addressed once MDLF comes on stream. Certainly the office presence consolidated the more substantial programme investment with a tighter set of larger spending interventions across the four objectives. The office presence also enabled the contribution to aid effectiveness, and particularly donor coordination, to thrive.

Results Focus

3.63 The 2004 CPE was concerned at the lack of a monitoring framework for the strategy. Though the CAP was based on joint analytic work with ADB, World Bank and the UN with an agreement to hold joint six-monthly monitoring meetings, we understand that only one monitoring meeting was held and that subsequently only informal heads of agency meetings took place. DFID Cambodia set up a range of performance assessment systems that are connected to RGC's NSDP monitoring framework and higher level DFID frameworks. This was a very complex structure of mainly annual assessments with indicators related to the achievement of project level milestones (single event targets) rather than objective level Objectively Verifiable Indicators (OVIs). In 2007 a review was conducted, which made clear recommendations about improving the CAP programme level monitoring and reconciling the perceived competing demands of programme monitoring, corporate reporting and country level (PRSP/MDG) monitoring⁵⁵. These recommendations do not seem to have been fully implemented and the evaluation found that monitoring is now based solely on corporate reporting against the Public Service Agreement and Director's Delivery Plans (DPPs) together with MDG performance with no assessment of progress towards the CAP objectives.

⁵⁵ Engelhardt, A. (2007) *Improving Performance Monitoring across the DFID Cambodia Country Programme – Final Report*, Lotus M&E Group, October 2007.

3.64 This confusion between corporate reporting and strategy level monitoring has resulted in the continued absence of an effective strategy level (CSP/CAP) monitoring framework/Country Performance Framework (CPF). This was compounded by the mixed quality of results frameworks at programme level (e.g. the PSDD and MDLF log frames) that inevitably reflect the common aspirations of government and donors rather than how the programmes contribute specifically to DFID's strategy.

3.65 Under Objective 1, all the interventions were partnership based. These economic, poverty planning and aid effectiveness interventions were largely process based, with impact at a higher level related to the government policy reforms resulting from moving towards budget support and PBA models. The exception is the PRGO, which has a clear policy matrix, programme outputs and specific OVIs. However, this framework does not seem to be applied rigorously as part of the review process. DFID has allocated resources (2.5% of the total budget) for the new National Planning for Poverty Reduction (NPPR) programme to support policy impact evaluation at mid-term and project completion. However, this is only articulated within the DFID project memorandum, and interviews with the other partners suggested that this may not be a shared aspiration. Given the large amount of DFID staff time devoted to aid effectiveness activities in Cambodia, it is unfortunate that there were no systems being regularly used to monitor the results and learn from these interventions.

3.66 Objective 2 has the single intervention of PLG/PSDD. The PSDD log frame has proven problematic and has undergone a number of revisions⁵⁶. The log frame contains a mix of quantitative and qualitative indicators. However, many indicators leave considerable room for interpretation; many are simply milestones that, while important markers of progress (e.g. monitoring and evaluation (M&E) systems in place/accountability mechanisms active), are not results focused. Despite the revisions, the log frame does not address some of the important concerns expressed since PLG/Seila about gaps in M&E design. Thus, indicators and means of verification that might focus M&E effort on the nature and development of accountability relationships are lacking. The use of perception-based indicators at the purpose level does not seem sufficient to support a meaningful discussion on engaging with and empowering the poor and socially excluded (PSDD purpose). This gap was noted in the PSDD appraisal⁵⁷, but does not appear to have been addressed despite DFID Cambodia's extensive attempts to do so through UNDP.

3.67 Two reviews of PSDD have taken place, both in mid 2008 (The Mid-Term Review (MTR) and PSDD Impact Assessment). The MTR expended considerable time on revisiting indicators, bemoaning the lack of baseline data and discussing problems of attribution. At the purpose level, the draft MTR⁵⁸ concluded that "the information we were able to acquire about progress in relation to the project purpose was very limited. There is almost no relevant internal reporting that can shed light on progress or the lack of it". Reporting against output indicators was more straightforward.

⁵⁶ There are four historical iterations of the log frame – that which was included in joint donor project document (January 2007), the internal DFID Project Memorandum (May 2007) and then two subsequent iterations in February and October 2008 either side of the mid-term review.

⁵⁷ The appraisal notes generally poor treatment of M&E, poor indicator selection, and lack of attention to process monitoring of participation and empowerment or to the distributional effects of investments. In short, it notes a distinct lack of attention to the very things that PSDD was supposed to influence or change. The log frame annexed to the internal DFID Project Memorandum did, however, pay at least some attention to these aspects.

⁵⁸ The final report was not available at the time of the CPE mission.

Additional topic-specific studies have been conducted in 2008, which provide some useful information against higher level objectives and indicators, but the findings are inconclusive with regard to returns on investment of seven years of Seila/PSDD (PSDD Impact Assessment, 2008).

3.68 The result frameworks for the DFID interventions on rural livelihoods (Objective 3)⁵⁹ are the weakest. The earlier log frames lack clarity at objective level (goal and purpose statements) and tend to be focused at too low a level in terms of outputs, often related purely to the NRM focus of the inputs. The 2004 CPE found no significant results of DFID interventions and attributed this partly to the lack of M&E systems. Similarly, the reporting from the Seila period reflected the M&E weaknesses noted above and the livelihood aspect was increasingly absent. The Joint Annual Programme Reviews (JAPR) 2007 and 2008 for MDLF also suffer from the absence of M&E systems. This has recently been reviewed and given priority by the incoming seconded DFID adviser; MDLF also hired a consultant to review M&E frameworks at the time of the 2008 CPE.

3.69 Overall, the log frames and intervention level reporting in health (Objective 4) are much better. The outsourcing of reporting to the Health Resource Centre and other experienced consultants has impacted on quality and the M&E systems, especially for the independently managed projects, are sound. The JAPRs for the health sector benefit from the experience of the teams involved and there seems to be more congruence of expectations and approach amongst the partners. More widely, measurement (e.g. of poverty impact, livelihood opportunities) is not generally evident within design or programme delivery outside of the health sector where, paradoxically, multiple and inappropriate reporting against MDG and other indicators is evident.

3.70 Given the weaknesses in M&E systems and the confused thinking around strategic level monitoring, effective adjustments in design and direction were limited to objective level decisions based on thorough review processes in most cases. These adjustments depended on the interest and perspective of the adviser who led on the management of the interventions and the relationships with partners. Overall, strategic management of staff, and to a lesser extent resources, has been based on the interpretation of the vision, the consequent desire to maintain partnerships and the trajectory to 2011, without decisions being based on substantive results-based monitoring of the strategy.

Summary

3.71 During the period of the evaluation, the DFID Cambodia strategy was based on strong analysis that takes account of the context and pays appropriate attention to risk, especially at the political and governance levels. The objectives are well framed and the 2005 CAP (see Box 4) builds on the 2000 CSP providing a clear, public statement of the rationale, approach and objectives of DFID's programme in Cambodia. The strategy development has been influenced by developing policy and analysis within DFID. The earlier sustainable livelihoods approach that informed the CSP gave way in the CAP to a strong aid effectiveness and governance perspective. Though relevant to the Cambodia context, the resulting lower priority given to livelihoods for the poor is a concern. More recently, fragile state policy and state building have influenced the direction of the strategy, but this has if anything served to reinforce the governance dimension.

⁵⁹ The weaknesses in the results focus arising from reviews and log frames are similar to those recently reported in Agulhas (2007) *Assessing the quality of DFID's project reviews* DFID.

3.72 The strategy is, however, overambitious, given the financial resources available, and sets too high expectations for the in-country team. With the inadequate monitoring of the strategy this has compounded the confusion over direction and performance. The desire to make sense of the inappropriate commitment to the 'vision' of a programme based on delegated partnerships by 2010 added to these tensions and seems to have resulted in an exaggerated view of the progress being made by RGC and an assumption that budget support and sector programmes should be the main channels for future support. This perspective has been tempered more recently based on state building analysis, but the overall result has been a lost opportunity to test, monitor and revise the strategy over the course of the ten-year engagement by sticking too rigidly to the assumed exit route.

Box 4. The CAP 2005–2009

- A shared analysis with ADB, World Bank and UN, which was comprehensive and relevant.
- Four objectives, relevant to context, but ambitious given the resources.
- A purpose related to development effectiveness and a sound governance narrative – neither clearly linked to the closure decision.
- A limited range of activities not sufficient for the objectives.
- Accountability the weakest link.
- Contested Narratives – before: Sustainable livelihoods and Poverty; during the CAP: Governance, Aid Effectiveness and Budget Support; for the future: Fragile States and State Building.

4. Effectiveness and Efficiency

4.1 In this chapter the findings related to the effectiveness and efficiency of the programme are considered – did DFID do the right things in the right way? The achievement of each of the four objectives is reviewed and the performance of the individual interventions and their contribution to these achievements assessed. Given the lack of monitoring data at the level of the objectives the assessment is based on the available evidence at project and programme level and evidence of wider impact gained from interviews, triangulated with the evaluators judgements based on the extensive documentary review. The actual disbursements and the utilisation of staff time are assessed as indicators of efficiency and as evidence of the appropriateness of resource application to each objective. Finally, DFID’s contribution to aid effectiveness and the delivery related to cross-cutting themes are assessed against the strategic approach and their respective contribution to the strategy.

Delivering the Strategy

4.2 As described above (para. 3.63), DFID Cambodia does not have an effective monitoring framework for the overall strategy. There was no initial establishment of success criteria and indicators of progress for the four objectives or at the higher purpose level. It is therefore difficult to evaluate the overall delivery of the strategy. For each of the objectives, we have reviewed performance against the results frameworks for the interventions as described in paras. 3.65–3.70 and commented on the possible indicators that could have been used. The process is more straightforward for Objectives 2 and 3 where there is a single intervention. Here the issue is whether the intervention is sufficient to achieve the objective.

4.3 Objective 1: Contribute to **rapid increases in the impact of development resources** comprised sub-objectives covering: i) public financial management; ii) accountability of government to its citizens; and iii) applying best practice in donor assistance. Aside from PRGO, the interventions under i) were mainly process based, with impact related to changes in government policy and practice. PRGO does have measurable indicators, but it is only just beginning to operate. There were no specific interventions for ii) citizen accountability aside from support for civil society involvement in consultation processes (planning and TWGs). Aspects of accountability are covered under the other three objectives, but there are no measures of increased citizen accountability within the livelihoods, health or D&D programmes.

4.4 There is still a long way to go with iii) improvements in donor assistance. There is evidence of improvements in aid effectiveness from the recent Independent Review of Aid effectiveness⁶⁰, Annual Paris Declaration surveys and from CDC’s database showing improvements in harmonisation, alignment, the utilisation of government systems and the numbers of donors participating in PBAs (notably in the health sector programme and PFM). However, as the Independent Review of Aid Effectiveness reported, there are signs of ‘aid effectiveness fatigue’ and despite the progress Cambodia is still seen as a poor performer in this area⁶¹.

⁶⁰ Wood, B. et al, (2008) *Independent Review of Aid Effectiveness in Cambodia*.

⁶¹ “I have been to few countries where the gap between the rhetoric and the reality on aid effectiveness is as large as in Cambodia.” Visiting senior DFID official in 2006.

4.5 The objective is set at a very high level given the context. There are no indicators of increased impact and the term ‘rapid increases’ sets the bar even higher and was overambitious. The only possible indicator is ‘improvement in the rate of change of development indicators’ but even this cannot necessarily be directly attributed to donor assistance. Overall, the evaluation assesses the achievement of this objective as satisfactory⁶². Across all three sub-objectives, development resources are being used more effectively than five years ago (improved harmonisation through partnerships, alignment with RGC through PRGO and PFM, heightened awareness of aid effectiveness through CDC’s enhanced functioning and donor engagement) but the objective of ‘rapid increases’ is not yet in sight.

4.6 Objective 2: **Responsive, accountable and effective local government for all people, especially the poor and socially excluded** was delivered through the PLG and the PSDD programmes, which have supported a process of taking an experimental approach to national scale and into government, whilst at the same time reducing transaction costs through harmonised donor funding. PLG and PSDD have been instrumental in supporting the development and testing of structures, systems and processes for local government reform and the adoption by government of many of these elements⁶³. In addition to the programme support, DFID has been amongst the most active donors encouraging RGC to implement legislative changes to empower local government.

4.7 The key outcome will be the implementation of the Organic Law, which gives powers and resources to sub-national tiers of government. This may happen from mid 2009. Thus, the CAP period will have elapsed before the key step towards the objective is achieved. DFID has contributed to the preparation of the law and capacity building for implementation, but local government remains extremely weak and under resourced. How far the support for capacity building and small-scale activities have directly contributed to responsive, accountable and effective local government is unclear. The intervention has made a contribution but there is debate over whether more could have been achieved. DFID commitment to the partnership was given priority over exploring other interventions. At best we assess the achievement of this objective as satisfactory – progress has been made towards the objective but it was overambitious as a strategic objective for DFID and alternative interventions could have been considered.

4.8 Objective 3: **Support government and civil society to strengthen the livelihoods of poor people** was also delivered through a single partnership intervention (MDLF), which only began in 2006. The immediate objectives for the three MDLF components are:

1. **NRM in D&D:** Improved local government processes for equitable and sustainable natural resource management.
2. **Civil Society and Pro-poor Markets:** Improved local presence and capacity of civil society organisations and business support to address issues of transparency, accountability, dialogue, participation, access to information, inclusion and equity for pro-poor community development.
3. **Sector and Policy Development:** Improved access to rights and services, within an effective and coherent policy environment, including:

⁶² Using as an indicative six point scale the range Highly Satisfactory; Satisfactory; Moderately Satisfactory Moderately Unsatisfactory; Unsatisfactory; Highly Unsatisfactory.

⁶³ PSDD MTR, 2008.

- a. Lands: titles to land and access and user rights to land secured;
- b. Fisheries: access rights of rural poor to aquatic resources and service delivery improved;
- c. Forestry and environment: Access rights to forests improved and pro-poor forest management options implemented.

4.9 Taking an NRM approach through the commune has two limitations. Firstly, the current role of the Commune Council with respect to natural resources is limited. Until there is significant delegated responsibility, local government at this level cannot be expected to play a significant role. More importantly, NRM policy and practice issues are not best addressed at such a low level. The focus needs to be at the district or even province level. Some interventions are taking place at these levels, but the link to D&D constrains the programme. When looked at from a livelihoods perspective the evaluation found it difficult to discern how an NRM focus was able to provide the basis for livelihood analysis and intervention at household and community levels. Only where livelihood gains have direct NRM linkages does the programme appear to have added value.

4.10 The civil society interventions are only just getting off the ground and a full assessment needs to be made at a later date. The model of franchising civil society mobilisation through international NGOs leaves the MDLF too far removed from the interventions. The commune level focus can be effective, but there is a distinction between facilitating community participation in commune level planning, and enabling demand-side pressure for services and a sharper pro-poor focus. The NGOs do not appear to grasp the different roles and entry points that can be exploited. Some NGOs are supporting large-scale civil society action around land rights, for example, through their other programmes and don't seem to see this as relevant for the contracted work through MDLF. Given the delays, it may be appropriate to refocus the civil society programme, even at this late stage.

4.11 There is a dilemma for MDLF. NGO interventions can contribute to pro-poor livelihood change and some of the NGOs contracted under Component 2 (Para. 4.8 above) are also being contracted to deliver services under other aspects of the programme. There is always a tension between NGOs as service providers and NGOs as facilitators of voice and accountability development by civil society. Here, considerable NGO expertise has been developed in service delivery across a range of sectors, whereas civil society mobilisation is less well developed in Cambodia. Whilst this is potentially a large programme, it is difficult for the same NGO to fulfil both roles in the same locality around the same agenda. The situation is further complicated since there appear to be expectations that the MDLF civil society component will address wider aspects of voice and accountability at commune level. This is inappropriate and unrealistic. The stage of development of citizen–commune relationships, the mixed expectations of local government and the continued apprehension and fear makes the extension of democratic governance at this level a contested and contentious arena. Civil society interventions focusing on an NRM and pro-poor markets agenda are challenging enough without burdening the model with additional expectations.

4.12 The engagement with Fisheries, Forestry and Land Departments has been the most consistent and most effective to date. The continuity achieved with earlier support has enabled a RGC-led sub-sector approach to develop in the case of fisheries and the technical support has been appreciated in all three policy areas. This sound basis can now be developed to encourage appropriate deconcentration and decentralisation of functions to district and commune level, with MDLF working to build the synergies between local and national levels, as well as connections with civil society. It's early days, but this opportunity looks like one of the most interesting possibilities for MDLF as currently structured.

4.13 Overall progress towards the objective of improving livelihoods for the poor has been limited. The emphasis on accountability and D&D has apparently led many communes to “do things right” at the expense of “doing the right things” in terms of improving the livelihoods of the poor. In some communes, the whole intervention focused on preserving common property resources, with the assumption that they will benefit the poor. In one commune, the by-products from a community forest were worth just \$25 for the whole year according to the Commune Council. The civil society component has also made little impact, partly due to time and partly due to activities being at too low a level to achieve livelihood gains. Overall, the design and delivery of the programme is not sufficient to achieve the objective and confuses livelihood and NR functions and state and non-state actors. We assess progress towards the achievement of this objective as unsatisfactory. Other interventions should have been considered from the outset and the link with local governance only provides limited leverage and access.

4.14 Objective 4: **Increased access to health services and information** has a longer history within the DFID strategy and a richer range of interventions. As we will see in Chapter 5, there has been measurable progress in all key health outcome indicators, with the notable exception of the maternal mortality ratio (MMR), although a proxy indicator (skilled attendance at birth) has shown some progress. Health outcomes can be attributed to access to services and information, though not necessarily to improvements in government policy. However, there are other supporting strategic outcomes that have been delivered primarily through the sector support⁶⁴:

1. **Progress on institutional capacity to plan, manage and finance the health sector.** The Ministry of Health had a consolidated Annual Operational Plan for 2007, which includes a three-year rolling plan for 2007–2009. Health sector budget allocation increased from 2006 to 2007 from 6.84% to 7.29%. By December 2006, 92.6% of the overall budget was disbursed (85.2% for provinces, and 96.6% for the centre).
2. **Progress on increased Coverage of Health Services.** Referral hospital bed occupancy rates rose to 67% in 2006 from 60.5% in 2005 and 60.7% in 2003. Subcontracting the management of health services in 11 districts to international NGOs contributed to significant increases in service utilisation in priority services, increased outreach activities, community participation in service management, availability of 24-hour services, presence of service providers and supervisory visits.
3. **Communicable Diseases and Malnutrition.** The severe malaria case fatality rate fell below its target of 10.2% to 7.9% (dropping from 10.4% in 2005 and 10.3% in 2003). 45% of children under five were underweight in 2000; by 2005 the figure was 36%. Child survival has improved with a 30% decline in mortality of infants and children under five.

4.15 Increased access to health was also achieved as a result of the interventions related to HIV/AIDS and reproductive health, with strategic outcomes in terms of MDG progress and access to services, whether the interventions were delivered as part of the health sector support or separately. As before, the indicators are health outcomes which are an appropriate measure of access and information. The achievement of the objective would be even more strongly evidenced if there was data related to health-seeking behaviour and levels of knowledge across a range of health issues. Nevertheless, our evaluation is that the achievement of this objective was highly satisfactory with clear evidence of increased access to health and information.

⁶⁴ Data from the HSSP1 Semi Annual Report (MoH 2007) and the Joint Review Mission, June 2007.

4.16 A summary of our evaluation of the achievement of the four objectives is given in Box 5.

Box 5. Achievement of CAP Objectives

- Objective 1: PMF developing and PRGO an effective process but it is early days and not yet effective as budget support; poverty planning support hampered by strained relations with Ministry of Planning and conflicting expectations - the programme needs to be reframed; aid effectiveness commendable effort but constrained results; citizen accountability was missing – *Satisfactory Achievement*

- Objective 2: Too much focus on capacity building to delivery projects rather than to build effective local government; conflation of poverty/governance/state building issues – leading to tensions and lack of understanding of what instruments contribute to which objective; too many eggs in the D&D basket – *Satisfactory Achievement*

- Objective 3: NRM and livelihoods cannot always be married as objectives; aligned too deeply with D&D; resources spread too thinly; need for targeting, incentives, improved analysis – *Unsatisfactory Achievement*

Objective 4: Clear MDG wins; long-term support for sector strategy and PBA showing results – *Highly Satisfactory Achievement*

4.17 Strategic risks were not well managed. The risk matrix in the CAP was also shared with ADB, World Bank and UN, but there were no plans put in place to address/mediate the risks. The risks do not reflect post-conflict or fragility aspects and are similar to many ‘normal’ context risk matrices. Priority was given to aid effectiveness despite donor coordination being assessed as a medium-impact and low-probability risk, whereas low priority was given to conflict prevention (civil society engagement/buy-in) despite its assessment as a high impact risk. Weak public sector incentives, competitiveness and competing interests were all assessed as high impact, high probability risks. However, there was no reference to citizen accountability and state stability in the risk assessment. More effective risk analysis that focused on state building and citizen–state interface issues may have increased DIFD analytic insights.

Results for Interventions

4.18 Given the size of the programme and the small number of larger projects/programmes, there are few annual and project completion Output to Purpose Reviews (OPRs); an average of seven a year. In the case of the partnership-based interventions, jointly agreed indicators and reviews do not always produce compatible information. There is a general weakness in M&E systems and even where indicators are appropriately set the data is not always adequate. All OPR scores during the evaluation period are shown in Table 8. At both purpose and output levels nearly all reviews indicated that interventions were likely to be largely achieved and in almost all other cases partly achieved. The evaluation found that overall purpose and outputs were not well framed and there was a lack of SMART⁶⁵ OVI, which may have contributed to the apparently optimistic scoring.

⁶⁵ Specific, Measurable, Attainable, Realistic, Timely.

Considerable efforts have been made to improve monitoring processes over the past two years. Log frames could, however, be improved further and the team could usefully revisit the report of the Achim Engelhardt review and the new DFID model for log frame application. Given the partnership nature of the finance and poverty planning interventions, the indication is that considerable leverage was achieved and thus impact was more substantial. However, as most of these were process interventions designed to improve government planning and financial management at macro level, so impact in terms of end results at the level of development impact would not be expected in the short term.

Table 8. Purpose and Output Scores for OPRs Conducted During the Evaluation Period

Score	All Objectives	Year												Total	
		2003/04		2004/05		2005/06		2006/07		2007/08		2008/09 to October 2008		Purpose	Output
		P	O	P	O	P	O	P	O	P	O	P	O		
1														0	0
2				1	1	3	3	4	4	8	8	1	3	17	19
3		3	3	5	5	5	5	3	3	1	1	2		19	17
4														0	0
5														0	0
X		1	1							2	2	1	1	4	4
Total		4	4	6	6	8	8	7	7	11	11	4	4	40	40

Source: DFID PRISM records for Cambodia⁶⁶. A score of 2 = Likely to be largely achieved; 3 = Likely to be partly achieved; X=insufficient data/too early to judge.

4.19 Under Objective 1, the PRISM scores cover OPRs for the technical assistance support for the IMF assistance (TCAP) to the Ministry of Economics and Finance (MEF), the subsequent PFM programme, and the Poverty Support Programme. The PRGO has not yet had an OPR and the Multi-Donor Support to CDC is under £1 million, so no OPR has been conducted. The three TCAP reviews all scored 3 – likely to be partly achieved at purpose and output level; whereas for the three PFM reviews scoring was initially likely to be partly achieved and subsequently likely to be largely achieved at both levels. This suggests performance has improved over the two projects, which were both providing support for public finance management. The Poverty Support Programme reviews also recorded improvement across the series of five OPRs, culminating in a Project Completion Report (PCR). The first two reviews scored output and purpose at level 3 and the other three reviews at level 2. The delay in the follow-on Multi-Donor Trust Fund Support for Planning Support for Poverty Reduction, arising in part from disagreements between the Ministry of

⁶⁶ These figures have been verified by DFID Evaluation Department. Overall output ratings have recently been replaced with impact scores. For this table, aggregate output scores have been used for recent OPRs to enable comparison across the whole period.

Planning and the World Bank over funding, has resulted in a loss of momentum, with no OPR due until May 2009.

4.20 DFID undertook considerable preparatory work to assess the benefits, risks, and appropriateness of embarking on the provision of budget support to Cambodia⁶⁷. The process extended over two years and concluded with DFID agreeing their own partnership benchmarks with RGC covering human rights and wider programme issues in addition to the prior actions of the World Bank-led consortium. In the event, PRGO is making slow but steady progress. The funds are being managed separately by RGC rather than being merged into the overall budget, in part a response to their own anxieties to comply with donor requirements. The arrangement is thus operating as a single tranche policy-related grant rather than as multi-annual budget support. Nevertheless, four donors have made a commitment to a PRBS approach that sets a critical milestone in aid delivery. As such, our assessment is that combined with the PFM support DFID has played a significant role working with the World Bank and setting an example to other bilaterals to co-finance and move towards a Programme Based Approach (PBA) and budget support.

4.21 The support to CDC is only one aspect of DFID's intervention with respect to aid effectiveness. Half of one adviser's time (initially the social development adviser and currently the aid effectiveness adviser) has been devoted to engagement with RGC and other donors. Monitoring such policy level and process engagement is difficult. However, if clear and specific milestones for particular interventions are set and used as the basis for formal internal reviews, the contribution of these activities, which are critical to the achievement of Objective 1, can be tracked more effectively. Our assessment of performance, based on evidence from interviews during the evaluation, observation of a review of the CDC support and the Independent Aid Effectiveness Review, is of some insightful observations and a strong sense of direction not always shared by other partners. Impact could be improved by communicating change more clearly and focusing on the higher order policies rather than operational detail.

4.22 For Objective 2, as discussed above, the draft PSDD Mid-Term Review does not provide a meaningful basis for concluding that the project has achieved its objectives. This is partly a problem of lack of data, but also a problem of indicator definition. The PRISM scores for the earlier PLG phase of support for local government were 3 for both output and purpose for 2003 and 2004 and then 2 again at both output and purpose level. These scores have been reviewed as part of the evaluation and are confirmed as reasonable. However, the evidence base for PSDD is particularly weak. The lessons from the impact study commissioned in 2008 need to be applied more comprehensively as discussed in para. 4.27 below.

4.23 There is no PRISM scoring or OPR reports available for the early livelihoods interventions beyond the final reviews of Seila and the PLG reviews, which by 2003 were under Objective 2. The sole intervention under Objective 3 is MDLF, which includes the involvement of the DFID sourced adviser working within the MDLF. Initially, this post was a 70% secondment. Currently, the adviser works 100% as a staff member of MDLF and is funded through the programme. MDLF began implementation in 2007 and in some communes the civil society component has only been operational during 2008. It is therefore too early to assess the results against the objective.

⁶⁷ Dom, C.M. (2005) Analytical Work to Support Budget Support Operations in Cambodia, Mokoro.

4.24 However, there is evidence that the D&D component of MDLF is unlikely to impact substantially on the livelihoods of the poor. As the 2008 Review Aid Memoire explains, “The team has been able to see evidence of the progress of the programme at the field level, especially at commune level. It has not yet been possible to measure the impact indicators, and work needs to be done to ensure that there is an effective monitoring system.” As discussed in para. 3.39, the design of MDLF, the tensions between an NRM and livelihoods approach and the linkages to local government all limit the impact.

4.25 The aim of strengthening the livelihoods of the rural poor through partnerships and pooled funding were appropriate for the resources anticipated. The total fund of \$60 million was substantial relative to the usual size of interventions in Cambodia. However, the design of MDLF was not appropriate to the level of resources provided. The resources became too small at the community level as the area coverage was too ambitious. The geographic and sector coverage was too wide for resources available, especially for MDLF Component 1 (Para. 4.8), which was spread across 707 communes with a budget of only \$4,000 each per annum. In one commune this amount of money was spent on building one laterite road, which would take the equivalent of five years of MDLF funds to complete. In another commune, the money was used to mark the boundaries of the community forests, which gave little livelihood improvement.

4.26 Our assessment is that MDLF needs to seriously review its scope and scale of working and revise its outputs before it will be possible to assess performance effectively. The role of the DFID staff member is itself an intervention and has a role with respect to the livelihoods objective beyond MDLF. However, with a full-time commitment there is little space for this role to be developed. Our assessment is again that monitoring and reviewing the non-programme interventions of the DFID team would provide a strong basis for improving performance at objective and intervention level.

4.27 Objective 4 has the largest number of interventions. The most significant is the PBA sector support to the Ministry of Health (MoH) which under HSSP1 was co-financed with the World Bank and ADB, and for HSSP2 will be co-financed with Australia, the World Bank and four other donors. As part of this move towards a sector-wide approach, the review process was carried out jointly and involved the parallel projects supporting HSP1 as well. These reviews provide substantial feedback on performance and have contributed to the development of the programme. The annual OPR scores based on the joint review findings have consistently been 3 (likely to be partly achieved) at both output and purpose level. In part, this is because the purpose statements reiterate the outputs and do not set a higher order purpose of ‘progress towards sector-wide management’ or ‘delivery of the policy’. The indicators at output level are good but possibly over-optimistic given the stage of sector development and the capacity of the MoH. As a result, the OPR scores show good performance in a difficult context, but the purpose score could possibly be higher.

4.28 There is a conceptual issue here. The performance of MoH related to overall health impact is being used as the basis for assessing the performance of the donor support, which strictly speaking should be judged against separate criteria. This applies in particular to the technical assistance support. In a programme-based approach where government is being encouraged to take responsibility for impact, it is counterproductive for development partner monitoring of their inputs to be linked to the same outcome indicators. Support may be effective but impact weak and vice versa. Clearly, disaggregating roles are required with end outcome specified in terms of impact, government progress assessed against clear milestones, and any technical assistance or other development partner contributions assessed against output indicators for which they can be held accountable. This lesson applies to other programmes and complements the section on monitoring and evaluation below.

4.29 The SCRH Programme scored 3 at purpose and output level during implementation with some individual outputs scoring higher. The PCR scored the purpose as 2 – largely achieved. Whilst this is appropriate given the intention to integrate support for the national HIV/AIDS programme through the sector programme, the institutional tensions during and at the close of the project seemed to reflect divergent understandings about the management of the project, and, more importantly, the acceptance of integrating the support. These tensions were heightened when it was decided to limit support for HIV/AIDS from the pooled resources in the first instance. Though this is a minor internal issue, it does reflect the work necessary to build consensus around a sector programme. The DFID health advisers in Cambodia have consistently provided key facilitation in these processes, firstly bringing the approaches of ADB and the World Bank together, and, more recently, bringing together a consortium supporting the pooled account, in addition to those funding through the World Bank administered Trust Fund. Again, this adviser intervention is more than policy influence; it includes advocacy and facilitation activities at operational level and should be monitored in addition to the programme support to reflect the overall performance of DFID.

4.30 The social marketing interventions have performed well as stand-alone projects and were scored accordingly. The RMMP (safer motherhood) intervention has not yet had an OPR review and neither has the sanitation intervention being implemented by UNICEF (RSP). However, from evidence collected during the evaluation we assess both to be performing effectively at this stage.

Monitoring and Evaluation

4.31 For most interventions across all four objectives there has been little disaggregation of data by gender, ethnicity or social grouping. The exceptions are some of the health sector programmes and the sanitation programme. As explained in Chapter 3 (para. 3.63), this is largely due to the absence of effective M&E systems. This is an area where the high quality of DFID's analytic work at strategy level is undermined by weak M&E design and consequent weak monitoring during implementation. Some programmes are still at the early stages of operation and DFID is trying to encourage improvements to M&E with partners. More generally, raising the profile of M&E for RGC through the NPPR intervention would provide another entry point.

4.32 M&E is being improved for D&D with significant attention being paid to assessing outcomes and impact in 2008⁶⁸. The outcome and impact studies represent a significant step forward in measuring results and are likely to contribute towards the development of tools and methodologies that can be adopted by government. However, the relative lack of impact data, measurement problems and problems of attribution mean that, to date, the explanation of how PLG and PSDD have contributed to socio-economic development remains unclear. As the PSDD Impact Assessment concludes, "there is a need for more information on the impacts and cost-effectiveness of the various types of investment supported through Seila and now through NCDD. Broad before-and-after comparisons of poverty levels will not yield this information – detailed field surveys of outcomes and impacts are needed."

4.33 The D&D experience shows that, even within partnership arrangements, it is possible to promote more effective M&E systems that can benefit DFID's performance monitoring, but, more

⁶⁸ i) Investment Appraisal Methodology and Returns on Investment Study, Phase 1 report, NCDD May 2008; ii) Baseline Report – Perception Surveys on Selected Outcome Dimensions of the NCDD/PSDD Programme, NCDD September 2008; iii) Use of funds for direct investment under Seila (2002–06) and NCDD (2007), DFID August 2008; iv) Report on the Follow-up Survey to 2003 Baseline Socio-Economic Benefit Study, NCDD July 2008.

importantly, can build capacity and a more results-based approach by government and partners. Overall, the DFID Cambodia programme would have benefited from better M&E systems supporting clearer monitoring frameworks.

Programme Performance and Fragility

4.34 More relevant than a post-conflict analysis to Cambodia's current situation is a state building perspective that sees the importance of strengthening a responsive and accountable state at local levels as part of improving state–society relationships and ensuring an effective transition to a more stable situation is continued. A recent study suggests that “The (decentralisation) reform has started a process where the local state is increasingly accepted as a legitimate authority, able to deliver some services and bring local development. It has opened up positive dialogue between citizens and the state, and introduced a seed of democratic culture. Recent research suggests it is also a factor explaining why Cambodia, unlike some other states, has not slipped back into conflict”⁶⁹. But maybe expectations were too high and evidence is certainly lacking to support this assertion. There is an implicit assumption that decentralised arrangements are effective and efficient and will contribute to the overall goal of poverty reduction with little clear evidence to demonstrate whether this is the fact or not in Cambodia.

4.35 The PSDD Impact Assessment 2008 concludes that funds were allocated across a broad range of sectors – arguably too broad, as some of the outputs funded have no clear relationship to the poverty alleviation goals of the programme and there must be a suspicion that allocation (by the Provincial Rural Development Committees) was driven as much by the desire to share the available funds out equitably between Provincial Departments as by the cost-effective achievement of programme objectives. There is a considerable overlap between the types of investment undertaken at provincial, district and commune level. This reflects the lack of progress to date in defining the respective functions of the different levels of local government.

4.36 In the health sector, subcontracting to NGOs was proposed as a way of addressing MoH capacity weaknesses and increasing choice. The unintentional benefits have again been to broaden access and change the relationship between local communities, the state and service providers. NGO and private sector involvement in other aspects of improving access to health included the social marketing interventions and elements of the HIV/AIDS programme. More recently, MDLF has begun to build on the links between NGOs and civil society organisations as conduits for livelihood support and to build networks for advocacy around NRM concerns (e.g. land rights). Whilst the rationale was often related to the specific service all these initiatives can contribute to increased choice, access and engagement at local level and thus open up new spaces and institutional arrangements for communication, market engagement and service delivery.

Efficiency

4.37 Disbursement levels were broadly in line with expectations at aggregate level (£12.2 million, £11.6 million, and £12.1 million compared to the expected £11 million, £12.5 and £13 million respectively for the three CAP years to date: 2005/06, 2006/07 and 2007/08). However, at

⁶⁹ Draft scoping study for development partners on support for the District Initiative and assessment within the broader context of RGC's D&D reform agenda, September 2008.

objective level, only Objectives 1 and 4 (development impact and health) were close to the plans, with Objective 2 (local governance) exceeding planned expenditure (due to Seila/PLG continuing to spend and PSDD beginning) in 2005/06 and 2006/07, and Objective 3 (livelihoods) falling below the plan in all three years given the lag in MDLF taking off and low spend in other livelihoods areas.

Table 9. Actual Disbursement by Objective 2003–2009

Spend by Objective ¹ (£)	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 to October 2008	Total
1	£421,973	£464,749	£2,176,444	£1,447,039	£2,322,450	£2,296,343	£9,128,998
2	£2,122,675	£3,189,653	£3,480,357	£2,704,912	£3,748,568	£2,614,835	£17,861,000
3	£333,535	£135,452	£153,590	£1,664,757	£1,694,210	£2,332,401	£6,313,945
4	£4,362,941	£5,666,146	£6,349,240	£5,747,988	£4,324,238	£4,482,151	£30,932,704
General ²	£1,125,892	£147,112	£34,115	£0	£0	£0	£1,307,119
TOTAL	£8,367,016	£9,603,112	£12,193,746	£11,564,696	£12,089,466	£11,725,730	£65,543,766

Source: The expenditure data is based on DFID HQ expenditure cubes verified by DFID Evaluation Department.

Table 10. Disbursement by Objective as a Percentage of Total Disbursement

% Spend by Objective ¹	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09 to October 2008	Total
1	5%	4.8%	17.8%	12.5%	19.2%	19.6%	13.9%
2	25.4%	33.2%	28.5%	23.4%	31%	22.3%	27.3%
3	4%	1.4%	1.3%	14.4%	14%	19.9%	9.6%
4	52.1%	59%	52.1%	49.7%	35.8%	38.3%	47.2%
General ²	13.5%	1.5%	0.3%	0%	0.0%	0.0%	2%
TOTAL	100%	100%	100%	100%	100%	100%	100%

¹Objectives are:

1. Aid Effectiveness, PFM, Budget Support/PRGO, Poverty and Planning
2. Decentralisation and Deconcentration
3. Livelihoods
4. Health, HIV/AIDS, Water and Sanitation.

²The 'General' Category includes projects not included any of the 4 objectives, and non-project specific expenditure.

4.38 Tables 9 and 10 show actual disbursements against the four objectives and the expenditure by objective as a percentage of each year's disbursement respectively. For 2003–2005 the expenditure figures have been mapped against the CAP objectives to give comparable figures across the full five and a half years. The trends that emerge are:

- i. Investment in **rapid increases in the impact of development resources** as Objective 1 (aid effectiveness, planning, and financial management) increased steadily from 2006 after an erratic start as the key instruments came on stream.
- ii. **Local government** (Objective 2) disbursements have remained stable if account is taken of the timing of payments to partners under PLG/PSDD.
- iii. **Livelihoods** (Objective 3) support declined in the early years maintaining the earlier low levels of expenditure exclusive to livelihoods. Even with MDLF coming on stream, this objective received the smallest level of disbursement in the last full year (2007/08).

- iv. **Access to health** (Objective 4) expenditures have consistently been the highest until the current year and accounted for nearly half the total disbursement since April 2003.
- v. When account is taken of the fact that the health sector initiatives have achieved the most significant impact and thus Objective 4 contributes directly to Objective 1, the disbursement related to the **impact of development assistance accounts for over 60% of the total expenditure across the whole period and also in the last full year.**

4.39 The fluctuation in Objective 3 disbursement can be attributed in part to the delay in finalising the MDLF design and funding arrangements. However, the figures also suggest that livelihoods received lower priority in practice than suggested in the strategy and the resource plan. Whilst Seila began as a rural development initiative its focus was local governance from the outset. When this is taken into account, specific livelihood investments have seen the lowest disbursements since the programme began in 1999/2000⁷⁰.

4.40 Given that the initiatives under Objectives 1 and 4 are now predominantly delivered through government, the analysis also suggests a steady shift in this direction. MDLF and PSDD funds are channelled through government systems, though this is only at sub-national level. Aside from the safer motherhood and social marketing initiatives, by 2006 the whole programme was delivered directly or indirectly through national or local government systems.

4.41 As identified in Chapter 2 (para. 2.22 and Table 6): in addition to the bilateral programme, DFID disburses funds to support civil society under its centrally administered Civil Society Challenge Fund (CSCF) and for humanitarian and security-related activities from CHASE. The impact and contribution of these funds are not included within this evaluation, but they add greatly to DFID's impact in leveraging significant NGO resources and supporting some of the major civil society interventions. They also complement the bilateral programme in a number of ways. Given the importance of civil society development and DFID's strategic interest in accountability, the links between the centrally funding interventions and the country programme could have been increased.

Staff Time

4.42 The staffing plan of increasing from two to three in-country advisers in 2003 was adopted. The extended period of planning prior to the CAP (2003–2005) coincided with the decision to close the DFID South East Asia Office in Bangkok. As a result, the CAP commitment to “reduce transaction costs” and “merge our human and financial resources with other donor partners”⁷¹ coincided with the transfer of programme management resources to Cambodia. Thus, from a team of three advisers with limited administrative support primarily engaged in influencing, policy advice and partner liaison work, the office grew to take on full programme administration responsibilities until it reached its present size early in 2008.

4.43 Advisers have, as a consequence, been drawn into more corporate reporting and programme administration tasks. This has been exacerbated with the growing level of corporate reporting as DFID becomes more centrally driven and works more closely across the UK government. Given the

⁷⁰ See similar analysis in CPE 2004, pp. 16–17.

⁷¹ CAP 2005, Para. 1.3, p. 2.

changing role of the office, its rapid growth and staff turnover, it was not possible to evaluate how staff time is currently spent compared to the start of the period. However, interviews with the current team suggest that the administrative and reporting pressures have drawn attention away from partnership engagement and policy work as the office has shifted closer to a traditional programme management unit. Yet, with a relatively small programme and large interventions often implemented by others, this pressure is less than in other, larger offices. Donor liaison takes most time – in line with the partnership basis of most instruments and the aid effectiveness priority. However, efficiency questions are raised by how much time is taken in information exchange (meetings with no decisions) rather than with measurable influencing and policy engagement.

4.44 In terms of overall efficiency, with administration at 6.68%⁷² of total expenditure in 2007/08 and an expectation that it will decrease to 6% in 2008/09, the Cambodia office compares well with other offices in the region (see Annex 7) and with other small country programmes evaluated recently⁷³.

4.45 Taking adviser self-reporting of time allocation by objective and allocating programme support and administrative costs equally across the programme, Table 11 presents our analysis of administration (adviser and support) costs compared to the total expenditure for each objective in the last full financial year. Surprisingly given that the adviser post was 70% (now 100%) seconded and funded through the programme Objective 3 ranks low in terms of efficiency. This is accounted for by the low expenditure over the whole period and is changing in the current year. Objective 1 shows the highest proportionate administration costs. Here the reason is the heavy staff commitment in aid effectiveness, poverty planning, budget support and related interventions. If PRGO grows as planned then this will reduce.

Table 11. DFID Cambodia Administrative Cost Analysis 2007/08

	Objective 1	Objective 2	Objective 3	Objective 4	Total
Programme Spend	£2,322,450	£3,748,568	£1,694,210	£4,324,238	£12,089,466
Admin Cost ¹	£60,101	£60,101	£60,101	£60,101	£240,405
Staff Allowances ²	£92,438	£43,309	£45,920	£139,334	£321,000
Salaries – Advisors ³	£86,996	£54,902	£58,655	£103,043	£303,595
Admin Total	£239,535	£158,312	164,676	£302,478	£865,000
Programme + Admin Total	£2,561,985	£3,906,880	£1,858,886	£4,626,716	£12,954,466
Admin as a proportion of total spend	9.35%	4.05%	8.86%	6.54%	6.68%

¹ Admin Cost = Admin budget + programme admin (PSU) allocation. Non-adviser staff are included here (except the Head of Office (HoO)).

² Total spend on allowances proportioned as per adviser salaries.

³ Advisers (including proportion of HoO time).

4.46 Objective 4 is relatively efficient. Worthy of note is the fact that, counter to conventional wisdom, Programme Based Approaches and pooled funding are not labour saving in the short to medium term. Negotiating partnerships and establishing appropriate review cycles takes time and effort. In the current year, the staffing for this objective increased as the closure of the HIV/AIDS

⁷² 7% if account is taken of the regional adviser costs charged to Cambodia.

⁷³ See Annex 5 Synthesis of Regional Programme Evaluations 2007–08 Ev 694.

intervention and transitional problems with the ADB and World Bank HSSP1 Trust Funds required additional administrative support coinciding with the negotiations for HSSP2. Objective 2 appears to be the most cost-effective. This is in part due to the high spend of PSDD and the consistency of the partnership disbursements across the five years. However, it is also because staffing inputs are limited to the governance adviser who was also supporting the other objectives. In 2008/09 Objective 2 is taking more of the adviser's attention given the very intensive discussions about the forthcoming national D&D programme, future donor support and the division of labour amongst the EU Member States.

4.47 Overall, the office is a committed and efficient operation. Given the changes over the last two years, there is scope for improved team working and more effective use of time. Adviser interventions are, as we have seen, as important as project/programme interventions. If there had been an M&E system that could take account of adviser activities, especially in relation to partnership working, policy engagement and influencing work, then more efficient working and improved impact could have been achieved. In addition, the office has not optimised the valuable resource it has in its Cambodian staff. Whilst efforts were made to recruit senior Cambodian staff these failed; due possibly to the competitive environment and the uncertainty of DFID's future. The uncertainty also led to a decision to restrict contracts to two years, which has had an impact on the commitment of Cambodian administrative and support staff. More flexible and focused use of this resource would have benefited the office and complemented the skills of the adviser team.

Skill Mix

4.48 Overall, the mix of skills has reflected programmes with the dual approach of health and livelihoods setting the model way back in 1999/2000. However, the appointment of a governance adviser at that early stage confirmed the local governance orientation of Seila, which weakened the focus on livelihoods headlined in the 2000 CSP. By the time an in-country livelihoods adviser was appointed in 2003 there was virtually no livelihoods programme. The prolonged design and negotiation with Danida for MDLF required management skill and a careful balancing of the natural resource management and livelihoods perspectives. Whilst this was achieved MDLF emphasised natural resource management and DFID are now challenging this direction and the weak focus and low investment in livelihoods analysis and impact. The lesson is that in a programme with a clear commitment and direction it is not simply a professional that is required, but the skills relevant to the particular context and stage of programme development. These views echo those of recent reviews and interviews with all the livelihoods advisers.

4.49 Whilst the CSP and the CAP strategies have been consistently followed, there is a sense of the 'powerful inertia of incumbency' and the programme being developed around the human resources that are available. Thus the interests of the senior economists based in Bangkok and their relationship with the World Bank contributed to the emphasis on PFM and more recently budget support and the skills of the health advisers have reinforced the commitment to sector-wide working. Both these examples reinforce the strategy rather than moving it in new directions. Similarly, whilst the aid effectiveness objective was in the CAP, it was the interest of the first programme manager/head of office and the social development adviser that strengthened that strand of Objective 1. All of these were positive contributions; but, given a small office and a context in which personality dominates the donor environment, more overt human resource planning across the whole ten-year engagement could have reinforced the strategy.

4.50 Continuity and consistency appears to have been an issue as new advisers need to gain knowledge and a shared commitment to follow the trajectory and aim of the programme. There can be conflict with individual career aspirations, and 'development politics' and process skills can be

as important as technical expertise. For example, challenging and adapting an existing partnership relationship requires different skills to designing a project or programme. Leadership and teamwork are key skills even, and in some respects especially, in a small office. The assumption that the aspiration to close the office, if not the programme, in 2011 could not be challenged and that funding through partnerships was the route to that destination led to a rigidity that ignored the weaknesses of interventions and partnerships. Whilst this did not lead to conflict within the team, it did weaken the creativity of an otherwise energetic and ambitious group.

Aid Effectiveness

4.51 The emphasis on partnership working was effective in challenging the more traditional approach of many donors, whose preferred modality remains the independent project and TA-dependent approach. The strong alliance with the World Bank enabled their office to be strengthened and enabled them to take a lead in supporting the reform agenda with government. The World Bank-led partnerships broke new ground in sector-wide working (health), PBAs (PFM), testing budget support (PRGO) and poverty analysis and pro-poor planning (NPPR). Others have been encouraged by DFID's willingness to model these approaches, and DFID has also moderated some of the 'arrogance' and single-mindedness that can unintentionally characterise International Finance Institutions (IFI) behaviour.

4.52 Aside from Objective 4 (where the social marketing and safer motherhood interventions, as parallel projects, have complemented the sector programmes) the most significant complementary instruments are the advisers' own inputs and the use of small-scale funding for further analytic work to inform the strategy. These have been used effectively in some cases; in others, the follow through in terms of ensuring RGC learning and application has been less successful. Embedding these complementarities in the monitoring framework would have given them higher profile in terms of managing the strategy.

4.53 The CAP opened the possibility of playing a key role in aid effectiveness and the roll-out of the Paris Declaration. DFID has continued to be central in promoting aid effectiveness and has a reputation within government and the donor community for championing the cause. However, the second Paris Declaration monitoring report, the recent Independent Aid Effectiveness Review and the DFID Country Governance Analysis paint a picture of a crowded stage, weak progress on key indicators and lip service in many cases. The complex aid architecture with 19 TWGs meeting monthly, together with sub groups and ad hoc meetings amongst donors, suggests an extremely high level of donor-donor interaction, which places a burden on government, even in areas where PBAs are progressing (health and education), and promotes a high level of information exchange with little evidence of decision-making or shared action.

4.54 Cambodia has a wide range of donors, many of whom entered following the end of conflict to provide rehabilitation and post-conflict support. Others have entered or expanded subsequently. There are also a large number of international NGOs, many with national allegiance and close relationships with their respective bilateral missions. Whilst there was a shared rationale for entry, there is a diversity of reasons for continued support – geopolitical, regional, human rights oriented, poverty-focused development, etc. In addition, the emerging donors (China, Korea, Gulf States) and global funds are now adding to the complexity. Different generations and rationales lead to different approaches – some continue to behave in rehabilitation mode, others post-conflict oriented, some project-based development, some ambitious post-Paris style, with few taking a long-term, fragile state/state building approach. The genuinely like-minded in all respects seem a small grouping –

possibly Australia, DFID, Sida, at times the World Bank, with an outer ring of EU member states and the EC that have some congruence.

4.55 The commitment at the outset to close the office in 2011 led to DFID Cambodia becoming ‘frozen in’ to the pre-existing partnerships. As a consequence, DFID has not to date taken a long-term strategic approach that is reflected consistently across the programme. Indeed, as 2011 approaches, there is evidence of retreat into sector disciplines and/or programme interest (health, economics, local governance, livelihoods) – thus harmonisation and management for results seems an aid effectiveness deficit even within DFID. As discussed in Chapter 3, the state building approach proposed in the fragile states principles, and now being developed more widely within DFID, is appropriate to Cambodia, but needs to be balanced with an understanding of the socio-cultural dynamic and the political inheritance of what seems to be en route to becoming a de facto one-party state. DFID Cambodia is now beginning to both benefit from and contribute to the principles of aid effectiveness and state building in this particular context.

Delivery on Cross-Cutting Themes

4.56 DFID’s strategic approach to cross-cutting issues was reviewed in paras 3.58–3.60. As described there were weaknesses in the implementation of several of the major interventions notably PLG/PSDD and MDLF that have been difficult to address particularly due to the weaknesses in M&E. Recently these have begun to be addressed (paras 4.31–4.33) but bringing social exclusion, rights and gender to the fore in these programme remains a challenge. Though clearly in the forefront of advisers’ minds these cross-cutting issues have not been well integrated across the programme. The exceptions are in Objective 1 where, possibly because of the involvement of the social development adviser, there has been a coherent effort that is particularly evident in the PRGO.

Summary

4.57 DFID has made a significant contribution to development in Cambodia over the period under consideration; most notably, in catalysing the movement of the donor community beyond a post-conflict perspective, and prioritising aid effectiveness and maximising development effectiveness in ways that made it difficult for others to ignore. Without detracting from this contribution, it is only part of the strategy; in terms of delivering on the specific objectives, DFID’s achievements are more mixed. This is more a factor of excessive ambition with limited resources (human and financial) than a failure to deliver.

4.58 Only Objective 4 can be said to have been largely achieved. Both Objectives 2 and 3 had single interventions, which were both insufficient to achieve the objective. Despite this limitation there has been satisfactory progress towards Objective 2, but it is unachievable in advance of the legislation supporting decentralisation (passed this year) and its operationalisation by RGC (due mid 2009). Objective 3 has been unsatisfactory in its achievement. Whilst the objective was ambitious, livelihoods has been the cornerstone of the DFID strategy since 2000 and yet the contribution remains weak. Objective 1 articulates the contribution that DFID has made, yet here too overambition – rapid increases in the impact of development resources – resulted in only satisfactory achievement. The fragile state principles identify the need to be committed for the long term and respond to the context. Whilst Cambodia was ten years beyond the conflict in 2003, seeing rapid increases in the subsequent five year was expecting too much.

4.59 DFID has used its resources effectively and efficiently and has made good progress. More focus on M&E related to impact and informing the monitoring of the strategy would have improved performance as would more attention to team working and a reappraisal of the vision for 2011. A ten-year timeframe set a challenge that could have been addressed innovatively but partnership for exit became a straight jacket and a ten-year strategic opportunity was missed.

5. Impact and Sustainability

5.1 In this chapter the development impacts that the support from the DFID programme has helped to achieve are reviewed and the role of DFID in strengthening the policy, governance and state building environment evaluated. The sustainability of the development changes and reforms supported by the DFID strategy is assessed along with the likelihood of the agenda being continued by RGC and other development partners dependent on DFID's future strategic choices

DFID in Cambodia

5.2 Given the level of DFID funding (3% and 4.3% of total ODA to Cambodia in 2007 and 2008 respectively)⁷⁴, it is fair to conclude that the objectives in both the CSP and the CAP are ambitious and that their achievement relies on considerable leveraging of resources, effort and impact through other donors. While the logic of working through partnerships and pooled funding arrangements towards programme-based approaches is consistent with addressing this leveraging challenge, DFID has achieved mixed success in this regard. DFID-supported D&D interventions have resulted in a significant flow of additional funds through D&D channels, but impact appears to be limited. In the health sector by contrast, moves to a sector-wide approach, and the tangible results achieved to date, have helped to expand resourcing of the health sector significantly; such that it now represents 12–14% of total ODA disbursements⁷⁵.

5.3 The UK government has never been a major donor (UK ODA has always been between 3% and 5% of Cambodia's total aid receipts), but has been a consistent and positive development partner during the post-conflict period. More recently, DFID has built a reputation as a significant bilateral partner in the key areas of economic reform and decentralisation, and as an important contributor to the health sector. DFID is also seen by RGC as 'a champion for aid effectiveness' and has played a key role in addressing the challenges of a crowded and contested donor environment. DFID has continued support to civil society and NGO agents as vehicles for social mobilisation and local level engagement, but has not done as much as it could to build greater community security and social cohesion. Nor has it paid sufficient attention to some key dimensions of accountability. The remainder of this section looks at how DFID development assistance has contributed to impact under the four objectives of its current CAP.

Impact of Development Resources

5.4 DFID support to the Ministry of Economy and Finance (MEF) has encouraged reform in governance at the macro level and, together with the support to the Ministry of Planning (MoP), has encouraged a proactive approach to planning and policy by RGC, notably through the development of the NSDP as a government-led pro-poor policy framework. These interventions have contributed to capacity building at the centre, as has support to the CDC, including the development of the TWGs, the information networking and the emerging leadership of RGC around the aid effectiveness agenda. At a sector level, support to the health sector and the development of the

⁷⁴ The Cambodia Aid Effectiveness Report, CDC/CRDB, 2008.

⁷⁵ Ibid. Health represented 14% of total ODA disbursements in 2007, and 12% of projected disbursements in 2008.

health sector programme has had a positive impact on capability and responsiveness. The support to D&D, and encouragement of a move to as full a decentralised model of local governance as possible, will impact in time on accountability. However, as noted above, the opportunities to strengthen accountability through civil society development have not been adequately addressed.

5.5 Specific to this objective, the partnerships with the World Bank (with regard to support to MEF and MoP) have strengthened reform and built a solid policy platform. The weakness of MoP and slow development of the current phase of support has weakened the poverty dimension of policy. Support to CDC and a strong aid effectiveness perspective have built a more effective donor environment, although weaknesses remain and there are mixed messages to government, some of which strengthen dependency and weaken capability and responsiveness.

5.6 Support to Poverty Planning, directly and through the World Bank, encouraged the NSDP as a PRS framework. The present tension between a strong governance (Public Administrative Reform – PAR, Public Financial Management – PFM, Poverty Reduction and Growth Operation – PRGO) approach and a poverty policy approach will be critical in setting the next level of PRS developments. Meanwhile, DFID's role has been positive in encouraging open policy dialogue and movement towards a stronger pro-poor policy stance. Overall, the DFID position has become more strongly government focused (witness the support for budget support) without addressing the accountability and poverty impact aspects of development outcomes.

5.7 Public sector performance remains constrained by the state of the civil service, which is characterised by low pay, low skills and poor management. While state regulatory functions remain weak, public financial management reforms have generated tangible gains. DFID's continued support of parallel systems in decentralisation and livelihoods support⁷⁶ is at odds with the integrated approach to strengthening government systems in finance, planning and health. Local capacity *is* being supported, but will not be strengthened sustainably through government systems until the national D&D programme is designed and implemented.

5.8 The 2008 Aid Effectiveness Report (CDC-CRDB, 2008) concludes that while there has been considerable aid effectiveness activity and the institutional architecture has grown, this has not translated into action and indeed may be at risk of 'drowning in its own process'. As the Independent Review of Aid Effectiveness states, there are many important examples of good practice on which to build, almost always deriving from strong leadership, and motivated and competent staff within government. But progress across the aid effectiveness architecture is mixed, with uneven commitment across government and limited action by development partners, even in areas that do not need prior action by RGC.

5.9 DFID is clearly seen by government and many donors as an effective champion for aid effectiveness. Donors, especially the smaller bilaterals, often cite the large in-country team of high quality advisers as having enabled DFID to play this role, and the recent joint EU statements on division of labour and engagement with government on D&D provide good recent evidence of DFID's contribution. However, DFID has been less able to leverage a more harmonised approach from multilaterals (other than the World Bank), as evidenced by the persistent partnership difficulties with UNDP, the lack of leadership around harmonisation from the UN, and the failure of the joint approach to strategic planning between DFID, ADB, UN and the World Bank in 2005 to move beyond joint analysis to genuine partnership working. The question is whether one bilateral

⁷⁶ Funds are channelled through the Excom system rather than through the Provincial Treasury.

donor, especially one that has announced the intention to reduce its presence, should be playing such a proactive role. Without a more concerted approach, DFID could be responsible for leaving a vacuum if it does significantly reduce the scale of its staffing.

5.10 Except in the case of the health sector, the partnerships through which DFID has worked have not established an institutional legacy that will continue to promote and support its aims for D&D or for pro-poor livelihoods and natural resource management. Current moves, led by DFID, towards a programme-based approach to D&D do offer the potential for a DFID legacy, but the future form of D&D is as yet unknown. The embryonic and incomplete nature of the emerging partnerships leave considerable room to doubt whether the foundations have truly been laid.

Responsive, Accountable and Effective Local Government

5.11 DFID support to the Seila programme, through the Partnership for Local Government (PLG), has assisted RGC to take a pilot project to scale; and the Project to Support Decentralisation and Deconcentration (PSDD) has enabled RGC to bring this national programme into government. D&D is now under the overall direction and coordinating role of the Ministry of Interior (MoI); and the National Committee for the Management of Decentralisation and Deconcentration (NCDD) has, since 2006, been implementing the reform programme at national and sub-national levels. The Organic Law was approved in 2008 and the National Programme for Sub-National Democratic Development is under formulation for approval in 2009, and implementation from 2010. RGC budget allocations to the Commune/Sangkat Fund (CSF) have increased from 1.5% in 2002 to 2.7% in 2008, and external resources to implement D&D reform-related projects and programmes, largely channelled through systems established with PLG/PSDD support, have increased steadily.

5.12 Significant attention has been paid to assessing D&D outcomes and impact in 2008, with a series of four studies being undertaken as well as a mid-term review of PSDD. However, the lack of baseline data, together with measurement and attribution problems, means that the explanation of how D&D has contributed to socio-economic development and improved governance remains unclear. Indeed, there is some evidence of negative impacts with the Independent Study (2006) reporting that primary accountability was being eroded by government and donor practices as resources are “captured, diverted and otherwise used to reinforce patrimonies which are most often at odds with the...interests [of the poor].”

5.13 Dealing first with socio-economic development, while D&D has long been a significant component of government policy and ODA, the total investment of \$120 million (including leveraged funds) since 2001 that has flowed through Seila then NCDD channels represents only about \$50 per household over a period of seven years. Thus, expectations for socio-economic development directly attributable to this investment should necessarily be low. While there is evidence that funds have been directed at local priorities (local infrastructure and the protection of common resources) that reflect a broadly equitable distribution of likely benefits, the small amount of investment funds available to each sub-national level and the inattention to pro-poor socio-economic planning at provincial and district levels suggest that impact has been limited.

5.14 With regard to governance, the drivers of change analysis (Hughes and Conway, 2004) highlights significant limits to pro-poor policy making in Cambodia, and a tendency to perceive development (and the government’s role in development) as being synonymous with infrastructure, leading to inefficiencies in public expenditure management and reinforcement of the patronage model of politics. This analysis seems relevant still, with patterns of investment continuing to reflect an infrastructure focus and downward accountability largely addressed through an annual

and capital investment-focused commune development planning process. Evidence of broader governance impacts through a strengthened representational role for Commune Councils is limited to date, pointing to a need for a more diversified strategy that addresses government–citizen interaction, not just through government reforms, but also by strengthening groups and channels by which accountability can be exerted through sub-national government structures and processes⁷⁷.

Strengthened Livelihoods of the Poor

5.15 More than 80% of Cambodians and 93% of the poor live in rural areas and are dependant for their livelihoods on natural resources. Poor people’s limited access to natural resources, combined with insecure tenure rights, impede the potential role of natural resources as a source for pro-poor growth and improved and secured livelihoods. However, government spending and aid in agriculture and rural development have not reflected the very high levels of rural poverty⁷⁸; while land grabbing, the granting of economic land concessions, illegal logging and disputes over common property resources continue to threaten the livelihoods of the poor and the environment.

5.16 The MDLF provides the only source of funds flowing through D&D channels that are earmarked to NRM activities. As such, the total fund of \$60 million represents significant potential for raising the profile of NRM in local decision-making processes and for demonstrating how natural resources can be managed in a pro-poor and sustainable way. However, given the small amount of funds available to each commune and the existence of significantly larger funds that flow to communes through non-aligned systems⁷⁹, the priority that pro-poor NRM receives and the impact generated by the low levels of funding remain well below the ambition of the programme.

5.17 The civil society and pro-poor markets component of MDLF/NRMLP focuses on the demand side of livelihoods. However, as we have described, the commune level focus and NRM perspective constrains the scope for wider development of voice and accountability around livelihoods and poverty. Specific campaigns around land rights need to be addressed at provincial if not national level. Livelihood gains and market entry do not take place primarily at commune level. Cambodia’s civil society is weak, this is one of the most critical remaining post-conflict fragilities, and its development is a priority for democratic governance and pro-poor change. Civil society development cannot be driven from a single development partner programme. It needs to be a Cambodian process, but support, the creation of space and an enabling policy environment, can be facilitated by development partner activity. These processes need to be understood beyond a sectoral level. MDLF can play a catalysing role if it sees its role in terms of wider livelihood change, but even then links need to be established more broadly.

5.18 The evaluation concludes that DFID has had limited impact on poverty despite it being a priority throughout the period of its engagement. Rural poverty remains the largest development issue and should be given more attention.

⁷⁷ See Independent Study, Rohdewohld & Porter, 2006.

⁷⁸ The Ministries of Agriculture, Forestry and Fisheries; Rural Development; and Water Resources and Meteorology together received only 3% and 3.5% of the total RGC budget in 2006 and 2007 respectively. Donor funding to rural development represents only about 5–7% of total donor disbursements (Evaluation of Aid Effectiveness, 2008) but has increased by 42% from 05/06 to 07/08 (Cambodia Aid Effectiveness Report, 2008).

⁷⁹ The ADB-funded Tonle Sap Sustainable Livelihoods Project currently provides up to \$150,000/year to each of its target communes.

Increased Access to health services and information

5.19 As Table 12 shows, with the exception of the persistently high rate of maternal mortality and notwithstanding the debate as to the real significance of the large decrease in the infant mortality rate⁸⁰, achievements in the health sector have been impressive and appear to be on track towards achieving the MDG targets by 2015.

5.20 Significant institutional improvements are also in evidence, with the Health Sector Strategic Plan progressing well: increased access to a minimum package of services, increasing availability of fee exemptions for the poor, improved health facilities, and growing and more predictable budget allocations to the health sector.

5.21 Indeed, the government seems currently to be considering using health as the lead sector in testing how vertical programmes can best be integrated into unified administrations at sub-national levels under the forthcoming national programme on decentralisation and deconcentration.

Table 12. Key Achievements in the Health Sector

Targets and Indicators	2000	2005	2010 (Target)*	2015 (Target)*
Infant Mortality Rate, per 1,000 live births	95	66	60	50
Under five Mortality Rate, per 1,000 live births	124	83	75	65
Under 1 year olds immunised against DPT3-HepB %	43%	76%	92%	95%
Under 1 year olds immunised against measles %	41%	70%	85%	90%
Maternal Mortality, per 100,000 live births	437	472	243	140
HIV/AIDS prevalence, % of adults, 15–49	–	0.6%	<0.6%	<0.6%
Malaria: treated at public health sector – 1,000 population **	11.4	7.3	3.5	3.0
Prevalence of smear positive TB, per 100,000 population	–	269	214	135

Source: DHS, 2005; *HSP2 (2008) and **Five-year Strategic Plan, 2005–2009, Ministry of Women's Affairs.

5.22 Over the evaluation period, DFID has had significant influence over government policy and programming in the health sector. DFID's longstanding support and publicising of various models of contracting, both in Cambodia and globally, contributed to the contracting out of Ministry of Health services to NGOs in HSSP1 and to the evolution to 'internal contracting' in HSSP2 design – which can be seen as an indicator of increased Ministry of Health (MoH) ownership. DFID has also led in support to the design of the Merit-Based Pay Incentives (MBPI) scheme, a key element of HSSP2 design and an important step towards harmonisation of the various donor salary supplement schemes. In addition, DFID took the lead in advocating for Equity Funds in HSSP1, publicising and raising interest in them and the concept of social safety nets more generally, based to an extent on DFID's earlier experience with Equity Funds in the Urban Health Project

⁸⁰ If this results from a decrease in fertility due to other underlying factors, further progress against this target may be unsustainable.

Sustainability

5.23 In considering the sustainability of DFID development assistance in Cambodia, it is important first to consider what this concept means in a fragile state setting. For this we refer to recent guidance emanating from the OECD⁸¹, which asserts that state building should be the central objective of international engagement in fragile states. It defines a vision for state building as “to help national reformers to build *effective, legitimate, and resilient* state institutions, *capable of engaging productively with their people* to promote sustained development” (italics added). The term *effective* here refers to the ability of the state to deliver essential services to its citizens; *legitimacy* is concerned with the credibility and authority of the state and the ruling regime in the eyes of its citizens; and *resilience* is defined as the ability of the state to cope with changes in capacity, effectiveness or legitimacy. *Capability to engage productively with citizens* is concerned with the political processes or accountability mechanisms through which the state and society reconcile their expectations of one another – often referred to as the social contract.

5.24 To paraphrase the OECD guidance, the overarching priority of state building must be political governance. A focus on governance structures that address inequities and inequalities and promote accountability is likely over time to promote resilience. Critically, as Richard Carey states in his foreword to *Concepts and Dilemmas of State Building in Fragile Situations* (OECD/DAC, 2008), state building is a “primarily endogenous development founded on a political process of negotiation and contestation between the state and societal groups”. Resilience of the state can thus be taken as a key indicator of sustainability. But sustainability is also critically dependent on a social contract that works, both for the state and for societal groups. For DFID and many other donors, this social contract should have significant pro-poor aspects.

5.25 It is important to acknowledge that the 2005 CAP and the conceptualisation and design of DFID’s current set of interventions in Cambodia pre-date this emerging guidance on state building, and it is not the intention of this report to criticise DFID for not taking it into account. But given the increased emphasis on governance vis-à-vis livelihoods (see para. 3.20) and the lack of treatment of social contract aspects (see para. 3.25), an over-reliance on improved supply-side governance as a means of delivering poverty reduction and improved livelihoods represents a significant risk to sustainability.

5.26 Notwithstanding the remarkable degree of political stability that has been achieved, it is questionable whether the governance environment in Cambodia is conducive to a pro-poor social contract. Certainly, the question as to what constitutes ‘good enough governance’ in Cambodia is a challenging one to answer, and the current political paradox – that increasing CPP control of the political space may actually increase pressure for some form of increased accountability – raises questions about the nature of donor engagement that will best achieve capability, accountability and responsiveness outcomes. It is our view that greater attention to working with civil society to strengthen voice and accountability – and ultimately to contribute to a strengthened social contract – would have complemented DFID’s portfolio and contributed to greater prospects for sustainability.

⁸¹ Principles for Good International Engagement in Fragile States and Situations (OECD/DAC, 2007); Concepts and Dilemmas of State Building in Fragile Situations (OECD/DAC, 2008); Service Delivery in Fragile Situations: Key Concepts, Findings and Lessons (OECD/DAC, 2008).

5.27 Applying aid effectiveness principles in Cambodia is challenging. With different elements of government and Party taking differing positions on the role and direction of policy – positions which also change over time – progress on policy formulation and implementation is inevitably mediated by the need to build government and Party ownership around broad principles that allow the different factions to buy into the policy with the assurance that they will have the opportunity to contribute to its subsequent interpretation. This presents particular alignment challenges to donors who are being asked to support policy processes that remain opaque in their true intentions.

Box 6. Reconciling State Building and Humanitarian Goals

Whatever the model chosen by the aid donor agency, service delivery programming requires choosing from among objectives and priorities. [There is a] need to strike a balance among competing objectives and suggest ways of doing so. The fundamental question is how to achieve near-term humanitarian goals while also advancing long-term sustainability – that is, helping to deliver essential services in a way that builds accountability and keeps government in a role of having ultimate responsibility. The answer depends not only on effective design (for example, the use of decentralised or community-based approaches), but on trade-offs as well. Optimal policy choices may have to yield priority, in some circumstances, to the need for government to take responsibility and develop its capacity to handle service delivery over the long run.

In supporting government provision, donors risk enriching corrupt networks that feed on service sector resources. In developing state capacity for service delivery, donors may in fact help to legitimise an unwilling regime. Political regimes survive in part through their ability to take credit for things beyond their control, whether a stock market boom or an improvement in service delivery that is entirely due to INGO efforts (and may have had to overcome government resistance). Success depends on the ordinary citizen's lack of information and while the better-educated constituents in the capital cities are less likely to be taken in, they may not be decisive politically

Source: Service Delivery in Fragile Situations: Key Concepts, Findings and Lessons.

5.28 The emerging principles of state building suggest an approach by which donors accompany government on a journey towards an as-yet-unidentified destination, making clear that they will be paying attention to particular issues along the way. Box 6 outlines such an approach. Building an explicit and shared understanding of what this means for donors in Cambodia may provide a strategic platform from which to strengthen ownership and alignment, and consequently harmonisation, even in the absence of clearly stated government policies.

5.29 The challenge for DFID and for other donors is to ensure firstly that the portfolio mix does prioritise state building as the overarching objective, and secondly, that aid instruments are managed coherently to achieve this shared objective. Given DFID's relatively small portfolio (4.3% of total development partner disbursements in 2008) and two of the CAP objectives being addressed by one programme each (PSDD and MDLF⁸²) there is a significant risk that state building objectives become 'sectorialised', with coherence and sequencing being weakened as a result. The risk is exacerbated in a context where donor harmonisation and alignment are weak, as is the case in Cambodia, and major development partners 'go their own way'.

⁸² MDLF does work through Civil Society Organisations (CSOs), but as project implementers rather than as advocates or monitors of pro-poor state building.

Summary

5.30 The most significant impact of DFID support has been in the health sector where there is evidence of institutional improvements, including increased access to services, improved health facilities and growing and more predictable budget allocations to the sector. Support to the sector has had a positive impact on government capability and responsiveness. More broadly, there is evidence that DFID support has contributed to a proactive approach to planning and policy by RGC, notably through the development of the NSDP as a government-led pro-poor policy framework. Impact related to the D&D and livelihoods objectives has been less evident. In particular, the small amount of investment funds available to each sub-national level, coupled with inattention to pro-poor socio-economic planning at provincial and district levels through local governance programmes, point to limited impact on socio-economic development.

5.31 The increased emphasis within the programme on governance as against livelihoods, together with over-reliance on improved supply-side governance as a means of delivering poverty reduction and improved livelihoods, present significant risks to sustainability. Greater attention to working with civil society to strengthen voice and accountability would have complemented DFID's portfolio and contributed to greater prospects for sustainability.

6. Lessons and Recommendations

6.1 This chapter draws on the findings emerging from the previous three chapters to present the overall conclusions of the evaluation. We present our assessment of the strengths and weaknesses of the DFID Programme in Cambodia during the evaluation period and the lessons learnt from the evaluation for DFID in Cambodia and corporately. Finally, we present our recommendations.

Main Findings

6.2 DFID has made a significant contribution to development in Cambodia over the last ten years. The programme developed the twin entry points of health and rural livelihoods. More significantly, the in-country office enabled DFID to participate more effectively within the crowded and contested donor environment. Over the period of this evaluation – 2003–2008 – this focus on development effectiveness led to DFID playing a significant role in improving aid effectiveness: through modelling good practice; working closely with the World Bank to support analysis and introduce new collaborative ways of working; catalysing the introduction of budget support, wider engagement in PFM and broader partnership working; and promoting commitment to government leadership. Aid effectiveness remains weak, but there has been substantial change over the ten years.

6.3 The evaluation concludes that the objectives set within DFID's strategy were overambitious given the stage Cambodia had reached in its transition from conflict and fragility and the resource and time constraints of the DFID programme. Whilst based on sound analysis and well structured, the strategy assumes that progress towards a normal development paradigm was happening more quickly than was the case. In addition, the focus on partnerships as the vehicle for interventions, in anticipation of a transition to a programme funded through others, resulted in reliance on some interventions that were insufficient to achieve the expected impact.

6.4 Our assessment is that the objective with respect to increased access to health services and information was the only one that was largely achieved. Progress was made towards the objectives of responsive, accountable and effective local government and DFID's contribution to increases in the impact of development resources. Least progress has been achieved in support for the strengthening of the livelihoods of poor people. This is a particular concern given that rural livelihoods was presented as the rationale for the development of the programme in 1999 and has remained a priority over the ten years.

6.5 The continued lack of an overall monitoring framework for the strategy (a weakness identified in the 2004 CPE), weak monitoring and evaluation systems overall, the persistence with flawed interventions and weak partnerships, and the low priority given to citizen accountability and civil society fragilities were identified as key areas where lessons can be learnt.

Strengths and Weaknesses of the DFID Programme in Cambodia

6.6 **Key strengths** include:

- A strategy based on shared analysis with four clear objectives, relevant to context, and building on the longer-term engagement, which was well communicated and understood by RGC and other development partners.

- Consistency of overall approach, presence and specific inputs, particularly related to financial reform, the long-term and consistent support to D&D, through PLG and PSDD leading the intellectual development, and the long-term support to health sector development.
- The central role given to governance and the analytic contribution to economic and governance reforms based on sound embedded policy.
- Aid Effectiveness at the centre of the programme with DFID seen as a ‘leading light amongst like-minded donors’ and a ‘champion for alignment and harmonisation’ by RGC and multilateral agencies.
- The presence in country of a high quality adviser team, trusted by others to provide strong analysis and robust inputs to policy dialogue with donors and government.
- A pro-poor policy stance particularly related to raising the profile of livelihoods and pro-poor planning.
- The strength of the partnership with the World Bank, supporting the establishment of its presence and together breaking new ground in poverty analysis, financial and economic reform, and models of co-financing (PBA and budget support), demonstrating the value of long-term honest partnership.
- Willingness to take risks and challenge conventional wisdom and accepted ways of working.
- Strong and active links between DFID and the Embassy giving a strong sense of a united UK approach with good synergies between development and political roles.
- Flexibility of funding, on the ground/face-to-face relationships, clear thinking and presentation.

6.7 **Key weaknesses** include:

- Being constrained by the perceived implications of the decision to limit the period of engagement, which in turn hampered strategic thinking and engagement.
- The lack of a long-term strategy for the period of engagement with milestones and regular reviews that enabled learning from experience and context to inform changes of direction and provide a basis to explore alternatives.
- Overambitious objectives not matched to the available resources, both human and financial, or the timeframe of DFID’s engagement.
- The absence of an effective monitoring framework for the country strategy and weak objective level monitoring resulting from poor M&E systems and logical frameworks.
- Putting partnerships before policy congruence, contributing to the failure to review and revise programmes and to weak and dysfunctional partnerships not being addressed.
- Over-reliance on achieving capability and responsiveness objectives through government, and inadequate attention to additional channels to gain purchase on citizen accountability and local governance.
- A tendency to excessive analytic activity, which at times tended to focus on improving DFID’s own understanding rather than targeting the needs of policy makers and other influential actors.

- Conflation of objectives and lack of a measurement focus, which contributed to problems in design, including the weak and ever-evolving PSDD log frame and the unresolved contradictions in the MDLF design.
- Communication with partners was at times confusing, complex and over demanding, with an over-reliance on formal agreements and codified principles as substitutes for the more person-centred and flexible approaches of other institutional cultures.

Lessons

For DFID Cambodia:

6.8 The **missing vision and long-term narrative** – why you came and why you stay – needs to be centre stage, whatever the future duration of the programme. When DFID decided to open an office to support its Cambodia programme, there was a commitment to stay for ten years and, for that reason, a focus on working through multilaterals. At the start of the period covered by the evaluation this position had been reaffirmed with the programme focused on partnerships with multilateral and bilateral development partners. The concept of ‘partnership’ was a modality for exit, it was *not* a vision; there was no clear overarching strategy for the period of engagement or purpose to be achieved before closure and this weakened programme effectiveness.

6.9 **Poverty and social exclusion** continue to be amongst the most significant aspects of Cambodia’s fragility. The role of government is constrained and limited – livelihood gains are not state/commune bound – but leadership, regulation, and enabling frameworks are essential. Private sector, NGOs, civil society and individual enterprise are possible entry points. Fear reinforces social exclusion and is present at all levels. The loss of the poverty focus has diminished the rationale for the continuation of the Cambodia programme.

6.10 There have been **inflated expectations for what D&D could deliver** in the short term on poverty reduction and governance – “D&D policy offers no short cut route to local development...Rather D&D policy commits to the longer and infinitely more complex route of fostering local development through representative forms of local governance at all levels.”⁸³ DFID has stayed with a difficult and at times frustrating process. The long-term benefits can now begin to be realised, probably outside the earlier partnership, with DFID playing an intellectual leadership role within the EU division of labour.

6.11 The risks involved in **challenging partners and being assertive over policy divergence** and programme direction can be overcome if alliances, evidence, and clear processes are utilised. If the team can apply these lessons in a collaborative and supportive way with respect to livelihoods, its place at the centre of the programme could be restored.

6.12 **Mediating and moderating the relationships between partners** – ADB, the World Bank and to a lesser degree UNFPA under HSSP1 and the wider group of development partners now committed to pooled financing under HSSP2 – has been DFID’s key contribution to the health sector. The same skills and insights can make a contribution across the sector now that the Ministry of Health has been put in the forefront of public administration reform and decentralisation by RGC. A similar role has been played more recently in ensuring alignment and an emerging coherent

⁸³ Rohdewohld & Porter (2006), p. 7.

voice amongst a significant donor grouping with respect to decentralisation and deconcentration. Here DFID's acknowledged governance analysis has been the basis for laying the groundwork for new modes of support and influence for RGC.

6.13 DFID has contributed to **the contentious arena of aid effectiveness** and contributed to the gains that have been made. However, much remains to be done in a development partner environment that is still crowded and fragmented. There is a risk in being too proactive when others should be taking the lead. Continued DFID presence should encourage the UN and the World Bank to place aid effectiveness centre stage, with DFID focusing its attention on using its analytical capacity effectively; linking in with political processes, challenging the government, creating space for civil society, and ensuring programmes deliver results.

6.14 **Monitoring and evaluation are essential for learning** and reflective programme development. Well designed and appropriate systems need to be in place at strategic, programme and implementation levels. DFID cannot be held to account for impacts and outcomes that lie within the domain of government or other partners. However, DFID is accountable for its interventions and the delivery of an effective and efficient strategy.

For the **future of the Cambodia Programme**:

6.15 A **fully delegated programme** for Cambodia is neither appropriate nor advisable. Continued DFID influence and presence as a champion of aid effectiveness and a positive force within the donor community is as important as continued or increased financing.

6.16 **Closure of the programme** given the low strategic priority for DFID and the number of other donors present is a positive aid effectiveness route. Withdrawal from a fragile state that is still a low-income country must be handled with care to avoid mixed messages. Government and key partners will be disappointed at the loss of a critical ally, but, after ten years, DFID's contribution to the developing aid environment has been significant and if the next three years are planned well, closure in 2011 could be an honourable conclusion.

6.17 Based on the lessons and experience of the last five years there could be an argument for continued engagement with the same or reduced spend. However this should be with a more realistic set of objectives and to meet the administrative pressures could best be managed by an enhanced Embassy incorporating DFID, with the organising principle of 'pro-poor state building' with a stronger emphasis on accountability and state-society relationships. Well managed and monitored this could form the basis for **an innovative a long-term partnership** between the UK and Cambodia.

For **Partnership** working:

6.18 Partnerships are **means not ends** – be clear about the policy direction and base the relationship on shared understanding and analysis, not on the practicalities of delegated operational activity. Ensure both parties appreciate the degree of delegation and extent of reporting that is expected. Strong partnerships based on mutual understanding, shared commitment, and honest exchange can be effective as the basis for harmonised support. Relationships need to be robust enough to renegotiate, adjust or even end the partnership.

6.19 The **nature of partnership** – common vision, like-minded approach to aid effectiveness (alignment, harmonisation, ownership, mutual accountability and management by results), joint working and joint decisions – is different from a simple subcontracting relationship of investment in

a good programme, developed and managed by another. In the latter case, the value added is at a lower level and expectations need to be adjusted.

6.20 **Appraisal, monitoring and wider measurement** (impact of programme and milestones of partnership) have been concerns across all the current partnerships. A mutually agreed monitoring framework, covering both the impact of the intervention and the progress of the partnership, is essential. It should set realistic purpose level success criteria that take account of the financial and non-financial aspects of the relationship.

6.21 **Policy engagement and influence on development effectiveness** has been achieved in Cambodia as a result of active presence. Silent partnerships are counter-intuitive to DFID's aims and partners were resistant to accept delegated responsibility for DFID's resources. They value the intellectual contribution more than the financial support. In a situation of aid dependency, agreements over division of labour, limited sector engagement, and reducing the number of donors are being seen as more relevant.

For work in **Post-Conflict/Fragile Contexts**:

6.22 Engagement with **fragile states** depends on a flexible and politically sensitive approach that requires continuity of presence and analysis – these situations are less conducive to long-term stable engagement, especially through third parties (silent partnerships). The principles of starting with the context, doing no harm, acting fast but staying engaged (OECD, 2007) apply to decisions about long-term engagement as much as to medium-term strategic planning and short-term interventions.

6.23 **State building** as a means of ensuring stability needs to be balanced with civil society development as a means of building accountability and social cohesion. Stability requires a capable, accountable and responsive state, positive state–society relationships and an atmosphere of safety, security and choice in which citizens are and feel able to function and achieve personal, family and community level ambitions. State building must not be viewed in a state-centric way – but must incorporate notions of citizenship and social stability alongside state stability.

6.24 Post-conflict **transition is a process** that is not linear; it takes time for the deeper impacts and fragilities to be addressed. Cambodia is now more than 15 years on from the formal end of the conflict, yet some fragilities persist reinforced by deeper social norms, whilst new fragilities emerge as the state becomes dominant, creating new tensions and risks of social conflict.

6.25 There are differences between **state building and peace building** (or long-term conflict prevention) processes and the two must not be confused. Progress can be made in one area and not the other. In some areas Cambodia's state building successes have consolidated its ability to resolve future conflicts peacefully, or prevent conflict occurring, whilst in others the same successes undermine and exacerbate tensions.

Recommendations

6.26 Where DFID is entering into a limited or time bound engagement with a partner country, **Senior Management** should ensure there is a strategy in place for the whole period that is realistic, relevant and responsive to the context in terms of the level of resources and duration of engagement. The strategy should include a monitoring framework, built-in reviews by senior management, and clear break points. Such long-term commitments should be developed in partnership with the concerned government.

6.27 **Human Resources Division** should review how HR policy and practice can take the longer-term timeframe of country programmes and the need for continuity into account. In particular, the implications for the recruitment and posting of staff, length of contract, continuity of appropriate development and technical skills, and career development should be considered.

6.28 **Policy Division** should incorporate an analysis of stable societies, citizen accountability and the role of civil society voice and accountability in its further development of DFID's understanding of state building, setting the conceptualisation of 'state' within a broader socio-political framework.

6.29 The **DFID Team in Cambodia** should engage proactively with the recipients of PPA, CSCF, CHASE and Central Research funds to deepen its understanding of advocacy, voice and accountability and the deeper social impact of the conflict on civil society.

6.30 The **DFID Team in Cambodia** should develop an implementation strategy following approval of the forthcoming Country Plan. This should include a monitoring framework for the plan at strategic, programme and implementation levels, with process milestones and benchmarks for each objective, partnership and intervention; together with a proposal to strengthen the M&E systems and analysis in all areas of DFID engagement.

6.31 The **DFID Team in Cambodia and Danida** should undertake a joint review of MDLF/NRMLP at programme and management level to revise mutual expectations for livelihoods and NRM, the scope of MDLF to deliver them, and agree revisions at purpose and output level for the next phase as early as possible.

7. Evaluation of Cambodia Country Programme: Cambodia

Management Response

DFID Cambodia welcomes the Country Programme Evaluation. It is an honest assessment of DFID's contribution to Cambodia's development. We agree with the overall conclusion of the report that *"DFID has made a significant contribution to development in Cambodia – most notably in catalysing the movement of the donor community beyond a post-conflict perspective, and in prioritising aid effectiveness and development impact"*.

We welcome the assessment that policy engagement and influence on development effectiveness has been achieved as a result of active presence and the high quality of the DFID advisory team. This view is shared by the Government of Cambodia. We are now encouraging them to take more assertive ownership of the aid effectiveness agenda.

We agree that DFID's most significant impact has been in the health sector. We played a key role in mediating and moderating the relationships between partners. Our recently approved support to the Ministry of Health led sector-wide approach includes targeted interventions on reproductive health, rural health services and support for protecting the poorest from catastrophic hospital expenses.

On DFID assistance for local government reform, we believe the evaluation understates the positive impact of supporting a long term process of political reconstruction in rural Cambodia where endemic mistrust in government authority and the legacy of three decades of conflict are only now beginning to be overcome. We have supported the establishment and financing (through the government system) of directly-elected commune councils. The councils have helped rebuild the country's shattered infrastructure and enabled positive dialogue between citizens and the state. They have helped reduce Cambodia's fragility and are one reason why Cambodia has not slipped back into conflict.

Progress on improving livelihoods has been disappointing. Although the risks in implementation were recognised, the programme underestimated the challenge of addressing sustainable natural resource management in a context with weak rule of law and a deeply entrenched patronage system. We are now strengthening the poverty focus of the livelihoods programme and supporting policy interventions that address issues around inequality and exclusion.

We acknowledge the overall conclusion on the limitations of a fully delegated programme. The Cambodia programme piloted efforts to work through others both as a means of improving aid effectiveness and "doing more with less". We learnt that developing such relationships were very intensive of resources, particularly of staff time. It was also critical to have a shared view of the importance of results and how to achieve them. The record is more mixed than the evaluation suggests. Some partnerships were more successful. Examples include the successful health partnership with the World Bank and others; and on water and sanitation with UNICEF.

We accept that monitoring and evaluation needs to be improved. The UK is stepping up its aid evaluation effort. Identifying the results of our efforts and the lessons of what does and does not work is important and DFID is working internationally to increase rigorous evaluation of international development programmes. A major new evaluation policy for DFID sets new standards of quality, and DFID will support at least 40 independent evaluations of its country work, policies and sectors over the next four years.

The recent decision by Ministers to close the DFID Cambodia office by 2011, while honouring all existing commitments was taken on the basis of ensuring the best use of UK development assistance globally. Although still classed as a fragile state, Cambodia is a relatively well-aided country. Based on 2008 commitments, aid was approximately \$62 per person and our programme represents only around 4% of total external assistance. By reallocating resources to other countries with greater numbers of poor people, and fewer donors, DFID can have a bigger impact on reducing poverty. At the same time, our commitment to working in fragile states that remain under-aided is strong. Over the last five years, the UK has doubled its aid to fragile states and conflict-affected countries to £1.2 billion a year and we are now the third largest bilateral donor to these countries. In the future DFID will commit 50% of all new bilateral country funding to fragile countries, as set out in our fourth White Paper, *Building our Common Future*.

We have been rigorously reviewing our existing programmes in Cambodia with partners to ensure that we achieve a “*responsible exit*” in the remaining two years. We will be putting particular emphasis on lessons learnt, both those relevant in the Cambodian context and for other developing countries to help determine what our legacy will be in Cambodia and how best to secure it. .

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ANNEX 1: TERMS OF REFERENCE

EVALUATION OF DFID COUNTRY PROGRAMMES 2008–09

1. Introduction

1.1 DFID's performance management system is supported by periodic independent evaluations at project, programme, sector and thematic level. Evaluation Department (EvD) carry out four to five Country or Regional Programme Evaluations (CPEs or RPEs) annually. These terms of reference (ToRs) set out the scope of work for the 2008/09 period.

1.2 The CPEs provide important accountability and lesson learning functions for DFID. The primary audience for the evaluations is the UK government and DFID senior managers including heads of country offices. All evaluation reports are published externally.

1.3 Countries proposed for evaluation in 2008/09 are Afghanistan, Ethiopia, Cambodia, DRC and Sudan. Each evaluation will use the countries' most recent Country Assistance Plan (CAP) or equivalent, and related policy documents. Where the five-year evaluation period spans two CAPs, or other strategy documents, the evaluation will relate to both.

1.4 While country-led approaches are central to the way that DFID works, socio-political and environmental contexts will influence the progress and form of the development process. The CAPs articulate the country offices' plans for operationalising corporate objectives within the country context, and in most cases they will build upon or reflect the national Poverty Reduction Strategy Paper (PRSP). These plans are therefore the logical starting point for the evaluation.

2. Overarching objectives

2.1 The main objectives of the country programme evaluations are to assess:

- Country strategy and links to poverty outcomes and DFID's corporate objectives
- Choice of aid instruments
- DFID's role as a development partner
- DFID's success in implementing its country strategy

2.2 The CPEs will assess the DFID country programmes in terms of standard criteria although these may be customised to a degree for individual studies. The generic evaluation matrix can be seen at Annex A. It is based on DAC evaluation criteria adapted to take account of the fragile states context and considers:

- The **relevance** of country programme objectives and the logic behind them given domestic policy objectives for poverty reduction, as well as DFID's own corporate level objectives
- The **effectiveness** of the overall programme in achieving the objectives set out in the country strategy, including DFID's choice of aid instruments, harmonisation with other stakeholders, policy dialogue and influencing
- The **efficiency** with which programme plans are translated into activities, including human resource and office management, collaboration and harmonisation with other stakeholders, policy dialogue and influencing, the use of financial instruments

2.3 And to the extent possible

- **Sustainability** – are the reforms/changes supported by DFID's country programme moving in the right direction and are they likely to be sustained? Has local capacity been built? Has transparency and accountability improved?
- **Outcome** – What did the country programme achieve the objectives set? Did the positive outcomes DFID achieved justify the financial and human resources used in the programme?

- **Attribution** – Given the direction of travel and external factors, overall how far did the country programme make a positive contribution to poverty reduction? How good a development partner was DFID?
- The success with which the programme had mainstreamed the cross-cutting issues of **poverty, gender, HIV/AIDS and environment** into all of its activities. What were the variables influencing the process of inclusion? What was the impact on the achievement of wider programme objectives?
- Ensure that any information collected or evidence produced on multilateral effectiveness in each CPE is highlighted and forwarded to EvD.

3 Methodology, Outputs & Timing

3.1 The consultants will produce one study report and executive summary for each country or region. The report shall be approximately 50–60 pages long (excluding annexes) and will include detailed lessons and recommendations. The evaluation summary (EvSum), should be approximately 4 pages, and will include the response from the relevant DFID office/Department, which EvD will obtain.

3.2 The other outputs required from this contract include:

- Inception reports detailing the way in which each individual CPE is to be carried out and showing the customised evaluation matrix
- A presentation of preliminary findings to country offices before the end of the fieldwork for each study
- A publishable synthesis report pulling together findings across individual CPEs. In 2008/09 this will cover regional programmes and in 2009/10 it will cover fragile states
- DFID also requires access to the evaluation team’s interim evidence summaries, e.g. completed matrices, although it is not expected that these should be of publishable quality.

3.3 Each evaluation will involve an ‘inception visit’ and ‘fieldwork mission’. EvD and the consultant team leader will undertake the inception visit. A team of 3–6 consultants will undertake the fieldwork, generally involving up to 3 weeks in country. In some cases the inception phase may be undertaken in the UK and the fieldwork may be organised a little differently given the fragile states focus in this round of countries.

3.4 The ‘inception visit’ has four key objectives:

- i. Ensuring staff in the DFID country office are fully informed about the evaluation, its purpose and how it will work;
- ii. Ensuring country/regional office staff have an opportunity to feed in key questions they want the evaluation to address and decide whether they wish to undertake self-evaluation as part of the process
- iii. Determining the exact nature of the individual evaluation and resolving key methodological/practical issues.
- iv. Ensuring the evaluation team has access to all relevant contacts – including all those who have worked in the country/regional programme over the fieldwork period and all relevant partners;

3.5 Between the inception visit and fieldwork the consultants will amend the standard evaluation framework for the study to address any country-specific issues raised during the inception visit. An inception report containing this matrix will be signed off by the country office.

3.6 If the DFID country office wishes to undertake self-evaluation they will be encouraged to produce a log frame for the entire country programme (unless this already exists), detailing the

logic of their interacting projects and programmes and assessing what has been achieved. If the country office does not undertake this work and there is not clear guiding framework, the evaluation team will attempt to create a similar log frame as part of the evaluation approach.

3.7 EvD will provide supporting documentation relevant to each CPE to the consultants in good time. This will include project documentation and relevant documentation about the design, implementation and monitoring/evaluation of the country/regional strategy and individual programmes (but not background policy information). Prior to undertaking fieldwork, the evaluation team need to be familiar with the DFID programme, the country context and the full range of DFID policy papers that are relevant to the country programme.

3.8 The consultant is responsible for identifying and engaging a team of consultants appropriate to each country context from within their company/consortium. The team must have good evaluation skills, understanding of DFID and the local context and ability in the languages of the country. The team should cover all the major sectors of the country programme and if possible should include at least one locally based consultant as a full team member. The consultant is responsible for setting up and planning the main field visit. If EVD wish DFID staff members to accompany the consultant CPE team, additional terms of reference specifying the roles and responsibilities will be developed. The planned consultancy team for each of the CPEs covered in this contract is shown at Annex B; it is recognised that there may yet be some changes to this (due to either DFID or the consultants) – particularly for the studies programmed later in the year.

3.9 During the main fieldwork, the sector specialists and evaluation team leader will interview DFID staff (current and past) and partners (in government, multilaterals, other donors, etc.) about all aspects of the programme over the five-year evaluation period – using checklists as appropriate. Web-based surveys of staff and other stakeholders (e.g. other donors and NGOs) will also be trialled on a pilot basis. The evaluators will systematically scrutinise the available documentation and supplement this where possible, and then use all evidence gathered to complete the evaluation matrix. One matrix should be completed for each main sector, pillar or thematic area, and the evaluation team leader (and deputy) will use these to compile the final report. Field trips outside the capital city are not a standard part of a CPE but may be used on occasion if applicable. This will be determined during the inception phase for each study.

3.10 Before leaving the country the evaluation team should make a presentation to the country office on emerging findings.

3.11 Within four weeks of the fieldwork finishing, a high quality draft report of 40–60 pages (excluding annexes and with an executive summary) will be submitted to EvD. Following initial checks within EvD, this will be sent to the country office and staff there invited to correct any factual errors and make comments. Although country offices may challenge findings they disagree with, and sometimes have additional information to support a claim, EvD will support the evaluation team to ensure that the report remains a truly independent evaluation. A second draft report and evaluation summary will be produced taking account of relevant comments. These will be subject to external quality assurance against the criteria shown at Annex C. It is expected that all draft reports submitted will have been checked for typos, formatting errors and consistency of data presented.

3.12 The Synthesis Report (which in 2009 will focus on fragile states), will be guided by a workshop scheduled for around June 2009 and should be completed by October 2009. It is anticipated that there will be a further meeting between the authors and relevant DFID policy leads to discuss emerging recommendations – perhaps after the first draft report has been produced and considered by DFID. This will assist in building ownership for the synthesis report. The report should be finalised within three months of the date of the workshop – including an EvSum; a follow-up dissemination event may be required. Note: during 2008 the synthesis report from the last contract will be produced focusing on regional evaluations.

3.13 The consultants will work to the strict deadlines set out in Annex D and the timeliness of the delivery of reports is of the essence. Any changes to these deliverables must be agreed in advance with EvD. Team composition and timelines will be agreed prior to commencement of each of the country studies, including the necessity of any follow up visit to the country if major issues remain unresolved. The consultancy should start in April 2008.

4. Competence and Expertise Required

4.1 One consultancy organisation or consortium will be appointed to deliver the outputs described above.

4.2 A managing consultant with extensive evaluation experience and a track record of managing country/strategic level evaluations will be required to manage the planning and delivery of the CPEs. This individual will be expected to have strong written and oral communications skills as he/she will play a role in communicating lessons learned both to country programme personnel and to a wider DFID audience.

4.3 Each CPE should have a named team leader with expertise in evaluation methodology and monitoring and performance management issues. This must include understanding of the complexities of country programme evaluation. The team leader must also have up-to-date knowledge of DFID policies and performance, planning and data systems. Access to our online systems will be provided. Team leaders will all have CTC security clearance, and, for fragile states, this will be increased to SC clearance.

4.4 Each CPE team will be made up of a combined skill set covering governance, economics, social and institutional development and human resource management, and the number of team members will be appropriate to the country programme. There is not one model that will work for each country/region being evaluated, so flexibility in team composition is essential. The team members for each country evaluation will need expertise in evaluation methodology and familiarity with development issues in the CPE countries. They should also have up-to-date knowledge of DFID policies and systems; relevant experience in cross-cutting issues such as gender mainstreaming, HIV/AIDS and the environment. The team should normally include a strong national/regional component.

4.5 The consultancy team will have responsibility for:

- Maintaining ethical standards in implementing the evaluation;
- The timely production of evidence-based conclusions, lessons and recommendations to demanding quality standards;
- Managing logistics in country, with support from the DFID country office, to the extent mutually agreed in the respective inception visit.

5. Reporting and Dissemination

5.1 The consultants will report to the Country Programme Evaluation Team Leader or the Deputy Programme Manager in DFID Evaluation Department.

5.2 Reports will be published and distributed, electronically and in hard copy, to a wide ranging internal and external audience. The consultants should be prepared to present their findings to DFID staff and others as appropriate. Specific dissemination arrangements will be determined on completion of each country report and synthesis.

EVALUATION DEPARTMENT MARCH 2008

ANNEX 2: EVALUATION MATRIX CAMBODIA

(This matrix has been adapted from the fragile states generic version in the 2008/09 ToR. Amendments were made based on comments from the DFID Cambodia Team prior to, during and following the inception visit. For the Cambodia CPE a matrix will be completed for each of the four objectives in the 2005 CAP)

Objective: _____

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
(Chapter 1: Introduction and Methods)		
Context (to form Chapter 2 of report: Context: 2003–2008)		<i>Summary of political context Level of ODA and trends during the CPE period and to 2011 Governance and Rights Assessments, Gender, Equity, etc. Role of civil society and development of accountability and responsiveness in the post-conflict period</i>
Political and post-conflict situation. Key events over period including factors beyond control of development partners, MDG progress (and variation by gender, rural/urban, ethnic group, etc.); progress with peace building. Importance of aid to the country and number of donors active in area. Key agreements/strategies/reviews that influenced DFID's work.		
Relevance (to form Chapter 3 of report: To what extent was DFID's strategic approach relevant in a fragile states context)		
Overall strategy and areas/sectors selected for intervention (new 'fragile states' questions 3 and 6)	<ol style="list-style-type: none"> 1. Throughout the evaluation period, and as the context evolved, did DFID have clear and focused country/sector/cross-cutting strategies that explained the rationale for interventions supported? (e.g. options considered, analysis done, choices made and why etc.) 2. Over the period, how far were strategies aligned with development needs and policy priorities of the country? (e.g. aligned with the PRSP/NSDP where one available. Related to off-track MDGs? In line with post-conflict, peace building, and state building strategies.) 3. How far were strategies aligned with or determined by broader HMG objectives? How were the links between political, governance, rights, security and development objectives addressed? 4. How far were strategies based on a realistic analysis of the country situation/PRS, including political economy analysis? 5. To what extent were strategies in line with corporate priorities? (e.g. Fragile states policy (2005), Conditionality paper (2005), conflict guidelines, cross-Whitehall working and relevant sector strategies.) 	<p><i>2000 CSP, 2005 CAP, Sector/Cross-cutting Strategies, PRSP, Govt. Strategies, DFID Policy Papers, e.g. Conditionality paper, DAC conflict guidelines</i></p> <p><i>Joint donor strategies and development of common approaches especially in relation to aid effectiveness, D&D, livelihoods and Sector Programmes.</i></p>

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
	<p>6. Were strategies in line with a focus on state building – strengthening core functions of the state (e.g. safety, security and justice; guarantee of equitable basic services, revenue mobilisation) and improving capacity, accountability, responsiveness and legitimacy?</p> <p>7. Were changes to strategies appropriate given the context or were there too many/too few adaptations?</p> <p>8. In particular, how relevant was the aim of working through other donors (multilateral – 2000 CPS and bilateral – 2005 CAP) appropriate in the context of Cambodia and the emerging challenges?</p>	
Risk Management	<p>9. How systematically did DFID assess the external risks (e.g. political governance, conflict, state building, economic and fiduciary, working with others) and the internal threats to the country strategy? Were regional factors assessed?</p> <p>10. How comprehensive were plans to minimise the identified risks? What tools were used (e.g. scenario and contingency planning)?</p>	<p><i>Risk assessments at project, programme and sector level</i></p> <p><i>DFID's political analysis</i></p>
Portfolio profile	<p>11. What interventions did DFID support over the evaluation period? (Did these fit with the strategic priorities?)</p>	<p><i>Portfolio development under four CAP objectives</i></p>
DFID's choice of aid instruments	<p>12. What mix of aid instruments was intended and how did this change over the evaluation period? Was there a sufficient balance between use of long-term and shorter-term instruments? And between pooled funding, multilateral and bilateral funding?</p> <p>13. To what extent did choices about aid instruments reflect the political economy and governance/conflict context of the country and DFID policy? Was there an appropriate balance between support through government and non-governmental channels?</p> <p>14. Was funding shifted between instruments, or delayed/suspended? Was this in line with the Development Partnership Arrangement/conditionality policy?</p>	
DFID's partnership working	<p>15. How did DFID approach working with i) Government (central and local); ii) civil society; iii) multilateral organisations (WB, UN, and EU); and iv) other bilateral donors? Were there explicit strategies? What was the basis of any influencing agenda? Was the balance among partners right?</p> <p>16. How did DFID work with Other Government Departments – FCO, MoD, No. 10? (Was there a joint HMG strategy? Were there pooled funding/staff/systems? Were security sector and/or other work integrated with OGDs?)</p> <p>17. To what extent did DFID seek to strengthen harmonisation across the donor community? (Was there joint analysis, pooled funding, joint reporting, etc?) To what extent did delegated cooperation arrangements deliver DFID's objectives and achieve results?</p> <p>18. How well did DFID consult with and communicate its aims and objectives to development partners?</p>	<p><i>Internal and partner reviews</i></p> <p><i>2004 CPE and subsequent action on partnerships and implementation of other recommendations</i></p>
DFID's approach to cross-cutting themes	<p>19. Did DFID have a strategy for mainstreaming cross-cutting issues such as gender, social exclusion, human rights, HIV/AIDS and environmental protection? (and was this consistent with corporate policy on these issues?)</p>	<p><i>Gender, Governance, Rights Assessments</i></p>

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
Level and allocation of resources	20. Were strategies appropriate to the level of resources anticipated? 21. How far did planned spending and use of staff time reflect strategic objectives? 22. Was geographic/sector coverage too narrow/wide for resources available? 23. Were other donor resources and plans in the country taken into account to avoid over/under-aiding and aid volatility?	<i>Financial data, annual expenditure figures</i>
Results focus	24. How far were DFID's planned interventions sufficiently results focused and monitorable? (e.g. were there results frameworks? Was there a sufficient balance between quantitative and qualitative indicators to fully understand impact?) 25. How far were the results of reviews used to reconsider design/direction of work and resourcing and staff allocation priorities?	<i>PRISM documents Monitoring Reports</i>
II. Effectiveness and III. Efficiency (Chapter 4: How successful was DFID in terms of engagement in development and delivering results in a time of conflict?)		
Delivering on strategy	26. How far were objectives set out in strategies achieved in practice (CAP performance objectives and other strategic outcomes)? What explains any areas of divergence? 27. How effectively did the country office manage the strategic risks that emerged? To what extent did effective risk analysis allow DFID to remain engaged through the post-conflict/state building transition?	
Results	28. How far were the objectives and performance indicators for individual DFID interventions achieved (drawing on data from project reviews and PRISM scores)? 29. Were results disaggregated by gender, ethnicity, social group, etc.; and what does the data show? 30. How did individual DFID programmes function during the post-conflict transition? What explains key successes and failures with regard to programme objectives? What was the role of government and non-government actors?	
Efficiency	31. Was DFID's actual disbursement in line with expectations and plans? Were there any significant changes or delays? 32. How was staff time spent? (e.g. influencing/policy work, project/programme work, field work, corporate reporting/activities, liaising with OGDs and other donors.) 33. Was the skill mix and continuity of staff appropriate to the country context and strategy?	
Aid effectiveness	34. How effective was the mix of aid instruments in achieving objectives? Were the different instruments used in a complementary way? 35. How effective has DFID been in pursuing its development agenda (including post-conflict/state building) with partners (including other parts of the UK government, the partner country government, multilateral and bilateral donors, civil society, NGOs)? 36. Has DFID operated in accordance with principles of aid effectiveness and emerging principles of aid effectiveness in fragile states? 37. How well has DFID communicated its results/lessons/good practice?	

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
DFID's delivery on cross-cutting themes	38. How well were issues of gender, social exclusion, human rights, HIV/AIDS and environmental protection actually integrated across the programme? 39. To what extent was DFID's post-conflict and state building work undertaken separately, and to what extent through other aspects of the programme?	
Impact and Sustainability	Chapter 5: What impacts has DFID helped to achieve?	
Outcomes and sustainability	40. What is the evidence to support the view that DFID helped contribute to the post-conflict process and improve the security situation in the partner country? 41. To what extent has the policy and governance environment (e.g. capability, accountability, responsiveness) been strengthened? 42. What is the evidence to show that DFID has helped contribute to specific development outcomes and PRS achievements? (e.g. PSA/DDP/direct project/programme impacts and 'indirect' benefits around policy dialogue.) 43. Are the development changes or reforms supported by DFID's country programme likely to be sustained/difficult to reverse? Have parallel systems been set up to deliver projects, and, if so, is there a plan to integrate them into government systems? To what extent has decentralised/local capacity been built? 44. Has DFID added value through gains in aid effectiveness? (e.g. contributing analysis/tools/support on harmonisation.)	
What lessons can DFID draw from the evaluation for informing future country, regional or corporate planning and operations?		
	Chapter 6: Lessons and recommendations	
Strengths and weaknesses of DFID	45. What are the key strengths demonstrated by the DFID office? 46. What are the key weaknesses demonstrated by DFID?	
Lessons	47. What lessons (from positive and negative findings) can be drawn for DFID's future work in the country? Prior to 2010 and beyond 2011? Specifically, what lessons can be drawn from the experience of partnership working with both multilaterals and bilaterals including fully delegated approaches? 48. What lessons can be drawn more widely for DFID and its work in other post-conflict and fragile situations?	
Recommendations	49. What recommendations can be made based on the evaluation findings? 50. What specific recommendations can be made to inform the choices and options for the DFID programme beyond 2011?	

ANNEX 3: PEOPLE INTERVIEWED

Name	Designation
DFID London or phone	
Sue Wardell	Director, Middle East, Caribbean, and Asia Division
Adrian Davis	Head of Dept North East Asia
Marshall Elliot	Ex Head of Dept South East Asia
Jane Alexander	Governance Adviser, Politics and the State Team Policy Division
Nigel Coulson	Ex Governance Adviser
Claire Moran	Ex Programme Manager
Paul Walters	Ex Regional Economics Adviser
Daniel Arghiros	Ex Governance Adviser and Head of Office
Lizzie Smith	Ex Health Adviser and Head of Office
Delna Ghandhi	Ex Health Adviser
Helen Appleton	Ex Social Development Adviser
Simon Croxton	Ex Senior Livelihoods Adviser
Chris Price	Ex Livelihoods Adviser
DFID Cambodia	
Ruth Andreyeva	Head of Office
Tom Wingfield	Governance Adviser
Richard Erlebach	Regional Economic Adviser
Jean-Marion Aitken	Health Adviser
Marjolaine Nicod	Aid Effectiveness Adviser
Yolande Wright	Rural Livelihoods Adviser, seconded to Danida
Ian Belshaw	Deputy Programme Manager
Khieu Chakrya	Programme Officer
Cheryl Urashima	Social Development Consultant
Sou Yuthea	Programme Assistant
Kram Sokchanna	Programme Assistant
Ung Chanpisey	Programme Assistant
Kate Belshaw	Office and HR Manager
Khat Laykim	Deputy Office Manager
Math Ma At	HR and Information Assistant
Hel Sithyrya	Admin and Finance Assistant
Vong Borith	Driver
Hout Sokvin	Driver
FCO Cambodia	
Andrew Mace	Ambassador, FCO
Lizzie Evans	Deputy Head of Mission, FCO
Embassy/Development Partners Cambodia	
Stephane Guimbert	Senior Economist, World Bank
Peter Murphy	Senior Public Sector Management Specialist, World Bank
Tim Conway	Senior Poverty Specialist, World Bank
Tomaas Palu	Senior Health Specialist, World Bank
Daniel Adler	Legal Consultant, World Bank
Cyprian Selebalo	Land Specialist, World Bank
John Nelmes	Resident Representative, International Monetary Fund (IMF)
Arjun Goswami	Country Director, Asian Development bank (ADB)
Anupma Jain	Social Sectors Specialist, ADB
Douglas Broderick	Resident Coordinator, UN
Ann Lund	Head of Office and UN Coordination Specialist
Tony Lisle	Country Coordinator, UNAIDS

Annex 3: People Interviewed

Name	Designation
Isabelle Austin	Deputy Country Representative, UNICEF
Julia Rees	Chief of Basic Services, UNICEF
Alice Levisay	Country Representative, UNFPA
Vanna Sok	Programme Manager Population & Development UNFPA
Scott Leiper	Senior National Programme Adviser, UNDP
Nhim Hak	Senior Provincial Programme Adviser UNDP/SPDD
Nong Vutha	Monitoring and Evaluation Senior Adviser UNDP/SPDD
Chuop Paris	Assistant Resident Representative, FAO
Dr Michael O'Leary	Country Representative, WHO
Peter Wheelen	Deputy Country Representative, WHO
Norio Maruyama	Minister, Embassy of Japan
Misa Tamura	Aid Coordination Adviser, Embassy of Japan
Hayashi Eiichiro	Aid Coordination Adviser, Japan International Cooperation Agency (JICA)
Shimakage Mayuko	Project Formulation Adviser, JICA
Tom Barthel Hansen	Head of Representation, Royal Danish Embassy
Mao Moni Ratana	Senior Programme Officer, Danida
Cheap Sam An	Senior Programme Officer, Danida
Lic Vuthy	Programme Officer, Danida
Daniel Haas	Counsellor, Development Cooperation, Embassy of Federal Republic of Germany
Volker Karl	Director, KfW Bankengruppe
Vann Kiet	Country Officer, KfW Bankengruppe
Silvia Paschke	Health Adviser, KfW Bankengruppe
Julian Hansen	Team Leader, Support to the Identification of Poor Households Programme
Katharina Hübner	Programme Officer, Administrative Reform and Decentralisation, GTZ
Lachlan Pontifex	Counsellor, Development Cooperation, AusAID
Peter Lindenmayer	First Secretary, Development Cooperation, AusAID
Belinda Mericourt	Senior Programme Officer, AusAID
Dominique Freslon	Head of Development Cooperation, French Embassy
Luize Guimares	Chargée de Projets, French Development Agency (AFD)
Eva Gibson Smedberg	Counsellor, Sida
Karl-Anders Larsson	Counsellor, Economist, Sida
Per Nordlund	First Secretary/Senior Programme Officer, Chair of Donor Group on D&D, Sida
Michelle Labeu	Counsellor, European Commission (EC)
Seth Van Doorn	Political and Commercial Affairs Officer, EC
Reed Aeschliman	Director, Office of General Development, USAID
Kate Crawford	Health Adviser, USAID
Government of Cambodia	
Dr Rith Vuthy	Director, Aid Coordination Europe and North America, Council for the Development of Cambodia (CDC)
Philip Courtnadge	UNDP Technical Adviser, CDC
HE Dr Hang Chuon Naron	Secretary General, Ministry of Economy and Finance (MEF)
HE Chou Kim Leng	Deputy Secretary General, MEF
Dr Sok Saravuth	Director Budget Dept, MEF
HE Prum Sokha	Secretary of State, Ministry of Interior (MoI)
HE Ngy Chanpal	Secretary of State, Ministry of Interior
HE Ngan Chamroeun	Deputy Director General Deputy Head NCDD Programme Support Team, MoI
HE Ngo Hongly	Secretary General, Council for Administrative Reform (CAR)
HE Chhoun Chharm	Deputy Secretary General, CAR
Alain Benicy	Government Adviser, CAR
Hou Taing Eng	Under Secretary of State, Ministry of Planning (MoP)

Name	Designation
HE Tuon Thavrak	Director General, MoP
Hor Darith	Deputy Director, General, National Institute of Statistics (NIS) MoP
Ley Chhan	Deputy Director, NIS MoP
HE Dr Ing Kantha Phavi	Minister, Ministry of Women's Affairs
Sok Chan Chhorvy	Director General, Ministry of Women's Affairs
HE Prof Eng Huot	Secretary of State, Ministry of Health (MoH)
Prof Koeut Meach	Director of Budgeting and Finance, MoH
Dr Lo Veasnakiry	Director of Planning and Health Information, MoH
Dr Char Meng Chuor	Director General, Dept of Planning and Health Information \ Project Coordinator HSSP, MoH
Dr Venky	Executive Administrator HSSP, MoH
Dr Ou Vun	Project Manager (World Bank), HSSP, MoH
Dr Krang Sun Lorn	Project Manager (ADB), HSSP, MoH
Dr Fred Griffiths	Internal Contracting Adviser, HSSP
Dr Or Vandine	Director of International cooperation Department and Manager of Principal Recipient Office for GFATM, MoH
Vijay Rao	Monitoring and Evaluation Adviser, HSSP, Dept of Planning and Health Information, MoH
Kim Sanh	Director of School Health, Ministry of Education and Youth Services
Dr Teng Kunthy	Secretary General, National Aids Authority (NAA)
Dr Hor Bun Leng	Deputy Secretary General, NAA
Dr Chea Samnang	Director, Department of Rural Health Services, Ministry of Rural Development
HE Chhan Sohpan	Secretary of State, Ministry of Land Management, Urban Planning and Construction
Dr Duch Wonito	Director General, Ministry of Land Management, Urban Planning and Construction
HE Uk Sakhon	Secretary of State, Ministry of Agriculture, Forestry and Fisheries (MAFF)
HE Nao Thuok	Delegate of Fisheries Administration, MAFF
HE Chan Savuth	Under Secretary of State, MAFF
HE San Vanty	Under Secretary of State, MAFF
HE Chheng Kim Sum	Deputy Delegate of Forestry Administration, MAFF
Sok Leakhena	Deputy Governor, Siem Reap Province Office
But Kari	District Governor, Angkor Thom District, Siem Reap
Hen Puthy	Chief of Local Administration Unit, Siem Reap Provincial Office
Non-Government Organisations Cambodia	
Dinah L Dimalanta	Senior Operations Manager, World Vision
Haidy Ear Dupuy	Advocacy and Communications Officer, World Vision
Marion Cowell	Regional Programmes (Asia), World Vision
Jojo Pastores	Peace and Justice Senior Programme Officer, World Vision
Susan Silveus	Country Representative, Catholic Relief Services
Gonzale Solares	Head of Programming, Catholic Relief Services
Mark Munoz	Acting Country Director, Concern
Alice Castillejo	Country Director, Voluntary Service Overseas (VSO)
Steven Tucker	Senior Decentralisation Adviser, PACT Cambodia
Francis Perez	Country Director, Oxfam GB
Joel Rodriguez	Field Operations Manager, Oxfam GB
Khieng Sochivy	Policy and Programme Development Manager, Oxfam GB
Sharon Wilkinson	Country Director, CARE
Gils Koop	Development Issues Programme Adviser, NGO Forum
Megan MacInnes	Land and Livelihoods Programme Adviser, NGO Forum
Kum Kim	Aid Effectiveness Forum Project Officer, NGO Forum
Kestev Gautam	Country Director, Action Aid
Heng Sok	Programme Manager, PLAN

Annex 3: People Interviewed

Name	Designation
Dr Rob Overtoom	Project Coordinator, Swiss Red Cross
Hilde Schalenbourgon	FIN/ADM Delegate, Swiss Red Cross
Sin Somuny	Director, MEDICAM
Sok Sovannurith	Health Adviser, MEDICAM
Roderic Brazier	Country Representative, The Asia Foundation
Praivan Limpanbo	Director, Civil Society Partnerships Programme Manager, The Asia Foundation
Larry Strange	Director, Cambodia Development Resource Institute (CDRI)
Kim Sedara	Research Fellow, Cambodia Development Resource Institute
Eng Netra	Functional Assignment Specialist/Research Manager CDRI, National Committee for the Management of Decentralisation and Deconcentration Reform (NCDD) National Programme Formulation
Pak Kimchoeun	Fiscal Decentralisation Specialist/Research Associate CDRI, NCDD National Programme Formulation
Khou Somatheavy	Country Manager, Health Unlimited
James Treasure Evans	Technical Officer, Health Unlimited
Che Katz	Management Adviser, Marie Stopes International (MSI)
Joan Venghaus	Technical Adviser, MSI
Yi Dara	Director, Landmine Disability Support
Vong Soy	Technical Officer, Landmine Disability Support
Nhov Nharn	Director, Ockenden Cambodia
Sem Sophon	Director, Buddhism for Health
Chris Jones	Country Representative, Population Services International (PSI)
Dr Keng	Provincial Director, PSI
Jenny Pearson	Retired Founder Director, Vicheasthan Bamreu Neaksamrabsamroul Karngea Akphiwat – Institute to serve facilitators of development (VBNK)
Kong Vutheary	Development Management Consultant
Others interviewed Cambodia	
Roger Hay	Director, Oxford Policy Institute/Oxford Policy Management (OPM)
Mike Naylor	HSSP2 Design Team Leader, OPM
Dr Ravi Bhupathy	Health Adviser, OPM
Dr John Naponick	Country Director, Options
Ben Rolfe	Head of Research, Options
Peter Owen	Independent Consultant (governance), Ex Senior Governance Adviser DFID Bangkok
Sokheang Hong	Consultant ex UNDP Poverty Programme Officer
David Wilkinson	Consultant
Dermot Shields	Consultant D&D and EU Division of Labour/DFID Country Plan Facilitation
Vanessa Johanson	Head of Project, BBC World Service Trust
Linna Chiv	Head of Research, BBC World Service Trust
Others interviewed Bangkok	
Sam Beaver	Counsellor, AusAID Bangkok
Andrew Jacobs	Operations Manager, EC Bangkok
Others interviewed UK/Phone	
David Reader	Ex UK Ambassador Jan 2005–Aug 2008
Stephen Bridges	Ex UK Ambassador Dec 2000– 2005
Hildegard Lingau	Integrated M&E Expert MoP, Ministry of Economic Affairs, Federal Republic of Germany
Ian Porter	Ex Cambodia Country Director 2001–2008, World Bank
Nisha Agrawal	Ex Cambodia Country Manager 2003–2008, World Bank
Sheila Robinson	Health Adviser, Ex UNDP
Lyn De Silva	Programme Manager, New Zealand Aid
Rodney Mearns	Chairman, Landmine Disability Support

Name	Designation
Douglas Heydon	Company Secretary, Landmine Disability Support
Groups of people met	
Commune Authorities, Svay Chek Commune, Angkor Thom District	
Khchas Commune, Sotr Nikum District, Siem Reap	

ANNEX 4: PROGRESS AGAINST MDGS

MDG1: Eradicate extreme poverty and hunger	Cambodia has made impressive gains in poverty reduction. The percentage of the population living below the national poverty line has fallen from 34.8% in 2004 to 30.1% in 2007, which indicates that Cambodia is in line to meet this MDG. However, inequality is increasing, the share of per capita household consumption of the poorest 20% of the population is falling, and the proportion of children aged 5–17 years of age working has risen. (1)
MDG2: Achieve universal primary education	Net primary school enrolment in Cambodia increased from 76% to 93% between 1997 and 2007, but remains below the 2005 target of 95%. Primary school survival rates (53% in 2007) remain well below the 2005 target of 73%. Net secondary school enrolment has increased from 19% in 2001 to 35% in 2007, but remains below the 2005 target of 50%. The survival rate to grade 9 declined from 33% in 2001 to a low of 26% in 2005; then rose to 29% in 2006. There has been little change in youth literacy. Excellent progress has, however, been achieved in reducing the proportion of 6–14 year olds out of school. (1)
MDG3: Promote gender equality and empower women	There is significant gender inequality in education, with girls currently accounting for less than 40% of lower secondary school enrolment. Only modest gains have been achieved towards gender parity in literacy amongst young people (15–24) and adults (25–44). The gender parity in waged employment in industry and agriculture has exceeded 2005 targets, but fallen short in the services sector. Good progress has been achieved in increasing the representation of women in the National Assembly and Commune Councils. Progress has been achieved in strengthening the legal framework to address violence against women with the adoption of a new law on domestic violence in 2005 and strengthening of legislation on trafficking in persons consistent with international standards adopted in early 2008. (1)
MDG4: Reduce child mortality	Since 2000, there has been a 30% drop in both infant and under-five mortality. Nonetheless, Cambodia's child mortality rates remain among the highest in the region and there is concern that the positive trend may not be sustainable. Evidence from some countries with high child mortality and low socio-economic development shows similar rapid declines in child mortality are associated with a decline in fertility that is usually not enough to sustain continued improvement in child mortality due to the underlying causal factors that persist. Child immunisation coverage has increased for both measles and Diphtheria-Polio-Tetanus Immunization. However, given that the major causes of deaths among Cambodian children are from acute respiratory infections and diarrhoea, the contribution of mass-immunisation programmes to fewer child deaths is limited. (1)

<p>MDG5: Improve maternal health</p>	<p>The rate at which Cambodian women die shortly before, during and shortly after giving birth is – at 472 deaths per 100,000 live births – one of the worst in Asia. There was no statistically significant change in Cambodia’s maternal mortality rate between 2000 and 2005. The estimated rate for 2005 was 472 per 100,000 live births while the 2005 target was 343. Progress is, however, being achieved in increasing the proportion of births attended by skilled health personnel, albeit at a slower rate than planned. Progress is being achieved in increased use of modern birth spacing methods (Target 5.3), but was still below the MDG target in 2005. The total fertility rate has, however, declined fairly significantly from 4.0 in 2000 to 3.4 in 2005. (1)</p>
<p>MDG6: Combat HIV/AIDS, malaria and other diseases</p>	<p>Excellent progress has been achieved in reducing HIV prevalence in both the general adult population and amongst pregnant women. The coverage rate for antiretroviral combination therapy in 2005 at 45 % was nearly double the target of 25%. Although the incidence of dengue remains above targets, the reduction in TB is well on track to meet or surpass 2010 targets. (1)</p>
<p>MDG7: Ensure environmental sustainability</p>	<p>Information is not available to measure trends in forest cover; however, it is commonly acknowledged that the pace of forest depletion has not been reduced as planned and fuel wood dependency remains high at 84% of households in 2005, well above the target of 70%. Good progress has been achieved in the establishment of community-based fisheries, providing more secure access to this common property resource. Cambodia is making progress towards its 2015 targets for safe water and sanitation in urban areas. In rural areas, the target for safe water has been achieved; however, the sanitation target is off track. (1)</p>
<p>MDG8: Develop a global partnership for development</p>	<p>While participation in the global initiative has significantly reinforced Cambodia’s own efforts, the possibility that the Paris Declaration may have become a ‘double-edged sword’ for national aid effectiveness also arises. Most notably, the road to Accra in 2008 became somewhat pitted and potholed as the number of pilot and diagnostic studies quickly escalated, placing a strain on government as it sought to reconcile its enthusiasm to participate in global work with the need to make headway in implementing its own national work programme. Second, there is increasing evidence, also discussed during the Evaluation of Aid Effectiveness, 2008, that the process may have become increasingly technocratic and formulaic, captured by a narrow posse of aid effectiveness experts and over-shadowing innovation and nationally determined responses. Finally, the Paris Declaration Monitoring survey may distract attention towards a narrow set of indicators that may not reflect the true nature of Cambodia’s own challenges (and, in extreme cases, may even distort incentives to accurately report progress). (2)</p>

Sources: (1) DFID Statistical Annex, 2008; (2) The Cambodia Development Effectiveness Report, CRDB 2008

ANNEX 5: DONOR AND SECTOR DISBURSEMENT TABLES

Table 13. Disbursements by Major Donors 1998–2007

(in thousands of US Dollars)

DONOR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007 (prov)	Sub- Total 2003– 2007
UN programmes delivered	...	90,147	86,548	90,785	81,808	88,307	73,794	91,785	96,341	96,437	446,664
UN own funds	49,518	45,282	49,433	44,918	42,222	44,208	36,294	41,111	53,959	52,444	228,016
World Bank	29,313	26,716	32,697	43,078	47,245	63,663	49,456	37,832	24,454	47,649	223,054
IMF		11,500	11,478	22,957	23,504	12,268	2,359	310	83,500	919	99,356
ADB	36,488	26,869	51,133	48,685	78,470	73,282	76,662	89,399	67,474	69,363	376,180
Global Fund								18,846	21,854	21,067	61,767
Sub-Total: UN & multilaterals	115,319	110,367	144,741	159,638	191,442	193,421	164,771	187,498	251,242	191,441	988,373
European Commission	49,291	28,279	27,945	22,679	25,833	32,717	15,020	23,651	46,485	44,898	162,771
Belgium	3,186	4,768	2,641	1,274	2,245	3,694	5,200	11,701	7,327	7,988	35,910
Denmark	4,461	2,684	3,529	2,847	4,762	4,258	5,793	4,838	4,058	9,809	28,756
Finland	250	700	3,269	1,199	868		3,298	3,342	4,468	5,205	16,313
France	23,216	18,586	27,800	36,047	28,348	25,922	23,039	24,441	21,785	21,781	116,968
Germany	9,838	12,319	12,225	10,020	17,226	17,597	14,096	27,293	32,442	36,467	127,895
Netherlands	5,671	6,053	4,912	3,606	3,732	2,753	1,613	1,144	70	100	5,680
Spain									2,842	4,110	6,952
Sweden	13,499	10,830	14,122	13,112	13,570	12,387	22,024	13,600	16,001	17,343	81,355
United Kingdom	9,866	9,416	13,000	8,711	11,644	15,367	17,015	20,555	20,671	23,656	97,264
United Kingdom as % of EU	8.3%	10.1%	11.9%	8.8%	10.8%	13.4%	15.9%	15.7%	13.2%	13.8%	14.3%
United Kingdom as % of TOTAL	2.3%	2.4%	2.8%	1.8%	2.2%	2.8%	3.1%	3.4%	2.9%	3.0%	3.0%
Sub-Total: EU	119,278	93,635	109,443	99,495	108,239	114,695	107,098	130,565	156,149	171,357	679,864
Australia	18,205	18,390	29,417	19,873	17,795	22,689	24,279	16,788	22,459	29,618	115,833
Canada	4,756	2,579	818	5,243	3,392	2,624	1,472	9,103	7,928	8,693	29,820
China	14,345	2,994	2,610	16,325	5,723	5,573	32,470	46,638	53,237	92,446	230,364
Japan	71,372	88,000	106,021	100,023	105,604	101,159	101,761	111,669	103,659	122,099	540,347
New Zealand	1,003	804	1,002	718	1,280	1,912	2,445	2,075	1,698	3,826	11,956
Norway	1,000	1,020	1,310	1,151	3,387	2,735	3,367				

Annex 5: Donor and Sector Disbursement Tables

Republic of Korea	50	1,048	706	1,199	22,498	10,322	24,138	14,857	13,259	31,423	93,999
Russian Federation	300	340	851	334	331	409	350				
Switzerland					2,930	2,466	3,185	2,787	2,444	3,642	14,524
United States of America	30,364	23,000	17,608	23,848	22,092	34,266	40,607	43,254	51,004	58,096	227,227
Other bilateral partners	1,191	2,533	435	435	642						
Sub-Total: other bilaterals	142,586	140,708	160,778	169,149	185,674	184,153	234,073	247,171	255,688	349,843	1,270,928
NGOs (core funds)	56,097	55,000	51,851	43,560	45,568	47,238	49,449	44,719	50,162	77,736	269,304
Total	433,280	399,710	466,813	471,842	530,923	539,507	555,392	609,953	713,241	790,377	3,208,470

Source: CDC/CRDB Cambodia ODA database

Table 14. Disbursement by Sector 1998–2007

(in thousands of US Dollars)

SECTOR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total Disbursements 2003–2007	
											US\$'000	%
Health	62,969	70,864	67,710	66,081	67,610	83,097	95,867	110,299	109,024	111,159	509,446	15.9%
Education	58,251	40,457	40,496	44,983	68,859	75,023	73,421	69,278	79,725	88,160	385,607	12.0%
Agriculture	12,428	25,567	44,141	35,381	36,972	37,790	45,261	33,819	123,499	43,281	283,650	8.8%
Manufacturing, Mining Trade	5,404	957	90	1,543	1,541	1,732	6,953	9,966	24,184	15,662	58,497	1.8%
Rural Development	63,274	58,087	67,318	61,880	50,049	35,878	60,484	50,005	49,852	70,976	267,195	8.3%
Banking and Business Services								12,720	9,736	15,571	38,027	1.2%
Urban Planning & Management								3,926	935	1,956	6,817	0.2%
Information & Communications	11,010	5,560	677	1,239	1,516	1,172	1,207	857	9,914	31,300	44,450	1.4%
Energy, Power & Electricity	30,893	28,789	21,364	5,705	6,322	20,270	12,871	15,632	13,736	12,610	75,119	2.3%
Transportation	47,072	33,935	47,140	59,712	78,081	65,607	81,959	73,855	54,828	99,175	375,424	11.7%
Water and Sanitation	141	4	15	1	15,050	22,906	4,882	24,494	18,237	17,420	87,939	2.7%
Community and Social Welfare	33,106	24,747	36,419	69,615	64,133	81,024	43,748	35,324	38,531	52,179	250,806	7.8%
Culture & Arts	9,785	47,242	66,915	40,098	14,203	15,937	18,425	4,795	14,114	7,171	60,442	1.9%
Environment & Conservation	3,469	2,842	2,133	979	15,279	18,181	19,586	12,308	14,587	8,925	73,587	2.3%
Gender								2,591	3,850	6,406	12,847	0.4%
HIV/AIDS								25,358	35,381	40,974	101,713	3.2%
Governance & Administration	95,478	60,659	72,396	84,625	100,971	58,441	46,838	67,347	96,827	109,899	379,352	11.8%
Tourism								1,242	2,505	3,043	6,790	0.2%
Budget & Budget Support								11,097		29,131	40,228	1.3%
Emergency & Food Aid								3,038	383	2,068	5,489	0.2%
Other					10,336	22,450	43,889	42,002	13,395	23,311	145,047	4.5%
Total Disbursements	433,280	399,710	466,813	471,842	530,923	539,507	555,392	609,953	713,241	790,377	3,208,470	100.0%

Source: CDC/CRDB Cambodia ODA database

ANNEX 6: SUMMARY OF THE DFID PORTFOLIO IN CAMBODIA 2003–2008

2003 CAP Objectives	2003	2004	2005	2006	2007	2008
1. Contribute to rapid increases in the impact of development resources by: i. Supporting government efforts to improve public financial management and accountability; ii. Stronger accountability of government to its citizens; iii. Applying best practice in donor assistance to Cambodia.	From 2001 PFM IMF	TCAP £1.8m To Sept 2004		PFMRP £4.5m		to April 2009
			Analytic Wk Budget	Support £50k	PRGO	FA £7.5m to 2010 TC £260k
	From 2002 Nat Elections Oct 2003 £600k	Poverty Support	Programme (NISP)	£1.8m	to Mar 2008	NPPR £5m to 2013
				Multi-Donor	Support to CDC CGA £325k	£650K To 2009 To Mar 2009
2. Responsive, accountable and effective local government for all people, especially the poor and socially excluded.	Took over from Seila	200PLG – £16m		To end 2006	PSDD	£9.42m to 2010
	Phnom Penh Urban	Poverty £2.9 to April 2005			PSSD CDRI to Mar	£125k 2008 LGPSP £956k to 2010
3. Support government and civil society to strengthen the livelihoods of poor people.	Trust Fund for From 2001 Rural	NRM £100K 2003/04	45K to Dec 2005		MDLF £13.6m	to 2010
	Forest Action Plan	Livelihoods Fund £3 £67 to Apr 2004				
4. Increased access to health services and information.		HSSP1:£13.1m	Tech A £2.5m	ADB/WB £8.4m	RMMP £2m	to Aug 2009
	From 1999	Social Marketing	£7.1m	to Sept 2007	SMRHC	RMMP Mar 2008- Apr 2010
		Strengthening	Response to HIV/	AIDS £15.7.5m	To Mar 2008	£7.4m to 2012 Rural Sanitation £1.2m to 2010

ANNEX 7: ADMINISTRATION/PROGRAMME BUDGET FOR COUNTRIES IN SE ASIA

	2006/07			2007/08			2008/09		
	Admin (£)	Programme (£m)	Admin as % of total	Admin (£)	Programme (£m)	Admin as % of total	Admin (£)	Programme (£m)	Admin as % of total
DFID Burma	188,000	8	2.4	362,000	9	3.9	539,000	11	4.7
DFID Cambodia	1,006,000	12	7.7	865,000	11.5	7.0	1,037,000	16	6.5
DFID China	2,920,000	40	6.8	2,520,000	34	6.9	2,032,000	29	6.5
DFID SEA	1,908,000	2	48.8						
DFID Sri Lanka	306,000	3	10.9						
DFID Vietnam	1,420,000	50	2.8	1,309,000	51	2.5	1,265,000	50	2.5
East Timor	5,000	4	0.1	20,027	1	2.0	0	1	0.0
Indonesia	731,000	43	1.7	738,000	24	3.0	855,500	10	7.9

	Staffing Numbers	
	HCS	SAIC
DFID Burma	1	1
DFID Cambodia	7	6
DFID China	13	22
DFID Sri Lanka	1 (FCO)	0
DFID Vietnam	8	22
East Timor	Within SEA	Within SEA
Indonesia	4	9
DFID SEA	9	19

Note: staffing figures updated as of Sept 2007

Source: DFID Expenditure Data

	Staffing Numbers	
	HCS	SAIC
DFID Burma	5	5
DFID Cambodia	7	11
DFID China	7	15
DFID Sri Lanka	0	0
DFID Vietnam	7	19
East Timor	0	0
Indonesia	4	8

Note: Staffing figures updated as of Sept 2008

ANNEX 8: STAFF TIMELINE

	2003	2004	2005	2006	2007	2008
Head of Department						
Mark Mallalieu, Head SE Asia	[Timeline bar from start of 2003 to mid-2004]					
Marshall Elliott, Head SE Asia		[Timeline bar from start of 2004 to mid-2007]				
Adrian Davis, Head NE Asia					[Timeline bar from start of 2007 to end of 2008]	
Bangkok Based Advisers						
Matt Butler, Regional Economic Adviser SEA		[Timeline bar from start of 2004 to mid-2006]				
Paul Walters, Senior Regional Economic Adviser SEA			[Timeline bar from mid-2005 to mid-2007]			
Tom Beloe, Regional Social Development Adviser		[Timeline bar from start of 2004 to mid-2007]				
Delna Ghandi, Health and Population Adviser	[Timeline bar from start of 2003 to mid-2004]					
Michael O'Dwyer, Sen. Health and Population Adviser	[Timeline bar from mid-2003 to mid-2007]					
Simon Croxton, Senior Rural Livelihoods Adviser	[Timeline bar from mid-2003 to mid-2007]					
DFID Cambodia Country Team						
Head of Office/Programme Manager						
Phil Marker, Programme Manager (Bangkok)	[Timeline bar from mid-2003 to mid-2005]					
Claire Moran, Programme Manager (Bangkok)			[Timeline bar from mid-2005 to mid-2006]			
Paula Barrett, Deputy Programme Manager (Bangkok)			[Timeline bar from mid-2006 to mid-2007]			
Claire Moran, Head of Office (HoO)				[Timeline bar from mid-2006 to mid-2008]		
Ruth Andreyeva, Head of Office						[Timeline bar from mid-2008 to end of 2008]

	2003	2004	2005	2006	2007	2008
Advisers						
Daniel Arghiros, Governance/Head of Office	—————					
Nigel Coulson, Governance Adviser		—————	—————			
Tom Wingfield, Governance Adviser				—————	—————	
Rick Erlebach, Regional Economic Adviser						—————
Marjolaine Nicod, Aid Effectiveness Adviser (OECD)				—————	—————	
Helen Appleton, Social Development Adviser (SDA)			—————	—————	—————	
Veasna Chea, Assistant SDA					—————	
Cheryl Uwashima, Social Development Consultant						—————
Lizzie Smith, Health and Population Adviser	—————	—————	—————	—————	—————	
Jean Marion Aitken, Health and Population Adviser					—————	—————
Chris Price, Rural Livelihoods and Environment Adviser, seconded to Danida since 2006	—————	—————	—————	—————	—————	—————
Regional Livelihoods Adviser (15% Cambodia)					—————	—————
Yolande Wright, Natural Resources Management Adviser, seconded to Danida						—————
Programme Support						
Ian Belshaw, Deputy Programme Manager (Health)					—————	—————
Sochivy Khieng, Deputy Programme Manager				—————	—————	—————
Chakrya Khieu, Programme Officer (admin to Jul '07)	—————	—————	—————	—————	—————	—————
Thea Sou, Programme Assistant	—————	—————	—————	—————	—————	—————
Sokchanna Kram, Prog. Assistant (admin to Dec '07)					—————	—————
Samieng Sek, Programme Assistant				—————	—————	
Ung Chanpisey, Programme Assistant (maternity cover)						—————

	2003	2004	2005	2006	2007	2008
Programme and Admin Support						
Graham McKenzie, HR/Office Manager	—————					
Kate Belshaw, HR/Office Manager					—————	—————
Laykim Khat, Deputy HR/Office Manager				—————	—————	—————
Pheng Sokhvardhneary, Deputy Office Manager					—————	
Ma At Math, Information Assistant						—————
Sithyrya Hel, Finance Assistant						—————
Khun Bunseng, Admin			—————	—————		
Monika Kaing, Admin						—————
Borith Vong, Driver						—————
Sokvin Hout, Driver						—————
Programme Support Bangkok						
Pusadee Prasertsamran, Programme Officer	—————					
Monrudee Sucharitakul	—————					

Department for International Development

DFID, the Department for International Development: leading the British Government's fight against world poverty.

One in six people in the world today, around 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

DFID supports long-term programmes to help tackle the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made.

DFID's work forms part of a global promise to:

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- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

Together, these form the United Nations' eight 'Millennium Development Goals', with a 2015 deadline. Each of these goals has its own, measurable, targets.

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DFID works directly in over 150 countries worldwide, with a budget of some £5.3 billion in 2006/07. Its headquarters are in London and East Kilbride, near Glasgow.

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