



**Kingdom of Cambodia**

Nation – Religion – King

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## **Royal Government of Cambodia**



# **Development Cooperation & Partnerships Strategy 2014 - 2018**

**Cambodian Rehabilitation and Development Board  
Council for the Development of Cambodia**

**June 2014**

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Royal Government's Decision No 108 SSR dated 09 June 2014 on the Development Cooperation and Partnerships Strategy

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## Foreword

The impressive progress made towards national socio-economic development and the Cambodia Millennium Development Goals over the last two decades is testament to the Royal Government's leadership and its ability to promote social and economic well-being. The important contributions made by a wide range of development actors have complemented these Government efforts and accelerated progress towards achieving the Cambodia Millennium Development Goals. In launching the Third Phase of the Rectangular Strategy for Growth, Employment, Equity and Efficiency at the First Cabinet Meeting of the Fifth Legislature of the National Assembly on 25<sup>th</sup> September 2013, **Samdech Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia**, accordingly emphasised the continued need to strengthen effective partnerships with all stakeholders as Cambodia consolidates progress, confronts future challenges and seizes new opportunities in a new regional and global dynamic.

To ensure that Cambodia reaches the development goals that have been identified in the Rectangular Strategy – Phase III, the Royal Government will implement its development policies and strategies in an effective and coherent manner. These policies and strategies must, in turn, be associated with a rigorous framework for monitoring results and a commitment to development effectiveness. In addition, and to further strengthen the Royal Government's ownership and leadership over the national development agenda, Cambodia has joined with a wide range of development actors at the global level to establish the Busan partnership for development effectiveness. For Cambodia, the Royal Government has contextualized and applied the global norms and actions agreed in Busan so that they are relevant to our own development needs. This Development Cooperation and Partnerships Strategy has therefore been produced to define development effectiveness in the Cambodia context as well as to set out priority actions for our development partnership and to establish working arrangements for the period 2014-2018.

The over-arching objective of this Development Cooperation and Partnerships Strategy is the promotion of development effectiveness. Succeeding and replacing the 2006-2010 Strategic Framework for Development Cooperation Management, this revised Strategy identifies objectives, goals, principles and tools for managing development cooperation and partnerships as well as setting out approaches to implementation and monitoring of development cooperation activities for all development partners: providers of ODA; CSOs; and South-South partners.

Under my direct supervision, the Development Cooperation and Partnerships Strategy has been developed under the overall management and coordination of H.E. Minister Chhieng Yanara at a time when Cambodia's own development context is evolving. On this basis, the process of formulating the Strategy has been highly consultative and evidence-based, learning from the experience and perspectives of different development actors across a wide range of sectors and themes in order to build a consensus on future priorities. Activities will be similarly implemented based on good partnership principles and practices. The Royal Government is fully confident that through a diligent approach to design, coupled with a detailed framework for implementation and monitoring, this new Strategy, which was approved by **Samdech Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia** through the Royal Government's decision No 108 SSR on 09 June 2014, will contribute to the achievement of priority national development objectives over the next five years.

Phnom Penh, 10 June 2014



**KEAT CHHON, MP**  
Permanent Deputy Prime Minister  
First Vice-Chairman, Council for the Development of Cambodia



**Article 4:**

The Minister in Charge of the Office of the Council of Ministers, the Minister of Economy and Finance, the Minister of Foreign Affairs and International Cooperation, Ministers and Secretaries of State of all ministries and state secretariats, the Council for the Development of Cambodia, development partners and non-governmental organizations as well as other relevant stakeholders, and the aforementioned officials shall effectively implement this Decision from the date it is signed.

Phnom Penh, 09 June 2014

**Prime Minister**

**Signed and Stamped**

**Samdech Akka Moha Sena Padei Techo Hun Sen**

**Copy to:**

- Ministry of the Royal Palace
- Secretariat General of the Constitutional Council
- Secretariat General of Senate
- Secretariat General of National Assembly
- Secretary General of the Royal Government
- Cabinet of Samdech Prime Minister
- Cabinets of Deputy Prime Ministers
- As per article 4 "for implementation"
- Royal Gazette
- Archive

## List of Acronyms

ASEAN	Association of South-East Asian Nations
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CDF	Cambodia Development Forum (proposed successor to CDCF)
CMDG	Cambodia Millennium Development Goals
CRDB	Cambodian Rehabilitation and Development Board
CSOs	Civil Society Organisations
DPs	Development partners
GDCC	Government-Development Partner Coordination Committee
JMIs	Joint Monitoring Indicators
MEF	Ministry of Economy & Finance
MOFAIC	Ministry of Foreign Affairs and International Cooperation
MOP	Ministry of Planning
NSDP	National Strategic Development Plan
NGOs	Non-Governmental Organisations
ODA	Official Development Assistance
P+H	Partnership & Harmonisation (TWG)
PBA	Programme-Based Approach
PFM	Public Financial Management
RGC	Royal Government of Cambodia
SNEC	Supreme National Economic Council
TWGs	Technical Working Groups

## **1. Introduction**

The Royal Government of Cambodia acknowledges the important contribution of development cooperation resources to socio-economic development and the welfare of the citizens of Cambodia in line with the Rectangular Strategy, the National Strategic Development Plan (NSDP) and the Cambodian Millennium Development Goals. The Royal Government has made significant achievements in the implementation of the Strategic Framework for Development Cooperation Management (2006-2010). They are reflected in the increase in the level of development cooperation resources mobilized, improved effectiveness and efficiency in the allocation and use of external resources and strengthened dialogue mechanisms and an enhanced quality of partnership with all development actors. As a result of this strong ownership and leadership on the part of the Royal Government, external resources have made a significant contribution towards the achievement of national socio-economic development goals.

The Royal Government believes that Cambodia is on a path toward an era of unprecedented prosperity. Impressive rates of economic growth over the last decade have been translated in to a three-fold increase in per capita income that brings Cambodia to the threshold of joining the Lower Middle Income Country group. These achievements have not been realized without challenges. Nevertheless, they provide impetus for the Royal Government to continue to tackle those difficult challenges and consolidate progress. These have served to inform the key directions and actions set out for future cooperation. At the heart of this future direction is the transition from aid effectiveness to development effectiveness. In the former case, the principal objective was to consolidate Government ownership and strengthen national capacities with a focus necessarily placed on the technical management of aid projects and relationships with partners. Based on lessons learned and experience acquired, the shift towards a focus on development effectiveness emphasises the achievement of development results, the strengthening of systems and capacities, and the engagement of all actors in an effective partnership that works toward the achievement of common national development objectives.

Based on solid progress and challenges, and looking forward to the opportunities accorded to Cambodia in a new regional and global dynamic, the Development Cooperation and Partnership Strategy (2014-2018) has a clear objective to promote development effectiveness. This Strategy therefore demonstrates the Royal Government's commitment towards its overarching objectives to provide guidance and support to all ministries and agencies of the Royal Government as well as to development partners and national stakeholders to promote the immediate and long-term effectiveness of external assistance as well as all other forms of development finance.

## **2. Development Cooperation: Achievements, Challenges and Opportunities**

Achievements that have been witnessed in recent years provide the foundations for continued progress but must be set against on-going challenges and new opportunities to ensure the sustained impact of development assistance. Amongst its key achievements, the Royal Government has succeeded in mobilizing development cooperation resources to support socio-economic development with external resources mobilized reaching more than USD 1 billion annually since 2008. Development cooperation has therefore accounted for a sizeable part – approximately 10% - of the country's GDP in recent years and has positively contributed to achieve a high economic growth rate of around 7% annually. This has resulted in an increase in the GDP per capita from USD 760 in 2008 to nearly USD 1,000 in 2012 and a downward trend in the poverty rate from around 47.8% in 2007 to 19.8% in 2011. Four CMDG goals have been achieved ahead of schedule while Cambodia is well-positioned to achieve the four other measurable goals by end-2015. Besides demonstrating the international community's support for the Royal Government's development programme and reform effort, this increased level of external resources has supported the creation of a positive environment that has been associated with expanded public and private investment, primarily in the infrastructure, textile, agriculture, construction and tourism sectors. The Royal Government is therefore well positioned to promote and sustain high-levels of economic growth and development in the coming years, including to secure graduation to middle-income status and to engage in, and benefit from, regional and global integration initiatives.

The Royal Government's ability to increasingly mobilize development resources has been in tandem with strengthened national ownership and leadership of the national development effort. Policy frameworks, institutional arrangements, dialogue mechanisms and partnership practices have been established to guide and facilitate deliberation and resource allocation and monitoring. They have

been reviewed, improved and strengthened and the Royal Government and development stakeholders have recognized the importance these have made to improved partnership and enhanced effectiveness of development cooperation resources. At the policy-institutional level, effective ownership and leadership by the Royal Government has transformed the high-level policy dialogue of the Consultative Group meeting to the Cambodia Development Cooperation Forum since 2007, which has ensured the same level of credibility, quality and rigor of dialogue between the Royal Government and development partners. In many sectors, strategies, plans and working mechanisms have been put in place and translated into expenditure frameworks and inclusive coordination mechanisms for directing resource flows at sector and sub-national levels.

<b>Partnership Achievements</b>
<p><b>Nationally owned agenda</b> – clear priorities have been set for implementation of the Paris Declaration in Cambodia, aligning resources and improving partnerships.</p>
<p><b>Capacity development</b> – the Royal Government established significant capacities in leading and managing development cooperation.</p>
<p><b>Alignment</b> – the NSDP and sector strategies effectively guided resource allocations.</p>
<p><b>Harmonization</b> – Dialogue and partnering mechanisms are well-established.</p>
<p><b>Managing for Results</b> – the PFM has applied this concept in the budget allocation process. The JMIs have been reformulated and strengthened.</p>

The Royal Government has made good progress in enhancing the effectiveness and efficiency in the use of development cooperation resources. Cambodia, indeed, has been recognized as a good practice amongst partner countries in the Asia Pacific region with regards to implementation of commitments on aid effectiveness agreed globally in the 2005 Paris Declaration on Aid Effectiveness and reaffirmed in the 2008 Accra Agenda for Action. Allocation of resources to support national priorities has been overall positive with the Rectangular Strategy and the National Strategic Development Plan providing an indispensable policy framework for alignment of resources with national development priorities. Transparency in the flow and use of development cooperation resources have been improved with the record and regular updating by a national information system, the Cambodia ODA Database. Harmonization of support from development partners has been greatly enhanced with the introduction and

implementation of tools such as Program-Based Approaches, Annual Operational Plans, Budget Strategic Plans and the on-going progress in the Public Financial Management Reform Program. A result framework has been integrated into the National Strategic Development Plan and will be further improved to serve as a national comprehensive monitoring framework of development results.

Nevertheless, challenges remain and there is much more to be done in the Royal Government's drive toward more effective development cooperation. High-level commitment of the Royal Government and all development stakeholders needs to be sustained to complete the Paris Declaration 'unfinished business' agenda of making aid more effective for development, principally through the use of programme-based approaches. This includes ensuring the alignment of external assistance with national priorities, harmonizing processes for managing external flows and building capacities for improved public sector management. The achievement of improved development results will also require building broader and more inclusive partnerships and strengthening national systems in accordance with the commitments made at the High-Level Forum in Busan in late-2011. The progress in implementing public sector reforms - Public Administration Reform, Sub-National Democratic Development, Public Financial Management Reform - therefore needs to be consolidated to ensure consistency in the implementation process of national priorities, improve capacity, strengthen national systems and procedures, and account for results.

Mechanisms for dialogue at all levels need to ensure diversity and the differential contribution of all stakeholders, respecting national ownership, emphasizing development results, developing and sustaining national and institutional capacities and functioning in the spirit of inclusive partnerships. Dialogue within and between different multi-stakeholder groups must become better coordinated and complemented by traditional bilateral approaches - both formal and informal - in order to promote and secure greater policy coherency and more robust implementation of sector and reform programmes.

The global economic downturn that is placing pressure on ODA provision and competing uses for development finance such as commitment to parallel global funds may result in support from some sources declining in the medium-term. Cambodia will therefore needs to secure and maximize alternative funding sources as well as concentrate on the mobilisation of domestic revenues to finance national development and to maintain and consolidate socio-economic progress. Regional integration, including the ASEAN Economic Community in 2015, represents an additional challenge – but also an

opportunity – that highlights the need for all development actors to collaborate with the Royal Government to strengthen national capacities and systems that contribute to improved service delivery and economic competitiveness.

Looking to the medium-term, and notwithstanding the challenges outlined above, there are numerous opportunities for consolidating the achievements and experience from the aid effectiveness efforts to promote a more effective development. Cambodia's own prospective graduation to Lower Middle-Income Country status implies changes to development cooperation financing in Cambodia. While this challenge of a declining level of ODA grant funding and concessional financing is real, the opportunities presented by new sources and modalities of development financing are also considerable.

The increasing presence of non-traditional development partners, particularly from the Asia region, and new modalities of cooperation - such as South-South initiatives from former aid recipients and innovative forms of finance directed to meet regional and global challenges such as climate change - usefully enriches the development landscape of Cambodia with new thinking, approaches and financial resources. Likewise, the private sector and the non-governmental, non-profit sector have proven to be effective development actors and there are sufficient positive examples of them partnering with Government to highlight the potential for closer and enhanced collaboration in the future. In the face of growing diversity and the opportunity accorded thereby, development can, and should, move beyond the narrow emphasis conventionally placed upon the financial assistance provided by traditional aid donors.

Under the proven leadership ability of the Royal Government, effective development partnerships must accommodate a diversity of actors and innovative modalities, embracing the differentiated contribution made by each toward common goals of the country in an inclusive partnership. To take full advantage of the potential offered by the diversity of development partners and finance, it is therefore necessary to understand and accommodate the different motivations and management practices amongst diverse partners and funding sources, both public and private, so that common ground can be established for setting and monitoring results in the context of the development effectiveness approach.

In summary, a review of achievements, challenges and opportunities demonstrates that the national and global development context now requires a greater emphasis on the achievement of development results and the adoption of approaches that support planning, partnership and monitoring. Accordingly, the Development Cooperation and Partnerships Strategy is linked to - and builds on - national policies and strategies. For the development effectiveness approach to be meaningful, however, activity to strengthen partnerships, achieve results and to develop sustainable capacities must be linked to national planning, budgeting and monitoring frameworks while ODA-supported efforts need to become more closely integrated with the Government's reform programmes to build effective institutions. A result framework for monitoring should be established at national and sector levels to promote and guide effective development partnerships toward the attainment of national development goals.

Cambodia is well-positioned both in the region and globally to continue its development trajectory that has consolidated stability and brought prosperity to the Cambodian people. The foundations that have been meticulously established over the past decade provide the basis for strengthening and leveraging on the full range of Cambodia's development partners and their respective comparative advantages. Continued commitment and actions are anticipated to further develop systems and capacities as well as to manage risks and to seize opportunities to establish and strengthen partnerships. The role of this Development Cooperation and Partnerships Strategy must therefore be to ensure that the partnership and the resources that it provides are used to maximum effect.

### **3. Strategic objectives**

To further consolidate the achievements, seize new opportunities and to continue to tackle the challenges outlined, the Development Cooperation and Partnerships Strategy identifies an overarching goal and three strategic objectives. As shown in table below, the Royal Government defines "development effectiveness" in the context of Cambodia to make it operational and permit robust monitoring of each objective towards achieving the overall objective of the strategy.

Quantitative indicators have been identified for routine monitoring and will be supported by evaluation (see section 7 on Monitoring & Evaluation).

### Strategic Goal and Objectives for Promoting Development Effectiveness in Cambodia

#### Overarching goal

To ensure that development cooperation resources are used for maximum effectiveness and impact in reaching Cambodia's development goals as set out in the RS– Phase III, NSDP and strategies at sector, thematic and reform level.

#### Strategic objective 1

External resources are used to promote effective and sustainable development

Global partnership commitments are implemented consistently with Cambodia's context and priorities. Domestic financing and external resources must be used in a complementary manner to support NSDP and sector/reform priorities that are consistent with national development goals.

#### Strategic objective 2

Partnerships focus on capacity development & systems strengthening

Partnership arrangements are used effectively to identify approaches that address capacity development priorities and systems strengthening, including to implement reform programmes of the Royal Government in a coherent manner. This will ensure a lasting and sustained impact on capabilities of RGC institutions.

#### Strategic objective 3

All development actors are convened in a partnership to promote equitable & broad-based growth

Development partnerships and the resources they provide are used in a more catalytic manner to focus on results, with increased use of South-South and triangular cooperation and private sector partnerships. An effective dialogue structure and improved JMIs ensure a focus on the required results.

## 4. Principles, Tools and Partnerships for Strategy Implementation

Building on the lessons and experience associated with the implementation of the Strategic Framework for Development Cooperation Management and the Paris Declaration, together with the adoption of a forward-looking perspective that takes account of national context and the promotion of development effectiveness, the Development Cooperation and Partnerships Strategy identifies the following principles, and tools that serve as the basis for an effective development partnership.

### A – Principles

The following core principles shall guide the effort by the Royal Government and other relevant development stakeholders in implementing this Strategy:

- Government will lead an inclusive development partnership with all development actors that is focused on achieving development results by working together while respecting diversity amongst partners.
- Government and development actors commit to building a relationship based on trust and mutual respect that is guided by appropriate frameworks for managing for results and for effective monitoring.
- The NSDP and respective sector/thematic strategies will guide resource allocation, programming, dialogue and monitoring arrangements for all development actors. ODA-funded projects shall be directed to promoting sustainable and equitable socio-economic development by enhancing the productive capacity of the economy and strengthening human capital.
- The principles of the Paris Declaration remain valid. All ODA funding modalities are permitted based on dialogue and agreement between the Royal Government and its development partners in line with the global norms and agreed practices established in Paris (2005), Accra (2008) and Busan (2011).
- ODA management arrangements at sector/thematic level should become increasingly harmonised over time as development partners move towards more common approaches to programming such as through a program-based approach arrangement.
- Capacity development remains one of the principal objectives of development cooperation. Technical cooperation, which is usually to be provided as grant financing, must be directed to institutional and human capacity development under the leadership of RGC. Guidelines issued by RGC in 2008 continue to be applicable and state that, inter alia, technical cooperation must

be consistent with capacity objectives associated with a RGC strategy/plan and sensitive to the operating environment. Capacity initiatives and the provision of technical cooperation should, to the fullest extent possible, be linked to the major reform programmes of the RGC.

## B - Tools for Strategy implementation

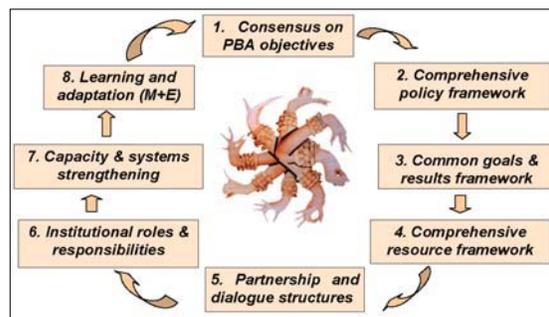
There are four principal tools and approaches for managing the development partnership effectively and for ensuring that the objectives of the Development Cooperation and Partnerships Strategy are secured. Each of these is well-established and reflects a preference for continuity, learning and adaptation that builds on achievements recorded to date.

### **Programme-based Approaches (PBAs)**

Noting the wide range of external funding sources, the partnering approach in Cambodia embraces diversity and accommodates the differing practices of development partners. PBAs, which were formally established as the RGC's preferred approach to managing sector partnerships in November 2010, have therefore been adapted for use in the Cambodia context to promote policy and operational coherence while recognizing the realities of the different programming practices employed by Cambodia's development partners.

After almost three years of implementing PBAs, there have been a number of useful lessons learned that can be applied to accelerate their further effective use:

- PBAs require effective RGC leadership and commitment that is based around a coherent sector strategy or plan.
- PBAs work best where there is strong technical capacity in the lead RGC ministry/agency with an initial focus on strengthening planning, partnering and monitoring functions.
- Communication and transparency by all partners is essential to ensure that programming decisions and monitoring of progress lead to improved development results.
- Sustained success of the PBA management model requires increased attention to joint capacity assessments and collaborative efforts to strengthen systems in line with the core public sector reform programmes of the RGC.
- The use of a results-based approach and monitoring framework provides a helpful structure to guide resourcing and dialogue based upon common goals.



CRDB/CDC is now well-equipped and resourced to support RGC ministries and agencies that require support to either establish or to strengthen their PBA. The October 2010 PBA Concept Note – identifying the main components of a PBA to be strengthened through a partnering approach as per the adjacent graphic - therefore remains valid as PBAs continue to be the preferred RGC approach for managing external cooperation and the principal tool for attaining the objectives of this Strategy.

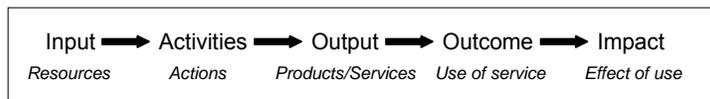
Key PBA-related activities associated with the Development Cooperation and Partnerships Strategy will include:

- Ministries/Agencies and TWGs, in collaboration with CRDB/CDC where appropriate, are requested to review PBA-related work in order to identify opportunities for further promoting PBAs application.
- Enhanced outreach support from CRDB/CDC will be provided to those TWGs that wish to pursue a PBA or to strengthen specific components of their work.
- TWGs are requested to explicitly consider partnership and capacity issues in their PBA work to ensure that the full range of actors are included in programming and in developing sustainable sector-wide capacities.
- Increased focus on learning, identification of key lessons and facilitation of policy transfer through peer dialogue and training at the TWG Network.

### **Results frameworks and results-based approaches**

The Royal Government's commitment to achieving development results requires an improved framework for linking policy to inputs to activities and, ultimately to results (outputs and outcomes). The use of results frameworks at sector level that are linked to the NSDP can promote consensus on what needs to be done – priority actions – as well as providing a robust means of confirming that targets have been met – output and outcome indicators - and that resources have been mobilised. In this way, results frameworks are a tool to link and coordinate policy with resourcing, activity and monitoring.

It is evident that many sectors and TWGs already have results frameworks in place. Their profile may be raised to make them suitable for joint resourcing, programming and monitoring, as well as for incremental strengthening and building on the good foundations that are already in place. Elsewhere, the generic approach (shown below as a results chain) may be adapted and applied as part of a sector plan or strategy to be supported in the context of a PBA and its associated monitoring framework to suit the particular needs and circumstances of the respective sectors and TWGs.



TWGs and sector programmes are therefore encouraged to develop and use results frameworks and similar approaches to better link national results identified in the NSDP with sector programmes and external funds. Results frameworks that require collaboration across sectors can also be a basis for promoting cross-sectoral dialogue to ensure adequate resourcing, effective implementation and robust monitoring. Programme-based approaches represent a management arrangement that is ideally suited to the results-based approach.

Key results-based activities associated with the Development Cooperation and Partnerships Strategy will include:

- Ministries/Agencies and TWGs are requested to review their results frameworks that are linked to sector strategies/plans and to identify incremental improvements that build on the foundations that are already in place.
- Specialised support from CRDB/CDC will be provided for those TWGs that require support in formulating or strengthening their results frameworks.
- Increased focus on achievement of pre-identified results at TWG level, including through an annual review and a link to a longer-term Joint Monitoring Indicator.
- Inclusion of partnership and capacity/systems development priorities in the results framework.

### **Joint Monitoring Indicators (JMIs)**

The JMIs, which were strengthened using results-based methodologies in 2012, are now a well-established tool for setting common goals and jointly monitoring progress and for promoting and structuring partnering dialogue. They will therefore continue to be a principal tool to be employed to support the implementation of the Development Cooperation and Partnerships Strategy over the next five years.

To secure improved performance through a continuous and consistent focus on priority objectives, the sectoral JMIs have been selected in early 2014 and will remain in place for the full 5-year 2014-2018 NSDP implementation period. They will, however, be subject to an annual progress review and reporting through the GDCC so that annual activities may be agreed to ensure that targets remain on-track. JMIs are, wherever possible, to be derived from existing sector/thematic results frameworks (or included in future results frameworks). Where relevant, the 5-year JMI should also be included in the priority activities that are monitored as part of the NSDP. This will ensure consistency between NSDP priorities and sector/thematic work.

Key JMI-related activities associated with the Development Cooperation and Partnerships Strategy will include:

- Ministries/Agencies and TWGs are requested to identify a five-year (2014-2018) higher-level target (outcome level) and indicator.

- Annual activities should be programmed to facilitate progress towards the higher-level result via a number of associated outputs. These should also take account of wider capacity and systems strengthening priorities.
- Annual progress reviews should be included as a routine part of the TWG work programme.
- Development partners active in a sector are required to review their own project results frameworks to ensure consistency with sector/TWG priorities and an adequate focus on capacity and systems strengthening.

**Promoting resource transparency, accountability and results**

The Royal Government is committed to ensuring that development cooperation makes the maximum possible contribution to achieving the country's development goals. Information management tools will therefore be employed to support coordination, planning, budgeting, implementation, reporting and monitoring as a means to promote development effectiveness. The Royal Government is also concerned to promote resource transparency and coordinated implementation of activities as important objectives in their own right. Two established tools will therefore be further adapted and utilised: (i) the Cambodia ODA and NGO Databases, which are maintained by CRDB/CDC on behalf of the Government; and (ii) the Multi-Year Indicative Financing Framework, which has been used very successfully at CDCF meetings to obtain medium-term estimates of ODA support from development partners.

Following its establishment in 2005, the Cambodia ODA Database has been developed to record and share information on all development activities supported by external partners. In 2008 an additional database was created to record and share information on NGO activity. Both systems can be accessed and viewed online to support planning and budgeting functions as well as to promote coordinated activities implemented by development partners and NGOs at national and sub-national level. Public access to these systems also makes an important contribution to ensuring that all stakeholders including development partners that provide these resources can access information regarding their use. As the emphasis has shifted from aid to development effectiveness, the databases have been further modified to capture qualitative information: the systems have been used to monitor the Busan commitments in the 2013 global survey and the introduction of *thematic markers* allows projects to be tagged for their support to the private sector, South-South cooperation, civil society as well as for a range of cross-sectoral issues that are critical to the development effectiveness effort (examples include gender mainstreaming, climate change, youth development etc). Both quantitative monitoring and qualitative evaluation at national and sectoral levels are therefore enabled by these features of the database.

The Multi-Year Indicative Financing Framework has been employed in each of the last three CDCF meetings to gather information on the funding intentions of development partners related to the NSDP. The Government has emphasised that the numbers are only to be treated as estimates – they are not commitments in any sense – and the development partners have responded by providing medium-term projections in line with their commitments made first in Paris and then, later, in Accra and Busan. The ODA Database has been used as a source to populate this framework and will make the process easier in the future when the Multi-Year Indicative Financing Framework is used at the GDCC to provide an estimate of resourcing.

In both cases the production of knowledge products, such as the *Development Effectiveness Report*, and on-line resources, such as the provision of public access to all CDCF/CDF documents on the CRDB/CDC website, including the Multi-Year Indicative Financing Framework, will continue to ensure that information is shared in the interests of practical programme management as well as for promoting resource transparency and predictability.

The tools set out here have been selected to address the challenges and opportunities identified earlier in this Strategy paper. There is a clear link between their implementation and the achievement of the development effectiveness goal and objectives of the Development Cooperation & Partnerships Strategy. The respective tasks for which each is to be employed is further summarised in the table overleaf.

Linkages between national, sector and project level programming and monitoring		
National level: NSDP	Sector strategies & plans	Project
Monitoring through national & sector results and use of results frameworks linking national-sector-project levels		
JMIs linked to NSDP indicators NSDP review process and CDF/GDCC provide opportunity for dialogue on achievement of results (output, outcome and impact level)	PBAs promote alignment, harmonisation & systems strengthening. Sector results frameworks & JMIs linked to NSDP outcomes & budget strategic plan	ODA Database records disbursements & projections; and automates monitoring of national and Busan indicators Project results frameworks aligned with sector goals

### **C – Partnerships to Support Development Effectiveness**

Looking beyond existing relationships with traditional development partners and recognising the important role of all development actors, one of the explicit objectives of this Strategy is to strengthen opportunities for closer engagement with the private sector, NGOs and South-South partners as well as to promote synergies and effective coordination between the resources and contributions that each of these actors provides.

#### ***Promoting private sector development***

Cambodia's successful socio-economic development over last decade has been associated with high levels of private sector-driven growth. In addition to economic growth, many associated benefits such as employment creation, improved livelihoods, improved public services and increased domestic tax revenue have also been realized as both the domestic private sector and foreign direct investment have increased markedly. Strengthened partnerships between development partners and the private sector therefore offer significant potential to consolidate growth and to maximise its benefits for the population.

There are four principal areas of support in which development partners may facilitate private sector development. These include: (i) strengthening the enabling environment for private sector development; (ii) the promotion of economic competitiveness; (iii) development of public infrastructure (including through Private-Public Partnerships); and (iv) forming direct partnerships with the private sector either to support public service delivery or to strengthen the business environment.

#### ***NGO partnerships for effective service delivery***

The Government recognizes the significant contribution NGOs have made over more than thirty years, both in terms of resources and in supporting service provision in the social sectors principally health, community welfare, education, rural development and HIV/AIDS. In addition to their own funds, NGOs also manage ODA resources and implement projects on behalf of development partners. In particular, in 2011 the support of NGOs in supporting the Government-led flood relief response was critical to providing essential equipment and provisions while post-crisis dialogue between the Royal Government and the NGO community highlighted multiple areas where there is potential for increased collaboration. NGOs' own efforts to improve their internal coordination, transparency in resource use and collaboration with Government are the main factors for further strengthening relationships between all stakeholders in the future.

#### ***South-South and Triangular Cooperation***

As a complement to traditional North-South modes of support, South-South and Triangular cooperation modalities have the potential to provide policy solutions and technologies that are more contextualised, demand-led, responsive, flexible, cost-effective and sustainable. The most important principles to be addressed through this Development Cooperation and Partnerships Strategy in scaling-up these modalities are as follows:

- Ensure ownership and alignment by using existing policy, planning and review processes, including current partnering mechanisms, to identify the potential use of South-South and Triangular arrangements.
- Promote effectiveness and impact by ensuring effective programming and implementation arrangements, including, where possible, by linking to a sector results and monitoring framework.
- South-South and Triangular initiatives should be subject to the same principles and practices that promote alignment and results: they should be included in policy and planning dialogue with partners as part of a sector programme.

- Maximise the impact of South-South and Triangular support by creating improved knowledge management arrangements to record, disseminate, scale-up and replicate the results of South-South initiatives.
- Identify and utilise increased South-South and Triangular arrangements by establishing a more strategic and coherent process for identifying needs and matching them with possible providers of support.

In addition to the main principles, tools and partnerships outlined in this section, there will be a continued focus on the promotion of effective dialogue through the use of partnership mechanisms.

## 5. Partnership and Dialogue Arrangements

Dialogue arrangements play a central role in managing the development partnership and promoting its effectiveness. Regular reviews, including as part of formulating this Development Cooperation and Partnerships Strategy, have been conducted to ensure that the mechanisms that have been put in place continue to be relevant and effective. Recognising the importance of continuity and incremental strengthening, the three tier model used to date is retained with some important modifications that are based on lesson learning and stakeholder consultation. These multi-stakeholder arrangements are to be complemented by improved use of bilateral reviews with development partners.

The dialogue arrangements to be employed during 2014-2018 are summarised below:

<b>Cambodia Development Forum</b>				
<b>High-level dialogue</b>	<ul style="list-style-type: none"> <li>□ Meeting every two years, bringing together RGC, DPs, private sector &amp; NGOs</li> <li>□ High-level meeting on national development: priorities, progress, challenges, financing</li> <li>□ Ensuring feedback and consistency in dialogue at lower levels</li> </ul>			
<b>Policy dialogue &amp; policy review</b>	<b>Government-Private Sector Forum</b> Meeting annually, focus on: <ul style="list-style-type: none"> <li>□ Providing policy options and advises on PS development</li> <li>□ Addressing business related bottlenecks and concerns</li> </ul>	<b>Government-Development Partner Coordination Committee</b> Meeting annually, focus on: <ul style="list-style-type: none"> <li>□ NSDP progress</li> <li>□ JMIs</li> <li>□ Public sector reforms</li> <li>□ Cross-sector issues</li> </ul>	<b>Government-NGO Consultation Meeting</b> Meeting annually, focus on: <ul style="list-style-type: none"> <li>□ NGO role in supporting service delivery</li> <li>□ Partnering to promote welfare of the people</li> </ul> Includes general discussion & sector focus	<b>Bilateral RGC-DP consultations</b>  Continues as per current arrangements under coordination of MEF or CRDB/CDC.  Increased results-focus and improved use of annual bilateral country programme reviews will complement multi-stakeholder dialogue and ensure DPs are aligned to respective results frameworks of priority programmes in respective sectors & thematic areas.
<b>Technical discussion &amp; information sharing</b>	Comprises 9 working groups responsible for coordinating among private sector  DP coordination through: <ol style="list-style-type: none"> <li>(i) RGC PSD Steering Committee</li> <li>(ii) CDC (secretariat to G-PSF)</li> <li>(iii) Cambodia Chamber of Commerce</li> </ol>	<b>Technical Working Groups</b> <ul style="list-style-type: none"> <li>- TWGs review and confirm future role and format.</li> <li>- All TWGs hold an annual results meeting and establish informal consultation group.</li> <li>- TWG members identify resource needs and funding sources for secretariat.</li> </ul>	<ul style="list-style-type: none"> <li>- NGOs active in TWGs</li> <li>- Principal NGO focal points are responsible for coordinating among NGOs prior to the annual meeting (e.g. pre-meeting, setting up agenda, etc.)</li> </ul>	

The strong emphasis now placed on results and partnership approaches in the development dialogue implies that new partnering skills must be employed in order to make this dialogue effective. There is a need to recognize, for example, that trust, transparency and mutual benefit must be promoted for partnering dialogue to be productive. This, in turn, means that, in using the tools outlined in the previous section, there must be strong incentives and capacities in place to ensure that all stakeholders participate effectively to maximize the potential of the dialogue arrangements, including to ensure effective implementation of priority activities, to monitor progress and to learn together based on shared experience. Each of the major formal components of the dialogue mechanism are elaborated further as follows:

### **(i) Cambodia Development Cooperation Forum (Cambodia Development Forum)**

The CDCF will progressively evolve into the Cambodia Development Forum (CDF), with an increased representation of national stakeholders (private sector, civil society) and a focus on broader development effectiveness and financing issues. The purpose of the CDF shall be to convene all partners to review and discuss development progress and challenges with a view to identifying appropriate strategies and actions that require both collective and individual attention.

The transition from CDCF to CDF will be managed in stages: the first CDF will take the form of two back-to-back meetings, one on development cooperation followed by another on private sector development. An assessment will then be made of future arrangements towards fully integrating these processes. It is expected that the CDCF/CDF will meet every two years.

### ***(ii) Government-Development Partner Coordination Committee (GDCC)***

The GDCC serves as the principal forum for stock-taking of progress and policy-level dialogue between RGC and development partners. GDCC will meet once annually as a half-day meeting that addresses JMI progress and national priority issues including the core public sector reforms and cross-sector issues. As the CDF transition takes place, the GDCC will increasingly focus on ODA-related partnership issues and all matters concerning the relationship and working arrangements between the RGC and development partners. This will include the establishment and review of the JMIs, monitoring of the NSDP, reviewing progress in the public sector reform agenda and presenting the Multi-Year Indicative Financing Framework. The GDCC Chair and secretariat will meet quarterly with the Lead Development Partner – who is nominated by development partners – and key development partner representatives to follow up on progress on issues that have been raised during the GDCC meeting or to identify issues that have arisen between meetings, as well as to jointly develop the next GDCC agenda.

### ***(iii) Technical Working Groups (TWGs)***

TWGs are the bedrock of the partnership architecture; their role is to facilitate technical dialogue at sector, thematic and reform level in order to support effective implementation, monitoring and learning. The 'Guideline on the Role and Functioning of the TWGs' remains relevant and TWGs, as a starting point for their development effectiveness focus in 2014, are requested to review their working arrangements, including membership and secretariat support, in order to ensure the results-based approach is made operational and the TWG Terms of Reference is both relevant and appropriate. In the context of development effectiveness, TWGs must place increased attention on cross-cutting issues – gender and climate change, for example – as well as strengthening capacities and systems through joint approaches in line with the RGC public sector reform agenda. TWGs are also required to establish informal dialogue arrangements - an informal meeting or a core group meeting - to discuss prevalent issues related to TWG performance prior to the formal TWG or GDCC meeting.

TWGs are strongly encouraged to pursue increased programmatic and joint approaches to planning, programming and reviewing progress, ideally through a PBA arrangement. A results framework linked to the sector/thematic strategy or plan will provide the basis for JMI selection and monitoring. TWGs are requested to hold annual performance reviews – linked to their results frameworks where these are in place – that will feed in to reporting for the GDCC. Recognising the diversity of sector context, TWGs will also retain significant scope to determine their own operating procedures, including to determine the frequency of their meetings and to discuss a wider range of topics related to, for example, the implementation of the public sector reform agenda.

CRDB/CDC is prepared to provide support to TWGs in promoting their development effectiveness objectives based on requests from the respective TWG Chair. This includes the continued facilitation of the TWG Network, which convenes meetings of TWG Chairs, Secretariats and Lead Development Partners, in order to review progress, promote peer learning, share information and conduct trainings on topics such as PBAS, results-based management and partnering skills.

### ***(iv) Bilateral development partner portfolio reviews***

Bilateral consultations and portfolio reviews are a useful complement to multi-stakeholder dialogue. These bilateral meetings, usually taking place annually or every two years and led either by CRDB/CDC or MEF, provide an important opportunity to review progress as well as to discuss in a more in-depth manner a range of sector-specific issues that relate to a particular development partner's programme. In the past, not all development partners have made full use of this opportunity to hold bilateral discussions. The Royal Government therefore strongly encourages all development partners to hold these bilateral review meetings with CRDB/CDC (mainly grant providers) or MEF (loan providers) and to base the agenda on the reviewing progress towards the results that have been set out in the country programme. Other important topics for discussion include discussion on issues related to sector context/environment related to areas of a partner's support and the contribution made to capacity development and systems strengthening.

### ***(v) Private sector consultations***

An annual Government-Private Sector Forum is currently established as a mechanism to facilitate in-depth dialogue on issues concerning the business environment and the private sector. Nine working groups are in place to inform the agenda for the high-level Forum meeting that convenes annually (CDC serves as General Secretariat to the Government-Private Sector Forum). The Government-

Private Sector Forum continues to provide an important opportunity for direct dialogue and for the resolution of specific challenges and bottlenecks related to the further development of the private sector.

The Royal Government encourages more direct engagement by development partners in private sector development through dialogue with Government via the RGC Steering Committee on Private Sector Development. Dialogue with private sector representatives, including the Cambodia Chamber of Commerce, and the provision of capacity development support will also ensure that the private sector is effectively represented at the Cambodia Development Forum and able to contribute fully to discussions on the direction of national development policy.

#### ***(vi) NGO consultations***

Following the successful consultations between the Royal Government and the NGO community after the 2011 floods in February 2012, formal arrangements are in place to hold annual consultations with NGOs in the future and a Guideline on the Annual Consultative Meeting has been approved by the Royal Government with CRDB/CDC serving as secretariat. The purpose of the annual consultative meeting is to support the implementation of Cambodia's national, sub-national and sectoral/thematic development strategies, identifying shared goals and appropriate actions for Government, NGOs. Where relevant, joint activity that can lead to improved performance and development effectiveness may also be identified and agreed.

These consultations are therefore intended to promote mutual understanding and information sharing on progress achieved, challenges faced and solutions proposed as well as establishing effective follow-up mechanisms to ensure the realisation of improved development results. NGOs will self-select their own coordinating representative for the meeting and dialogue both before and after the meeting with the Government will ensure adequate preparation and follow-up.

## **6. Institutional arrangements**

The roles of respective RGC ministries and agencies in leading and managing the development partnership are comparable to the arrangements established in 2006 for the Strategic Framework for Development Cooperation Management (2006-2010). CRDB/CDC, as the Royal Government's lead coordination and resource mobilisation agency for development cooperation, will serve as the lead focal point for all matters related to development cooperation. Institutional roles are as follows:

- i) CRDB/CDC shall be the RGC's coordinating body with responsibility for overall policy leadership on ODA mobilisation and management. CDC shall also be the principal focal point for working with development partners providing grant funding on appraisal, programming, monitoring and review. As Secretariat for overseeing and managing arrangements for partnership dialogue (CDCF/CDF; GDCC; NGO Meeting; TWGs), CRDB/CDC will lead on partnership dialogue with development partners, formulating and monitoring the JMIs and maintaining records on all external and NGO project funding. CRDB/CDC provides the following services:
  - preparing CDCF/CDF, GDCC, NGO, P+H TWG and TWG Network meetings;
  - development partner country programme preparation and bilateral reviews (grant funding)
  - appraisal and endorsement of grant-financed ODA projects as well as participation in the periodic review of projects;
  - maintaining the ODA and NGO Databases on behalf of the Royal Government;
  - support to TWGs, including in JMI preparation and monitoring;
  - on-demand support and facilitation to RGC ministries and agencies.
- ii) CDC serves as the General Secretariat to the Government-Private Sector Forum and will coordinate these meetings in consultation with 9 working groups.
- iii) Ministry of Planning (MOP) shall prepare and monitor 5-Year Plans – the NSDP - to guide ODA allocations and alignment. The Ministry of Planning shall also produce the 3-year rolling Public Investment Program (PIP) in cooperation with CDC and line ministries/agencies to identify priority projects based on inputs from the ODA Database and line ministries.
- iv) Ministry of Economy and Finance (MEF) shall prepare the macroeconomic framework and, using inputs from CDC and the PIP on external financing, identify broad loan/grant financing

requirements for implementing annual public investment programs while maintaining macro-economic stability and debt sustainability. MEF shall be the sole RGC signatory for loan financing and will manage loan-financed projects, including portfolio management, project appraisal and monitoring.

In negotiating loans, it is emphasised that they are intended primarily for use in projects that demonstrate an economic rate of return that is higher than the cost of borrowing. Loan financing is therefore normally to be reserved for economic and infrastructure projects but RGC has discretion to use loan financing for socio-economic projects that have direct and measurable economic benefits (i.e. a socio-economic rate of return) for people through investments in human capital and livelihoods.

- v) Ministry of Foreign Affairs and International Cooperation shall be the diplomatic window for development cooperation. CRDB/CDC retains the mandate for country programming and negotiation of grant financing while the Ministry of Economy and Finance manages loans agreements.
- vi) Line ministries and agencies shall lead the TWGs where relevant and shall actively participate at an appropriately senior level in all TWGs that are relevant to their mandate. Ministries that chair a TWG will lead on JMI identification and monitoring. In cooperation with CDC and MOP, they shall review data in the ODA and NGO Databases maintained by CDC in order to prepare their inputs for the Public Investment Program (PIP).

## **7. Monitoring and Evaluation**

### ***Links to national and sector development targets***

The Royal Government views development effectiveness as part of the effort to implement the NSDP and to achieve the objectives that are set out in the Rectangular Strategy – Phase III. The monitoring framework that is associated with this Development Cooperation and Partnerships Strategy is therefore intended to ensure that appropriate partnership actions are implemented to guide the achievement of development results. At sector and thematic level, the JMIs selected for the five-year NSDP period (2014-2018), facilitated by CDC and overseen by the GDCC, shall be the focus for determining if effective development has been realized. Linked to their own sector/thematic results frameworks where these are in place, the JMIs will be developed in early 2014 to ensure a maximum contribution to the development objectives set out in the NSDP. Annual activities and associated progress indicators will be prepared by TWGs for discussion at GDCC towards achieving national development goals.

### ***Monitoring development effectiveness***

Achievement of the JMIs and other national development targets will be greatly influenced by the quality and effectiveness of the development partnership. The JMIs therefore represent the development outcomes that are an indicator of development effectiveness. For this Strategy, and to ensure that its principles and tools contribute to effective development outcomes such as the JMIs, a clear overarching goal and related objectives have been identified at the highest results level to provide the focus for implementation efforts and monitoring. The Strategy therefore establishes a monitoring framework for the five-year period beginning 2014.

Indicators are informed by the adoption of global indicators employed as part of the Busan global monitoring arrangements as well as those associated with the Paris Declaration and Accra Agenda for Action that remain relevant and of high priority. Ten indicators have been selected for monitoring the impact of the Global Partnership, of which five are to be monitored at global level, whereas the other 5 indicators are to be monitored at country-level. The 5 country-level indicators can be monitored by using the Cambodia ODA Database. Baselines and targets have been identified during the Busan monitoring exercise that took place during the 3<sup>rd</sup> quarter of 2013. Activities can then be programmed on an annual basis under the leadership and overall coordination of CRDB/CDC and in discussion with the Partnership and Harmonisation TWG.

The ten global indicators – with national monitoring indicated where applicable together with actions required in Cambodia - are as follows:

Indicator		Country-level monitoring	Actions required in Cambodia
1	Extent of use of country results frameworks by co-operation providers	✓	Question in ODA Database (Project-level Yes/No) GDCC TWG monitoring of results framework use Mid-term evaluation of NSDP and DCPS
2	Enabling Environment Index for civil society.		ODA Database thematic marker (Number/% of projects) Mid-term evaluation to review CSO partnership Annual RGC-NGO Consultation Meeting
3	Engagement and contribution of the private sector to development		ODA Database thematic marker (Number/% of projects)
4	Information on development co-operation is publicly available		ODA & NGO Databases updated twice annually
5	Development co-operation is more predictable (a) annual: proportion of aid disbursed compared to scheduled (b) medium-term: % of aid covered by indicative forward plans.	✓	ODA Database (comparison of <i>ex ante</i> and <i>ex post</i> ) USD amount and % of DP projects with forward schedules
6	Aid is on budget (recorded and approved by the legislature)	✓	ODA Database proxy for reporting to RGC MEF reporting
7	Mutual accountability (joint assessments of progress)	✓	GDCC reporting by TWGs and JMI reporting
8	Gender equality (% of countries with systems that track allocations).		ODA Database (gender 'sector' and marker) Gender PBA: MOWA & MEF to report
9	Effective institutions (a) Quality of PFM systems; and (b) Use of country PFM and procurement systems.	✓	CPIA (external assessment) ODA Database project-level reporting on system use
10	Aid is untied		ODA Database project-level reporting

More broadly, and building on the global arrangements, the results framework for the Development Cooperation & Partnerships Strategy is linked to the identified objectives, as the table below shows. The 6 indicators are to be used to monitor Cambodia's progress in development effectiveness, in which 5 indicators are derived from the Busan monitoring framework with one additional indicator, 1b related to PBAs, is retained from the Paris Declaration monitoring exercise. 2013 baselines and 2018 targets are shown where they are available.

### Strategic Goal, Objectives and Indicators for Monitoring and Evaluating Development Effectiveness in Cambodia

	Monitoring	Evaluation
<b>Overarching goal</b> To ensure that development cooperation resources are used for maximum effectiveness and impact in reaching Cambodia's development goals.	<b>Indicators</b> NSDP monitoring and the sector-level JMIs selected for the five year NSDP period (2014-2018) shall be the focus for determining if effective development has been realized at the output and outcome level.	To complement the monitoring process and to promote shared learning, the Royal Government will conduct a mid-term evaluation of the Development Cooperation & Partnerships Strategy, most likely during the first half of 2016.
<b>Objective 1</b> External resources are used to promote effective and sustainable development	<b>Indicators</b> 1a) Extent of use country results frameworks by development partners (baseline & target: tbc) 1b) Share of ODA provided through programme-based approaches (baseline: 28%; target 50%)	The evaluation, which may be linked to an NSDP review, will be conducted in consultation with all development actors. A specific focus will be on examining the link between development effectiveness activities covered in this Strategy and their impact on delivering development results as set out in the NSDP.
<b>Objective 2</b> Partnerships focus on capacity development & systems strengthening	<b>Indicators</b> 2a) Use of country PFM systems (baseline: 32%; target: 50%) 2b) Use of country procurement systems (baseline: 20%; target: 35%)	The Strategy tools and dialogue mechanisms will be reviewed to assess their relevance and impact so that adjustments can be made where necessary, either to the tools themselves or to the dialogue arrangements.
<b>Objective 3</b> All development actors are convened in a partnership to promote equitable & broad-based growth	<b>Indicators</b> 3a) Aid on-budget (baseline: 79%; target: 90%) & disbursed on schedule (baseline: 91%; target: 95%) 3b) Conducting annual meetings & mutual assessments of progress, incl. JMIs	

### ***A methodology for transparent reporting on development effectiveness***

In all cases the Royal Government can monitor these indicators by using available data sources and systems, notably the Cambodia ODA Database, which was successfully used for monitoring Paris Declaration commitments (2008 and 2011) and also for the Busan survey (2013) based on existing project-level reporting. Monitoring of national and global development effectiveness indicators will therefore not impose any significant or additional administrative burden or require the development of new monitoring systems. Development partners will continue to report to the ODA Database twice a year, usually at the end of Q1 (out-turn from previous year) and in Q3 (confirm out-turn and provide projections for following year).

To ensure full transparency, both the ODA and NGO Databases will continue to be made available for on-line viewing. This approach is intended to promote the use of the data by all ministries/agencies of the Royal Government in planning as well as for use by development partners and NGOs in their own coordination work. Members of academia and civil society are encouraged to make use of the data for their own research and public information purposes.

The Royal Government will continue to produce an analytical report – the Development Effectiveness Report – for discussion at CDCF/CDF meetings. An annual report on JMI implementation progress will be prepared for presentation to the GDCC. Additional information and knowledge management products prepared by CDC to support effective coordination and external resource allocation will be produced on a periodic basis, including to review progress against the Busan development effectiveness commitments.

### ***Mid-term evaluation***

As a necessary complement to the monitoring process, the Royal Government will conduct a mid-term evaluation of the Development Cooperation & Partnerships Strategy in consultation with all development actors to review the implementation progress and lessons learned - during the first half of 2016, ideally in conjunction with NSDP review processes. Such an exercise for supporting national as well as post-Busan global partnership efforts will be reviewed by Government in dialogue with the Partnership and Harmonisation TWG, taking account of factors such as the post-2015 global development agenda perspective on partnership, opportunities to complement other policy-related work and reviews, timing, cost and the perceived cost-benefit of such an exercise.

With a forward-looking perspective, and informed by these post-2015 global compacts, the evaluation may also include a survey of the external environment concerning provision of ODA and Cambodia's evolving development priorities related to lower-middle-income status. This will ensure forward-looking preparedness as ODA delivery trends change and Cambodia's own priorities evolve.

### ***Sector and project monitoring***

To support monitoring of the development effectiveness effort at sector/thematic level, the ODA Database can be further customized to identify any specific sector results that sectors identify, linked to the NSDP. Based on NSDP monitoring indicators, it will then be possible to monitor the contributions and performance of external projects towards achieving the sectoral objectives. Sub-sector categorizations, related to the structure of sector plans and budgets, can also be accommodated into the ODA Database at the direction of line ministries.

TWGs are also requested to undertake annual reviews based on their sector/annual plans and results frameworks. Similarly, joint evaluation of projects that contribute to a specific results area will become possible so that attribution (or a plausible contribution) and collaborative learning can inform policy dialogue and future programme design. Joint monitoring and evaluation will therefore move beyond the recording of inputs towards assessing contribution to sector and national results.

## **8. Conclusion**

The rapid progress in national development and poverty reduction as well as significant achievements of the Cambodia Millennium Development Goals is testament to the strong leadership of the RGC and effective implementation its development strategies. The contribution of other development actors – external development partners, civil society organisations and the private sector – has also been significant. To ensure that this progress is consolidated and that future challenges are met there must continue to be a focus on effective implementation of development strategies and partnerships.

The NSDP therefore sets out the specific development goals that will guide Cambodia towards further success and prosperity as a middle-income country. Adherence to the principles outlined in this Development Cooperation and Partnerships Strategy, together with successful implementation of the four main tools that have been identified, will ensure that the overarching objective of the Strategy – using development resources for maximum effectiveness and impact – can be achieved.

Recognising the link between partnerships at the national and global levels, the Royal Government emphasises, and brings to the attention of its partners, the need for “complementary actions but common goals” that are identified in the Busan partnership document. The Busan process envisages a broad and inclusive partnership of governments, development partners, civil society actors and the private sector, a sentiment that is translated at the national level in Cambodia’s own Development Cooperation and Partnerships Strategy. Recognising the different skills and contributions of each partner while working under a common framework that guides all development actors towards maximizing their contributions to socio-economic development will ensure that Cambodia realizes its national goals.

The activities linked to the Development Cooperation and Partnerships Strategy must now be implemented and resourced at two principal levels: (a) centrally by CRDB/CDC; and (b) at sector level by line ministries, agencies and sub-national entities. Development partners are therefore requested to continue to provide resources and support to CRDB/CDC and to other ministries and agencies of the Royal Government to support both implementation and monitoring. Based on the result framework set out in this Strategy, continued dialogue and joint learning will then support the continued interaction and adaptation that is required to respond to emergent challenges and to take advantage of new opportunities. In this way, the promotion of the development effectiveness objectives outlined in this Strategy will be secured.