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ភាពជាដៃគូរបស់វិទ្យាសាស្ត្រសម្រាប់កម្ពុជា
NGO EDUCATION PARTNERSHIP

MAPPING OF BUDGET INFORMATION IN EDUCATION

Phnom Penh, Cambodia
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This study was commissioned to **Mr. PAK KIMCHOEUN**, by the National Budget Project of the NGO Forum on Cambodia, in cooperation with NGO Education Partnership, as part of the project's effort to promote budget transparency.

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List of Abbreviations

ADB	Asian Development Bank
AMIS	Aid Management Information System
AOP	Annual Operating Plan
API	Advocacy and Policy Institute
BMC	Budget Management Centre
CAR	Council for Administrative Reform
CDC	Council for the Development of Cambodia
CDCF	Cambodia Development Cooperation Forum
CMDG	Cambodia Millennium Development Goal
COA	Chart of Accounts
CSOs	Civil Society Organisations
D&D	Decentralisation And De-concentration
DEF	Department of Economy and Finance
DIP	Development Issues Programme
DoEYS	Department of Education, Youth and Sport
EC	European Commission
EFA	Education for All
EFAC	Education for All Committee
EMIS	Education Management Information System
ESP	Education Sector Policy
ESSP	Education Sector Support Programme
ESWG	Education Sector Working Group
FMIS	Financial Management Information System
HRMIS	Human Resource Management Information System
IBP	International Budget Project
IMF	International Monetary Fund
JTWG-Ed	Joint Technical Working Group on Education
MEF	Ministry of Economy and Finance
MoEYS	Ministry of Education, Youth and Sports
MoI	Ministry of Interior
MoP	Ministry of Planning
MTEF	Medium-Term Expenditure Framework
NA	National Assembly
NAA	National Audit Authority
NEP	NGO Education Partnership
NGO	Non-Governmental Organisation
NSDP	National Strategic Development Plan
O&M	Operations and Maintenance
ODA	Official Development Assistance
PAP	Priority Action Programme
PBB	Programme-Based Budgeting
PETS	Public Expenditure Tracking Survey
PFMRP	Public Financial Management Reform Programme
PIP	Public Investment Programme
PMU	Project Management Unit
R&D	Research and Development
RGC	Royal Government of Cambodia
SSC	School Support Committee
SWAp	Sector-Wide Approach
SWPAM	Sector-Wide Policy Action Matrix
TOFE	Table of Financial Operations of the State
UNICEF	United Nations Children's Fund
VSO	Voluntary Services Overseas
WVC	World Vision Cambodia

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Executive Summary

1. This budget information mapping exercise in education sector was conducted in the period from December 2008 to February 2009. It seeks to provide a comprehensive overview of all the publicly available documents related to planning and budgeting in education sector. Its findings are expected to assist NGOs working in the sector to better understand its planning and budgeting process which in turn will enable them to ensure that their programs are complementary to the efforts of the Royal Government of Cambodia (RGC).

2. The study evaluates (i) budget information or documents that are available through well defined procedures that ensure simultaneous release of public documents to all interest party, as well as (ii) those that are available only with request and approval from appropriate authority.

3. The study finds that some types of budget information are readily available, and some can be made available only with approval from the higher level, namely, Ministry of Economy and Finance (MEF) and Ministry of Education, Youth and Sport (MEYS) or through the Joint Technical Working Group (JTWG-Ed). The attached table illustrates on this point. Understanding about the sector's service delivery and financing arrangement, and keeping updates on budgeting reform initiatives, both in the sector and within the broader governance system is also necessary.

4. First, a number of key documents and information were identified as helpful to the understanding of the sector's policy, planning and budgeting. These include the Millennium Development Goals, the National Strategic Development Plan (NSDP), Public Investment Program (PIP), Education for All (EFA), and Education Sector Policy. The more detailed and annual documents include the National Education Statistics and Indicators, Education Congress report.

5. Second, it is important to understand that, in term of service delivery and financing arrangement, education sector is currently financed by both the national budget and donor/NGOs support. Mostly, the national budget is spent on operation and personnel costs, while donors and NGO supports are given partly in forms of projects and partly as budget support to the government. The available funding flows in various ways from the central to the provincial, district and school level¹. These funding flows need to be understood in order to keep track of relevant budget information and how to make sense of it.

6. Article 84 of the 2008 Public Finance Law allows that 'all accounting and financial reports must be transparent and publicly disclose.' In practice, however, a number of constraints make access to budget information in education challenging. The first challenge comes from the separation between national budget and donors/ NGO support. Moreover, even getting information about each of these two pieces of budget information separately also has its own challenges.

7. For the national budget, the challenge comes from the centralization of budget information at the MEF and MEYS and the fragmentation between recurrent and capital budget. For the donor and NGO support, the fragmentation is even more serious. Officially, the MEF, Council for the Development of Cambodia (CDC), Ministry of Planning (MoP) and MEYS are the government agencies involved in coordinating donor support.

8. Despite existing coordination, however, fragmentation still persists. The CDC's ODA Database, while improving, still needs further improvement in term of its completeness and updatedness. The aid database of the Department of Planning of MEYS faces similar challenge,

¹ Please see diagram on page 7 in the full report

requiring that relevant development partners better collaborate in provide timely and complete information about their supports to the sector.

9. Provincial Department of Education, Youth and Sport (PEYS), its district office (DEYS) and schools constitute the vertical line subordinates of the MEYS. The PEYS is responsible for compiling both education indicators and budgeting information from the district and school level and report on monthly and annual basis to the MEYS and MEF. Yet, following the vertical hierarchy of the sector, budget information at these sub-national levels can be accessed only where there is proper approval from either the MEYS and/or MEF.

10. The budgeting process and information availability in education is not static but changing to reflect the various ongoing reforms, both within the sector and in relevant cross-cutting reforms. Within the sector, the progress with the Program-Base Budgeting (PBB), the Annual Operational Plan (AOP), the improvement of the Financial Management Information System (FMIS) and of the Aid Management Information System (AMIS) will change the current status of budget information availability.

11. Relevant cross-cutting reforms include the ongoing Public Finance Management Reform Program (PFMRP) and the Decentralization and De-concentration (D&D). In the PFMRP, the introduction of the New Chart of Account (COA), the improvement in the comprehensiveness and coverage of the National Budget, the more complete aid database, are all working toward making budget information, both on that of the state and of donors and NGOs, more accessible.

12. The D&D, on the other hand, will bring changes to the way education service gets delivered, financed, and its budget information made available. Under the reform, provincial and district councils are set up and act as representatives of their respective administration. It is expected that as the councils become more active, they will become a good contact point for NGOs when requesting for relevant budget information of sectoral line departments, including that of education. Certainly, this will be much more convenient than having to put a formal request through the central ministry hierarchy. With the councils, better monitoring and coordination with NGO and donor projects are also expected.

13. With these reforms, budget information in education is expected to be more accessible. NGOs working and being interested in the matter should continue strengthening the current mechanisms that they already have (e.g. JTWG-Ed), while keeping an eye on the new opportunities that will emerge as results of these ongoing reform activities.

MAPPING OF BUDGET INFORMATION IN EDUCATION

1. Introduction

This study aims to assess the availability of financial (budget) information and non-financial information (outputs of spending) in the education sector in Cambodia at the national, provincial and local levels.

2. Background

This study is an output of Development Issues Programme (DIP) work on Aid Effectiveness, and links to DIP's: monitoring of the National Strategic Development Plan (NSDP) 2006-2010; analysis of the National Budget; and research for the Open Budget Index;² as well as its recent publication of the National Budget Guide. This study has been carried out in close cooperation with work on Access to Budget Information in the Health Sector, which was carried out by DIP's Budget Project.

This study seeks to generate a comprehensive overview of **all publicly available documents** related to planning and budgeting in the education sector, such as: i) the Education Strategic Plan (ESP); ii) the Education Sector Support Programme (ESSP); iii) budgets; iv) budget implementation documentation; v) Education Sector Performance Reports; and vi) education statistics.. The study seeks to clarify what information is included in such documents, where they can be found and how regularly they are published.

The study will help non-governmental organisations (NGOs) working in education to better understand the planning and budgeting system in education, and this will enable them to make sure that their programmes are complementary to the efforts of the Royal Government of Cambodia (RGC). In addition, a comprehensive overview of public information on the education sector will also be beneficial for members of the general public who value the importance of education. The aim of this study is not to carry out analysis, but rather to map all public information sources that relate to planning, budgeting and statistical information.

This study on access to budget information in education has been carried out by a reference group consisting of:

- The **NGO Education Partnership (NEP)**, an umbrella organisation for NGOs active in the education sector, with the organisational goal of developing a mechanism to promote dialogue among its own members and with the Ministry of Education, Youth and Sports (MoEYS) in order to improve the quality of education in Cambodia. The NEP is an active member of the Government-Donor Technical Working Group on Education.
- **Voluntary Services Overseas (VSO) Cambodia** works on the areas of education, reproductive and child health and secure livelihoods (forestry and fisheries). In education, VSO focuses on a number of rural provinces. VSO has a vast network with governments and other NGOs working in education at all levels.
- **CARE Cambodia**, an active member of the NEP and the NGO Forum, works in the education sector, including provision of scholarships to disadvantaged girls and teaching marginalised and vulnerable adolescents, such as sex workers and young people from ethnic minority groups.

² Results regarding the openness of Cambodia's budget books were to be launched in October 2008.

- **World Vision Cambodia (WVC)** is an active member of the NEP and the NGO Forum. WVC has been involved in developing the capacity of the Cambodian educational system over the past 13 years, building schools and providing much needed equipment and training, particularly to schools in rural areas. WVC is currently involved in a wide range of activities, such as infrastructure and access to education for vulnerable groups like children with disabilities.
- **Advocacy and Policy Institute (API)** became independent from Pact Cambodia in January 2008, where it started as a programme in July 2003. API's goal is to increase Cambodia's democratic space by creating more effective advocates for responses from government institutions. API coordinates the network of NGOs that are advocating for more freedom of information.
- The **NGO Forum on Cambodia** is a membership organisation of over 80 NGOs that seeks to discuss, debate and advocate the concerns of NGOs regarding Cambodia's development. The NGO Forum is an active member of the Government-Donor Technical Working Group on the Public Financial Management Reform Programme (PFMRP) and the Government-Donor Technical Working Group on Planning and Poverty Reduction.

3. What information does the study evaluate?

This study looks at information and its availability at both central and sub-national levels. It focuses on what happens in practice, rather than on what is stated in the law/regulations. The definition of "public availability" is taken from the International Budget Project (IBP), and covers:

- Information that is available through well-defined procedures that ensure simultaneous release of public documents to all interested parties; as well as
- Information or documents that are available only on request.

In Cambodia, education service delivery has mainly two sources of financing: the National Budget and donors/NGOs. This study looks at both, but with more focus on the National Budget side, which represents more than half of total spending. Related only to the quantity of information available, the study assesses appropriateness for policy analysis, comprehensiveness and timeliness. Budget data are a function of the budgeting management system that has been put in place, which has changed over time and continues to change as a result of various government-wide and in-sector reforms. As such, the availability of the data/information is assessed within this context.

The study identifies:

- Information that is available to the public;
- Information that is provided on a regular basis to, for instance, members of Technical Working Groups at the national or sub-national level, provided that the RGC confirms that this information can be shared publicly; and
- Information that is provided on a regularly basis to members of facility management committees (such as school committees in education).

4. Methodology and structure of the report

The study employs the following methodologies, including:

- **Desk research:** The study starts by reviewing sectoral policies, evaluation reports and documents on related service delivery policies and reforms, such as those on the PFMRP and on Decentralisation and De-concentration (D&D).

- **Interviews with key members of the reference group:** The aim here was to obtain comments and input from various NGOs with experience in the sector and also to ensure that key documents and reports were not missed out in producing the literature review.
- **Interviews with central institutions:** The central institutions included the Ministry of Education, Youth and Sports (MoEYS); the Ministry of Economy and Finance (MEF); the Council for Administrative Reform (CAR); and the Ministry of Interior (MoI). MoI was particularly relevant because of its ongoing D&D process, which will have significant impacts on service delivery as well as on access to financial and non-financial information.
- **Field interviews with representatives at the provincial and district level:** The consultant and reference group members visited two provinces to check on various budget management documents produced and their availability.

Table 1: List of Interviews

Institution	Department	Date of meeting
Ministry of Economy and Finance	National Treasury	December 8, 2008
	Budget Department	January 27, 2009
	Department of Investment and Cooperation	February 3, 2009
Ministry of Education, Youth and Sports	Department of Finance	November 20, 2008 February 24, 2009
	Department of Planning	November 21, 28, 2008
	Provincial Departments of Education, Youth and Sports	November 26, 2008 February 2, 2009
	District Offices of Education, Youth and Sports	November 26, 2008 February 2, 2009
	Schools	November 26, 2008 February 2, 2009

In response to the objectives of the study, and to reflect the nature of the financing and budgeting system in the sector, both now and when factoring in upcoming policy changes, this report is structured as follows:

- **Sector policy and financing overview:** The report starts by providing a brief overview of the policy context and financing arrangements in the sector. It discusses key sources of financing, key budget items and the flow of funds to various spending entities at central, provincial, district and front-line levels.
- **Budget documents produced and their accessibility:** Attached to each type of budget are various budget documents, prepared by spending agencies at different levels. The report identifies and describes key budget documents produced at each level, what key budget information they contain and how accessible they are.
- **Budget information availability in education – expected changes in the short and medium term:** Budget systems and their accessibility are continuously evolving, as a result of reforms both within the sector and within the overall budgeting and institutional arrangements. The report points to upcoming changes in budget policies in the sector, and the opportunities and challenges that may arise in relation to this.
- **Recommendations:** A set of recommendations is provided to what NGOs should do in their advocacy work on budget accessibility in the education sector in the short, medium and long term.

5. Sectoral overview: Policy and financing arrangements

5.1 Education policy

The policy documents governing the education sector are the Rectangular Strategy, the Cambodia Millennium Development Goals (CMDGs), the National Strategic Development Plan (NSDP), the Education for All (EFA) National Plan and the Education Sector Policy.

The Education Sector Policy is driven by the broader national plans of the CMDGs, the NSDP 2006-2010 and the Rectangular Strategy (2004, 2008). In line with their overarching policies, the following plans specific to the education sector were devised: the long-term EFA National Plan 2003-2015 and the medium-term Education Strategic Plan (ESP) (2001-2005, 2004-2008, 2006-2010).

Based on the experiences of the past two ESPs, the ESP 2006-2010 sets out the following three core objectives for the education sector:

- i) Ensure equal access to education through the building of schools close to students' homes, timely provision of schools' operational budget, adequate supply of qualified teachers and construction of dormitories for students, especially girls;
- ii) Improve the quality and effectiveness of education services through increased provision of instructional materials, construction of libraries and laboratories, continued reforms in school curricula, increases in learning hours and granting of scholarships to poor students; and
- iii) Further develop educational institutions and build the capacity of education personnel through improved working procedures, legislative instruments and technical training for all levels of education officers.

The detailed action plan, indicators, and timeframe for the achievement of each of the three objectives are set out in the Sector-Wide Policy Action Matrix (SWPAM) (annexed to the ESP). In sum, the SWPAM indicates that a number of strategies and indicators, against which progress shall be measured, guide the implementation of the three goals. To enumerate, the first objective has 14 strategies and 20 corresponding indicators; the second, 8 and 25; and the third, 7 and 17.

5.2 Planning and financing in education

The Education Sector Support Programme (ESSP) 2006-2010 represents another milestone in education sector reform. Whereas the ESP focuses more on the policy objectives and targets, the ESSP focuses on the financing and programming priorities that those objectives entail. It provides a costing framework to be filled by all sources of financing, including the National Budget and donor and NGO support. Spending, on the other hand, is to focus on: i) the 12 recurrent budget programme priorities; and ii) two capital programme priorities (see Table 2). The ESSP sets out for each priority: its objective, key targets, and indicators; strategies and scope; main programmes and activities; management and monitoring arrangements; and financing plan.

Table 2: ESSP 2006-2010 Priorities

Recurrent budget programme priorities (under programme-based budgeting)	
1	Education service efficiency
2	Early childhood education expansion
3	Primary education access quality and efficiency
4	Lower secondary education access, quality and efficiency
5	Upper secondary education access and quality
6	Quality, efficiency and equitable access in higher education
7	Continuous teacher development
8	Sustainable supply of core instructional materials
9	Non-formal education expansion
10	Youth and sport development
11	Strengthened monitoring systems
12	Secondary scholarships for the poor programme
Capital programme priorities	
1	Educational facilities development
2	Institutional and capacity development

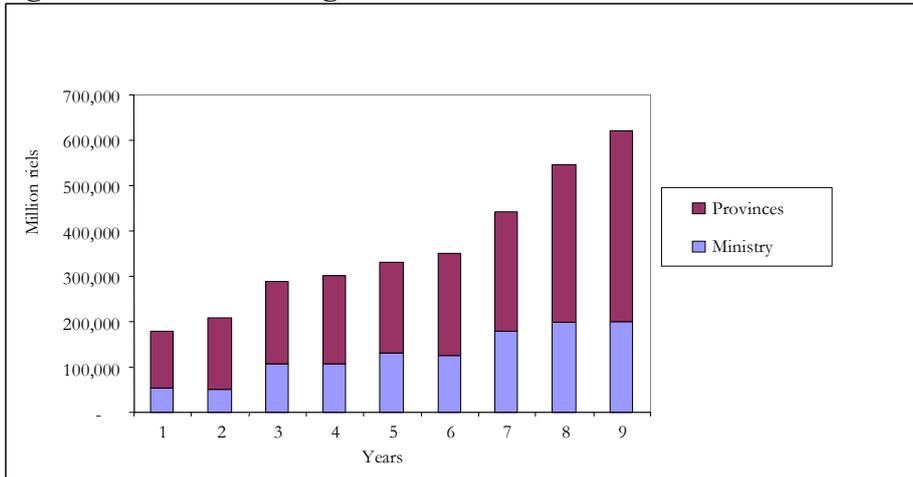
Source: ESSP 2006-2010.

The March 2008 preparatory report for the Mid-Term Review of ESP/ESSP 2006-2010 Implementation describes progress in addressing the priorities according to their respective indicators. The report additionally provides cross-province progress analyses, which importantly suggest that

some of the remote provinces (e.g. Mondulkiri, Ratanakiri and Preah Vihear) have been progressing very slowly on implementing the priority programmes.

Since 2000, financing for the education sector has been increasing in nominal terms, as shown in Figure 1 for 2000-2008. The figure also shows that, following a similar trend, the provincial share of the sectoral budget accounts for more than half, mainly because of heavy personnel costs incurred at that level.

Figure 1: Recurrent budget allocation for education, 2000-2008



Also increasing over time, donor and NGO support to Cambodia's education sector has taken various forms, including project support, NGO funding, scholarships, grants, projects/programme loans and targeted budget support. There are now 14 donors supporting the sector, although only the Asian Development Bank (ADB) and the European Commission (EC) provide direct budget support. Other donors continue principally to utilise traditional project-based aid modalities. As for NGOs, about 129 of them have been helping the education sector with around 239 projects.

The different sources of financing for the education sector are managed differently. The National Budget (which includes budget support) is managed through the government budgeting system, whereas various modalities are used for donor and NGO support. The general trend over the years has been that the share from the National Budget is used to finance recurrent spending, whereas donor and NGO support takes care of capital expenditures. However, this trend currently does not hold, as various donor projects also fund recurrent expenses. However, in the National Budget Law, projects supported by donors are mostly registered under "capital expenditure." The term "capital expenditure" in the National Budget Law is somewhat misleading, as projects on this list also pay various recurrent operational expenses, such as salary top-ups, electricity, stationery, travel costs, etc.

According to Sub-Decree No. 170 ANKR, dated December 30, 2006, the National Budget has the following components:

Recurrent spending

- **Purchase of goods (Chapter 60):** This chapter covers a large part of Chapter 11 of the old Chart of Accounts (CoA); it has seven sub-chapters and 21 sub-sub-chapters. Main spending items under this component are general operations and maintenance (O&M), furniture and utility expenses.
- **Purchase of services (Chapter 61):** This chapter covers some parts of Chapter 11 of the old CoA; it has eight sub-chapters and 11 sub-sub-chapters. Main spending items under this component are training, repair, insurance and transportation.

- **Other services (Chapter 62):** This chapter also covers some parts of Chapter 11 of the old CoA; it has eight sub-chapters and 18 sub-sub-chapters. Under this component are key spending items including compensation for contractual staff, “hospitality” expenses, various ceremony expenditures and media promotion.
- **Personnel expenses (Chapter 64):** This chapter covers a large part of what used to be under Chapter 10 of the old CoA; it has five sub-chapters and 30 sub-sub-chapters. Main spending items under this component are basic salary, allowances, priority mission groups and social welfare (e.g. pensions).

Capital spending

- Intangible investments (Chapter 20), including mainly research and development (R&D).
- Tangible investments (Chapter 21), including construction, renovations, vehicles and other durable assets.

It should be noted that, as with other sectors, only a recurrent budget is allocated to the education sector. Capital spending financed by the state budget is managed under the Department of Investment and Cooperation of MEF.

Recurrent budgeting can be classified into non-programme budgeting and programme-based budgeting (PBB). PBB covers non-wage recurrent expenditures, including those under Chapters 60, 61 and 62. Learning from experience with the PAP (Priority Action Programme), implemented from 2000 to 2006, PBB is a new reform initiative under the government PFMRP. It aims to link spending with performance. With reference to the education sector, PBB is used for both central and provincial levels, and for the 12 recurrent budget priorities listed in Table 2 above. It is managed by the Budget Management Centres (BMC) existing at all levels of the education sector. Most PBB is formula-based. PBB is different from the PAP in a number of aspects: i) it is classified in accordance with the new CoA; ii) it cannot be carried forward to the following fiscal year; and iii) there is less flexibility in the way it gets spent.

Box 1: PBB in the education sector

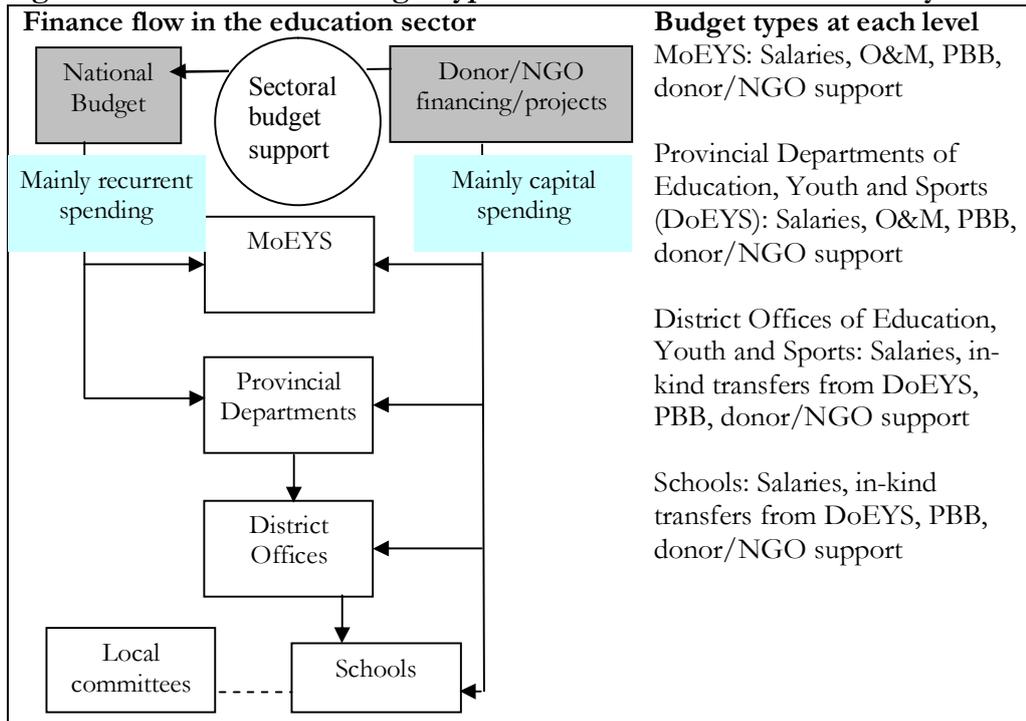
- Starting from 2007 onward, PBB spending is a continuation from the PAP.
- The key regulation on PBB is Inter-Ministerial *Prakas* No. 191 SHV.HK, dated March 26, 2007, on the Principles for Implementation of PBB in Education.
- There are five main programmes for education: P1 General and Informal Education; P2 Vocational Training; P3 Youth and Sport; P4 Governance and Institutional Reforms; and P5 Support and Management for Education.
- Most of the PBB intended for P1, which covers pre-school, primary school and secondary schools, is formula-based, using two components: i) a fixed allowance for a school; and ii) a variable component depending on the number of students. According to *Prakas* No. 191, for each pre-schools it is R200,000-R300,000, plus R6,000 for each student; for each primary school it is R500,000-R700,000, plus R7,000-R8,000 for each student; and for each secondary school it is R1.0-1.5 million, plus R15,000-18,000 for a student.
- Other PBB (P2-5) is mainly not formula-based.

Source: Interviews with MoEYS Budget Department, February 24, 2009.

As mentioned above, donor assistance (excluding budget support) is channelled mainly through projects. Financing for such projects may cover all types of expenses (e.g. personnel expenses in terms of salary supplementation, purchases of consumables, investments). The same goes for NGO projects. In contrast with the National Budget which flows through a fairly straightforward service delivery structure under MoEYS, donor and NGO financing have varying implementing arrangements.

5.3 Service delivery structure and flow of funds

MoEYS is structurally divided into central, provincial, district, school and local education committees. Figure 2 below lays out the structure and the flow of funds, with the description on the side showing which type of budget gets channelled to which level.

Figure 2: Fund flow and budget types at each level of service delivery

Source: Researcher (2009) via interviews and literature review

As shown in Figure 2, funding from the National Budget is allocated to the central and sub-national levels. DoEYS is the channel through which the budget is transferred down to the districts and schools. By contrast, donor and NGO support are mainly channelled directly to districts and schools through various projects. Also to be noted is that most of the National Budget is mainly to cover recurrent spending, whereas that from donors and NGOs is for capital or development budgets (see Section 5.2 above on the definition of recurrent versus capital spending).

5.4 Government, donor and NGO coordination and harmonisation mechanism

Discussions with MoEYS Department of Finance officials indicated that disbursements from the National Budget are not actually that difficult to track for their administrative purposes (although, as will be discussed later, they are not made available to the public but are for internal management purposes only), and they are less fragmented in comparison with financing from donors and NGOs. Sector-wide approaches (SWAs), of course, aim to reduce aid fragmentation and increase the alignment of aid with national priorities. For a SWAp to achieve its purpose, however, better coordination between and among government, donors and concerned NGOs is mandatory. In line with this, a number of coordination mechanisms have been put in place. The Joint Technical Working Group on Education (JTWG-Ed) has been established and has been recognised by both MoEYS and Cambodia's development partners as the key avenue for MoEYS-development partner coordination. The United Nations Children's Fund (UNICEF) has been the most active donor in the JTWG.³

The NGO sector is represented in the JTWG-Ed by the NEP. The NEP has five seats on the JTWG-Ed and the Education Sector Working Group (ESWG), through which it gets to meet directly with development partners. Each year, the Government, development partners, the NEP, NEP members and other stakeholders participate in the government-sponsored Education Congress to review progress made in the education sector together with outstanding issues and opportunities for action.

Another coordination mechanism in place is the periodic high-level government and donor group meeting with the Social Sector Working Group and the National Council for Social Development as

³ MoEYS Department of Planning.

part of the preparations for the Consultative Group meeting, now known as the Cambodia Development Cooperation Forum (CDCF). Progress reports are generated for the purpose of such meetings. To complement the coordination mechanisms already existing, there is a plan to strengthen the capacity of the Department of Planning of MoEYS to produce annual reports on government, donor and NGO activities and financing. In addition, the ESP 2006-2010 calls for the strengthening of and more collaborative action beyond Joint Sector Performance Monitoring and Reporting.

Despite all the aforementioned efforts, it is still not possible to obtain a complete sense of how much financing has been poured into the education sector, and how these monies have contributed to achieving the ESP's objectives. For one, government management of financing to the education sector remains fragmented. National Budget allocations are overseen by the Department of Finance of MoEYS, whereas donor and NGO support are supposed to be overseen by the MoEYS Department of Planning through its Office on Aid Coordination. Also, as the subsequent discussion shows, information on the National Budget is centralised, whereas that on donor and NGO financing is fragmented. Bringing the two big pieces of financing together has been a challenge for MoEYS, donors and NGOs alike. As is also further discussed, MoEYS is planning to introduce the use of an Annual Operating Plan (AOP) and a Medium-Term Expenditure Framework (MTEF) to bring these different sources of funding together.

6. Budget information and its availability at different levels

Discussions in this section focus on budget documentation and information. The section identifies which budget documents and information are available and accessible from the central level down to the school/community level. For each identified budget document, it is determined whether or not it is produced:

- Regularly – if so, how often?
- For internal purposes only, and not made available to the public; or
- To be made available to the public but only at formal request.

Where applicable, the discussion makes explicit if certain types of information can be made available:

- To the public at large;
- Regularly to members of Technical Working Groups at national or sub-national level, provided that the RGC confirms that this information can be shared publicly; or
- Regularly to members of facility management committees and other local councils, provided that the RGC confirms that this information can be shared publicly.

6.1 National level

National Budget

There are various institutions producing and issuing documents on the National Budget, both overall and for education in particular. The National Assembly (NA) adopts and issues the **National Budget Law**. Since 2007, this Law has covered both recurrent and capital expenditure funded by donors, classified by sectors/ministries. The recurrent budget shows allocated amounts per government agency (and allocations between central and provincial level), and the capital side of the budget shows a list of projects per government agency. Annually, around March, MEF also issues a **four-volume collection of National Budget documents**, which provides more details on how the budget is allocated by sector and by province.⁴ Concerning education, the following information can be found:

⁴ MEF Budget Department.

- **Volume 1:** The National Budget, which includes the body of the National Budget as approved by the NA, together with background analyses on economic performance, forecasting, various reform agenda for the year and any legal instruments published in the year relating to budget management issues.
- **Volume 2:** The budget allocation for central ministries, which indicates details of ministries' budget allocations by central and provincial level, and allocations for each individual province. It covers only recurrent spending for the year.
- **Volume 3:** The budget allocation by province, detailing allocations by line department. Again, this covers only recurrent spending.
- **Volume 4:** The budget allocation to provincial authorities, usually known as *Salakbet*, by province. This fund (i.e. for *Salakbet*), it should be noted, includes both recurrent spending and a small share of capital spending.

The aforementioned documents can be used along with the **Public Investment Programmes (PIP)**, which are three-year rolling investment plans for all sectors, to obtain a picture of both recurrent and capital budgets for the whole sector. The PIP is published by (and available from) the Ministry of Planning (MoP) and is updated annually and published at the beginning of the year. In the PIP, education is classified under social sectors, together with health. The document includes a list of projects for basic education, higher education, technical and vocational training, upper secondary education and youth and sport. Under each category, ongoing and pipeline priority projects are shown, further divided into capital investment and technical assistance projects. It should also be noted that PIP projects are included on the capital side (Table C and D) of the National Budget.

In relation to budget execution, MEF, with information from the National Treasury, issues a monthly State Budget Implementation report known as the **Table of Financial Operations of the State (TOFE)**.⁵ The TOFE is produced monthly and can be purchased from MEF. It is a good reference on the month-by-month execution of both the National Budget and donor support.

Two other sources of information on education sector financing should be mentioned here. On donor support, the **Council for the Development of Cambodia (CDC) Official Development Assistance (ODA) Database** proves to be a good, though not perfect, source of data. Regularly updated and publicly available, the database provides information on the annual disbursement of funds from various donors. Unfortunately, it is not very user friendly. Moreover, only information on donor disbursements into projects/programmes is available, not information on funds disbursed out of each project or programme.⁶ The CDC ODA database can be accessed via the internet on: <http://cdc.khmer.biz/>.

While fairly publicly available, the abovementioned budget documents provide mainly aggregate data. For the purposes of monitoring and analysing budget allocation and execution within a specific sector such as education, detailed data are required. Aggregate information simply does not allow analysts to link what is spent and what has been achieved with the spending, nor does it allow more detailed analyses on, say, geographical imbalances in the way the budget has been allocated.

More detailed information is available from MoEYS itself. Certain supporting departments of the ministry produce and maintain databases that are very useful for budget analysis. First is the Department of Planning. Interviews with Department of Planning officers indicate that the department produces and keeps a number of databases and reports. The department annually prepares the **Education Management Information System (EMIS)**, from which **National Education Statistics and Indicators** are produced and made available to the public around February to May

⁵ Originally from the French: Tableau des Opérations Financières de l'Etat.

⁶ Lienert, I., Helis, J. et al. (2008) Cambodia: Improving Government Accounting. Phnom Penh, IMF.

each year. EMIS covers all the key variables, including student enrolment, the dropout rate and the number of schools and rooms. The resulting Education Statistics and Indicators are sufficient for those interested in the performance of the education sector. In addition, the department also produces highly useful annual reports such as the **Joint Annual Performance Report** and the **Education Congress Report**. These reports are usually completed and made public by March of each year.

The Department of Finance of MoEYS, which is in charge of the National Budget allocation, likewise produces a number of budget documents for the purposes of budget formulation, execution and supervision. One of these documents is the **Annual Budget Plan**, which the department prepares and then submits to MEF and, later on, the NA. This has the same format as the budget management documents from MEF (Volume 2). Please note that the figures in the budget management document from MEF are actual allocations and the figures in the Annual Budget Plan are only proposals submitted to MEF. According to the 2008 Finance Law, such budget plans need to be submitted to MEF by August. Usually, the plan cannot be made publicly available without approval from the MoEYS leadership. Another document is the **monthly report on budget execution**, which covers all budget items financed by the National Budget at both central and provincial levels. This would include salaries, O&M, PBB and other small recurrent spending.⁷ This report follows the same format as the Annual Budget Plan budget management document. The Department of Finance also maintains the Financial Management Information System (FMIS). However, according to interviews with department officials, this has not been functioning properly.

As with capital spending, in education there are two parts: one domestically financed and the other externally funded. In the current system, all capital spending, which is broken into hundreds of development projects and programmes, is managed under the Department of Investment and Cooperation of MEF. Although the department does not produce any public documents on planned or executed budgets, it does provide information that is included in the TOFE.⁸ All domestic financing and part of the foreign-funded capital spending get spent (disbursed) through the National Treasury system, and therefore execution is recorded by the National Treasury and sent to the Department of Economic and Public Finance Policy of MEF for the preparation of the monthly TOFE. For external funding not channelled through the Treasury system, information on its execution can be obtained from the CDC. However, as discussed earlier, the record on donor support (some of which goes through NGOs) is still not comprehensive, both in the CDC ODA database and in the newly established database of the Department of Investment and Cooperation within MEF.⁹

The information contained in the abovementioned budget documents, databases and reports is highly useful. It is necessary in the conduct of internal sectoral evaluation and monitoring in accordance with the budget management requirements of MEF and relevant auditing agencies. Unfortunately, such information – all of it, according to central officials interviewed – can be made available only with formal approval from higher levels, meaning ministerial level. A letter of request needs to be submitted and will go through the relevant administrative procedures. Accordingly, it might take many weeks before it is clear whether the request is approved. With approval, it is possible to get your hands on as much data as you would like. It is therefore a situation of “all or nothing” when asking for such information.

It was learned that, with its formal request approved by MoEYS leadership, JTWG-Ed has been provided with the above information, i.e. on budget allocation and execution. JTWG-Ed, officially recognised by both the RGC and various stakeholders, has proven to be very valuable. Its requests carry a great deal of weight. It was confirmed that most of the information provided to JTWG can be

⁷ More detailed information on salary and staff-related spending is kept in the Department of Personnel of MoEYS, which maintains the Human Resource Management Information System (HRMIS); on the other hand, more information on inventory/assets is with the MoEYS Department on Assets.

⁸ MEF Department of Investment and Cooperation.

⁹ National Treasury.

shared with other relevant stakeholders. However, when asked whether the information could be made available to the general public, officials interviewed asked which section of the general public was being referred to. This implies that all-out transparency perhaps cannot be expected at the moment.

Donor and NGO support

The above discussion indicates that a fair amount of information is produced on National Budget allocations to education. However, in terms of availability and accessibility, such information is very centralised and controlled, often requiring a formal request for access and approval of such requests by higher levels. The situation is different for information on donor and NGO support: it is fragmented. Officially, MEF, CDC, MoP and MoEYS are the government agencies involved in coordinating donor support. CDC produces and regularly updates its **ODA Database** to keep track of donor support, overall and by sector. At MoEYS, the Department of Planning has also attempted to create a database to keep track of donors and NGO support. However, according to interviews with an official of MoEYS's Department of Planning, information given by donors and NGOs to update the database has been uneven, and a great deal more needs to be done.¹⁰

A number of areas still need further improvement. First, the ODA Database is still not very user friendly. Only those with certain knowledge of database management and information technology can use it well. Second, the database depends on information sent voluntarily by donors. All donors are yet to be fully cooperative in this respect. Third, the database itself is still not comprehensive and accurate enough. There are some problems of double-counting and inconsistent classification.¹¹

As for NGO support, no developed database or coordinated system for keeping track of such financing, overall or by sector, is known to be in place. CDC does have some data, and in fact just recently issued a report on all NGOs working in Cambodia and their activities. However, it seems that this is not meant to be regularly (e.g. annually) updated or issued. Within MoI, there is a department responsible for NGO registration; even there, collaboration with NGOs has been uneven.

Within MoEYS, the Department of Planning, through its Office on Aid Coordination, is responsible for keeping track of donor support and NGO activities in the education sector. The proper procedure is that donors and NGOs have to contact the department when planning to provide financial support or to conduct certain activities. Once projects or NGOs are set up and operating, regular updates on their financing status/activities need to be given to the department. To manage this process, the department has set up a database called the **Aid Management Information System (AMIS)**. AMIS is supposed to be updated annually with information requested from donors and NGOs. Every year, the Department of Planning sends out a questionnaire to all donors and NGOs. On the NGO side, the department involves the NEP a great deal in the process. This year, two reports tapping the AMIS were produced: the Database on Aid Projects in the Education Sector and the Report on School Construction. The reports were supposed to come out before the Education Congress in March but, given heavy workloads and still limited staff capacity, their release was delayed until July. Department of Planning officials are working to improve on the comprehensiveness and timeliness of the issuance of relevant reports and information.¹²

With the above said, it can be concluded that information on all financing to the education sector is not complete. The solution to the problem lies in whether all concerned donors and NGOs will become more willing to regularly and systematically share information with the Department of

¹⁰ MoEYS Department of Planning.

¹¹ For instance, as revealed in our interviews, how Project Management Unit (PMU) is defined is still not clear-cut and there is a high likelihood of double-counting, given that more than one agency may report the existence of the same PMU. The CDC team working on aid coordination issues recognises these problems and is taking measures to address them.

¹² MoEYS Department of Planning.

Planning, and whether the department's capacity will improve to a level sufficient to undertake this coordination work.

6.2 Provincial and district levels: Both National Budget and donor/NGO support

The provincial DoEYS is the education sector's highest sub-national agency. Each year, DoEYS prepares **annual budgets** for the District Offices of Education, Youth and Sports and schools. DoEYS, under such arrangements, has the responsibility to report on budget implementation to MoEYS and MEF on a monthly basis. These annual budgets cover various budget types, including salaries and other personnel spending (Chapter 64) and goods and services (Chapters 60, 61, 63), which are divided into programme and non-programme-based spending. Every year, DoEYS also may be audited by various agencies, including MoEYS' and MEF's internal audit teams and the National Audit Authority (NAA). In order to fulfil the auditing requirements of the agencies, DoEYS, partly with information provided by district Offices of Education, Youth and Sports and schools, keeps a number of budget documents.

DoEYS's Office of Planning annually produces Education Statistics and Indicators for the provinces, indicating in detail education performance in the past few years and the objectives for the current year. Such statistics are made available on request, and include information on enrolment by grade, boys and girls, repetition rates, numbers of schools, teachers and textbooks, etc. These pieces of information are compiled at DoEYS based on information provided from schools and district Offices of Education, Youth and Sports. Usually, information on textbooks is less reliable, as school directors are less likely to report missing or broken books.¹³

DoEYS's Office of Planning is usually also responsible for getting **information on donor and NGO activities** in the provinces. However, as the record shows, this particular piece of information is limited. DoEYS officials indicated that, despite their efforts, there has been uneven sharing of information by NGOs working in the education sector.¹⁴ As such, it is very unlikely that it will be possible to obtain a complete picture of how much funding has been allocated to education through NGOs or donor projects in a certain province.

DoEYS's Office of Finance is in charge of keeping all budget documents and reports. As indicated earlier, salaries, O&M, PBB and various in-kind transfers are transmitted from the central level or from donors/NGOs to the provincial and other lower levels. The Office of Finance is in charge of preparing the provincial education budget, which is to be integrated into the MoEYS budget and negotiated between DoEYS and MEF. The **budget plan or proposal** is completed and submitted in August of each year. After approval by the NA, each DoEYS has its own approved budget to be executed. Under the supervision of the provincial Department of Economy and Finance (DEF) as the financial controller, the Provincial Treasury as the public accountant and the Provincial Governor as the delegated spending authoriser, DoEYS keeps a **summary report on the executed budget per month**. Such a report shows monthly and accumulated execution rates for all budget items. As mentioned in Section 5.2, these budget items include only recurrent spending and no capital spending at all. The monthly report needs to be submitted to MoEYS on a monthly basis, so the data can be aggregated into MoEYS's monthly budget execution reports.

In addition to the report above, DoEYS keeps separate reports for each type of budget. For salary expenses (Chapter 64), DoEYS keeps a **Table on Monthly Salary Payment**, which provides very detailed information, including the names of teachers/education officials, their rank, basic salary, other benefits and signatures indicating receipt of the payments. The table covers all provincial staff and is prepared by DoEYS based on information sent from district Offices of Education, Youth and Sports

¹³ DoEYS.

¹⁴ DoEYS.

and schools. Note that separate documents are kept for salary payments made to contractual teachers and for other one-time personnel support, such as retirement, death and other related assistance.

For purchases of goods and services (Chapters 60, 61, 63), DoEYS prepares various documents. First, it produces the **Cash Advance Payment Schedule**, which is approved early each year by the end of January, according to one DoEYS Office of Finance. These cash advances are spent mainly at the provincial level, although some are passed on to the district level. DoEYS can have up to eight rounds of cash advance, the total of which cannot exceed 30% of the total budget for goods and services. DoEYS needs to clear each advance before the next round can be issued. All spending documents need to be attached for such clearance. DoEYS also keeps a daily, weekly and monthly **Cash Management Book**. At least 70% of needed goods and services need to be purchased through public procurement. Once again, as required by various auditing agencies, DoEYS keeps all supporting documents for each procurement transaction, to retain information on procurement price and how long the process takes, for example. Note, however, that DoEYS is not involved in the procurement process itself and therefore keeps no records of when and how contractors get paid after the services/goods have been delivered; such information is available only at the Provincial Treasury. Unfortunately, Provincial Treasuries appear to continue to use manual records of payments, despite the introduction of spreadsheets to keep track of payment orders and actual payments made to various contractors. Further, it is hard to obtain permission to get information from the Treasury without a letter of approval secured from MEF.¹⁵

As mentioned above, goods and services purchased using cash advances are used mainly at the provincial level, although some have been transferred to district Offices of Education, Youth and Sports and very little to schools. Some of the goods last longer than one year and therefore need to be included as inventory. For this purpose, each DoEYS keeps an Inventory Book showing what has been brought in and what has been transferred. Supposedly, such a book has to be updated annually. This has not really been the case, however.

Documentation on the PBB is more organised. DoEYS and other relevant lower-level entities are entitled to a number of PBBs (out of the 12 that have been identified). At each DoEYS and district Office of Education, Youth and Sports, a BMC is established to manage this particular fund. PBB, it should be noted, covers only the non-wage operation spending. Still, the PBB represents a significant proportion of the total recurrent budget, at around 20% (in 2007). Both DoEYS and district Offices of Education, Youth and Sports keep monthly reports on PBB execution. A large part of the PBB intended for sub-national level is meant to be transferred to schools, following a certain formula set out in a *Prakas*. Each school is informed of the formula, although some schools and district Offices of Education, Youth and Sports denied being informed of such. The formula is used when disbursing cash to each school, which now is limited to four rounds. Schools need to spend the cash received according to the instructions issued by the central departments responsible for each programme. Again, DoEYS officials asserted that each school is informed of the instruction and some schools contradicted this. Schools are required to prepare spending clearance reports for the last disbursement before they can receive the next disbursement. Meeting the new reporting requirements has been difficult, however, and this appears to be the main cause for disbursement delays and the low execution rate since the requirements' introduction in 2006.

Much less information on budget is prepared and kept at district Office of Education, Youth and Sports level. Although the district level distributes salaries to teachers and PBB to school managements, the record it produces is meant to be sent to DoEYS. For goods and services, no cash is expected to reach the district level, except for travelling allowances for staff, which requires the district to produce and submit spending reports and receipts to DoEYS, which in turn is responsible for clearing the spending with DEF and the Provincial Treasury. Although the district is also supposed

¹⁵ Based on the Public Expenditure Tracking Survey (PETS) (2004) and confirmed by MoEYS Department of Finance.

to receive some in-kind transfers from DoEYS and various donors/NGOs, inventory books hardly exist. At district level, the only fairly well-kept **record is on PBB** prepared by the BMC, which is for each disbursement.

Note that the abovementioned budget information and documents are on the National Budget only. It is clear that, because of auditing requirements, a great deal of information gets produced monthly and annually. Analysts are interested in the National Budget allocation for education at DoEYS, and district Offices of Education, Youth and Sports can conduct a wide range of analyses out of such a stock of data (e.g. budget allocation, execution within and across years, non-wage/wage share of spending, programme versus non-programme-based, distribution of funds across levels of sectoral hierarchy). The main challenge appears to be that, given the current centralised nature of the budgeting system, all this information and documents, as made very clear by DoEYS and district Offices of Education, Youth and Sports, can be made available only when there is formal approval from MoEYS, MEF, Provincial Governors and/or other relevant higher-level agencies.

A different picture is found with regard to information on donor and NGO support. Such information is relatively fragmented and is more incomplete. Officials both at DoEYS and district Offices of Education, Youth and Sports complained about how little and uneven the information shared by NGOs and donors about their activities and project finances has been. **One document on donor and NGO support that has been identified is from the DoEYS Office of Planning.** This one- or two-page document simply lists names of projects and NGOs working in the area. Another document kept by DoEYS as well as Offices of Education, Youth and Sports records construction (e.g. schools, classrooms) financed by donors and NGOs. But this is about all the information available on the subject. Overall, as one education official put it, DoEYS and other lower-level entities cannot stay informed of donor and NGO activities on their turf, let alone seek to oversee them.

6.3 School and community levels

Schools make up the lowest level in the education's sector's service delivery chain. They are also the closest to the beneficiaries, namely, the students and their families. School is where the inputs (e.g. budget, assets, manpower) are transformed into services. Involvement of parents and their representatives in school operations is therefore crucial. The RGC and key stakeholders recognise the importance of such engagement and thus have been making efforts to improve it. Basically, schools are supposed to interact with the following entities at local levels:

- School Support Committees (SSC);
- Education for All Committees (EFACs); and, most importantly,
- The commune council through its Committee on Women and Children.

It should be noted that these committees are not part of the MoEYS's hierarchy, but have been set up to play an important role in education service delivery.

Government and donors alike have been working to enhance the capacity of and collaboration among these local-based entities. UNICEF, for instance, through its *Seth Koma* project, has been supporting so-called Women and Children Focal Persons in each commune to increase commune council involvement in the education sector.

Getting back to the budget, schools receive only the salaries for their teachers, PBB and small in-kind transfers from the central level, donors and NGOs. Regarding teachers' salaries, schools keep virtually no records of relevant payments. Supposedly, teachers have to sign as proof of receipt of their salaries, and then such signed receipts have to be sent to the district Office of Education, Youth and Sports and then DoEYS. **The only budget allocation and spending required to be recorded and reported is the PBB.** Following practices from the PAP, each school needs to prepare supporting documentation for each disbursement it receives. This is necessary for management purposes and also

to make the school eligible to receive the next disbursement. Each school receives PBB following a certain formula and needs to spend the money as instructed by central-level agencies.

Currently, it seems that the curiosity of parents about school performance is still limited, preventing them from exerting coordinated and effective pressure on schools to improve. For instance, not many parents actually attend key events carried out at schools.¹⁶ There is no frequent contact with them. To really involve the beneficiaries in the delivery of education services, representative bodies, especially popularly elected councils, need to be strengthened and to work more closely with schools. This is important in the context of the progressive D&D reforms, as discussed in the following section.

7. Upcoming policy changes

As mentioned earlier, budget information availability in Cambodia needs more time for its improvement. It hinges on two things: i) the planning and budgeting process within the education sector; and ii) other wider government reforms, especially the PFMRF and D&D. Interviews with officials from MoEYS and other relevant ministries, including MEF and MoI, revealed that the following upcoming policy changes will have significant implications for the availability of information on National Budget allocations as well as on donor and NGO support for the education sector:

7.1 Education sector reforms

Expanding PBB: Education has been the leading sector in piloting PBB, following its experience with the PAP from 2000 to 2006. PBB is now implemented at both central and provincial levels. Currently (2008), it covers 20% of total sectoral spending. However, it is expected that the share will grow in the coming year, when its execution procedures are streamlined and capacity at sub-national level is improved.¹⁷ Given various problems with disbursement since its introduction, MoEYS is aiming for the streamlining of execution and reporting procedures in the following fiscal years (i.e. from 2009 onwards) to accelerate PBB-related disbursement. What is relevant for budget information accessibility is the fact that, with PBB, resources are linked with services. In other words, PBB shifts the focus from compliance to performance. Also, being a new initiative, PBB has been subject to close management and supervision, resulting in better and more cautious reporting and updating vis-à-vis other budget items. With a stronger JTWG mechanism, NGOs can expect to obtain more regular updates on PBB execution from MoEYS and MEF. Therefore, in the future, it is expected that PBB will increase, along with more streamlined spending procedures and better reporting.

Plan to introduce AOP (and then MTEF): According to MoEYS, partly because of the difficulty in generating a consolidated stock of information on financing assistance from donors and NGOs, there is a plan to introduce an AOP in 2009 for use by all departments and relevant local bodies. This is similar to what the health sector has been implementing since 2005. If the AOP is adopted, all departments, provincial DoEYS and lower-level entities will need to prepare plans based on activities, objectives and financing needs (i.e. bottom-up), whereas relevant central departments (maybe the Departments of Planning and Finance) will need to identify available resources from all sources (top-down). The two processes will then be matched. By doing so, a more consolidated picture of financing for the sector will emerge. Such information will be very useful for NGOs working on education, especially if it can be made available through the existing JTWG mechanism. However, an AOP alone will not be sufficient, as experience from the health sector suggests. Greater harmonisation among donors and NGOs is still needed, and the number of projects needs to be rationalised and reduced.

Improvement of FMIS and AMIS: Related to the above, MoEYS likewise seeks to improve official capacity for management of the two important databases: FMIS with the Department of Finance and

¹⁶ DoEYS.

¹⁷ MoEYS Department of Finance.

AMIS with the Department of Planning. Interviews with Department of Planning officials indicated that the Office of Aid Coordination is making progress and gaining experience in the way it constructs AMIS.¹⁸ It is not clear when the FMIS of the Department of Finance will become fully reliable but, according to the HSSP, some important analytical data have already been derived from the existing FMIS. Furthermore, recent discussions in the JTWG-Ed (early 2009) suggested that the CDC ODA Database may incorporate the function of AMIS in the future. Although there is no formal decision on this yet, this shows that the system of managing financial resources in the education sector may change in the near future.

7.2 Government-wide reforms

PFM reforms – 2008 Finance Law: PFM reforms have the most significant implications for budget information accessibility, in the education sector and overall. Prior to the adoption of the 2008 Finance Law, the budget system had been following the 1993 Finance Law, which emphasised the centralisation of authority and compliance. According to the 1993 Law, budgeting was to be predominantly about internal control by the government, with MEF and the National Treasury serving as the central and dominant actors. The 1993 Law had no provision on the role of the public in budgeting matters. By contrast, PFM reform in general, and the 2008 Finance Law in particular, provide for such public and civil society participation. Article 84 of the 2008 Law states the following:

“All executions of state revenues and expenditures shall comply with the regulations and guidelines of the Minister of MEF. All record taking on revenues and expenditures of national and sub-national administrations must comply with chart of accounts and budget contents and all accounting and financial reports **must be transparent and publicly disclosed.**”

This new legal provision opens up the opportunity for civil society organisations (CSOs) to make their case and construct tactics on how to be genuinely involved in the budgeting affairs of the state.

PFM reforms – improving the government accounting system: Despite the introduction of the new CoA and the integration of donor-funded projects in the Budget Law since 2007, budget information and presentation in Cambodia are still centralised (for National Budget information) and fragmented (for information on donor support), and untimely to a large extent. Of relevance here, the reform seeks to: i) apply the CoA to domestically financed capital expenditure as well (so far it is applicable only to recurrent spending); ii) provide information on not just what is disbursed into but also what is spent out of donor project accounts; iii) reduce delays in the preparation of the TOFE; iv) fully implement computerisation within the Treasury system; v) introduce FMIS to some entities by 2011; and vi) lay down more detailed classification of budgets by province and de-concentrated agency.¹⁹ Together with the provisions of the 2008 Finance Law, these reforms will effectively grant CSOs greater access to more comprehensive and disaggregated budget data, not only at central level but also at sub-national ones.

D&D reforms: D&D reform is government wide. With the relevant Organic Law²⁰ adopted in May 2008, and with support from the Prime Minister himself, the reform is expected to go forward. Presently, a national programme on D&D implementation for the next 10 years is being drafted. D&D reform is bound to affect various sectors, including education and health. It is also targeted to incorporate more democratic and participatory elements into the ways public services get delivered. In May 2009, provincial, capital, district and municipal councils will be elected indirectly by commune councillors. Each elected council will have a unified administration and budget. The budget, which also considers de-concentrated agencies, is required to be made available to the public according to the Organic Law and the draft Law on Financial Management of the Sub-National Administration.

¹⁸ MoEYS Department of Planning.

¹⁹ See Lienert, I., Helis, J. et al. (2008) Cambodia: Improving Government Accounting. Phnom Penh, IMF.

²⁰ The 2008 Law on Administration of Capital, Provinces, Municipalities, Districts and Khans.

8. Conclusions and recommendations

This report has sought to assess how much information on the financing of the education sector has been made available, and how accessible this available information is. Responding to this question, this section concludes that availability and accessibility differ between information on National Budget allocations and information on donor and NGO support. A great deal of information on the former has been produced and centralised, although the more detailed data can be secured only with approval by high-level offices, a requirement which sometimes forces those requesting information to go through a lengthy and unpredictable process. By contrast, information on donor and NGO support is less, and is more fragmented, although it is more easily available on a piecemeal basis.

Efforts are underway to improve the situation. The sector-specific reforms of possible PBB expansion and the planned introduction of the AOP, among others, along with government-wide reforms under the PFMRP and D&D, hold the promise of a more comprehensive and accessible stock of information on financing of the education sector.

To complement the ongoing reforms, the following recommendations, which primarily seek to enhance stakeholder participation in educational planning and financial management, are put forward:

8.1 In the short term

More use of the JTWG-Ed in requesting access to MoEYS financial data. As mentioned before, official approval is needed from the MoEYS leadership in order to access data produced monthly and annually by the ministry. The JTWG-Ed has already proven successful in securing such approval, and the information it has requested. Hence, accessing information via the JTWG-Ed can be formalised and institutionalised as part of JTWG-Ed's agenda. As they are formally represented in the JTWG-Ed through the NEP, NGOs stand to directly benefit from this proposal. They can better assess and monitor the education sector's financial situation at all levels.

Better coordination between NGOs and MoEYS and among NGOs. The NEP has already been collaborating with MoEYS on the annual updating of donor and NGO projects. However, there is still room for improvement. Interaction among NGOs working on education, especially between the NEP and the others, should also be improved and perhaps even formalised.

8.2 In the medium and long term

Given the constant planning and budgeting processes in the education sector, as well as the ongoing PFMRP, D&D and public administration reforms, NGOs seeking to be better informed of and involved in planning and financial management in the education sector need to consider the following:

Getting regular updates on the key reforms, both within education and crosscutting. In the next three to five years, relevant NGOs should ensure regular and proper updates on progress in the introduction of the AOP and, if possible, of an improved MTEF, in relation to instilling new ways of planning and budgeting. These efforts will lead to a significant change in the way budget data are presented and made available. How PBB is expanded and its management changed should also be monitored. In parallel, PFM activity on improving public accounting should be regularly observed. Regular contact with the leading donors on PFM, including the World Bank and the International Monetary Fund (IMF), and with the membership of the PFM Technical Working Group, will likewise help.

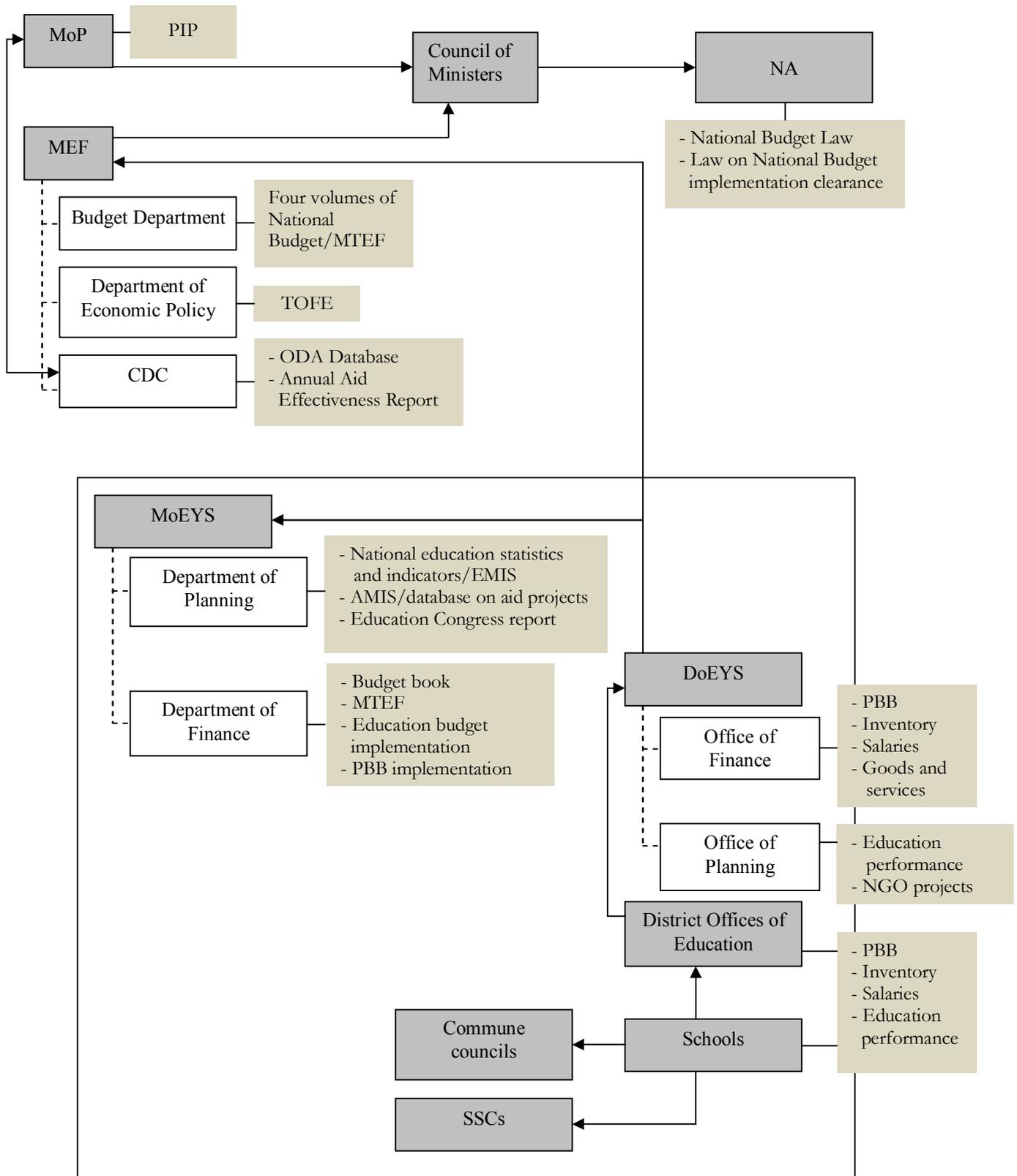
Building on the 2008 Finance Law provision on the need to share budget information with the public. The 2008 Finance Law provides that budget information be made publicly available. This is in contrast with the 1993 Law, which was completely silent on the role of the public in budgeting matters. Although a great deal more needs to be done to operationalise the 2008 Law, the general stipulation must be utilised by NGOs as a starting point for wider public demand for greater

transparency in the education sector. The transparency issue should be raised more during government-donor-NGO fora such as the JTWG-Ed and the Consultative Group meeting/CDCF.

Paying more attention to D&D. With the relevant Organic Law in place, D&D is introducing deep but gradual reform in the way public services and resources are provided and allocated. As has been mentioned, election of provincial, capital, district and municipal councils is scheduled in May 2009. These councils will essentially be the representatives of all de-concentrated line departments. Although the transfer of the budget and related budgeting functions to the sub-national levels is bound to be gradual, with the reform the budgeting system will be less and less centralised. Moreover, the Organic Law and the draft Law on Financial Management of the Sub-National Administration provide that the council budget be made publicly available. This may mean that, in terms of budget information accessibility, NGOs and the public in general need only deal with each council when requesting information. Certainly, this is much more convenient than having to put a formal request through the central ministry hierarchy. With the new councils in position, there will also be greater chance of monitoring the various NGO and donor projects under one umbrella mechanism, although this may take time.

Ultimately, ensuring and promoting access to budget information in education (and also in other sectors) is not a task that can be accomplished by working in that sector alone or by virtue of a one-off action. It is a crosscutting task, requiring understanding of crosscutting issues and partnership with various agencies under a number of mechanisms. We do not really need to “re-invent the wheel” (e.g. create new mechanisms). We can simply try to strengthen what is already in place. Looking into the near future, the prospects for more and better access to budget information in the education sector are good, given the improved legal framework, strong reforms and a substantial amount of commitment from the government, development partners and NGOs.

Annex 1: Flow of information and documents produced by different levels and institutions



Legend
 —▶ Information flow
 - - - - Organisational structure
 — Producing information/documentation

Source: Researcher (2009) via interviews and literature review

Annex 2: Key budget documents produced at national level and their availability

Institution	Document and time of publishing	Relevant information	Availability
i. National Budget			
RGC	ច្បាប់ស្តីពីហិរញ្ញវត្ថុ National Budget Law: annual; available by December of previous year	- Rationale supporting the budget - Key budget regulations issued during the year - Approved allocated revenue and spending (recurrent, programme and capital) and by central versus provincial levels	- Available; no formal request needed; not time consuming - Contact NA, the Senate or MEF
	ច្បាប់ទូទាត់ថវិកា Approved Annual Budget Execution: not regularly adopted; can be two years late	- Approved budget execution for all the approved revenue and spending	- Available; no formal request needed; not time-consuming - Contact NA, the Senate or MEF
MEF	Four detailed volumes on National Budget Law, including: - Vol. 1: The National Budget Law - Vol. 2: Budget for central ministries - Vol. 3: Budget for provincial line departments - Vol. 4: Budget for <i>Salakhet</i> Annual	- All information included in the National Budget Law (above) - Detailed information on ministry budget allocation by economic functions and by province and details on each province	- Available; no formal request needed; not time-consuming but might need to be bought - Contact MEF's Budget Department
	MTEF		- Internal use
	ការអនុវត្តថវិកា State Budget Implementation (TOFE): monthly and annual; might be late up to more than one month	- Showing budget execution by month, by sector and by project	- Publicly available; no formal request needed; might need to be purchased from MEF
MoP	ផែនការអភិវឌ្ឍន៍យុទ្ធសាស្ត្រជាតិ ឆ្នាំ ២០០៦-២០១០ NSDP 2006-2010	- Indicating sectoral priority, indicators and resource requirements for the period	- Publicly available from MoP
	កម្មវិធីវិនិយោគសាធារណៈ PIP: annual; supposed to come out the same time as the National Budget, but usually varies in term of timing	- Three-year rolling plan of public investment, detailing projects by sector and year	- Publicly available; no formal request needed; might need to be purchased
MoEYS – Department of Planning and International Relations	ស្ថិតិ និងអាំងឌីកាទ័រអប់រំ National Education Statistics and Indicators: annual	- Detailed on education performance statistics and indicators and annual and medium-term planning	- Publicly available, especially to NGOs (or, at least, more available than budget information or document)
	មូលដ្ឋានទិន្នន័យសំរាប់ការគ្រប់គ្រងវិស័យអប់រំ EMIS	- Detailed information for producing the National Education Statistics and Indicators	- Accessible only with approval from higher levels

Institution	Document and time of publishing	Relevant information	Availability
	របាយការណ៍បូកសរុបការងារក្នុងវិស័យអប់រំ Education Congress Report: annual; should be available around March the following year, but can be late	-Performance indicators by all sub-sectors, budgeting, donor support and activities for the next years	- Publicly available, especially for NGOs
MoEYS – Department of Finance	MTEF		- Internal use
	សៀវភៅថវិកាប្រចាំឆ្នាំ Budget book	- Budget allocation for central and provincial level (by province) and by PBB and non-PBB	- Also available in four volumes issued by the Budget Department of MEF
	សៀវភៅតាមដានថវិកា Education budget implementation: monthly and annual	- Budget execution by budget items	- Accessible either through formal approval or through the JTWG-Ed
	សេចក្តីសង្ខេបអំពីការអនុវត្តថវិកាតាមកម្មវិធី Summary on PBB implementation: monthly and annual	- Annual PBB implementation by province, for years and by months (for monthly reports)	- Accessible either through formal approval or through the JTWG-Ed
ii. Financing and support from donors and NGOs			
CDC	មូលដ្ឋានទិន្នន័យជំនួយបរទេស ODA Database: no required timeline	- All donor support by sector, year and province and disbursements into each project (but not what is spent out of the project)	- Publicly available; no formal request needed - Information from the database is used to prepare the Aid Effectiveness Report every year
MoEYS – Department of Planning and International Relations	មូលដ្ឋានទិន្នន័យស្តីពីគម្រោងជំនួយក្នុងវិស័យ អប់រំ Database on aid projects in education sector: annually; but usually late	- Detailed information on individual projects, including activities, budget sources, etc (but not all projects and budgets are included in the database)	- Accessible only with approval from higher levels -But information from the database is published and made available, especially to NGOs

Annex 3: Key budget documents produced at sub-national level and their availability

Type of information	Document and time of publishing	Relevant information	Availability
DoEYS			
Office of Planning: education performance	ស្ថិតិ និង អាំងឌិកាទ័រអប់រំ Education Statistics and Indicators: annual	All key education indicators including enrolment, repetition, schools, teachers, etc, by district and school	- Publicly available if there is request - Report is sent and consolidated at central level
Budget summary	សៀវភៅតាមដានថវិកា Budget Implementation Book: monthly and annual	- Implementation by month and year for all budget items	- Available only with formal approval from MoEYS or MEF
PBB	របាយការណ៍ស្តីពីការគ្រប់គ្រង និងប្រើប្រាស់ថវិកា តាមកម្មវិធី Report on Management and Uses of PBB: monthly and annual	- Execution by all chapters of the PBB for the whole province, and by district	- Available only with formal approval from MoEYS or MEF - Submitted monthly and annually to MoEYS and MEF
	សេចក្តីណែនាំអំពីការអនុវត្តថវិកា តាមកម្មវិធីឆ្នាំ ២០០៨ របស់នាយកដ្ឋានបឋមសិក្សា Instruction on the implementation of 2008 PBB for primary education dated March 2008: annual	- Detailed instruction on base of allocation, implementation and reporting	- Available to schools and districts, but for NGOs it needs approval (however, some schools report not having seen such instructions)
Goods and service (non-PBB)	តារាងលំអិតរដ្ឋទេយ្យបុរេប្រទាន ប្រចាំឆ្នាំ Annual Cash Advance Table	- Detailing cash advance and its spending	- Internal use, but can be made available if there is approval letter from relevant central agencies
	សៀវភៅបញ្ជីបេឡាប្រចាំឆ្នាំ Cash Management Book: daily, monthly, annual	- Showing cash advance disbursement and clearance	- Internal use, but can be made available if there is approval letter from relevant central agencies
	សណាកប័ត្រតាមដានការប្រើប្រាស់ ថវិកា ជំពូក ៦០-៦១-៦២-៦៣ Follow-Up Table on Use of Chapters 60, 61, 62, 63: monthly and annual	- Implementation of budget items 60, 61, 62, 63	- Internal use, but can be made available if there is approval letter from relevant central agencies
	បញ្ជីសារពើភ័ណ្ណប្រចាំឆ្នាំ Annual Inventory Registration: annual	- All inventory of the province (transfer in and transfers outs)	- Internal use, but can be made available if there is approval letter from relevant central agencies
Salaries	តារាងទូទាត់ប្រែប្រួលត្រូវប្រចាំខែ	- Detailed information by	- Internal use, but can

Type of information	Document and time of publishing	Relevant information	Availability
	Table on Monthly Salary Payment: monthly	name of employees receiving basic salary and other benefits and their signature on each salary receipt	be made publicly available with formal approval from MoEYS and MEF or other similar central agencies
	តារាងទូទាត់ប្រាក់ឧត្តម្មម្តងគត់ និងវត្តជន និងតារាងផ្សេងៗទៀត Tables on retirement and other staff one-off support: annual	- Detailed information by name of employee and amount and composition of support provided	- Internal use, but can be made publicly available if there is formal approval from MoEYS and MEF or other similar central agencies
	តារាងទូទាត់ប្រាក់បំណាច់សំរាប់គ្រូ កិច្ចសន្យា Table on contract teachers: annual	- Detailed information by name and payment for contract staff	- Internal use, but can be made publicly available if there is formal approval from MoEYS and MEF or other similar central agencies
Donor/NGO projects	ស្ថិតិ និងអាំងឌីកាទ័រអប់រំ Education Statistics and Indicators: annual	- Only a list of NGOs projects operating in the province in the past year	- Publicly available if there is request to DoEYS - The report is sent and consolidated at central level
Offices of Education, Youth and Sports			
PBB	របាយការណ៍ស្តីពីការគ្រប់គ្រង និងប្រើប្រាស់ថវិកា តាមកម្មវិធី Report on Management and Uses of PBB: monthly and annual	- Execution by all chapters of the PBB for the whole district, and by school	- Available only with formal approval from MoEYS or MEF - Submitted monthly and annually to MoEYS and MEF
	សេចក្តីណែនាំអំពីការអនុវត្តថវិកា តាមកម្មវិធីឆ្នាំ ២០០៨ របស់នាយកដ្ឋាន បឋមសិក្សា Instruction on the implementation of 2008 PBB for primary education dated March 2008: annual	- Detailed instruction on base of allocation, implementation and reporting (but some districts complained that they did not get the instruction)	- Available to schools and districts, but for NGOs it needs approval
Inventory	បញ្ជីសារពើភ័ណ្ណប្រចាំឆ្នាំ Annual Inventory Registration: annual	- All inventory of the district (transfers in and transfers out)	- Internal use, but can be made available if there is approval letter from relevant central agencies
Salaries	តារាងទូទាត់បៀវត្សរ៍ប្រចាំខែ Table on Monthly Salary Payment: monthly	- Detailed information by name of employees receiving basic salary and other benefits and their signature on each salary receipt	- Internal use, but can be made public with formal approval from MoEYS and MEF or other similar central agencies
	តារាងទូទាត់ប្រាក់ឧត្តម្មម្តងគត់	- Detailed information by name of employee and	- Internal use, but can be made publicly

Type of information	Document and time of publishing	Relevant information	Availability
	និងវត្តជន និង តារាងផ្សេងៗទៀត Tables on retirement and other staff one-off support: annual	amount and composition of support provided	available if there is formal approval from MoEYS and MEF or other similar central agencies
	តារាងទូទាត់ប្រាក់បំណាច់សំរាប់ គ្រូកិច្ចសន្យា Table on contract teachers: annual	- Detailed information by name and payment for contract staff	- Internal use, but can be made publicly available if there is formal approval from MoEYS and MEF or other similar central agencies
Education performance	ស្ថិតិ និង អាំងឌីកាទ័រអប់រំ Education Statistics and Indicators: annual	- All key education indicators, students, teachers, etc, by district and school -A list of NGOs projects in the area	-Publicly available at request to DoEYS -The report is sent and consolidated at provincial level
Schools			
PBB	របាយការណ៍ស្តីពីការគ្រប់គ្រង និងប្រើប្រាស់ថវិកា តាមកម្មវិធី Report on Management and Uses of PBB: monthly and annual	- Execution by all chapters of the PBB for the whole district, and by school	- Available only with formal approval from MoEYS or MEF (but can be made available to communes and other local authorities) - Submitted monthly and annually to MoEYS and MEF
	សេចក្តីណែនាំអំពីការអនុវត្តថវិកា តាមកម្មវិធីឆ្នាំ ២០០៨ របស់នាយកដ្ឋានបឋមសិក្សា Instruction on the implementation of 2008 PBB for primary education dated March 2008: annual	- Detailed instruction on base of allocation, implementation and reporting	-Available to schools and districts, but for NGOs it needs approval -Schools can share this with communes and other local authorities
Inventory	បញ្ជីសារពើភ័ណ្ណប្រចាំឆ្នាំ Annual Inventory Registration: annual	-All inventory of the schools (transfers in and transfers outs)	- Internal use, but can be made available with approval from relevant central agencies
Salaries	តារាងទូទាត់ប្រាក់ប្រចាំខែ Table on Monthly Salary Payment: monthly	- Detailed information by name of employees receiving basic salary and other benefits and their signature on each salary receipt	- Internal use, but can be made publicly available with formal approval from MoEYS and MEF or other similar central agencies
Education performance	ស្ថិតិ និង អាំងឌីកាទ័រអប់រំ Education Statistics and Indicators: three times a year – November, March and July – plus annual performance report	- All key education indicators, students, teachers, etc, by district and school - List of NGOs projects in the area (although quality of information may vary significantly across areas)	- Publicly available on request to DoEYS - The report is sent and consolidated at provincial level

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