

STRENGTHENING PROVINCIAL GOVERNANCE IN CAMBODIA'S D&D: ACCOUNTABILITY IN THE NEW MANAGEMENT SYSTEM

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Overview

In June 2005, significant progress in Cambodia's decentralisation and deconcentration reforms was made with the approval by the Council of Ministers of the "Strategic Framework for Decentralisation and Deconcentration Reforms"(D&D Framework). The D&D Framework sets out objectives, visions, basic principles, scope, and strategies to develop management structures for governance reforms and guide all reforms affecting the management system at the sub-national levels, which includes provinces/khet, districts/khans and communes/sangkats.

Responding to the above reform, CDRI's Democratic Governance and Public Sector Reform Unit has conducted an independent study, "Strengthening Provincial Governance in Cambodia's Decentralization and Deconcentration Reform: Accountability in the New Management System". Our goal is to provide a better understanding of accountability in the current system, as well as identify how such understandings influence relationships between stakeholders and outputs of the broader governance system, particularly at the provincial level. The research questions guiding our study are thus:

- (i) *How do decentralization and neo-patrimonialism interact and affect accountability structures in the current provincial management system?*
- (ii) *How can the design of the D&D reforms be strengthened to promote better accountability at the province level in the future?*

Research Design

The study entails three rounds of data collection in four provinces (Takeo, Kratie, Siem Reap, and Bantey Meanchey) through: (i) formal interviews with government officials at national and provincial levels, (ii) informal discussions and observations with stakeholders related to sub-national accountability, and (iii) document analysis. In each province, four different sectors are studied: (i) Health, (ii) Agriculture, (iii) Rural Development, and (iv) Public Works and Transport. This study focuses on three different functional areas including: (i) Planning, (ii) Public Financial Management and (iii) Human Resource Management.

The team has completed the first phase of the study, which focused on (i) establishing relationships with primary informants and (ii) collecting data on the formal and technical administrative arrangements related to human resources, planning, and financial management in five provinces. The second phase includes two rounds of data collection, focusing on (i) interviews with key informants at national levels to further explore how certain activities transpire at central ministries and the center's relationship to provincial level functions. Moreover, we revisit respondents and sites at the sub-national level to focus on the informal/political/cultural factors which affect accountability. Formal data reflection and analysis phases are included in between field visits, creating both a deductive and inductive cycle of learning.

Literature Review and Definitions

The team is currently finalizing the study's literature review on “Accountability and Neo-Patrimonialism: Concepts and Practices in Cambodia.” Because *accountability* is an imported concept and Cambodian administrators have had different understandings of what accountability means (typically based on their working contexts without references to any documents or any standardized meanings of the term), we hope this literature review can help explain the history and evolution of accountability in the Cambodian context.

We construct our literature review to bring in multiple lenses to respond to these knowledge gaps, beginning with seven international public administration and management-oriented models which grapple with defining accountability, as well as pinpoint the mechanisms and conditions that promote and sustain more accountable individuals, relationships, and systems. Because of the lack of knowledge around informal practices, we then turn to theoretical and empirical work which has identified characteristics of patrimonial societies and the neo-patrimonial governance models that have emerged from them. This allows us to consider a key issue: why are there difficulties in translation between not only Western and Eastern lenses of management, but maybe more importantly, between democracy-oriented models and more traditional, patrimonial models of leadership rooted in highly structured social hierarchies? We then contextualize specific factors in Cambodia's social and political history to better understand the informal nature of the current administrative system and to hypothesize what lies at the root of the second and third blockages.

A key output of this literature review and our preliminary data collection is our development of a “Cambodianized Definition of Accountability,” which encompasses three levels of administration and is the basis for the analytic framework guiding our 2nd and 3rd rounds of fieldworks. We invite you to critically review our definitions in preparation for the round table discussion.

National Level: Vision of Public Accountability in Cambodia

- Accountability is a personal, administrative and political value of a Cambodian owned system.
- An accountable system is reflected by clear assignment of roles and responsibilities, adequate and predictable resources, horizontal and vertical coordination, transparency and compliance with the law.
- An accountable system focuses mainly on building trust in public institutions by exhibiting administrative neutrality and responsible performance.
- Through public participation and with political support, the system should serve public interest, particularly the poor, very effectively.

Provincial Level: Accountability Operationalized at the Sub-National Level

A sub-national level government is accountable when:

- It forms a unified body and is run according to the principles of democratic development such as adherence to the rule of law, transparency in its operations and open door policy for public participation.
- It has a proper assignment of functions, adequate and predictable resources, and a decision-making authority to serve local needs, especially the poor.
- Accountability in relation to planning cannot be implemented without clear guidelines as well as adequate fiscal resources, staff remuneration and capacity building in the Governor's Office and the provincial line departments.
- It requires an effective linkage between planning and budgeting, and good vertical and horizontal coordination between and within sectoral ministries as well as donors.
- It also requires coordination between national, provincial and local planning processes. It should build on existing participatory planning processes, and must also include political accountability.

Functional Level: Accountability within Functional Areas

(i) Accountability Definition for Planning

- Accountability in relation to planning cannot be implemented without clear guidelines as well as adequate fiscal resources, staff remuneration and capacity building in the Governor's Office and the provincial line departments.
- It requires an effective linkage between planning and budgeting, and good vertical and horizontal coordination between and within sectoral ministries, as well as donors.
- It also requires coordination between national, provincial and local planning processes. It should build on existing participatory planning processes, and must also include political accountability.

(ii) Accountability Definition for Public Financial Management

An accountable PEM system within the new provincial administration must be a unified system. It requires political will from and collaboration among government agencies at both national and sub-national level, as well as donor community to design a system which has:

- Function and expenditure assignments that are clearly defined among national and sub-national actors and that promote efficiency and effectiveness in service provision.
- An intergovernmental transfer system that can guarantee adequate, equitable, timely and transparent transfer.
- Harmonised and coordinated financings between on- and off-budgets to promote Cambodian ownership over service deliveries.
- An expenditure management system run by capable staff at provincial level to ensure transparency and efficient uses of available resources.
- Minimised personal and/or political interferences over the execution and enforcement of financial management issues.

(iii) Accountability Definition for Human Resource Management

An accountable HRM system in Cambodian provincial administration would be a system that serves public interests and performs the best of its capacity to deliver outcomes. It requires:

- A competitive transparent recruitment process based on merit.
- A clear delegation of roles and responsibility to appropriate level with specific expectations and outputs.
- A competitive and attractive incentive/remuneration provided through adequate and efficient intergovernmental transfers.
- A neutral HRM administration.
- Strict enforcement and sanction of performance of public officials.