

Progress and Challenges of Deconcentration in Cambodia: The Case of Urban Solid Waste Management

Introduction

Decentralisation reform in Cambodia has entered a new phase despite a history with mixed results. A revived emphasis on deep reform by the National Committee for Democratic Development (NCDD) following the 2013 general elections is pushing decentralisation forward. By 2015 districts and municipalities had embarked upon administrative renewal, marked by the transfer of various functions from line ministries to district and municipal administrations. As stated by the government, the goal of functional transfer is to move service delivery closer to the people in order to promote local initiatives and shorten the accountability route (Sar 2015). Against this backdrop, the new phase of decentralisation reform represents an effort to realise the promises of decentralised service delivery.

What distinguishes this latest wave of decentralisation reform is a remarkable public display of political commitment. The deputy chief of the NCDD secretariat, for example, made functional transfer¹ the core of decentralisation reform, proclaiming that “reform is about the transfer of functions and resources. If there is no transfer there is no reform” (NCDD 2015). On the other hand, the deputy prime minister and chairman of NCDD attributed the slowness of the earlier phase of reform to the hesitance and resistance of line ministries and urged them to take the reform seriously (Sar 2015). By accelerating functional transfer, the national government appears to have put aside concerns about the mismatch between local government capacity and greater responsibilities and become more willing to recognise the institutional imperatives of decentralisation reform such as decision-

making power and resources. Given the revitalised commitment, it is fair to say that decentralisation reform no longer translates into only political decentralisation (devolution) that characterised earlier commune-level decentralisation but also translates into administrative decentralisation (deconcentration).

Background: The waste problem and the need for functional transfer

With rapid population growth and urbanisation comes an increased municipal waste problem and associated public health issues. This problem is particularly acute in Phnom Penh – Cambodia’s capital and largest city – where more than 1,000 tonnes of solid waste are generated daily (Blue Media Cambodia 2015). In light of these challenges and post-election decentralisation reform targets, the Ministry of Environment (MOE) jointly with the Ministry of Interior (MOI) and Ministry of Economy and Finance (MEF) issued in 2015 the inter-ministerial prakas on the Usage of Environmental Sanitation Service Fund (“the fund”).² The initial budget of USD5 million was allocated between 26 municipalities across the country, with distribution of funds determined based on population size. Budget allocation set the stage for the transfer of the solid waste management function to subnational administrations. The subsequent Sub-decree on Urban Solid Waste Management operationalised the fund by assigning functional responsibilities to different tiers of subnational administration, namely the capital, municipal and district administrations. This study is limited to solid waste management at the municipal level because the fund is currently only allocated to municipal administrations.

Research questions

The transfer of functions that began in 2015 signifies the arrival of the anticipated deconcentration. Based on a document analysis and in-depth interviews, the purpose of this study is to promote an understanding of the status

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1 Alternative terms commonly found in the literature include functional delegation and functional reassignment.

2 Unofficial translation.

of deconcentration. It therefore addresses the following research questions: *What rights and responsibilities for solid waste management have been deconcentrated to municipal administrations? And what challenges have they faced in exercising those rights and responsibilities?*

Key concepts

Deconcentration is one of the models for transferring functions to local governments, the other being devolution (or decentralisation as more commonly used in Cambodia). When a function is deconcentrated, the central ministry retains policy and fiscal discretions while subnational administrations are responsible for implementing the function and control the personnel transferred from the ministry. A function is a set of activities such as solid waste management, health centre management or rural water supply maintenance that contributes to the functioning of the larger governance system (Pak 2011). The transfer of functions to subnational administrations in the current reform entails either *assignment* or *delegation*. Assignment refers to “the transfer of ownership of the function [and] all necessary responsibilities, power and discretion for managing and implementing the function.” Delegation denotes “the transfer of function [and] responsibilities, power and discretion for managing and implementing the function in the name of the delegators based on criteria of such delegation. The delegating authority retains ownership on the delegated function” (RGC 2012, 3). In other words, assignment is a strong form of deconcentration whereas delegation is a weak one. The former gives subnational administrations more power to exercise their responsibilities as delineated in a legal framework.

Findings

The legal framework: Responsibilities, rights and resources

The advance in functional transfer has brought about some major changes. Under the 2015 Sub-decree on Urban Solid Waste Management, municipal administrations are assigned five broad responsibilities for solid waste management: 1) prepare annual management, action and budget plans, 2) plan and implement tasks for solid waste management, 3) establish and manage waste collection, transport and dumpsites, 4) advise the people on sanitation practices and waste service usage, and 5) educate consumers about eco-friendly practices (the 3Rs – reduce, recycle, reuse) and promote the use of recyclables and the purchase of products made with recycled materials.

These responsibilities are accompanied by rights and resources. To support function execution,

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municipal administrations are allowed to: 1) issue warrants or other legal instruments, 2) operate directly or contract out cleaning and/or collection and/or transport and/or dumpsite services to the private sector, 3) cooperate with neighbouring subnational administrations to jointly

deliver services, 4) delegate a part or the entire function to sangkat councils or assign rights to communities to implement one specific or some subfunctions, 5) determine fees for cleaning-collection-transport and dumpsite services, 6) use municipal funds or funds from other sources to supplement the fund for solid waste management, and 7) approve organisational or individual requests for solid waste for private use (RGC 2015).

With respect to resources, in 2015 the studied municipalities received funds of USD45,000 to 90,000 depending on their population size. This represents major progress relative to the meagre provincial budget for solid waste management in the pre-transfer time (Pak and Craig 2008). In addition, municipal administrations will be able to generate own-source revenue through waste collection fees. Based on a fee ceiling designed

by central ministries, municipal administrations can determine fee structures for their localities depending on business type, location, income level and waste volume. Before arriving at this decision, municipal administrations must consult service users and other stakeholders. Also, they are responsible for designing the mechanisms for the collection, management and settlement of waste service fees. Although funds are made available to municipal administrations, reassignment of personnel is not yet part of the functional transfer.

Municipal administrations have used the funds for various activities to beautify the city including picking up litter, sweeping main roads, trimming trees and shrubs, installing garbage bins and putting up education banners. One municipality creatively used a portion of the fund to renovate the road leading to the dumpsite. Except this municipality, which uses a mixed model of public-private implementation of the function, other municipalities chose to contract private service providers selected through their procurement committees to carry out the described activities. In these cases, municipal administrations primarily focus on monitoring the performance of private contractors. In one municipality, sangkat councils are asked to assist with the monitoring and the information is reported to the municipal administration by phone.

Central-local relations: Support and control

Under the new structure, the Provincial Department of Environment's new roles in solid waste management are to: 1) promote environmental awareness, 2) participate in the development of a solid waste management plan, 3) provide technical advice on solid waste management projects or proposals, 4) monitor, review and evaluate the progress of solid waste management, and 5) prepare semester and annual reports on the status and progress of solid waste management (RGC 2015). Given these responsibilities, municipal administrations will be

able to engage more meaningfully with provincial departments than in the past when interaction between the two parties was limited to involvement in occasional environment-related public events.

As it now stands, relations between municipal administrations and provincial departments of environment remain flat across the studied municipalities. In one municipality, for example, a provincial department informant expressed his dissatisfaction with the municipal administration, complaining that they have become more autonomous and discretionary: "they don't listen to the department or province". He was also sceptical of the prospects of recruiting a new service provider because he thought that the existing service provider had been very helpful by responding to the department's requests and he doubted that a new one could follow suit. He even suggested that provincial

departments should have been recipients of the fund instead of municipal administrations. Until recently, the Provincial Department of Environment oversaw the private service provider, which was recruited by the department's former chief.

In another municipality, the provincial department has taken a more hands-off approach to the transfer. Complaints, by contrast, came from the municipal administration. Suggesting an indifferent relationship, a municipal informant complained that the provincial department had not contributed much towards waste management, neither before nor after the functional transfer. "I used to ask them whether the fund could be used for awareness-raising activities and to buy garbage bins because it is not clear from the prakas; and they said they didn't know either."

Yet in another municipality, the municipal administration encountered a more assertive provincial department. A municipal informant said that his proposal to use the fund to raise environmental awareness was rejected by the provincial department who argued that the fund is

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for service delivery or intervention purposes only, although the informant personally thought that it was allowed by the sub-decree. He admitted that it is more important to follow what individuals say than to follow what is written on paper because they have discretion to approve fund requests, hinting at the influence of the provincial departments of environment and economy and finance on the fund transfer process. Municipal administrations are legally required to submit a request for funds along with an action plan for solid waste management to the MEF via their respective Provincial Department of Environment.

With regard to the Ministry of Environment, its main role is to perform regular inspections of function execution. In case of a breach of the guidelines on solid waste management, the ministry can propose that the MEF postpone the transfer of funds to the municipal administration in question. It can also propose that the MOI warn the municipal administration concerned

about its underperformance, inefficiency or noncompliance (MOE, MOI and MEF 2015).

Issue of local capacity

As pointed out earlier, the reassignment of personnel is not part of the transfer. This

situation has disproportionally affected municipal administrations. As private contractors take up the bulk of the work in solid waste management, municipal administrations are primarily responsible for monitoring. Two municipalities have each formed a taskforce, led by a deputy municipal governor assisted by officials from the administration's procurement unit and city development unit. Another municipality has adopted a more participatory approach, forming a working group led by a deputy municipal governor and membered by officials from the provincial department and municipal office of environment. Due to its higher level of development, another municipality was able to create a specialised unit that works on waste management and city beautification long before the functional transfer. This municipality is consequently best

equipped for the function. A municipal informant was intending to propose a plan to the MOI for the establishment of a similar unit to relieve the workload of his officials. Similarly, another municipal informant expressed concern about the busy workload of his officials and thought that new personnel should come with every new function. In response to the workload concern, provincial MOE informants indicated that the lack of personnel at the local level is a general phenomenon that has no easy solution, pointing to similar problems in their departments.

Despite human resource constraints, all municipal informants appeared to welcome the new function and reject a long-held belief that local administrations lack capacity. A municipal informant asked:

If you don't transfer the function to me, how can you know whether I can do it or not? Don't always think that the lower level can't

do it. If they really can't do what is assigned, you build their capacity. There's nothing wrong with that.

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Another municipal informant admitted that the functional transfer allows municipal administrations to fulfil

their responsibilities rather than blame others for any problems, and motivates them to work harder to avoid being "looked down upon".

Discussion and conclusion

Based on a case study of urban solid waste management, this paper is an early attempt to assess the progress and challenges of deconcentration to date. The functional transfer has clearly helped empower municipal administrations to provide solid waste services by giving them greater responsibilities and the necessary rights and fiscal resources although reassignment of personnel is not part of the transfer. The functional transfer effectively shifts the mandate for solid waste management from the provincial level down to the municipal level accompanied by a ministry-granted fund

that is increased annually, something provincial authorities did not have prior to the transfer. The fund is sizeable but more is needed if the service is to be developed further. Municipal administrations' power to raise local revenue through waste collection fees and charges in the foreseeable future could strengthen their fiscal base.

The case study suggests that municipal administrations have not experienced major obstacles in implementing the function so far although some challenges exist. In terms of central-local relations, interactions between municipal administrations and provincial departments of environment have been flat across the studied municipalities. But more interaction can be expected once ministerial inspection of the function implementation has begun. Nevertheless, the case study did uncover an instance of veto exercised by a provincial department over a municipal proposal because they disagreed on the activities the fund can be spent on. But the veto was based on the department's interpretation of the regulation rather than an act of extra-legal interference or abuse of power. This incident has important implications for the relationship between regulation and local power. While it is plausible that less and broad regulations give more opportunities to local governments to take initiatives, it could in the meantime breed ambiguities that are open to interpretations that suit particular interests to the exclusion of others. In a context where institutions to resolve discretionary discrepancies are non-existent or weak, the prevailing power structure favours interpretation of the superordinate at the expense of the subordinates. In terms of capacity, municipal administrations feel determined and ready to prove themselves despite some concerns about increased workload. This optimism essentially downplays the "lack of capacity" belief as exemplified by the view that there is nothing wrong with building capacity when there is a lack of it, implying the need to normalise rather than problematise the situation.

In general, the case study suggests that greater rights, responsibilities and fiscal resources can be expected to strengthen the role of municipal administrations in local development and promote their relevance in local accountability. The prospects, however, will be negated if centralising

tendencies do not simultaneously subside. Even so, this is an early conclusion and richer insights leading to divergent conclusions may emerge as the reform interacts with political reality over time. It is also necessary to study other more politically contentious sectors such as education and health to arrive at a more comprehensive understanding of the dynamics of deconcentration.

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