

# **Partnership and Dialogue Arrangements for Promoting Development Effectiveness in Cambodia**

**Development Cooperation and Partnerships Strategy (2014-2018)  
Background Paper No. 2  
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**Cambodian Rehabilitation and Development Board (CRDB)  
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This paper is the second in a series of Background Papers that will elaborate issues and themes to be included in the forthcoming Development Cooperation and Partnerships Strategy (2014-2018). The observations and proposals contained here are based on available evidence and are intended to stimulate discussion and feedback as well as to guide follow-up consultations with stakeholders.

**Promoting Development Effectiveness in Cambodia**  
**Background Paper on Partnership and Dialogue Arrangements**  
**January 2013**

**I. Introduction**

In 2013, CRDB/CDC will prepare the Royal Government's Development Cooperation and Partnership for 2014-2018. The over-arching objective of this Strategy is the promotion of development effectiveness. Succeeding and replacing the 2006-2010 Strategic Framework for Development Cooperation (SFDCM), this revised Strategy will identify objectives and goals for managing development cooperation and partnerships as well as setting out approaches to implementation and monitoring of development cooperation activities.

Given the importance of partnership dialogue in the management of development cooperation and the many initiatives that have been taken to promote effective partnerships, this paper reviews partnering arrangements and makes a number of recommendations in order to promote feedback and discussion about future mechanisms that promote development effectiveness. The views of stakeholders will then inform the preparation of the Development Cooperation and Partnerships Strategy.

**II. Policy dialogue and partnering is the foundation for development effectiveness**

Policy dialogue is the process by which: (a) initiatives or themes are discussed and agreed so that (b) actions can be identified (and progress monitored) towards (c) the achievement of defined development objectives. Effective dialogue and partnering arrangements are therefore a prerequisite for development effectiveness as priority actions must be agreed, resourced, implemented and monitored in a coherent manner for their developmental impact to be maximised.

Dialogue mechanisms provide a forum for assembling all key actors and agreeing these necessary actions. They also provide an opportunity to monitor progress and to advance the principle of mutual accountability in which all parties can ensure that individual and collective commitments have been honoured. Policy coherence has been perhaps the most important objective of the Technical Working Group (TWG) mechanism as the main thrust of their work has been to bring together stakeholders from across Government, development partners and NGOs to agree and coordinate policies and sector plans. Programme-based Approach (PBA) management arrangements represent a further attempt to promote policy coherence and to translate this into coordinated and effective arrangements for funding, implementation, monitoring and capacity development.

At a higher level, the Government-Development Partner Coordination Committee (GDCC) meetings provide an opportunity for higher-level dialogue – usually involving Ministers, Secretaries of State and Ambassadors - to focus on a more limited range of 4-5 issues of strategic importance to the development partnership. The GDCC mandate includes, for example, the approval and review of the Joint Monitoring Indicators that guide the work of the development partnership and promote a results-based focus. At the highest level, the Cambodia Development Cooperation Forum (CDCF), usually held every eighteen months, is a two-day meeting that reviews progress in NSDP implementation, priority sector programmes and the core reforms, as well as considering the mobilisation of external development cooperation resources. Both of these higher-level mechanisms therefore provide an occasion on which to discuss and agree important areas of policy as well as arrangements for implementation, monitoring and partnering.

### III. Reviewing the performance of current dialogue and partnership arrangements

To support partnership dialogue in Cambodia, the 3-tier CDCF/GDCC/TWG mechanism has been employed since 2004. Frequent reviews have been undertaken, including in mid-2006 and as part of the evaluation of the Paris Declaration (independent assessments in 2008 and 2010). Recognising that partnering could be challenging, a dedicated exercise – “Making Partnership Effective in Cambodia” – was facilitated in 2009-2010. Feedback from TWGs and discussion at the TWG Network meetings has also been consolidated into reports to the GDCC and the Development Effectiveness Report prepared for CDCF meetings. Development partners held their own 1-day meeting on partnering and dialogue in October 2011. There is therefore a wealth of evidence relating to TWG performance and to the effectiveness of partnering dialogue more generally.

Some of the major findings can be summarized here:

<b>Generally-agreed conditions for successful partnership dialogue</b>	
<ul style="list-style-type: none"> <li>• Partnering requires new skills, systems and procedures to maximise its contribution</li> <li>• Partnerships can be challenging to the status quo as they require collaboration rather than hierarchy</li> </ul> <p>Successful partnering embodies the following features:</p> <ul style="list-style-type: none"> <li>• <i>Incentive</i> - engagement from partner organisations (not only individuals) based on common interest</li> <li>• <i>Agreed principles</i> - shared goals and principles agreed between the partners</li> <li>• <i>Provides value to participants</i> - inclusive and transparent in approach to ensure collaboration</li> <li>• <i>Responsive</i> – performance reviewed in order to ensure maximum achievement and mutual benefit</li> </ul>	
<b>Strengths</b>	<b>Weaknesses</b>
TWGs are a useful forum for information exchange Partnership Principles have been a useful tool Bilateral dialogue is often more focused & productive Useful mutual accountability mechanism TWG Secretariats function effectively for networking Works best where there is a clearly-defined focus	Inter-ministerial coordination is challenging TWGs sometimes are not linked to ministry work Cross-cutting issues are not addressed TWGs do not represent all important issues TWG & GDCC dialogue can be limited, formulaic Important development actors are absent

What is perhaps most striking is the enduring nature of the findings identified in the table. A review of the documentation from the many reviews since 2006 shows that most of the findings are unchanged over time: there are well-understood conditions for successful partnering dialogue while challenges seem to be systemic and persistent. Efforts to address the challenges associated with particular dialogue mechanisms either have not been adequately designed to address the root of the problem or have not been fully implemented. For cross-cutting issues, coordination of the main actors is often particularly problematic and policy coherence can be elusive as a range of actors lead on different aspects of policy and/or implementation.

Given that the same observations have been made repeatedly over time yet continue to persist the occasion of formulating the Development Cooperation and Partnerships Strategy offers a unique opportunity to recognize and understand the realities of partnering in the Cambodia context. In a forward-looking manner guided by the principles of development effectiveness, this learning process enables innovations to be introduced so that dialogue mechanisms can be established using a more adaptive or contingent approach that permits a range of formats to be used according to what is most effective.

#### IV. A new structure for policy dialogue

There are additional – and important – informal meetings for policy dialogue that can complement formal processes. These informal meetings or the use of sub-groups, are often structured around the formal 3-tier arrangements, however, so that there is a dynamic and inter-play between them that is mutually reinforcing. Bilateral consultations, usually hosted by either CDC or MEF on a regular basis with development partners, are also felt by most participants to be productive and a useful complement to on-going multi-stakeholder arrangements. This means that both formal/informal and bilateral/multi-partner arrangements will remain an important part of the overall policy dialogue landscape and should be given due consideration when developing a structure that promotes development effectiveness.

Opportunities for embracing the development effectiveness approach in a revised partnering arrangement must take account of the following considerations:

- Building on lessons from the 3-tier TWG/GDCC/CDCF model, keeping what works while being mindful of past challenges in a new design that moves forward to a more inclusive Cambodia Development Forum
- Post-Busan partnering (broader participation, results-based planning / resourcing/monitoring linkages, efficient & effective partnering) is accommodated
- Balancing a broader partnership approach (Cambodia Development Forum) with the need for efficiency and a results-focus at the technical level
- Forward-looking development priorities: MIC status, multiple sources of development finance, policy coherence (especially of reforms), beyond aid issues (climate change, regional integration, human capital development)

Taking account of previous reviews of dialogue arrangements, this proposal takes into account the following specific observations in order to build solutions into the new arrangements:

Issue (current or future)	Proposal for new arrangement
Current arrangements performance seen to be "mixed", especially GDCC (& some TWGs) (forward-looking emphasis of "new" outlook provides opportunity for positive transition – not blame etc)	<ul style="list-style-type: none"> <li>▪ Identify and retain what works</li> <li>▪ Options beyond current TWG structure for dialogue, suited to specific situation and needs</li> </ul>
Dialogue is not results-focused	<ul style="list-style-type: none"> <li>▪ Link to revised NSDP &amp; JMI framework that is oriented around strategic multi-sector clusters</li> </ul>
Cross-Ministry collaboration, attention to cross-cutting issues & senior-level attendance of RGC/DPs	<ul style="list-style-type: none"> <li>▪ JMIs drawn from NSDP to focus on national level results</li> <li>▪ Options beyond TWG structure for dialogue</li> </ul>
Some TWGs work better than others	<ul style="list-style-type: none"> <li>▪ All TWGs invited to reflect on performance and future options:               <ul style="list-style-type: none"> <li>a) Retain current TWG format</li> <li>b) more direct, personal consultation modality</li> </ul> </li> </ul>
Efficiency and transactions costs (confusion over distinction between CDCF & GDCC)	<ul style="list-style-type: none"> <li>▪ CDF every 2 years – political-level, broad focus on NSDP, reforms</li> <li>▪ GDCC every year (unless CDF is held)</li> <li>▪ Secretariat to produce consolidated report on JMI and sector progress</li> </ul>
Dialogue and decisions are usually made through less formal channels / processes (therefore we need to find ways to preserve its value – informality, privacy, flexibility – while finding ways to link to the formal systems and enter the mainstream)	<ul style="list-style-type: none"> <li>▪ Meetings seen as 'milestone events', with transaction-costs managed accordingly.</li> <li>▪ Formal events create the momentum for dialogue in a more private setting if required.</li> <li>▪ DPs improve their information sharing (more pro-active DP facilitation)</li> </ul>

Issue (current or future)	Proposal for new arrangement
Policy direction (DER 2011) emphasises broader partnerships related to development effectiveness to be the foundation for the Cambodia Development Forum (CDF)	<ul style="list-style-type: none"> <li>▪ NGO Consultation Meeting forthcoming</li> <li>▪ more inclusive (private sector, CSOs etc)</li> <li>▪ maintaining/increasing efficiency, linkages</li> <li>▪ risk of more participants becoming difficult to manage (losing some of the existing gains)</li> </ul>
How does greater emphasis on results translate into our policy dialogue arrangements?	Demonstrate that results are the centerpiece through NSDP & JMI linkage
Changing profile of ODA delivery (i.e. some DPs leaving or reducing their support) may result in the donor profile being less "Paris Declaration focused"	<ul style="list-style-type: none"> <li>▪ Greater use of bilateral consultations to complement multi-stakeholder groupings with improved information management</li> </ul>

## V. Main features of a new mechanism

An outline of the proposed structure is presented at Annex One. This shows the Cambodia Development Forum (CDF) at the apex of partnership dialogue. The CDF will be held every two years. Below that, the GDCC will continue to meet but on an annual basis (except on years in which there is a CDF meeting). The frequency of technical-level dialogue remains at the discretion of the respective group. This format attempts to incorporate all of the issues discussed in this paper without being prescriptive about the future status of any specific TWG.

The main benefit of this approach is that it represents continuity, keeping what works while providing an opportunity to review TWG arrangements where making progress has been more challenging. All TWGs will be invited to assess whether there are grounds for their continued work. If TWGs consider that they may be discontinued then alternative arrangements may be found for ensuring adequate coordination. This may include, for example, a periodic meeting between Government and a lead development partner, improved information sharing between development partners, or an annual meeting that focuses on results based on indicators in the sector plan or NSDP.

Sectors will also continue to employ a JMI, though these will be derived directly from the NSDP. The GDCC meeting, to be held annually except in the years in which a CDF takes place, will provide a forum in which JMIs are monitored and a wide range of topics can be discussed relating to cross-sector issues. Bilateral consultations, hosted by either CRDB/CDC or MEF, also need to be maintained and elevated to a more strategic level so that the multi-sector nature of each development partner's portfolio can be comprehensively reviewed during these bilateral negotiations. In this way there will be both bilateral and multi-stakeholder fora for a dialogue on the full spectrum of development cooperation issues.

At the highest level of dialogue, the next CDCF will be held in early 2014. After that time it will be replaced by the Cambodia Development Forum (CDF), which is intended to broaden the scope and representation of dialogue beyond development cooperation and development partners. The CDF will be more focused on development outcomes and priority actions that need to be taken by the Government and all development actors to ensure that socio-economic progress can be maintained and accelerated. The CDF's representation will therefore be broadened so that development partners, private sector and civil society, as well as other concerned stakeholders are represented. The transition from CDCF to CDF will be managed in stages; the first CDF will take the form of 2 back-to-back meetings, one on Development Cooperation followed by another on Private Sector Development. An assessment will then be made of future arrangements towards fully integrating these processes. As the CDF approach moves forward on a multi-stakeholder basis, the GDCC will become the primary forum for Government-development partner dialogue and the JMIs.

## Outline of Proposed Dialogue Structure

**Level 1  
High-level  
dialogue**

**Cambodia Development Forum**

- Managed on a 2-year cycle to discuss development issues with a more limited and focused agenda.
- Bringing together work of GDCC, the PS Forum and consultations with NGOs.
- Chaired by RGC with representation amongst other 3 stakeholder groups: DPs, private sector and NGOs (therefore not a sole DP-focus, revised Lead DP role to focus more on internal DP coordination).

**Level 2  
Coordination &  
monitoring of  
progress**

**Government-Private Sector Forum**  
Continues as per current arrangements, meeting 1-2 times annually.

**Government-NGO Consultation Meeting**  
Continues as per current arrangements, meeting on an annual basis.

**Government-Development Partner Coordination Committee**  
Continues as per current arrangements, meeting annually (except when a CDCF or CDF meeting is held)

**Bilateral consultations**  
Continues as per current arrangements for improved use of annual bilateral country programme reviews

**Level 3  
Technical  
dialogue**

Eight sector-based Working Groups (WGs) operate under the umbrella of the G-PSF.

1. Agriculture and Agro-industry (Ag & Ag WG)  
-Sub-Working Group on Rice Export
2. Tourism (Tourism WG)
3. Manufacturing and Small and Medium Enterprises (M&SME WG)
4. Legislation, Taxation and Governance (LTG WG)  
-Tax Committee
5. Banking and Financial Services (B&F WG)
6. Export Processing and Trade Facilitation (EXP & TF WG)
7. Energy, Transport and Infrastructure (E, T & I WG)  
-Committee on IT and Telecommunications
8. Industrial Relations (IR WG)

These WGs are responsible for coordinating among Private Sector through conducting regular meetings to identify, prioritize and identify issues to discuss with government counterparts

- CRDB/CDC serves as secretariat for facilitating and coordinating the annual NGO meeting process in collaborating Line ministries and agencies
- Principal NGO focal points are responsible for coordinating among NGOs prior to the annual meeting (e.g. pre-meeting, setting up agenda, etc.)

**Partnership arrangements for technical dialogue and facilitation of development effectiveness approach**  
The current TWG arrangements, complemented by GDCC and bilateral meetings, would be sufficient for dealing with development effectiveness issues at sector level through reflecting evolving priorities on development effectiveness and partnering arrangements for achieving sector specific results.

However, options include maintaining or revising current TWG arrangements need to be conducted for increasing the quality of TWG performance as following:

1. For sectors and reforms which already formed committees – like PFM, PAR, Land, HIV/AIDS, NCDD, Climate change etc. - their secretariats should be used to replace the current TWG mechanisms. CRDB/CDC shall provide technical support on development effectiveness to the secretariats.
2. High-quality performing TWGs will be maintained as technical body to facilitate and resolve development effectiveness issues at sector level
3. The rest of TWGs (which is observed in low performance) need to internally identify value-added of such coordination. Otherwise they will be considered to be removed on voluntary basis.
4. TWG members need to commit 'resources for their secretariat operations.

All TWGs need to submit their sector progress report regularly including issues and challenges to the GDCC for seeking recommendations. Smaller and less formal dialogue arrangements offer a much more efficient arrangement than the current TWG set-up that can be complemented by the opportunity to raise issues of significance more formally during the dialogue. These arrangements would require improved information sharing to ensure that those not present are fully informed of agreed actions.