



Irrigating Sla: Commune Investment Makes a Mark

Khem Houll used to dream of his commune being green all year round. Now his dream has almost come true. Since 2005, Mr Houll, Acting Chief

of Sla Commune in Takeo Province and the commune council have been investing commune funds in building canals rather than roads. The commune has built

a 3.5-kilometer-long, six-meter-wide canal bringing water to irrigate to the land of 8600 families. Now that they have water, some farmers, not only grow rice, but also grow other crops such as cucumbers, tomatoes and sugar cane during the dry season.

“Since our canal was built, some people, including myself, have started growing two crops,” Mr Houll said. “I want to see more crops. I want to see our farmlands full of crops all year round.”

Hin Mer, a 70-year-old farmer in Sla commune, contributed over 360 square meters (five percent) of her farm land for the canal. She was full of praise for the commune council for investing commune funds in the canal. The reliable water supply has helped her to increase rice yield by about 20 percent, and she has had further gains from the other crops.

“The canal is our lifeline,” she laughs.

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A 70-year-old farmer Him Mer: “The canal is our lifeline. I am happy. Even though I gave away part of my land, now I have water.”

Decentralization Process has Feet Firmly on Ground

Commune chief Seang Seng Ky is proud to have “ownership” of the commune development plan at last. Less than ten years ago, he and his fellow commune councilors had to wait until they received orders from the central government or from provincial and district governors. They then implemented what they were told.

“Today, it is completely different from what we had ten years ago,” said Mr Seng Ky, who is chief of Tbong Kropeu Commune in the Stueng Sen District of Kampong Thom Province. “Back then, we had no rights to make any decisions, particularly on commune development. We just waited for orders from the top. Now, we have the right to make our own decisions on our priority needs, and we have a budget in hand to do it.”

Other commune leaders agree with him. Chhon Ras is the chief of Lumtong Commune, in Anglong Veng District, Oddor Meanchey Province, which was the last stronghold of the Khmer Rouge. He wel-

comes moves to decentralize government in Cambodia, and said it is important to have the right to make decisions at the commune level. Decentralization is a new idea for Chhon Ras and his four colleagues, all of whom lived in an area controlled by the Khmer Rouge until 1997.

“As you know, the Khmer Rouge regime’s power was absolute. Commune authorities had no rights at all,” he said. “Since 2002, we have had experience in decentralization. At first it was a challenge for us.”

Now, he said, with decentralization, citizens and commune councils and administrations are working together to design and implement the



Continue on page 4 **Mr. Seang Seng Ky Tbong Kropeu Commune Chief**

World Bank Supports Rural Investment and Local Governance

Overview

The Rural Investment and Local Governance Project (RILGP) began in September of 2003 with the objective of reducing poverty through the support and provision of public goods and services to the commune level. The project also aimed to promote good local governance through decentralized and deconcentrated participatory governance systems at both the commune and provincial levels.

The project objectives were achieved by providing financing for the Commune/Sangkat Fund (C/S Fund), which supports 1,545 communes/sangkats in 23 provinces and supports the development of the capacity of commune councilors and citizens to engage in local development processes. The project also provided some support for the province to support commune development (including offices, equipment, vehicles, and motorcycles for outreach). This was in addition to capacity building and technical assistance for improving the implementation of the Commune/Sangkat Fund, and the broader policy and regulatory framework for decentralization and deconcentration (sub-national democratic development) reform. The original duration of the project was four years, but in 2007 it was extended, with additional financing and expanded target areas (an additional 545 communes were added to the project). The project closed on December 31, 2010.

The project was initially implemented with the Seila Task Force and the Seila secretariat as the executing agency. After 2006, the responsibility for implementation was passed onto the National Committee for Sub-National Democratic Development (NCDD) until the close of the project.

Approach

The Project has assisted the Commune/Sangkat Fund in becoming one of the most transparent components of the national budget. The Fund is a major source of financing for these recently established commune councils. By 2010, the RGC allocated 2.8 percent of government revenue to the Commune/Sangkat



Villagers in Lumtong commune of Anglong Veng district travel on their new commune road built by the Commune/Sangkat Fund.

Fund: one-third of which goes toward administration expenditures (including paying the councilors) and the remaining two-thirds toward development expenditures.

The development priorities are established by each commune in a participatory planning process. Thus far, the communes mainly chose rural infrastructure. About two-thirds of the funding has gone toward rural roads and associated civil works. The second priority identified by commune councils was the construction of small-scale irrigation and water supply projects, and school buildings.

A major achievement of the governance elements of the project is the transparency achieved. All records of the projects of the Commune/Sangkat Fund are open to the public on the web through the Commune Project Information Database (PID). In addition, the performance of the commune councils is now monitored by its constituents through Accountability Working Groups (AWG). These groups receive complaints and feedback through more than 3,000 complaint boxes and hundreds of phone numbers of the AWG members—including NGOs and contractor representatives.

Results

✓ From 2003–2009, the RILGP funded 5,860 commune projects. The project

has helped build or construct the following: 8490 km of laterite roads, 4797 km of earth roads, 965 km of Gravel roads, 4 km of concrete roads, 9554 culverts, 191 km of bridges, 1814 irrigation/flood protection schemes, 184 water ponds, 3227 water wells, 1151 classrooms in schools/libraries, 58 sanitation facilities, 5 community buildings, and 1 pier.

- ✓ Fifteen provincial rural development committee buildings have been built.
- ✓ Commune level planning, management, finance, and procurement systems have been improved.
- ✓ More than 1,500 commune councils have adopted participatory planning, project, and budget management systems that are more responsive to local constituents.
- ✓ The participatory formulation of the annual Commune Investment Program has become both a common and routine practice in all the communes/sangkats of Cambodia.
- ✓ The project implementation manual for the Commune Sangkat Fund has been adopted as the official guideline for Fund operation and is now widely applied to many other projects in Cambodia.

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H.E. Leng Vy: RILGP benefits both Citizens and Local Administrations

Decentralization and Deconcentration Reform is an initiative of the government to enhance democracy and participation of the people at all levels and to improve community development. The World Bank has provided financial support of approximately US\$55 million to a Rural Investment and Local Governance Project (RILGP) aimed at supporting local development and governance towards poverty reduction. The World Bank's Newsletter interviews H.E. Leng Vy, Director General for the General Department of Local Administration of the Ministry of Interior and Project Director of RILGP.

The commune/sangkat election established local government in 2002. Could you please, Excellency, briefly describe this initiative?

The Royal Government of Cambodia has implemented reform policies since 1998. The reforms focused, in particular, on four major sectors—socio-economic reform, public administration reform, justice reform, and military reform.

The Ministry of Interior, which plays key roles in the preparation and management of local administration based on the four major reform policies, initiated and asked permission from the Government to design the local administration management reform through decentralization and deconcentration. The Royal Government, led by Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia, agreed and advised the Ministry of Interior to process the design of the draft law on commune/sangkat administration management, which is in the first phase of preparing the local administration management reform in the Kingdom of Cambodia. The draft law was also approved by the National Assembly and promulgated by the King in 2001. Later, in 2002, the first commune/sangkat council election began.

There are three major objectives to manage the commune/sangkats in a manner consistent with decentralization and deconcentration. The first is to strengthen democracy at the local levels through the selection of commune/sangkat councils that are elected by the people living in each commune/sangkat. This includes defining the scope of the performance of their roles and tasks with participation from the people. Second, through this reform, each citizen has had an opportunity to express his or her opinions supporting the commune/sangkat council in decision making for development projects, and to ensure that the projects will benefit the people liv-



H.E. Leng Vy, Director General for General Department of Local Administration.

ing in their commune/sangkat. The last objective was to ensure sustainable development and to contribute to poverty reduction locally.

How will the people benefit from the establishment of local Administration?

The commune/sangkat council, which was elected by the people, will make efforts to address the needs of the people in each local area. Every year, the Royal Government grants a budget to commune/sangkats through the Commune/Sangkat Fund—about US\$10,000. Through the Fund, communes/sangkats use their budgets effectively to implement small scale physical infrastructure development projects such as roads, schools, hospitals, and so forth—for the benefit of the people.

Another benefit is that we have improved the service delivery for the people in the local areas; for example, the work related to registration, and so forth. Obviously, through existing commune/sangkat administration and with support from development partners and the Government,

the process of registration was accomplished successfully. Ninety percent of the people have registered. In addition, other services have been provided in line with the support of development partners to help women, poor children, and vulnerable groups.

In addition to this, we have also prepared policy through the commune/sangkat councils in order to support the indigenous people with the development of their communities and the improvement of their livelihoods.

The World Bank has supported the RILGP. How do you see the project benefiting the local Administration?

I would like to express that RILGP benefits both the people and the local administration. This project has strengthened the capacity of the civil servants who are involved in the project. Through this project, our officials have learned and worked at the same time.

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Moreover, this project supported the Government by contributing toward the budget for the communes/sangkats. The commune/sangkat councils used this budget to design small-scale physical infrastructure development plans for the interests of their people. Currently, we have seen that a lot of progress has been made in rural areas and the people are happy with the project.

What are the key achievements made by local governments in the last few years?

The overall result is that there is participation from the people and the local administration has tried to respond to the priority needs of the people. This has proved that the strengthening of local governance both began and ended fruitfully. Based on this, the development we received was found to satisfy most of the people.

Simultaneously, given the successes

in the administration and management processes of the communes/sangkats in 2008, the government has also set out regulations on administration management at the municipal, provincial, town, district, and khan levels in order to continue to implement administration management reform at these levels.

Through the implementation of RILGP, another important result was the change in our attitudes and working styles, which became apparent during the development process. Prior to this, we did not have reform; we did the same jobs repeatedly without new initiatives.

What are the challenges that the local administration faced?

The two major challenges at the local level are (i) the limited capacity of the members of commune/sangkat councils, and (ii) the fact that our country is still a developing country. This limited capacity and limited resource create substantial needs for people.

If development partners want to help your ministry on decentralization and deconcentration, which areas will you address?

If possible, the first sector that I would like to seek support from development partners is resource needs. This is very important because the needs at the local level are still high—the people still need things such as roads, health centers or hospitals, school buildings, irrigation systems, and so on.

Second, we need support to build the capacity of our officials or other relevant people. Moreover, we need capacity building in local administration management, not only for the municipal, provincial, town, district, and khan levels, but also at the commune/sangkat level. Although we have done many of these jobs in the past, we still need more capacity building so that we can perform these jobs more effectively and responsively to meet the people's needs.

Decentralization Process has Feet Firmly on Ground



Chhon Ras: "This process allows us to discuss things directly with villagers and give them opportunities to voice their needs and concerns."

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development priorities selected by the commune. "This process allows us to discuss things directly with villagers and to give them opportunities to voice their needs and concerns.

One of Mr Ras's colleagues, Bou Pea, first deputy commune chief, praised the decentralization process and said "the closer government is to the people the

better. I have lived through several regimes: this is a better one. No regime in the past gave councils and villagers the rights to make decisions as we have now."

Som Sokhom, Chief of Chamroeun Commune, and the only woman commune chief in Preah Vihear Province, agrees that this process has facilitated the local development that has been made in her commune because of decen-

tralization. She said another advantage is that the commune can seek direct support from civil society partners who might be willing and able to help. Like other commune councilors, Ms Sokhom found the commune council's tasks associated with decentralization to be challenging. But she wants to see her people prosper, so she has committed herself to this difficult challenge. "Even though it is difficult, I have to try hard to help my people here," she said.

Seang Seng Ky, Chhon Ras, Bou Pea, and Som Sokhom are among 11,353 commune councilors who have participated in the processes of fiscal, administrative, and political decentralization since Cambodia's first commune election in 2002. To support the Cambodian Government in its decentralization efforts, the World Bank financed a \$58.25 million project called the RILGP (a \$36.25 million grant and a \$22 million interest-free loan). The project supports the commune and provincial levels in adopting and using participatory planning, budgeting, implementing, monitoring, and accounting procedures to promote good local governance as well as to foster citizen participation in the local development process.

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"I am happy. Even though I gave away part of my land, now I have water."

Opposite Mrs Mer lives another farmer, Mrs Kert Im, 67, who has opted to use her 0.4 hectare of paddy fields to grow sugar cane after the canal was completed. Each year she now earns around half a million riel, 50 percent more than she earned for her rice crop.

More than 1800 irrigation schemes have been built throughout Cambodia using the Commune-Sangkat Fund (CSF). The CSF is financially supported by the World Bank through the Rural Investment and Local Governance project (RILGP). (Read project details on page 2). The project covered 23 provinces, and pro-



A villager of Arak Tnout pushes his relative's motobike through a bad road. This commune road in Arak Tnout will be improved this year using the commune fund.



Ros Viret, Arak Tnout Commune Chief

vided support for high-priority, commune-level infrastructure to improve livelihood and reduce poverty.

Primarily the CSF has helped build over 13,200 km of rural roads, nearly 10,000 culverts, and 190 km of bridges – these have been the main priority for most communes. Road are essential for remote villages: the commune roads connect them to health centers, schools, religion-related activities, and markets.

The Arak Tnout Commune of Kampong Cham Province has long been a poor, isolated place – infamous because it was one of the most difficult areas to reach until the early 2000's. It was part of local legend: people in the region used to threaten disobedient children that they would be sent to Arak Tnout if they did

not do as they were told. Now, at last, Arak Tnout is joined to the rest of Cambodia and the world by road.

"Now we are different," said Arak Tnout Commune Chief Ros Viret. "Since the roads have been built, our commune has become more market-oriented, and people produce and sell more of their crops, such as cashew nuts, cassava and rice."

Since 2007, Arak Tnout commune has invested funds in building more than 4.5 km of commune roads along which villagers carry their produce to provincial roads and markets. Most villages in Arak Tnout have taken advantage of the development of market activities and significantly increased their incomes over 55 percent of the villagers have been able to build a

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- ✓ A total of 13 provincial administration buildings were rehabilitated or constructed.
- ✓ A vast amount of research has been done to improve the management of the project and to strengthen the systems, procedures, manuals, and capacity of the concerned institutions.
- ✓ The 10 year National Program for Sub-National Democratic Development was developed by NCDD (and later approved by the National Assembly).

Bank Contribution and Partners

The original duration of the project was four years, from 2003-2006. The IDA originally contributed US\$22 million. Under the extension and additional financing, an additional grant of US\$36.25 million was allocated to the project.

The development of the commune/sangkat fund has been financed by the World Bank and the RGC. Parallel support from the United Nations Development Program (UNDP), the Swedish International Development Cooperation Agency (Sida), and the UK Department for International Development (DFID) supported the activities of the NCDD and the capacity building of sub-national implementing agencies.

Moving Forward

The RILGP closed on December 31, 2010, with a very sound record of progress towards the project objectives. The World Bank is now a development partner of NCDD along with 10 other Development Partners in the development of the three-year Implementation Plan of the National Program for Sub National Democratic development.

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This 2.1 km commune road was built in Cheung Koun Commune of Samrong District, Takeo Province, in 2009.

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house costing more than \$20,000.

Mr Viret said that he hopes to see the lives of villagers in the commune improve steadily over the next few years. In 2011, the commune decided to use CSF to build a concrete hill road to remote villages so that they can also enjoy market prices for their produce. Because of a poor section of road that is less than 300 meters long, farmers cannot get to the nearest market, where they would get significant higher prices for their produce: 23 percent more for a kilogram of rice, 5.3 percent more for a kilogram of cassava, and 7.7 percent more for a kilogram of cashew nuts.

Mr Viret said the second priority agreed upon by the commune was to invest in irrigation and agriculture extension, because of the opportunities this provides

for increasing income.

Chhon Ras, Chief of Lumtong Commune in Anglong Veng district of Oddor Meanchey Province, the last stronghold of the Khmer Rouge, sees road investment bringing a big change to the community of Lumtong.

“Roads help our children get to school, sick people to the health center, and pregnant women to have proper checkups and travel to health facilities to deliver their babies,” he said.

Like most parts of the country, the main income for villagers in Lumtong Commune is agriculture. Without roads, people only grow subsistence crops for their own consumption even though the soil is fertile for cash crops. Mr Ras has seen that where there are roads, people start to grow more crops. Even though

roads are so clearly necessary for development, so far the commune has been able to build only 7.4 km of commune roads and two bridges. Because distances are so great, the commune needs to find ways to get all villagers to year-round roads. This is a priority for the commune in the coming years.

The plan also includes social services, administrative services, natural resource management, and gender objectives.

All communes have invested heavily in the economic sector, but some communes, such as Tboung Kropeu in Kampong Thom Province, have realized the importance of investing in the social sector.

Keang Seng Ky, commune chief explains that Tbong Kropeu commune utilizes some of the commune budget to support youth groups to work on social activities such as awareness raising campaigns on domestic violence, bad gang behavior, the dangers of drug use, the spread of HIV/AIDS, on the environment, and education. To date, 100 young people have participated in these activities.

“Young people are a potential resource to help us both in infrastructure development and in social development,” Mr Seng Ky said. “We need to support them and bring them close to us.”

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A group of youth are weaving cloth, a source of additional income. They are at Tbong Kropeu Commune, Kampong Thom Province.