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Voice, Choice and Decision:
A Study of Local Governance Processes in Cambodia

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THE WORLD BANK

The Asia Foundation

CONTENTS

TABLES

BOXES

ACRONYMS

ADB	Asian Development Bank
BTM	Battambang Province
CC	Commune Council/Councilors
CCWC	Commune Committee for Women and Children
CDB	Commune Database
CDD	Community-Driven Development
CDP	Commune Development Plan (five year plan)
CIP	Commune Investment Plan (Annual)
CDPD	Commune Development Plan Database
COMFREL	Committee for Free and Fair Elections in Cambodia
CPP	Cambodian People's Party
C/S	Commune/Sangkat
CSF	Commune Sangkat Fund
DFT	District Facilitation Team
DIW	District Integration Workshop
ELC	Economic Land Concession
IP3	Three-year Implementation Plan
KPC	Kampong Cham Province
KSP	Kampong Speu Province
MOI	Ministry of Interior
MOP	Ministry of Planning
NP-SNDD	National Program for Sub-National Democratic Development
NCDD	National Committee for Democratic Development
NGO	Non-Governmental Organization
PBC	Planning and Budgeting Committee (in the commune)
PC	Procurement Committee (commune level)
PMC	Project Management Committee
PIM	Project Implementation Manual (version 2009)
SRP	Sam Rainsy Party
RGC	Royal Government of Cambodia
RILGP	Rural Investment and Local Governance Project
TAF	The Asia Foundation
ToR	Terms of Reference
TSO	Technical Support Officers (provincial)
UNICEF	United Nations Children's Fund
VDC	Village Development Committee

EXECUTIVE SUMMARY

Over the past decade, key policy discussions of the RGC have consistently included sub-national democratic development as a central plank in the proposed transformation of the character of governance in Cambodia.   Through a series of measures since 2001—including the development of a basic intergovernmental fiscal transfer system, direct elections of commune/sangkat councils in 2002 and 2007, the passage of an umbrella legislative framework in 2008, and the indirect election of district and provincial councils in 2009—the Royal Government of Cambodia (RGC) has developed a legal and policy framework for sub-national democratic development, complemented by an ambitious ten-year plan to scale up and deepen the reforms.   Given the history of centralized government control, these reforms constitute a significant delegation of functions and bear promise for increased political space and the development of local democratic practices.

In placing vital decision-making at the local level, decentralization reforms have the potential for enhancing democratization and development but they are not purely a supply-side reform.   In Cambodia, while decentralization reforms have made impressive progress, they remain at a relatively early stage.   The respective mandates of the three tiers of government are not yet clearly defined, various accountability relations remain unclear; but most importantly the development of citizens that are able to engage in decentralization decision-making has not had the focus of the state reforms. Participation with empowerment-ends has not developed.

This report, *"Voice, Choice, and Decision: A Study of Local Governance Processes in Cambodia,"* studies the dynamics of local decision-making in the country by examining the emergence and evolution of various actors' roles in the formal and informal engagements that constitute local governance.   Informed by a review of the impressive literature on the Cambodian decentralization process,[1] the study assesses the dynamics of decision-making, participation, and accountability through 12 in-depth case studies.   These cases illustrate how formal national policies, party politics, natural resources, the local political economy, and decentralization design are inscribed on the process of local governance.   A systematic empirical investigation of commune-decision making through the conceptual lenses of participation and accountability enables a detailed analysis of how various actors, roles, and processes shape local action, and the extent to which citizen voice is realized in everyday contexts.

This analysis of the current pattern of decision-making, participation strategies, and accountability arrangements fills a gap in the literature available and provides insights that can inform policy development.   The study is particularly timely as the Royal Government of Cambodia has launched the next critical stage of decentralization and local governance reform with the adoption of the ten year National Program for Sub-National Democratic Development (NP-SNDD) in May 2010, and the issuance of the first three-year Implementation Plan (IP3) with its focus on the expansion of the reform and governance at the district/khan level.

The core empirical findings from the case studies are organized into three sections around decision-making, voice and participation, and accountability.

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[1] The study included a literature review, a quantitative analysis on the uses of the commune/sangkat fund (the main intergovernmental transfer mechanism for financing the administrative and development expenditures of the commune councils), as well as the fieldwork in 12 communes.

Decision-making

The first section describes the way that different decision-making arenas at the commune level are influenced by various factors and actors. It explores three arenas of decision-making: the communes own financial resources; the appointment of officials under the commune mandate (villages and commune clerks); and critical non-CSF matters (including NRM). The key factors found to be affecting commune decision-making were: (i) the formal policies and guidelines issued by national authorities; (ii) the local resource context; (iii) the influence of 'higher level' actors; and (iv) the existence of parallel state structures with party structures from the national to the grass roots level.

Decision-making with regard to the commune sangkat fund (CSF) is formal, well-managed, and driven by a rule-based approach. The general pattern emerging around local decision-making, despite some deviations, is that local development activity carried out with the use of the commune sangkat fund is managed strictly according to the regulations. Communes are attempting to achieve clean, transparent and responsible practices that result in surprisingly well-managed processes and appropriate projects. Elite capture appears to be avoided – development planning and investment decisions are developmental and rational. Commune councils have far less control over and ownership of the decisions regarding the selection of contractors to implement projects, particularly given the procedures and role of the province.

Although flexibility in CSF investment decision-making is limited, the widespread preference for road rehabilitation is due to both citizen needs and councilor preferences. Although decentralization provides the opportunity for diverse outcomes tailored to specific local contexts, outputs of the CSF investment are remarkably similar across communes. Of the cases studied, ninety per cent of communes decided to rehabilitate roads with commune sangkat funds – the sample is consistent with nationwide analysis. The findings of this study clearly showed that the allocation of funds toward roads was based on local needs and preferences – i.e. citizens value better roads. Councilors preferred a choice that was (i) a public good – a benefit to as broad a population as possible, but also (ii) a decision that kept the risks of upsetting constituents and the party as low as possible. To this end, councilors remain within their perception of the norm, and to the extent possible within their sphere of experience and competency. A number of other factors made road construction an easier decision than expenditure on social services: a lack of or perceived lack of experience, capacity and support for selecting social services project-types, a concern for sustainability, a lack of effective communication channels with line ministries, perceptions that financial procedures would be difficult, as well as concern that they would not be perceived as a public good and fear (by councilors) of "it all going wrong". In this respect, democratic accountability seems to lead to conservatism.   The policy for a 'general' mandate and for the enhancement of discretionary decision-making will need to take this into account: attempts to engineer more responsive local governance would appear to be hampered by the conservative choices made by local politicians.

Decision-making over the CSF also ensured complementarity with other funding sources. Commune councilors are well practiced in ensuring that they use development partner (DP) funds in line with DP requirements. and are quite sophisticated in juggling earmarked and unearmarked funds, as well as other forms of in-kind support (e.g. from NGOs) to cover the needs of the commune. While the parameters around other DP funding (e.g. for health, education, or NRM) did influence the use of the CSF, the research did not find that World Bank requirements (for tangible infrastructure projects) influenced its use. In those instances where donor/NGO supported social

services projects had finished (e.g. UNICEF/PACT), commune councils often utilized the CSF to continue the initiative, providing useful experiences for lesson-learning and replication, particularly as commune councils articulated the need to keep investments low risk. The engagement of the commune councils in decisions regarding other sources of development assistance varied depending on the type of donor: decisions around NGO support in communes tend to be formalized in the commune planning system, while private and party donations are managed outside the formal government system.

Decisions relating to human resources under the commune council mandate were similarly rational but more influenced by political agendas. With regard to human resources, commune decision-making demonstrated more diversity than was apparent in decisions relating to development investments. Commune councils followed formal procedures for the (re)appointment of village chiefs. However, the ruling party strongly influences representation. In some cases, opposition party commune chiefs chose not to appoint their own village-level actors – keeping an eye on the larger political game rather than making decisions that would undermine higher-level CPP relationships. In other cases, overt pressure and 'capture' of floating council members ensured domination of village authorities. Decisions relating to administrative arrangements were 'messy' on occasion, seemed very much in the purview of the council and included examples of commune councilors playing administrative roles, despite the resulting compromise to the horizontal executive-council accountability relationship.

Although outside their general mandate, councils also engage in decision-making over natural resource management – hugely problematic for the development of local governance. Findings suggest that nationally-sanctioned investments (usually land concessions) have placed councils in an almost impossible position juggling the interests of powerful outside investors and the interests of local populations fighting to retain land they regard as their own. The findings suggested that councils and individual councilors are making a broad range of decisions in this arena – from those that fully support the affected communities to those that fully support the investors.   In all cases, councils have found that they do not have the power to influence outcomes, but were vulnerable to recourse from either side. Many thought it undermined their efforts to build good local governance. The longer term impacts of council decisions relating to resource conflicts remain to be seen but may be crucial indicators of the longer-term legitimacy and effectiveness of commune councils in Cambodia.

Voice and Participation

The report also explores the ways in which citizens exert influence over commune decision-making, both through formally-designed participatory processes and through other informal and representative mechanisms.

Formal participatory mechanisms are carried out as prescribed, with a concerted effort by commune administrations to follow procedures. Communes are careful to follow the procedures provided to them in the Commune PIM. They hold all the required meetings that would enable citizens to participate (the village and public meetings for the five year planning process, the planning and budget committee meetings, the commune investment planning process, etc.) and record and report gender-disaggregated participation in all meetings held. These processes are, however,

mostly ineffective in facilitating effective engagement of communities and citizens, and are perceived as a rubber stamping exercise by the commune administrations.

These formal processes have limited value as effective, empowering participatory processes for citizen engagement in local development. The research noted that open 'participation' is awkward in rural Cambodia. Group meeting procedures used in communes and districts hamper open dialogue. The research indicated that the higher the degree of openness of the participatory process (as in village meetings), the less the inclination for villagers to voice opinions. The research identified a number of reasons for the failure of the formal participatory processes mandated in guidelines, including: (i) the relatively minor nature of the decisions being made in formal meetings, (ii) the lack of a culture of participation – people are not used to speaking out and this results in one-way communication and information-sharing only, and that (iii) processes were inappropriately designed and managed, especially lacking facilitation by skilled community facilitators.

More meaningful 'voice' in local governance processes in Cambodia is invited; big decisions occur in another layer of participation. Although formal open participation is ineffective, a form of 'invited participation' takes place which is consultative and cooperative. The findings suggest that the more substantial the decision to be made, the more 'closed' the processes of participation – either in invited settings (as in commune council) or informal settings (in the village). There is no guarantee that the invited processes actually reflect community preferences, or those of women and marginal groups, who are largely excluded, as these processes are managed by a village chief with mixed accountability, but experience suggests that informal networks seem to generate ideas/recommendations that are popular and legitimate. They are voiced through invited settings and are used to hold authorities accountable at a later stage.

The layer of informal participation counteracts the cultural unwillingness to speak out and provides the mechanism to ensure the consensus of key actors in the community. There also seems to be a pattern where the village chief consults in informal and unrestricted ways with key people in the village (typically elderly, respected villagers) both to obtain information as to village needs and to ensure the requisite dialogue and co-optation of key individuals to secure village compliance with commune decisions. Although co-optation is widely practiced, there is no evidence in the research that it results in manipulative elite capture of projects. The dialogue is two-way and influences the decision carried by the village chief to the commune council meeting. These informal spheres are, however, exclusionary of women and poorer householders.

The village chief acts as both a state official and a community leader, and provides an important avenue for villagers to voice issues during implementation. In addition to being seen as part of the state apparatus, village chiefs are typically regarded as being analogous to the head of a large family ("he is our father"; "he is our parent"). In many cases, the village chief acted as the voice of the state in the village, or the rallying point for local complaint or resistance. They are approached informally by villagers to carry messages to commune councils on controversial issues, and are effective in prompting action that contains any growing discontent that may emerge in development projects.

There are a number of paradoxes regarding participation in Cambodia that present sobering experiences with regard to women's engagement and monitoring. Although formal participatory processes involve a large percentage of women, and officials carefully disaggregate and report data regarding the participation of women, villagers noted that attendance at village-level meetings is predominately poor householders and women – less educated members of the community whose

time is less valuable "fill the seats". Moreover, the informal and invited processes, while more effective in influencing decisions, involve the more wealthy households, and frequently exclude women altogether. The communes in former Khmer Rouge areas report better performance on some indicators (e.g., level of participation), but that the research suggests that this reflects a higher propensity for rule-following by citizens vis-à-vis requests from the local authorities rather than their empowerment and engagement in local governance.

Nevertheless, there is evidence of citizens performing a watchdog role, particularly when there is evidence of some injustice or their own community contributions are at stake. The research also noted that Cambodian villagers have little tolerance for broken promises and look out for injustices. In such cases, citizens will abruptly switch from weak engagement as compliant, accepting, individual "recipients" to protesting, confrontational, collective "stakeholders". In relation to the use of the commune funds, citizens justify this voice because community contributions are involved. While citizens are fully aware that development resources are limited and that CSF projects are rotated across the commune to bring benefits to all villages, they tend to react sharply in three situations: when explicit promises are broken, when their own contributions appear to vanish into failed projects, and when they perceive decision-making to be unfair. The financial contribution may not make villagers at large enthusiastic about participatory development projects, but it does reinforce their stake and their own perceived legitimacy to play a 'watchdog role'. As it raises the pressure for councils to 'get it right' and forces greater accountability, the experiences provide a potential case for dissemination.

Accountability

The third set of findings considers the downward accountability to citizens and the horizontal accountability relationships (commune clerks to commune councils) envisaged in the Organic Law.

In terms of downward accountability, there seems to be a willingness and understanding for commune councils to be accountable to citizens, in some situations, even for matters outside their mandate. This over-extension of accountability is destabilizing the development of local governance. The development of an overall 'ethos of accountability' was most noticeable in terms of a sense of accountability for decisions made regarding commune development resources, and was most visible in cases where there was political contestation in play. Even in cases where councils were being held accountable for issues partly or fully outside their mandate, they attempted to respond to citizen pressure to act, often with dire consequences. In cases where well-connected external actors gained control of 'common' land in the communes, the commune councils – as the elected representatives – appeared to be held accountable by voters for actions taken by national level actors. They are frequently caught in the cross-fire, affecting relationships and their ability to do the job they are mandated to do.

Despite acceptance and evidence of commune councilors being accountable for the commune sangkat fund and projects, councilor practices are emerging, non-confrontational, and focused on resolution not sanctions. While commune councilors adhere closely to regulations, when there are breaches in compliance, decision-makers will follow a path of least resistance – trying to resolve issues (i.e. negotiate, compromise) rather than applying sanctions. With respect to human resource decisions, there was less evidence of downward accountability, especially where the result would be

inconsistent with the requirements of upward political accountabilities, but evidence is available of villagers removing village chiefs for misusing community contributions.

While it may be some time before accountability at the ballot box is fully functioning, systems of internal party accountability monitor performance to some degree. While local governance reforms introduce a measure of electoral accountability, the emerging pattern is a long way from a form of accountability where the electorate is able to exercise its power through the ballot box. The study validates other literature which contends that the democratic process is still relatively immature but, as in many other states dominated by one party, there are routine internal processes in the ruling party to ensure perceived legitimacy of representation. While these are reported as being "highly contested", it is not clear that they enhance downward accountability.

Horizontal accountability has started to develop through council action to hold commune clerks to account. The findings of the research provide encouraging examples of councils successfully replacing commune clerks unable to perform the role due to capacity or illness, and confronting clerks/police to curb rent-seeking activities. Councils seem to be developing sufficient legitimacy with higher level state hierarchies to be able to hold local officials to account, and sufficient motivation to do so.

Conclusions

Research findings suggested a number of causal links between the characteristics of communes and the outcomes of governance processes. These included:

- **The political composition of the council is a key factor influencing decision-making and accountability: the dominance of one party produces less accountability.** Evidence from the cases suggests that where there is a dominance of one party there is less follow up and less evidence of councilors sense of downward accountability. In multi-party councils, or where non-CPP parties are in control, there is a tendency for the CPP to be more concerned about accountability, and also some positive synergies where CPP cooperates with other parties to hold decision-makers to account.

- **The existence of significant natural resource issues disrupted council efforts toward accountable local governance – processes were comprehensively undermined in the face of powerful outside interests.** While attempts to resist centrally-approved land or forest concessions[2] ultimately proved futile, the commune council did become a highly visible interlocutor in the conflicts between nationally-driven investments and local people's resistance. To some extent, the councils became a convenient scapegoat for both the weak and the powerful. Nevertheless, the longer term trajectories of councils and councilors in such resource-conflict plagued communes will be a valuable source of information on the longer-term underlying political dynamics in Cambodia.

- **Relative wealth or poverty affects horizontal accountabilities between commune councilors and commune clerks.** The position of clerk is potentially influential and opens up possibilities for usurping the council and for local rent-seeking. Where councilors are better-educated this

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[2] There was some limited progress where the national policy agenda supports the protection of natural resources and thus coincides with local priorities.

becomes much less likely as the clerk is less able to exclude the councilors from administrative processes. The more remote the commune, the higher the likelihood that a clerk might develop such undue influence.

Recommendations

Within the arena of the 'voice, choice, and decision' a number of priority areas of research have been identified, including:

- The role, capacity and influence of the **village chief** in local governance: the key factors influencing the appointment of village chiefs in different contexts, the dynamics around village chief appointments, and their overall role in local governance.

- The role, capacity and influence of the **commune clerk**: the impact of capacity (education, skills, experience) and political relations on the clerk's contribution to commune decision-making.

- Voice and accountability in relation to **local basic services**. The voice, choice and decision story relating to non-commune functions (health, education); the experience of communes that have implemented successful projects other than road rehabilitation.

- The dynamics of situations where voice has been meaningfully pursued and participation influences commune projects, in particular the impact of **social accountability** mechanisms. Do they make a difference in citizen engagement and the effective monitoring and feedback of local government performance?

- **Councils and local conflict resolution**: The extent to which commune councils are being held accountable for functions outside their formal mandate, and its local and national governance implications.

The study presents a number of findings that inform the development of councilor decision-making in the context of the 3-year Implementation Plan (IP3). IP3 efforts (through revisions to funding channels and procedures) will broaden the "portfolio" of commune projects beyond infrastructure, but are likely to fall upon the same set of council constraints as the past. Changing the fund mechanisms will not be enough without changing the risk aversion and conservatism of commune councilors. Initiatives to widen commune mandates should build on the experiences of those councils that have carried out successful social services projects to date. Secondly, given that the capacity of the commune clerk has a significant impact on the pattern and nature of decision-making, the role, responsibility and relationship and human resource management of commune clerks needs careful attention. A package of interventions aimed at enhancing the quality of contribution of the clerk might include: targeted capacity building, with specific efforts to build understanding of how non-infrastructure projects are facilitated with the commune sangkat fund; monitoring/ benchmarking of capacity and performance; and a consideration of a more nuanced policy toward appointments and replacements. Thirdly, the imminent changes in the overall structure of sub-national fiscal transfers (the procedures around the funds, the addition of other funds for districts and sub-national investment) should also consider how the district will improve (not restrict) commune flexibility and autonomy.

However, most importantly, there is a need for the IP3 to focus, strategically and intensively, on the development of a more empowered, informed citizenry through more effective processes and

forums that improve voice and participation in the decentralization process. The lag in effective participation in Cambodia, when compared with the progress in systems and structures of sub-national government, will ultimately impact on the effectiveness of the decentralization process. The Local Development Fund model has provided a solid basis for a sub-national institutional and financial framework that promotes local decision-making, but (as elsewhere) has not yet achieved successes regarding empowerment, voice and participation. The experience of the community driven development (CDD) model is that it develops more robust and meaningful mechanisms for participation and social accountability. There is an opportunity for the model (through the CSF) employed in Cambodia to be infused with lessons from CDD model in order to foster participation and develop it into a significant dimension of local decision-making. Efforts to better understand voice and decision in local basic services, and the broadening of the scope of decisions, will complement this. Social accountability mechanisms should be better integrated with, and flow from, the efforts towards more empowered citizens, and the current drive to open up the space for more flexible use of the commune sangkat fund.

Efforts to enhance accountability should include the village chief as a key intermediary in the development of effective local level accountability, should focus on the commune clerk, and should clarify the role of the commune council in local dispute resolution. Village chiefs would benefit from capacity building on participatory mechanisms and facilitation, and on the accountability system envisaged under the IP3. The position would benefit from some limited but targeted and achievable 'job requirements' (e.g., having passed training on participatory processes). The study also noted the difficulties commune councils face with regard to nationally-led decision-making over natural resources and the role they play in dispute resolution. The commune councils are not always equipped to manage such disputes although citizens require that they do so. The role of commune councils in local dispute resolution, including definitions of what is 'local', should be taken forward by a study and consultative process through NCDD/MOI.

I. OVERVIEW

A. Introduction[3]

Over the last decade, Cambodia has introduced substantial local governance reforms, intended partly to address deep-seated governance challenges, such as lack of public oversight over decision-making and resource allocation and weak citizen-state feedback mechanisms. Through a series of measures since 2001—including the development of a basic intergovernmental fiscal transfer system, direct elections of commune/sangkat councils in 2002 and 2007, the passage of the *Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khan* (the Organic Law) in 2008, and the indirect election of district and provincial councils in 2009—the Royal Government of Cambodia (RGC) has developed a legal and policy framework for sub-national democratic development, complemented by an ambitious ten-year plan to scale up and deepen the reforms. Given the history of centralized government control, these reforms constitute a significant delegation of functions and bear promise for increased political space and the foundations of democratic practices.

In placing vital decision-making at the local level, decentralization reforms display potential for enhancing democratization and development (Manor 2011), as clearly demonstrated through a series of influential case studies from across the world (Crook & Manor 1998; Blair 2000; Grindle 2009; Agrawal and Ribot 1999; Yusuf 2000; Tendler 1997). On the other hand, the literature is clear that decentralization is not a panacea for successful local development (Rondinelli 1983; cf. World Bank 2005; 2007). In Cambodia, while decentralization reforms have made significant progress, they still remain at a relatively early stage. The respective roles for the three tiers of government are not yet clearly defined, various accountability relations remain unclear, and citizen voice and participation in decision-making remains a foreign concept a decade after it was introduced.

Effective external assistance to sub-national reform processes in Cambodia will only be achieved with a well-grounded understanding of local and national contexts (Manor 2011; World Bank 2005; Treisman 2007; cf. WDR 2004), including not only technical capacity issues, but questions of political economy that encompass formal institutions as well as the informal arrangements that underpin governance (Eaton, Kaiser & Smoke 2010; Blunt & Turner 2007; Bardhan & Mookherjee 2006).

This report, "Voice, Choice, and Decision: A Study of Local Governance Processes in Cambodia," studies the dynamics of local decision-making in the country by examining actors' formal and informal engagements in local governance and their evolving roles. Informed by a review of the substantial literature on the Cambodian decentralization process and quantitative analysis on the uses of the commune/sangkat fund (the main intergovernmental transfer mechanism for financing the administrative and development expenditures of the commune councils), the study assesses the dynamics of decision-making, participation, and accountability through 12 in-depth case studies.

These cases illustrate how formal national policies, political party competition, natural resource conflicts, the local political economy, and decentralization design are inscribed on the process of local governance. A systematic empirical investigation of commune-decision making through the conceptual lenses of participation and accountability enables a detailed analysis of how various actors, roles, and processes shape local politics, and the extent to which citizen voice is realized in everyday contexts.

This study is one of the first to present insights into the decision-making process, which constitutes a gap in the current literature on decentralization in Cambodia. The study is particularly timely as the Royal Government of Cambodia has launched the next critical stage of local governance reform with the adoption of the ten year National Program for Sub-National Democratic Development (NP-SNDD) in May 2010, and the issuance of the first three-year Implementation Plan (IP3) detailing the expansion of the reform at the district/khan level. This analysis of the existing model of decision-making, participation strategies, and accountability arrangements provides insights that can inform policy development.

B. Methodology

Research Design

In line with the detailed terms of reference (ToR) for the study provided by the World Bank,[4] the data collection, field interviews, and analysis were guided by four key questions:

1. Who is involved in decision-making at the commune level?
2. What factors shape decision-making and spending at the commune level?
3. What mechanisms and processes encourage participation and allow citizens to influence how resources are spent at the commune level?
4. What are the mechanisms of accountability (downward and horizontal)?

The design of the study followed two distinct phases of research. The first phase involved secondary data analysis from 36 communes, a literature review, and selected key informant interviews. The secondary data analysis resulted in profiles of 36 communes[5] that included information on geographic and demographic factors, poverty, management of natural resources, commune/sangkat fund (CSF) allocation and spending, priority commune-level projects raised at district integration workshops (DIWs), and projects included as part of temporary agreements (TAs) signed by NGOs and line offices.

The broad findings from this first phase created a database on commune decisions and guided the selection of the sample of communes for the field work phase of research.[6] Work conducted under phase one also shaped the design and content of the field work by providing key background information, enabling the research team to map the major activities undertaken by the communes

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[4] See Annex A

[5] The commune profiles drew mainly from the following sources of data: (i) commune database (CDB); (ii) commune development planning database (CDPD); (iii) poverty ranking database and ID Poor database; (iv) commune/sangkat fund (CSF) allocation from 2003 to 2011 (as provided by the NCDD); and (v) district data book (2009).

[6] Criteria for the selection of the communes are presented in the Inception Report.

and identify the major actors in commune decision-making. This process enabled the team to identify core issues related to decision-making and citizen engagement for in-depth investigation.

In the second phase of the study, the research team collected primary data through an interview series with key informants in the 12 communes. Key interviews followed three steps. An introductory interview (usually a group meeting at the commune office) was held to create an inventory of decisions made at the commune level and to build trust. A second interview process (usually with individual) allowed for more probing, applying triangulation (testing data acquired from elsewhere) to reveal new layers of information. Finally, a third interview process (including but not limited to a feedback meeting at the commune office) confirmed, validated, and enabled analytical discussion of data. In all, the nature of commune decision-making (including participation and accountability) was captured through four different categories of informants: the commune councilors, the village chief/local user committees, the key households (on the village level), and on occasion, higher-level interviews (e.g., officials from the district and province).

The findings from the second phase of the research are developed as qualitative case studies, and provide the key empirical foundations of the analysis. Empirical findings have been referenced in this report through a case referencing system[7] and through the presentation of salient examples in boxes. The findings are eventually assessed in relation to the 'hypotheses' suggested in the literature review (below), and in relation to the criteria used to select the cases.

Definition of Key Concepts – Voice, Decision-Making, Participation, and Accountability[8]

Before turning to the literature review and an analysis of key actors involved in local governance in Cambodia, it is useful to review some key concepts that are used throughout this study.

In Hirschman's terms (1970), Cambodia's rural population has historically chosen *exit* over *voice;* the rural population has historically typically tried to avoid the state, and rarely spoken up against it (Thion 1993; Mabbet & Chandler 1995). In the advent of post-conflict democratization, the arrival of the development community, and, in particular, with the emergence of decentralization reforms, there is a real possibility for the public to 'choose voice'. In addition, a wide range of 'voice mechanisms' such as local elections, mandatory public meetings, and obligatory participatory processes (cf. Andrews & Shah 2003:8-9) have been introduced to create an arena for local decision-making, which enhances the possibility of voices being heard.

Decision-making is at the core of this enquiry. In each of the key communes, the study makes an inventory of which decisions the commune council actually takes. *Decision-making* refers primarily to decisions made by the commune councils, the study of which was organized along three levels of decision-making as follows:

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[7] The current referencing system for the communes conceals the name of the commune (which seems necessary given the sensitive nature of some of the findings and issues discussed) and also provides an indication of which province each commune is in.

[8] While 'choice' is a concept mentioned in the ToR of the study, it is integrated in other concepts here, and will not be treated in its own right. There is a choice for citizens and local politicians under the current decentralization reform to participate/encourage participation (or not); there is a choice (primarily for commune councils) on which decisions shall be taken in which way; and, there is choice on which degree of accountability shall be demanded/offered (by citizens and councilors). As such, choice is present throughout the study and serves as a concept around which to engage inquiries at large.

- Decisions concerning the commune's own financial resources, including the CSF[9] and other development funds which were formally delegated to the communes;
- Decisions concerning human resources at commune level; and
- Commune involvement in other decision-making arenas including decisions over other resources (natural and financial) that are in the communes but beyond the formal remit of the commune council.

The local processes that take place in relation to this *decision-making* are framed under the headings of *participation* and *accountability. Ex-ante* and *post-ante* to decisions, these are key dimensions of the cycle of commune governance and impact directly on the nature and quality of decisions taken by the commune councils. Meaningful *participatory processes* are key foundations for legitimate and inclusive decision-making and an empowered citizenry, and *accountability* concerns the degree of answerability of the commune councils for the decisions made, and can provide a measurement on the quality of the process of decision-making.

Participation is defined as '…the process through which stakeholders influence and share control over priority setting, policy-making, resource allocations and access to public goods and services.'[10] The study distinguishes among three levels of participation: 'open participation' where arenas and issues are accessible to all; 'invited participation' where some key people/actors are encouraged to take part under certain circumstances; and, 'closed participation' where the process is tightly controlled and regulated. Finally, participation may appear in *formal* or *informal* procedures. To assess the forms of these participatory processes a "ladder of participation" provides an indication of the level of community engagement.

The study will also examine *accountability*. Here accountability refers to '…the ability to call public officials, private employers or service providers to account, requiring that they be answerable for their policies, actions and use of funds.'[11] Hence, accountability is defined as an obligation to answer for actions according to a particular framework (such as a constitution or a contract), or put simply 'answering for the use of authority' (Moncrieff, 2001) and in the context of communes 'answering for the decisions taken'. Recognizing the widespread deficit of it in concept and practice, *Accountability* has commonly been seen as a critical in establishing efficient and democratic local governments (Ribot 2011).

In Cambodia, 'three critical accountabilities'[12] are described in the policy framework: *downward*, *horizontal,* and *upward* accountability. This study focuses on two of these: horizontal accountability (mutual accountability between officials and politicians at commune level) and downward accountability (accountability of commune councils to the citizens of the commune). Upward accountability in this context refers to the commune council answering to upper levels (councils and

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[9] The Commune Sangkat Fund provides an annual source of investment funds to each of the country's communes (rural) and sangkats (urban). Distribution is formula-based and financed by a basket of government revenues and donor funds.

[10] Participation at Project, Program & Policy Level, see http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALDEVELOPMENT/EXTPCENG/0,,contentMDK:20507658~menuPK:410312~pagePK:148956~piPK:216618~theSitePK:410306,00.html, accessed June 9, 2011.

[11] Definition of Accountability, see http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTEMPOWERMENT/0,,contentMDK:20253075~isCURL:Y~menuPK:546167~pagePK:148956~piPK:216618~theSitePK:486411,00.html, accessed June 9, 2011.

[12] Speech by H.E Keat Chon at the National Workshop on 2010 Budget of the National Committee for Democratic Development (NCDD), 6-7 October 2009.

administrators at the district, provincial, and national levels) to ensure they act within the policy and regulatory frameworks. This report focuses on the downward accountability but captures key aspects of the horizontal accountability system at the commune level.[13]

C. Literature Review – Five Hypotheses on Local Decision-Making

A substantial body of literature has emerged tracing the democratic decentralization process in Cambodia and the role of the fledgling commune councils from the year 2000 onwards,[14] accompanied by some central consultancy studies,[15] and defined by the law and accompanying key policy documents (e.g. RGC 2001; RGC 2008; MOI 2006; see Niazi 2011). Interestingly, although the performance of the commune councils (CCs) has been studied,[16] the underlying rationale for local decision-making has received little attention, with only a few marginal exceptions (cf. Mansfield & MacLeod 2004; MacAndrew et al. 2004). Whereas the administrative side of local development management has been addressed (e.g. Dom 2008), the current study can be seen as complementary in its effort to incorporate considerations of politics and governance, as well as its illumination of the underlying power structures and key rationales for local decisions. Existing literature from the Cambodia experience and other contexts does enable us to draw out some key insights about prospects for democratic local governance in Cambodia, as well as to formulate five hypotheses about the commune council decision-making process.

Cambodia's recent political history has made it in many ways an unpromising context for the development of local democratic structures and processes. During the Khmer Rouge rule of the 1970s, local authorities were often deadly enforcers of central dictates and policies. While everyday life returned to something more recognizably normal during the 1980s, local authorities continued to play a key role in disciplining the local population on behalf of the state. Commune and village committees and chiefs had to be particularly 'thick-faced' (in the Khmer vernacular) as they were required to conscript men and send them into military service or to construct border defenses in the malaria-ridden forests on the Thai-Cambodian border (Slocomb 2004; Mabbet & Chandler 1995). Following the 1991 peace agreements and the 1993 national elections, and with the gradual diminution of the Khmer Rouge threat, during the 1990s the role of the local authorities in security diminished. The armed local militias were disbanded and the military-style discipline and hierarchies slackened.   Nevertheless, the experiences of conscription and militarization left many local authorities lacking in popularity and legitimacy. It was the prospect of changing this situation which

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[13] In the Cambodian case, 'accountability' is difficult to communicate since the word does not exist in the Khmer language. The term commonly used in contemporary Cambodia, *kanak neiyakpheap* (see RGC 2005), has narrow connotations of good accounting practices, and is not popularly understood (evident in, for example, the NCDD Accountability Working Group (AWG) Report where some ninety percent of respondents reported that they had difficulties understanding the concept). All of the field researchers who contributed to this study are Khmer speakers and aware of the semantic complexity. 'Accountability' was investigated not by asking about the concept, but by enquiring into whether individuals have been answerable for their behavior, and if so who has held them to account and by what means.

[14] Among these are: Ayres 2001; 2004; Biddulph 2004; Blunt & Turner 2005; Öjendal 2005; Öjendal and Kim 2006; 2008; 2011; Mansfield and MacLeod 2004, Manor 2008; McAndrew 2004; Kim 2011; Ayres 2004; The Asia Foundation and Center for Advanced Study 2005; Rusten, Kim, Netra & Pak 2004, Prum 2005.

[15] e.g RGC 2009; NCDD 2010; Graham 2010; Dom 2008; Öjendal & Kim 2008; Rohdewohld and Porter 2006; URS-Australia 2010; Biddulph 2006.

[16] Initially there was broad skepticism regarding the ability of the commune councils to be the core of this reform, and as such they constituted an obvious object of study. See: Mansfield & MacLeod 2004; MacAndrew et al. 2004; Pact 2008/2010; Dom 2008; Öjendal & Kim 2006; COMFREL 2007; Öjendal & Kim 2011; Kim 2011.

arguably provided the political incentive for the ruling Cambodian People's Party (CPP) to embrace decentralization through pilot initiatives in the 1990s and fully fledged democratic reform in 2001-2 (Biddulph 2004. cf. Luco 2002; Hughes 2003; Ledgerwood 2002).

In light of the unpromising context, as well as ongoing doubts about the extent to which electoral plurality had ushered in democracy at the national level, researchers and analysts found reason to be skeptical about the prospects for reform in Cambodia. There was skepticism stemming from inter alia cultural limitations (Blunt & Turner 2005; cf. Luco 2002), historical circumstances (Thion 1999; cf. Mabbet & Chandler 1995; Vickery 1986), lack of capacity/democratic attitudes amongst local office-holders (Pact 2008; Smoke and Morrison 2008), and as a result of embedded party- and patronage politics in the emerging political economy (cf. Pak et al. 2007; Hughes 2010; 2003; Roberts 2006).

While these authors found *cultural*, *historical,* and socio-political (*patronage*) explanations for the limited prospects of decentralization, these contrast with emerging and surprising research that suggests local governance reforms may have been effective, suggesting both *developmental* and *rational* explanations for commune performance. These rationales and hypotheses are summarized in Table 1 below.

Table 1: Summary of Rationales & Hypotheses

Rationale	Hypothesis
Cultural	Councils are not able to work in a participatory way and to be downwardly accountable, but receive orders from above, retaining distance vis-à-vis the people
Historical	A predatory and violent local state aligning with the powerful against its own citizens, enriching itself
Patronage	Commune council decision-making is deeply politicized and is adapted to support patronage loyalties for personal gains rather than providing an impartial political process serving the political good
Developmental	Decisions are made with the primary rationale of contributing to local development and widespread poverty alleviation under a participatory regime
Rational	Instructions are followed and properly adapted to local circumstances

Studies have found evidence of both effective, well-managed service-delivery (cf. URS-Australia/RILGP 2010; Pact 2008) and improved democratic process at the local level. For instance, the Committee for Free and Fair Elections in Cambodia (COMFREL) argued that previously, the commune councils' decision-making was influenced by central, province, or district levels.   In contrast, commune councils now hold regular meetings and decisions are taken through discussion and adopted by majority vote (COMFREL 2007). The fieldwork conducted for this study examines these processes in detail.

Öjendal and Kim (2006) employed a historical perspective and found tentative indications of deep-seated changes in the local political culture, where fear has been (partly) replaced by respect, and distance by inclusion. Mansfield and MacLeod (2004) noted that the commune councils are involved in some serious decision-making through democratic processes, routinely working with voting and formal procedures. Key decisions covered by these were, for instance, the approval of a commune

development plan and commune budget; the CSF spending and imposition of local service charges; and approval of by-laws and commune orders (*deikas*).

Pact (2008) concluded that citizens at large believe that the CCs act in the interest of the common citizen and that it could be wise to vest the councils with additional power and funding: *'Compared with earlier citizen perception studies, commune councils appear to have gained traction and have broad legitimacy at community level…'* (2008:47). These positive impressions were confirmed in the second citizen survey conducted in 2010 (Pact 2010; cf. Öjendal & Kim 2011). These studies tracking local opinion can be set alongside the observations of experienced international decentralization researcher James Manor, who attributes to Cambodia 'exceptional achievements in recent years' and states that in contrast to many other cases of decentralization, '…in Cambodia, I see good reasons to be cautiously optimistic (Manor, 2008).'

The existing literature thus suggests that decentralization reforms have met with a measure of success in creating an arena for dialogue and decision-making which is considerably more democratic and more appreciated than what went before. However, the local level exists in the broader political economic currents, both nationally and globally. The reach of the central state in Cambodia is uneven and there is ample evidence of both developmental and predatory tendencies there (Heder 2005). The current study will attempt to disaggregate commune decision-making processes and demonstrate the ways in which decisions over various resources are dominated by quite different factors. The picture will be more nuanced than much of the current literature allows.

The five hypotheses – the core product of this literature review – had an explicit methodological impact for this study, assisting with framing the issues the interview guides were constructed around, thus shaping the core of data collection. To a certain extent the hypotheses also informed the selection of communes (for instance, keenly observed patronage and gender issues in certain case communes). Analytically, the hypotheses assisted in assessing observations and provided a yardstick of sorts. The findings will be related to these hypotheses in the concluding chapter.

D. Actors Involved in Local Decision-Making

This section introduces the actors that are operating at the commune level in Cambodia. Key actors who play a role in local decision-making include local commune councils, commune committees, village chiefs and their deputies, and commune clerks. The roles of these local actors are largely limited to prioritizing and implementing local development projects, and managing commune administrative functions, but they also play a role in local dispute resolution. While the development roles assigned to these actors have been explicitly defined by the central government, de facto roles are shaped by a range of economic, historical, political and social factors (the analytical sections below provide insights into these influencing factors). This section also makes brief mention of several other actors close to the sphere of decision-making who may influence local decision-making, including technical support officers, district and provincial authorities, and party officials.

Commune Councils and the Commune Chief. Commune councils, the basic unit of local government in Cambodia, are directly elected every fifth year through a system of proportional representation and party lists and comprise 5 to 11 members based on demography and geography. These councils have dual roles: to serve as representatives of the local population, and to serve as agents of the

central state.[17] The assignment of commune council functions is yet not fully defined. In some cases, there has been de facto delegation of responsibilities to councils from line ministries that may lead to more formal assignments over time.[18]   In addition, the councils have limited rule-making authority. For example, the council can issue a *deika* or an administrative order to manage issues that fall under its purview, but its daily functioning is still guided by national government policies.[19]

The commune councils are the focal point of local decision-making. Councils are primarily responsible for developing the five-year commune development plan (CDP – the instrument that sets out priority development areas for communes and in turn guides the annual commune investment plan (CIP).[20]   The commune councils are also becoming the key point of contact for other development actors, such as non-governmental organizations (NGOs) and line ministry programs (and their respective donor-supported projects). Finally, the councils are responsible for undertaking dispute resolution on localized issues, such as domestic violence and boundary disputes within the commune, as well as supporting local sustainable development. The commune chief is the formal representative of the central government and the priority candidate of the leading political party at the commune level. The overwhelming majority of commune chiefs are male, typically with limited education.

Commune Council Committees.   The Commune/Sangkat Fund Project Implementation Manual (PIM)[21] stipulates a number of committees that complement the work of the commune council. These committees provide general representation of all villages in commune-level planning processes and procurement decisions, as well as mechanisms for commune council cooperation with the villages where CSF-supported development projects are implemented in any given year. The three most important committees are the Planning and Budgeting Committee (PBC), Procurement Committee (PC), and the Project Management Committee (PMC). [22] Each committee is headed by the commune chief. While the PIM suggests a membership for the PBC composed of three representatives from the council, two representatives from each village as selected by the council, and two to four ordinary citizens, the council has discretionary authority over PBC membership. In some communes the PBC is a smaller decision-making body, while in others it is unwieldy, with an extensive membership limiting its decision-making function. As of 2007, the commune councils are also required to create a committee in charge of women's and children's affairs (CCWC).

Village Chiefs.   Originally appointed in the months following the defeat of the Khmer Rouge in January 1979, village chiefs have long been a corner-stone of Cambodian state organization. One of the potentially key changes that has occurred under the decentralization reforms is that village chiefs are now appointed by the elected commune council rather than by the Ministry of Interior. The impact of this change—first implemented in 2006—on participation, decision-making, and

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[17] See Article 42 of the Law.

[18] Pak, K. (2010). Assessment of actual and potential commune and sangkat council functions (unpublished field report). Phnom Penh, National League of the Communes/Sangkats and GTZ Cambodia.

[19] RGC (2002). "Sub-decree No. 22 ANK/BK on decentralization of powers, roles and duties to C/S councils."; Article 10.

[20] MOI/MOP (2007). "Inter-ministerial prakas No. 2423 PRK of MOI and MOP on the preparation of C/S Development Plan and C/S Investment Program (dated July 03, 2007) "; MOI/MOP Working Group (2007). "Guideline on C/S Development Plan and C/S Investment Program."

[21] Although this was originally set up as a project implementation manual, it is now the "Commune Implementation Manual".

[22] NCDD (2009). "Commune/Sangkat Fund Project Implementation Manual (PIM)."

accountability is unclear some 5 years later, but this study gives some early insights into how commune council appointments of village chiefs have played out and affected (or not affected) decision-making.

While the village chief is not a member of the commune council, s/he is tasked with managing the commune council's communication with the broader village population. The village chiefs are also members of the PBC, and therefore contribute to oversight of project prioritization and selection. Formally, the village chief is responsible for implementing the village consultation process around the commune investment plan. Informally, the village chief plays a potentially important role in facilitating citizen feedback from the village to the commune. As such the village chief emerges as a 'gatekeeper' for issues traveling up and down in the system. Given the deep-seated historical discretionary authority of village chiefs, there is a concern to what degree they have the capacity to facilitate the interaction between the commune and villages, and carry the participatory and democratic values of the new system.

Administrators. Administrators from the commune, district, and provincial levels play important roles in local decision-making. Commune clerks are the lowest tier of administrators in the sub-national hierarchy, appointed by the Ministry of Interior to each commune. Formally, the clerks' roles include basic administration, financial management, procurement, and civil registration. Because the clerks are essential to all aspects of the planning and implementation process (and are likely to be the most educated person in the commune), they are emerging as important players within the local government system. In 2011, commune clerks were paid approximately $20 per month.

Other Actors. Other key actors influencing the commune decision-making processes include:

- **Provincial.** The provincial level District Facilitation Teams (DFTs) and Technical Support Officers (TSOs) provide technical assistance to the commune, especially in project preparation and design, procurement processes, and contract supervision.[23] They are important actors, as their technical approval of local projects is necessary before funds are released by the provincial treasury.

- **Political.** The roles of the councils, village chiefs, and other local actors are inextricably shaped by the two main political parties operating at commune level: the CPP and the Sam Rainsy Party (SRP). The CPP has a tradition of organization at every level of administration, both civilian and military, including networks of sub-village groups which formed the basis of security and collectivized agriculture during the 1980s. At a national level, the CPP shared power from 1993 to 1997, and since then has been the ruling party. The Sam Rainsy Party is the leading opposition party. Its eponymous leader was the Minister of Finance for the Royalist FUNCINPEC party in the 1993-97 coalition government. SRP has proved the most resilient of the plethora of opposition parties that have been formed since the 1991 peace process.

  Because council elections take place on the basis of prioritized party lists, any councilor who resigns or is dismissed from their party also loses their council seat. Commune councils typically work very closely with the CPP party working group, a low-profile institution created

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[23] NCDD (2009). "Commune/Sangkat Fund Project Implementation Manual (PIM)."

in 1993 throughout the country and composed of party officials from different levels. These officials (who are mostly from the central level) are assigned to oversee party interests at the sub-national level, including commune council projects (Pak, forthcoming). The party network extends to the village level, as CPP village chiefs are also nominated by the local party working group.

II. FINDINGS

The core empirical findings from the case studies emerging below are organized into three sections, as outlined in the methods section above. The first section (on decision-making) examines how different decision-making arenas at the commune level are influenced by various factors and actors. The second section (on participation) examines the ways in which the broader population is able to exert influence over commune decision-making, both through formally-designed participatory processes and through other informal and representative mechanisms. The third section (on accountability) looks more specifically at the manner in which commune councils are held to account either 'downward' by the broader population or 'horizontally' by commune officials, and likewise the means by which commune councils are able to hold commune clerks to account. A summary of findings is presented at the end of each section.

A. Decision-Making in the Commune Councils

In the commune case studies supporting this report, decision-making is analyzed through three arenas of decision-making: (i) decisions made in relation to the commune's own financial resources (especially, therefore, commune development funds within the commune/sangkat fund); (ii) decisions made in relation to human resources at the commune level (particularly regarding the appointment and replacement of village chiefs and the management of the commune clerk by the council); and (iii) other decision-making arenas where the commune had an opportunity or an obligation to take a position, including around natural resource management.

Taking the three decision-making arenas in succession, this section reviews findings from all 12 cases and analyzes which factors have proven influential in each. Of particular prominence were: formal policies and guidelines issued by national authorities; the local resource context; the influence of 'higher level' actors; and the side-by-side national-to-grass-roots structures of the State and of the CPP. Each of these sets of factors influenced different decisions to varying degrees. [24]

Commune Decisions over CSF (and other commune) Budgets

While there are many everyday administrative decisions taken at the commune level by the commune chiefs, deputies and clerks (e.g., marriage certification, domestic disputes), the primary decision-making function of the commune council is concerned with commune development planning and the allocation of the Commune Sangkat Fund (CSF). As communes did not have a development budget prior to the decentralization reforms, the modest budgets have provided communes with the opportunity to develop decision-making processes and prove they can manage

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[24] These factors are generated by the case study findings and should not be confused with the 11 factors/categories listed in the TOR, which informed research design and question formulation.

small development projects.[25].   The database of 36 communes prepared for this study shows expenditures have been increasing rapidly, more than doubling every four years to reach on average about $25,000 per year in 2010 from a starting point of about $5,000 in 2002. This development component of this budget was primarily funded by the Bank's Rural Investment and Local Governance project (RILGP) until December 2010.   Although approximately 50% of the CSF was refunded to government each year (2003-2009) through a reimbursement mechanism, the financing of the CSF is now fixed for 2011-2013 (by subdecree) at 2.8 percent of government revenue.   In 2011 the CSF was, for the first time, fully funded by RGC.

Every year, each commune has three key decisions to make in relation to its development budget. Each commune has a comprehensive five-year development plan.   The commune reviews and updates its plans and priorities annually, and submits an updated list of priority activities to a district integration workshop (DIW).   The DIW provides a forum for non-governmental organizations (NGOs) and line departments to respond to commune priorities by making (provisional) commitments to address specific priorities.   After the DIW the commune is able to make final decisions on how to use its own development funds for the year.   This decision regarding annual investments is therefore the first key decision the commune is required to make.   It is made by the commune council, following deliberations and recommendations from the planning and budgeting committee (PBC).

The second key decision the commune has to make is the selection of an implementing agent or contractor who will carry out the investment.   This decision is governed by procurement regulations which stipulate that it must be done through a bidding process facilitated by provincial officials.

The third key decision for the commune is to authorize payment to the contractor once each phase of implementation is complete.   This is the crucial decision in terms of the influence that the council is able to exert over the contractor if work does not proceed according to agreed specifications.   This third decision will therefore be covered in the section of the report on accountability.

For both the planning and investment decisions and the selection of contractors, the PIM and other guidelines provide comprehensive guidance for the commune councils and clerks. Decision-making processes as stipulated in official guidelines were found to be followed closely, with few deviations, across the sample of 12 communes[26] studied during the field work.   Even in communes which were found to have generally poor governance standards (e.g. KPC4), the stages in the process were respected.   Meetings were held, the right people were called, consensus was often achieved, minutes were kept, and decisions were announced.

- **Decision-making around Annual Development Investments**

Decision-making outputs from the communes' planning and investment processes were strikingly similar across the communes studied, perhaps surprising given that decentralization allows the possibility for diverse outcomes tailored to specific local contexts.   Rehabilitation of local roads has been by far the most popular investment choice in a diverse range of communes.   By way of illustration, in the 36 communes reviewed in the process of selecting 12 case study communes (and

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[25]   Fieldwork suggests that many communes have not reached their absorptive capacity (estimated to be double that current level of the CSF).   Commune councilors have noted that they would carry out larger commune projects rather than taking on more.

[26] Commune citations will be by province abbreviation and number to differentiate between case studies while maintaining anonymity.

which therefore have clear, verified information), 321 projects were funded by the CSF between 2005 and 2009, and 289 (ninety percent) of these were road rehabilitation projects. This sample is consistent with nation-wide percentages.

In the case study communes, the allocation of funds toward roads was based on local needs and preferences rather than influenced by external stimuli. Across all communes, the Commune Councilors explained the expenditure on rural roads was 'because the people want it.' While local development needs and preferences make road rehabilitation a legitimate and popular choice, as well as one that fulfilled the developmental mandate of the councils, it is not clear that roads were the only sort of investment that could have done this. Other factors, also relating to the local political economy, help to explain the dominance of roads as an investment choice. Constraints to expanding into social services include, (as we will discuss further below) a lack of experience to pursue such projects, communication deficits with line ministries, lack of sustainable and substantial funds to pursue such projects, difficulties with obtaining self-evident public significance, and possibly cumbersome financial procedures.

Decisions were affected, in different ways, by the various pressures from above. There is a real possibility of undue influence from the provincial DFTs and TSOs, undermining the authority and sovereignty of the commune councils, although the research findings did not explicitly illustrate that pattern. If there is a pattern, it seems to be that for projects more familiar to commune councils (e.g. roads), the stronger the role of the Commune Chief/Council. The more 'daring' or 'experimental' the project, the councils needs more support and advice from above – partly driven by fear of 'making mistakes' – and risking the disapproval of political leaders / the province / NCDD.

The optimal political choice for the commune council appears to be an investment which may be lower risk than the optimal developmental choice. Villagers know that the commune does not have sufficient funds to deliver large development projects, but they have little tolerance for broken promises. In order to generate political legitimacy, councilors chose projects that not only responded to local needs, but also those aligned with their technical and managerial resources. They needed to know they could be implemented successfully. In this respect, democratic accountability seemed to lead to conservatism. Commune chiefs, in particular, were concerned that they could lose their position (within the party) if they did not generate sufficient votes for the party at the next election.[27]

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[27]See for instance KPC1.

Box 1: Decisions about CSF Project Selection in Kampong Cham

In 2003 and 2004, the CSF in one commune in Kampong Cham[28] was spent on irrigation (pond and canals). However, since 2005, rehabilitating the main road in the commune has become the main project and will continue to be for the next few years. This was partly due to difficulties in maintaining irrigation projects. According to the clerk, in 2004, for instance, the CSF was used to build a reservoir. Although a water user association was established, the reservoir was not well-maintained. It became non-functional within two or three years and caused conflict among water users.

In 2010, the formal process of commune planning started with the meeting of the PBC, which consisted of forty-two members, including: the commune chief and deputy chief, village chiefs and deputy village chiefs, and two representatives from each village. After the PBC meeting, each village held a village meeting. Interviews indicate that the village meetings were not well-attended (about 35 villagers, compared with 75 villagers in 2006). Participant engagement at the meeting was also said to be low. Most people who joined the meeting were women, and those who actively participated were the older men and the village authorities. The village chiefs explained that they usually approached elders in the village and consulted with them on possible priority uses of the CSF for their village. These elders also came to consult them when they had ideas. These informal consultations, the chiefs emphasized, were just the first stage of their effort and the results were still subject to changes if people disagreed at village meetings. However, thus far no participants in the village meetings had ever objected to the roads and canals that had been suggested as priority projects. The village projects were then proposed to the commune council. The PBC met to allocate scores to those projects. The PBC members knew that the norm was to give projects to the villages that had not received CSF before and whose roads are seen as the most seriously damaged and the decision was not hard to reach. However, in some previous years, decisions could not be reached by the PBC and the council had to intervene. The council usually followed the suggestion of the chief. This is not to say that the chief was arbitrary in making decisions, but the council believed he was fair enough in deciding which roads were most seriously damaged and thus should get funding.

In all 12 case study communes, development priorities (for instance, water/sanitation, irrigation, clinics, and school repairs) had been discussed before the choice to invest in road rehabilitation was made. These were all legitimate priorities, but they were each perceived to carry certain risks. Water and sanitation tends to be bound to physically/geographically particular sites and may therefore effectively become a private good which excludes the majority from benefit. Irrigation, similarly, benefits a certain landowning class (and only a part of it), and also demands a level of technical capacity which does not always exist. A number of the sample communes had invested in irrigation projects which had ultimately proven unsustainable. Clinics and schools need broad investigations and negotiation/coordination with line ministries, which increases the risk of delays, as well as the risk of producing buildings without qualified staff to provide services From this perspective, roads provide a tangible, low-risk investment which benefit the broadest possible constituency.

The prioritization of roads includes a degree of path dependency created by the informal consensus / political imperative that all villages should have the chance to benefit from investments. Not only is this related to concerns about local political legitimacy but also created a de facto medium term rolling plan of road investment. Villagers that had not received recent investments explained that they were nevertheless content because "they knew that their turn would come". Thus the process of fairly allocating commune sangkat funds might (especially in a larger commune with 15 or 20 villages) effectively lock the commune into road rehabilitation for many years.

Similarly, there is path dependency in relation to technical capacity, as communes become relatively expert in supervising the surfacing of roads and the construction of culverts. As local politicians and

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[28] KPC1

officials become increasingly confident in their ability to supervise road rehabilitation, they become relatively less confident in their ability to manage alternative investments to the same standard. Having said that, although they have less experience and are less confident in pursuing social development projects, this does not mean that they are ignorant of the possibility of doing it, nor that they abstain because it would be politically controversial. One Commune Chief (BTM3) mentioned, for example, that he would not have any idea how the bidding process would work for a social development project rather than an infrastructure project.

Indeed, throughout the field work, capacity of the councils in planning and financial management more broadly was raised as an impediment to undertaking more complex technical projects. A number of commune chiefs indicated that they liked the idea of funding social development, but that it was difficult. Social services projects have to be funded through advance payments, which commune councils find complicated and troublesome compared to paying a contractor for services performed. Procurement of "soft" inputs is perceived as complicated. This lack of capacity was also cited as one factor that contributed to the commune's dependency on the commune clerk. In a commune In Kampong Cham,[29] the presence of a commune clerk with the connections or ability to get money released from the provincial treasury was seen as a critical factor that enabled the council to pursue social projects with funds from the CSF after a PACT project funding similar activities had closed. Based on the research findings, for remote communes, the prospect of traveling half a day to the provincial treasury with a form, only to be sent away because of a small bureaucratic mistake in the way that the form is filled in, can be a severe deterrent to any new initiative.

In cases where communes had invested in non-infrastructure development, it usually involved replicating NGO or ministry programs that had been discontinued. In this respect, the existence of alternative funding sources or providers of social services seemed to reinforce the commune focus on infrastructure with the CSF. The commune uses the non-earmarked CSF to respond to infrastructure demands, whilst NGOs and other development funding take care of social issues.[30] However, the research also revealed that sometimes when the alternative source of social service provision ceases, the commune then chooses to continue these social services by allocating some of its CSF money to the continuation. In the case of the United Nations Children's Fund (UNICEF)-supported Seth Koma (child rights) program communes in Kampong Speu and Kampong Cham,[31] the communes chose to support existing social activities after the project financing had ended.

World Bank requirements and procedures have been suggested as factors that have tied communes to pursuing infrastructure development, but none of our findings indicate that this has been the case at the local level. The World Bank's Rural Investment and Local Governance project (RILGP) contributed to local development via the CSF but reimbursed only 'tangible infrastructure projects'. There was no finding that suggested that the Bank's requirements have been decisive in making road rehabilitation the communes' development investment of choice – it is local preferences and not donor procedures that were found to be a key driver of the popularity of road rehabilitation.

Arguably, a lesson to draw from the communes' choice to continue certain social interventions is that communes will be prepared to invest in social projects if these are already established as successful, popular, implementable and perceived as low risk i.e. informed by the same risk aversion that is

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[29] KPC2
[30] See BTM2 and BTM3 for cases where this division of labor was mentioned explicitly.
[31] KPC2, KSP2 and KSP4

integral to the preference for roads. The current policy initiative to better implement a 'general' mandate and enhance the environment for discretionary decision-making will need to take this into account: attempts to engineer more responsive local governance will be hampered by the conservative choices made by local politicians.

- **Decision-Making around Selection of Contractors**

Commune selection of contractors to implement commune projects is made through a commune bidding process. Bidding meetings are held every year for each of the 1621 communes in the country. There are too many bidding meetings for it to be possible to hold separate meetings in every commune, given that the same contractors may wish to bid for many projects in different communes, and that there are a limited number of provincial officials competent to facilitate bidding meetings. As a result, bidding meetings are typically held as joint meetings, with three or four communes attending the same event on the same day.

Generally, the commune councilors felt far less in control of the decision to select a contractor than they did of the decision to select investments. To enhance accountability and ensure capacity of contractors, the NCDD has established a system whereby they are pre-qualified with provincial authorities (at present the Excom) and prior reviewed by the Bank. Provincial authorities also choose the time and place for the bidding meetings and check the technical quality of the proposals. This oversight process may enhance quality but contributes to some confusion of roles and accountability for commune councilors as well as a sense that they have little control over the ultimate contractor selection. In BTM1, the Commune Chief saw the procurement of contractors as the responsibility of the TSO, adding that the commune lacks the capacity to undertake procurement itself. In a commune in Battambang,[32] councilors noted they would prefer more direct authority over the bidding and selection process. Elsewhere, councilors observed similarities in price (which they suggested was evidence of collusion between contracting companies and provincial officials). While some councilors articulated their frustration with the loss of control of the contracting process, they also did not make complaints.

The councilors noted, however, that revision to the bidding procedures has improved bidding outcomes. At the beginning of 2009, the regulations were changed to allow pre-qualified contractors from one province to bid for projects in another.[33] This was one of the few policy changes at the national level that was specifically noticed and considered to have had an impact at local level. Councilors noted that it resulted in much lower prices, enabling communes to considerably enhance the scale of planned investments. While this was generally reported as a positive development, a councilors also noted that it had led to the practice of contractors (from other provinces) bidding too low and then not turning up to carry out the work. "Outsider" involvement may be cheaper, but did not provide the local accountability which bound the behavior of a local contractor.[34]

Commune Decisions about Human Resources

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[32] BTM2

[33] See January 2009 PIM. This policy was determined on the basis of a World Bank assessment on the usage of the commune/sangkat fund. See Dom 2008.

[34] KPC1

Commune councils are involved in two major human resource decisions: the selection of village chiefs and the management of administrative arrangements at the commune headquarters.

- **Selecting Village Chiefs**

In 2006, to implement the provisions in the 2001 Commune Administration Law, instructions were issued to commune councils to take over for the appointment of all village chiefs in their areas. This marked a shift in the control of human resources in communes – and the potential for a new guard of village leadership – as all village chiefs were subject to re-selection by the commune councils. In practice, however, with the exception of those who were sick or at retirement age, most commune councils voted the same village chiefs back in, making the outcome the same as if the Ministry of Interior had retained control over the position. The village chief then nominated a deputy and an assistant for council approval.

The process provided an example of the politicized nature of village appointments. In those communes where opposition parties held a majority or a large minority on the commune council, they rarely appointed their own party candidates as village chiefs, even though they were theoretically in a position to do so. According to the research findings, this was not the result of explicit threat but rather that opposition party commune chiefs were always careful to respond to the political temperature and rarely took steps that would displease the CPP hierarchy at higher levels.[35] In some commune councils where the CPP held the majority, opposition party councilors did try to nominate their own candidates, but as they lost each vote, they stopped making nominations. The underlying power of the CPP was also seen in its ability to craft majority alliances over such decisions, even in communes where it had a minority on the council. For instance, in communes in Kampong Cham and Kampong Speu,[36] the CPP managed to craft a majority by co-opting the swing councilor. And in other communes it was reported that informal consultations were not carried out in the council, but rather in the local CPP party body.[37]

Box 2: Village Chief Selection in Kampong Cham

In the first term, a commune council in Kampong Cham was composed of five CPP, three Funcinpec, and three SRP members. To gain enough support to elect a CPP village chief, the CPP Commune Chief made a deal to give the position of deputy village chief to Funcinpec in exchange for Funcinpec councilors' votes. The deal irritated the SRP councilors (who apparently walked out of the room during the voting session). In 2010 when the CPP won a clear majority for the second term, the CPP Commune Chief prepared a new list of candidates for village chief (and obtained approval from the District Governor), the commune council held another village chief selection meeting and voted in CPP candidates for all village positions (village chief, deputy chief, and assistants). Before the meeting, the SRP commune deputy chief had gone to talk with the commune chief to ask for a similar deal to that which was offered to Funcinpec in the first term. The Chief, however, just said, 'let the council decide.' The SRP Deputy Chief expressed his disappointment with the domination of the CPP at the village level, but understood that this was the rule of the democratic game (i.e. they had the majority votes, so they could decide).

So controlled is this process, it is likely that the main impact of commune councils selecting village chiefs may be only seen over the longer term. While the outcome of the 2006 village chief

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[35] KPC1
[36] KPC1, KPC2, and KSP4
[37] KPC1, BTM1, KSP1, KSP2, KSP3, KSP4

appointments was rather conservative, and subsequent political maneuvering has generally seen CPP reassert its authority at village level, the appointments also made clear to all concerned that the appointment of village chiefs is now the responsibility of the commune councils. Interviews with commune councilors revealed that the competence and suitability of village chiefs had become a topic for discussion and concern, and that replacing the old guard was now considered a real possibility in the future. It also signals that, in the longer term at least, changes in the political composition of the commune council could well impact on the leadership and administration at the village level, affecting the voice and participation of villagers.

- **Managing the commune administration**

While the councils do not recruit commune clerks, they do have the authority to dismiss them. The clerks were often younger people who came from the commune and were known by the councilors. They were generally reported by councilors to be knowledgeable, helpful, and respectful.[38] On the whole, relations between the clerk and the commune council function well in most of the cases studied, although there was an instance (developed further in the accountability section below) where the council had removed the commune clerk on the grounds of poor performance, and one case where a clerk was not coping with the workload required to support that commune council.

Decisions were also made in councils as to how to manage increasing administrative workloads. These included councils that opted to use commune budgets to employ one or more clerical assistant(s). (In some cases (e.g. KSP2) a number of clerical assistants had been recruited to support the various functions of the commune office). Although this was not always the case as in an urban commune in Kampong Cham, where, in conflict with the division of roles envisaged in the Organic Law, the councilors themselves took on administrative tasks rather hiring more clerical staff.

Other Decision-Making Arenas

In addition to the commune budget, councils are also engaged in a number of other decision-making arenas. In most of these they have no formal mandate, but there is an expectation from their constituents and other actors that they have a responsibility and will step in and mediate or make decisions if required.   This includes natural resources, donations (private and party), line ministry programs, and NGO development activities.

The process of decision-making over NGO activities is carried out through the District Integration Workshop and intermittently though NGO presentations to councilors. Evidence of NGO willingness to engage with the commune council reinforced the observation that on the whole interaction between councils and NGOs, as to the nature of NGO contributions and the focus of their activities in a commune, is formal. By contrast, private donations were more likely to involve individuals' informal contact and negotiations with the commune chief, as in a case in Battambang where a village was given a gift from a Khmer-American relative and commune councilors informally raised a 10% contribution to support the project (see Box 3).

<div align="center">**Box 3: A Private Donation in Battambang**</div>

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[38] No conclusions about the general state of relations between clerks and councils can be drawn safely from a sample of this size, though it does indicate that relationships may be more positive than is sometimes assumed.

In a commune in Battambang a Khmer-American woman offered to construct a bridge to a village. The bridge project was initiated during a meeting between commune councilors, other villagers, the Khmer-American woman and her village relative. The relative was responsible for identifying the construction contractor and $17,000 was directly paid to the contractor. To meet the full cost of the project, complementary funding of US$3,000 was required, and the commune councilors had to raise the funds within the commune and beyond. They took a variety of steps to ensure the project went ahead: they negotiated a reduction in the price with the contractor, appealed to a two-star general from the Ministry of Interior who provided US$1,000 from his personal funds, and raised the remainder from village contributions. As the woman who sponsored the bridge was born in the commune, she was able to mobilize the commune chief and the councilors through her kinship connections, and the decision-making all remained outside the formal processes of the commune council.

With regard to the substantial resources channeled into local development by the CPP (or senior CPP members) there is also a pattern of only informal and indirect engagement with the commune council. To the extent that there was local consultation by political patrons over the selection of development priorities, it was with the local party membership organizations. In some cases, senior members were anxious to consult local party networks, but others relied on their own judgment and knowledge, or their relations with one or two trusted local sources to select investments. The fact that CPP councilors are also the leaders of the local party networks means that there is significant overlap, and the projects are often responses to needs identified in the CIP (planning) process, but this off-budget, off-system expenditure does have influence at the local level.

The findings in the cases studied were consistent with more comprehensive research on the nature of political patronage in Cambodia (cf. Pak 2011) that this party financing is substantial in some cases and growing, particularly prior to elections. Drawing from other sources (Pak 2011) the development support from the party can be significantly more than the CSF, and in the cases studied the pattern, if only tentative, is that the less contested the political composition of the council, the less party funding the commune receives. Although party financing is not transparent and does not typically utilize participatory processes, it does exhibit a pro-poor focus, and does not seem to 'compete' with crowd out the CSF, or undermine the commune councils.

The engagement (or lack of engagement) of commune councils in natural resource conflicts also affects local governance. National regulations that specifically exclude forest resources from commune council mandates have hampered the potential of commune councils to engage in critically important issues for their constituents. Occasionally commune councils make decisions at the margins of their mandate – leaning on their obligations to support sustainable development, mitigate conflict, and perform as an accountable local government. The opening in the policy framework means councils frequently engage in natural resource management of land, forests, fishery and water, but in many cases it was clear that natural resource politics was placing the council under significant pressure, and in a Kampong Cham case, it was undermining the attempts of the council to follow procedures and build better local governance (see Box 4).

It is mostly with respect to such resource conflicts that the commune councils are torn between their upward and downward accountabilities, the interests of often high-ranking national actors[39] and the interests of local citizens, respectively. Indeed, this test of democratic accountability was apparent,

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[39] Resource conflicts often involve Economic Land Concessions (ELCs) in land previously regarded by villagers as common land. External actors may be high-level officials (civilian or military) (as in KPC2, KSP2, KSP4), senior politicians (KSP3), or well-connected business people.

with councilors that demonstrated their solidarity with citizens winning popularity as a result. In at least one case in Kampong Cham, councils had not sided with the villagers, and all councilors noted that a political shift in the council at the next election was likely as a result. In other cases in Battambang and Kampong Speu, commune councilors articulated support for villagers but did not play an active role in dispute resolution, drawing criticism from their constituents, and in all cases, despite their efforts, the councils were not able to significantly change outcomes and protect local interests (and when they tried to do so, it was at a personal price). This issue, in so much as it disturbs the development of council accountability, is discussed further in the accountability section below.

Box 4: Commune Councils and Resource Conflicts

In a commune in Kampong Cham covered by forests, villagers regarded local forests as common land with long established patterns of foraging and agricultural plots contributing to their livelihoods. Two economic land concessions (ELCs) awarded to a CPP senator excluded the village population from most of the land in the commune. Promises that these investments will lead to employment and to improved infrastructure, including asphalt roads and electrification to this remote rural commune, have not won over the local population, which remains bitterly opposed to the concession.

Although the commune council is all CPP, responses to the concession have been divided. Three councilors, including a Deputy Chief (and former Commune Chief) were seen as favoring the ELC, participating in official meetings with the company and in the provincial and district ELC-government committees. Two other councilors, including the current Commune Chief, were seen to be supportive of the local villagers, but their lack of proactivity also affected their popularity. Only one councilor (who had claims to four hectares of land in the contested ELC) joined the protests, and was consequently imprisoned in the provincial jail, expelled from the party, and removed from his council seat. Village chiefs have aligned themselves with the protestors, complaining of the council's capitulation to national level party-linked interests and reporting that they are reluctant to respond to commune council requests. On the one hand, the conflict had disturbed the emergence of a functioning administration – the commune office was very quiet and villagers reported that they now try to avoid the office and contact office-holders at home for services instead. On the other, these kinds of decisions and actions by the council were perceived by villagers to be central to their role as an elected commune council, and villagers noted that they expect to see the complicitous councilors removed from their seats in the next commune election.

Decision-Making: Summary of Findings

The general pattern emerging around local decision-making, despite some deviations, is that 'development management', in particular decisions with respect to the use of the commune sangkat fund and associated processes, are governed strictly according to the regulations – with attempts at 'clean,' 'transparent,' and 'responsible' practices resulting in rather sophisticated management and useful projects. Elite capture appears to have been avoided, and commune development planning and investment presents itself as a surprisingly well-managed process featuring decisions that are developmental and rational. Although flexibility in CSF investment decision-making has been limited, the widespread preference for road rehabilitation was due to local needs and preferences. Decision-making over the CSF also ensured complementarity with other funding sources. Commune councils have far less ownership of the decision-making around the contractors selected to implement projects, particularly given the procedures and role of the province.

With regard to the arena of human resource decision-making, communes demonstrated more diversity than was apparent in decisions relating to development investments, although the

substantial influence of the ruling party regarding key positions was found to be a common thread. Formal procedures were again followed, for example, in the appointment of village chiefs (by commune councils after 2006), although this did not result in much turnover of village chiefs. However, the democratic preferences expressed in election results were not always reflected in the appointments of village chiefs. In those cases with opposition party commune chiefs, there was evidence of their playing a balancing act that focused on the longer political game, rather than asserting their rights by appointing non-CPP village actors that might undermine relationships with the CPP hierarchy. In other cases, overt pressure and 'capture' of floating council members by the ruling party ensured domination of village authorities. Decisions relating to administrative arrangements seemed very much in the purview of the council and included examples of commune councilors playing administrative roles, despite the resulting compromise to the horizontal executive-council accountability relationship.

The third arena of decision-making in local governance concerned various resources over which the commune council has no formal mandate. These include (local) natural resources, donations, line ministry programs, and NGO development activities. While the process of decision-making over NGO activities is carried out formally through the District Integration Workshop (and intermittently though NGO presentations to councilors) decision making around private and party donations is a separate matter dealt with through party channels or left to the decision of the commune-chief in his party role.

Findings also revealed that nationally-sanctioned investments (e.g. land concessions) placed councils in an almost impossible position juggling the interests of powerful outside investors and the interests of local populations outraged at the loss of what they regarded as their own land. The findings suggested that councils and individual councilors are making a broad range of decisions in this arena – at both ends of the spectrum – from those that fully support the affected communities to those that fully support the investors. The short-term, politically-smart decision appears to have been an attempt to stay out of these disputes, as the councils did not have the power in most cases to influence outcomes, but were vulnerable to recourse from either side. The longer term impacts of council decisions relating to resource conflicts remain to be seen but may be crucial indicators of the longer term legitimacy and effectiveness of councils in substantial tracts of rural and urban Cambodia.

B. Voice and Participation

The concept of participation developed across the world since the late 1970s (cf. Chambers 1983) has no historical precedent and little cultural resonance in Cambodia. The harshness of the period from the mid-1960s to the early 1990s[40] on rural Cambodians particularly presents an all too close memory of violent and highly suppressive regimes, and a rhetoric of 'the people' making decisions. These cultural and historical arguments are compelling in their explanations of why the spontaneous voice of citizens in rural Cambodia is limited and, to some extent, defying normal trajectories of development.

With the arrival of participatory development in Cambodia, the tension between these historical patterns and evolving policies and practices became even starker, creating an impetus for change.

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[40] Collective action has repeatedly failed under various regimes—Krom Samaki in the early 1980s being just the latest one.

The evolution of contemporary participatory practices and their inclusion in local decision-making were partly driven by the development community efforts to support democratization in Cambodia in the 1990s. Most significant in this context were 'CARERE 2' (1996-2000, a project supported by the United Nations) and 'Seila' (a Royal Government of Cambodia policy experiment in decentralization), which piloted models for participatory local governance for half a decade in advance of the decentralization reforms. These pilots included the establishment of locally elected village development committees (VDCs), formalized procedures with obligatory public meetings, and financing of projects that incorporated participatory principles. While the participatory processes were often not spontaneous and remained shallow and donor-driven (Biddulph 1996; 1997; cf. Ovesen et al. 1996), habituation to a certain degree of participation was achieved, as well as a technical ability to pursue processes aimed to promote deeper public involvement.

Under the current decentralization reform, procedures for citizen participation are maturing and evolving. The findings presented below describe how 'voice and participation' is occurring, articulating both formal or informal processes. These participatory practices take on different forms and qualities[41] as follows:

- 'Manipulation,' where authorities have no intention to involve citizens in a meaningful fashion and use the participatory process to justify their own decision-making;
- 'Information,' where authorities provide information to citizens but apply no procedures for altering decisions;
- 'Consultation,' where authorities genuinely ask for input but have no binding commitment to adapt their decisions;
- 'Cooperation,' where authorities seek citizen input and work together to improve a situation; and
- 'Mobilization,' where authorities proactively encourage a stronger voice and active engagement from the public.

Formal Citizen Participation

As discussed above, the commune planning process in Cambodia involves a five-year Commune Development Plan (CDP), and an annual Commune Investment Plan (CIP). These are considered through village meetings before and after decisions are made, through negotiations in Planning and Budget Committee meetings (which include village representation), and through regular council meetings. There are formal requirements, articulated in various laws, policies and instructions, for when and how these participatory events should be carried out (see Box 5).

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[41] Adapted from Plummer 2000:52, and Kaufman & Alonso 1996.

Box 5: The Formal Participatory Process as Envisaged in the Regulatory Framework

For the five-year CDP, it is anticipated that citizens participate in two steps:

Step 1 **is an obligatory** *village meeting* **requiring at least 60 percent of the households to be present (and at least 30 percent to be women).**

Step 2 **of CDP is an obligatory** *public meeting***, during which the draft of the C/S development framework and budget needs are presented. The plans shall be explained to citizens and relevant stakeholders and further clarifications be offered.**

- **The Planning and Budget Committee (PBC) has a formal membership structure involving village representatives. Under the CDP/CIP Planning Guidelines, PBC members (one woman and one man from each village) meet before the annual District Integration Workshop (DIW).**
- **For the annual Commune Investment Plan (CIP) process, the needs of the citizens are reviewed and their opinions consulted. This occasion also requires 60 percent of the households' presence (as above).**
- **The District Integration Workshop (DIW) is a meeting where the Commune Development Plan is presented to NGOs and line ministries for funding beyond the CSF. No public participation is foreseen here, though indirectly, via the influence of various NGOs, people's opinions may (or may not) make a difference in choice of projects and sites.**
- **For CSF implementation, the CC/PBC needs to publicly announce the project kick-off. At this event, all information related to the project and winning bidder is provided at the project site. Similarly, this is also done at the end of the project.**
- **The law requires that the commune councils conduct public meetings every month where citizens can attend freely. The village chiefs and members of his/her team represent their respective village. NGOs and CBOs would also attend CC meeting if the agenda concerns their work.**

Source: NCDD 2009

- **Village Meetings**

In general, the findings of the research noted that formal village meetings were held according to what is stipulated in the PIM, albeit with limitations in both the quantity and quality of participation. Only one commune, in a former Khmer Rouge area in Battambang, reported that they routinely succeeded in getting the required 60 percent attendance at village meetings. However, in this commune, as in all others, the quality of engagement was weak. In most communes, attendance at village meetings has gravitated, whether intentionally or not, towards the poorer segments of the population, with the lowest education, often women who are less likely to be working outside the village at the time the meeting is held. Based on interviews with women representatives at the village level, the level of women's participation is minimal partly due to the role assigned to them by the village as well as a lack of prior political exposure. Members of the local authorities compared these planning meetings with meetings organized by NGOs or political parties – for NGO and party meetings it is much easier to persuade people to attend because there was a prospect that they might get some direct benefit. While not explicitly manipulative, these formal meetings take on a largely informative role, with one-way communication from local authorities to citizens (see Box 6, below). They are important for transparency purposes, however, and for subsequent possibilities of holding CCs accountable. In a dynamic but indirect way, these meetings may also be crucial for villagers to receive information and be able to 'demand' participation at a later stage, if they choose. The inhibition to speak publicly in combination with lack of explicit incentives and assistance impede meetings from being more substantial. In one village in Battamabang the Village Chief told the research team how frustrated his villagers had become with attending meetings from which they received no benefit. This was partly related to the period before their village had received any projects from the council.

In the 12 communes studied, there were no instances of influential discussions taking place during the formal village meetings that were held to enable villagers to participate in the planning process. This has partly to do with the nature of the decisions being made. As noted in the earlier section on decision-making, the local development fund is typically used for public goods at the village level, especially road rehabilitation projects that are allocated on a rotating basis. The key decision to be made each year, then, is which village is to receive the road rehabilitation, and this decision is not made at the village level but at the commune level. In the years where villages are not slated to receive projects, these village meetings are largely ineffective and irrelevant.

Box 6: Attempts at Village Participation in Kampong Speu

Commune councils in Kampong Speu found it difficult to elicit participation in commune planning processes and to disseminate information about the resources and processes at the commune level. Village leaders and councilors reported attendance of approximately 40 to 50 percent at the village meetings required in the CDP/CIP planning process, noting that it was difficult to gather the required 60 percent of households to meetings. Villagers were aware of their rights to participate and learn about projects, but many chose not to attend.

At the opening of a CSF road project, around 60 villagers and 10-15 officials attended from the province, district, commune, and the construction company. The specifications of the road and its cost were repeated by all officials and the commune chief and clerk. Citizens interviewed after were not concerned with the information provided to them, only the cost to their individual households. In practice only the members of the project management committee knew the details of investments and contracts, limiting the degree to which they could be held to account for the works done.

While it could be argued that a lack of participatory traditions and a shortage of facilitation skills were key constraints to the participation of villagers in these formal processes it is also vital to recognize that the relatively low engagement by villagers in village meetings is contingent on the sorts of decisions that are being taken and the stakes involved. The findings of the study suggest that raising the stakes (by increasing the amount of funding available for local discretion) and shifting the ground (to resources and activities which are more controversial and likely to stimulate more local engagement) could generate increased participation. However, particularly without experience in effective participatory decision-making, these processes would also generate an increased risk of conflict. Careful piloting and attention to facilitation skills (including local officials and politicians) would be required if attempts are made to change the current rather passive relations of citizens to commune development processes.

- **The Planning and Budget Committee**

The Planning and Budgeting Committee (PBC)[42] is another forum designed as a participatory space, with a prescribed membership composed of representatives from the village and councils. The exact membership in the PBC varied from commune to commune, ranging from 20 to 50 members, but always included the minimally stipulated village representatives (one man and one woman)[43] and

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[42] In addition to the PBC, there is a Project Management Committee and Procurement Committee. There may also be other committees emanating from the commune council, such as the Commune Security Committee (e.g., KSP1). Among these, the PBC is the only committee that requires a participatory approach be adopted.

[43] The participation – or rather inclusion - of women was followed according to the new policy where there, for instance, should be at least one woman in every village authority, and one woman out of two representatives in the PBC. Although

commune councilors. Again, the formal meetings under the PBC were held on time and in good order. In most cases, all members attended and a consensus document was signed (and thumb-printed) after the meeting. Typically, a CC meeting was held before a PBC meeting to organize the agenda, suggesting that the PBC served as a rubber-stamping instead of a decision-making body. These documents were – with few exceptions - readily available and displayed at our request.

Box 7: Why Participate? A Case in Kampong Cham

In a commune in Kampong Cham, community members reported that few villagers were attending the village meetings. In one village, for instance, even the Deputy Village Chief indicated that the decision to build a road was decided between the Village Chief and the Commune Chief, without him being properly informed. The first Deputy Commune Chief explained that the PBC (which has all village chiefs as members) did not meet, only the council met and did not discuss or exchange ideas on the investment selection, so obvious was the choice.

Overall, dynamics in the PBC play out in two major ways. The first type of PBC meeting found in the research is one where decisions have been contested, debated, formally scored, and voted upon.[44] In this form of PBC meeting, arguments are welcome and offered (e.g. BTM4; KPC4; KSP4). Occasionally, significant debate occurs, where village chiefs and others pursue arguments on why, what, and where projects should be initiated. Values of 'fair' distribution and the depth of the community's needs are aired in these meetings. This contestation sometimes creates a divided PBC (e.g. KPC4). In Kampong Speu it was noted in one commune, that while some decisions were easy to reach, in others the PBC was divided, and in those cases the council made the decision. One interviewee state that *'the council usually followed the suggestion of the Chief. This is not to say that the Chief was arbitrary in making decisions, but the council believed he was fair enough in deciding which roads were most seriously damaged and thus should get funding.'*

Although the process involves a limited, invited group, it is informative, consultative, and possibly cooperative. The depth of consultation and cooperation of a PBC meeting is dependent on the nature of the commune council. Meetings are more likely to be quick and consultative in single-party communes, as compared to where opposition parties have seats on the council. Promotion of cooperative participation is also more likely during project implementation or during a local land dispute.

In the second type of PBC-meeting identified in the study, a few individuals - typically the commune chief and a few close colleagues – use their agenda-setting power to control the discussions and outcome. Although informative and consultative, these meetings do not deviate from a prepared agenda, exhibit aspects of manipulation, resembling the character of meetings in regular line-ministries. Although these meetings are controlled, there was no evidence of elite capture for self-enrichment, possibly because the PBC is a large forum, making it difficult for anyone to dominate.

The existence of a five-year commune development plan is an asset in many ways, but it reduces the PBC's decision-making on the choice and allocation of projects (except when the five-year plan is set). Thus while the PBC is a fairly efficient conduit for local participation of an 'invited' nature, it is somewhat limited in its impact on overall decision-making, and possibly in its technical/economic

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formally adhered to, the female village representatives are typically seen as junior to the men, and often play an assisting role to the male representative.
[44] The team also observed PBC-meetings with marginal input/presence from village representatives (e.g. KPC1, see Box 7).

precision, given the limited technical knowledge of its members. In contrast, when the annual CIP is discussed, and when more adaptable NGO projects were discussed, engagement is reported to be far more substantive.

- **Commune Council Meetings**

The monthly commune council meeting is 'closed'. Village chiefs, TSOs, and others may be invited, but it is a controlled process, typically steered by the commune chief who also has a major impact on any decision from that forum. The council meetings are designed for the councils to discuss the progress made on projects, pending issues related to project implementation, and to consider any requests from the district and provincial levels and NGOs regarding projects in their commune. These meetings also provide a formal occasion for the village chiefs to provide feedback from the villages to the councils. Although formally allowed, 'outsiders' rarely join the CC meetings and participation is largely limited to elected representatives. In Battambang, these monthly meetings serve as internal management meetings. Meetings are held, notes are taken, and discussions are possible, but to a large extent the authority of the commune chief carries the arguments. The quality of participation is largely one of information transfer. Most importantly it was noted that while there is a limited space for changing outcomes, this does not emanate from an intention to suppress or capture the benefits. The meetings in both mixed and single party communes also have elements of consultation, owing in large part to the formal quality of participation.

- **District Integration Workshops**

The District Integration Workshop (DIW) is a coordinating forum where non-state development actors (mostly external NGOs) are invited to formulate their annual support based on projects short-listed in the CDP. Based on the case studies, typically 10 to 20 projects per district were funded annually through this vehicle. The commune council has little role in priortizing these, but could block them if they are seen as disruptive or for any other reason unwanted – although this rarely happens in practice. While the DIW does not represent a participatory process, the projects in the CDP are outputs of village-level meetings, suggesting that this village-level participatory mechanism has some utility in the local development process. NGO and agencies participating in the DIW may have also instigated participatory processes outside the confines of the CC.

- **Role of the Village Chief**

The village chief and his/her deputy and assistant are the first opportunity for citizen engagement of a semi-official nature and villagers are far more likely to go to the village chief when they want to engage than going directly to the commune council. They are also more likely to talk to the village chief outside formal village meetings than at regular meetings. The leadership style of the village chief may be a facilitating or impeding factor, as in Battambang for instance, where, according to the village chief, his ability to channel the needs of citizens resulted in improvements for the village. *…* *"the village had not received projects for many years because many villagers had voted for the Sam Rainsy Party. He became Village Chief in 2008 following the death of his predecessor and argued*

vigorously for this inequity to be corrected, taking his position as a representative and spokesperson for the village with utmost seriousness. [45]

Similarly, commune authorities consult citizens on controversial issues via the village chief. It should also be noted that party politics encourage this consultative mechanism between the village chief and citizens, as the party has a vested interested in creating a mechanism that is responsive to local concerns to avoid public discontent. [46]

Informal Citizen Participation

The research uncovered a number of means for informal participation in commune decisions. These include council discussions with village elders, citizen intervention during project implementation, collective action in conflict situations, and engagement around the use of local contributions.

- **Discussions with Village Elders**

To the limited extent that village meetings shaped commune authorities' actions, it was notable that this relied on informal discussions with village elders prior to the meetings, rather than formal interventions in council meetings. In Kampong Cham and Battambang for example, commune councilors spoke with village elders about village priorities and thought through likely local development projects in some detail (e.g. the stretches of road that would be rehabilitated if funds were available). Informal leaders are often older, respected people with a high degree of legitimacy, and include members of the pagoda committee. On the one hand, interventions by informal leaders ensure a broader village group is engaged, and that village chiefs do not make rash decisions or work in isolation. On the other hand, these informal leaders represent a particular segment of the village population – they are typically male, better off, and possibly close to the CPP. The extent to which these informal leaders are representative and how widely this dynamic occurs is unclear. Based on interviews with villagers, these informal spheres largely exclude the participation of women, as they are likely to be subject to traditional hierarchical roles in which men are responsible for village-level governance. These forms of participation are consultative and co-operative in nature, as these initiatives come from the bottom up, albeit with a need to channel voice through elders.

Box 8: Consultation with Elders in Kampong Cham

In one village in Kampong Cham projects were proposed at the village level but project proposals were generally pre-identified by village elders and chiefs. Before the village meetings, village chiefs and a few ta-ta (grandfathers) met and developed suggestions for road projects, which they then discussed with the second Deputy Commune Chief (from the CPP) and then the Commune Chief in passing at a rice field. Although the chief agreed with the proposal, he reinforced the process and need for village endorsement in a village meeting … 'let's see what villagers think when they meet'.

There are mixed views as to the independence and representativeness of this process. Villagers noted that the elders and village chiefs were the 'initiators' of projects in an informal setting, and that the village meetings provided the formal event for villagers to endorse the proposals within the prescribed system. They noted that villagers rarely objected to the proposals, and were not of the view that the

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[45] It is not clear if the road was awarded in this case because of the village chief's intervention or because it was now the village's turn. However, this anecdote suggests that the village chief sees himself as a representative of the people at the commune level.

[46] For example, in Battambang, the local authorities supported the villagers' claims to protected fishing land.

'grandfathers' tried to influence the decision making for their own personal or political interests. The commune councilors suggested, however, that the 'grandfathers' tended to propose roads despite there being a greater priority for canals and dams. They argued that the village road is often considered by those 'grandfathers' as their responsibility (e.g. raising contributions from local people to repair roads), while irrigation is seen as technical area which should be left to the authorities. Road building is considered a traditional project, similar to pagoda construction. It is not clear whether the conservatism (and perceived responsibility) of the elders in the villages led to the overall conservatism in project selection, but it was certainly a factor in the decision-making.

- **Villager interventions within the project cycle**

In a commune in Battambang, villagers intervened during the implementation of commune projects in order to bring about better project outcomes. In one case, a stretch of road through three villages was planned for rehabilitation despite the fact that the middle section was already in reasonable condition. A villager suggested to the commune that they leave the middle section and extend the rehabilitation at either end instead. This villager then spoke to other villagers, and as a result of the groundswell of opinion the commune responded and altered the work plan for the contractor. This is an interesting but rare example of spontaneous, informal and 'open' participation where citizens were mobilized to influence decisions already made.

- **Broader citizen mobilization**

The most striking example of mobilized, collective action by citizens was seen in cases involving ongoing local conflicts (see example in 'Accountability' section below, as well). These were typically cases where wealthy investors from outside the commune had acquired rights over land that was formally government-owned, but which commune residents had traditionally used for their livelihoods (either as either common resources or individually occupied farmland). In communes in

Box 9: Villagers Mobilize in Kampong Cham

In a commune in Kampong Cham, it had become common practice that whilst commune-funded projects were only implemented in certain villages each year, villagers throughout the commune were expected to contribute towards the cost of each project every year. However, in one commune that fell within the boundaries of a rubber concession, the rubber company had taken on de facto responsibility for local infrastructure in villages in the plantation area. Because they were not going to gain from the CSF projects, three villages protested against paying the counterpart contributions for commune projects that did not benefit them.

The issue of community contributions had been much-debated for fifteen years, with some regarding it as an effective mechanism that temporarily fulfills many of the functions of a local tax and enhances a sense of responsibility, entitlement, and cultivates active citizenship, while others have regarded it as counterproductive, encouraging local authorities to collect money without legal basis, and/or delaying the introduction of proper taxes. In this case, it was felt that the villagers' request was reasonable, given that they would not benefit from a commune project. Having won that battle, the villagers are now demanding compensation for funds contributed in previous years.

Irrespective of the legitimacy of communes handing over state responsibilities, the struggle about obligations and entitlements is in itself a sign of an evolving local debate about citizenship and its meanings and implications; typically it is still about citizens refusing to do something, rather than making authorities do something.   The three villages nevertheless mobilized a citizen engagement that led to some change in the policy of the council.

Kampong Speu and Kampong Cham, villagers protested forcefully against the sale and encroachment of what they considered to be their commune's land, and in both cases lobbied for the commune councils to support them. When councilors either did not back them, or only supported them in a lukewarm or conciliatory manner, the villagers also became extremely outspoken against the councilors.

Despite a cultural hesitation toward confrontation and complaint at one level, when livelihoods are threatened and when people have a strong sense of injustice, there is no lack of willingness to speak out. However, the evidence also indicates that villagers' protests in such cases have typically not been successful, and strident supportive commune councilor interventions have also not had impact (as the case in Kampong Speu[47] illustrates). This continued failure of citizen voice and commune action to bring about any resolution to conflicts around land concessions is sobering (see Box 10 below). It suggests that, despite their being illustrations of developing local governance, this arena of decision-making is a no-go area in the foreseeable future, and the impact of this on local governance needs consideration by those pushing for decentralization and local governance reform.

Box 10: Utilizing Formal Grievance Redress Mechanisms in Kampong Cham

Encroachment on a community forest in a village in Kampong Cham[48] started in 2006, and escalated in 2007 and 2008. Although it was backed by powerful and high-ranking military personnel, the community tried to stop it continuing and sought assistance from the Commune Chief. The Commune Chief was not confident that the commune council would be able to mediate a conflict with the officials behind the encroachment and advised the affected communities to prepare and file a petition to the Land Conflict Resolution Committee at the district and provincial levels. Subsequently, with support from the commune councilors the communities followed this redress mechanism and the district authorities and military police intervened to prevent the encroachment.

Because the conflicts about community forests have been widespread and prolonged over several years, the Commune Chief admitted that he rarely visited an affected village and other villages with conflicts, as he find it difficult to have conversations with citizens because they ask him for intervention and updates on progress towards a solution. Furthermore, he said that he once reported to the provincial CPP meeting that "*I don't know what words to say to my constituency in the next election term as in the last communal and national election we promised to solve the land conflict for the people while the issue is now still unsolved.*" Despite this, interviews with people at the village level suggested that they would still support the CPP even though the community forest had disappeared and even though they expressed some dissatisfaction with regard to the limited assistance they received from the Commune Chief in particular in protecting their interests.

As a solution to the issue, the Provincial Governor issued a decision in late 2010 ordering the return of the disputed forest to the community. While the commune council learned about the verdict, community representatives complained that the verdict had not been widely shared with the community and related stakeholders. The community representatives affirmed that they only happened to learn of the verdict from another source, rather than through the commune authorities. Given that no actions had been taken to implement the verdict, the community forestry members were now preparing a letter to inform the governor of the lack of progress and seek the implementation of the decision.

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[47] KSP3
[48] KPC2

Communities are also seen to mobilize forcefully when their own contributions are lost in defective commune projects, as was seen in communes in Kampong Cham and Battambang.[49] Citizens were quick to react and protest even when the odds of reversing the situation against powerful forces were poor. Local contributions, a feature of the commune development process since the decentralization pilots of the late 1990s, have been designed to elicit the engagement of citizens in local development. As they have evolved, however, local contributions have become something of a hybrid between a local tax and the sort of contributions that have traditionally been made to festivals and pagoda-related construction projects. As with a tax, they are aimed at making an explicit link between responsibilities and rights, but the collection process is flexible and the contribution not entirely mandatory. Village chiefs or their helpers go house to house asking for contributions without specifying an amount. In one case, a village chief in Kampong Speu reported that around 20 percent of households were unable to pay and that he made up the shortfall with his own money.

Local contributions are often cited as the justification for 'voice,' as well as being a significant factor in triggering complaints mechanisms (see the section on accountability below). In the road opening in Kampong Speu[50] (see Box 6) where all costs were repeated by officials, the only figure villagers they were able to recall was the amount that they had contributed themselves. In the case in Kampong Cham[51] (see Box 9), local contributions became the motivating factor in villagers clarifying relations between the rubber company and the local authorities in terms of infrastructure provision. Where complaints were raised about delays in projects due to either inability of the contractor to follow price agreements or difficulties in getting environmental clearance, as in two Battambang cases,[52] the complaints were framed in terms of villagers' concerns that they had contributed their own finances to these projects and expected them to be delivered. They are yet to use complaints mechanisms with the same forcefulness about the use of public money.

Voice and Participation: Summary of Findings

While each of the vehicles for voice and participation identified in this study and described above can take a number of different forms, the spectrum below illustrates the forms of participation most commonly seen in the cases studied.

	Manipulation	Information	Consultation	Cooperation	Mobilization
FORMAL		**Village Meetings Village Chiefs**	**PBC Meeting**		**Land conflict resolution** (rare)
INFORMAL			**Project monitoring**	**Project planning by elders**	**Complaints around land conflicts** (rare)

*The commune council meeting is open to citizens to attend, but does not afford the opportunity for citizens to engage in decision-making.

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[49] KPC4; BTM3; cf. KPC3
[50] KSP2
[51] KPC2
[52] BTM3, BTM4

Communes are careful to follow the procedures provided to them in the Commune PIM. They hold all the required meetings that would enable citizens to participate (the village and public meetings for the 5 year planning process, the planning and budget committee meetings, the commune investment planning process, etc.) and record and report gender-disaggregated participation in all meetings held. These processes are, however, mostly ineffective in facilitating effective engagement of communities and citizens. Many are seen as a rubber stamping exercise by the commune administrations and a burden by the citizens. These formal processes have limited value as effective, empowering participatory processes for citizen engagement. Open 'participation' is awkward in rural Cambodia: people are still not used to speaking out and the procedural 'must-participate' approach adopted in communes hampers meaningful discussion. The result is a one-way communication and information-sharing event which allows them to report that an event was held.

Although formal open participation is ineffective, a form of 'invited participation' takes place, and takes on consultation and occasionally cooperative qualities. The findings suggest that the more substantial the decision to be made, the more 'closed' the processes of participation – either in informal settings or invited settings (as in commune council). There is no guarantee that the invited processes actually reflect community preferences, or those of women and marginal groups who are largely excluded, as these processes are managed by a village chief with mixed accountability, but these informal networks seem to generate ideas/recommendations that are popular and legitimate, are sometimes applied, and are used to hold authorities accountable at a later stage.

There also seems to be a pattern of the village chief consulting in informal and unrestricted ways with key people in the village (typically elderly and respected villagers) both to obtain information as to village needs and to ensure the requisite dialogue and co-optation of key individuals to secure village compliance with commune decisions. Although co-optation is widely practiced, and these informal spheres are exclusionary, the dialogue is two-way and influences the decision taken by the village chief to the commune council meeting. There is no evidence in the research that it results in manipulative elite capture of projects.

In addition to being seen as part of the state apparatus, village chiefs are typically regarded as being analogous to the head of a large family ("he is our father"; "he is our parent"). Village chiefs act as the voice of the state in the village, or the rallying point for local complaint or resistance. In cases of controversy, therefore, the village chief will often be approached informally by villagers. While this form of 'participation' rarely takes on any formal features, it is effective in alerting officials and prompting them to contain a possibly growing discontent. It rarely addresses fine nuances, but rather represents a reaction when something has gone badly wrong in the eyes of the villagers. Moreover, it tends to be more active during project implementation than planning.

The research also identified a number of situations in which local people mobilize themselves to defend their interests in relation to the use of commune funds because community contributions are involved. In such cases, citizens will abruptly switch from weak engagement as compliant, accepting, individual "recipients", to protesting, confrontational, collective "stakeholders". While they are very aware (and accept) that resources are inadequate, and that they may have to wait their turn to receive a project, they tend to react rather sharply in three situations: when explicit promises are broken, when their own money (i.e., local contributions) appear to vanish into failed projects, and when gross injustices have been committed. The financial contribution may not make villagers at large enthusiastic about participatory development projects, but it does reinforce their stake, their own perceived legitimacy, and thus a 'watchdog role'. This raises the pressure for councils to 'get it

right', and forces greater accountability. The evolution of this watchdog role would not be possible without at least some degree of voice.

C. Accountability

While the historical absence of accountability of political leaders in Cambodia is an overriding factor affecting the pace of change, the establishment of local elections has created the potential for downward accountability that can encourage commune councils to take decisions that are more responsive to citizen concerns. The links between decision-making, participation, and accountability are recognized in theory by sub-national democratic development policy and the rhetoric of leaders.[53] Of the 'three critical accountabilities' observed by the MOI, this study primarily considers the nature of 'downward' accountability and to some extent the 'horizontal' accountability system within commune councils. In the exploration of accountability which follows, the study considers how power-holders in communes answer for the use of authority.

Downward Accountability

Downward accountability at the commune level occurs around commune elections, everyday commune governance between elections (especially regarding natural resources management), and key decisions of the commune council (implementation of the CSF).

- **Electoral Dynamics**

Downward electoral accountability works through two main channels: the commune election, and internal party processes. The commune election is the ultimate process by which councils answer to the people for decisions and perceived decisions. Citizens vote every five years for parties; councils are made up of the party representatives winning the elections. Overall, citizens have a high degree of confidence in this form of accountability, believing that they can change council composition through the next election process (TAF 2005; cf. Öjendal & Kim 2011).[54] As in the other fields of enquiry in this study, at the core of the reform, procedures are followed carefully by lower level officials.

In particular, the study noted an expansion of accountabilities at the commune level. While there are instances of local politicians being held accountable for the way they perform their councilor role and for their own behavior, they are also being held accountable for decisions and events that are well beyond their control. For example, in two communes with land disputes involving national level CPP officials, citizens reported that they would not re-elect their commune CPP chiefs, seeing the leadership role as one which should protect the commune from such events. However, as these cases (and the dismissal of the outspoken CPP councilor in Kampong Speu) make clear, the commune

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[53] As articulated by the Cambodian government, 'As the elected people's representative at the local level, elected councils must be responsive/answer (Cleuy Torb) to people especially when formulating policy [and] decision-making....'. (RGC 2009). This was further emphasized by H.E. Deputy Prime Minister Sar Kheng at a workshop in 2009, when he stated that the law '...recognizes key aspects of governance, including transparency, equity, especially gender, accountability, and public participation. We must now set about implementing these governance aspirations at sub-national level....' (Oct 2009). Accountability – 'answering for the use of authority' – seems to be a cornerstone of the emerging reform.
[54] The study did not reveal cases where the commune chief or other candidates have paid for their positions on the party list. This possibly indicates that the commune council seat is not expected to be a money-making position.

chiefs were not in a position to bring about the outcomes hoped for, irrespective of their willingness for accountable local governance. The resolution of the conflict lay outside their mandate, and the actions are part of embedded patronage and hierarchies which sees little consequence.

In this sense, the 'downward accountability' of local officials operates as a safety valve for land sales and economic land concessions by higher level officials – citizens demand accountability at the lowest level while or, from another perspective, the citizen-commune accountability system functioning without the support of an upward accountability system. However, replacing CPP councilors, holding the party to account, may still be a way of introducing a mild form of accountability which many members of the electorate are comfortable with.   Citizens are able to remain loyal to the higher authorities, yet still register their discontent. To the extent that there are internal incentives within the CPP, such discontent may create some incentives for representatives to be more responsive.

Concurrent with the electoral process, internal party processes also enable citizens to hold individual politicians to account by altering their positions on the party lists during the pre-election phase. This particularly applies to the CPP, which has systematically polled its extensive membership to assess the popularity of CPP commune chiefs.[55] This regular process facilitates an internal party selection process as well as the replacement of unpopular commune chiefs.[56] Some of the interviewees who had lost their position on the party lists as a result of these internal polls accepted the results and acknowledged the winners as the most legitimate candidates, but others, including a former Commune Chief in Kampong Speu, claimed that the vote had been rigged against her. In a commune in Kampong Cham, it was reported that the votes were counted secretively at the district office, allowing the District Chief to easily ensure that a preferred candidate won the internal CPP election. The efficacy of this polling process is applauded as being a legitimate, genuinely democratic process that stimulates internal contestation in some contexts,[57] while in others it is considered flawed, providing a veneer of democratic legitimacy while allowing district and higher level party officials to maintain control.

While local governance reforms in Cambodia have introduced a measure of electoral accountability, the emerging pattern is a long way from a form of accountability where the electorate is able to exercise its power through the ballot box. As in many emerging democracies, there is little possibility of independent local candidates emerging to transcend party dynamics. Expectations for local level electoral accountability in Cambodia will inevitably remain dependent on the long-term trajectory of national strategies and political developments.

- **Everyday commune governance: the case of natural resources**

Much of the everyday governance process that plays out in communes in Cambodia concerns the management of natural resources. In several communes, former state land was subject to

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[55] It should be noted that CPP membership is often far more extensive than CPP support (as documented in unpublished field notes for Biddulph's 2010 doctoral dissertation). In other words, CPP members often vote for other parties in elections. The polling of CPP members, then, offers many citizens (but not people actively involved in working for other political parties) an opportunity to influence the party lists of the dominant party.

[56] This may be seen as a mechanism of accountability due to the CPP's dominant role in the commune councils.

[57] The former may be the most likely explanation, as the research also indicates that there is in interest by the CPP to launch truly popular candidates (as noted in Kim, forthcoming).

competing claims, and higher-level officials and politicians expected commune councilors to support or mediate their claims. On the whole however, the study illustrates that commune councils that had oversight over resources under dispute were generally diligent in responding to public complaints and accepted that they could and should be held accountable. This was revealed through a number of cases, including those mentioned in the preceding sections. In a commune in Kampong Speu,[58] where a senator had been awarded concessions to farm sugar cane in the state forests, a CPP councilor on the CPP-dominated commune council was ousted from the party, arrested, imprisoned, and eventually removed from his council seat because he supported the villagers' protest and was outspoken in his opposition to this development. Three other councilors were supportive of villagers, and others negotiated compensation settlements for affected villagers. While it is understood that they received a fee from the senator's company for this effort, their efforts to find a settlement illustrate that they saw their councilor role as one which required a certain level of responsiveness to citizen concerns. In Kampong Speu, as in other communes where similar dynamics were at play, villagers were very clear in their intentions to vote out those councilors who did not support their complaints. In a commune in Kampong Cham, villagers had become suspicious that village chiefs were misappropriating the produce from communal land. In response to complaints, the commune council appointed a committee to manage the communal land instead of the village chiefs to exercise accountability and responsiveness.

Despite the observation that these natural resources issues lie outside the mandate and sphere of influence of local councilors, these instances of citizens organizing local protests, promoting commune council accountability for party actions, and thence focusing their sights on the electoral accountability system, is very encouraging. It may constitute the emergence of an avenue by which citizens might, with reasonable safety, make their complaints heard. Alternatively, it can be argued that this as a means by which citizen discontent can be suppressed to a local level, impact on local politicians, and leave the actors and structures that benefit to continue similar practices unabated.

Box 11: Villagers Hold a Village Chief Accountable in Kampong Cham

Since 2006, there have been six changes of village chiefs in a commune in Kampong Cham[59]: four resigned on grounds of health or age and two were removed for wrongdoing. In one case the village 'grandfathers' were unhappy with the Chief trying to capture contributions raised from the people. They collected 'thumbprints' from around 260 people out of 300 and submitted these to the Commune Chief. The Chief met with the council and voted to have the Village Chief replaced. The Commune Chief, a SRP member, also mentioned that before making the decision final, he consulted with the District Governor to avoid any misunderstanding that the action was politically motivated. After the Village Chief was removed, the CPP Deputy Chief was promoted, and the SRP proposed a new candidate for the position of deputy.

- **The Commune/Sangkat Fund and commune investments**

In 1997, when decentralization pilots were first implemented in Rattankiri and the northwest of Cambodia, Biddulph reported villagers being aware of the poor quality of schools being built, but saying nothing. They understood that these projects belonged to the donors and politicians that built them and were not to be complained about. This study records the substantial shift in attitudes toward local service delivery over the intervening decade. In nine of the 12 case study communes

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[58] KSP3
[59] KPC3

there is some form of active monitoring of contractors and attempts to hold contractors responsible for the terms of their contracts. In some cases, regular local monitoring has been key to ensuring that standards have been met and that the authorization of payments was uncontroversial.

Box 12: Answering for Decisions in Battambang

In a commune in Battambang, the Commune Chief was not worried about fraud and corruption during implementation because the project had active involvement from the councilors and the village chief. In one instance the Village Chief discovered that the thickness of the road in some places was not adequate, so he and the Second Deputy Chief negotiated with the contractor to rectify the works before the first payment was made.

In another situation, village decisions were tested by citizens.   While the Commune Chief and the Councilors were party to the decision to build a road, the Village Chief had agreed the location and length of the extension. In the final event, although the length of the road was to be doubled, it was still 1200 meters short of covering all the households located near the road. According to the Deputy Village Chief, due to significant pressure from the families concerned, the village, and in consultation with the Commune Chief and a provincial Technical Support Officer, decided to build the additional 1200 meters of road with contributions from an NGO and villagers themselves. However, after the contractor had been paid in part by the NGO it became clear that the contribution required from villagers could not be met. Approximately $750 still needs to be paid to the contractor. Concerned about how they will pay the contractor, the Village Chief still noted that he had no choice given the pressure from the villagers, and that he would ultimately rely on connections with the CPP party working group to provide funds for the remaining payment.

Accountability in multi-party (politically contested) communes display greater levels of checks and balances and more intense dynamics around the use of the CSF than one-party communes. In a number of cases, opposition party Deputy Chiefs showed an ability to take on monitoring of investment projects and contractor performance. Although this was not always viewed as being motivated by good governance objectives, it was a welcome contribution to effective use of the CSF.[60] In three communes in Kampong Cham,[61] complaints about the quality of work carried out by contractors led to contestation and/or SRP-led communes.[62] While the study noted the social, and possibly, political accountability systems working, in each of these cases, provincial officials had mediated and persuaded the councils to pay the contractors even though the chiefs (in two cases), other councilors and village representatives felt strongly that the standards had not been met.

Local contributions, mentioned above in the context of citizen participation, also triggered various accountability relations. In one commune in Battambang,[63] in order to justify the community contribution and account for how it was used, village chiefs kept detailed notebooks and reported at village meetings on the amount collected before delivering the funds to the council. In two other

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[60] In all three cases, the SRP Deputy became the most diligent and outspoken monitor of contractors. In two of these cases this seemed to be an amicable relationship. The CPP Commune Chief had good relations with the Sam Rainsy Deputy, as they were in the same peer group and were supported by the leadership of the commune. In a third commune, KSP4, however, the relationships had been much less positive, especially in 2009 due to a conflict regarding payment to a CSF contractor. The young SRP Deputy was viewed with suspicion by the older Commune Chief, who claimed to believe that the SRP activist was only monitoring the contractor in an attempt to elicit bribes from the contractor.
[61] KPC2, KPC3, KPC4
[62] KPC4 is not contested but the Deputy Commune Chief is from SRP, triggering the tense reaction around the quality of the contractor
[63] BTM4

cases in Kampong Cham,[64] the mismanagement of local contributions led to citizen protests and ultimately to the removal of village chiefs. In another case, a village chief – whose village had not received a project for many years – explained how village contributions was a powerful argument for the commune to prioritize that village for the next road improvement project.[65] While it is not clear that decisions made in response to citizen complaints are always fair or the most developmental, it is clear that local contributions are playing a substantial role in creating a more active and demanding citizenry at the commune level.

Horizontal accountability between politicians and officials

In a well-functioning (rational) system of local government, there is potential for horizontal accountability between elected politicians serving the interests of their electorates and public officials ensuring that laws and regulations are followed. When commune reforms were introduced in Cambodia, one concern raised was that with elected commune councilors and a state-appointed commune clerk, there would be a transfer of power from the elected politicians to the appointed official – it was feared that the state would adopt decentralized policies but would use the clerk as a means to govern by centralized means. Even without a conscious effort to strengthen central control, the clerk might represent a threat to council autonomy simply due to capacity. Particularly in rural areas, it is common for local councilors to be older males who are not particularly well-educated or familiar with bureaucratic systems. With merit-based recruitment and professional training provided by the Ministry of Interior to commune clerks, it was possible that they might gain de facto control of the commune's functions.

As a safeguard to prevent such a scenario, the commune council is given the power to dismiss its clerk and to ask the Ministry of Interior to appoint a replacement. In three case study communes[66] the councils reported having had serious problems with commune clerks. In Kampong Cham,[67] the councilors reported that the clerk had taken some of their salaries and used the money to cover his own expenses. During civil registration, villagers complained to the council that he was charging unreasonable fees to anyone who came to register. The council planned to take this issue up at a meeting of the council, with the intention of removing his responsibility for civil registration. Realizing that this was about to happen, he handed over the responsibility to the council voluntarily. When asked why they had not simply replaced him, the councilors replied that they thought that the replacement might be just as bad. In another commune in Kampong Cham,[68] the Commune Clerk had often been absent from work. The council took formal action to have her removed (see Box 13). Similarly, in Kampong Speu, a commune council sent a request to the provincial local administration unit (PLAU) to have the clerk fired in 2009 due to misappropriation of funds. While the council may not officially choose a replacement clerk, in practice it was possible to do so in two of the instances where the council moved to change their clerk.

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[64] KPC1, KPC3
[65] BTM1
[66] KPC2, KPC3, KPC4
[67] KPC3
[68] KPC2

Box 13: Replacement of a commune clerk in Kampong Cham

In a commune in Kampong Cham, a commune clerk held their position from 2001 to 2010, during which time she had a number of periods of long absence. The Commune Chief explained that he discussed the need for a replacement with other councilors and then asked the District Governor to send a temporary replacement. In 2010, after 10 years, the commune council discussed the Clerk's performance and decided that she did not have the skills to perform the expanded role. The Chief asked her to submit a letter of resignation. The Commune Chief at that time became aware of another person who he thought would be suitable as the clerk, and submitted a request to the governor. The letter only requested a new clerk and did not specify who the replacement should be, as this would be beyond the mandate of the commune council and is the prerogative of the Ministry of Interior. However, the Commune Chief contacted the District Governor and expressed his preference for the particular clerk, and it was that young man who was given the position.

In addition to the commune clerk, the other Ministry of Interior presence at the commune level is the police. Since late 2008, commune police posts have been instructed to report primarily to commune councils rather than to their line superiors at the district police offices.[69] This has been viewed positively at the local level, and in an urban commune of Kampong Speu,[70] the council reported that the police have now become more diligent in attending festivals and preventing outbreaks of youth violence. The new arrangements between police and civilian authorities were also put to the test in a case in Kampong Cham commune (see Box 14).

Box 14: Family Books in a Kampong Cham Commune

The family book is a means by which all Cambodian households can identify themselves to the state. Kept by the police, the family book system runs parallel to the system of civil registration. It is a longer established and more widely used system, not least because it does not rely on households taking the initiative to go to the commune office to register, but rather on police officers going house to house to collect information and take a fee for the "family book". In one instance in Kampong Cham[71] the commune council noticed the practice of police overcharging fees. The council instructed the police to take no more than 6000 riels (about $1.50) per household, and insisted that the registration be done centrally so that the work could be monitored and informal fees prevented. However, the District Police Chief came to the commune and countermanded the commune instruction – telling his police to collect 10,000 riels per household and to conduct the work as they usually did. The commune council pursued the matter with higher-level police and civilian authorities and succeeded in making the local police more accountable for their work in relation to the family books. Through this horizontal accountability mechanism, the commune council held the police accountable for the use of their authority.

Accountability: Summary of Findings

In terms of downward accountability, there seems to be a willingness to follow procedures such that commune councils are accountable to their electorates. This was particularly the case with regard to decisions about the commune's own development resources, and seemed to be most visible in cases where there was political contestation in multi-party councils. Even in cases where councils are held

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[69] This was stated during provincial workshops held nation-wide, organized by the Ministry of the Interior while addressing issues related to security.
[70] KSP1
[71] KPC2

accountable for issues partly or fully outside their mandate, they attempted to respond to demands. In cases where well-connected external actors gained control of land in the communes, commune councils appeared to be held accountable by voters for actions taken by national level actors. However, if the standard of accountability is that councilors are held closely and consistently to account and face sanction for any breach of regulations, then clearly the accountabilities that were observed during the study are rather partial and uneven. Nevertheless, in the context of Cambodian governance generally, the emerging accountabilities are particularly encouraging.

Horizontal accountability has mainly taken the form of councilors holding officials to account rather than officials holding councils to account. At this early stage in the reform, this might be viewed positively, given that much of the trepidation about reform is that local democracy (in the form of the elected councils) may be less whilst the central state (deploying commune clerks, police and the CPP sub-national hierarchy) reasserts highly centralized forms of control. The research findings present a number of encouraging examples of councils successfully confronting clerks and police and curbing some of their rent-seeking activities. The record is not perfect, but under the circumstances suggests that the councils have sufficient legitimacy with higher level state hierarchies to be able to hold local officials to account, and sufficient motivation to do so.

III. CONCLUSIONS AND RECOMMENDATIONS

This last section of the study begins by returning to the hypotheses for local decision-making, using them as a lens through which to present the core local dynamics identified in the research. It then sets out those factors that were identified as influencing decision-making and outcomes. Finally, broad conclusions to the four key questions around which the study was structured are presented. This section closes with recommendations for a follow-on research agenda, and strategic and technical interventions that the RGC and its development partners may consider pursuing in order to improve decision-making, accountability, and participation in local governance in Cambodia.

A. Conclusions

Rationales for Decision-making

The literature review set out in Section I suggested five main hypotheses that explain decision-making in Cambodia: *rational; developmental; historical; cultural; and patronage-based.* Findings show that none of these rationales can on their own explain all, or even most, commune decision-making.

Decisions relating to commune development funds are far more dominated by 'rational' and 'developmental' decision-making than one might expect, given how deeply most political analyses of rural Cambodia are enmeshed in the 'historical,' 'cultural,' and 'patronage' explanations. On the whole, the research found that participatory processes are pursued at the commune level, and that basic accountability arrangements are recognized. Even where there are no strong political-economic incentives to follow procedures, efforts are made to do so. Indeed, procedures are generally followed even in the presence of incentives to go against protocol. This research showed that this trend included situations where capacity was low, or where other factors jeopardized the use of

formal procedures.   Attempts were nevertheless made to 'get it right', responding to the combination of 'rational' policies and 'development' needs. This conclusion is grounded in a strong empirical base.

Moving into the decision sphere pertaining to human resources management (including village level appointments), the 'patronage-based' rationale gains ground. Although the 'rational' argument is still at play, it confronts the 'patronage' logic in particular in the appointment of CPP village chiefs in SRP-dominated communes.   Participation only occurs to a limited extent in this arena, and accountability arrangements are not always clear. Notably, our findings indicate this patronage is mainly political and only indirectly touches upon development decisions.

Moving even further away from the core mandate of the commune councils, to natural resource management, the 'rational' approach to local decision-making fades away – although occasionally local actors behave as if it were at work – and gives way to the 'patronage' logic and even the 'historical' predatory state.   When major natural resource assets – like plantations or major forest areas – are at stake and when national level elite individuals (generals, members of parliament, or economic tycoons) are involved, there is little the commune authorities, much less ordinary citizens, can do to alter the situation. As such, the elite, as they grab natural resources, behave in a manner consistent with the 'historical' state. Local politicians are replaced if they protest against the actions of the national elite (e.g. some senior politicians, military officers, and business people) who proceed without meaningful recourse.   Only with time will it be clear whether this serves as a way of dissipating local political energy and avoiding accountability, or if it serves as a stepping stone toward citizens' ability to effectively organize around their own interests.

The 'cultural' argument — which points to a mismatch between basic Khmer ontologies and the push for democratic development — seems to have been partly overcome. A single cultural explanation of decision-making did not emerge, partly because 'cultures' are typically multilayered, adaptable and resilient (and therefore not necessarily dominant in day-to-day governance). However, in terms of pro-active citizen participation – which is notably absent – there are cultural norms that restrict and hamper it due to rational self-censorship and social dynamics. The more marginal, remote, and uneducated the community, the stronger this argument comes forward.

Factors Underlying Local Voice, Choice and Decision-making

The analysis suggested the following causal links between commune characteristics and governance outcomes:

- *Political composition of the council.* The political composition of the council is a key factor influencing decision-making. It was clear in the communes studied that where the CPP was dominant numerically, it was less assiduous in following up on issues and holding itself accountable to voters. Where there were multi-party councils, or where non-CPP parties were in control, there was a tendency for the CPP to be more concerned about accountability, and also some positive synergies where CPP cooperates with other parties who take the lead in providing 'voice' against others' shortcomings.

- *Existence of natural resources.* The existence of natural resource issues of a major scale disrupted attempts at participatory and accountable local governance, which were, in many cases, comprehensively undermined in the face of powerful outside interests. There was some limited progress where the national policy agenda supports the protection of natural resources and thus coincides with local priorities.   While attempts to resist centrally-approved land or

forest concessions ultimately proved futile, the commune council did become a highly visible interlocutor in the conflicts between nationally-driven investments and local people's resistance. To some extent, the councils became a convenient scapegoat for both the weak and the powerful. Nevertheless, the longer term trajectories of councils and councilors in communes weighed down with resource-conflicts will be a valuable source of information on the longer-term underlying dynamics of governance in Cambodia.

- *Significance of relative wealth/poverty.* Relative wealth/poverty seemed to be most influential with respect to horizontal accountabilities between politicians and bureaucrats (i.e. commune councilors and commune clerks). The position of clerk is potentially influential and opens up possibilities for usurping the council and for persistent rent-seeking. Where councilors are better-educated this becomes much less likely as the clerk is much less able to exclude the councilors from administrative processes. It seems that the more remote the commune, the higher the likelihood that a clerk might develop such undue influence.

A number of other factors were considered but did *not* appear to significantly influence commune decision-making. First, a long experience with decentralized governance (the 'Seila communes') has left its mark on the ease and confidence with which participatory processes are pursued from the side of the commune councils, but not decisively so. Moreover, it did not appear to be a decisive factor with respect to outcomes, nor did it make people participate more spontaneously. The communes in former Khmer Rouge areas are displaying better performance on some indicators (e.g., level of participation), but that seems paradoxically to be due to a higher propensity for obedience from the side of the citizens vis-à-vis requests from the local authorities. Second, it did not seem to make much difference to commune decision-making processes if the main political patrons were nationally known and powerful figures, or if they were less high-profile. Third, in response to a request to consider the influence of World Bank procedures, the decisions made by communes did not appear to be affected by procedures or, unduly, by the technical support from the province.

Patterns of Voice, Choice and Decision-making: Core Conclusions

Analysis of aggregate commune-level data and the in-depth case study communes provides answers to the four guiding questions for this study.

- **Who is involved in decision-making at the commune level?**

In line with the intentions of the decentralization reform, the commune councils are performing their mandate as envisioned. The role of the village chiefs is larger than that which the legal framework suggests, and the same goes for the CPP party interests. In contrast, higher-level officials do stay out of regular local-level decision-making, and there is no evidence that the local elite attempt to capture the councils. As for big investments and major natural resource management questions, occasionally external actors enter and dominate commune governance in a manner that is outside the formal frameworks.

- **What factors shape decision-making and spending at the commune level?**

Four interrelated factors dominate decision-making at the commune level. First, elected councilors ensure legitimate and popular utilization of the available development resources, in order to ensure reelection. Second, risk-aversion is the key to understanding actions by commune councils. Projects are preferably public, simple, responding to needs articulated by villagers, and have low management demands. There is moreover a preference for projects in fields where the CCs have

previous experience (i.e. road rehabilitation) and these might become necessary as each village gets its turn. Third, historical political dominance and contemporary low-intensity pressure from the dominant party, including its internal hierarchical patronage structures, explain to some extent political appointments, engagement in NRM issues, and line ministry involvement. Fourth, central laws and policies are largely adhered to, and thus frame what is possible. Deviations occur, but rarely within the arena of CSF decision-making.

- **What mechanisms and processes allow citizens to influence how resources are spent at the commune level?**

Citizen voice in a pre-decision-making (mostly in the formal planning) phase is neither substantial nor effective: the participatory processes that are in place (and being carried out to the letter) do not have a direct impact on decision-making. The limited scope of participation is driven by limited incentives and benefits for citizens, coupled with the social risks involved for individuals to speak up 'unnecessarily'. Voice is articulated most effectively through a chain of informal dialogues at the village level leading to invited participatory forums at the commune level. Post-decision voice is silent if things go reasonably well, but complaints can get very vocal if development projects don't deliver, particularly if they involve the use of household contributions. Local people's expressions of dissatisfaction with contractors' implementation, for instance, creates an opportunity for councilors to take initiative, although they do not use the formal complaints handling system.

- **What mechanisms of inter-governmental and downward accountability currently exist?**

Generally, procedures are followed and commune councils aim to be accountable to their electorates, particularly for the CSF development budget. Political contest in the councils increases that tendency. Other dimensions of local governance show less evidence of accountability. In the arena outside the mandate of the decentralization law – in natural resource management particularly – accountability is more blurred. The processes within the decentralization reform mandate are surprisingly clean and efficient. Unlike many local and community development efforts in the region, there is no evidence of elite capture of CSF funds. Development investments controlled by the commune council are implemented fairly efficiently. In other arenas, local decision-making is considerably more opaque and asymmetrical. When non-CPP councilors have positions of responsibility, they tend to be very careful to clear their decisions with the CPP hierarchy, much more so than CPP councilors. Irrespective of leaders, the electoral process has a direct effect on the quality of local development decisions, and indirectly on local governance. Accountability between the executive and the elected officials in councils is emerging as councils are demanding better capacity staff. With respect to social accountability – people holding communes to account for their performance – the pattern of silence and non-confrontation is still the norm, although there are several examples of voice and complaint growing in frequency and strength (in informal spheres), indicating a process of change. New dynamics are being ushered in as council capacity is built and citizens start to understand the processes of social and electoral accountability.

B. Recommendations

The study and consultation processes led to a number recommendations for future action – research recommendations, and strategic and technical recommendations – with considerable linkages between them.

Research Recommendations

Some of the findings of this study would lend themselves to follow-up through more quantitative, issue-defined, large-sample research. Our research and the conclusions reached in this study suggest several specific priorities:

- Investigating the correlation between politically mixed commune councils and levels of accountability for project implementation;
- Exploring the impact of level of education and capacity of the clerk on the commune project portfolio; and
- Identifying key factors surrounding the appointment of village chiefs.

It would also be valuable to follow up with further qualitative studies – some linked to the above – including:[72]

- The nature and efficiency of council-line ministry relations;
- The experience of communes that have implemented successful services projects with the CSF (other than road rehabilitation);
- The dynamics of situations where voice and participation contributed in a formal commune setting;
- The voice, choice and decision story relating to local basic services;
- The roles played by social accountability mechanisms and do these make a difference in terms of citizen participation and effective monitoring and feedback regarding local government performance;
- The political and procedural dynamics around village chief appointments and their overall role in local governance; and
- The ability and perception of the commune councils to be accountable at the margins (or even outside) their formal mandate. In particular the scope and frequency of their engagement in local dispute resolution and its impact on local governance.

This completed study can also be used as a baseline for longitudinal benchmarking. With a 36-case database, 12 in-depth case studies, and core findings, it lends itself to follow-up studies in the same communes.

Strategic and Technical Recommendations

Based on this report, and further guided by research activities on the dynamics of decision-making (as above), we recommend the following:

- ***Funding commune services projects.*** Some communes have successfully identified and implemented non-infrastructure projects. Initiatives to widen commune mandates should be based on such experiences. Possible funding for services projects should not negatively crowd out the communes' first priority.

- ***Commune clerk capacity building.*** To the degree that commune clerk capacity has an impact on the structure and nature of decision-making, the clerks could be the target of further capacity building. In addition to current government regulations, a more nuanced policy around their

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[72] Note that these are not necessarily separate research endeavors. On request, but beyond the scope of this report, the team would be prepared to expand on the ramifications for proposed research.

appointments and replacements could be outlined. This could also address capacity to manage CSF development initiatives other than the current infrastructure projects. A program should be introduced to benchmark the capacity of the commune clerks in relation to the adoption of the principles of the current 3 year implementation plan.

- ***Commune financial management.*** Without compromising fiduciary control, mechanisms should be identified to make procedures for accessing funds simpler and easier. Provincial and district councils need incentives to cooperate, and this is especially important if the CSF is to be used for social services activities.

- ***Communication***. Simple procedures for regular communication mechanisms between commune councils and line ministries should be set up, implemented, and monitored.

Based on this report, and further guided by research activities on voice and participation (as above), the research team recommends the following suggestions to strategically and intensively work towards a more empowered, informed citizenry:

- The community driven development (CDD) model rolled out in many other countries in the region provides a wealth of experience of how to foster voice and participation as a significant factor in local governance. A study on the key elements of the CDD model, and how they could enrich efforts in commune and sangkats, is critical background to IP3 efforts to strengthen voice and social accountability.

- Social accountability measures such as participatory planning and budgeting should be introduced systematically into the IP3 in such a way as to build further on the sort of emerging accountability relations witnessed in some of the case study communes.

- The village chiefs (and assistants) emerge as increasingly important actors, both for the local setting and in aggregated form for democratic development at large.   A capacity building road map should prioritize these actors and particularly focus on participatory mechanisms and facilitation, and accountability imperatives.   The village chief post should also have 'job requirements' (e.g., having passed training on participatory processes).

Local government reform in Cambodia is clearly an incremental and evolutionary—rather than revolutionary—process. The past decade has seen the introduction of local electoral politics and decentralized development funds. This has created a decision-making arena for local development that, while highly regulated and still embedded within a centralized and politicized administration, is perhaps cleaner and freer of outside influence than might have been expected. As the 3 year Implementation Plan for sub-national democratic development is launched, the NCDD have shown significant commitment to the development of the decision-making space of commune councils. However, efforts to empower councils and make procedures more discretionary will need to be accompanied by efforts to make citizen engagement more meaningful. In the absence of broad electoral accountability in the medium term, social accountability will play a pivotal role.   If decentralization is to change the long term trajectory of governance in Cambodia it is critical that the state capacity building processes envisaged are matched with the development of an informed and capable citizenry that is able to play its intended role.

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ANNEX 1   **TERMS OF REFERENCE**

Voice, Choice and Decision:
A study of local governance processes in Cambodia

8 December 2010

The World Bank in Cambodia seeks the services of a consultancy firm / research institute to carry out a study of the factors that affect commune decision-making and in particular, the utilization of the Commune/Sangkat Fund (CSF). The main objective of this study is to better understand the drivers of *voice, choice and decision* in communes.   The outcomes of this research will support the decentralization task team and interested partners in the development of the Local Government and Development Program (LGDP), and the study is expected to yield broader insights into local accountability and inclusion vital for the strategic assessment of governance and anti-corruption planned for Cambodia, and for improving development effectiveness at the commune level.

1. Background

The Royal Government of Cambodia (RGC) has, over the last decade, emphasized fiscal administrative and political decentralization as a central plank of the governance strategy. A series of key laws have been enacted from 2001, culminating in the approval of two Organic Laws in 2008, which have established a legislative framework for what the Government calls "sub-national democratic development"(SNDD), which is overseen by a newly created inter-ministerial body called the National Committee for Democratic Development (NCDD). During 2009, the NCDD formulated the *National Program for Sub-National Democratic Development* (the National Program) to operationalize the D&D Strategic Framework and the Organic Laws over the decade 2011-2020. Finally, in 2010, the NCDD-S began the development of the Implementation Plan (IP3) to detail the objectives and activities of the first 3 years of implementation.

Activities supporting decentralization have proceeded in tandem with the development of this policy and legislative framework.   Two direct elections of Commune/Sangkat Councils in 2002 and 2007 were held in 1,621 Communes and Sangkats, and in 2001, the Commune/Sangkat Fund (C/S Fund) was established as the first step in an intergovernmental fiscal transfer system to finance both administrative and development expenditures of the Commune/Sangkat Councils. The allocation to the C/S Fund from recurrent revenues has increased each year, and reached 2.80% of public sector revenue in 2010. The World Bank has, since 2003, supported about 50% of C/S Fund development expenditures through the Rural Investment and Local Governance Project (RILGP).

The Commune/Sangkat Councils have predominately used the C/S Fund to provide basic infrastructure. They have been empowered by a small budget (or an estimated $21,000 per commune) which provided some opportunity for the launch of participatory planning processes – sowing the seeds of local governance processes and starting to put in place the downwards accountability mechanisms envisaged in the policy framework. Despite this, the IP3 recognizes the limitation of past processes and funding mechanisms in the development of grassroots governance. In particular, the infrastructure bias of past spending from the fund, and the resulting "projectization" of commune management and decision-making in the use of the fund, has led the NCDD and many DPs to argue for greater discretion in communes such that commune decision-makers can better meet local needs. This is likely to result in changes to the procedures outlined in the Commune PIM, but there is a need to further understand the determinants in the current use of the C/S Fund and the elements

of change that factors that will need to be addressed to see the fund bring about better results with respect to local governance.[73]

2. Objectives

Carried out under the umbrella of the Governance Partnership Facility (GPF) initiative in the World Bank, the main objective of this research is to carry out in-depth investigation into voice, choice and decision – the dynamics of participation and decision-making in communes.[74] The study is expected to provide a more detailed picture of the broad potential and constraints for enhanced local level accountability at the commune level, and recommend principles on which improved commune procedures and processes, and social accountability mechanisms can be developed to support the efforts of the IP3.

The local governance reform envisages the development of 3 sets of accountabilities. These three dimensions correspond with a three-sided system of accountability that Deputy Prime Minister H.E. Sar Kheng , promises to be *"the most profound and complex constitutional development in Cambodia since the adoption of the Constitution"*. This transformed 'accountability map' involves three critical accountabilities:
- citizen, or 'downwards' accountability of SNAs,
- relations of 'horizontal' accountability between political leaders and administrators at each level of SNA, and
- 'vertical' accountability between lower and higher levels of SNA.

This study will focus on better understanding downwards and horizontal accountabilities in communes.

3. Approach

Selected Review

The proposed study will build on a growing literature that aims to disaggregate the influences on decision-making at the local level, much of which has been supported by the World Bank that have employed innovative methodologies, including randomized evaluation (Olken, 2007) and ex ante community assessments (Labonne and Chase, 2007), to assess the ways in which participatory decision making translated into 'community' choices. It will also update more specific research and analysis conducted in the Cambodian context.

There is also some useful overview work on the functioning of commune level processes and outcomes. Amongst these the RILGP Technical Planning Audit and Mid-term Review (2009-2010), the emerging work of the SPACE program (2010), the PACT citizen satisfaction survey (2010), the M&E work of the NCDD (including the Citizens Rating Report). There is also an extensive literature on the broader context of institutions, funds and power at the local level. This includes studies on neo-patrimonialism and leadership (CDRI Thon et al 2009, Pak et 2007) and the role of party financing of infrastructure (Craig and Pak 2009). These important studies have served to build on the previous analytical studies on local accountability (Porter 2006) which highlighted the existence of multiple challenges of development financing and the lines of accountability which limit the effectiveness of the formal system, of which C/S Fund is a major part; and which have been later represented in an analytical framework (Craig and Porter 2010).

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[73] The proposed Local Government and Development Program (LGDP) will support the RGC 3 year implementation plan for Sub-National Democratic Development through activities that enable Communes and Sangkats to work with citizens to plan, budget, and implement priority activities and investments. The intent of the revision to the CSF proposed by NCDD is to enable Commune Councils more opportunity in decision-making (and thus to remove the current bias in spending).

[74] This study was proposed in the PCN Decision Meeting, and is being considered as a sector assessment for the GPF.

Key questions for research

While these recent studies have served to highlight some of the issues that shape the formal process of participation and planning, there is a pressing need to adopt a broader perspective that (a) identifies through deliberate questioning on understanding all the factors affecting decisions, (b) assesses the relative and cumulative effects of the range of influences on voice, choice and decision making in communes, and (c) explores the extent to which these have been shaped by policy and political change over the last decade. In doing so, there is a body of data that can be drawn on. This includes recent reports and analysis mentioned earlier, as well as a range of primary data sources on planning as well as socio-political dimension at commune level (i.e. commune data base, census data, and electoral data).

There is also a clear need to supplement these data with a deeper understanding of the socio-political context at the commune level, for which primary research using innovative methods (like power and institutional analysis, and process tracing) in order to develop a better understanding of the formal and informal processes that shape planning and accountability at the local level.

The combination of (a) analysis of development activities and (b) mapping of local context will form the basis of a research design that aims to address the following key questions:

- What are the factors that affect the choices of communities and the decisions of commune councils (a) across the total commune budget, and (b) in relation to the CSF? In particular, what is the relative importance of:

  - Planning: the *de jure* formal planning and participation processes (at the commune and district levels);
  - TA: forms of technical assistance provided by the province to support implementation
  - Finance: the funding options available to communes (outside the C/S Fund) – off-budget DPs, political parties;
  - Power relations: formal power relations, and relations between formal and informal leaders;
  - Hierarchies: relations between the commune and higher level patronage networks
  - Local social/developmental factors: size of commune, level of development, access to urban centers, role of women and youth etc.;
  - Other identifiable factors affecting voice;
  - Gender policy: What spaces have been made for the participation and voice of women?
  - Other financing options and influences: e.g. the role and support from NGOs
  - illicit gain: the prevalence of corruption, nepotism and patronage
  - Other factors to be identified.

- What are the *de facto* forms of accountability at the local level? What are the key elements of the de facto process? E.g.
  - What are the dynamics of the accountability relationships between commune councils, the executive and citizens?
  - What are the strengths of the current system?
  - Is planning distorted by local elitism?
  - To what extent are key decisions taken in 'closed' spaces? .. and/or affected by lines of party and hierarchical rather than 'downwards' accountability?
  - Are non-dominant voices expressed through other channels? Is this voice heard?
  - How does patronage and dependence on leaders affect voice, choice and decision —positively and negatively? And implementation (procurement, conflict of interest etc.)
  - What are the dynamics, opportunities and constraints of council decision-making?
  - What 'new spaces' of collective action and accountability are opening up?
  - Are women adequately represented?

- Which groups are included/ excluded?
- To what extent does the council allow the executive (commune clerk and provincial support) to influence decision?
- How are formal (invited) spaces for participation perceived, and what are the constraints on their use?

- Have policy developments and political decentralization, and the reforms in NCDD impacted on voice, choice and decision-making at the local level? What can be learned for the operationalization of the forthcoming IP3?
  - To what extent has major policy change relating to sub-national democratic development (esp. C/S planning) translated into changed practices at the local level?
  - What are the political changes that have had impact that the local level (elections – local and national)?
  - How have policy/political changes been adapted/appropriated at the local level, by whom and to what ends?
  - How has the emergence of de facto accountability been shaped by changes at the higher levels?

- What does an expenditure analysis of the Commune account and Commune Sangkat Fund reveal and how is this correlated with the above findings in the communes studied?

4. Analytical approaches

Stage 1: This research will be based on intensive studies of approx 40 communes that will be selected on the basis of a preliminary analysis of secondary data on development, planning and political indicators. This sample will be developed in a way that reflect the broader national context as well as the important local variations (i.e. political composition of commune councils, level of funding, revealed spending priorities etc) in order to ensure that intensive research is representative. Secondary analysis will be based on:

- a review of secondary literature as well as an analysis of existing data sources (commune database, electoral database, commune expenditure analysis etc.) which will aim to describe the broader patterns for these key variables;
- a review of the policy, planning and political changes over the last decade – to derive a 'time line' of important changes that were expected to impact at the commune level – including a review of major non-C/S /state decentralization initiatives (donor programs etc).

The major focused of this review will be on current data on communes; however where possible longitudinal data will be used to trace broad changes over time (2003/2007/2010 comparison?)

Together, this analysis will form the basis of the inception/background report.

Stage 2: The second stage of this study will focus on an intensive field-based analysis in approx 15+ selected communes. Based on the research questions outlines above, the focus of this study will be the assessment of the interface between three interlocking fields of enquiry:

- Leadership and decision making
- Space and accountability
- Impacts of policy/political changes

The starting point for commune level analysis will be a detailed composite summary of fund flows, expenditure analysis and development activities. Data is available for over 5 years (and should be studies at intervals). The data set for the selected commune will also require the collection of supplementary data from the district/commune level to provide additional detail on non-state (political and donor) funding.

Using this as a base, research activities at the commune level will focus on working with communities to develop deeper accounts of commune process that inform decision-making and development outcomes. Field studies will employ a mixed method approach, working with communities through HH semi-structured surveys and focus groups, and will use innovative analytical 'tools' that will be developed and piloted as part of the research. These will include for instance:

- *Leadership analysis:* identifying 'core' and 'secondary' leaders with respect to planning and decision making, internal leadership relations and their changes over time (key informal/snowballing techniques)
- *Participation and space analysis:* identification of various types of spaces (closed, invited, and created) space that <u>different</u> social groups within the commune encounter/use (social mapping/focus groups/force field analysis)
- *Disaggregated needs assessment:* Assessment of the differential preferences of various social groups and tracing the constraints on translating voice to decision-making (focus groups discussion)
- *Time line/process tracing:* developing case studies of critical events that reveal the interplay between policy/political changes and events at the commune level.

Piloting of these tools will be essential in order to refine instruments in a way that can yield comparative and appropriate data for comparison across communes. It is expected that piloting and instrument development will take place in parallel to national level secondary data review/analysis. The final approach will be developed in an inception report.