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Report No: PAD3570

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

FROM THE SOCIAL ACCOUNTABILITY AND SERVICE DELIVERY MULTI DONOR TRUST FUND

IN THE AMOUNT OF US\$ 5.95 MILLION

TO

WORLD VISION INTERNATIONAL

FOR AN

ENGAGING CITIZENS TO IMPROVE SERVICE DELIVERY THROUGH SOCIAL  
ACCOUNTABILITY PROJECT

FEBRUARY 19, 2020

Social Development Global Practice  
East Asia And Pacific Region

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## CURRENCY EQUIVALENTS

Exchange Rate Effective: January 31, 2020

Currency Unit = Cambodian Riel (KHR)

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KHR 4,092 = US\$1

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## FISCAL YEAR

January 1 - December 31

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Regional Director: Benoit Bosquet

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## ABBREVIATIONS AND ACRONYMS

APRs	Annual Progress Reporting
AWP	Annual Work Plan
CAFs	Community Accountability Facilitators
CBO	Community Based Organization
CCWCs	Commune Children and Women Committees
CSO	Civil Society Organizations
DPs	Development Partners
EAP	East Asia and Pacific
FM	Financial Management
HC	Health Centers
HCMCs	Health Center Management Committees
FMM	Financial Management Manual
FY	Fiscal Year
IA	Implementing Agency
I4C	Information for Citizen
ICR	Implementation Completion Report
IDA	International Development Association
IFR	Interim Financial Report
INGO	International NGO
IP	Indigenous People
IR	Intermediate Results
ISAF	Implementation Plan for Social Accountability Framework
JAAP	Joint Accountability Action Plan
JSDF	Japan Social Development Fund
LNGO	Local NGO
MEF	Ministry of Economy and Finance
M&E	Monitoring and Evaluation
MOEYS	Ministry of Education, Youth and Sports
MOH	Ministry of Health
MOI	Ministry of Interior
MoU	Memorandum of Understanding
MTR	Mid-Term Review
NCDD	National Committee for Sub National Democratic Development
NCDDS	NCDD Secretariat
PAD	Project Appraisal Document
NSA	Non-state Actor
PDO	Project Development Objective
PSC	Partnership Steering Committee
RF	Result Framework
RGC	Royal Government of Cambodia
SAF	Social Accountability Framework
SASD-TF	Social Accountability and Service Delivery multi-donor Trust Fund
SNDD	Sub-National Democratic Development
SSC	School Support Committee

TA	Technical Assistance
ToT	Training of Trainers
TWG	Technical Working Group
V&A	Voice and Action Project
VHSGs	Village Health Support Group
WVI	World Vision International



TABLE OF CONTENTS

**DATASHEET ..... 1**

**I. STRATEGIC CONTEXT ..... 7**

    A. Country Context..... 7

    B. Sectoral and Institutional Context ..... 8

    C. Relevance to Higher Level Objectives..... 9

**II. PROJECT DESCRIPTION..... 10**

    A. Project Development Objective ..... 10

    B. Project Components ..... 10

    C. Project Beneficiaries ..... 16

    D. Results Chain ..... **GRANT NUMBER \_\_\_\_\_** 17

    E. Rationale for Bank Involvement and Role of Partners ..... 19

    F. Lessons Learned and Reflected in the Project Design ..... 19

**III. IMPLEMENTATION ARRANGEMENTS ..... 20**

    A. Institutional and Implementation Arrangements ..... 20

    B. Results Monitoring and Evaluation Arrangements..... 21

    C. Sustainability..... 21

**IV. PROJECT APPRAISAL SUMMARY ..... 22**  
**(Integration of Social Accountability into National and Sub-National Systems Project)**

    A. Technical..... 22

    B. Fiduciary..... 22

    C. Legal Operational Policies..... 23

    D. Environmental and Social..... 23

**V. GRIEVANCE REDRESS SERVICES ..... 24**

**VI. KEY RISKS ..... 24**

    A. Overall Risk Rating and Explanation of Key Risks ..... 24

**VII. RESULTS FRAMEWORK AND MONITORING ..... 26**  
**INTERNATIONAL DEVELOPMENT ASSOCIATION**  
**ANNEX 1: Implementation Arrangements and Support Plan ..... 43**

**Grant Agreement**

**between**

**KINGDOM OF CAMBODIA**

**and**



DATASHEET

**BASIC INFORMATION**

Country(ies)	Project Name	
Cambodia	Engaging Citizens to Improve Service Delivery Through Social Accountability	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P172630	Investment Project Financing	Low

**Financing & Implementation Modalities**

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Expected Approval Date	Expected Closing Date
28-Feb-2020	30-Jun-2024

Bank/IFC Collaboration

No

**Proposed Development Objective(s)**

To improve the quality and responsiveness of selected public services through more informed and engaged citizens.

**Components**

Component Name	Cost (US\$, millions)
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Component 1: Transparency and Access to Information	1.50
Component 2: Citizen Monitoring	1.69
Component 3: Implementation of Joint Accountability Action Plans	0.50
Component 5: Training and Capacity Development	1.80
Component 6: Civil Society Coordination and Support	1.26

**Organizations**

Borrower: World Vision International  
 Implementing Agency: World Vision International

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	6.75
<b>Total Financing</b>	6.75
<b>of which IBRD/IDA</b>	0.00
<b>Financing Gap</b>	0.00

**DETAILS**

**Non-World Bank Group Financing**

Counterpart Funding	0.80
Non-Government Organization (NGO) of Borrowing Country	0.80
Trust Funds	5.95
Cambodia Social Accountability and Service Delivery	5.95

**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2020	2021	2022	2023	2024	2025
<b>Annual</b>	0.13	0.45	0.67	1.28	1.96	1.47



<b>Cumulative</b>	0.13	0.58	1.24	2.52	4.48	5.95
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**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Social

**Contributing Practice Areas**

Education, Governance, Health, Nutrition & Population

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating
1. Political and Governance	● Moderate
2. Macroeconomic	● Low
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Low
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Low
7. Environment and Social	● Low
8. Stakeholders	● Substantial
9. Other	
10. Overall	● Moderate

**COMPLIANCE**

**Policy**

Does the project depart from the CPF in content or in other significant respects?

Yes    No

Does the project require any waivers of Bank policies?

Yes    No





**Environmental and Social Standards Relevance Given its Context at the Time of Appraisal**

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
Community Health and Safety	Not Currently Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

**NOTE:** For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

**Legal Covenants**

Sections and Description

Institutional Arrangements

Grant Agreement: Schedule 2, Section I.A.2.(a)

Recurrent, Continuous

The Recipient shall participate in the PSC for the purpose of coordination with relevant government agencies and civil society stakeholders during Project implementation.

Sections and Description

Grant Agreement: Schedule 2, Section I.A.2.(b)

Two (2) months after the Signature Date and Recurrent, Continuous

The Recipient shall not later than two (2) months after the Signature Date of this Agreement, enter into a



Memorandum of Understanding with NCDDDS on terms and conditions acceptable to the Bank, and thereafter carry out its responsibilities and obligations in accordance with the Memorandum of Understanding .

Sections and Description

Project Implementation Manual

Grant Agreement: Schedule 2, Section I.B

Recurrent, Continuous

The Recipient shall carry out the Project in accordance with the the arrangements and procedures set out in the Project Implementation Manual, and not amend, waive or abrogate any provisions of the manual unless the Bank agrees otherwise in writing.

Sections and Description

Annual Work Plans and Budgets

Grant Agreement: Schedule 2, Section I.C

Recurrent, Annual: December 1, Annually

The Recipient shall furnish to the Bank for its no-objection no later than December 1 of each year an annual work plan and budget during the implementation of the Project containing relevant Project activities and expenditures proposed to be included in the Project in the following year.

Sections and Description

Sub-grants

Grant Agreement: Schedule 2, Section I.D

Recurrent, Continuous

The Recipient shall make part of the Grant proceeds available to eligible Implementing Partners in accordance with eligibility criteria and procedures acceptable to the Bank as set out in the Project Implementation Manual.

Sections and Description

Environmental and Social Standards

Grant Agreement: Schedule 2, Section I.E

Recurrent, Continuous

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Environmental and Social Standards and the ESCP.

Sections and Description

Mid-term Review

Grant Agreement: Schedule 2, Section II.B

Once, 24 months after the Effective Date

Obligation of the Recipient to prepare and furnish to the Association a mid-term report in form and substance satisfactory to the Association.



**Conditions**

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## I. STRATEGIC CONTEXT

### A. Country Context

1. Over the past two decades, economic growth in Cambodia has been impressive and remained robust. The economy experienced an annual average growth rate of 7.9 percent over 1997-2017, ranking among the top seven fastest growing economies in the world. Growth was largely driven by exports of goods and services, which grew 14.6 percent a year over the same period. As a result, Cambodia's per capita Gross National Income (GNI) increased almost fourfold, from US\$320 in 1997 to US\$1230 in 2017. Growth remained strong in 2018, achieving a four year high of 7.5 percent.

2. Continuous high growth has led to dramatically reduced monetary poverty. As a result of Cambodia's sustained high growth, GNI per capita more than quadrupled from US\$ 250 in 1995 to US\$ 1,230 in 2017. Official estimates show that the percentage of Cambodians living under the national poverty line fell from 47.8 percent in 2007 to 13.5 percent in 2014 (see Figure 3). Poverty estimates for 2015 – 2017 are currently under review by the Government<sup>1</sup>, but preliminary indications are that poverty continued to decline.

3. Poverty reduction has been accompanied by improved human development and significant increases in living standards. Cambodia has experienced one of the fastest improvements in human development indicators in the region: life expectancy increased from 58 years (2000) to 69 (2017); under five mortality rate decreased from 107 per 1000 live births (2000) to 29 (2017); primary school completion rate increased from 51 percent in 2000 to 90 percent in 2017; and child stunting declined from 59 percent (1996) to 32 percent (2014). Indicators of living standards such as asset ownership and housing amenities have also improved. Between 2007 and 2017, ownership of cell phones increased by 65 percentage points, motorcycles by 42 percentage points, and access to electricity by 55 percentage points.

4. Despite these gains, vulnerability remains high. Most households that escaped poverty did so by only a small margin, leaving them highly vulnerable to falling back into poverty and preventing more sustained social mobility. Small income shocks, reducing consumption, could have a significant impact on poverty.<sup>2</sup> This underscores the fragility of progress made in fighting poverty. The 2018 World Risk Index ranks Cambodia as the 12<sup>th</sup> most disaster-prone country in its index of 172 countries.<sup>3</sup> Frequent disasters are a major source of catastrophic spending, pushing non-poor households into poverty and making it more challenging for poor households to eventually escape poverty. For instance, based on a 2013 post-flood needs assessment, average monthly incomes of those affected dropped more than 25 percent, enough to push many into poverty.<sup>4</sup> Likewise, 3.1 percent of the population had to incur debt to pay for health expenditures.

5. Enhancing public sector capabilities to deliver public services effectively and accountably will be critical to meeting the evolving needs of citizens and the private sector. Governance remains an issue in Cambodia, which scores considerably lower than other ASEAN countries according to the World Governance Indicators (see Figure 6). In some

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<sup>1</sup> The joint review of poverty estimates between 2009 and 2017 shows a robust trend in poverty reduction. The World Bank is collaborating with the National Working Group of Poverty Measurement led by Ministry of Planning and the National Institute of Statistics to review and update the poverty estimation methodology. The identified gaps in consumption measurement have been incorporated in the CSES 2019 to improve poverty measurement going forward.

<sup>2</sup> In 2014, it was estimated that a negative small shock of US\$ 0.5 per day would cause the national poverty rate to increase to 40 percent, or approximately six million people.

<sup>3</sup> World Risk Report 2018, Institute for International Law of Peace and Armed Conflict, 2018. 8

<sup>4</sup> Post-Flood Early Recovery Needs Assessment Report, RGC, 2014a.



areas, such as control of corruption and voice and accountability, little to no progress was made between 2005 and 2014. While some progress has been made, bribery incidence (affecting 63 percent of reporting firms in 2016<sup>5</sup>) remains by far the highest among peer countries suggesting that governance issues have a negative impact on both public sector services as well as the growing private sector. The capacity of public institutions continues to be weak impacting the key regulatory functions, civil service and the efficiency of public resource management. Nascent decentralization reforms will require concerted measures to better equip sub-national administration with the capacity and resources to deliver quality local services. Efforts to reinforce accountability at the level of service provision will need to continue. Promoting two-way interaction between beneficiaries and government, including by using mobile technology, can enhance citizen engagement and improve service delivery.

## B. Sectoral and Institutional Context

6. To strengthen access to, and the quality of public services, and to enable government to be more responsive to the needs of citizens, the Royal Government of Cambodia (RGC) began subnational governance reforms back in 2001 with passage of the Law on Management of Commune and Sangkat Administration, followed by passage of the Law on Management of Capital, Province, Municipality, Khan Administration in 2008. A National Program for Sub-National Democratic Development (SNDD) 2010–2019, was subsequently created with the intention to establish a “vibrant, democratically-elected and locally accountable sub-national governance system,” supported by local budgets to empower local government councils and effective citizen engagement in local decision-making. The SNDD was broken down into three, three-year implementation plans, each with specific activities, outcomes and annual budgets. RGC is currently in the last of its 3-year implementation plans (IP3-3), and the period of implementation has been extended to 2020.

7. The SNDD reform agenda has seen significant progress in many areas including: the direct election of commune/sangkat councils and indirect election of districts and provincial councils; the establishment of financial management, planning, administration, and council procedures; the directing of financing of local development priorities through a Commune/Sangkat Investment Fund and District/Municipality Fund; the creation of policies for functional transfer from national to subnational levels and permissive functions; and the transferring of primary education, solid waste management and other significant functions to districts/municipalities (DMs). However, many of the goals set out in the SNDD program have yet to be realized, in particular, the transfer of functions (and finances) from central line ministries to DM administration. The legitimacy and representativeness of local councils also suffered a major set-back in 2017, when the main opposition party, the Cambodia National Rescue Party (CNRP) was abolished. This led to the replacement of all recently elected CNRP commune council members with ruling Cambodia Peoples Party (CPP) members, creating a one-party local government system. The indirect elections of district and provincial councils by commune/sangkat council members in May 2019 inevitably concluded with all commune, district and provincial councils being filled with CPP representatives.

8. Despite the many setbacks and obstacles to progress in the SNDD reform agenda, one of the bright spots has been the successful implementation of the 3-year Implementation Plan for the Social Accountability Framework (ISAF), 2015-2018. The preparation and initiation of the ISAF followed endorsement of the Social Accountability Strategic Plan for Subnational Democratic Development by the RGC’s National Committee for Subnational Democratic Development (NCDD) in July 2013. This policy framework was developed through a consultative process involving government, over 80 NGOs, NGO networks and development partners. ISAF was added to the second 3-year SNDD implementation plan (IP3-

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<sup>5</sup> Cambodia: Systematic Country Diagnostic-Sustaining Strong Growth for the Benefit of All, WBG, 2017  
<https://www.worldbank.org/en/country/cambodia/publication/Cambodia-Systematic-Country-Diagnostics>



2), and has since been included in IP3-3, with the overall aim of empowering citizens to hold government to account for local service delivery and resource allocation covering all primary schools, health centers and commune councils in 120 communes across the country.

9. During its first 3-year implementation period, the four ISAF operational components of: (1) access to information and open budgets, (2) citizen monitoring, (3) capacity building and facilitation and, (4) program management, learning and monitoring were designed, tested, and refined. Partnerships with and between supply-side (state) and demand-side (civil society) actors were established, and, ISAF activities were rolled out to 75 percent (18 out of 24) of provinces, 62 percent (98 out of 159) of districts, and 56 percent (827 out of 1410) of communes across the country.

10. ISAF is a unique and groundbreaking program in the Cambodian context, and the achievements over the first 3-year implementation period (referred to subsequently as, ISAF Phase I, or ISAF I) prompted all the involved stakeholders to call for a second phase of ISAF implementation, ISAF Phase II, or ISAF II. There is still much to be done to extend ISAF coverage, refine ISAF methodologies and ensure that achievements to date are consolidated and integrated into sustainable systems, behaviors and practices of sub-national service delivery and active citizenship. ISAF II will allow more time for the kinds of social and behavioral changes required for social accountability to be sustainable to take place.

11. In response to stakeholder demand, an ISAF Phase II Implementation Plan was prepared in late 2018 by the NCDDES with support from the World Bank, and in consultation with a range of government and civil society stakeholders, outlining the key dimensions of a new five-year phase of ISAF, from 2019 to 2023. The plan was produced based on an assessment of Phase I strengths, weaknesses, achievements, challenges, and lessons learned. Some key features of ISAF II will include:

- Expansion of ISAF coverage to all rural communes.
- Expansion of ISAF coverage to all urban areas (and adaptation of ISAF methodologies for urban settings).
- Extension of ISAF activities to district administrations (DAs) and other selected services (such as water supply, sanitation and potentially agricultural extension services, protected area management, solid waste management, and/or referral hospitals).
- Use of information and communication technologies (ICTs) such as mobile applications (apps) to involve a larger number of citizens in ISAF (I4C, citizen monitoring and JAAP) activities.
- Measures to enhance government responsiveness to citizen feedback, particularly to increase JAAP implementation (including possible use of performance-based financing to districts and/or communes, and/or “matching funds”).
- Institutionalization and enhanced sustainability of ISAF processes (including the establishment of a national CAF volunteer Community of Practice/Network).

12. The goal by the end of Phase II is to establish permanent systems, within government and civil society, to ensure that (both supply-side and demand-side) social accountability activities can be sustained in the long term. After five years, by 2023, it is expected that ISAF Phase II will conclude with both evidence of significant service delivery improvements and an implementation approach that requires minimal external financial support. The proposed project is intended to contribute to the objectives of ISAF II, but government as well as other Development Partners and NGOs are also expected to contribute.

### **C. Relevance to Higher Level Objectives**



13. The World Bank Group’s Cambodia Country Partnership Framework (CPF) for the period from FY19-FY23 (Report No. 136500-KH) recognizes that public sector capabilities to deliver public services effectively and accountably will be critical to meeting the evolving needs of citizens and the private sector in the future. As such, it includes a “cross-cutting theme” on “Strengthening Governance, Institutions and Citizen Engagement.” As a cross-cutting theme, activities in this area will be applied across all activities in the World Bank portfolio. The CPF specifically states, as well, that the Bank will continue to invest in social accountability in health, education and commune administration services, while also expanding to include new public services such as district administration, water and sanitation, urban/municipal services and other areas of support, including through the Bank’s broader support for decentralization efforts. This proposed project as well as other activities under the multi-donor trust fund on Social Accountability and Service Delivery (SASD-TF), are listed in the CPF results matrix under CPF Objective 2, “Strengthen public sector accountability and public finance.”

14. Cambodia’s *Rectangular Strategy for Growth, Employment, Equity and Efficiency - Realizing the Cambodia Vision 2050 - Phase IV (September 2018)*, also recognizes the importance of social accountability in strengthening transparency within public administration. Through this fourth Phase, RGC seeks to address the issue of "efficiency" in governance, by enhancing the quality of public services. One of its goals is "further strengthening the capacity and governance of public institutions, both at national and sub-national and sub-national levels to ensure an effective and efficient delivery of public services aimed at better serving the people and improving business and investment environment." This project underpins this critical aspect of the core strategy to achieve and accelerate governance reform, by strengthening accountability and integrity in public administration through: expanding public dissemination of public documents, encouraging citizen participation in developing and implementing activities, and strengthening public feedback and complaint mechanisms.

## II. PROJECT DESCRIPTION

### A. Project Development Objective

15. To improve the quality and responsiveness of selected public services through more informed and engaged citizens.

16. The following indicators will be used to measure the achievement of the PDO:

- Percentage of service providers covered by this project that are meeting key national standards.
- Percentage of JAAP activities completed or ongoing in target communes/sangkats.
- Percentage of target communes/sangkats that have completed three full annual ISAF cycles.
- Percentage of graduated target communes/sangkats where a CAF network has been created and is operational.

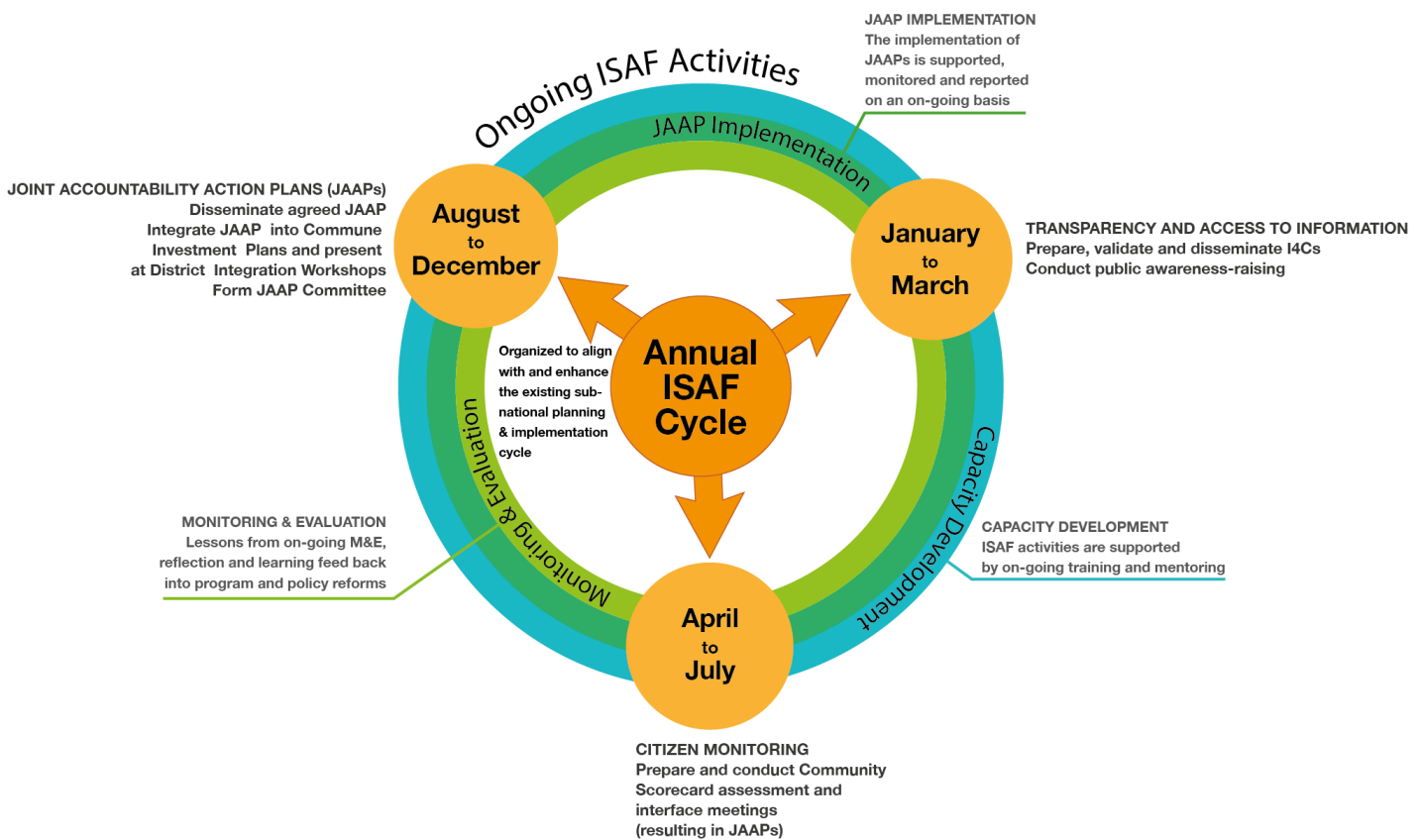
### B. Project Components

17. This project is proposed as support for the “demand-side” of social accountability, enabling civil society actors to organize and “demand” better public services. It will be complemented by a recently approved Integration of Social Accountability into National and Subnational Systems (P173527) which would enable the NCDDDS to implement the “supply-side” of social accountability by providing the information that citizens need to hold public service providers



accountable and by building the will and capacity of government officials to respond to feedback and demands from citizens. As such, the two projects should be viewed side-by-side as two parts of a whole, financed separately so that the implementing agencies on each side can act freely to balance each other out and to collaborate and partner on their own terms to achieve their collective aims of citizens that are more engaged in the delivery of public services and improvements in the quality of services for the people of Cambodia.

18. There are three main components of this project which comprise the annual cycle of social accountability activities: (1) Transparency and access to information; (2) Citizen monitoring; and (3) Implementation of Joint Accountability Action Plans (JAAPs). Component (4) Training and capacity development, and (5) Civil society coordination and partnership support, provide overarching support to building the capacity required to implement the planned activities and sustain them beyond the duration of this project. The diagram below depicts the annual ISAF cycle as well as the ongoing activities such as capacity building, M&E and JAAP implementation, which continue throughout and across each year.



19. Overall there will be three levels of intervention at the district/municipality (DM) and commune/sangkat (CS) level. The intensity of effort in each locality will vary depending upon whether ISAF has been previously implemented in that DM or CS. This differentiated approach is aimed at reducing external support over time as a way of “graduating” DMs from ISAF external support and integrating social accountability activities into core government systems and civil society action. DMs/CSs that have had no previous experience with ISAF will receive the most support as they will need to start from the basic concepts and processes of ISAF. DMs/CSs with ISAF experience will not need to receive support on the basics of





ISAF, and many of them may also have experienced local NGOs and trained CAFs to draw on, but they will still need support to prepare them to graduate from external project assistance. Finally, a third package of support will significantly reduce the intensity of the intervention and aim at leaving behind subnational government, service providers and civil society actors (especially CAFs) that continue to carry out social accountability activities after project support has receded.

20. World Vision International (WVI) will be the main implementing agency for the proposed project, ensuring overall coordination and working through partnerships with other local (and potentially other international) NGOs as well as individual community accountability facilitators working at the commune and villages levels. WVI will focus most of its resources in new DMs as well as the DMs where ISAF was previously active, but which have failed to sustain activities after ISAF I. The latter DMs will need to be “reactivated” by reengaging the local NGOs and CAFs if they are available. DMs where WVI continues to provide support for CAF networks, and those who eventually have at least 2 years of ISAF experience, will receive a reduced amount of support with the focus on establishing sustainable CAF networks and subnational authorities committed to working with CAFs and interested citizens to continue social accountability activities.

21. In terms of service coverage, this project and the complementary supply-side project (P173527) in particular, will continue to focus on the basic services covered in ISAF I: commune councils, health centers and primary schools. In addition, a new instrument and methodology for holding District and Municipality Administrations accountable for quality service delivery will be developed, piloted and scaled up over the duration of this project. This represents a fourth type of service provider that will be covered in ISAF. In addition, this project will also enable WVI to contribute to discussions with additional line ministries to help them to eventually develop, pilot and implement ISAF activities for other services such as water supply, wastewater management, nutrition-related public services, agricultural extension and protected area/natural resource management

22. Below are summary descriptions of each project component.

### **Component 1: Transparency and Access to Information (US\$1.50 million)**

23. This component aims to strengthen transparency and citizen access to, and demand for, public service performance information, budget and expenditure data, including through the provision of sub-grants to local NGOs. The goals are to: (i) strengthen the supply and dissemination of relevant public service information (including financial information), (ii) make the information more accessible to the public, and (iii) strengthen the capacity of citizens to understand the information provided so that they may more actively and effectively participate in dialogue on service provider performance and use of funds.

24. Once government agencies make service provider information publicly available through standardized *Information for Citizen* (I4C) posters and through newly developed multimedia and electronic platforms, volunteer Community Accountability Facilitators (CAFs) will help to communicate this information to citizens. The CAFs will make use of small village meetings, local radio, printed calendars and other materials, awareness raising on the use of the ISAF mobile application (App) and other means. Videos will also be developed and deployed via Facebook, the ISAF mobile App and other platforms, illustrating what quality public service is meant to look like as another means of educating the public. Video, radio and the engagement of CAFs that speak local, indigenous languages will help to make information accessible to indigenous and other ethnic minority groups living in Cambodia.

25. An enhanced focus on understanding service provider budgets, expenditures and procurement activity will be developed, including training in budget literacy for CAFs which can then be passed on to citizens. WVI will also engage



with NCDDS to finalize the systems for sharing information on District Administration services and add this to its I4C activities at the village and commune level. Educating citizens on additional public services (i.e. water supply and sanitation) at the village and commune level may be added as the relevant line ministries make such information available.

26. Sustainable mechanisms for financing I4C dissemination, including through CAFs, will be piloted and integrated into government and civil society support systems such as financing by Commune Councils, District Administrations (including through the District Ombudsman Office), and local civil society organizations (CSOs).

### **Component 2: Citizen Monitoring (US\$1.69 million)**

27. This component will empower citizens to monitor and assess public services and propose actions for improvement using an adapted Community Scorecard (CSC) methodology, including through the provision of sub-grants to local NGOs. Community Accountability Facilitators (CAFs), with the support of local NGO partners, as needed, will undertake the groundwork for the citizen monitoring process by identifying and mobilizing community participants and making logistical preparations for assessment meetings. CAFs will then help to prepare (in the case of citizen/community assessment meetings, and in districts organizing self-assessment meetings for the first time) and support separate assessment meetings with (i) the providers and (ii) the users of each service. Service provider (i.e. primary school, health center, commune and district administration) assessments are called “self-assessment” meetings. In both the service provider “self-assessment” and user assessment meetings, participants collectively generate and prioritize assessment criteria, score each criterion, describe strengths and weaknesses, and identify priority actions for improvement. Following these separate assessment meetings, users and providers for each service come together in an “interface meeting” to discuss the outcomes of their respective assessments and to collectively agree a set of priority actions for improvement – distinguishing between those actions that they can implement themselves with available resources and those that will require additional resources and/or action on the part of other (i.e. external or higher-level) actors.

28. Through the proposed project, WVI will train and support CAFs to organize and facilitate the CSC process, including service provider self-assessment, user assessment and interface meetings. Via the ISAF mobile App, CAFs will also enter the results of these assessment meetings into a central database so that the results can be seen publicly and by the relevant subnational government and line ministries so that they can take follow-up action, as needed, to improve service quality. The results of the Interface Meeting will also be used to prepare a Joint Accountability Action Plan (JAAP) in print form and electronically (via the ISAF mobile App) for each commune, including actions for each service provider. As participation in CSC meetings is limited due to space and resources, CAFs will promote the use of the mobile ISAF App as a way of extending information about the process and its outcomes to a broader set of citizens. This data will also be factored into JAAP prioritization process, when possible and be reviewed together with data generated from face-to-face meetings so that the full range of feedback provided is accessible to the public and service providers.

29. As in the case of the I4C activities described above, sustainable mechanisms for financing the annual CAF-supported the Community Process will be piloted - drawing on integrated government and civil society support systems. Through the complementary “supply-side” project mentioned earlier (P173527), NCDDS will train district ISAF trainers (one from each line ministry) to conduct self-assessment meetings. The NCDDS will also liaise with relevant line ministries and authorities to ensure that, by the end of ISAF II, the (minimal) direct costs of conducting these meetings on an annual basis are built into government budgets.

### **Component 3: Implementation of Joint Accountability Action Plans (US\$0.50 million in total, US\$0.19 million from SASD-TF and US\$0.31 million from WVI)**



30. This component aims at supporting communities, public service providers and subnational government officials to take collective action to implement agreed Joint Accountability Action Plans (JAAPs), including through the provision of sub-grants to local NGOs. In each target community, at the final interface meeting, a joint committee made up of local officials, service providers and community members is formed to support and monitor the implementation of the resulting JAAP. The JAAP Committee prepares a detailed implementation plan for each priority action, mobilizes the resources required, coordinates/supports the implementation of each action, monitors progress and reports publicly on results twice yearly. The Committee also ensures that the JAAP is presented at the annual District Integration Workshop and that JAAP actions are incorporated into Commune Investment Plans, health center and school improvement plans, as appropriate.

31. While the primary responsibility for JAAP follow-up is through the JAAP Committee, chaired by the Commune Chief, CAFs are also members of the JAAP Committee and often play an active role in helping to organize and facilitate JAAP Committee meetings. CAFs will also enter JAAP action updates, or support Commune Chiefs or Clerks to update JAAP actions in the ISAF online database, as needed. WVI will also aggregate JAAP actions at a line ministry level, identify areas where district, provincial or national level action and investment is needed and advocate for such action (i.e. provision of additional teachers, books, medicine, health center or school rooms, etc.) as needed.

32. For districts which are implementing ISAF for the first time, CAFs will be supported to engage more actively in JAAP Committee meetings, but this support will be reduced over the course of three years to the point where communes self-finance all aspects of the meetings.

**Component 4: Training and Capacity Development (US\$1.80 million in total, US\$1.73 million from SASD-TF and US\$0.07 million from WVI)**

33. This Component will support the review and revision of the ISAF Demand-side Manual and Training Guidelines, associated forms and documents, incorporating lessons from ISAF Phase I. It will also support the development of new demand-side guidelines for district administration services, and possibly additional services to be identified during implementation. Once such documents are finalized, they will be printed and disseminated electronically, as needed.

34. For CAFs that are just recruited, WVI will conduct a modular training leading to a national-level certification based on certification processes applied by NGOs under ISAF Phase I. Certification includes both theoretical and practical classroom activity as well as demonstrated capacity to implement all ISAF CAF-led activities such as I4C and CSCs. Refresher training will also be provided each year. Under the proposed project, a specialized capacity building NGO will be financed through a sub-grant/sub-project to develop and support long-term capacity building and, potentially, to engage the relevant Ministry for professional certification (i.e. Ministry of Labor and Vocational Training) to specify the skills and competencies needed to certify them. A status of “CAF Leader” will also be developed to act as peer trainers/mentors/supervisors for other CAFs.

35. The capacity building NGO will also be tasked with developing a CAF Community of Practice that will promote and support ongoing (face-to-face and online) information sharing, communication and collaboration between CAFs at district level, provincial and national level. One of the roles of the capacity building NGO will be to develop safeguards to ensure the political independence of CAFs, “CAF Leaders” and Community of Practice. As an incentive for sustainability, one criterion for the selection of the capacity building NGO will be their willingness to continue to support the CAF network and certification process after the conclusion of project financing. The capacity building NGO will also coordinate with the



government’s ISAF training activities to ensure that the content is consistent and potentially support certification of government staff in social accountability practices.

**Component 5: Civil Society Coordination and Support (US\$1.26 million in total, US\$0.84 million from SASD-TF and US\$0.42 million from WVI)**

36. As WVI will ensure the implementation of project activities both through its own subnational offices (where present) and through partnerships/sub-projects with other NGOs, the project will support the required administrative coordination costs. This will include subnational support staff who will play a role in liaising with “supply-side” counterparts, in particular ISAF focal points and working groups at the provincial and district levels. WVI will also ensure coordinated civil society input into the joint (i.e. government and civil society) national-level Partnership Steering Committee (PSC) by organizing meetings of interested CSOs/NGOs and coordinating and communicating common messages. This component will also include the recruitment and management of CAFs and CAF leaders, as well as other project consultants, incremental NGO staff time (i.e. financial management, procurement and communications support) and sub-project agreements. Monitoring, evaluation, results and lessons learned documentation and dissemination will also be supported through various media. A mid-term and final evaluation will be required, and some funds will also be made available for learning events and small studies on selected topics. Incremental operating costs will also be covered.

**Project Cost and Financing**

37. The total project financing is US\$6.75 million, funded through a US\$5.95 million grant from the Cambodia Social Accountability and Service Delivery Trust Fund (SASD-TF) as well as a US\$0.8 million co-financing from WVI International. While the full value of donor commitments to the SASD-TF have yet to be transferred to Bank, the full value will be transferred incrementally as per the tranche payments specified in the Administrative Agreements signed between the Bank and each donor. Based on already available funds, a sum of US\$4.477 million will be made available to the recipient via the signing of a Grant Agreement upon project approval. Additional grant resources will then be passed on to recipient as and when they are received without the need to process a restructuring or additional financing. In the meantime, project implementation will start with the available grant resources. In case the full amount of the SASD-TF donor financing does not materialize or is less than expected, either additional resources will be sought, or the project will be restructured to be proportionately scaled down. Some of the contributions to the SASD-TF will also be allocated to World Bank-Executed Trust Funds to support project implementation and analytics.

**Table 1: Breakdown of Project Cost by Component (US\$, Millions)**

<b>Project Components</b>	<b>SASD-TF (US\$)</b>	<b>WVI Co-Financing (US\$)</b>	<b>Total Project Cost (US\$)</b>
Component 1: Transparency and Access to Information	1.50	0.00	1.50
Component 2: Citizen Monitoring	1.69	0.00	1.69
Component 3: Implementation of Joint Accountability Action Plans	0.19	0.31	0.50
Component 4: Training and Capacity Development	1.73	0.07	1.80
Component 5: Civil Society Coordination and Support	0.84	0.42	1.26
<b>Total Project Cost</b>	<b>5.95</b>	<b>0.80</b>	<b>6.75</b>



### C. Project Beneficiaries

38. **Project Beneficiaries.** The primary beneficiaries of the project will be the citizens of the targeted coverage area who stand to benefit from improved access to information and knowledge of public service delivery, an increased ability to influence the delivery of services, and eventually improvements in the quality of public services. As such, potentially all households in the targeted geographic area could benefit from the project. Secondary beneficiaries include national and subnational government officials who will have improved information to identify areas for improvement by service providers as well as the service providers themselves who can seek to improve the quality of their services.

39. **Geographic Coverage.** The “demand-side” activities to be financed under the project would complement the coverage area under the recently approved financing under the NCDDS-implemented “supply-side” social accountability activities. The project would cover ten provinces, 7 of which were covered in ISAF I and 3 new provinces. Within these provinces, the project would cover 48 rural districts, 6 urban municipalities (the equivalent of a rural district), 442 rural communes and 23 urban sangkats (the equivalent of a rural commune). Out of this coverage area, none of the urban municipalities nor urban sangkats received support under ISAF Phase I. Approximately half of the rural districts (22 of 48) and rural communes (205 of 442) are also new. As such, the proposed geographic area represents a significant expansion of the ISAF coverage area under the ISAF Phase II period. The remaining 26 districts, comprising 237 communes, have already received two years of support to apply ISAF approaches and have, therefore, been chosen for inclusion in this project in order to apply the ISAF Phase II “graduation approach.” This “graduation approach” refers to a progressively declining amount of project support over the project duration which will conclude with self-sustaining, subnational ISAF implementation with minimal national government-level support. Table 2, below, summarizes the coverage area of the project.

**Table 2: Summary of Project Coverage Area**

<b>Geographic Coverage Area</b>			
	<b>ISAF I</b>	<b>New</b>	<b>TOTAL</b>
Province	7	3	10
Districts	26	22	48
Municipalities	-	6	6
Communes	237	205	442
Sangkats	-	23	23
<b>Service Providers</b>			
Commune Councils	237	205	442
Sangkat Councils	-	23	23
Primary Schools	1,198	838	2036
Health Centers	166	205	371
District Administration	-	20	20
Municipal Administration		6	6
<b>Total Service Providers</b>	<b>1,601</b>	<b>1,297</b>	<b>2898</b>

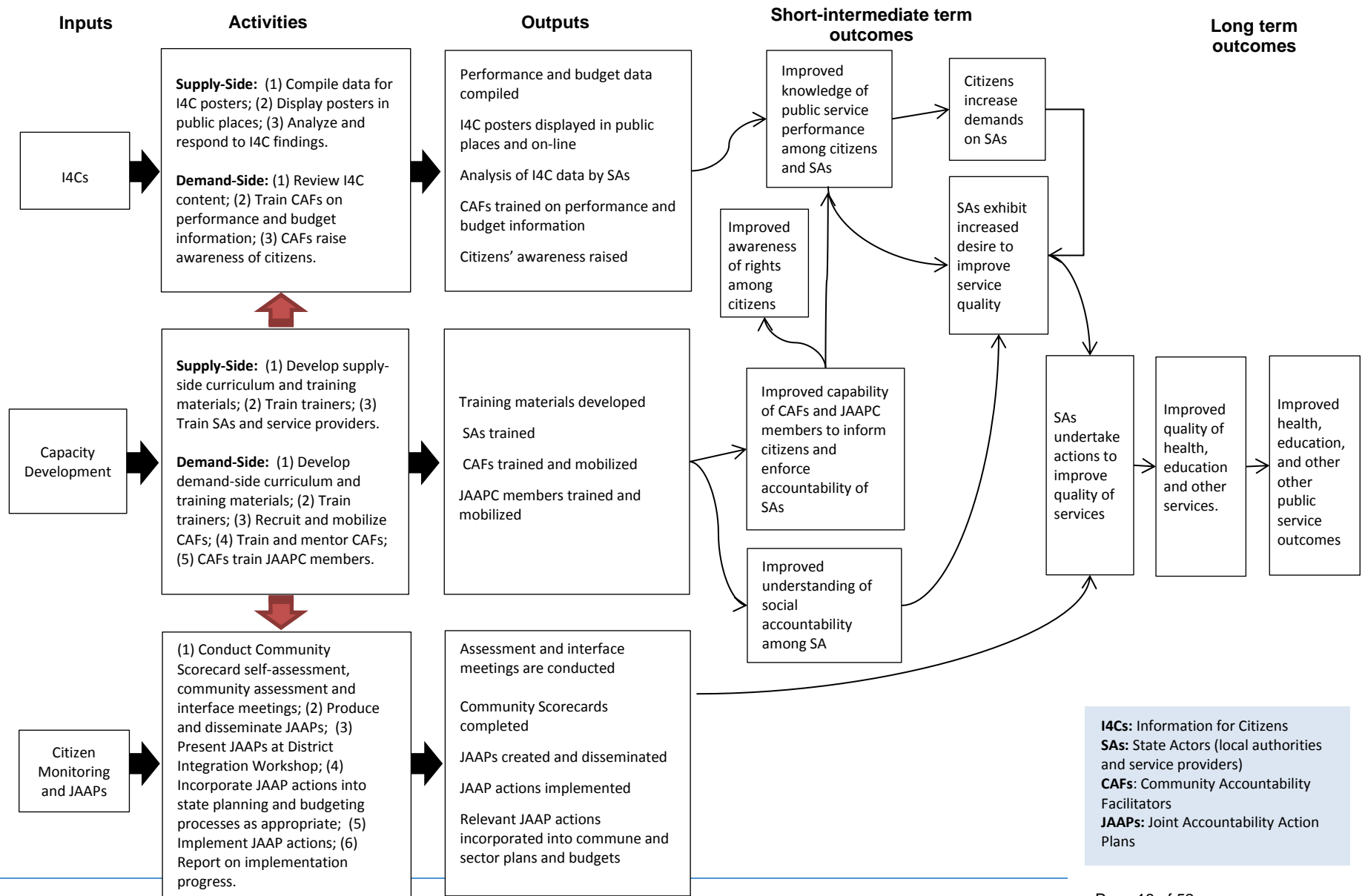
40. As additional funds are contributed to the main financing instrument, the SASD-TF, the coverage area of this project will continue to be expanded through additional financing and restructuring, with the eventual goal of ensuring



that every primary school, health center and commune council in every rural commune and urban sangkat (1,646 in total) in the country has at least three years of experience implementing ISAF. As mentioned earlier, these funds and activities will complement and coordinate with other investments in the implementation of ISAF II by other development partners, some of which are already known (such as projects financed by USAID, Oxfam and the EU), while other activities may emerge in the future.

#### **D. Results Chain**

41. The proposed results chain for the project is presented in Figure 2. The final intended outcome of the project is improved outcomes from the public services that are included in the project, namely education, health, and subnational government (communes and districts).





## E. Rationale for Bank Involvement and Role of Partners

42. The Bank has played a leadership role among development partners in Cambodia supporting RGC in the areas of local governance and public service delivery over the last 10-15 years, including the implementation of the Rural Investment and Local Governance project (2003 - 2011), the Demand for Good Governance project (2008 - 2013), and the recently closed Voice and Action project (2015 - 2019). These investments have resulted in improvements in the magnitude and quality of commune-level investment, improvements in the efficiency of subnational service delivery through One Window Services (OWSs) and an increase in access to information and citizen engagement, among others.

43. As these are inherently public sector functions, investing to institutionalize and sustain social accountability mechanisms as they pertain to core public services is highly justified. This is not an area which the private sector would invest or operate in, but rather an area where private sector execution of government contracts would be scrutinized to ensure value for money and mitigation of corruption risk.

44. Various DPs have recently supported, and/or are planning to support in future, social accountability-related activities in Cambodia, including specific support to the implementation of ISAF II. Some of this financing has already been, and may be in future, channeled through the Bank-managed, multi-donor, SASD-TF. This TF will be the primary means for Bank coordination of DP investments, both through contributing members and through observer members to the SASD-TF Partnership Council who are also contributing explicitly to ISAF II outcomes. The Bank will also continue to share information and coordinate with other DPs through the Technical Working Group on Subnational Development (TWG-SND), a forum for dialogue and coordination for all DPs working on subnational development activities.

## F. Lessons Learned and Reflected in the Project Design

45. The proposed project follows on the recent completion of ISAF Phase I implementation and, as such, various lessons have been drawn from the first phase to inform the second phase. Some of these lessons include:

- **Some of the content of I4Cs (especially budget information) was difficult for citizens to understand.** Adjustments and simplifications, therefore, should be made to render I4Cs more user-friendly. Some additional information (such as service details contact details) could also enhance the usefulness of I4Cs. The process of collecting of I4C post-on data is time-consuming which led to some delays in the posting of I4Cs during Phase I. Efforts should therefore be made to streamline the process of data collection and entry. It is particularly important for line ministries to take responsibility for collecting post-on data for their sector and to introduce direct electronic data entry. To ensure the accuracy of I4C data, steps should also be taken to strengthen the review process.
- **Improvements in the effectiveness and efficiency of the dissemination of I4Cs are needed.** While more than 554,000 people participated in Phase I awareness-raising activities on I4Cs, this still represents a small minority of citizens in target communes. Steps should be taken both to enhance the effectiveness of current awareness-raising activities and to expand the dissemination of I4C data through the use of ICTs.
- **I4C data is underutilized by subnational authorities and line ministries to address service delivery gaps.** In addition to posting and disseminating I4C findings at local level, it is important that sustainable systems and practices are introduced to ensure that (local and national level) I4C findings are recorded and analyzed over time, to glean key messages and inform decisions regarding service delivery and policy reforms.





- **Implementation of JAAP actions that are incorporated into Commune Investment Plans is difficult to realize.** During ISAF Phase I, important progress was made towards ensuring the incorporation of relevant JAAP actions into Commune Investment Plans. During ISAF II, steps must be taken to enhance responsiveness to JAAPs on the part of SNAs, line ministries and other concerned state actors. Actions to strengthen the capacity of JAAP committees and mobilize enhanced (public and private) resources to support the implementation of priority JAAP actions are also required.
- **Supply-side training has been extensively delivered, but has yet to be mainstreamed into training for subnational authorities.** Under Phase I, NCDDES developed supply-side training modules and delivered training to a significant number (7,200) of commune, district, and province-level officials. Under Phase II, these training modules should be refined and institutionalized (i.e. integrated into the program of a permanent government training institution). ISAF training for relevant sector officials and service providers should be mainstreamed within the relevant line ministries.
- **While various approaches are being pursued, no single model for CAF sustainability has emerged, so ongoing experimentation and efforts to institutionalize this role must be continued.** CAF Networks have been formed at the commune, district and provincial levels, and the development of a national CAF Community of Practice has been discussed under ISAF I, but progress towards institutionalizing these mechanisms has been modest thus far. Efforts to support the development of a permanent national CAF volunteer Community of Practice as well as commune, district and provincial, networks should be enhanced.

### III. IMPLEMENTATION ARRANGEMENTS

#### A. Institutional and Implementation Arrangements

46. WVI will be the main implementing agency for this project. It will be responsible for the management, coordination and implementation of the project in the specified provinces/districts, including procurement, disbursement, and financial management. WVI will also sign sub-grant agreements with local NGOs to complement its own organizational capacity and district/area field offices to extend its reach for the implementation of localized activities, within a group of provinces or districts. These local NGOs will primarily help to recruit, train and support CAFs in their work. Once they have been sufficiently trained, CAFs are the main implementers of ISAF activities on the ground. They conduct I4C outreach to communities, organize and facilitate CSCs, organize and facilitate interface meetings and JAAP preparation and support JAAP Committees to do follow-up.

47. As explained previously, WVI, as the main implementing agency for demand-side ISAF activities, will work closely with NCDDES, the lead agency on the supply-side. This will include an MOU to be signed between the two organizations to commit themselves to the same coverage area as well as regular information sharing, meetings and interactions to allow for the smooth and coordinated implementation of supply and demand-side social accountability activities. In addition, a multi-stakeholder Partnership Steering Committee (PSC) which is comprised of half government and half civil society members, has been operational for the last three years and will continue to be a forum for dialogue and coordination between government and civil society on ISAF implementation.



48. At the provincial and district levels, WVI and its local NGO partners will coordinate closely with provincial and district ISAF Working Groups and Focal Points, formed and assigned by provincial and district administrations with the support and guidance of NCDDDS. WVI will also work closely with nascent, district-level Ombudsman offices, as these units are responsible for receiving and responding to citizen complaints and feedback about public service delivery. As they are relatively new, the extent to which they can play a role in social accountability will be explored over the duration of the project. Communes Councils will also continue to play a key role as the Chair of the JAAP Committee and the primary subnational authority responsible for ensuring quality service delivery for their constituents.

## **B. Results Monitoring and Evaluation Arrangements**

49. While the project has its own specific results framework, the overall results of the project are intended to contribute to achieving the outcomes specified in the ISAF II Implementation Plan. Some of these outcomes are best pursued on the demand-side, while others are best pursued on the supply-side. While NCDDDS will manage the ISAF database, Management Information System and ISAF mobile app platform, World Vision International will both channel data into these systems from civil society activities (i.e. scorecard results and JAAPs) and collect and manage its own data which is related solely to demand-side activities (such as knowledge test scores for I4C events, CAF accreditation data and others).

50. The results and lessons from the impact evaluation of ISAF I will be utilized to design evaluation instruments for ISAF II. While some of these instruments will be designed and implemented by the World Bank to allow for nationwide assessment across all demand-side implementing partners (i.e. not only WVI), some impact evaluation-related activities may be implemented by WVI.

51. WVI has already developed analytical tools for identifying and assessing trends in service provider performance and this capacity will continue to be developed and shared publicly as well as with national and subnational authorities to help them to identify service delivery gaps and to address them. As ISAF is strongly focused on making information on public service delivery and the use of public resources accessible to the public, there will be a strong focus in all activities to make any ISAF-related information available in a timely fashion and in formats that are accessible to a wide range of audiences, including indigenous/ethnic groups, people with disabilities, illiterate or semi-literate people and other groups that face obstacles in accessing information.

## **C. Sustainability**

52. The goal by the end of ISAF Phase II is to establish permanent systems, within government and civil society, to ensure that (both supply-side and demand-side) social accountability activities can be sustained in the long term with minimal external financial support. This project aims to advance a range of approaches and activities that will increase the likelihood that social accountability activities will be sustained over time.

53. Through a separate, complementary project, NCDDDS will take the lead in encouraging subnational authorities and line ministries to mainstream ISAF activities into their core operations and budgets. This includes school and health center financing of budget and performance I4C posters and Commune Council support for the facilitation of scorecards, JAAP preparation and implementation. WVI and its civil society partners will also urge government agencies to self-finance and implement these activities, but a strong government commitment is needed.

54. One of the main strategies for maintaining independent civil society activity on social accountability is the



accreditation and formation of professional networks of CAFs that can continue to operate on their own after project financing. WVI has already piloted such networks through the previous Bank-financed Voice Action (V&A) project. Groups of CAFs have gathered at the district and provincial levels and elected CAF Leaders from among their ranks to: organize regular meetings of CAFs, coordinate with and support local authorities, and provide peer support to less experienced CAFs. The project will invest in strengthening existing networks, starting new ones in places where they do not yet exist and then tying them into a national CAF network as one of the “graduation” strategies for communes that have received ISAF support for 3+ years.

## IV. PROJECT APPRAISAL SUMMARY

### A. Economic and Technical

55. **Economic.** The economic benefits of social accountability come about by improving local basic service performance and making commune/district resource allocation more efficient. The actions taken by service delivery units such as schools, for example, to improve the quality of services can produce positive impacts on school outcomes such as lower repetition, higher enrollment rates, better long-term cognitive development, and greater schooling attainment. Improved educational attainment, health or access due to better local services and resource allocation will support a reduction in socio-economic inequality by addressing inequality in opportunities.

56. An impact evaluation of ISAF Phase I has been conducted and the results are being analyzed. The methodology includes both household surveys as well as physical observations (i.e. of public information boards and infrastructure such as male a female toilets), interviews with key informants such as Commune Councilors, School Directors and Health Center Directors. Initial analysis reveals improvement in the performance of all three service providers in basic service standard areas such as textbook provision, quality of sanitation services, overall public awareness of service standards and other areas. The lessons learned from this evaluation, both in terms of outcomes that can be expected from social accountability interventions as well as the best methodologies for evaluating such interventions will be applied to the analysis of social and economic impacts of the project. The World Bank-executed studies planned to be financed through the SASD-TF will include economic analysis of different areas of benefit which emerge from the impact evaluation.

57. **Technical.** The technical design of ISAF activities has been tested, delivered and refined over the course of the 3-year, ISAF I. There are both Demand-side and Supply-side Manuals as well as Training Guidelines which specify the activities to be undertaken in the annual ISAF cycle and provide practical tools for implementation. A review of these documents as a part of appraisal has found them to be robust and ready for ongoing use. Some improvements have already been made to the Demand-side Manual and Demand-side Training materials to reflect the lessons of ISAF I and more will be made at the start of implementation of this project to reflect additional ideas that continue to emerge. A Process Evaluation conducted by The Asia Foundation and financed by the Asian Development Bank found the ISAF design to be well-functioning overall, while also identifying several areas for improvement which have been addressed in the design for this project.<sup>6</sup>

### B. Fiduciary

#### (i) Financial Management

<sup>6</sup> Cambodia: Process Review Implementation of Social Accountability Framework (I-SAF), ADB Technical Assistance Report, ADB, October 2017.



58. The FM assessment was carried out in August 2019. The World Bank’s Policy and Procedures on TFs are set out under OP/BP 14.40, Trust Funds. The assessment determined that the project’s FM arrangements are acceptable and meet the World Bank’s minimum FM requirements Bank’s Policy and Directives: Investment Project Financing. Based on the assessment, the FM risk is Moderate.

59. At the Central level, the project FM and Disbursements will be managed by the WVI who have previous experience managing grant financed projects, including from the World Bank. The Project funds will be accounted for in the computerized accounting software- Sun Cloud. The project will maintain a separate Designated Account to be opened at the ACLEDA Bank (a commercial bank) to receive funds from the World Bank. The methods of disbursements that may be used include: advance (through Designated Account), reimbursement, and direct payments. Reports on liquidation should be supported by statements of expenditure as outlined in the additional instructions of the Disbursement and Financial Information Letter. WVI is the main implementing agency and they intend to work in partnership with local NGOs to implement sub-grant activities in relation to ISAF activities.

60. WVI is required to submit six-month interim unaudited financial reports (IFR) to the World Bank no later than 45 days after the end of each calendar semester. The project’s financial statements will be audited annually by a private audit company acceptable to the World Bank. Each audit will cover one calendar year and the audit report for each year shall be submitted to the World Bank not later than six months after the end of each calendar year.

**(ii) Procurement**

61. Procurement under the project will be carried out in accordance with World Bank Procurement Regulations for Borrowers under Investment Project Financing (IPF) dated July 1, 2016, revised November 2017 and August 2018. The approaches to national markets (National Procurement and Request for Quotations) will be carried out in accordance with the Procurement Manual for All Externally Financed Projects/Programs (“Procurement Manual”), promulgated through the Sub-decree 74 dated May 22, 2012, which was issued pursuant to Article 3 of the Kingdom of Cambodia’s Law on Public Procurement dated January 14, 2012, subject to the additional provisions included in the NCB annex in the Procurement Plan and the provisions stipulated in the Financing Agreement. The WVI will be the Implementing Agency for the project and will be responsible for all procurement activities.

**C. Legal Operational Policies**

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

**D. Environmental and Social**

62. The project’s aim is to build a sustainable mechanism for feedback on the quality of government services. It will not finance any infrastructure and/or technical assistance that could conceivably result in any adverse environmental or social impacts. As such the project environment and social risk is classified as low. The ESCP has commitments related to four of the Environmental and Social Standards (ESSs). These are: ESS 1 Assessment and Management of Environmental and Social Risks and Impacts; ESS 2 Labor and Working Conditions; ESS 7 Indigenous Peoples/Sub-Saharan African



Historically Underserved Traditional Local Communities; and ESS 10 Stakeholder Engagement and Information Disclosure. The Environmental and Social Commitment Plan (ESCP) which incorporates the stakeholder requirements, was disclosed in-country on 18 October 2019 and on World Bank External Site on 24 October 2019.

## V. GRIEVANCE REDRESS SERVICES

63. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## VI. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

64. The Overall risk rating for the project is **Moderate**. With three years of experience implementing the ISAF approach, and improving the design over time, the technical, implementation and fiduciary capacity requirements are well established, including through World Bank financing of two NGOs for very similar activities. The most challenging aspect of the proposed project will be the national-level implementation and coordination with additional NGO partners, ensuring the quality at the local level.

65. **Institutional Capacity and Sustainability risks are Substantial.** As WVI already has three years of experience working on ISAF, they have proven capacity to manage the proposed activities. However, the proposed coverage area is beyond WVI's previous coverage and is likely to expand yet further as additional funds are made available. Establishing sustainable modalities for CAFs and other demand-side activities to be financed in the absence of donor financing will also be challenging as there are only a few examples of such financing that are already being applied. Partnering with experienced local NGOs will help to build sustainable mechanisms through a more in-depth understanding of local context. Working closely with subnational government and leveraging support from the supply-side implementer, NCDDS, will also help to test and maintain sustainable mechanisms for the demand-side.

66. **Stakeholder risks are Substantial.** There are several line ministries, subnational government layers and administrations as well as a range of civil society actors directly involved in project implementation. As such, there is a risk that any of these stakeholders could face challenges in implementation and choose not to participate or do so ineffectively. The national PSC will be the main mechanism for managing national-level risk and the Implementing NGO's subnational offices and/or partners operating at the provincial and district levels will be the primary means of managing stakeholder risk at their respective levels. The Bank will also lead the Partnership Council for the SASD Multi-donor Trust



Fund and use this as a mechanism for donor alignment, but also for communicating coordinated messages to different stakeholders.



**VII. RESULTS FRAMEWORK AND MONITORING**

**Results Framework**

**COUNTRY: Cambodia**

**Engaging Citizens to Improve Service Delivery Through Social Accountability**

**Project Development Objectives(s)**

To improve the quality and responsiveness of selected public services through more informed and engaged citizens.

**Project Development Objective Indicators**

Indicator Name	DLI	Baseline	End Target
<b>Improve public services by establishing sustainable mechanisms for informed citizen engagement</b>			
1. % of service providers covered by this project that are meeting key national standards (Percentage)		46.00	75.00
2. % of JAAP activities completed or ongoing in target communes/sangkats (Percentage)		35.00	80.00
3. % of target communes/sangkats that have completed three full annual ISAF cycles (Percentage)		15.00	90.00
4. % of graduated target communes/sangkats where a CAF network has been created and is operational (Percentage)		0.00	75.00



**Intermediate Results Indicators by Components**

Indicator Name	DLI	Baseline	End Target
<b>Component 1: Transparency and Access to Information</b>			
1.1. % of citizens participating in the ISAF process able to cite key service standards (Percentage)		20.00	70.00
1.2. % of citizens participating in the ISAF process able to cite year-to-year budget changes/patterns (Percentage)		20.00	70.00
1.3. # of cumulated online views of videos presenting service delivery standards and budget information (Number)		0.00	500,000.00
1.4. % of villages in target communes/sangkats covered by face-to-face I4C events to enhance citizen awareness of service provider standards and budgets (Percentage)		60.00	95.00
1.5. % of men participating in I4C awareness-raising events (Percentage)		25.00	35.00
<b>Component 2: Citizen Monitoring</b>			
2.1 % of citizens attending scorecard meetings who have previously participated in an I4C face-to-face event (Percentage)		0.00	70.00
2.2. % of interface meetings at which actions for improvement proposed by disadvantaged citizens (in the context of home visits) are presented (Percentage)		0.00	80.00
2.3 % of citizens who, after participating in the citizen monitoring process, report increased confidence that citizen voice and actions can have an impact on public service quality (Percentage)		0.00	60.00
2.4. % of citizens in target communes/sangkats who agree that the JAAP satisfactorily captures priority actions to improve local service delivery (Percentage)		0.00	80.00
<b>Component 3: Implementation of Joint Accountability Action Plans (JAAPs)</b>			
3.1. % of JAAP committees that have met at least twice in the past 12 months (Percentage)		0.00	90.00
3.2. % of JAAP actions requiring financial support that have been		0.00	30.00





Indicator Name	DLI	Baseline	End Target
allocated government resources (Percentage)			
3.3. % of JAAPCs that have successfully mobilized non-government resources to support the implementation of JAAP actions (Percentage)		0.00	30.00
<b>Component 4: Training and Capacity Development</b>			
4.1. % of CAFs that have received certification (Percentage)		39.00	85.00
4.2. Total number of certified CAFs (Number)		0.00	1,900.00
4.3. % of target districts with 3 certified CAF leaders (Percentage)		0.00	90.00
4.4. Number of consecutive years that the National Capacity Building Agency meets its agreed co-financing commitment (Number)		0.00	3.00
<b>Component 5: Civil society coordination and support</b>			
5.1. % target communes/sangkats that have completed the full annual ISAF cycle in the previous calendar year (Percentage)		15.00	90.00
5.2. # of provincial level learning forums conducted (Number)		0.00	40.00
5.3. # of PSC meetings conducted (Number)		0.00	8.00
5.4. # of annual reports analyzing aggregated Scorecard and JAAP data produced and disseminated. (Number)		0.00	4.00

**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
1. % of service providers covered by this project that are meeting key national	Percentage of target service providers (primary schools,	Annually	NCDDS Database	Data extracted from NCDDS Database	NCDDS



standards	<p>health centers and communes/sangkats) covered by this project that are meeting national standards monitored by the NCDDS as part of ISAF (6 for each category of service provider).</p> <p>Numerator = # of service providers (primary schools, health centers, communes/sangkats) covered by this project that are meeting key national standards.</p> <p>Denominator = # of service providers (health centers, primary schools, communes, districts) covered by this project.</p> <p>Disaggregated by type of service, individual indicator and years of ISAF implementation.</p>				
2. % of JAAP activities completed or ongoing in target communes/sangkats	Percentage of all of the JAAP actions adopted in relation to target service providers (primary schools, health centers,	Annually	Semi-annual JAAPC reports	Consolidation of semi-annual JAAPC reports	JAAPCs and NCDDS



	<p>communes/sangkats) that have been implemented (completed or on-going) at the time of reporting.</p> <p>Numerator = Number of JAAP actions that have been implemented (completed and on-going).</p> <p>Denominator = Total number of agreed JAAP actions</p> <p>Disaggregated by type of service.</p>				
<p>3. % of target communes/sangkats that have completed three full annual ISAF cycles</p>	<p>Percentage of communes/sangkats supported by the project in which all service providers (primary schools, health centers, communes/sangkats) operating on its territory have completed all steps of the ISAF process (I4C dissemination, citizen monitoring process, JAAP creation and JAAPC formation) for three annual cycles.</p>	<p>Annually</p>	<p>NCDDS database</p>	<p>Data extracted from NCDDS Database</p>	<p>NCDDS</p>



	<p>Numerator = # of communes/sangkats participating in the project that have completed 3 full annual ISAF cycles.</p> <p>Denominator = # of communes/sangkats participating in the project.</p>				
<p>4. % of graduated target communes/sangkats where a CAF network has been created and is operational</p>	<p>Survey perception</p>	<p>Percentage of graduated communes/sangkats (i.e. those that have completed at least three annual ISAF cycles) where a CAF network has been created and is operational (i.e. CAF Leaders have been elected and have received accreditation ), Numerator =</p>	<p>Annually</p>	<p>Data extracted from semi-annual reports from implementing agencies</p>	<p>WVI</p>



		# of graduated communes where a CAF network has been created and is operational. Denominator = # of graduated communes.			
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**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
1.1. % of citizens participating in the ISAF process able to cite key service standards	<p>% of citizens able to cite at least two standards (out of 6) for each service (primary school, health center and commune/ 6 sangkat administration) 3 months after taking part in an I4C event.</p> <p>Numerator = Number of surveyed citizens (male/female) each year of implementation able to cite</p>	Annually	Annual survey reports	A survey on knowledge of rights and standards will be developed. 30% of participants in each I4C meeting will be surveyed by CAFs immediately after the I4C meetings, either face to face or through phone calls. Their contact information will be collected and they will be surveyed again	CAFs and implementing agency



	<p>≥2 of 6 standards for all three of the relevant services.</p> <p>Denominator = Total number of surveyed citizens (male/female).</p> <p>Disaggregated by sex and by service.</p>			after 3 months through phone calls.	
1.2. % of citizens participating in the ISAF process able to cite year-to-year budget changes/patterns	<p>% of citizens able to cite at least two changes (or aware of no change) to year-on-year budgets for at least 2 out of 3 services (i.e. primary school, health center and commune/sangkat administration) 3 months after taking part in an I4C event.</p> <p>Numerator= Number of surveyed citizens correctly stating any budgetary impacts (including none if relevant) year-on-year for any two of the three relevant services 3 months after taking part in the I4C session on budget information.</p>	Annually	Annual survey reports	<p>A survey on knowledge of budget and income will be developed. 30% of participants in each I4C meeting will be surveyed by CAFs immediately after the I4C meetings, either face to face or through phone calls. Their contact information will be collected and they will be surveyed again after 3 months through phone calls.</p>	CAF's and implementing agency



	<p>Denominator= Total number of surveyed citizens (male/female).</p> <p>Disaggregated by sex and type of service.</p>				
1.3. # of cumulated online views of videos presenting service delivery standards and budget information	<p>Number of cumulated online views of the videos presenting service delivery standards and budget information</p> <p>The cumulated number will aggregate the number of views</p> <ul style="list-style-type: none"> <li>- for the different videos</li> <li>- from the different platforms used to share the videos</li> </ul>	Annually	Online platforms	DSCA to collect data for all videos and for all different platforms used and aggregate it	Demand side coordination agency
1.4. % of villages in target communes/sangkats covered by face-to-face I4C events to enhance citizen awareness of service provider standards and budgets	<p>Percentage of villages in target communes/sangkats where face-to-face I4C events to enhance citizen awareness of service provider standards and budgets are conducted.</p> <p>Numerator = # of villages where face-to-face I4C are conducted.</p>	Annually	Semi-annual reports from implementing agencies	Data extracted from semi-annual reports from implementing agencies	CAFs and implementing agency



	Denominator = Total # of villages in the project's target communes/sangkats.				
1.5. % of men participating in I4C awareness-raising events	<p>% of men participating in I4C awareness-raising events</p> <p>Numerator = # of male participants in I4C awareness-raising events.</p> <p>Denominator = Total # of participants in I4C awareness-raising events.</p>	Annually	Semi-annual reports from implementing agencies	Data extracted from semi-annual reports from implementing agencies	CAFs and implementing agency
2.1 % of citizens attending scorecard meetings who have previously participated in an I4C face-to-face event	<p>Percentage of citizens attending scorecard meeting in target communes/sangkats who have previously joined an I4C meeting</p> <p>Nominator = # of citizens in target communes/sangkats attending scorecard meetings who have previously joined an I4C meeting during the same annual cycle</p> <p>Denominator = # of citizens attending scorecard meetings</p>	Annually		Lists of attendance for the scorecard meeting will include a column to capture if participants have previously participated or not in the I4C meeting. CAFs will capture this information while registering the participants at the beginning of the scorecard meetings.	CAFs and implementing agency





<p>2.2. % of interface meetings at which actions for improvement proposed by disadvantaged citizens (in the context of home visits) are presented</p>	<p>Percentage of interface meetings at which actions for improvement proposed by disadvantaged citizens (in the context of home visits) are presented</p>		<p>Semi-annual reports from implementing agencies</p>	<p>Data extracted from semi-annual reports from implementing agencies</p>	<p>CAFs and implementing agency</p>
<p>2.3 % of citizens who, after participating in the citizen monitoring process, report increased confidence that citizen voice and actions can have an impact on public service quality</p>	<p>% of citizens who, after participating in a scorecard and interface meeting, report increased confidence that citizen voice and actions can have an impact on public service quality</p> <p>Nominator = # of surveyed citizens whose reported level of confidence is higher after participating in the ISAF process</p> <p>Denominator = Total # of surveyed citizens</p> <p>Disaggregated by sex and number of annual cycles of participation</p>	<p>Annually</p>		<p>A perception survey will be developed and conducted by the CAFs before the scorecard meeting and after the interface meeting to measure this indicator. The survey will be repeated every year to track variation over time</p>	<p>CAFs and implementing agency</p>
<p>2.4. % of citizens in target communes/sangkats who agree that the JAAP satisfactorily captures priority actions to improve local service delivery</p>	<p>Percentage of citizen representatives surveyed that have taken part in the interface meetings in target communes/sangkats and agree that the JAAP</p>		<p>Perception survey</p>	<p>A perception survey will be developed and conducted by the CAFs after the interface meeting to measure this indicator.</p>	<p>CAFs and implementing agency</p>



	<p>satisfactorily captures priority actions to improve local service delivery</p> <p>Nominator = # of citizens surveyed who agree that the JAAP satisfactorily captures priority actions to improve local service delivery</p> <p>Denominator = Total # of citizens surveyed</p> <p>Disaggregated by sex</p>				
3.1. % of JAAP committees that have met at least twice in the past 12 months	<p>% of JAAP committees in target communes/sangkats that have met at least twice in the past 12 months</p> <p>Nominator = # of JAAP committees that have met at least twice in the past 12 months</p> <p>Denominator = Total # of JAAP committees</p>	Every six months	Semi-annual JAAPC reports	Consolidation of semi-annual JAAPC reports	JAAPCs and NCDDS
3.2. % of JAAP actions requiring financial support that have been allocated government resources	<p>% of JAAP actions categorized as requiring financial support that have been allocated government resources (from local service</p>	Annually	Semi-annual JAAPC reports	Consolidation of semi-annual JAAPC reports	JAAPCs and NCDDS



	<p>providers or line ministries)</p> <p>Nominator = # of JAAP actions categorized as requiring financial support that have been allocated government resources</p> <p>Denominator = # of JAAP actions categorized as requiring financial support</p> <p>Disaggregated by type of service</p>				
<p>3.3. % of JAAPCs that have successfully mobilized non-government resources to support the implementation of JAAP actions</p>	<p>% of JAAP committees that have successfully mobilized non-government resources (from donors, NGOs or private sector) to support the implementation of JAAP actions</p> <p>Nominator = # of JAAPCs that have successfully mobilized non-government resources to support the implementation of JAAP actions</p> <p>Denominator = Total # of JAAPCs</p>	<p>Annually</p>	<p>Semi-annual JAAPC reports</p>	<p>Consolidation of semi-annual JAAPC reports</p>	<p>JAAPCs and NCDDS</p>



<p>4.1. % of CAFs that have received certification</p>	<p>% of CAFs that receive certification</p> <p>Nominator = # of CAFs that receive certification</p> <p>Denominator = # of active CAFs</p> <p>A CAF is certified when he/she has successfully completed 4 modules of training and has independently facilitated a community scorecard and interface meeting</p> <p>Disaggregated by sex and age groups</p>	<p>Annually</p>	<p>CAF training and certification records</p>	<p>Data will be extracted from CAF training and certification records</p>	<p>Implementing agency and National Capacity Building Agency</p>
<p>4.2. Total number of certified CAFs</p>	<p>Number of CAFs that receive certification</p>	<p>Annually</p>	<p>CAF training and certification records</p>	<p>Data will be extracted from CAF training and certification records</p>	<p>Implementing agency and National Capacity Building Agency</p>
<p>4.3. % of target districts with 3 certified CAF leaders</p>	<p>% of target districts with 3 certified CAF leaders</p> <p>A CAF leader is certified when he/she has been certified as CAF, has been elected by his/her peers, has successfully completed</p>	<p>Annually</p>	<p>CAF leader training and certification records</p>	<p>Data will be extracted from CAF leader training and certification records</p>	<p>Implementing agency and National Capacity Building Agency</p>



	<p>CAF leader training and has provided at least 3 modules of ISAF training to CAF networkmembers</p> <p>Nominator = # of target districts with 3 certified CAF leaders</p> <p>Denominator = Total # of target districts</p>				
4.4. Number of consecutive years that the National Capacity Building Agency meets its agreed co-financing commitment	Number of consecutive years that the National Capacity Building Agency meets its agreed co-financing commitment	Annually	National Capacity Building Agency co-financing records	Review of National Capacity Building Agency co-financing records	Demand Side Coordination Agency and National Capacity Building Agency
5.1. % target communes/sangkats that have completed the full annual ISAF cycle in the previous calendar year	Percentage of communes/sangkats supported by the project in which all service providers (primary schools, health centers, communes/sangkats) operating on its territory have completed all steps of the ISAF process (I4C dissemination, citizen monitoring process, JAAP creation and JAAPC formation) in the previous	Annually	NCDDS database	Data extracted from NCDDS Database	NCDDS



	<p>calendar year.</p> <p>Numerator = # of communes/sangkats participating in the project that have completed the full annual ISAF cycle in the previous calendar year.</p> <p>Denominator = # of communes/sangkats participating in the project.</p>				
5.2. # of provincial level learning forums conducted	# of provincial level learning forums conducted.	Annually	Semi-annual reports from implementing agencies	Data extracted from semi-annual reports from implementing agencies	Implementing agencies
5.3. # of PSC meetings conducted	# of PSC meetings conducted	Annually	PSC meeting minutes	Review of PSC meeting minutes	WVI
5.4. # of annual reports analyzing aggregated Scorecard and JAAP data produced and disseminated.	# of annual reports analyzing aggregated Scorecard and JAAP data produced and disseminated by WVI.	Annually	Analytical reports	Review of analytical reports	WVI





ANNEX 1: Implementation Arrangements and Support Plan

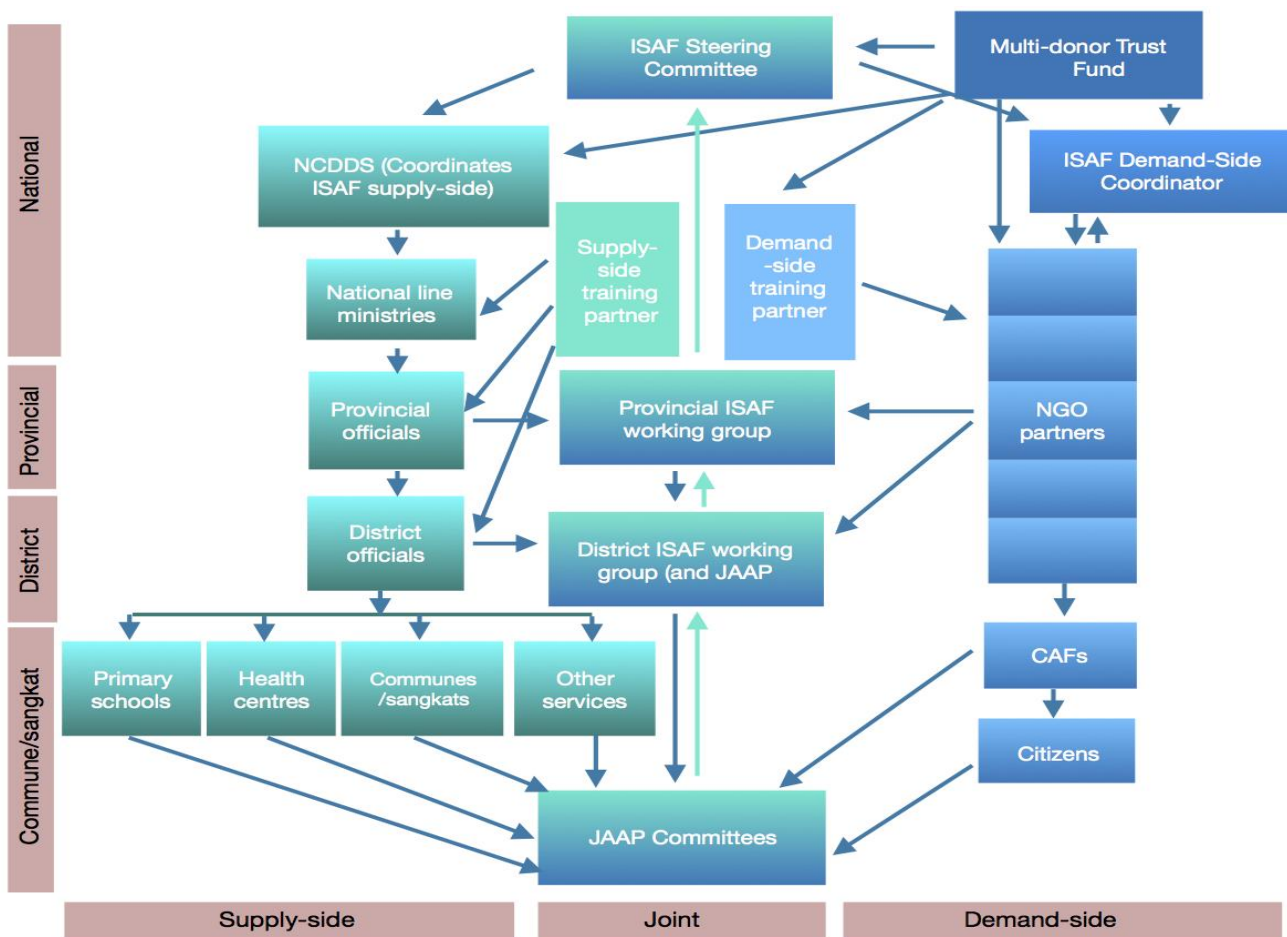
COUNTRY: Cambodia

Engaging Citizens to Improve Service Delivery Through Social Accountability

Project institutional and implementation arrangements

1. World Vision International will be the main implementing agency for the project. As described above, they will provide sub-grants to local NGOs who will then engage and support CAFs who will, in turn, be in direct contact with citizens and service providers. As there are both government and civil society actors, as well as stakeholders at all four levels of government and at least three line ministries with service providers covered under the project, there are many stakeholders and roles of various formal and informal bodies. Below, in Figure 1, is a diagram of stakeholder support arrangements. This is followed by brief descriptions of the roles of the different stakeholders.

Figure 1: Stakeholder Support Arrangements







2. *ISAF Partnership Steering Committee (PSC)* - ISAF's model of collaboration and coordinated action among and between supply-side and demand-side actors is one of its defining features and most important achievements. The Partnership Steering Committee provides a joint platform for the RGC and CSOs (and with participation of development partners as observers) to make decisions and ensure oversight of the joint implementation of the ISAF, including policy matters, program design, implementation, financing arrangements, target areas, sector expansion and functionality of the framework. During ISAF II, the Committee will continue to meet on a regular basis and be actively engaged in decisions and efforts to adopt a sustainable and permanent model of ISAF implementation.
3. *NCDDS* – NCDDS will continue to play an essential role in coordinating supply-side ISAF activities, liaising with the ISAF coordinator/coordination committee, overseeing the annual production of I4Cs, managing the I4C and JAAP databases, issuing ISAF-related guidelines and instructions, and ensuring that SNAs receive the training and support they need to participate effectively in ISAF activities. NCDDS will also support all interested line ministries in streamlining ISAF into their relevant structures, programming and planning.
4. *ISAF demand-side coordinator* – Under Phase II, the ISAF demand-side coordinator (who will be rotated between different NGO partners) will ensure the effective coordination of demand-side ISAF activities, liaise with NCDDS and the multi-donor trust fund, and support and coordinate the activities of NGO implementing partners.
5. *National training partners* - National training partners (supply-side and demand-side), in consultation with implementing partners, will develop ISAF-related training curricula, deliver training and ToT to supply-side and demand side actors and support the organization of annual ISAF learning forums. The demand-side partner will host the national CAF community of practice.
6. *National line ministries* – Line ministries will take on increasing responsibility for ISAF activities in their sector. This will include: issuing guidelines and instructions to ministry officials and staff regarding participation in and support for ISAF, supporting awareness-raising and capacity building of ministry officials and staff as required, allocating funds for the annual implementation of ISAF activities (including the production and dissemination of I4Cs for the sector as well any costs associated with self-assessment meetings and/or JAAP meetings), and adopting procedures to strengthen responsiveness to I4C findings and the implementation of JAAP actions.
7. *Provincial and district ISAF working groups* - These working groups will be chaired by provincial and district officials and include representatives of line ministries, sectoral agencies, district ombudsman offices and civil society (i.e. NGO partners and “master CAFs”). Their role will be to: coordinate and support ISAF activities at provincial and district level; disseminate, discuss and respond to I4C and JAAP findings at provincial and district level; support and monitor JAAP implementation; and, ensure effective multi-stakeholder communication and collaboration throughout the annual ISAF cycle. District ISAF working groups will also serve as JAAP committees for district-level evaluations (e.g. ISAF evaluations of district administrations and water supply/sanitation services).
8. *Public service providers* - Public service providers (e.g. the managers and staff of local schools, health facilities and other target services) are responsible for: collecting, reviewing, submitting, posting and disseminating I4C post-on information; engaging in self-assessment and interface meetings on the performance and quality of service; reporting problems requiring higher level interventions to superiors; participating in the JAAPC; and, supporting the implementation of the JAAP (including through use of their limited budgets).
9. *Sub-national authorities (SNAs)* – As service providers, *district/commune/sangkat officials* will be responsible for: collecting, reviewing, submitting and posting I4C post-on information regarding their administration/service; engaging in



self-assessment and interface meetings on the performance and quality of their services; and reporting problems requiring higher level interventions to superiors. As chair (or co-chair) of the JAAP Committee, the district/commune/sangkat chief (or a designated councilor) will also: lead/support the dissemination, implementation and monitoring of the JAAP; ensure that JAAP actions are integrated into relevant district/commune/sangkat and sector investment plans and budgets, and coordinate efforts to improve governance and public services at the district/commune/sangkat level.

10. *NGO implementing partners* – World Vision International will be supported through this project to be one of the main NGO implementing partners for ISAF II, but it is not the only one. Groups like CARE International, Oxfam, RACHA and FHI-360, are also committed to implementing aspects of the ISAF II Plan. These other NGO Implementing Partners will play a similar role to the role of World Vision International that is described in this project and their activities will be coordinated by the ISAF Demand-side Coordinator.

11. *CAFs and CAF Leaders* - CAFs play a crucial role as community mobilizers and agents of change. CAFs are primarily responsible for helping their fellow citizens to access information about their rights, learn about public service standards and performance, identify actions to improve public services, and work with local officials and service providers to take action for positive change. CAFs undertake training and receive accreditation based on a standard curriculum and then activities at the community level which focus on raising awareness of the content of I4Cs, facilitating community scorecard assessment and interface meetings, and participating in and supporting JAAP Committees. CAF Leaders, a select number of CAFs identified by their peers, receive additional training and take on a number of responsibilities previously fulfilled by the local NGO partners, including recruiting, training and supervising new CAFs, coordinating ISAF activities at community level and troubleshooting.

12. *JAAP committees* - JAAPCs are follow-up committees established at commune/sangkat level (and at district level in the case of DA ISAF assessments) comprised of local officials, service providers and citizen representatives. JAAPC members are selected/elected at the ISAF interface meeting and subsequently receive training to help them effectively fulfill their role. They are responsible for: publicly disseminating the JAAP; submitting it to the ISAF district working group; conducting detailed action planning; mapping assets; mobilizing resources and community support; coordinating and supporting the implementation of the agreed JAAP; lobbying for government responsiveness; and, monitoring and reporting publicly on progress. <sup>1</sup> <sub>SEP</sub>

13. *Citizens* - Citizens are the primary stakeholders and target group of ISAF implementation. Citizens in ISAF target communities attend meetings to learn about government standards, performance and budgets; participate in scorecard meetings to assess local public services; participate in interface meetings to voice their concerns and discuss improvements with SNAs and service providers; and, participate in implementing the JAAP. ISAF seeks to achieve social inclusion by ensuring the active participation of women, men, children/youth and marginalized groups (including ID poor, indigenous people, ethnic minorities, the elderly, people with disabilities, people living with HIV/AIDS and the LGBTQI+ community).

14. *Development Partners* – Independently and through the multi-donor, SASD-TF, multiple development partners provide financial and technical support to ISAF Phase II activities. The SASD-TF will ensure financial management and reporting, provide operational and technical support as required (to demand-side and supply-side actors), conduct studies, analyze data, coordinate demand-side M&E and reporting, and organize regular coordination/technical meetings.

## **Financial management**



15. An FM assessment was carried out in August 2019 to ensure that FM arrangements were acceptable and in accordance with the World Bank Small Recipient-Executed Trust Fund Grants Guidance note, OPSIL October 2017. The World Bank's Policy and Procedures on TFs are set under OP/BP 14.40, Trust Funds. The FM arrangements for the Grant meet the minimum requirements under OP/BP 10.00 including budget, accounting, fund flow, internal controls, disbursements, financial reporting and audit arrangements.

16. World Vision International is the executing agency for the project. WVI has considerable experience implementing donor-grant funding projects with an annual budget of US\$25 million (i.e. EU, DFAT, USAID, WFP, and USG), including project financed by the World Bank. The FM staff of the implementing agency has adequate knowledge and experience in managing the project FM and disbursements from the previous JSDF/WB funded project.

17. The FM risk of the project is Moderate given the FM performance challenges, Grant involved local NGO partners, sub-national levels with different financial policies and procedures and coordination, and limited knowledge of ineligible expenditures provided in the Grant funding including training workshop and operating costs. In order to mitigate the risks identified: (i) two FM consultants will be contracted to provide FM support to the FM division including Grant Monitoring Officer to support to Sub-grantees, (ii) A clear set of fund flow procedures to improve documentation and monitoring from the Sub-grantees to the WVI and the FM Manual will be annexed to POM and ensuring effective adherence and compliance, and (iii) training on FM and disbursements will be needed for the FM team and FM staff of the sub-grantees.

18. **Staffing arrangements.** The Finance Division of WVI, under the supervision of its Finance Manager, will be responsible for project FM and disbursements. Two key FM consultants will be recruited to support the FM manager including a Finance Officer (accountant) and a Finance Assistant (Accountant Assistant) with Terms of References to be reviewed and approved by the World Bank. The two FM consultants will be adequately equipped to respond to functional needs. The FM team will need training on FM related to disbursement of funds from the World Bank, so they can provide project FM and disbursement support effectively.

19. **Accounting system.** The project will use the computerized accounting system Sun Cloud, to capture all project financial transactions and financial reporting (IFR cash basis accounting). At the central level, Sun Cloud is used by the Finance Division of WVI in order to generate the required financial report by sources of funds, category, components, sub-components and according to the chart of accounts of the project. Original documents of WVI's sub-national offices will be sent to the FM division of WVI in Phnom Penh and the project's records and photocopies will be retained at the provincial office. The original documents of account and project documents of local NGO partners will be retained at their offices for audit purposes.

20. **Internal controls.** WVI has existing control mechanisms and payment procedures, outlined in the FM Manual such as verification, approval and authorization of payments are highly structured and tight. The FM team has a clear job description to perform FM related matters. The internal controls, assessed to be adequate, include: (i) approved and documented Financial Authority Scheme, (ii) two signatories for the authorization of payments to third party, (iii) segregation of duties exists in the payment process, month-end account reconciliation, and (iv) monthly financial report are produced for budget holders to manage the cost and the specific controls/ policy will be disclosed in the POM. The components' budgets are allocated and majoring in training activities in relation to ISAF. Thus, it is required that the finance procedures specified ineligible expenditures such as honorarium, bonus/ wages, gift and benefits. Major expenditures related to key activities include trainings, meetings and workshops, and cost associated with training (i.e. training materials, per diem, fees, transportation, accommodation, venue rental) and local purchases with reliable receipts and invoices shall be disclosed in the POM.

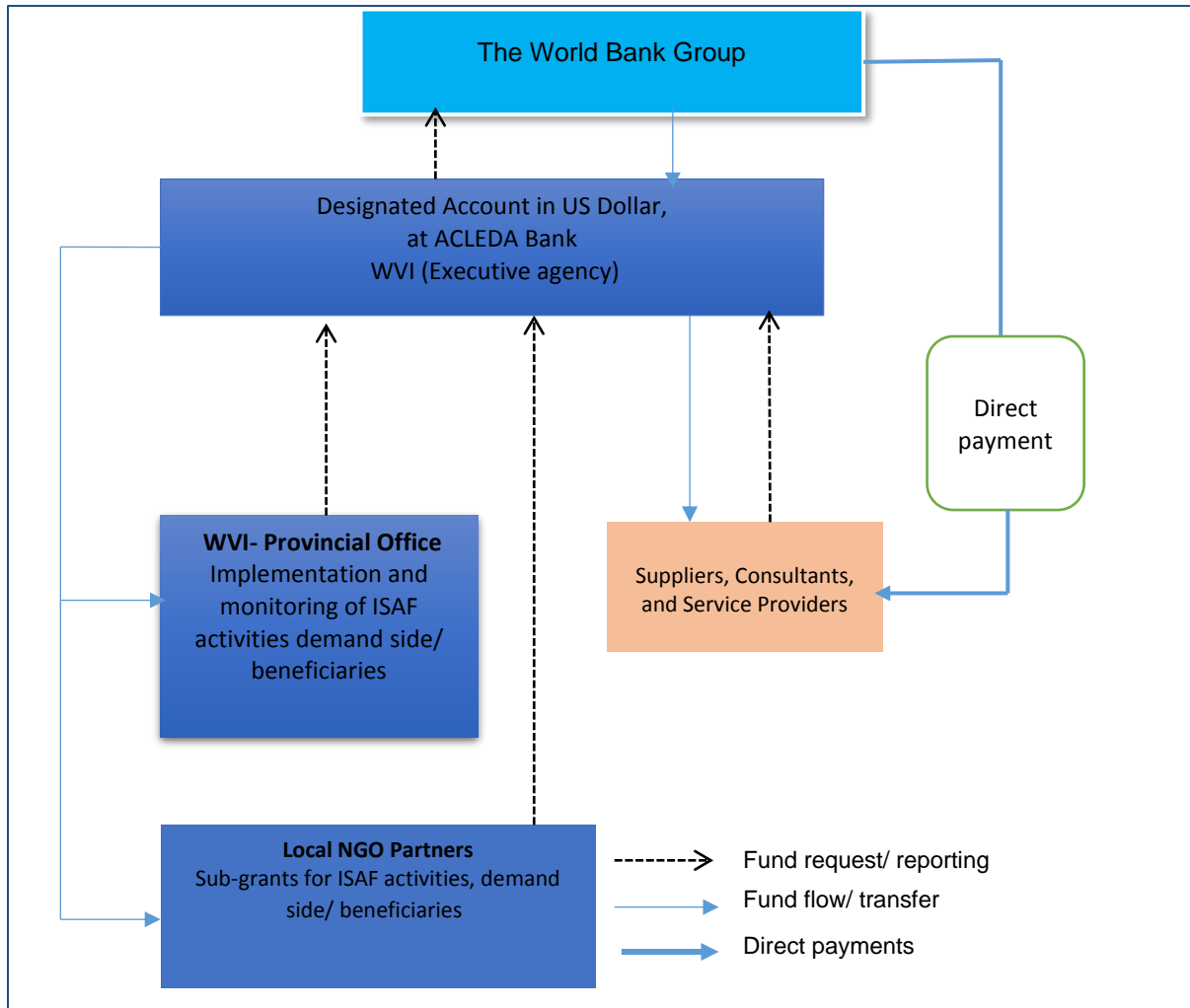


21. **Budget.** The WVI FM team has budget experience from the previous World Bank funded project. A detailed work plan and budget should be prepared annually and ensure the budget and activities are linked to the key result indicators of the project. The annual work plan and budget will follow the practices and procedures of WVI and the procedures documented in the Project Operations Manual (POM). WVI will prepare its annual work plan and budget related to Grant component expenditures, and approved by the WVI Operations Director, and then submit it for the World Bank's review and non-objection. The annual work plan and budget shall be finalized and available by November 15 and submitted to the Bank for no objection by December 1 of each year. This will enable the project to implement the approved work plan and budget by the beginning of the next calendar year. The project can finance 100 percent of eligible expenditures inclusive of taxes from the Grant for all contract agreements including goods, works, consultants, training, operating costs and sub-grants.

22. **Funds flow.** This project will open a separated Designated Account (DA) in U.S. dollar, at the ACLEDA Bank, a Commercial Bank acceptable to the World Bank. The authorized signatories for the DA will include a project Management Team of WVI. The WVI is the administrator of the DA, and the DA may finance eligible expenditures in accordance with the Grant Agreement: (a) make payments directly to the suppliers, consultants, and service providers; and (b) transfer of funds to the provincial project office and sub-grantees and ensure liquidation is undertaken in a timely manner. The below figure shows the fund flow for the project:



Figure 1.1. Project Fund Flow



23. **WVI’s cash management.** WVI will make available funds from its own sources to cover project costs including transfer of funds to the provincial office, to local NGO partners, and to pay for eligible expenditures related to goods and services for the project. By month-end, WVI will prepare a liquidation report to settle such expenditures through the available funds in the designated account. On a regular basis, the project will report such eligible expenditures made from the DA to the World Bank for the DA replenishment. This practice was acceptable in the previous Bank funded project (JSDF Grant No. TFOA1513) and the same practice continues to apply for this project as part of pooled funds of the internal arrangements of WVI.

24. **Sub-projects.** WVI is working in partnership with local NGOs to implement ISAF activities. The qualified local NGOs will be selected and awarded the grant funds by WVI through partnership assessments of local NGOs. WVI has experience in managing grant funds and providing sub-grant funding to NGO partners and monitoring their implementation. The total sub-project amounts of US\$ 1,485,863 and 4 local NGOs are expected to be provided with sub-grants for implementation of: (i) transparency and access to information, (ii) citizen monitoring, (iii) implementation of joint accountability action



plans, and (v) capacity development. The partnership agreement template between WB and the local NGOs should include financial provisions and policies in relation to overhead costs and direct costs and should be included in the PIM. Local NGO partners are legally bound to the Grant Agreement between WVI and the World Bank and therefore, the sub-projects will be audited as part of the annual project audit.

25. **Designated account.** At the Central level, there will be one Bank account for the project to be managed by WVI. The designated account (DA) in US dollar currency will be open at the Commercial Bank (ACLEDA bank) to receive funds from the World Bank. A DA ceiling with fixed amount of US\$ 595,000 is the initial DA allocation, which is at 10percent of the total grant funding of US\$ 5,950,000. This will allow the project to maximize the use of funds from the DA, with regular reporting of eligible expenditures to the World Bank and to allow for a more efficient flow of funds so that project implementation is not delayed. In addition, the project has small contracts in goods and services. The Grant’s components will involve mainly in training activities related to ISAF at national and sub-national levels.

**Disbursement**

26. The project will apply an e-disbursement procedure (web-based request of funds) when submit a request of funds from the World Bank. The disbursement of grant proceeds will be made through submission of electronic withdrawal applications with adequate supporting documents through the Client Connection website (upload the scanned supporting documents). The original copies of withdrawal applications and supporting documents will be retained at the WVI central office for audit purposes. The FM team of the project is required to have access rights to this website for disbursement of funds.

27. The common method for disbursement of funds is “Advance” (though liquidation of DA). The initial advance to deposit into the DA is at US\$595,000 and will be made to the DA upon the effectiveness of the project and based on the DA ceiling and at the request of the WVI to the World Bank.

28. WVI will need to pre-finance the costs of start-up activities related to procurement advance activities including, but not limited to, advertising expenses for Expressions of Interest, Requests for Proposal, RFQs, Invitations for Bid, and so on in the estimated amount of US\$3,000 starting from October 24, 2019 to the date of signing. The pre-financing expenditure for these activities can be reimbursed by the project. As such, no withdrawal shall be made for payments prior to the Signature Date of the Financing Agreement, except that withdrawals up to an aggregate amount not to exceed \$3,000 may be made for payments made prior to this date but on or after October 24, 2019, for Eligible Expenditures.

29. The supporting documents will be a statement of expenditures (SOE) which the project will report transaction-based expenses into the SOE. The disbursement methods include (a) advance, (b) reimbursement, and (c) direct payment. Frequency of reporting eligible expenditures paid from the DA will be quarterly. The project will follow the World Bank Disbursement Handbook for the Borrowers, April 2017, and Disbursement Guidelines for Investment Project Financing, February 2017. The project is expected to have several small contracts spread across goods and services, thus the minimum value of application is US\$50,000 equivalent for each direct payments and reimbursements.

**Table 1.2. Disbursement Categories (Allocation of Grant)**

Category	Amount of the Grant Allocated (expressed in US Dollar)	Percentage of Expenditures to be Financed (inclusive of taxes)
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Goods, Non-consulting services, Consulting services, Incremental Operating Costs, Sub-grants, Training and Workshops	5,950,000	100 percent
<b>Total</b>	<b>5,950,000</b>	

30. **Disbursement deadline date.** The project will have a disbursement deadline date of four months after the closing date of the project specified in the Grant Agreement.

**Procurement**

31. **Institutional arrangements for procurement.** The procurement unit of the WVI will be implementing the procurement activities for the project.

32. The Project Operation Manual (POM) will elaborate the details of procurement arrangements, including responsibilities of IA, and procurement risk mitigation action plan. It refers to (i) the World Bank Procurement Regulations for IPF Borrowers (July 2016, and revised November 2017 and revised August 2018) applicable to this project, (ii) the PPSD and Procurement Plan, and (iii) Public Procurement Law (January 2012) and Standard Operating Procedures (SOP) including the Procurement Manual for all Externally Funded Projects/Programs in Cambodia (Sub-Decree No. 74 ANK. BK of May 2012) of the RGC with the additional provisions for use of national procedures under the Bank-financed projects in Cambodia.

33. **Procurement capacity and risk assessment.** WVI has a well-established procurement unit with the clear responsibility and accountability and they have sufficient qualified procurement staff with strong capacity in carrying out procurement of goods, works and general services (non-consulting services) on behalf of other Programs. World Vision International has experience in handling a Bank-financed project, successfully implemented one grant from the World Bank from 2015 to 2019 and project procurement was rated “satisfactory”. However, the World Bank Procurement Regulations for IPF Borrowers is new to the WVI. A detailed procurement capacity and risk assessment, including mitigation measures will be in the PPSD. The overall project risk for procurement is Moderate.

34. **Procurement Plan.** Based on the PPSD, the first 18 months procurement plan for the project will be jointly prepared by the IA and agreed with the Bank.

35. **Use of STEP.** The Systematic Tracking of Exchanges in Procurement (STEP), which is a web-based tool for procurement planning & tracking, streamlining & automation, and monitoring & reporting is applicable to this project.

36. **World Bank’s review and implementation support.** The procurement supervision will be part of the semi-annual project implementation support mission and procurement clinics/consultant based on the need. In addition to the prior review by the Bank based on the prior thresholds, which are subject to change according to the result of risk assessment carried out during the project implementation, the Bank will carry out the annual procurement ex-post review on a sample of at least 10 percent of all post review contracts financed by the Project. STEP will help the Bank to monitor the procurement progress and to take appropriate supportive actions in due course.

**Strategy and approach for implementation support**



37. As ISAF cuts across various sectors, it will be important for the Bank to engage its sector specialists and their respective clients to ensure that ISAF approaches are in line with other Bank-supported activities to improve service provider performance. Health, Education and Governance sector/practice colleagues will be engaged in addition to the lead role played by Social Development global practice. In addition to the sector coordination and supported needed to ensure the effectiveness of the project, support will be needed to manage some of the risks noted above, including areas here government capacity is limited, and Bank expertise is considered important. The proposed focus areas of implementation support include:

- **Coordination with DPs and program analysis.** The Bank will need to play a lead role in coordinating with other Development Partners, NGO Implementing Partners, Government and other stakeholders. This support will link directly to Bank management of the SASD-TF which is financing this project. In collaboration with these various stakeholders, the Bank will identify and undertake analytical work to better understand the implementation and impact of various aspects of the project and ISAF activities overall. This support would be led from the Bank’s Cambodia Country Office.
- **Health, Education and perhaps new sectors (i.e. water supply, solid waste, etc).** Bank specialists in these areas will be engaged in meetings with their respective line ministries as well as field missions to identify ways to enhance the effectiveness of social accountability activities to improving service provider performance.
- **M&E and Technology.** As the Bank has led on the design and implementation of an impact evaluation, this rigorous approach to M&E will be continued and adapted to the design and focus areas of ISAF II. A special focus will be on the use of digital tools for project monitoring and the overall delivery of ISAF activities.
- **FM.** During implementation support, the World Bank’s FM specialist will support the implementing agency (including with ad hoc training) and routinely review the project’s FM capacity, including, but not limited to, accounting, reporting, and internal controls to ensure that they are satisfactory to the World Bank.
- **Procurement.** The World Bank’s procurement specialist will work closely with the implementing agencies to build capacity and support them in the periodic procurement activities.
- **Gender equality.** As ISAF I revealed a gap between the participation of men and women in social accountability activities, with men underrepresented, support will be provided to identify ways to balance the participation of men and women in the various ISAF activities.
- **Environmental and social risk.** As these risks are low, only modest support would be needed, but this would nonetheless be maintained through the duration of the project, including to identify and address any issues that were not identified at the design phase, but which arise during implementation.

38. As The number of staff weeks envisioned is as below.

**Table 1.3. Implementation Support Plan**

<b>Time</b>	<b>Focus</b>	<b>Skills Needed</b>	<b>Resource Estimate/ Year</b>
First 12	Project	Senior social development specialist	10 weeks (US\$65,000)





months	Implementation Support	(TTL), FM Specialist Procurement Specialist Environmental and Social Risk Management Specialists Social accountability specialist (International) Social accountability specialist (national) M&E Specialist Governance specialist Gender Specialist Sector specialists (health, education, environment, etc.)	3 weeks (US\$7,500) 2 weeks (US\$5,000) 1 week (US\$5,000) 4 weeks (US\$25,000) 30 weeks (US\$40,000) 2 weeks (US\$10,000) 2 weeks (US\$6,000) 1 week (US\$2,500) 2 weeks (\$5,000)
12-54 months	Project Implementation Support	Senior social development specialist (TTL), FM Specialist Procurement Specialist Environmental and Social Risk Management Specialists Social accountability specialist (International) Social accountability specialist (national) M&E Specialist Governance specialist Gender Specialist Sector specialists (health, education, environment, etc.)	32weeks (US\$208,000) 8 weeks (US\$30,000) 6 weeks (US\$22,500) 4 weeks (US\$20,000) 4 weeks (US\$100,000) 120 weeks (US\$160,000) 4 weeks (US\$20,000) 8 weeks (US\$24,000) 4 weeks (US\$10,000) 8 weeks (\$20,000)