

MINISTRY OF EDUCATION, YOUTH AND SPORT BUILD BRIGHT UNIVERSITY

SCHOOL OF DOCTORAL STUDIES

THOU PANHA

A STUDY OF THE LOCAL GOOD GOVERNANCE AND POVERTY REDUCTION AT SUB-NATIONAL ADMINISTRATIONS OF CAMBODIA

THESIS SUBMITTED FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

SPECIALIZATION
RURAL DEVELOPMENT AND SOCIAL WORK



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UNDER THE GUIDANCE OF PROF. (DR.) MANARANJAN BEHERA

PHNOM PENH-2020



"A Study of the Local Good Governance and Poverty Reduction at Sub-National Administrations of Cambodia"

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Declaration

Do hereby declare that except otherwise stated the thesis "A Study of the Local Good Governance and Poverty Reduction at Sub-National Administrations of Cambodia" is based on my original work and the same has not been submitted either in part or in full for the award of any other degree of any other university. Except where otherwise indicated, this exeges is my own work.

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To the best of my knowledge, the research work contains materials, which have not at any time been submitted for the award of any degree. This thesis deserves meritorious consideration.

MANARANJAN BEHERA

(Supervisor)

Acknowledgements

This thesis is submitted for the Degree of Doctor of Philosophy (Ph. D). The thesis, however, would not have been made possible without the contributions, guidance and loving support from many people for whom I would like to express my gratitude.

Firstly, I would like to express my sincere appreciation to Prof. (Dr.) Manaranjan Behera, Senior Dean, School of Doctoral Studies and Faculty of Arts, Humanities and Languages, who has provided valuable knowledge, experiences and guidance during the courses as well as for development of this thesis.

Secondly, I am heartily thankful to my beloved mother, lovely wife, daughters and son, brothers, sisters, relatives, and friends for their kind support, guidance, constructive comments, and great value in the study of Ph. D program.

Lastly, I would to offer my regards and blessings to all of those who have supported me in any respect during the entire study period in the Ph. D program at Build Bright University.

Mr. Thou Panha

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Abbreviations

ADB	Asian Development Bank
ACU	Anti-Corruption Unit
BBU	Build Bright University
CMDGs	Cambodia Millennium Development Goals
CGA	Country Governance Assessment
CAR	Council for Administration Reform
CAR	Civil Administrative Reform
CSOs	Civil Society Organizations
CBOs	Community Based Organizations
CDB	Commune Database
D & D	Decentralization and De-concentration
DOLA	Department of Local Administration
KCs	Khan Councilors
GGPs	Good Governance Principles
GGG	Good Governance Guide
GGS	Good Governance Strategy
GAP	Governance Action Plan
GDP	Gross Domestic Product
LGG	Local Good Governance
MOI	Ministry of Interior
MOH	Ministry of Health
MOP	Ministry of Planning
MoEYS	Ministry of Education, Youth and Sport
MOE	Ministry of Environment
MEF	Ministry of Economy and Finance
MDGs	Millennium Development Goals
ME	Monitoring and Evaluation
MEC	Monitoring and Evaluation Committee
NGOs	Non-Governmental Organizations
NSDP	National Strategic Development Plan

NPRS National Poverty Reduction Strategy

NCSC National Committee for Support to Commune Councils

NP-SNDD National Program for Sub-National Democratic Development

NPAR National Public Administration Reform

OECD Organisation Economic Co-operation and Development

OWSO One Window Service Office

UPCs Urban Poor Communities
PPCH Phnom Penh Capital Hall

PAR Public Administration Reform

PBC Planning and Budget Committee

PC Procurement Committee

PIM Project Implementation Manual
PFM Public Financial Management

PFMRP Public Financial Management Reform Program

FMIS Financial Management Information System

RGC Royal Government of Cambodia

SDP Sangkat Development Planning

SCs Sangkat Councilors

SCCs Sangkat Councilors and Committees

SIP Sangkat Investment Plan

SNA Sub-National Administrations

SEDP Socio-Economic Development Plan

UN United Nations

UNTAC UN Transitional Authority in Cambodia

UNDP United Nations Development Programme

UNICEF United Nations Children's Fund

UNESCAP United Nations Economic and Social Commission for Asia and the Pacific

WB World Bank

WAI Weighted Average Index

WGI World Governance Indicator

Abstract

The study focuses on the applications of local good governance principles (GGPs) in decentralized Sangkat Development Plans (SDPs) for poverty reduction in Cambodia. The main objectives are: to study institutional framework for good governance and poverty reduction in the country; to assess the current situation of good governance and poverty reduction in the study area; to gain the perception of local government and citizen groups on the contribution of good governance principles in SDPs for poverty reduction; to assess the impacts of good governance principles in SDPs for poverty reduction; to examine the relationship between good governance and poverty reduction in the study area; to explore factors explaining the applications of good governance principles in SDPs for poverty reduction; and to provide suitable recommendations to strengthen local governance principles application in SDPs for effective poverty reduction in the study area and in Cambodia.

Royal Government of Cambodia launched its formal decentralization policy in 2002, while Communes/Sangkats of a few provinces of Cambodia were piloted since 1996. There were a number of policies and development plans developed in order to support decentralized at Commune/Sangkat level, and local good governance principles were a part of these.

Two Sangkats namely Sangkats Dangkao and Prey Veaeng in the Urban Poor Communities (UPCs) of Phnom Penh, were selected through simple random sampling using lottery method for this study. Eight principles of good governance including rule of law, participation, accountability, transparency, responsiveness, equity, consensus oriented, and effectiveness and efficiency were covered in this study. Standardized structured questionnaires were developed for 16 SCs and committees, and 188 sampled households (Identification of Poor Households), checklists were used for focus group discussion, key informants' interview, and observation on SDP projects. Secondary data including laws, policies and plans, sub-decree, declaration and manuals were collected from NCDD of MoI, MoP and development agencies. Both quantitative and qualitative techniques were used in this study.

There were institutional and mechanisms on enforcing and supporting GGPs in SDPs at decentralized level, which defined by regulations, laws, sub-decrees, decisions, guidelines and manuals. Nonetheless, GGPs in SDPs was not officially adopted. Although GGPs were introduced to SCs, these were broad indicators. However, findings of the research found that the RGC has made significant progress in creating a legal and institutional framework, and reform programs for good governance and poverty reduction at the sub-national administration. Majority of the household respondents in both Sangkats confirmed that the application of GGPs in SDPs had addressed the real needs of local and the quality of public services in their community, particularly school, electricity, water supply,

and administration services had become better if compare with 2018. In comparative study, it shows that the better performance in GGPs brought the higher level of satisfaction in SDPs by both SCs and sampled households. The performance in local GGPs in SDPs is determined by various institutional, economic and social factors.

The study concluded that the promotion of local good governance principles took place in various fields of actions, at different levels and with a range of local authorities, communities and other key stakeholders. These includes respecting, protecting, empowering, democracy, rules of law, gender equality, administrative reform and decentralization, which these would have directly been contributed to poverty reduction in the study areas. Nevertheless, the study also found that Sangkat with higher achievements on the applications of local GGPs in SDPs is the one that had genuine commitments with full responsibilities in working with poor and vulnerable people in their UPCs, and also capacity of the SCs on local planning. A set of recommendations were given to strengthen the application of local GGPs in SDPs as well as outlining key planning and policy implications to support the overall implementation to make it more effective for poverty reduction in the context of Cambodia.

CHAPTER 1: INTRODUCTION

The overall objective of this study is to assess and analyze the current situation of good governance and poverty reduction in the country. This study specifically aims to provide an insight on the impacts and the relationship between local good governance and poverty reduction, and to identify challenges and prospects of local good governance application in the Sangkat Development Plan (SDP) for future improvements. In addition, it explores the understanding of the good governance concept and its practical experience, particularly it examines the importance of local good governance in enhancing the livelihoods of the poor and vulnerable people in the Urban Poor Communities (UCPs). The results of the study, importantly, will enlighten the policy makers and planners to pay more attention on local good governance issue and to allocate more efforts and resources to promote the development and implementation of local good governance agenda at Sub-national level more effectively; in order to promote effective delivery of public services to benefit the poor; to ensure social justice and sustainable growth; and to support and provide opportunity for the poor to get out of poverty trap.

This chapter consists of eight sections. The background of the study is introduced in the first section. The statement of the problem of the study is given in the second section, while the third section mainly focuses on the research questions. Objectives and hypotheses of the study are discussed in the fourth, and the fifth sections, respectively. The sixth and seven sections present the significance and the scope and limitations of the study, while the last section mainly focuses on the layout of the study.

1.1 Background of the Study

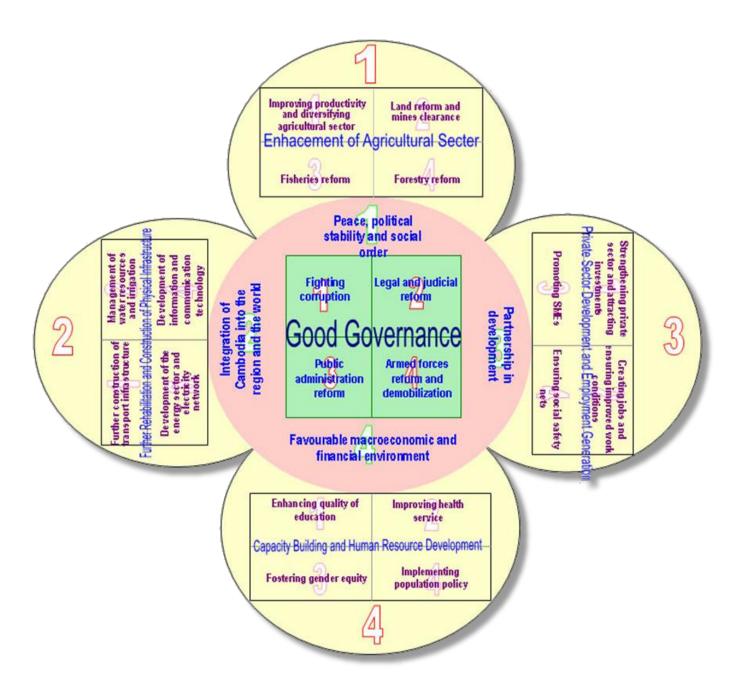
The Royal Government of Cambodia (RGC) has recognized the importance of strengthening governance in its National Strategic Development Plan (NSDP) 2006-2010, the NSDP Update 2009 -2013, and the NSDP 2014-2018 and in the Rectangular Strategy (RS) 2004-2008 and the RS Phase II (2008-2013) and the RS III (2014-2018). It has identified key areas for governance reform including the Fighting Corruption, Legal and Judicial System, Public Administration Reform, and Reform of the Royal Cambodian Armed Forces.

The RS¹ is a dynamic document that lays out the political commitment to a socioeconomic development process. (Figure 1.1). It is evident that it encompasses issues such as good governance, rule of law and institution building—the basic premise of any society—along with social, economic and human development and sustainable management of natural resources in this complex set of interwoven rectangles. Additionally, a number of key government policy documents, such as the Second Socio-Economic Development Plan (SEDP II 2001-2005) was prepared focusing on economic growth and poverty reduction, the Cambodia Millennium Development Goals (CMDGs) in 2000, focusing on poverty alleviation and human development, the National Poverty Reduction Strategy (NPRS) in December 2002, the Governance Action Plan (GAP), the Decentralization and De-concentration (D&D) Strategic Framework, and the National Public Administration Reform (2015-2018) recognize the helpful role civil society can play in governance processes.

¹ Rectangular Strategy-Phase III (2014-2018)

The RGC has also publicly recognized that "Good governance is the most important pre-condition to economic development with sustainability, equity and social justice. Achieving good governance will require the active participation and commitment of all segments of the society, enhanced information sharing, accountability, transparency, equality, inclusiveness, and the rule of law" (RGC 2004). Under this pillar, decentralization and local governance is a target of it and it is perceived that local governance is as mean to further democratize the nation and to improve service delivery at local level (RGC, 2004:9, 11).

Figure 1. 1: Rectangular Strategy-Phase III (2014-2018)



1.2 Statement of the Problem

Recently the terms "governance" and "good governance" are being increasingly used in development literature. Bad governance is being increasingly regarded as one of the root causes of all evils within our societies (UNESCAP, 2004). Lack of good governance has been demonstrated to have adversely affected on the development process in developing countries. Major donor countries and institutions tended to make aid conditional upon reforms in the recipient country, which was found largely ineffective in encouraging real policy changes. Donors, such as the International Monetary Fund, the World Bank, and the United States, are increasingly insisting upon performance and good governance as a prerequisite for aid, a practice called "selectivity." This is a means of requiring a recipient state to demonstrate the seriousness of its commitment to economic and social reforms. Good governance is, among other things, participation, transparency, accountability, and responsiveness. It is also effective and equitable; it promotes the rules of law.

Good governance ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision making over the allocation of development resources. Good governance is increasingly cited as a key component in any successful strategy to reduce poverty. Decentralization of authority and responsibility is considered a key factor in good governance. Good governance is concerned with institutionalizing democracy in such a way that the structure produces the expected functions. Sobhan (1998)² has argued that the persistence of poverty

² Rehman Sobhan (1998). How Bad Governance Impedes Poverty Alleviation in Bangladesh: Research programme on: Good Governance and Poverty Alleviation.

in most countries has its origins in problems of governance rather than in an inadequacy of resources. The basic argument about the role of governance in development holds that weak governance is the result of failure of the state to do
including: (i) project a developmental vision, (ii) demonstrate a commitment to
realize the vision, through putting in place policies and programmes, as well as
calibrating priorities to realize the vision, and (iii) develop the administrative,
technical and political capacity to mobilize the necessary support within the civil
society to translate the vision into reality.

Poverty occurs in both developing countries and developed countries. While poverty is much more widespread in developing countries, both types of countries undertake poverty reduction measures. Poverty reduction is a major goal and issue for many international organizations such as the United Nations and the World Bank. Poverty is a pressing problem of countries all over the world. Governments, leaders, international organizations, therefore, are actively searching for solutions to contain and eliminate poverty globally.

Poverty reduction is the basic element to ensure social justice and sustainable growth; and it needs good governance to support and provide opportunity for the poor to get out of poverty trap. It means that problems of poverty and governance are complicated and linked. Weak governance of public institutions imposes direct costs on the poor. Without good governance, the scarce resources available are generally not put to their best use in combating poverty. Good governance is necessary if all aspects of poverty are to be reduced. It facilitates participatory, pro-poor policies as well as sound macroeconomic management. It ensures the transparent use of public funds, encourage growth of all sectors, helps to establish the rule of law, and promote effective delivery of public services to benefit the poor.

The Gross Domestic Product (GDP) per capita increased from 367 USD in 2003 to 1,301 USD in 2016. Inflation was firmly managed to be lower than 5% on an annual basis. Cambodia's economy grew at an average rate of 7.6 percent from 1994 to 2015 – amongst the world's highest, ranking sixth in the world in terms of economic growth. Cambodia has become one of the world's leaders in poverty reduction and shared prosperity. 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 (World Bank 2017). ³ But the World Bank expressed that a vast majority of families who were lifted out of poverty were only able to do so by a small margin. Cambodia still faces a number of development challenges, including effective management of land and natural resources, environmental sustainability, and good governance. Corruption and poor public service delivery impede inclusive development.

Cambodia ranks 143th out of 188 countries over the world according to the UNDP Human Development Index Report in 2016. Cambodia is ranked 180th out of 189 countries over the world for the ease of doing business according to the World Bank Group Report in 2017. Cambodia is ranked 90th out of 140 countries over the world according to the World Economic Forum the Global Competitiveness Index 2015-2016. Cambodia is now ranked as being perceived by investors as Southeast Asia's most corrupt country, surpassing Myanmar and Laos on Transparency International's annual corruption index. Cambodia ranked 156 of 176 countries in the report 2016.

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³ World Bank. 2017. Cambodia - Sustaining strong growth for the benefit of all. Overview. Washington, D.C.: World Bank Group.

The World Bank Institute's (WBI's) "Governance Matters", the Worldwide Governance Indicators (WGI) report six aggregate governance indicators for over 214 countries and territories over the period 1996-2019, covering i) Voice and Accountability, ii) Political Stability and Absence of Violence, iii) Government Effectiveness, iv) Regulatory Quality, v) Rule of Law, and vi) Control of Corruption. Based on the WGI over the last twelve years period (2010-2019), the actual picture of governance in Cambodia does not prove to be good and satisfactory. The table below shows detailed information:

Table 1. 1: Worldwide Governance Indicators Ranks of Cambodia (2010-2019)

Worldwide Governance	Rank by Year ⁴									
Indicators	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Voice and Accountability ⁵	21.80	22.07	20.19	19.72	18.72	18.23	18.23	15.76	13.79	15.27
Political Stability and Absence of Violence/Terrorism ⁶	27.49	36.49	41.23	41.71	46.19	49.52	53.81	50.48	52.38	46.19
Government Effectiveness ⁷	18.18	19.91	22.75	19.43	25.00	25.00	24.04	25.48	32.21	31.73
Regulatory Quality ⁸	35.89	31.28	39.81	40.28	35.58	31.73	34.13	32.21	33.65	30.29
Rule of Law ⁹	12.80	15.02	16.90	15.49	15.87	14.90	12.98	12.00	11.06	17.79
Control of Corruption ¹⁰	7.14	6.16	13.27	12.80	11.54	12.02	9.13	8.65	8.65	9.62

Source: https://info.worldbank.org/governance/wgi/

⁴ Percentile rank among all countries (ranges from 0 (lowest) to 100 (highest) rank).

⁵ The extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, association, and the press.

⁶ The likelihood that the government will be destabilized by unconstitutional or violent means, including terrorism[.]

⁷ The quality of public services, the capacity of the civil service and its independence from political pressures; the quality of policy formulation.

⁸ The ability of the government to provide sound policies and regulations that enable and promote private sector development.

⁹ The extent to which agents have confidence in and abide by the rules of society, including the quality of property rights, the police, and the courts, as well as the risk of crime.

¹⁰ The extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as elite "capture" of the state.

Local Governance is referred to Sub-national institutions constitute one of the most important avenues for poor people, women and minorities to participate in the development of their communities and influence the decision-making processes that are directly relevant to their lives. Important opportunities for poor people, women and minorities to participate in the development of their communities are to be found in local and regional institutions of governance. In the area of local governance, the new Organic Law on the Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans represents an opportunity to provide local voices to the communities and to strengthen representation and participation (June 2008). Principles of Good Governance, which have been developed and used by the RGC for the purpose of resources allocation, measuring democracy, services delivery and its effectiveness and efficiency and corruption, include (1) Participation, (2) Rule of law, (3) Transparency, (4) Consensus oriented, (5) Equity, (6) Effectiveness and efficiency, (7) Accountability, and (8) Responsiveness.

Local Good governance (LGG) is an increasingly important development issue in Cambodia. During the transition towards liberal democracy and a market economy over the last decade, Cambodia's policy-makers, donor agencies, and civil society have increasingly recognized that the governance system needs to be improved to match the changing role of the State.

1.3 Research Questions

The present study has sought to provide answers to the following questions:

- i. What is the institutional framework for good governance and poverty reduction in the country?
- ii. What is the current situation of good governance and poverty reduction in the study area?
- iii. What is the perception of local government and citizen groups on the contribution of good governance principles in SDPs for poverty reduction in the study area?
- iv. What are the impacts of good governance principles in SDPs for poverty reduction in the study area?
- v. What is the relationship between good governance and poverty reduction in the study area?
- vi. What are the factors explaining performance of good governance principles in SDPs for poverty reduction?

1.4 Objectives of the Study

The specific objectives exclusively concentrate and studies on Local Good Governance and Poverty Reduction at Sub-national Administrations in Cambodia. In particular the study has specifically focused on the application of good governance principles in decentralized Sangkat Development Plans (SDPs) for poverty reduction at Sub-national Administrations. The specific objectives are:

- To study institutional framework for good governance and poverty reduction in the country;
- To assess the current situation of good governance and poverty reduction in the study area;
- To gain the perception of local government and citizen groups on the contribution of good governance principles in SDPs for poverty reduction in the study area;
- To assess the impacts of good governance principles in SDPs for poverty reduction in the study area;
- v. To examine the relationship between good governance and poverty reduction in the study area;
- vi. To explore factors explaining the applications of good governance principles in SDPs for poverty reduction; and
- vii. To provide suitable recommendations to strengthen local governance principles application in SDPs for effective poverty reduction in the study area.

1.5 Hypotheses of the Study

The hypothesis of the study are as follows:

Ho1: There is no significant difference between the income distributions of the households.

Ho2: There is no association between the local good governance and poverty reduction.

1.6 Significance of the Study

Good governance is an increasingly important development issue in Cambodia. Enhancing good governance is therefore very vital to poverty reduction. Good governance provides huge benefit to either local or national level in Cambodia. Think-tanks and policy makers have notion that good governance is important for economic development. Over recent years in Cambodia, there are limited empirical studies regarding the impact of good governance principles on poverty reduction. Although there are existing researches which have been conducted related to good governance and aid, capacity, and poverty reduction, but local good governance and poverty reduction is still limited. Therefore, the present study has assessed and analyzed the current situation of good governance principles in SDPs for poverty reduction in the country, particularly for the Subnational level. This study would also provide an insight on the impacts and the relationship between local good governance and poverty reduction, and to identify challenges and prospects of local good governance application for future improvements. In addition, the study would contribute to expand the understanding of the good governance concept and its practical experience, particularly it has promoted better understanding on the importance of local good governance in enhancing the livelihoods of the poor and vulnerable people. Moreover, it will enlighten the policy makers and planners to pay more attention on local good governance issues and to allocate more efforts and resources to promote the development and implementation of local good governance agenda at Sub-national level more effectively; in order to promote effective delivery of public services to benefit the poor; to ensure social justice and sustainable growth; and to support and provide opportunity for the poor to get out of poverty trap.

1.7 Scope and Limitations of the Study

The present study is confined to the concept of good governance, local good governance principles in SDPs, decentralization and de-concentration and its contribution to economic development and poverty reduction in the study area, in particular in the two selected Sangkats, six villages of the Phnom Penh Capital. The study was not cover other governance concepts like democratic governance, human governance, corporate governance, national governance and international governance, etc.

The following was considered as the limitations of the study.

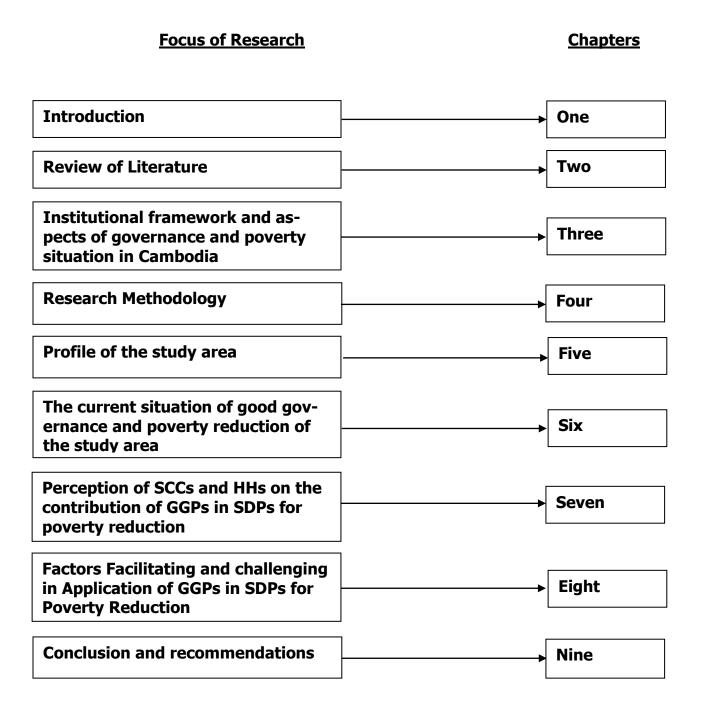
- The present study was confined for two Sangkats and six villages (three villages per Sangkat) were selected from one Khan of the Phnom Penh Capital. Thus, the geographic coverage of the study was quite limited.
- 2) To gain perception on local good governance and poverty reduction broadly, the study shall cover and collect data from different key stakeholders including general households in the community. However, the study was focused and selected respondents from the Identification of Poor Households only.

However, keeping the effort, time and money constraints in mind, the present study was made a modest attempt in its desired direction.

1.8 Layout of the Study

The study consists of nine chapters as illustrated in Figure 1.2. Outlines of each chapters are as follow:

Figure 1. 2: Flow Diagram of Research Sequence



<u>Chapter 1</u> provides the overview of the thesis including the introduction of the topic, background of the study, statement of the problem, research questions, objectives, hypotheses, significance of the study, scope and limitations of the study, and layout of the study.

<u>Chapter 2</u> mainly focuses on literatures review (conceptual and empirical reviews). This chapter also conceptualizes governance and good governance, and presents the theories and empirical evidence that underpin and support the poverty reduction.

<u>Chapter 3</u> highlights the institutional framework and aspects of governance and poverty situation in Cambodia.

<u>Chapter 4</u> presents the research methodology, which will explain the design of the study, including type of analysis, type and source of data, sample size, sampling method, data gathering procedure, statistical tools, coverage of the study, and the description of the instruments of the study.

<u>Chapter 5</u> presents the profile of the study area.

<u>Chapter 6</u> describes the current situation of good governance and poverty reduction and the institutional framework and mechanism of local good governance of the study area.

<u>Chapter 7</u> presents the perception of local government and citizen groups on the contribution of good governance principles and poverty reduction in the study area—the impact of good governance principles on poverty reduction will also be analyzed.

<u>Chapter 8</u> describes the factors facilitating and challenging in application of local good governance to reduce poverty in the study area.

<u>Chapter 9</u> summarizes the main findings of the study, provides conclusion and recommendations along with concluding remarks.

CHAPTER 2: REVIEW OF LITERATURE

2.1 Introduction

The objective of this chapter is to explain comprehensively of what "governance" and "good governance" means. More particularly, this chapter is intended to provide a review of the backgrounds, theories, concepts, empirical and imperatives that underpin good governance for poverty reduction, which were studies by different scholars, institutions and international development agencies.

Based on the above objective, this chapter has main two sections—conceptual review section and empirical review section, followed by a number of subsections respectively. The first section starts with the concept of governance—it highlights the background and terms of governance defined by different international institutions and development agencies. This is followed by a discussion of roles of different key actors including Public/Government, Civil Society Organizations and Private Sector in governance, particularly the principles or elements of good governance as defined by the international development agencies. Concepts and theories of local governance, local good governance, decentralization, the poverty cycle, analytical framework, and supporting programs for Good Governance and Poverty Reduction are also discussed respectively. While the second section discusses the empirical evidence of good governance that underpin and support the poverty reduction, as presented in the academic literature.

2.2 Conceptual Review

2.2.1 Concept of Governance

The concept of "governance" is not new. It is as old as human civilization. Simply put "governance" means: the process of decision-making and the process by which decisions are implemented (or not implemented). Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance (UNESCAP, 2004).

The word "governance" came from the Latin verb "gubernare," or more originally from the Greek word "kubernaein," which means "to steer." Basing on its etymology, governance refers to the manner of steering or governing, or of directing and controlling, a group of people or a state. Governance is essentially related to politics, in that politics is often defined as the art of governance. Just as politics talks about governments, institutions, power, order, and the ideals of justice, governance also deals with the public sector, power structures, equity, and ideals of public administration. Nevertheless, they are distinct from each other in the sense that politics is broader than governance. Traditionally, the study of politics entails the concept of the "good life" and the "ideal society," which are so broad they include a web of subjects and every possible form of government. The study of governance, on the contrary, is generally attuned to the concept of democracy, and on how the government and the civil society arrive at a decision in meeting their needs (Michael, 2018).

According to Anne (2004), "Governance is commonly defined as the exercise of power or authority by political leaders for the well-being of their country's citizens or subjects. It is the complex process whereby some sectors of the society wield power, and enact and promulgate public policies which directly affect human and institutional interactions, and economic and social development. The power exercised by the participating sectors of the society is always for the common good, as it is essential for demanding respect and cooperation from the citizens and the state. As such, a great deal about governance is the proper and effective utilization of resources".

Governance entails two processes: decision-making and implementation of the decision. In broad terms, decision-making refers the process by which a person or group of persons, guided by socio-political structures, arrive at a decision involving their individual and communal needs and wants. Implementation is the process that logically follows the decision; it entails the actualization or materialization of the plan or decision. Governance is not just decision-making because decision without implementation is self-defeating. Neither is it just implementation because there is nothing to implement without a decision or plan. Thus, the two processes necessarily go hand-in-hand in, and are constitutive of, governance.

As mentioned by the (Eastern Regional Organization for Public Administration, 2000), the government is a body that comprises a person or a group of persons who run the administration of a country. This is a means in which power is exercised. There are various forms of governments such as democracy or autocracy but this article will remain confined to the general term government which is commonly used in social sciences. In normal circumstances, a state is run by a government that has a mandate from the people to run the affairs of the country and also a term that may be of 4-6 years to serve the state. Thus, there is a succession of governments in any country or the same government may be elected again for a successive term if people feel that it has done its job of running the country in a fair and close to ideal manner.

While the word governance refers to the activities of a government. In layman's terms, it is the rules and laws made by the government that are sought to be implemented through a chosen bureaucracy which is referred to as governance. The process of governing people or a state is called governance.

Ever since the Second World War there have been occasions when aid has been linked to political objectives, such as democratization or respect for human rights. Postwar reconstruction in Germany and Japan was in part aimed at the establishment of democracy, as were the unsuccessful efforts of the USA's Alliance for Progress in Latin America. Donors such as Canada, the USA, the Neth-

¹¹ Eastern Regional Organization for Public Administration (2000). *From government to governance* (Reflections on the 1999 World Conferences on Governance). The Eastern Regional Organization for Public Administration.

erlands and Sweden have linked their aid programmes to governance reforms since the 1960s, even though in most cases 'the policy rhetoric did not translate into much practical substance' (Burnell, 2000: 37). Such concerns have usually been far outweighed by bilateral and multilateral support for states with bad records of government under authoritarian regimes because this has served the economic and security interests of Western governments (Leftwich, 2000: 109). But from the end of the 1980s, the quality of 'governance' in recipient countries became an increasingly common and explicit aid objective as the first generation of aid conditionalities, related to structural adjustment, gave way to second generation conditionalities related to democracy, human rights and good government.

A number of political developments came together to prompt donors to adopt 'political conditionalities' (Moore, 1993; Robinson, 1993): First, the collapse of the Soviet bloc made it no longer necessary for the West to support authoritarian regimes because they were anti-communist. It also encouraged the view that political liberalization was a necessary condition for economic liberalization and growth. However, the promotion of democracy as a theme of Western policy predates the end of the cold war (though not always reflected in practice), with aid expressing 'some quite deep-rooted political and even cultural characteristics of the established liberal democracies' (Hawthorne, 1993: 249). In addition, there have been deliberate acts of imposition by intervention from outside, unrelated to aid conditionality.

Second, democratization was already underway in other parts of the world by 1990 (for example, in Latin America and parts of East and South-East Asia such as Taiwan, South Korea and the Philippines), and the indigenous pro-democracy movements provided the West with legitimacy for its pro-democracy aid policies. Donors could claim that the political conditionalities being laid down reflected and supported popular demands within aid-recipient countries. Indeed, indigenous non-governmental organizations had been among those that criticized international development strategies for not being concerned with the quality of government and politics. Third, domestic political pressures in donor countries encouraged a demand for good governance as a condition of aid being given. Governments believed that public support for aid expenditure could be strengthened by making aid conditional upon democratization and respect for human rights. In the USA this response to public opinion was made easier by a lessening of the security problem in the early 1990s (as aid became less important in ensuring the protection of US interests abroad) and by the widely acknowledged ineffectiveness of much aid when measured by the economic development achieved (Lancaster, 1993). Some donors also needed to find a justification for reductions in overseas aid, and bad governance provided a reason. Legitimacy for the interventions of Western donors could also be secured by being presented as measures to improve the quality of governance, even when such assistance was in reality mainly designed to secure the donors' strategic foreign policy objectives, as in South Africa (Hearn, 2000). Fourth, in the 1990s blame for the

failure of structural adjustment and economic liberalization to achieve the intended beneficial results was directed at poor-quality governance, notably weak governmental structures, administrative incompetence, corruption, a lack of accountability and openness in policy-making, and an absence of the rule of law. There has been a growing recognition that development cannot occur unless the political conditions are right. For example, economic reforms are unlikely to be effective when political leaders act arbitrarily, corruptly and to the exclusion of all interests other than their own. The quality of political life was also seen as significant when trying to alleviate the social costs, especially for the poor, of economic reforms. The state was recognized as necessary condition of development, and not, as it had been earlier, an obstacle to it. Finally, it was recognized that governance has itself been affected by aid. Aid can actually undermine good governance. As aid increased, so the quality of governance was observed to decline as political accountability for the use of aid money could be evaded, as corruption became easier and intragovernmental conflict over access to bribes increased, as scarce talent was 'poached' from civil services, and as pressure to reform inefficiency and defective policy-making was eased. Hence a growing belief that aid programmes had to be designed so that they would sustain good governance by, for example, targeting weak institutions such as the civil service and judiciary so that administrative capacity and accountability are strengthened (Knack, 2000).

It has recently come to occupy an important place in development literature, and in the concerns and considerations of major international donors (CIDA, 1997:3). Indeed, more and more importance are attached to the notion of good governance, thus rendering bad governance as one of the worst possible features of society and a major cause of its problems and dysfunctions. Governance is a very important concept in the first decade of the 21st century. A wide variety of nations, organizations, institutions and individuals are grappling with how best they can be governed. For multi-national corporations, developing countries, governments or institutions, the practice of good governance is increasingly seen as critical for ensuring that the governance of organizations – both public and private – has a legal and ethical basis, that decisions are taken in the interests of stakeholders, and that the organization behaves as a good corporate citizen. In order to act on behalf of the whole community, provide leadership and pass legislation that affects the community which has elected them, democratic governments must meet specific governance demands.12

According to the academic approach, the generic understanding of governance is the management of resources and policy-making by means of exercising authority (power). Thus, it entails all instruments through which different policy stakeholders exercise legal rights with the aim to achieve political, economic, cultural and social objectives.

¹²Municipal Association of Victoria (2012). *Good Governance Guide: Helping local governments govern better.* Retrieved from https://www.vlga.org.au/sites/default/files/Good-Governance-Guide%20%281%29.pdf

A synthesis of current definitions provided by donor organizations such as the World Bank, the OECD Development Assistance Committee (DAC), the United Nations Development Program (UNDP), international development agencies and multilateral donors yields a more complex concept of governance. The concept of Governance is widely discussed among scholars and policymakers. It means different things to different people and there is as yet no consensus around its definition. Consequently, there are varying definitions of Governance.

Governance – common definitions as the following:

Definitions of governance by leading institutions and studies converge on the term as referring to a process by which power is exercised.

<u>The United Nations:</u> According to the UN paper, the term "governance" means "the process of decision-making and the process by which decisions are implemented (or not implemented)". In other words, dealing with governance involves the analysis of the processes and systems by which a specific society, or organization, operates (UN, 1992).

<u>UNESCAP</u>: According to UNESCAP (2004), governance has been defined as the process of making decision and the process by which the decisions are implemented or not implemented. Governance can be used in several contexts such as corporate governance, international governance, national governance and local governance.

<u>UNDP:</u> Governance is viewed as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences (UNDP, 1997).

<u>OECD:</u> The concept of governance denotes the use of political authority and exercise of control in a society in relation to the management of its resources for social and economic development. This broad definition encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the nature of the relationship between the ruler and the ruled (OECD DAC, 1995).

<u>Tokyo Institute of Technology:</u> The concept of governance refers to the complex set of values, norms, processes and institutions by which society manages its development and resolves conflict, formally and informally. It not only involves the state, but also the civil society (economic and social actors, community-based institutions and unstructured groups, the media, etc.) at the local, national, regional and global level (TIT, 1996).

<u>USAID</u>: Governance encompasses the capacity of the state, the commitment to the public good, the rule of law, the degree of transparency and accountability, the level of popular participation, and the stock of social capital. Without good governance, it is impossible to foster development. No amount of resources transferred or infrastructure built can compensate for-or survive-bad governance (USAID, 2002).

<u>DFID:</u> The Department for International Development adopts the same approach to governance as that provided by the OECD's Development Assistance Committee (DAC), which identifies four key elements in governance:

- √ legitimacy of government (political systems)
- ✓ accountability of political and official elements of government (public administration and financial systems)
- ✓ competence of governments to formulate policies and deliver services (public administration and economic systems, and organizational strengthening)

The DFID believes that the DAC conceptualization is seen to reflect the broad degree of conversance in bilateral donor thinking on good governance. Since the good governance agenda has a strong normative content, it has led to calls for an approach more sensitive to the particular historical contextual realities within recipient countries. An additional point is the issue of donor governance, highlighted by many host countries (DFID, 1999).

<u>World Bank:</u> Governance is defined as the manner in which power is exercised in the management of a country's economic and social resources. The World Bank has identified three distinct aspects of governance: (i) the form of political regime; (ii) the process by which authority is exercised in the management of a country's economic and social resources for development; and (iii) the capacity of governments to design, formulate, and implement policies and discharge functions (World Bank, 1997).

Asian Development Bank: The definition of governance that is adopted by the ADB is that provided by the World Bank. Accordingly, the Bank regards good governance as synonymous with sound development management. It involves both the public and the private sectors. It is related to the effectiveness with which development assistance is used, the impact of development programs and projects (including those financed by the Bank). Thus, irrespective of the precise set of economic policies that find favor with a government, good governance is required to ensure that those policies have their desired effect. In essence, it concerns norms of behavior that help ensure that governments actually deliver to their citizens what they say they will deliver (ADB,1995).

<u>Commission on Global Governance:</u> Governance is the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest (CGG, 1999).

<u>UN Secretary-General Kofi Annan:</u> Good governance is ensuring respect for human rights and the rule of law; strengthening democracy; promoting transparency and capacity in public administration (Annan, 1998).

<u>International Institute of Administrative Sciences:</u> Governance refers to the process whereby elements in society wield power and authority, and influence and enact policies and decisions concerning public life, and economic and social development. Governance is a broader notion than government. Governance involves interaction between these formal institutions and those of civil society (IIAS, 1999).

Institute of Governance:

The Institute on Governance defines governance as the process whereby societies or organizations make their important decisions, determine who has voice, who is engaged in the process and how account is rendered. (IOG, 2006) The Institute also provides a framework to further establish the concept of governance as shown below.



Photograph 1

The need for governance exists anytime a group of people come together to accomplish an end. Most agree that the central component of governance is decision-making. It is the process through which this group of people make decisions that direct their collective efforts (Photograph 1).

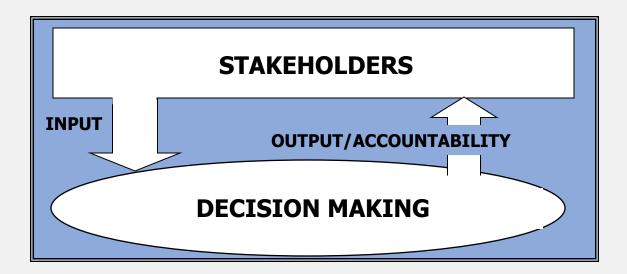


Photograph 2

If the group is too large to efficiently make all necessary decisions, it creates an entity to facilitate the process. Group members delegate a large portion of the decision-making responsibility to this entity. In voluntary sector organizations this entity is the board of directors. One simple definition of governance is "the art of steering societies and organizations." Governance is about the more strategic aspects of steering, making the larger decisions about both direction and roles.

These multiple actors are the organization's stakeholders. (Photograph 2) They articulate their interests; influence how decisions are made, who the decision-makers are and what decisions are taken.

Institute of Governance:



Photograph 3

Source: Institute of Governance http://www.iog.ca

Decision-makers must absorb this input into the decision-making process. Decision-makers are then accountable to those same stakeholders for the organization's output and the process of producing it (Photograph 3).

2.2.2 Actors in Governance

The management of public affairs is not, and should not be treated as, the exclusive domain of government. The affairs of government are the affairs of all. The problems of society are the problems of all. UNESCAP mentioned that decision making involves formal and informal actors in governance. Based on UNDP governance actors are classified into three realms includes private sector, civil society and government. In contribution to governance these actors have different roles.

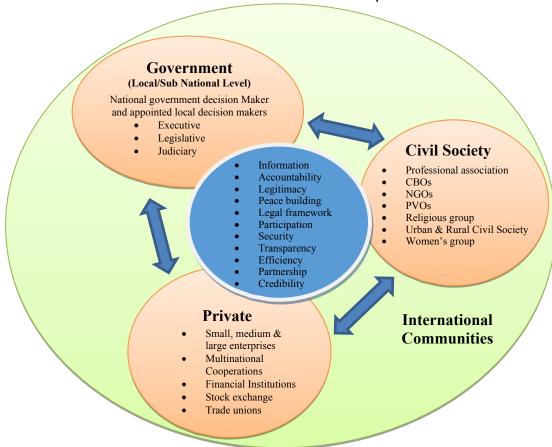


Figure 2. 1: Main Actors in Governance and their Relationship

Source: Adapted from Parnini (2006:194), Miller (2004) and Institute on Governance in Ottawa (1997).

Ledivina V. Carino. (1999, June). The concept of governance. Reflections on the 1999 World Conference on Governance (WorldCOG), Mandaluyong City, Metro Manila, the Philippines. Retrieved from http://unpan1.un.org/intradoc/ groups/ public/documents/ eropa/monograph-worldcog-chap1.pdf

2.2.2.1 Role of Government/Public Sector in Governance

Before starting to look at the role of government/public sector in Governance, it is also important to understand what Government is—dictionaries and scholars define government in different ways including: The Merriam-Webster Dictionary offers three definitions of government:

- 1. 'the group of people who control and make decisions for a country, state, etc.'
- 2. 'a particular system used for controlling a country, state, etc.'
- 3. 'the process or manner of controlling a country, state, etc.'

Notice here that government can be defined by the people involved, the system in place, or the process in use. Damerow (2014), says that government is 'responsible primarily for making public policy for an entire society.' He also mentions that government is 'the steering mechanism for a given society.' It forms the policies that keep a particular society heading in the right direction.

It is generally agreed that the most important single function of government is to secure the rights and freedoms of individual citizens. Thomas Paine, back in the days of the American Revolution, explained that: "Rights are not gifts from one man to another, nor from one class of men to another... It is impossible to discover any origin of rights otherwise than in the origin of man; it consequently follows that rights appertain to man in right of his existence, and must therefore be equal to every man." (Hans 1995).

People expect sound governance from their government authorities. Society is increasingly calling government authorities to account. Government is not just accountable to parliament, but more and more to other parts of society as well.¹⁴

The essence of governance is the way that state-society relations are being structured and managed. Managing a regime successfully has a lot to do with how citizens perceive the rules that guide their interaction with public officials. The notion of "state" refers here to all institutions that make up the public sector. It encompasses all public officers-elected or appointed with a responsibility for implementing policy or, as in the case of police and judges, enforcing and adjudicating laws. It excludes those elected officials with purely representative functions such as lawmakers. "Government" is typically defined with reference to both elected and appointed officials serving in core institutions at national, provincial, county or city level. All appointed public servants as being part of the "bureaucracy", while confining the term "government" to only those with overall political responsibility for setting policy and making key appointments to the public service. In many countries they would be referred to as cabinet ministers—they are responsible for the executive dimension.

More than anybody else, government officials, as defined above, are responsible for words and action that influence the developmental direction of society. The decisions that they have to make are not merely in immediate response to de-

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¹⁴The Netherlands Ministry of Finance (2000). *Government governance corporate governance in the public sector, why and how?* Government Audit Policy Directorate.

mands from groups in society. Government does not only revolve around the aggregation of interests, values and preferences that come up via different channels to the executive level. It also implies transformative decisions that involve choices going beyond specific interests or preferences. For instance, this may sometimes mean making decisions that go against particular interests but are viewed as necessary in order to protect what members of the government view as a larger "public" or "national" interest. The readiness and ability to make such "hard" choices is very much a product of the ways the polity is institutionalized. The rules of the political game vary from country to country in terms of how they affect government capability in this regard. ¹⁵

The state is the wielder of power, the principal actor in government. In governance, all of society are involved in managing public affairs. Yet the state does not shrink into nothingness with its advent. It continues to play the key roles of enabling and facilitating the participation of other elements of society. It is a strong entity that recognizes the significance and autonomy of the other sectors without overwhelming them. It works almost in the background, creating an environment that enables and facilitates the market and civil society to make their own creative and decisive contributions. The state as enabler provides the legal and regulatory framework and political order within which firms and organizations can plan and act. It can encourage citizens to act by liberating them from the fear of

¹⁵ Overseas Development Institute (n.d.). *World governance survey discussion paper.* Retrieved from https://www.odi.org/projects/1286-world-governance-assessment

military reprisals when they criticize policies or serve marginalized groups. The other major role of the state is to facilitate by providing resources to assist markets and communities. Such resources include information, technical expertise and advice, research and development programs, physical infrastructure as well as grants-in-aid or incentive schemes. ¹⁶

2.2.2.2 Roles of Civil Society Organizations (CSOs) in Governance

The Civil Society consists of the complex of citizens and groups outside government working in the public arena. It is often called as CSOs-civil society organizations and also sometimes referred to as the Third Sector. This sector plays an important role in the facilitation and interaction among the key players of local governance. It mobilizes the various groups or organizations in the community to participate in planning and decision-making process.

The role of civil society in development cooperation has featured prominently in development discourse in recent years. Governments of developed and developing countries at the High-Level Fora on Aid Effectiveness in Accra (2008) and Busan (2011) have agreed to support civil society organizations (CSOs) to exercise their roles as independent development actors with a particular focus on the need to create an enabling environment for CSOs to fully contribute to the development process. CSOs play many and varied roles in development cooperation. These include enabling people to claim their rights, influencing and monitor-

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¹⁶ Op.cit. Ledivina V. Carino. (1999, June). *The concept of governance.*

ing development policies and practices, providing basic services to poor and marginalized communities, responding to humanitarian emergencies, and contributing to public awareness of development issues. Donors value CSOs as partners, particularly, for their grass-roots knowledge of poor communities, technical expertise, and as advocates for human and civil rights.

Civil society Organization (CSOs) is a "space" whose function is to mediate between the individual and the state while there may not be a clear-cut definition of civil society, they more or less agree that it comprises institutions such as religious organizations, labour unions, charities, community groups, nonprofits, and the media. In advanced and virile democratic systems these institutions supplement formal processes such as voting and help citizens shape the culture, politics, and economies of their nation.

CSOs take an active role in contributing to a country's development. Engagement with civil society is critical to national ownership of development processes, democratic governance, and the quality and relevance of official development programmes. With the increasing demand for 'good governance' many organizations have gathered round the present government for the betterment of the country as a whole.¹⁷

¹⁷ OECD DAC (2013). *Evaluation insights-support to civil society.* Retrieved from https://www.Oecd.org/dac/evaluation/ Evaluation%20Insight% 20Civil%20Society %20 FINAL% 20for%20print%20and%20WEB%2020131004.pdf

CSOs are also important in creating what is increasingly referred to as 'social capital'. "Social capital is... the web of associations, networks and norms (such as trust and tolerance) that enable people to cooperate with one another for the common good. Like economic and human capital, social capital is a productive asset that accumulates with use... the institutional arrangements and values which make up social capital constitute the foundation for good governance, economic prosperity and healthy societies" (Vaneklasen, 1994).

Civil society is a sphere of social interaction between the household (family) and the state which is manifested in the norms of community cooperative, structures of voluntary association and networks of public communication ... norms are values of trust, reciprocity, tolerance and inclusion, which are critical to cooperation and community problem solving. Structure of association refers to the full range of informal and formal organizations through which citizens pursue common interests (Veneklasen, 1994). Civil society is composed of autonomous associations which develop a dense, diverse and pluralistic network. As it develops, civil society will consist of a range of local groups, specialized organizations and linkages between them to amplify the corrective voices of civil society as a partner in governance and the market (Connor, 1999).

Civil society has been widely recognized as an essential 'third' sector. Its strength can have a positive influence on the state and the market. Civil society is therefore seen as an increasingly important agent for promoting good governance like transparency, effectiveness, openness, responsiveness and accountability. Civil society can further and improve good governance, first, by policy analysis and

advocacy; second, by regulation and monitoring of state performance and the action and behavior of public officials; third, by building social capital and enabling citizens to identify and articulate their values, beliefs, civic norms and democratic practices; fourth, by mobilizing particular constituencies, particularly the vulnerable and marginalized sections of masses, to participate more fully in politics and public affairs; and fifth, by development work to improve the wellbeing of their own and other communities.

Civil Society Organizations (CSOs) can potentially contribute to local economic development and respond to the growing challenge of poverty in a number of ways. CSOs can improve the local business investment climate; encourage new enterprises and livelihood programmes. Very committed CSOs can also deliver social services, provide training and capacity building programmes; and contribute to relief and rehabilitation in times of disaster. The importance of CSO's can better be appreciated when state policies and the programs of government agencies do not take account sufficiently of needs of the poor or of some other vulnerable sections. CSOs bridge the gap by way of representing the interest of the people. CSO's also engage in defending the rights of the down-trodden especially groups that suffer extreme social exclusion.

CSOs play the critical role in mobilizing social capital. Social capital is a resource that any community possesses to some level and it can help in resolving multiple problems of a collective nature. Like any other resource, however, social capital also needs to be activated and it needs to be combined with other kinds of resources, including physical, financial and human resources. CSOs can improve

the accountability profile of governments. Across Asia, civil society organizations (CSOs) have long played a vital role in social, political, and economic development, spanning social service delivery and poverty reduction initiatives to watchdog functions that include election observation, upholding human rights, and checking abuses in public decision-making authority and resource allocation. CSOs have likewise made significant contributions to social development, the debate on governance reform, and opportunities to tap new technologies for social good. For example, in Pakistan CSOs have played an important role in promoting electoral reform, while in Indonesia they have driven innovation in using smart phone and SMS technology to promote civic and voter education. In Hong Kong and Singapore, CSOs are tapping new resources through the creation of alternative mechanisms for the private sector to join forces with civil society in addressing critical issues and to demonstrate corporate social responsibility (Merry, 2003).

The Civil Society Organizations (CSOs) encompass numerous actors varying in scale from international to grassroots level, all with diverse interests and approaches. Mainly involved in advocacy, lobbying, mobilizing people and funds, project implementation and service provision, the CSOs include the formal and informal Community Based Organizations (CBOs), religious bodies and Faith Based Organizations (FBOs), and other community self-help groups. While most NGOs and several FBOs and CBOs operate formally, most CBOs at the grassroots level are run semi- or informally.¹⁸

¹⁸Joseph K., Simone S., & Johannes, H. (2010, November). *Good urban governance in Nairobi and Recife.* Paper presented at 46thISOCARP Congress 2010. Retrieved http://unpan1.un. org/intradoc/groups/public/ documents/un/unpan005783.pdf

Due to their diverse interests, the different CSOs have varying degrees of support or opposition to the ongoing housing and rural programmes including the promotion of good governance. Indeed, CSOs are supposed to play a major role in the good local governance paradigm. Many of them generally have a basic need and basic human right approach and are involved in the improvement of the lives of the rural poor and advocated for principles of good governance.¹⁹

On April 19-20, 2016, organized jointly by the Korea Development Institute (KDI) and The Asia Foundation (TAF), the "Asian Approaches to Development Cooperation" (AADC) dialogue series brings together development experts and government officials from the Asia region and beyond to share perspectives and to facilitate mutual learning between and among emerging Asian donors, recipient countries, and DAC members. In the opening ceremony Mr. Jaehoon Kim, from the Korea Development Institute, added welcome remarks to participants and commented that NGOs play a crucial role in monitoring government activities in international development and gathering data to improve development effectiveness. While Mr. Gordon Hein, from the Asia Foundation, expressed that NGOs getting more attention globally as vital development actors. He also emphasized that to reach the ambitious goals and targets of the SDGS contribution from diverse actors, government and non-government organizations are required.²⁰

¹⁹ Ibid., p.20.

²⁰ Non-State Actors in Asian Development Cooperation (2016). *The role of non governmental organizations.* The Regent Hotel Beijing, China.

2.2.2.3 Roles of Private Sector in Governance

In governance parlance, the private/business sector serves as the engine of the society. It is an important collaborator in the economic development of the community. It generates jobs and incomes for the people in the community. Because of its resources such as financial and technical expertise, it can assist the local government in coming up with an economic plan for the community and help in the implementation of the plan. It can also provide the needed resources for the government to enable it to pursue big and wide scale projects that are beyond the local government's financial capability. Efficiency and economy are expected outputs or products of corporate governance. The state provides a level playing field for those able to compete, and turns its attention to the provisions of safety nets for those unable to do so. In the field of information technology, the private sector can help the local government in the development of technologies that would help proper the growth and development of the economy of the community. In this connection, the private sector can assist the local government promote the transfer of technology such as the application of spatial planning and decision support systems for effective local governance.²¹

The private sector contains a wide variety of actors ranging in scale from the giant multinational corporations to small informal enterprises. As a condition for good urban governance the private sector is envisioned as a key stakeholder engaging meaningfully with other sectors to achieve sustainable urban economic development. Direct involvement in urban issues has included corporate social

²¹ Eastern Regional Organization for Public Administration (2000). *From government to governance* (Reflections on the 1999 World Conferences on Governance). The Eastern Regional Organization for Public Administration.

responsibility, public-private or private-civil partnerships and business associations. However, their involvement in dealing with urban challenges pertaining to the urban poor has been minimal. In fact, several private sector stakeholders engage in business practices that worsen the lives of the urban poor and are not coherent with good urban governance principles (Syagga et al., 2001).

The private sector has an important role to play in the fight against corruption. Therefore, to effectively fight corruption, governments, civil society organizations (CSOs) and donors should seek to systematically and constructively engage with the private sector as a source of corruption, but also a potential supporter in the fight against corruption (Transparency International, 2009).

Companies are more likely to behave ethically and act against corruption if they are confident that their competitors also adhere to the same ethical standards. Business associations and chambers of commerce can potentially offer a good platform for companies operating in a given sector to collectively engage in the fight against corruption and level the playing field between competitors. There are several ways in which business associations and chambers of commerce can support anti-corruption efforts. They can facilitate collective action, collectively advocate for reforms and encourage more transparency and accountability in government decisions, as well as promote good corporate integrity among its members.²²

²² Transparency International (2013). *The role of business associations and chambers of commerce in the fight against corruption.* Retrieved from https://www.u4.no/publications/the-role-of-business-associations-and-chambers-of-commerce-in-the-fight-against-corruption

2.2.3 Concept of Good Governance

The concept of "good governance" emerged at the end of the 1980s, at a time of unprecedented political changes. The collapse of the Berlin wall on 9th November 1989 set off the disintegration of the Soviet Union which as a consequence thereof also led to the decay of the political and economic alliances of the Eastern bloc. These political changes created the breeding ground and gave way for a serious discussion on how a state has to be designed in order to achieve (economic) development, i.e., a discussion on good governance. Good governance in the public sector makes a significant contribution to improving people's lives. When local governments practice good governance, their communities are more connected and engaged, better services are provided, and more effective use is made of resources. In meeting the highest standards of public accountability, good governance produces better outcomes.²³

Since the early 1990s, the notion of "good governance" as being necessary for sustainable development and poverty reduction has gained widespread currency, especially among international organizations. It is referred to in the United Nations Millennium Declaration, an agenda for reducing poverty and improving lives that world leaders agreed upon at the Millennium Summit in September 2000.²⁴

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²³ DAHAL, D.R. (1996). *The challenge for good governance decentralization and development in Nepal*. Modern Printing Press, Kathmandu.

²⁴ United Nations Millennium Declaration (2000). *The general assembly resolution*. The United Nations Millennium Declaration.

As both good governance and poverty reduction are important in development policies agenda, the question arises as to whether and how they are related to each other. The term "good governance" is a combination of the words "good" and "governance". Governance means the way to exercise power to manage the resources of an organization. Therefore, "good governance" is a good way to exercise power to manage the resources of an organization (Uwanno, 2002).²⁵

Good governance can be applied by the government sector, the private sector, civil societies, individuals, and international organizations in order to guarantee justice, honesty, efficiency and effectiveness. Factors behind its practice are transparency, accountability and participation. There may be other factors, depending on those who put good governance into practice. Factors involved in its practice may include laws, regulations, ethics, excellent deeds, and cultures (Uwanno, 2002), which may or may not be supportive. Therefore, good governance is a new principle of administration which does not focus on a theory, but rather on practices. If applied, it will bring about the best results: justice, honesty, efficiency and effectiveness (Bureekul, et al. 2002).

The concept of good governance is familiar as it exists in religious teachings, albeit used in the context of different names. Buddhism has taught good governance since the Buddha's time. Its teachings are in line with the new idea of public administration, and have continuously been applied in management. The Buddhism has advised all people starting from high class people to ordinary people that what those people shall apply in their daily work and life including (i) right

²⁵ Uwanno, B. (2002). *Good governance in independent organizations. A supplementary reading material*. Nonthaburi: King Prajadhipok's Institute. (In Thai)

speech (ii) right action, (iii) right livelihood, (iv) right understanding (v) right thought, (vi) right effort, (vii) right mindfulness, and (viii) right concentration.

Bad government and bad governance have similar characteristics: Corruption, Whimsical and Expedient Decision-Making, Shortsightedness, disregard for the concern of the many and decisions. They include accountability and ethics in decision-making and implementation, transparency and predictability, rule-bound decision-making and action, responsiveness, a long-term view of the public interest. The public should therefore have a right to expect laws, a fair judicial system, politically accountable lawmaking and an effective and reform-minded bureaucracy. Good governance is, among other things, participatory, transparent and accountable. It is also effective and equitable. And it promotes the rule of law. Good governance ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources.²⁶

Good governance is about the processes for making and implementing decisions. It's not about making 'correct' decisions, but about the best possible process for making those decisions. Good decision-making processes, and therefore good governance, share several characteristics. All have a positive effect on various aspects of local government including consultation policies and practices, meeting procedures, service quality protocols, councilor and officer conduct, role clarification and good working relationships.²⁷

²⁶ Op.cit. Eastern Regional Organization for Public Administration (2000). *From government to governance* (Reflections on the 1999 World Conferences on Governance).

²⁷ Landcare Tasmania (2016). *Good governance guide for Tasmanian Landcare groups.* The Landcare Tasmania

The concept of good governance emerged mainly because practices of bad governance, characterized by corruption, unaccountable governments and lack of respect for human rights, had become increasingly dangerous, and the need to intervene in such cases had become urgent. Bad governance does not only affect the day to day delivery of goods and services to the citizens of a country. It fundamentally alters the principles of politics for the good of all. In a democratic polity one way of measuring the govern ability of a government is to judge government's performance on issues that the government itself dense as areas of priority. This is all the more true of democratic governments than military regimes because democratic form of government is supposed to be 'rule of the people'. Good governance has become an important element of the political and economic agendas, and has meanwhile been better specified along with the proliferation of good practices that take the concept into consideration. Beyond entailing just multiparty elections, a judiciary and a parliament, which have been identified as primary components of Western-style democracies, good governance goes on to address several other central issues such as universal protection of human rights; non-discriminatory laws; efficient, impartial and rapid judicial processes; transparent public agencies; accountability for decisions by public officials, devolution of resources and decision making to local levels from the capital; and meaningful participation by citizens in debating public policies and choices.²⁸

²⁸. Miriam Wyman. (2001, July). *Thinking about governance*: A draft discussion paper prepared for the Commonwealth Foundation Citizens and Governance Program. Retrieved from http://citeseerx.ist.psu.edu/viewdoc/summary?doi=10.1.1.199.5627

In another usage 'good governance' implies government that is democratically organized within a democratic political culture and with efficient administrative organizations, plus the right policies, particularly in the economic sphere. These have generally included trade liberalization, the deregulation of economic activities, the privatization of state enterprises, and 'pro-poor' policies such as reductions in military expenditure in favor of public spending on education and health care (Hoebink, 1999). Good governance requires policy reform as well as the reform of governmental organizations (for example for tax collection) and institutions (such as the rule of law). The UN defines good governance as policies for sustainable human development (including enabling the private sector to create employment); and government that is democratic, decentralized, empowering, and accountable (with properly functioning legislatures, legal and judicial systems to protect the rule of law and human rights, and electoral processes). At the constitutional level, good governance requires changes that will strengthen the accountability of political leaders to the people, ensure respect for human rights, strengthen the rule of law, and decentralize political authority. At the level of political action and organization, three attributes of good governance are common to the governance agendas of most aid agencies: political pluralism, opportunities for extensive participation in politics, and probity and incorruptibility in the use of public powers and offices by servants of the state. Administratively, good governance requires accountable and transparent public administration; and effective public management, including a capacity to design good policies as well as to implement them.²⁹

²⁹ Knack, S. (2002, February). *Governance and growth: Measurement and evidence.* Paper prepared for the Forum Series on the Role of Institutions in Promoting Growth, IRIS Center and USAID, Washington DC. Retrieved from https://mafiadoc.com/good-governance-institutions-and-economic-semantic-scholar_5b883e...

There is the policy dimension of good governance. Policy prescriptions for developing and transitional countries have moved through different phases. But the good governance agendas of Western agencies throughout have been driven by the neo-liberal economics and politics that have dominated the official theoretical and ideological profile since the 1980s (Leftwich, 2000). Most international organizations provide definitions of governance rather than of good governance. The World Bank for example, outlines three aspects of governance: i) the type of the political regime, ii) the public management of economic and social resources, and iii) the capacity of government to design, formulate and implement policies.³⁰ The former UN Secretary General Kofi Annan describes good governance as a force ensuring respect for human rights and the rule of law, strengthening democracy, promoting transparency and capacity in public administration.³¹

Recently, the use of the term good governance has been expanded to include more than multiparty elections, a judiciary and a parliament. The areas of interest are numerous: "universal protection of human rights non-discriminatory laws; efficient, impartial and rapid judicial processes; transparent public agencies; accountability for decisions by public officials; devolution of resources and decision making to local levels from the capital; and meaningful participation by citizens in debating public policies and choices".³²

³⁰ World Bank (1994). *Governance* (The World Bank's Experience). Washington, D.C, USA: World Bank Group.

³¹ Thomas, G. W. (2000). Governance, good governance and global governance: Conceptual and actual challenges. *Third World Quarterly,* 21 (5), 795-814. https://sta.uwi.edu/iir/normangir vanlibrary/sites/default/files/ normangirvanlibrary/documents/ Governance%20good%20governance%20and%20global%20governance.pdf

³² Ibid., p.02.

Good governance has thus become an elastic term rather than a concept in its own terms. It is used more like a flexible carrier which conveys a varying combination of messages which remain though in the same general logic. Moreover, good governance can be understood as a mechanism of capacity building for states that despite being independent are not capable of making and implementing their own decisions.³³

The quantity of goals has led to the introduction of the concept "good enough governance" that suggests that not all government deficits can be tackled at once and that they should be prioritized. Good governance is a product of time and the individual historical, political and economic conditions of each country have to be taken into account when reforms are prioritized.³⁴

- The United Nations (UN, 1998): Former UN Secretary-General Kofi Annan said "good governance is perhaps the single most important factor in eradicating poverty and promoting development". And yet, good governance has never been subject to a unanimous definition.
- The United Nations Development Programme (UNDP, 1997): UNDP has adopted the most inclusive definition: "Good governance is, among other things, participatory, transparent and accountable. It is also effective and equitable. And it promotes the rule of law. Good governance ensures that

³⁴ Merilee, S., Grindle Edward, S., & Mason. (2002, October). *Good enough governance: Poverty reduction and reform in developing countries*. Prepared for the Poverty Reduction Group of the World Bank, International Development Kennedy School of Government Harvard University. Retrieved from http://www.china-up.com:8080/international/case/case/1535.pdf

³³ Martin Doornbos. (2001). Good governance: The rise and decline of a policy metaphor? *Journal of Development Studies,* 37 (6), 93-108. Retrieved from https://www.tandfonline.com/doi/abs/10.1080/713601084

political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources".

- ➡ The World Bank (WB, 1997): Good governance has been associated with democracy and good civil rights, with transparency, with the rule of law, and with efficient public services.
- The Asian Development Bank (ADB,1995): Good governance is defined as "the manner in which power is exercised in the management of a country's economic and social resources for development". Further, in a separate opinion issued by the ADB General Counsel, it was explained that governance has at least two dimensions: (a) political (e.g., democracy, human rights); and (b) economic (e.g., efficient management of public resources). Given that the ADB's concept of good governance focuses essentially on the ingredients for effective management, the institution is concerned only with these aspects of governance.
- Good Governance Guide (Municipal Association of Victoria, February 2004)

 Good governance has been defined in the Community Consultation Resource Guide as existing when a government governs for and on behalf of its community. This provides the democratic basis which is essential to an understanding of good governance in the local government sector, with a focus of good governance as it applies to democratically elected governments.

♣ Irish Aid-Department of Foreign Affairs (2009): Building good governance is central to the work of Irish Aid across the development programme. Without good governance, long-term sustainable development is not possible. The White Paper on Irish Aid describes governance as "the political and institutional capacity of a country to elect accountable government, create and uphold laws, promote and protect people's rights, meet people's needs and effectively and fairly manage the resources of the state":

"Good governance is about helping to create the conditions in which women and men are empowered to participate freely in their political, social and economic development and, in so doing, to achieve their potential. It is about helping to achieve proper mobilisation and allocation of public funds, and effective delivery of public services. Essentially it is about helping to build a society where women and men can exercise their rights and lead fulfilling lives. Fighting corruption is an essential element of the pursuit of good governance". 35

Merilee Grindle Harvard University (May 2008):

Good governance is a good idea. We would all be better off, and citizens of many developing countries would be much better off, if public life were conducted within institutions that were fair, judicious, transparent, accountable, participatory, responsive, well-managed, and efficient. For the

³⁵ Irish Aid (2000). *Building good governance through development cooperation* (Policy orientations for Irish Aid). Irish Department of Foreign Affairs.

millions of people throughout the world who live in conditions of public insecurity and instability, corruption, abuse of law, public service failure, poverty, and inequality, good governance is a mighty beacon of what ought to be.

■ Good Governance from a Human Development Perspective: 36

Good governance from a human development perspective,

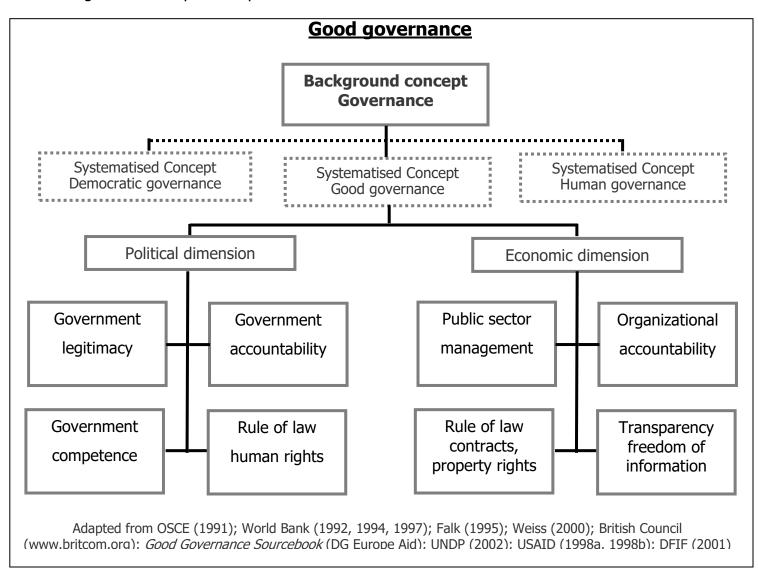
At its core, democratic governance means:

- People's human rights and fundamental freedoms are respected, allowing them to live with dignity.
- People have a say in decisions that affect their lives.
- People can hold decision-makers accountable.
- Inclusive and fair rules, institutions and practices govern social interactions.
- Women are equal partners with men in private and public spheres of life and decisionmaking.
- People are free from discrimination based on race, ethnicity, class, gender or any other attribute.
- The needs of future generations are reflected in current policies.
- Economic and social policies are responsive to people's needs and aspirations.

³⁶Abdellatif, A.M. (2003, May) *Good governance and its relationship to democracy and economic development*. Paper presented at the Global Forum III on Fighting Corruption and Safeguarding Integrity, Seoul. Retrieved from https://www.researchgate.net/publication/242713239_Workshop_IV_Democracy_Economic_Development_and_Culture_3_Good_Governance_and_Its_Relationship_to_Democracy_and_Economic_Development

♣ <u>Dimensions of Good Governance</u>: As shown in Figure 2.2, good governance consists of two major dimensions: political and economic. The political dimension can be broken down into four key components: government legitimacy; government accountability; government competence; and rule of law (human rights). The economic dimension also has four components: public sector management; organizational accountability; rule of law (contracts, property rights); and transparency (includes freedom of information).

Figure 2. 2: Graphical Representation of Good Governance



2.2.4 Principles of Good Governance

Good governance principles have been globalized not only through their use by international organizations as a form of conditionality but also through their inclusion in the modernization agendas of many countries. The use of good governance principles from international organizations in order to push for policy reform has been novel. Traditionally, domestic politics and interference in the internal affairs of a state had formally been out of the spectrum of the international community. Article 2 (7) of the UN Charter guarantees sovereignty and non-interference in the internal affairs of a state but the pressures for development, the necessity of efficient management and historical events such as the end of the Cold War have led to the undermining of its absolute character.³⁷

When talking about good governance, what is generally referred to is the ability to perform efficiently, effectively and responsively, guided by principles that are feasible and desirable at all levels of the society, not just at the political one. The principle of good governance covers different ideals for a better society. First of all, there's a *technical dimension* of the concept, which refers to "the economic aspect of governance, namely, the transparency of government accounts, the effectiveness of public resources management, and the stability of the regulatory environment for private sector activity." Secondly, *the social dimension*, i.e.,

³⁷ Thomas, G. W. (2000). Governance, good governance and global governance: Conceptual and actual challenges. *Third World Quarterly*, 21 (5), 795-814. https://sta.uwi.edu/iir/normangirvanlibrary/sites/default/files/normangirvanlibrary/documents/Governance%2 0good%20governance%20and%20global%20governance.pdf

"to build, strengthen and promote democratic institutions as well as tolerance throughout society." And thirdly, the *political dimension* refers to "the legitimacy of government, the accountability of the political elements of government and respect for human rights and the rule of law." ³⁸

Many scholars, donor and development agencies, financial institutions and think-tanks developed different indicators and elements of good governance to measure the quality of governance based on their purposes and notions. From this perception, they believed that good governance provides huge dividend, high quality of governance increases the income per capita and encourage growth through-out the world in long run (World Bank, 1997). Key indicators and elements of governance that have been developed are used for the purpose of aid allocation, measuring democracy, services delivery and its effectiveness and efficiency and corruption. Table 2.1 below illustrates the key elements of good governance which are extracted from various organizations for a comparative perspective.

³⁸ Op.cit. Miriam Wyman. (2001, July). *Thinking about governance*: A draft discussion paper prepared for the Commonwealth Foundation Citizens and Governance Program.

Table 2. 1: Key elements of good governance as defined by different institutions

	RGC	UN	UNDP	WB	ADB	UNESCAP
Elements/ Principles	Participation	Consensus- oriented	Participation	Accountability	Accountability	Participation
	Rule of law	Participatory	Rule of Law	Transparency	Participation.	Rule of Law
	Transparency	Following the Rule of Law	Transparency	The rule of law	Predictability	Transparency
	Consensus ori- ented	Effective and Efficient	Responsiveness	Participation.	Transparency	Responsiveness
	Equity	Accountable	Consensus- orientation			Consensus- oriented
	Effectiveness and efficiency	Transparent	Equity			Equity and inclusiveness
	Accountability	Responsive	Effectiveness and efficiency			Effectiveness and efficiency
	Responsiveness	Equitable and Inclusive	Accountability			Accountability
			Strategic vision			

Source: Extracted from RGC (2014), UN (1992), UNDP (1997), WB (1997), ADB (1995), UNESCAP (2004)

As shown in table 2.1 above, each of the institution and development agencies has defined its elements of good governance based on their development purpose. However, the terms of elements were used by each of the institutions are not quite differences; it refers to the level of confidence in using of indicators to measure the quality, effectiveness, and efficiency of implementing the good governance respectively. The RGC (2014) acknowledges the following as core characteristics of good governance:

1. Participation:

Participation in good governance intents to be participated by every citizen (authorities, people, CSOs and key stakeholders) in the process of decision making and implementing those decisions made. The important of participation is to make sure that all information about the problems, needs, and purposes of people are collected and analyzed before decision made.

2. Rule of law:

Rule of law in the meaning of good governance requires fair legal framework to serve and protect public benefits and need to be enforced impartially. Furthermore, it also requires full protection of human rights, particularly those of minorities, and vulnerable groups. Thus, it needs independent judiciary and incorruptible authority forces.

3. Transparency:

Transparency in good governance means that all decision making and implementation of those decisions made must: Follow the legal framework. Information related to decision making and implementation of those decision made is openly disseminated freely access specially to those who will be affected by such decisions and their enforcement. All information must be simple accurate.

4. Responsiveness:

In good governance, it means the efforts of state administration and institutions to serve all stakeholders equally without discrimination within reasonable timeframe.

5. Consensus-oriented:

In good governance, it means that the long-term perspective and consideration of different interests and needs in society to reach a broad consensus on best option and method to serve interest of the whole community.

6. Equity and inclusiveness:

In good governance, Equity means that all people or groups in community, specially minorities and vulnerable groups have opportunity to participate, raise issues and needs, involve in implementation, and get reasonable interests to improve and maintain their well-being. Furthermore, they have a stake in it and do not feel excluded from the mainstreaming society.

7. <u>Effectiveness and efficiency:</u>

Effectiveness and efficiency in good governance is the process and institutional management system in best use of resources at their disposal with saving manner to produce high quality and quantity of outputs, and able to provide maximum benefits and to meet real needs of the community. The concept of effective and efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

8. Accountability:

Accountability in good governance means that the implementation of role, tasks in the process decision making and implement those decision made and take responsibility in all of their performance by reporting, explaining the reasons on those decisions made.

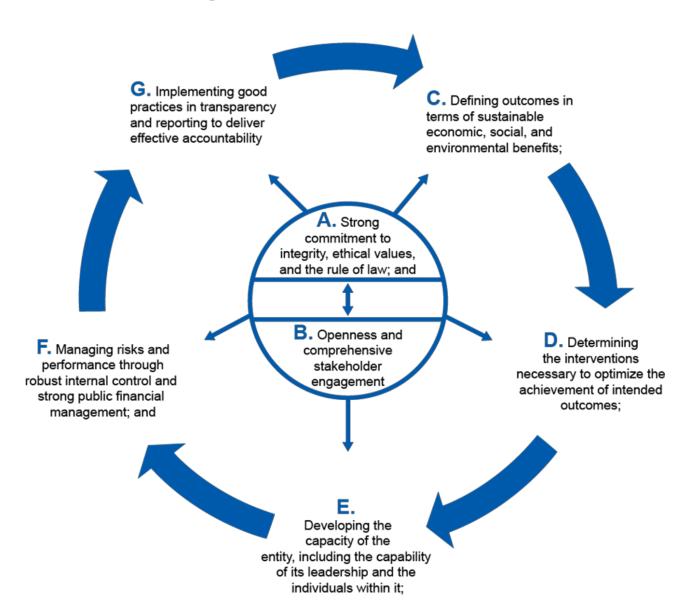
Key Principles of Good Governance in the Public Sector

- The function of good governance in the public sector is to ensure that entities act in the public interest at all times.
- Acting in the public interest requires:
 - A. Strong commitment to integrity, ethical values, and the rule of law; and
 - B. Openness and comprehensive stakeholder engagement.
- In addition to the requirements for acting in the public interest, achieving good governance in the public sector also requires:
 - C. Defining outcomes in terms of sustainable economic, social, and environmental benefits;
 - D. Determining the interventions necessary to optimize the achievement of intended outcomes;
 - E. Developing the capacity of the entity, including the capability of its leadership and the individuals within it;
 - F. Managing risks and performance through robust internal control and strong public financial management; and
 - G. Implementing good practices in transparency and reporting to deliver effective accountability.

Source: IFAC/CIPFA-Good Governance in the Public Sector—Consultation Draft for an International Framework, September 17, 2013.

Figure 2. 3: Relationships between the Principles of GG in the Public Sector

Acting in the Public Interest at all Times



Sources: IFAC/CIPFA-Good Governance in the Public Sector—Consultation Draft for an International Framework, September 17, 2013.

A. Strong commitment to integrity, ethical values, and the rule of law:

The public sector is normally responsible for using a significant proportion of national resources raised through taxation to provide services to citizens. Public sector entities are accountable not only for how much they spend but also for the ways they use the resources with which they have been entrusted. In addition, they have an overarching mission to serve the public interest in adhering to the requirements of legislation and government policies. This makes it essential that the entire entity can demonstrate the integrity of all its actions and has mechanisms in place that encourage and enforce a strong commitment to ethical values and legal compliance at all levels.

B. Openness and comprehensive stakeholder engagement:

Public sector entities are run for the public good, so there is a need for openness about their activities and clear, trusted channels of communication and consultation to engage effectively with individual citizens and service users, as well as institutional stakeholders.

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits"

The long-term nature and impact of many of the public sector's responsibilities mean that it should define its planned outcomes, which must be sustainable. The governing body should ensure that its decisions further the entity's purpose, contribute to intended benefits and outcomes and remain within the limits of authority and resources. Input from citizens, service users, institutional stakeholders, and others is vital to the success of this process and in balancing competing demands in order to determine priorities within the finite resources available.

D. Determining the interventions necessary to optimize the achievement of intended outcomes:

The public sector achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of interventions is a critically important strategic choice that governing bodies of public sector entities have to make in order to ensure they achieve their intended outcomes. Public sector entities need robust decision-making mechanisms in order to ensure that their defined outcomes can be achieved in a way that ensures the best trade-off between the various types of resource inputs. Decisions made need to be kept under review so that achievement of outcomes is optimized.

E. Developing the capacity of the entity, including the capability of its leadership and the individuals within it:

Public sector entities need the right structures and leadership, as well as people with the right skills and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. Changes in individuals, and the environment in which the entity operates, mean there will be a continuous need to develop its capacity as well as the skills and experience of its leadership and individual staff members. Public sector entities are strengthened by the participation of people with many different types of backgrounds reflecting the structure of their communities.

F. Managing risks and performance through robust internal control and strong public financial management:

Public sector entities need to implement and sustain an effective performance management system that enables them to deliver the planned services effectively and efficiently. Risk management and internal control are significant and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks to the achievement of an entity's outcomes.

A strong system of financial management is essential for the implementation of public sector policies and the achievement of intended outcomes through enforcing financial discipline, strategic allocation of resources, efficient service delivery, and accountability.

G. Implementing good practices in transparency and reporting to deliver effective accountability:

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but ensuring stakeholders are able to understand and respond as the entity plans and carries out its activities in an open manner.

2.2.5 Concept of Local Governance

Local governance refers to the exercise of authority at the local community level.

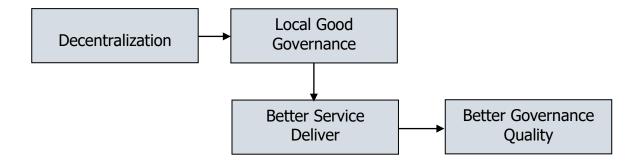
Local governance is referred to sub-national institutions constitute one of the most important avenues for poor people, women, and minorities to participate in the development of their communities and influence the decision-making process that are directly relevant to their lives.

The promotion of decentralization – or devolution of authority and/or resources from the central government to local government – is widespread throughout the developing world. Indeed, decentralization is one of the most popular policy experiments among governments, donors, and civil society organizations (CSOs) alike, largely because it is seen as a means to reduce inefficiencies inherent in concentrated, overly bureaucratic government. Since the 1990s, decentralization has been increasingly viewed as complementary to democratization, based on the assumption that it is easier to bring about positive and meaningful citizen engagement with government at the local rather than national level, where powerful, long-established elites tend to tightly control political and fiscal processes.³⁹

³⁹ The Asia Foundation (2013). *Local governance program.* Washington, DC 1779 Massachusetts Ave., NW Suite 815 Washington, D.C. 20036 USA: The Asia Foundation.

As decentralization is the process of transferring authorities, responsibilities, decision making on resources, for the purpose of services delivery to grassroot people, from national government to lower governments (local government), thus local governance rendered when governance has been applied in local government. In the period of 1990s, decentralization was a mean to open governance to motivate public involvement, from this regard, governance emerged in the concept of decentralization (Cheema & Rondinelli, 2007), that is, decentralized local governance.

Figure 2. 4: Decentralization towards LGG and Services Delivery



Source: Adapted from Romeo (2000).

World Bank (2006) defines local governance the collective action which formulated and executed at local tier; therefore, it conserves self-governing communities. UNDP (2004) argued that procedure, process and institution are a set of local governance. These can be seen when grassroot people and collective group articulate their needs and interests and their right was exercised. Reorganizing local governance institution needs the consensus on the following principles to achieve citizen-centre local governance that presents in Figure 2.5 below.

Figure 2. 5: Dimension of Citizen-Centre Local Governance



local governments do the right things (deliver the service based on citizen preferences)

Accountable Governance:

local governments are accountable to the electorate to ensure the local governments serve integral public interest

Source: Andrews and Shah, 2005, cited in World Bank, 2006:22

For effective local governance decentralization policies, strategies, legal frameworks, programmes and activities must be conceived from two planes:

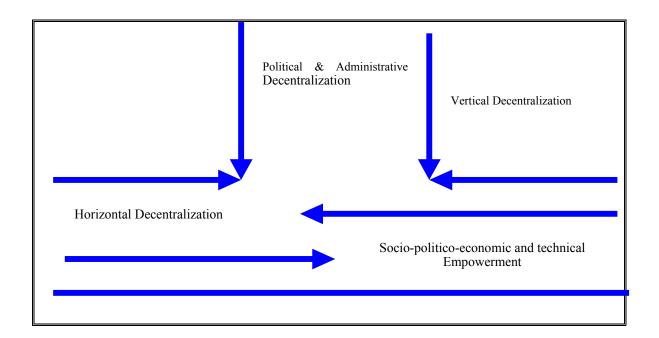
- The vertical plane involving the transfer of authority, functions, responsibilities and resources from central government to local government structures
- The horizontal plane involving the empowerment of grass-root communities to enable them determine plan, manage and implement their socio-politico-economic development.

While vertical decentralization requires shifts in central government policy, laws as well as institutional and structural arrangements to provide for the sharing of powers, authority, functions and resources and enable local governments to perform fully, horizontal decentralization may take place without necessarily making adjustments in the laws. It however requires determined mobilization and organization of local communities to participate fully in the planning and implementation of socio-economic activities that are aimed at strengthening their capacities to determine and enjoy their socio-economic livelihood. An important linkage between vertical and horizontal decentralization is that in countries used to highly centralized governments and/or dictatorships, horizontal decentralization empowers local populations and prepares them to be able to positively receive and utilize the powers, authority, and resources transferred to them via vertical decentralization. It is of great use to always engineer efforts of decentralization on the two planes involving all stakeholders. As illustrated in the figure below, this will achieve two crucial results: (i) horizontal decentralization will empower local communities and (ii) vertical decentralization will create conducive structural arrangements and transfer of powers, functions responsibilities and resources that will supplement the empowerment created by vertical decentralization.⁴⁰

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⁴⁰ John-Mary, K. (1998, June). Local governance capacity building for full range participation: Concepts, frameworks, and experiences in African countries. Retrieved from https://www.researchgate.net/publication/228357073_Local_Governance_Capacity-Building_for_Full Range_Participation_ Concepts_Frameworks_ and_Experiences_in_African_Countries

Figure 2. 6: Vertical and horizontal decentralization



Sources: John-Mary Kauzya (1998).

Local governance is being promoted in a number of countries because it is believed that it provides a structural arrangement through which local people and communities can participate in the fight against poverty at close range. However, it is acknowledged that various capacities of a multiplicity of stakeholders and actors need to be strengthened to meet the requirements of effective and responsive local governance.⁴¹

⁴¹ Ibid., p.7.

The appropriate way to approach addressing issues and problems of capacity building for local governance is to first conduct stakeholders' and key players' identification and analysis. This would enable first to know who they are, and second to understand what capacity they possess as well as the capacity they lack.⁴²

Central government level

Community

Civil society

Civil society

Donors and development partners

Figure 2. 7: Simple model for analysing local governance stakeholders

Sources: John-Mary Kauzya (1998).

When it comes to local governance there are many stakeholders and players. They are in the public sector, in the private sector, in civil society, among donors and development partners, at local community, national, regional and international levels. The capacity or lack of it, for local governance cannot be pinned only on the community in question. The appropriate pre-disposition for capacity building for local governance is to assess each players' capacity vis

⁴² Ibid., p.8.

avis their roles so that each one's capacity is strengthened to play that role effectively. For examples, (i) while in many countries central government authorities hesitate to embark on decentralized governance policies for reasons related to inadequate capacity at local level, it has been discovered that the same central governments do not possess adequate capacity to analyze, formulate, and effectively manage decentralized governance policies. (ii) While many Donors and Development partners have a tendency of blaming local governments of having no capacities to implement local level development projects, it is often the case that the same Donors and Development partners do not have the requisite capacity in terms of understanding and working within local community cultural and social environments to promote community sensitive development. The real situation on the ground in many developing countries is that inadequate capacity is a problem found among almost all players involved in decentralized governance. The difference is in extent and degree to which the capacity is lacking.43

In the context of an increasingly globalizing world, challenges and requirements of capacity building for local governance should always be analyzed and diagnosed taking into account the full range of stakeholders and actors' analysis at community, local, national, regional and international level. Such an analysis should always be conducted in a participative manner to make the stakeholders

⁴³ Ibid., p.9.

and actors involved in local governance to share a common understanding of one another's strengths and weakness. This would in turn facilitate the process of cooperation, harmonization, and synergy in capacity building activities. The framework given in the figure below was used to conduct a governance capacity assessment in Uganda, Rwanda, Liberia, and Tanzania and was found to be very useful.⁴⁴

International and Regional Bodies Institutions of Government International Civil Society Organizations Multinational Private Sector Socio-Politico, Institutions of Civil Institutions of the Economic & Cultural Society Livelihood Private Sector Institutions of Local Government Regional International and Local Government Or ganizations and Twinnin

Figure 2. 8: Grass-root LG Stakeholders & Actors analysis framework

Sources: John-Mary Kauzya (1998).

The figure below summarizes a framework for holistic capacity building. One of the mistakes often committed by players in local governance capacity building is

⁴⁴ Ibid., p.10.

to equate capacity building to training. Most capacity building activities include workshops, seminars and long or relatively short courses. Such activities constitute just a small portion of capacity building if it is taken holistically. A holistic capacity building approach would assess capacity of: the policy environment, institutions, individuals and teams, before assessing whether there are adequate facilities funds and logistics. The important point to note here is that trying to build capacity in one area without the others often wastes efforts, time and resources because in the final analysis the ultimate results cannot be achieved.⁴⁵

Strategic action **Focus** Activity Championing Kdvocacy Knowledge enha Recruitment Individual and teams Skills building Training Attitude change and motivation Coaching Team-building and networking Hands on Tours and visits Numbers Creating institutions Designing systems Systems design and development Institutions Designing structures Organizational structuring Job descriptions Job design Designing procedures Networking institutions and processes Procedures and pacesses Political will Policy design Environment Legislation Support policies Legal framework Governance Overall governance practices improvement Materials Constructing facilities Purchasing Building infrastructure Equipment Facilitation Facilities Logistics Providing funds Infrastructure Finances

Figure 2. 9: Framework for holistic capacity building

Sources: John-Mary Kauzya

⁴⁵ Ibid., p.13.

For example, no matter how much computer training and skills building is done to strengthen the capacity of a Secretary, if the same Secretary does not have computer hardware and software to do the work, the effort, the resources and the time spent on the training will have been wasted. Faced with the situation of having knowledge and skills that she/he cannot apply the Secretary will be demotivated and if she/he finds opportunity, she/he will leave for another job. Another example would be where the policy environment is not appropriate. If the decentralization policy is not well designed in terms of goals, objectives, institutional arrangements etc., no matter how much funds are provided for its implementation, very little will be achieved.⁴⁶

Decentralization enhances Local Governance—as part of the emerging concerns of 'good governance,' the policy of devolution of power and authority to subnational governments, commonly referred to as 'decentralization,' has been popularized in developing countries and many aid agencies support it. Decentralization is a gradual process and is expected to enhance the opportunities for participation by placing more power and resources at a closer, more familiar, and more easily influenced level of government. In environments with poor traditions of citizen participation, therefore, decentralization is perceived to be an important first step in creating regular, predictable opportunities for citizen-state interaction. Within Africa itself, decentralization has also been opted for as a so-

⁴⁶ Ibid., p.14.

lution to political challenges that seem to threaten national cohesion. Countries with a history of linguistic, ethnic/tribal, and religious tensions have often found the federal approach to national governance as most suited for national harmony. Both Ethiopia and Uganda, for example, derive their initiation and commitment to decentralization from past history of political upheaval. In this regard, a good number of African countries, including Mozambique, Cape Verde, Mauritania, and Zimbabwe see decentralization as a solution not only to the enhancement of the state's capacity to accelerate local development but also as a way to enhance the poor's voice and power in the continuing fight against poverty.⁴⁷

Decentralizing government ... enables people to participate more directly in governance processes and can help empower people previously excluded from decision-making. In this way a country can create and sustain equitable opportunities for all its people. Closer contact between government officials and local communities and organizations also encourages the exchange of information that can be used to formulate development programmes that are tailored to local needs and priorities, and thus are more effective and sustainable.⁴⁸

Local governance is a broader concept and is defined as the formulation and execution of collective action at the local level. Thus, it encompasses the direct and indirect roles of formal institutions of local government and government hi-

⁴⁷ United Nations Economic Commission for Africa (2002). *Local governance for poverty reduction in Africa* (Concept Paper). The United Nations Economic Commission for Africa.

⁴⁸ United Nations Development Programme (2005). *Governance for sustainable human development.* The United Nations Development Programme.

erarchies, as well as the roles of informal norms, networks, community organizations, and neighborhood associations in pursuing collective action by defining the framework for citizen-citizen and citizen-state interactions, collective decision making, and delivery of local public services. Although the concept of local governance is as old as the history of humanity, only recently has it entered the broad discourse in the academic and practice literature. Globalization and the information revolution are forcing a reexamination of citizen-state relations and roles and the relationships of various orders of government with entities beyond government—and thereby an enhanced focus on local governance. The concept, however, has yet to be embraced fully by the literature on development economics, because of the longstanding tradition in the development assistance community of focusing on either local governments or community organizations while neglecting the overall institutional environment that facilitates or retards interconnectivity, cooperation, or competition among organizations, groups, norms, and networks that serve public interest at the local level. 49

Local governance, therefore, includes the diverse objectives of vibrant, living, working, and environmentally preserved self-governing communities. Several writers (Bailey, 1999; Dollery & Wallis 2001; Rhodes, 1997; Stoker, 1999) have recently argued that the presence of a vast network of entities beyond government that are engaged in local services delivery or quality of life issues makes it unrealistic to treat local government as a single entity. Analytical recognition of

⁴⁹ Samuel Humes, IV. (1991). *Local governance and national power*. New York: Harvester/Wheatsheaf.

this broader concept of local governance is critical to developing a framework for local governance that is responsive (doing the right thing—delivering services that are consistent with citizens' preferences or are citizen focused); responsible (doing the right thing the right way—working better but costing less and bench-marking with the best); and accountable (to citizens, through a rights-based approach). Such analysis is important because the role of local government in such a setting contrasts sharply with its traditional role.⁵⁰

Reforming the institutions of local governance requires agreement on basic principles. Three basic principles are advanced to initiate such a discussion: ⁵¹

- Responsive governance. This principle aims for governments to do
 the right things—that is, to deliver services consistent with citizen
 preferences.
- Responsible governance. The government should also do it right—
 that is, manage its fiscal resources prudently. It should earn the
 trust of residents by working better and costing less and by managing fiscal and social risks for the community. It should strive to
 improve the quality and quantity of and access to public services.
 To do so, it needs to benchmark its performance with the bestperforming local government.

⁵⁰ World Bank (2006). *Local governance in developing countries.* 1818 H Street, NW Washington, D.C, USA: World Bank Group

⁵¹ Ibid., p.22.

• Accountable governance. A local government should be accountable to its electorate. It should adhere to appropriate safeguards to ensure that it serves the public interest with integrity. Legal and institutional reforms may be needed to enable local governments to deal with accountability between elections—reforms such as a citizen's charter and a provision for recall of public officials.

A framework of local governance that embodies these principles is called citizencentered governance (Andrews & Shah, 2005). The distinguishing features of citizen-centered governance are the following: ⁵²

- Citizen empowerment through a rights-based approach (direct democracy provisions, citizens' charter);
- Bottom-up accountability for results;
- Evaluation of government performance as the facilitator of a network of providers by citizens as governors, taxpayers, and consumers of public services.

The commitment problem may be mitigated by creating citizen-centered local governance—by having direct democracy provisions, introducing governing for results in government operations, and reforming the structure of governance, thus shifting decision making closer to the people. Direct democracy provisions require referenda on major issues and large projects and require that citizens

⁵² Ibid., p.23.

have the right to veto any legislation or government program. A "governing for results" framework requires government accountability to citizens for service delivery performance. Hence, citizens have a charter defining their basic rights as well as their rights of access to specific standards of public services. Output-based intergovernmental transfers strengthen compliance with such standards and strengthen accountability and citizen empowerment (Shah, 2006b).

Local Government Functions. Local governments have four major categories of functions:⁵³

- Efficient services delivery;
- Management of the environment;
- Economic development; and
- Poverty alleviation.

Local Governance Program:54

Policies for decentralization and devolution have been instituted to some degree in most countries across Asia with the expectation that subnational governments are best positioned to connect with and respond to constituents. In principle, proximity to the population also provides advantages to the government in managing local finances and developing locally appropriate initiatives, especially those intended to serve marginalized groups and communities in remote areas. However, the actual outcomes of decentralization policies are decidedly mixed, and heavily country and context-specific. Many factors influence decentralization

⁵³ Local Government Units (n.d.). *Local government functions.* Retrieved from https://legusc.blog spot.com/2019/05/functions-and-functionaries-of-local.html

⁵⁴ The Asia Foundation (2010). *Local governance program.* Washington, DC 1779 Massachusetts Ave., NW Suite 815 Washington, D.C. 20036 USA: The Asia Foundation.

outcomes, including political dynamics, resource advantages, and patterns of engagement between citizens and government. The Asia Foundation recognizes the importance of these factors in relation to the potential success of decentralization policies. As a long-time partner of both government and civil society in Asia, the Foundation pursues a range of tailored strategies to improve local governance across different country contexts. Moreover, the Foundation's longstanding presence in the region and its deep understanding of the local context of each Asian country provide a comparative advantage for effective program design and implementation. The Foundation engages local government with civil society groups, business associations, academic institutions, government agencies, associations of local governments, and others.⁵⁵

The Foundation's approach to local governance programs broadly includes:56

- Facilitating local officials, civil society organizations, and national governments to engage stakeholders and devolve resources to support local government leadership in innovation and performance at the local level;
- Providing support to business associations, community leaders and organizations, academic institutions, and others to strengthen engagement with local government to foster economic growth; and
- Developing analytical tools and convening dialogue to facilitate appropriate reform of decentralization policies.

⁵⁵ Ibid., p.2.

⁵⁶ Ibid., p.3.

2.2.6 Concept of Local Good Governance

The main purpose of decentralization is not decentralization per se, but the development of local good governance. One of the most important issues in the government reform is how to establish local good governance in the decentralized system. Of course, in establishing local good governance, all the eight principles of good governance that mentioned earlier must be fulfilled. With regards to this, among the most important reasons to give more authority to lower levels of government are: the greater efficiency and accountability of local governments; the positive effect such authority-shifts have on local development; the enhancement of democracy and protection of liberty that local governance has on the citizens; and the greater ability to protect the rights and values of minority populations.⁵⁷

Local good governance is not just about providing a range of local services but also about preserving the life and liberty of residents, creating space for democratic participation and civic dialogue, supporting market-led and environmentally sustainable local development, and facilitating outcomes that enrich the quality of life of residents. Moreover, local good governance helps to develop relationships between social actors. These relationships prompt the local governing authority to provide services as per local people's choices, which consequently

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⁵⁷Scribd.com (n.d.). Local good governance. Retrieved from https://www.scribd.com/doc/12805819/Local-Good-Governance-by-Ramon-T-Ayco

helps them in harnessing local development programs to alleviate poverty. Sobol pointed out that governance is the process of steering societies in such a way that it circumvents the dangers of problems related to collective action or inequitable social relationships and removes barriers to the enhancement of social welfare (2008, p. 195). According to many international development agencies, local good governance is indispensable in all domestic efforts to eradicate poverty from developing countries (ADB 2004a; UNDP 2006b).

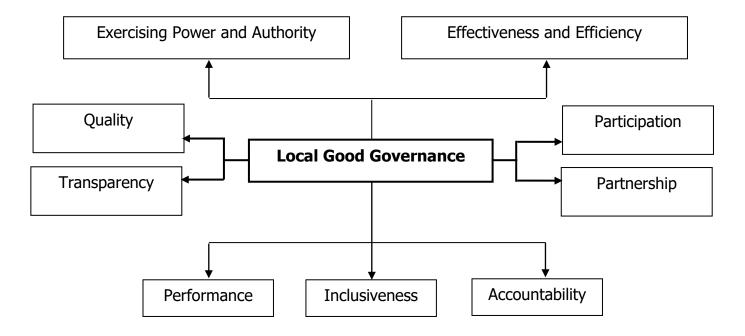
Toward local good governance, the local government and local people have to change themselves. The local government is a most important actor in the community life and has to be reformed for new local governance. Attaining a good governance of local government itself, there must be capacity building of local government, which includes the local government reform, the increase of organizational capability of good decision making and service provision, the stable and good financial condition of local government and community, and the capacity building of local public personnel. The local government reform is usually adopting the following measures: cost cutting, restructuring and re-engineering, privatization and outsourcing, and performance measurement and policy evaluation. In those reforms, the critical element is the local public personnel and the local people. Their capacity building is decisive for the function of local governance. In order to build their capacity, there must be the chance to train and participate in the partnership scheme of local governance. Concretely speaking, the participatory planning, practicing and evaluating of the

performance of local governance provide the opportunity for training towards a new local governance. The need to build local-level capacities should have the people at the center. In addressing issues related to capacity- building for local governance, the tendency is to focus on local government structures such as local government councils, civil servants, local government executive committees, etc. The appropriate way to address the issues and problems of capacity-building for local governance is to first conduct the identification and analysis of the stakeholders and key players. First, this would enable first to know who they are, and second to understand what capacities they possess as well as what capacities they lack.⁵⁸

Many literatures shared that decentralization is the pre-condition to achieve good governance, as good governance involves the sharing power between national and subnational government (Oyugi, 2000: v). Local good governance is, therefore, defined as a set of mechanisms/procedures and a set of organizations intended to manage local public affairs (Reomeo, 2002; Bongfiglioli, 2003). The very concept of 'good governance' at local levels indicates the quality, effectiveness and efficiency of local administration and public service delivery; the quality of local public policy and decision-making procedures, their inclusiveness, their transparency, and their accountability; and the manner in which power and authority are exercised at the local level (Bonfiglioli, 2003). This is illustrated in Figure 2.10 below.

⁵⁸ Ibid., p.4.

Figure 2. 10: Local Good Governance Principles



Sources: Romeo, 2002 and Bongfiglioli, 2003.

2.2.7 Benefits and Impacts of Local Good Governance

The good governance provides huge benefit and impact to either local or national level. Think-tanks and policy makers identified it as an imperative for economic development. They explored that high-quality institutions, in long run, increase the per capita income and promote growth. When the governance improved by a level, income increased about three times in long run (World Bank, 2007).

The Royal Government of Cambodia recognizes that good governance is a prerequisite for economic development and poverty reduction. Major donors and international financial institutions are increasingly basing their aid and loans on the condition that reforms that ensure "good governance" are undertaken. The United Nations (UN), UNDP, World Bank, ADB, NGOs, and CSOs have paid more attention on governance issue as it is considered as a matter for sustainable and equitable development, and good governance has been identified as a synonym of the development management by this institution. Enhancing quality of governance is necessary for economic development. Moreover, development policy contemporary determined good governance as pre-condition to achieve development goal. From this perception, the implementing of good governance has definitely benefitted and impacts on different aspects as below:

2.2.7.1 Benefits:

- Promotes community confidence:
 - People are more likely to have confidence in their local government if decisions are made in a transparent and accountable way.
 - > This helps people feel that local government will act in the community's overall interest, regardless of differing opinions.
 - ➤ It also encourages local governments to remember that they are acting on behalf of their community and helps them to understand the importance of having open and ethical processes which adhere to the law and stand up to scrutiny.
- ♣ Encourages elected members and council officers to be confident:
 - > Elected members and council officers will feel better about their involvement in local government when good governance is practiced.

- Councilors will be more confident that they are across the issues, that they can trust the advice they are given, that their views will be respected even if everyone doesn't agree with them, and that the council chamber is a safe place for debate and decision making.
- Officers will feel more confident in providing frank and fearless advice which is acknowledged and respected by councilors.

Leads to better decisions:

- Decisions that are informed by good information and data, by stakeholder views, and by open and honest debate will generally reflect the broad interests of the community.
- ➤ This does not assume that everyone will think each decision is the right one. But members of the community are more likely to accept the outcomes if the process has been good, even if they don't agree with the decision. They will also be less tempted to continue fighting or attempting to overturn the decision. So even the most difficult and controversial decisions are more likely to stick.

Helps local government meet its legislative responsibilities:

➤ If decision-making is open and able to followed by observers, it is more likely that local governments will comply with the relevant legal requirements. They will also be less likely to take shortcuts or bend the rules.

Supports ethical decision making:

- Good governance creates an environment where elected members and council officers ask themselves 'what is the right thing to do?' when making decisions.
- Making choices and having to account for them in an open and transparent way encourages honest consideration of the choices facing those in the governance process. This is the case even when differing moral frameworks between individuals means that the answer to 'what is the right thing to do' is not always the same.

2.2.7.2 Impacts

2.2.7.2.1 Economic

Good governance is not only the key to the promotion of human rights and protection of civil liberties, but also good governance is highly correlated with economic development and the potential to deliver significant improvements in living standards. Good Governance impacts on the business activities through taxation, rule of policy decisions, and economic development. Policy implement relies on the performance of public institutions; especially the bureaucracy manner. However, good accountability structure may lead to good institutional endeavor. Hence, when other things are performed well, it renders good business environment and attracts more investment which leads to better growth (World Bank, 2003:77).

Economic governance is the endeavors of decision making that affects, both directly and indirectly, economic manners of a nation and its influence on other economies. Economic governance has influence on society issues, such as poverty, quality of life and social equity (UNDP, 1997). World Bank (1992) men-

tioned that good governance is the centre approach to foster equitable and strong development and it is needed to complement economic policy sound. As governance involves three actors, government takes a major role in public goods service deliver and they develop regulation for market efficiency and correct the market when it fails.⁵⁹ However, government needs capital to take these actions and the government also needs accountability, reliable and adequate information and efficiency in those capital or resource management and public good service delivery.

2.2.7.2.2 Poverty

Empowerments of citizens by raising awareness to access to opportunity, social investment and sustainable livelihoods are the attributions to poverty alleviation. Inequality and poverty are matter of power, and it worsened poor governance which resulted from the marginalized the poor from social, economic and political involvement. Poverty can be broken by empowerment, social education and awareness of citizens' rights and responsibilities, access to justice as they can redress through grievances. Greater access to education can eradicate poverty and inequality and empower poor in public decision making (UNDP, 1997). Justice, participation, empowerment and social inclusion are elements of governance, if these are enhanced it contributed to poverty alleviation. ADB (1999) stated that quality of governance is essential for poverty alleviation. Good governance rendered participation and pro-poor policies and maintains transparency and effectiveness of public fund utilization and public service delivery and formulate rule of law. Poor governance adversely affects poor people as they need the efficiency and effectiveness of service delivery mad by government. It is re-

⁵⁹ World Bank (1992). *Governance and development* (The International Bank for Reconstruction and Development). 1818 H Street, N.W. Washington, D.C, USA: World Bank Group.

alized that inefficiency in providing a good public service delivery and lack of fighting corruption mechanism in place failed to poverty alleviation. To cope with these issues, enhancing government accountability to the poor is needed and action to strengthen public expenditure management and administration must be undertaken at national level to motivate pro-poor growth and social development. At the time being, devolution of the basic public service delivery to the lowest local government should be made; although it is found that local governments are weak in this area, they should start from the basic education and primary health care and gradually focus on poor empowerment, participation and accountability at local level. Not only these, to reach poverty reduction goal, involvement diversified stakeholders are also imperative.

2.2.7.2.3 Political

Government can promote peace and reconciliation at the local level. They can build consensus through dialogue, promote trust, and integrate conflict prevention into programmes and services. Political governance has been referred by UNDP as the decision making and policy performance of a state. The State consists of independent legislative, judicial and executive body. Developing countries are reforming the political institution by seeking the updated governance modalities and strengthen the capacity of political institution to guide social and economic activities to achieve sustainable human development (UNDP, 1997). Thus, governance and political are interlinked together. Political stability and absence of violence are key dimension of governance indicators, as defined by Kaufmann, Kraay, and Mastruzzi (2004).

2.2.8 Poverty

2.2.8.1 Concept of Poverty

Poverty refers the state of being poor, lack of something, or poor quality, but in this context, it refers to poor people (Hornby & Michael Asfby, 2000). Poverty is poor people who have very low income which is not enough for consumption, putting them below the poverty line.⁶⁰

Poverty is defined relatively to the standards of living in a society at a specific time. People will be considered as in poverty when they do not have a sufficient income for their basic needs and when these circumstances exclude them from taking part in some preferable daily-life activities in that society.⁶¹

Poverty has been present in man's history, but its meaning has been changed through time. Most people in early traditional societies were poor, and they accepted it as natural and unavoidable situation. But the current understanding was different, the condition of poverty was not accepted, and that all effort should be made to find the ways to eradicate it. This notion is based on decent and moral considerations. It was understood that all human beings are equal, and should be entitled not only to civil and political rights, but also to social rights such as food, shelter, education and personal security (Simon, 1997).

Poverty deprives human beings from dignity. Poverty occurs in both developing countries and developed countries. While poverty is much more widespread in developing countries, both types of countries undertake poverty reduction measures. Poverty reduction is a major goal and issue for many international

⁶⁰ World Bank (n.d.). *Concept of poverty*. Retrieved from www.worldbank.org/

⁶¹ BBC (n.d.). Concept of poverty. Retrieved from http://www.bbc.co.uk/

organizations such as the United Nations and the World Bank. Eradication of extreme poverty and hunger in 2015 was the first Millennium Development Goal while the end of poverty and the end of hunger by 2030 is the first and second of the Sustainable Development Goals respectively.

Poverty is a pressing problem of countries all over the world. Poverty reduction is still an enormous challenge and it must remain at the heart of any future development framework. Governments, leaders, international organizations, therefore, are actively searching for solutions to contain and eliminate poverty globally. Poverty reduction is the basic element to ensure social justice and sustainable growth; and it needs good governance to support and provide opportunity for the poor to get out of poverty trap.

The World Bank defines poverty in absolute terms. There are two types of poverty "absolute poverty" and "relative poverty". Absolute poverty is defined as people who are living below the poverty line "Not fit to the basic need/standard of living". Absolute poverty refers to a set standard which is consistent over time and between countries. First introduced in 1990, the dollar a day poverty line measured absolute poverty by the standards of the world's poorest countries. The World Bank defined the new international poverty line as \$1.25 a day for 2005 (equivalent to \$1.00 a day in 1996 US prices). In October 2015, the World Bank updated the international poverty line to \$1.90 a day. The new figure of \$1.90 is based on ICP purchasing power parity (PPP) calculations and represents the international equivalent of what \$1.90 could buy in the US in 2011. The new IPL replaces the \$1.25 per day figure, which used 2005 data.

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⁶² World Bank (2008). *Dollar a day revisited* (Development Research Group). 1818 H Street NW, Washington, D.C, USA: World Bank Group.

Relative poverty is defined contextually as economic inequality in the location or society in which people live.⁶³ Relative poverty means low income relative to others in a country; for example, below 60 percent of the median income of people in that country. It is the "most useful measure for ascertaining poverty rates in wealthy developed nations". Relative poverty measure is used by the United Nations Development Program (UNDP), the United Nations Children's Fund (UNICEF), the Organization for Economic Co-operation and Development (OECD) and Canadian poverty researchers. In the European Union, the "relative poverty measure is the most prominent and most–quoted of the EU social inclusion indicators." "Relative poverty reflects better the cost of social inclusion and equality of opportunity in a specific time and space."

United Nations: Fundamentally, poverty is the inability of getting choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation.⁶⁴

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⁶³ World Bank (n.d.). *Poverty and inequality analysis.* Retrieved from http://datatopics.Worldbank.org/world-development-indicators/ themes/poverty-and-inequality.html

⁶⁴ United Nations (2011). *Indicators of poverty & hunger.* The United Nations.

World Bank: Poverty is pronounced deprivation in well-being, and comprises many dimensions. It includes low incomes and the inability to acquire the basic goods and services necessary for survival with dignity. Poverty also encompasses low levels of health and education, poor access to clean water and sanitation, inadequate physical security, lack of voice, and insufficient capacity and opportunity to better one's life.⁶⁵

2.2.8.2 Factors of Poverty⁶⁶

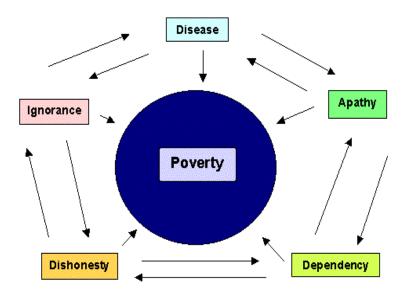
The factors of poverty (as a social problem), i.e., ignorance, disease, apathy, dishonesty and dependency, are to be seen simply as conditions. No moral judgement is intended. They are not good or bad, they just are. If it is the decision of a group of people, as in a society or in a community, to reduce and remove poverty, they will have to, without value judgement, observe and identify these factors, and take action to remove them as the way to eradicate poverty. The big five, in turn, contribute to secondary factors such as lack of markets, poor infrastructure, poor leadership, bad governance, under-employment, lack of skills, absenteeism, lack of capital, and others. Each of these are social problems, each of them is caused by one or more of the big five, and each of them contribute to the perpetuation of poverty, and their eradication is necessary for the removal of poverty.

⁶⁵ Op.cit. World Bank (n.d.). Poverty and inequality analysis.

⁶⁶ Phil Bartle. (2013). *Factors of poverty [Workshop notes]*. Retrieved from http://cec.vcn.bc.ca/cmp/modules/emp-pov.htm

Figure 2. 11: Factors of Poverty

Factors of Poverty



Source: https://www.bing.com/images/search?q=the+poverty+cycle&FORM=HDRSC2

<u>Ignorance:</u>

Ignorance means having a lack of information, or lack of knowledge. It is different from stupidity which is lack of intelligence, and different from foolishness which is lack of wisdom. The three are often mixed up and assumed to be the same by some people. "Knowledge is power," goes the old saying. Unfortunately, some people, knowing this, try to keep knowledge to themselves (as a strategy of obtaining an unfair advantage), and hinder others from obtaining knowledge. Do not expect that if you train someone in a particular skill, or provide some information, that the information or skill will naturally trickle or leak into the rest of a community.

Disease:

When a community has a high disease rate, absenteeism is high, productivity is low, and less wealth is created. Apart from the misery, discomfort and death that results from disease, it is also a major factor in poverty in a community. Being well (well-being) not only helps the individuals who are healthy, it contributes to the eradication of poverty in the community. Here, as elsewhere, prevention is better than cure. It is one of the basic tenets of PHC (primary health care). The economy is much healthier if the population is always healthy; more so than if people get sick and have to be treated. Health contributes to the eradication of poverty more in terms of access to safe and clean drinking water, separation of sanitation from the water supply, knowledge of hygiene and disease prevention — much more than clinics, doctors and drugs, which are costly curative solutions rather than prevention against disease.

Apathy:

Apathy is when people do not care, or when they feel so powerless that they do not try to change things, to know right a wrong, to fix a mistake, or to improve conditions. Sometimes, some people feel so unable to achieve something, they are jealous of their family relatives or fellow members of their community who attempt to do so. Then they seek to bring the attempting achiever down to their own level of poverty. Apathy breeds apathy. Sometimes apathy is justified by religious precepts, "Accept what exists because God has decided your fate." That fatalism may be misused as an excuse. It is OK to believe God decides the fate, if it is accepted that God may decide that people should be motivated to improve themselves.

Dishonesty:

When resources that are intended to be used for community services or facilities, are diverted into the private pockets of someone in a position of power, there is more than morality at stake here. The amount stolen from the public, that is received and enjoyed by the individual, is far less than the decrease in wealth that was intended for the public.

Dependency:

Dependency results from being on the receiving end of charity. In the short run, as after a disaster, that charity may be essential for survival. In the long run, that charity can contribute to the possible demise of the recipient, and certainly to ongoing poverty.

It is an attitude, a belief, that one is so poor, so helpless, that one cannot help one's self, that a group cannot help itself, and that it must depend on assistance from outside. The attitude, and shared belief is the biggest self-justifying factor in perpetuating the condition where the self or group must depend on outside help.

2.2.8.3 The Poverty Cycle

The cycle of poverty has been defined as a phenomenon where poor families become impoverished for at least three generations, i.e., for enough time that the family includes no surviving ancestors who possess and can transmit the intellectual, social, and cultural capital necessary to stay out of or change their

impoverished condition. In calculations of expected generation length and ancestor lifespan, the lower median age of parents in these families is offset by the shorter lifespans in many of these groups. Such families have either limited or no resources. There are many disadvantages that collectively work in a circular process making it virtually impossible for individuals to break the cycle.⁶⁷

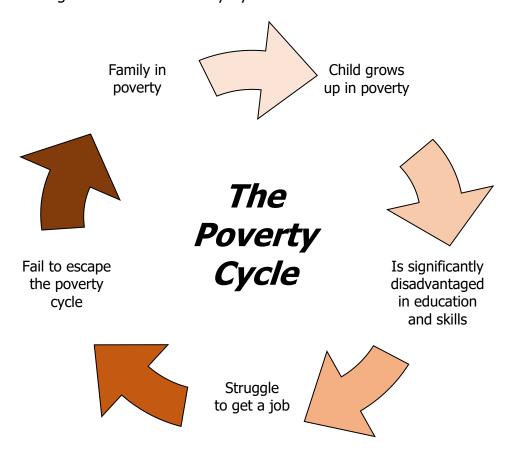
This occurs when poor people do not have the resources necessary to get out of poverty, such as financial capital, education, or connections. In other words, impoverished individuals do not have access to economic and social resources as a result of their poverty. This lack may increase their poverty. This could mean that the poor remain poor throughout their lives. This cycle has also been referred to as a "pattern" of behaviors and situations which cannot easily be changed.⁶⁸

The poverty cycle can be called the "development trap" or "poverty trap" when it is applied to countries. A poverty trap is a self-reinforcing mechanism which causes poverty to persist. If it persists from generation to generation, the effect can reinforce itself as a "cycle of poverty", if steps are not taken to break the trap.

⁶⁷ Martin Marger, & McGraw-Hill. (2008). *Social inequality: Patterns and processes* (4th ed.). Publishing Company.

⁶⁸ Valentine, C. A. (1968). *Culture and poverty.* University of Chicago: London.

Figure 2. 12: The Poverty Cycle



Source: https://www.bing.com/images/search?q=the+poverty+cycle&FORM=HDRSC2

To help people out of their impoverishment is needed one of the world's greatest challenges. Often, people are caught in a so-called poverty trap: people are poor because they have no education (lack of opportunities); poor people cannot afford proper education for their kids who, in turn, will become poor uneducated adults and so on. It is an immense challenge to break this cycle. Poverty also is a cross-cutting issue that has many causes and effects. There is no single solution to alleviating poverty.

Poverty Reduction leads to Pro-poor growth. Poverty Reduction relies on promoted economic growth focusing on both its pace and pattern to benefit poor people.⁶⁹ Environmental threats disproportionately affect the poor people in Asia and the Pacific, and climate change is making the situation worse. Air and water pollution, desertification, land degradation, loss of biodiversity, and exposure to hazardous materials affect the poor more than other factors do, leaving them vulnerable to natural and man-made disasters. Promoting inclusive Pro-poor growth can be a case of poverty reduction.⁷⁰

2.2.9 Analytical Framework

Along with the new concept of governance, donors have incorporated new thinking on poverty and the relations between these two variables. They recognize that poverty is a multidimensional concept and is not limited to the economic dimension alone. Beside a lack of income, the poor also suffers from a lack or a complete absence of services (public utilities, public transport, healthcare, education and credit) and a lack of participation in social, economic, and political decisions at the local, regional, and national level. Because of this, the poor often feel that they are excluded, and helpless when their rights are violated and exploited by the wealthy and the powerful (Eid, 2000).⁷¹

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⁶⁹ OECD (2013). *Poverty reduction.* Retrieved from OECD: http://www.oecd.org/dac/povertyreduction/

⁷⁰ Asian Development Bank (n.d.). *Poverty reduction*. Retrieved fromhttps://www.adb.org/themes/social-development/poverty-reduction

⁷¹ Eid, Uschi. (2000, May). *Good governance for poverty reduction.* Paper presented at the Asian Development Bank Seminar on The New Social Policy and Poverty Agenda for Asia and the Pacific, Chiang Mai, Thailand. Retrieved from http://www.uschi-eid.de/docs/000505-poverty.htm

2.2.9.1 The relationship among growth, poverty, income inequality, and governance

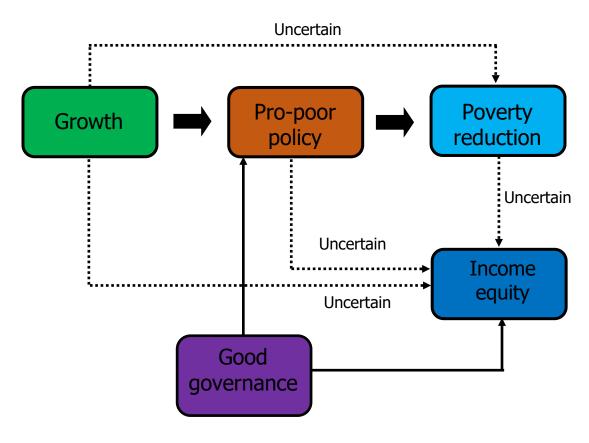
In economic theory, there are at least three ways of connecting the governance and the poverty reduction:

- 1) economic growth;
- 2) effectiveness of aid; and
- 3) human development

It is generally believed that the economic growth is one of the crucial factors for poverty reduction, and the quality of governance correlate to and the economic performance in terms of growth has proliferated, because the good governance spurs the economic growth that would consequently reduce the poverty. Several economists believe that the type of growth that has a beneficial effect on both poverty reduction and improved in income distribution is "pro-poor" growth. But the "pro-poor growth" policy alone is insufficient for enhancing poverty reduction equally—good governance is essential for pro-poor growth policy to be effective and to reinforce the process of income distribution.⁷²

⁷² Martin, M. G. (2006). Governance and poverty reduction: Paths of connection. *Trocaire Development Review*, 35 (55), 0790-9403. https://sarpn. org/documents/d0002175/Trocaire_Development report 2006.pdf

Figure 2. 13: The relationship among growth, poverty, income inequality and governance



Note: uncertain results certain result possible result ----

Source.⁷³: Pornpen Vora-Sittha: 2012

2.2.9.2 Causal links among governance, growth and redistribution

Khan, (2009) shows the critical and possibly two-way causal relationships between growth and distribution. The causal relationships relevant for particular countries are nevertheless important, because it may be that higher growth may require policies that slow down or reverse improvements in distribution, or it may be that higher growth requires improvements in income distribution. The

⁷³Pornpen Vora-Sittha. (2012). Governance and poverty reduction in Thailand. *Modern Economy*, 03(05), 487-497. Retrieved from https://www.researchgate.net/publication/276490324_Governance_ and_ Poverty Reduction in Thailand/citation/download

causal relationships between distribution and growth relevant for a particular country have significant implications for poverty reduction. It summarizes the interdependencies among growth, redistribution and policy with reference to strategies of implementing good governance reforms. Since poverty reduction is arithmetically a function of growth and improvements in distribution, this effect of good governance could have a significant effect on poverty reduction. See figure 2.14 below.⁷⁴

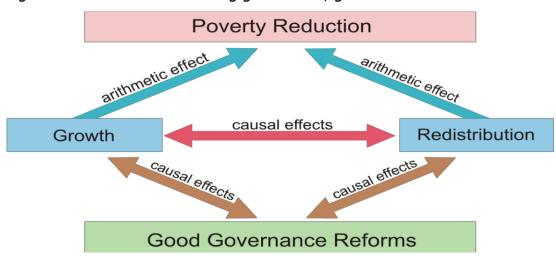


Figure 2. 14: Causal links among governance, growth and redistribution

Source: Mush H. Khan: 2009

2.2.9.3 Linkages in Poverty Reduction

A conceptual framework developed by the ADB, presented in Figure 2.15 (below), shows that poverty reduction rests on a foundation of civil and social order, good governance, and institutional rules, effective markets, and pro-poor growth and focused poverty interventions. Weaknesses toward the

⁷⁴ Mushtaq, H. Khan. (2009, June). *Governance, growth and poverty reduction.* DESA Working Paper No. 75, the United Nations. Retrieved from https://www.un.org/esa/desa/papers/2009/wp75_2009.pdf

bottom of the framework, such as weak governance, hurt the poor in two broad ways: first, they weaken the effectiveness of markets, and thus hold down economic growth. Without strong growth, there is little chance of reducing poverty; and second, weak governance hurts the poor through non-economic channels. It is, therefore, a need to empower the poor, by targeting the structures that create poverty. The quality of governance at the central and local level is often the crucial link to make poverty reduction effective.

Good governance for poverty reduction comprises, among other matters: (i) focusing poverty reduction resources and creating accountability in the use of public funds in the interests of the poor, (ii) building national capacities for pro-poor policy formulation and implementation, (iii) improving administration and private sector participation for better services delivery to the poor, (iv) shifting decision making nearer to the poor and helping the poor to organize themselves, (v) preventing corruption as it affects the poor most, (vi) strengthening the rule of law with clearly pro-poor enforcement procedures, and (vii) involving, in a participatory way, a diversified range of stakeholders including NGOs representing the poor.⁷⁵

⁷⁵ Asian Development Bank (1999). *Fighting poverty in Asia and the Pacific: The poverty reduction strategy.* The Asian Development Bank.

Pro-poor Growth
Poverty Intervention

Pro-poor Investment

Effective Markets

Contract and Institutional Rules and Regulations

Good Governance

Civil and Social Order

Figure 2.15: Linkages in Poverty Reduction

Source: ADB, Fighting Poverty in Asia and the Pacific, 1999.

Good governance is significantly related to Pro-poor growth (at least in term of Poverty Reduction), and thus it should not be ignored. Good Governance is also needed to ensure that the growth achieved does indeed benefit the poor. It is, however, even more related to investments in the continuous buildings of institutional capacity to make sure that weaknesses in terms of the implementation and enforcement of good governance policies do not compromise the achievement of pro-poor objectives.⁷⁶

⁷⁶ Diphofa, M. J. (2011). *How does integrity and good governance impact pro-poor growth?* The United Nations and Africa Public. Tanzania: United Nations and Africa Public.

Good Governance in all its constitutive elements is necessary for poverty reduction. Good Governance can simply mean the effectiveness with which a government performs its work and promotes the enforcement of law and order, revenue collection, allocation of resources to meet specific demands of nation, provision of infrastructure, and promotion of human rights. Although democracy enhances good governance, the latter is not necessarily equivalent to the former. Democratic regimes, which are much more open to public scrutiny and periodic tests of legitimacy through elections, tend to be more amenable to good governance. Yet the mere holding of multi-party elections should not be taken as proof of the existence of good democratic governance. While multi-party elections may be symptomatic of the reduction of the more overt repressive character of the authoritarian state, processes of political exclusion, discrimination, corruption, and mismanagement of public resources may hide inside as horrendous as they could be in authoritarian states. Elections, by themselves, are not enough.⁷⁷

A democratic political culture involves deeper participation at local levels, less concentration of political power at the center, institutionalization of the rule of law, and respect for human rights including social rights. Under good governance, a national PR plan would involve not only policy papers setting out what government intends to do about poverty, but more how the system of government is to be structured so as to enhance participation, ac-

⁷⁷ Onyejekwe, O. (2004, May). *The role of good governance in the national implementation of the BPOA*: *The need for a capable state.* The workshop for the national focal points on the implementation of the Brussels Programme of Action for the Least Developed Countries, New York. Retrieved from http://www.unohrlls.org/ UserFiles/ File/SG%20Report%20on%20IPoA%202012_Advance%20version.pdf

countability, citizenship rights (both political and economic), and political inclusion. Generally, lack of good governance is easily open to corruption and abuse of human rights which can simply make people become poorer.⁷⁸

2.2.9.4 The Good Governance as Market-enhancing Governance

According to Khan (2007), governance reforms refer to strengthening state capabilities to enforce institutional rules that are important for economic and social development. The dominant 'good governance' paradigm identifies a series of capabilities that, it argues, are necessary governance capabilities for a market-friendly state. These include, in particular, the capabilities to protect stable property rights, enforce the rule of law, effectively implement anti-corruption policies and achieve government accountability. Many of these capabilities are clearly desirable as they help to achieve conditions that are desirable. But in the good governance framework, these capabilities are not just desirable for achieving some of the goals of development. Rather, good governance capabilities are identified as preconditions for development because they ensure that markets will be efficient and less subject to market failures.⁷⁹

According to Khan's conclusions⁸⁰, a core proposition ensures that efficient markets are achievable in developing countries, and they will drive develop-

⁷⁸ Nyong'O, P. P. (2001). *Economic research papers: Governance and poverty reduction.* Copyright © 2001 The African Development Bank 01 B.P. 1387 Abidjan 01 Côte d'Ivoire

⁷⁹ Mushtaq, H. Khan. (2007, August). *Governance, economic growth and development since the 1960s.* DESA Working Paper No. 54, United Nations Department of Economic and Social Affairs. Retrieved from https://www.un.org/esa/desa/papers/2007/wp54_2007.pdf

⁸⁰ Mushtaq, H. Khan. (2009, June). *Governance, growth and poverty reduction.* DESA Working Paper No. 75, the United Nations. Retrieved from https://www.un.org/esa/desa/papers/2009/wp75_2009.pdf

ment. The inefficiency of markets in developing countries is the source of market failures that constrain development. These inefficiencies are due to high transaction costs in developing country markets, which are, in turn, due to poorly protected property rights and welfare-reducing interventions. Because of corruption and rent-seeking, unstable property rights and welfare-reducing interventions persist (some individuals and groups benefit from these instabilities and interventions). And finally, fighting against rent-seeking and corruption continues incessantly because of weak accountability and poor democracy, allowing a minority to gain financial benefits from the majority. The links in the argument are summarized in Figure 2.16 below.

Rent-Seeking and Corruption

Contested/Weak Property Rights and Welfare-Reducing Interventions

Unaccountable Government

Economic Stagnation

Economic Stagnation

Figure 2. 16: Causal Links in the Good Governance Argument

Source: Mush H. Khan: 2009

2.2.9.5 The Good Governance Policy Agenda

According to Khan (2009), all countries have to achieve capabilities for protecting property rights and contracts using the rule of law. These required capabilities for fighting corruption and rent-seeking, in turn, have to be bolstered by reforms which promote democratization, decentralization, and accountability. The final component often added to the package by development agencies is the promotion of pro-poor service delivery as a way of mobilizing the poor who are the majority or close to the majority in poor countries. If this group can be mobilized to hold the country to account by ensuring that the country has delivered the service to them, then the accountability essential in this framework can be kick-started. The importance of pro-poor service delivery in this governance approach is therefore not simply the direct effect on reducing poverty, but primarily the establishment of the virtuous cycle of governance which, in theory, would sustain market-led growth.

Anti-corruption and Anti-Rent Seeking Stabilize Property Rights through Strategies Rule of Law' Reforms Promotion of pro-poor service delivery Democratization, Decentralization and Market-promoting Accountability strategies Reforms **Economic** Prosperity

Figure 2. 17: The Good Governance Policy Agenda

Source: Mush H. Khan: 2009

2.2.10 Supporting Programs for GG and Poverty Reduction

In the past decade, donors have created governance support programs that assist developing countries in reforming their civil service and strengthening their institutions, with the hope that improved governance will create an economic and political climate that will increase economic growth in these countries and eventually draw the poor populace out of poverty. For instance, on a bilateral level, the DFID (United Kingdom), CIDA (Canada) and GTZ (Germany) started their governance programs in the 1990s, and the USAID formally launched its governance program in 1995, while the World Bank started its governance program in 1992 and the Asian Development Bank (ADB) started a similar program in 1997.

The focus of these programs are civil service reform at the central, regional and local government levels, legal and judicial system reform, legislative reform (reform of parliamentary institutions), capacity building for NGOs and other civil society organizations, government efficiency and the effectiveness reform (LaPorte, 2002 & Eid, 2000). On improving the welfare of the poor, the World Bank's governance reform program has four aims: (1) to empower the poor; (2) to improve the capacity of the poor by improving basic services; (3) to provide economic opportunities by increasing access to markets; and (4) to provide security from economic shocks and from corruption, crime, and violence (Blaxall, 2000). Donors hope that through these programs, the goals of lasting poverty reduction and improved governance in the developing world can finally be achieved.

2.3 Empirical Review

Based on the preliminary reading of the conceptual review in Section 1, it is hypothesised that the candidate endeavors to examine the linkages between good governance and poverty reduction. In section 2, additionally, efforts to empirical review and synthesize existing perspectives and evidence relating to the linkages between good governance and poverty reduction, which those have been examined and studied by scholars, institutions, and international development agencies, have been made.

Governance indicators have been widely used in research, testing links between good governance and poverty reduction—a number of empirical and statistical studies have investigated the role of good governance for economic growth and poverty reduction. The research evidence demonstrates a clear link between good governance and poverty reduction.

In Barro (1991), a large number of quantitative research designs, using a variety of statistical regression analysis methods, have been applied to governance data gathered from multiple countries. These so-called 'cross-country studies' tend to find a correlation between effective governance, broadly defined, or particular components of governance, and development outcomes such as growth and poverty reduction. Some go further, and claim to have identified causal linkages.81

⁸¹ Barro, R. J. (1991). Economic growth in a cross section of countries. The Quarterly Journal of Economics, 106 (2), 407-443. https://scholar. Harvard. edu/barro/publications/economic-growth-crosssection-countries

While Renzio (1997) concluded in his study that improving the voice of the poor, their access to basic public services, their participation in decision-making, and encouraging them to engage in collective action to achieve lasting social and political empowerment, all become important linkages between good governance and poverty reduction.⁸² In addition, Knack and Keefer (1997) established a linkage in their research between measures of trust and civic cooperation and economic growth.⁸³

Filmer and Pritchett (1998), found that there is strong evidence linking higher per capita incomes to improved health and education outcomes, for example, reductions in infant mortality and in illiteracy. Because of the demonstrated effects of good governance on income growth, there exists a strong presumption that good governance improves health.⁸⁴ Meanwhile Bruno, Ravallion and Squire (1998), because increases in per capita income are usually, although not always, accompanied by reductions in poverty rates, there is a strong presumption that good governance—through its impact on growth—alleviates poverty.⁸⁵

⁸² Paolo De Renzio. (1997, November). *Good governance and poverty.* Some Reflections Based on UND-P'S Experience in Mozambiqu. Retrieved from https://pdfs. semanticschoar.org/0174/392c7 eb5055 35 8723 ef66715b8304c49e92f.pdf

⁸³ Knack, S., & Keefer, P. (1997). Does social capital have an economic payoff? A cross-country investigation. *The Quarterly Journal of Economics* 112 (4), 1251-1288. Retrieved from https://www.jstor.org/stable/2951271?seq = 1 # page_scan_tab_contents

⁸⁴ Deon Filmer, & Lant Pritchett. (1998). *Child mortality and public spending on health: How much does money matter*? World Bank Policy Research Working Paper No. 1864. Retrieved from https://elibrary.worldbank.org/doi/abs/10.1596/1813-9450-1864

⁸⁵ Michael Bruno, Martin Ravallion & Lyn Squire. (1998). Equity and growth in developing countries. Old and new perspectives on the policy issues. In V. Tanzi and K. Chu, eds., Income distribution and high-quality growth. *Cambridge, MA: MIT Press.* https://link.springer.com/article/10. 1007/s11206-005-4098-y

Sobhan (1998), on the other hand, the link between governance and poverty is sometimes accorded a priori status, i.e., it is simply assumed to be true.⁸⁶ Another study by Gupta, Davoodi and Alonso-Terme in (1998) shows that a large and statistically significant positive association between corruption and poverty rates.⁸⁷

While Knack and Anderson (1999), provide a more direct analysis of the governance-poverty link—examining growth in incomes for the poorest quintiles of income earners, they find that good governance is progressive in that it is associated with larger growth rates in incomes for the poor than for the population overall.⁸⁸ In 1999, Kaufman also found a significant causal relationship between the rule of law and income of nations, and also with reduced infant mortality and literacy.⁸⁹

According to La Porta, Lopez de Silanes, Heifer, and Vishny in 1999, jointly conducted a study on "Trust in Large Organizations" and found that there is a relationship between trust and efficiency of the judiciary, corruption, bureaucratic quality, tax compliance and civic participation.⁹⁰

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⁸⁶ Sobhan, R. (1998, November). *How bad governance impedes poverty alleviation in Bangladesh*. Technical Paper No. 143, Paris: OECD Development Centre. Retrieved from http://unpan1.un.org/intradoc/groups/ public/documents/un-dpadm/unpan042172.pdf

⁸⁷ Gupta, Sanjeev, Davoodi, Hamid, R., & Rosa Alonso-Terme. (1998). *Does corruption affect income inequality and poverty?* IMF Working Paper. Retrieved from https://papers.ssrn.com/sol3/ papers.cfm? abstract_id=882360

⁸⁸ Stephen, K., & Gary, A. (1999, November). *Is good governance progressive? Property rights, contract enforceability and changes in income equality.* Paper presented at the Annual Meeting of the American Political Science Association, Atlanta, GA. Retrieved from https://ftp.unpad.ac.id /orari/ library/library-ref-ind/ref-ind-1/application/poverty-reduction/prsp/TechnicalNotes/govtn509.pdf

⁸⁹ Kaufmann, Daniel, Aart Kraay, & Pablo Zoido-Lobaton. (1999, October). *Governance matters.* Policy Research Working Paper No. 2196. The World Bank, Washington, DC. Retrieved from https:// papers.ssrn.com/sol3/papers.cfm?abstract_id=632656

⁹⁰ La Porta, R., Lopez de Silanes, F., Heifer, A., Vishny, R. (1999). Trust in large organizations. *American Economic Review*, 87(2), 333-338. https://scholar.harvard.edu/shleifer/publications/trust-large-organizations

In (1999),⁹¹ Campos and Nugent's exploratory analysis appearing in "Development Performance and the Institutions of Governance: Evidence from East Asia and Latin America". Their study has three objectives: to assess the extent to which available data can capture the institutional characteristics of governance; to assess to what extent good governance is related to poverty reduction; and to determine the degree of correlation among the measures of institutional characteristics of good governance. As a result, five institutional characteristics of good governance are identified: 1) an accountable executive; 2) an efficient and professional public bureaucracy; 3) rule of law; 4) transparent and participatory policy-making; and 5) a strong civil society.

While Moore (1999), conducted an empirical research in a number of countries establishes that where there is weak governance this reinforces poverty.⁹² A landmark World Bank study done by Kaufmann, Kraay, and Zoido-Lobaton (1999) found that good governance does matter in the economic outcomes of a given country. The study shows with clear evidence that good governance is crucial for economic growth and improved social indicators.⁹³

A cross-national research conducted by Dollar and Kraay in 2000 shows that growth in the overall economy is on average accompanied by the same growth in the income of the poor. Without strong growth, there is little chance of reducing poverty; and second, weak governance hurts the poor through non-

⁹¹ Campos, N.F., and Nugent, J.B. (1999). Development performance and the Institutions of Governance: Evidence from East Asia and Latin America. *World Development*, 27 (3),439-2.

⁹² Moore, M. (1999, January). *Polity qualities: How governance affects poverty.* Institute Development of Studies. Retrieved from https://www.ids.ac.uk/ publications/polity-qualities-how-governance-affects-poverty/

⁹³ Op.cit. Kaufmann, Daniel, Aart Kraay, & P. ablo Zoido-Lobaton. (1999, October). *Governance matters*

economic channels. Growth and human development do not automatically trickle down to benefit the poor. There is a need to empower the poor, by targeting the structures that create poverty. The quality of governance at the central and local level is often the crucial link to make poverty reduction effective.⁹⁴

The *Voices of the Poor* study conducted in 60 countries in 2000 found that the common element that ties the poor together was lack of the power and voice. ⁹⁵ While Blaxall (2000) concludes that bad governance has made poverty reduction efforts ineffective and good governance is necessary for poverty reduction efforts to be effective. ⁹⁶ Eid (2000) ⁹⁷ concludes that along with the new concept of governance, donors have also incorporated new thinking on poverty and the relations between these two variables. They recognize that poverty is a multidimensional concept and is not limited to the economic dimension alone. Beside a lack of income, the poor also suffers from a lack or a complete absence of services (public utilities, public transport, healthcare, education and credit) and a lack of participation in social, economic, and political decisions at local, regional, and national level. Because of this, the poor often feel that they are excluded, and helpless when their rights are violated and exploited by the wealthy and the

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⁹⁴ Dollar, D., & Kraay, A. (2000). *Growth is good for the poor.* World Bank Policy Research Working Paper No. 2587, Washington. Retrieved from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=63 2656

⁹⁵ World Bank (2000). *Voices of the poor: Can anyone hear us?* (Published by Oxford University Press for the World Bank). Washington, D.C, USA: World Bank Group.

⁹⁶ Blaxall, John. (2000, October). *Governance and poverty.* Paper presented at the Joint Workshop on Poverty Reduction Strategies, Mongolia. Retrived from http://siteresources.worldbank. org/INTPRS1 /Resources/Country-Forums/Mongolia--October-2000/gov.pdf

⁹⁷ Op.cit. Eid, Uschi. (2000, May). *Good governance for poverty reduction.*

powerful. Meanwhile, Eid also concluded that drawing from the experiences of more than 50 years of assistance to developing countries, developed countries and multilateral lending institutions now too clear that good governance is a necessary prerequisite for poverty reduction, because of the following:

- a) Without good governance, the scarce resources available are generally not put to their best use in combating poverty. This is often due to a lack of transparency, rampant corruption, and an uncertain legal system that hinders economic growth that could help pull the poor out of poverty.
- b) Good governance is necessary if all aspects of poverty are to be reduced, not just through an increase in income, but also through empowerment and an increase in the economic, political and social opportunities for the poor.

Nyong'o (2001) argued that good governance can enhance capacity building in government for implementing poverty reduction strategies. To get poverty reduction fully on the agenda of public policy, good governance is needed to enhance the capacity of the government to deliver and to be accountable for the resources at its disposal.⁹⁸

While Kaufmann and Kraay (2002) also claim to demonstrate a strong causal link between good governance and higher income levels—their findings show that a strong positive causal effect runs from good governance to higher per

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⁹⁸ Op.cit. Nyong'O, P. P. (2001). *Economic research papers: Governance and poverty reduction.*

capita. This result displayed the importance of good governance for economic development and poverty reduction.⁹⁹ Another study by Rajkumar and Swaroop (2002) found that efficiency in public spending reduced child and infant mortality, increased educational attainment and was positively related to governance. It is more effective if governance is good and less effective if governance is poor. They conclude that well-functioning public institutions are critical for translating public spending into effective services.¹⁰⁰

With a question whether good governance has any relation to the successful attainment of development indicators in general, and specifically, indicators regarding the dimensions of poverty. Through the empirical studies in several countries, World Bank (2002),¹⁰¹ concluded that there is a strong relationship between the characteristics of a government regime and the attainment of such indicators. The main findings of this study are:

- a) The more effective a given government, the lower the infant mortality rate in that country.
- b) The lower the corruption rate within a government's bureaucracy, the higher the adult literacy rate in that country.

⁹⁹ Kaufmann, D., & Kraay, A. (2002, November). *Growth without governance.* World Bank Policy Research Working Paper No. 2928. Washington, D.C.: World Bank. Retrieved from http://documents.worldbank.org/curated/en/811781 46876 6468180/Growth-without-governance

¹⁰⁰ Rajkumar Andrew, S., & Vinaya, S. (2002). *Public spending and outcomes: Does governance matter?* Policy Research Working Paper 2840: The World Bank, Washington, DC. Retrieved from https://open knowledge. worldbank.org/handle/10986/14248

¹⁰¹ World Bank (2002). *Governance, poverty, and financial management* (World Bank Policy Research Working Paper No. 2930). Washington, D.C, USA: World Bank Group.

- c) The better the system of law and order in a given country, the lower the infant mortality rate in that country.
- d) The fewer regulations created by the government, the higher the income per capita level in that country.

While Merilee and Edward (2007) confirmed that indeed it is all too clear that when governments perform poorly, resources are wasted, services go undelivered, and citizens—especially the poor—are denied social, legal, and economic protection. For many in the development community, good governance has become as imperative to poverty reduction as it has become to development more generally. Not surprisingly, advocating good governance raises a host of guestions about what needs to be done, when it needs to be done, and how it needs to be done. When good governance is advocated as a necessary ingredient for reducing widespread poverty, these questions are compounded. ¹⁰² In Chetwynd (2003) found that three measures of good governance namely participation, control of corruption and responsiveness are found to contribute significantly to poverty reduction.¹⁰³ Meanwhile, the United Nations (2004) concluded that for developing countries, good governance is a necessary condition for expanding their ability to generate income and reduce poverty in the future. Good governance also enhances economic efficiency and reduces transaction costs through the effective application of the rule of law, transparency in government and corporate management, and accountability for every institution and individual in

¹⁰² Merilee, S., & Grindle Edward, S. (2002). Good enough governance revisited. *Development Policy Paying* 25 (5), 553-574, http://courses.washington.edu/_phaf531/Grindle__GoodEnough

Policy Review, 25 (5), 553-574. http://courses.washington.edu/ pbaf531/Grindle_ GoodEnough Gov Revisited.pdf

¹⁰³ Chetwynd, E., Chetwynd, F., & Spector, B. (2003). *Corruption and poverty*. Management Systems International, 600 Water Str., SW, Washington DC, 20024 U.S.A.

society. To the extent that good governance catalyses civil society to increase the rate of physical and human capital accumulation, it can also help to reduce developing countries' dependency and vulnerability, and even ameliorate the impact of economic vulnerability.¹⁰⁴

According to Diamond (2004), "the deepest root cause of poverty is not lack of resources or international isolation. Rather, it is a lack of good governance – the instability or unwillingness to apply public resources effectively to generate public goods". Public goods include physical structures such as roads, bridges, ports, sanitation, potable water, electricity, public transport, telecommunication; social, economic and political infrastructure—schools, clinics, markets, courts, vaccination programmes, improved agricultural techniques, a neutral and capable state of bureaucracy. All of the above are products of good governance. ¹⁰⁵ In addition, a study of Kaufmann (2005), for example found that per capita incomes and the quality of governance are strongly positively correlated across countries. ¹⁰⁶

On the other hand, the World Bank research (2008) shows that countries that improve on the governance can increase their national income four times and have their infant mortality fall by 75 percent. This quadruple fold of improvements resulting from good governance is termed "400 percent governance divi-

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¹⁰⁴ United Nations (2004, April). *Poverty reduction and good governance.* Report of the Committee for Development Policy on the sixth session (29 March–2 April 2004), Litho in United Nations, New York. Retrieved from https://www.un.org/en/development/desa/policy/cdp/cdp_ publications/cdpre port 2004 web.pdf

¹⁰⁵ Diamond, I. (2004). Building a system of comprehensive accountability to control corruption. Nigeria's struggle for democracy and good governance. *Ibadan University Press.* https://diamond-democracy.stanford.edu/about/cv

¹⁰⁶ Kaufmann, D., Kraay, A., & Mastruzzi, M. (2005). *Governance matters IV: New data, new challenges.* World Bank, Washington DC.

dend" by Kaufman.¹⁰⁷ In Sebududu (2010) concludes that government responsiveness and accountability were instrumental in the economic transformation and poverty reduction of Botswana.¹⁰⁸

Another study by Pornpen Vora-Sittha (2012) who assesses the relationship among the governance indicators, the economic growth and the poverty indicators which include income inequality in Thailand, the study points out that the good governance would spurs economic growth and would consequently reduce poverty only when the type of growth is pro-poor. The good governance is essential for pro-poor growth policy to be effective.¹⁰⁹

According to Djeneba DOUMBIA (2013), using a sample of 112 countries over the period 1975-2012, to analyze the role of good governance in fostering propoor and inclusive growth—a striking finding is that the combination of political, economic and institutional features of good governance improves the income of the poor and decreases poverty. Especially, the control of corruption and regulatory quality have the most positive impact on the income of the poor. For many Sub-Sharan African countries, corruption and lack of participation are found to sustain the conditions of poverty, Abdae-Karanke (2014). Sillah (2016) highlights the importance of good governance in the fight against poverty—employed 2014 data to describe the relationships between governance in-

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¹⁰⁷ World Bank (2008). *Costs of corruption* (World Bank Documents & Reports). 1818 H Street, N.W. Washington, D.C, USA: World Bank Group.

¹⁰⁸ Sebududu, David. (2010). The impact of good governance on development and poverty in Africa. Botswana, a relatively successful African initiative. *African Journal of Political Science and International Relations*, 4(7), 249 –262. https://academicjournals.org/journal/AJPSIR/article-abstract/28AA76B40822 ¹⁰⁹ Op.cit. Pornpen Vora-Sittha. (2012). Governance and poverty reduction in Thailand. *Modern Economy*, 03(05), 487-497.

¹¹⁰ Djeneba DOUMBIA. (2013). *The quest for pro-poor and inclusive growth. The role of governance.* Paris School of Economics (PSE)–University Paris 1 Pantheon-Sorbonne, Paris, France.

¹¹¹ Abdae-Karanke, Alex. (2014). Causes of poverty in Africa. *American International Journal of Social Sciences*, 3 (7), 147–153.https://scholar.google.com/ citations?user=U2ZKQq0AAAAJ&hl=en

dicators and eight poverty indicators, Good governance is found to be particularly relevant for the reduction of under-five mortality, improvement of living conditions (reduction of urban slum dwellers) and increased access to clean water.¹¹²

Finally, VAY Lundy and LU Xinhai (2020) indicated that good governance (GG) is the most powerful stimulus to deal with poverty reduction (PR) in Cambodia. It was noticed that in 2004 Cambodia had a significant changed by applying Rectangular Strategy that good governance (GG) is core of the strategy. There's evidence that Cambodia has enjoyed a steady increase of averaged 7.58 % from 1994 until 2018. The particular documents are examined for the finding of key concepts and the meanings of the linking between goog governance and poverty reduction. 113

2.4 Conclusion

Based on the review, governance is a multidimensional concept which consists of political, economic and socio-cultural variables that determine whether public policy designed by the government can achieve its intended goals and improve welfare of its people. From the various definitions of good governance, it concludes that the practices considered as criteria for a country practicing good

¹¹² Bukhari, M. S., Sillah. (2016). Poverty reduction and good governance: Evidence from Islamic Development Bank member countries. *Global Journal of Quantitative Science*, 3 (3), 30-44. https://www.researchgate.net/publication/312017400_Poverty_reduction_and_good... Vol. 3. No.3. June 2016 Issue. Pp.30-44

¹¹³ VAY Lundy.,& LU Xinhai (2020, June). *Good Governance: Enhancing and Poverty Reduction in Cambodia*. Public Policy and Administration Research, College of Public Administration, Huazhong University of Science, and Technology, Wuhan, P.R. China. Retrieved from https://iiste.org/Journals/ index.php/PPAR/article/view/53049

governance are democratically elected government that promotes/protects human rights and the rule of law; strong and healthy civil society movement in the country; creation and implementation of effective public policy by the government; and organization the country's economy along with the premise of free, competitive, and efficient markets by the government. Good governance is defined as the processes and structures that guide political and socio-economic relations. It includes that the government, the private sector, and civil society activities. All the three such as state, private sector, and civil society are critical for sustaining development. The state creates a conducive political and legal environment. The private sector generates jobs, income and wealth, while civil society contributes to political, social and economic development.

Poverty reduction is the basic element to ensure social justice and sustainable growth. It needs good governance to support and provide opportunity for the poor to get out of poverty trap. It means that problems of poverty and governance are complicated and linked. A large number of studies and a lot of evidence from countries around the world support that good governance reduces poverty, and that bad governance leads to poverty. Good governance is crucial to address poverty reduction and strengthening the link demands a balance between state efficiency and accountability. Good governance, therefore, is needed because bad governance has such devastating consequences on people's lives. Poverty, short life expectancies, violence, and a loss of personal and civil liberties are all potential consequences of poor governance. Good governance takes power out of the hands of individuals who are potentially bad and places it instead in laws and institutions determined by citizens. This prevents abuses of power when implemented successfully.

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- Campos, N.F., and Nugent, J.B. (1999). Development performance and the Institutions of Governance: Evidence from East Asia and Latin America. *World Development*, 27 (3),439-2.
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CHAPTER 3: INSTITUTIONAL FRAMEWORK AND ASPECTS OF GOVERNANCE AND POVERTY SITUATION IN CAMBODIA

3.1 Introduction

This chapter focuses on exploring the policies, laws, regulations, institutional framework, and aspects related to the implementation of good governance and poverty reduction in Cambodia. The dynamics of the development of government institutions in Cambodia and time to time reforms in its structures and functions are discussed in detail. Particularly, this chapter will mainly study the institutional framework to provide an overview of Cambodia's governance and poverty situation as a background for discussion of the relationship between Good Governance and Poverty Reduction.

3.2 Historical Background of Governance

Cambodia experienced frequent, unusually dramatic changes in its political and economic regimes since its independence in 1953. From 1953 to 1993, Cambodia had changed the transitions of political, legal, and economic systems for six times. All the changes were made with revolutions and supported from the neighboring countries, Thailand and Vietnam, and the other countries including China, Soviet Union, and the United States of America.

1953 -1970: (1st) Kingdom of Cambodia

Having been under French colony for almost a century¹¹⁴, Cambodia gained its national independence on 9 November 1953 after the Super-power suffered its greatest Indochina defeat with the battle of Dien Bien Phu. Since then, Cambodia has experienced many drastic changes in its authority trends, political and economic regimes. Under the first constitution¹¹⁵, Cambodia was governed by a monarchy with two parliaments—the National Assembly and the Popular Assembly¹¹⁶—elected by general elections. The first constitution was amended in 1957 and became the second constitution of Cambodia after gaining independence from France, but the power emanated from the king. The constitution of Cambodia at that time guaranteed Cambodian people a number of basic rights such as freedom of speech, right to vote, and equal right to stand as a candidate in elections to parliament¹¹⁷. The new government emphasized that power transfer be completely legal and constitutional, and it received recognition from most foreign governments. In the late 1960s Prince Sihanouk became less influential and social cohesion began to erode¹¹⁸. To expand the role of the state in the economy, he implemented a nationalization policy, which forced many foreign companies out of Cambodia and seriously disrupted the development of a market economy.

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¹¹⁴ Chandler, David P. (1993). A history of Cambodia, 2nd Edition, ed (Boulder, Colorado: Westview Press).

 $^{^{115}}$ The constitution was promulgated by King Norodom Sihanouk in May 1947 under the French colony

¹¹⁶ Jennar, Raoul M. (1995). The Cambodian Constitutions: 1953-1993 (Bangkok: White Lotus).¹¹⁷ Ibid, p2.

¹¹⁸ Chandler, David P. (1991). The tragedy of Cambodian History (New Haven: Yale University Press)

Table 3. 1: Cambodia Historical Governance Background (1953-1993)

Era System	Legal System	Political System	Political Power	Economic
<u>Pre-1953</u>	French based Civil Code and Judiciary	Under the French Protector	Held by the French	Colonial Type
1953 -1970: (1st) Kingdom of Cambodia	French based Civil Code and Judiciary	Constitutional Monarchy	Held by Prince N. Sihanouk as PM	Market and then Nationalization
1970-1975: Khmer Republic	French based Civil Code and Judiciary	Republic	Held by Lon Nol	Market, war economy
1975-1979: Democratic Kampuchea	Legal System destroy	All previous systems abolished, extreme Maoist agro- communism	Khmer Rouge	Agrarian, central- ly planned
1979-1989: People's Republic of Kampuchea	Vietnamese- oriented model	Communist party, central committee and local committee	Cambodian People Party	Soviet Style central Planning
1989-1993: State of Cambodia	Greater eco- nomic rights	Communist party, central committee and local committee	Cambodian People Party	Liberalized cen- tral planning
1993 -Present: (2nd) Kingdom of Cambodia	French based Civil Code com- bined with common law in certain sectors	Constitutional Monarchy		
 The First General Elections (between 23 and 28 May 1993) 			Shared between FUNCIPEC and CPP	Transition to a market Economy
➤ The Second General Elections (26 July 1998)			Cambodian People Party (CPP)	Market Economy
The Third General Elections (27 July 2003)			Cambodian People Party (CPP)	Market Economy
> The Fourth General Elections (27 July 2008)			Cambodian People Party (CPP)	Market Economy
The Fifth General Elections (27 July 2013)			Cambodian People Party (CPP)	Market Economy
> The Sixth General Elections (29 July 2018)			Cambodian People Party (CPP)	Market Economy

Sources: Compiled from Chandler (1991) and Cambodia Investment Guide (May 1999); and Cambodia: Enhancing good governance for sustainable development (ADB 2000)

1970-1975: Khmer Republic

An American-supported coup d'etat by General Lon Nol ousted Prince Sihanouk from power on 18 March 1970 while he was in Moscow on a state visit. In October the same year, a new regime called the Khmer Republic came into being with General Lon Nol as president. Then a new constitution was promulgated to

stipulate a multiparty political system and democratic principles. The president held all executive power and commanded the armed forces. The parliament included the National Assembly and Senate, with members elected by general elections. The courts were independent and monitored by a supreme court. Meanwhile Prince Sihanouk went to Beijing and mobilized forces to fight against this US-backed government. Communist forces in Cambodia, which had existed since 1968, joined Prince Sihanouk to form the National United Front of Kampuchea with the support of North Viet Name. Initially, the tough, rigidly indoctrinated peasant army of the Cambodian People's National Liberation Armed Forces led by Pol Pot and the Khmer Rouge (KR) were allies, but they soon split off on their own. The regime became increasingly unstable when civil war spread and the economy began to deteriorate.¹¹⁹

1975-1979: Democratic Kampuchea

In April 1975 the Khmer Rouge (KR) expelled Lon Nol and established Democratic Kampuchea regime, under the leadership of Pol Pot. Immediately following the takeover, Phnom Penh was evacuated, and the entire population of the country's urban areas was forced to move to rural areas and work in agriculture. This regime implemented a Maoist communist system entailing an extreme form of collectivism. The three branches of government—the Executive, The Legislature, and the Judiciary—were unified under a single institution, the Central Committee. The market economy and business activities were completely abolished, and

¹¹⁹ Chandler (1991), ibid, p3.

there was neither money nor trade. Like Joseph Stalin in the late 1920s and in the 1930s, Pol Pot initiated a purge of his opponents, both imagined and real. In terms of the number of people liquidated in relation to the total population, the KR terror was far bloodier that Stalin's. Many educated civil servants, professionals, and military officers were executed. People wearing glasses, seen as a symbol of higher education, were killed. During the three years and eight months of rule by the KR, Cambodia's traditional system such as social norms, communities and families through the pursuit of collectivism were destroyed, and 1.7 million people were reportedly killed or starved to death, and brought Cambodia to "Year Zero". 120

1979-1989: People's Republic of Kampuchea

The Pol Pot regime ended when Vietnamese troops and Cambodian resistance forces crossed into Cambodia and drove the KR from power on 7 January 1979. KR forces withdrew from Phnom Penh, but continued to occupy areas along the Thai-Cambodian border and continue the civil war. They also continued to hold Cambodia's seat at the United Nations (UN). The Vietnamese established a regime in Cambodia called the People's Republic of Kampuchea (PRK), and appointed Heng Samrin to lead the PRK as head of state and president of parliament. The Council of Ministers was the government. The Heng Samrin regime was effectively controlled by the communist party, the People's Revolutionary Party of Cambodia, which evolved into the Cambodian People's Party (CPP). Cambodian People's Revolutionary Committees at the provincial, district, and

¹²⁰ Chandler (1991), ibid, p5.

communal levels were the local governing bodies responsible for implementing the Central Committee's decisions and directives. The Central Committee also set up a court system, and most current judges and prosecutors were appointed under the PRK. With the civil war continuing, most people lived near or below subsistence levels. Reconciliation between Prince N. Sihanouk and Prime Minister Hun Sen began in 1987. The final contingent of some 50,000 Vietnamese troops withdrew from Cambodia in April 1989, the constitution was amended in 1989, and the Sate of Cambodia emerged.¹²¹

1989-1993: State of Cambodia

On October 23, 1991, the four main political factions signed the Paris Peace Accord and a comprehensive settlement giving the UN full authority to supervise a cease-fire, repatriate the displaced Khmer along border with Thailand, disarm and demobilize the factional armies, and to prepare the country for free and fair elections. Prince Sihanouk, President of the Supreme National Council of Cambodia (SNC), and other members of the SNC returned to Phnom Penh in November 1991, to begin the resettlement process in Cambodia. On March 16, 1992, the UN Transitional Authority in Cambodia (UNTAC) arrived in Cambodia to begin implementation of the UN Settlement Plan. UNTAC grew into a 22,000-strong civilian and military peacekeeping force to conduct free and fair elections for a constituent assembly.

¹²¹ Fernando, Basil (1998), "Problem facing the Cambodian Legal System," an Asian Human Rights Commission Publication

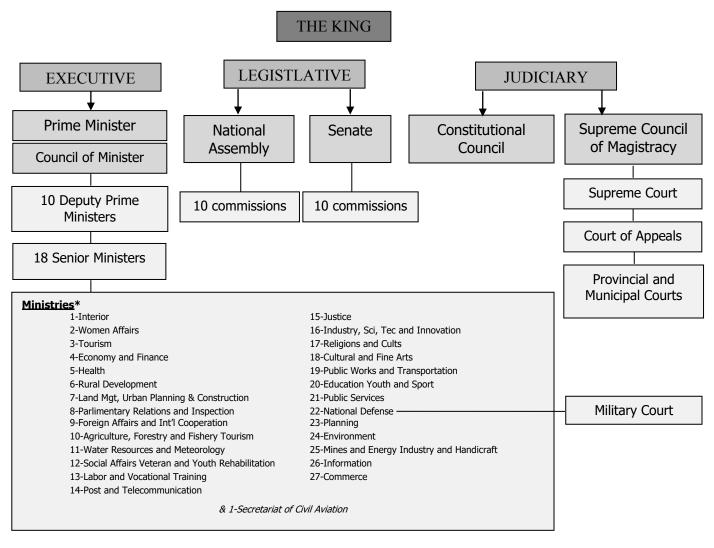
1993 - Present: (2nd) Kingdom of Cambodia

Cambodia has taken Pluralism, Freedom, and Democracy as a national slogan for leading the country after the Paris Peace Agreements (PPA) on October 23, 1991. The First General Elections: A general election was held in Cambodia between 23 and 28 May 1993. The result was a hung parliament with the Funcinpec Party being the largest party with 58 seats. Voter turnout was 89.56%. The election was conducted by the United Nations Transitional Authority in Cambodia (UNTAC), which also maintained peacekeeping troops in Cambodia throughout the election and the period after it. A three-party coalition is formed with Funcinpec's Prince Norodom Ranariddh as prime minister and Hun Sen as deputy prime minister. (Wikipedia, 1993). The Second General Elections: General elections were held in Cambodia on 26 July 1998. The result was a victory for the Cambodian People's Party, which won 64 of the 122 seats. Voter turnout was 93.7%. (Wikipedia, 1998). **The Third General Elections:** General elections were held in Cambodia on 27 July 2003 to elect members of the National Assembly. The election was won by the incumbent Prime Minister Hun Sen's Cambodian People's Party, who claimed a majority of 73 seats in the 123-seat parliament. However, due to the requirement for a two-thirds majority to elect a Prime Minister, a new government was not formed until July 2004 when a deal was reached with the Funcinpec party. King Sihanouk abdicates and is succeeded by his son Norodom Sihamoni in 2004. (Wikipedia, 2004). The Fourth General **Elections:** General elections were held in Cambodia on 27 July 2008. The result was a victory for the ruling Cambodian People's Party, which won 90 of the 123 seats. Whilst the Sam Rainsy Party (SRP) had won of the 26 seats, with the Human Rights Party on three seats, the NRP on two and FUNCINPEC with two. (Wikipedia, 2008). **The Fifth General Elections:** General elections were held in Cambodia on 28 July 2013. The National Election Committee (NEC) announced that some 9.67 million Cambodians were eligible to cast their ballots to elect the 123-seat National Assembly. Voter turnout was reported to be 68.5%, making it the lowest turnout in history. The Cambodian Minister of Information, Khieu Kanharith announced in preliminary results that the Cambodian People's Party won 68 seats and the opposition Cambodia National Rescue Party (CNRP) won all the remaining 55 seats. This election marked the largest seat loss by the Cambodian People's Party to date, and their lowest share of seats since 1998. (Wikipedia, 2013). The Sixth General Elections: General elections were held in Cambodia on Sunday, 29 July 2018 to elect members of the sixth National Assembly. The number of registered voters has decreased for the first time since 1993 and was down 13% from the 2013 general elections. With the absence of a credible opposition, the elections were viewed as a formality, and dismissed as sham elections by the international community. They resulted in a widely expected landslide victory for the ruling Cambodian People's Party (CPP), which won all 125 seats in the National Assembly. Despite calls to boycott the election, voter turnout was reported to be 83.02%. (Wikipedia, 2018).

3.3 Governance Structure of the Public Sector

The Constitution of Cambodia provides the people of Cambodia to exercise their powers through a three separate branches (Figure 3.1) of public sector as the followings:

Figure 3. 1: Governance Structure of the Public Sector



Source: The Royal Government of Cambodia (sixth term 2018-2023)

The promulgation of a new Constitution in 1993 laid the foundation for the development of Cambodia's new governance system. The Constitution declares liberal democracy and a multi-party system as the foundations of the political regime of the Kingdom of Cambodia. It stipulates that Cambodian citizens exercise their powers through three separate branches: The Legislature, the Executive, and the Judiciary as mentioned below. The Constitution also defines a market economy as the foundation of Cambodia's economic system. Ownership of private property such as land is guaranteed under the Constitution.

The Legislative Committee

There are two parliaments which hold Legislative power. The most powerful one is the National Assembly which was established in 1993. The National Assembly currently consists of 123 elected members who can serve for a five-year term. It possesses the rights to approve laws, in particular with regard to the national budget, state planning, loans and lending, the creation, change or annulment of taxes, administrative accounts, amnesties, treaty or international conventions, and declaration of war. All members are chosen through general election in which any Cambodian at the age of 18 and above is permitted to vote. The other is the Senate which was established in 1998. The Senate consists of 61 members among which 2 members are appointed by the King, other 2 members are chosen by the National Assembly through votes, and the rests are selected through uncommon election. The senate has the power to recommend amendments to legislation passed by the National Assembly; moreover, it can reject any law approved by the National Assembly. 122

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 $^{^{122}}$ Cambodia, T. N. (2014, December 29). The National Assembly of Cambodia. http://en. national-assembly.org/

The Executive

In Cambodia, executive power directs civil administration and armed forces. In the fifth legislative term, the Council of Ministers is the government of Cambodia, 2013-2018. There are 27-line ministers which are under the Council of Ministers. Cambodia has one capital city, Phnom Penh, and the other 24 provinces governors of which are pointed by the premier. The capital city is divided into districts, communes, villages, and groups, and each province is further divided into municipal/districts, Sangkats/communes, villages, and groups. The RGC resolutely commits itself to preserving and defending the independence, sovereignty, and territorial integrity of the Kingdom of Cambodia, implementing a policy of national reconciliation to ensure national unity, and protecting the good mores and custom of the nation. The RGC defends legality and ensures public order and security. The RGC gives priority to the improvement of the living conditions and welfare of citizens.¹²³

The Judiciary

The constitution of the Kingdom of Cambodia in 2004, in Chapter 11 "New" with article 128 "New" related to article 109 "Old," said that the judicial power is an independent power. The Judicial power is the guarantor of impartiality and the protector of the citizens' rights and liberties. The Judicial power covers all litigations including administrative litigation. This power is entrusted to the Supreme Court (SC) and to the Jurisdictions of the various categories and at all the degrees. Justice is rendered in the name of Khmer people in accordance with the legal procedures and the laws in force. Only the judges are vested with the judi-

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¹²³ MoI, T. (2014, Decemer 28). The Ministry of Iinterior in Cambodia.http://www.interior.gov.kh/

cial function. No organ of the Legislative Power or of the Executive Power can exercise any judicial power. Only the public prosecution has the right to take public action. The King is the Guarantor of the independence of the Judiciary. The Supreme Council of Magistracy (SCM) assists the King in this task. The Magistrates are irremovable.¹²⁴

3.4 Development Planning Background

In 1994, the Royal Government of Cambodia (RGC) outlined its long-term vision for the future in the National Program to rehabilitate and develop Cambodia (NPRD) for initiating the process of rebuilding and rehabilitating the social, physical, and institutional infrastructure. Based on this vision, the First Five Year Socio-Economic Development Plan (SEDP I, 1996-2000) was formulated and focused on establishing macro-economic fundamentals, social development contours, and poverty alleviation strategies. While the Second Socio-Economic Development Plan (SEDP II 2001-2005) was prepared focusing on economic growth and poverty reduction (the Second Legislature)—following the preparation of SEDP II, there were two important developments: first, after the United Nations Millennium Summit in 2000—which declared the Millennium Development Goals (MDGs)—Cambodia developed its own set of MDGs called the Cambodia Millennium Development Goals (CMDGs), focusing on poverty alleviation and human development. Second, a National Poverty Reduction Strategy (NPRS) was adopted in December 2002. Since that time, achieving CMDGs and alleviating poverty have assumed centrality in Cambodia's development strategies. 125

 124 Council, T. C. (April 2008). The Constitution of the Kingdom of Cambodia. Phnom Penh: Konrad Adenauer Stiftung.

¹²⁵ RGC (2014). National Strategic Development Plan 2014-2018, p 1

The Royal Government of Cambodia (RGC) has recognized the importance of strengthening governance in its National Strategic Development Plan (NSDP) 2006-2010 (the Third Legislature), the NSDP Update 2009-2013 (the Fourth Legislature), and the NSDP 2014-2018 (the Fifth Legislature), and in the Rectangular Strategy (RS) Phase I (2004-2008) and Rectangular Strategy (RS) Phase II and III (2008-2013 and 2014-2018). It has identified key areas for governance reform including the fighting corruption, legal and judicial system, public finance reform, public administration reform, and reform of armed forces.

3.5 Development of Governance Policy Reforms

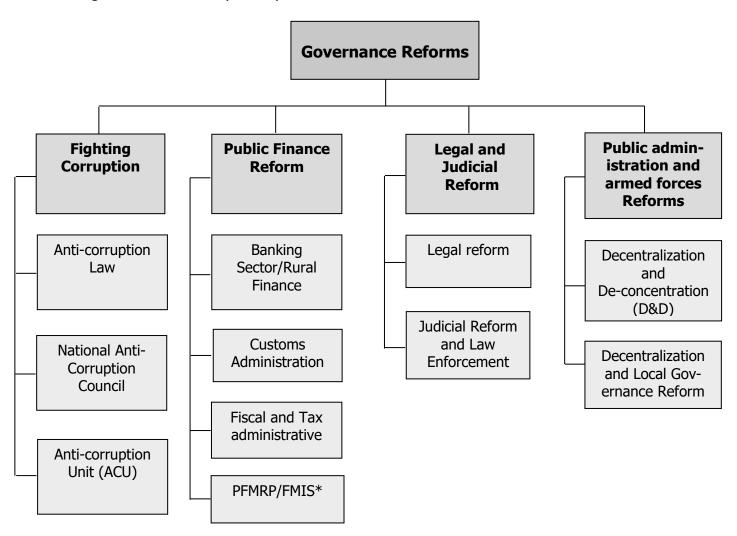
To achieve good governance, the Royal Government of Cambodia has focused on the effective implementation of its Governance Action Plan which covers four crosscutting areas of reforms: (i) fighting corruption, (ii) public finance reform (iii) legal and judicial reform, and (iv) public administration and armed forces reform covering decentralization and de-concentration, especially demobilization. 126

Based on its Governance Action Plan (GAP), the Royal Government of Cambodia (RGC) has made tremendous efforts to adjust and reform the governance structure towards liberal democracy and a market economy, especially a comprehensive macroeconomic policy and structural reform program and integration of Cambodia's economy into the region and the world. New laws were enacted, and a large number of administrative orders were issued to implement these laws. New institutions and organisations were created to carry out important responsi-

126 Rectangular Strategy Phase I-2004-2008

bilities in the public sector reforms. As a result, the Royal Government of Cambodia has continuously achieved remarkable outcomes especially in the area of liberalization and stabilization of its economy—an average annual growth has been about 6 to 7 percent with a significant drop in inflation rate to below 5 percent per annum.¹²⁷

Figure 3. 2: Summary of Key Governance Reform in Cambodia



Source: Author, compiled from RGC, 2004, 2008, 2014

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^{*} PFMRP: Public Financial Management Reform Program

^{*} FMIS: Financial Management Information System

¹²⁷ Ministry of Economy and Finance (n.d.). *An average annual growth*. Retrieved from http://www.mef.gov.kh/pfmrp.html

3.5.1 Public Finance Reform

Since 1993, the government has made serious efforts to tackle public finance problems. The government launched a major public finance reform through an Organic Budget Law (1993) to fight inflation and establish macroeconomic stability. The government also has been implementing a Law on Taxation (1997) to improve the weak revenue-raising capacity of the government. Public finance reform regained momentum in 1999. Beginning in 1999, the government implemented a value-added tax (VAT) that has generated significant revenues in its first year of implementation and reduced Cambodia's reliance on trade tariffs.

The Ministry of Economy and Finance has played an important role in implementing the "triangular strategy", especially in economic and public financial reform, which included strengthening governance, ensuring macroeconomic stability, strengthening banking and financial systems, implementing fiscal reform, improving state property management, increasing investment in physical and social infrastructure sectors, promoting private sector development and human resource development. For public financial management, the Ministry of Economy and Finance has launched four important programs of reform including (i) customs administration and policy, (ii) tax administration and policy, (iii) treasury operation reform, and (iv) budget formulation and execution reform.

The Ministry of Economy & Finance (MEF) added additional tax officials to its Department of Taxation to strengthen collection efforts. The government is also making efforts to reduce the granting of ad hoc tax exemptions and recover ar-

rears from taxpayers. As part of its effort to increase trade and reform the tax system, the government is implementing tariff reductions in the context of the ASEAN Free Trade Area. Moreover, numerous measures has set out and implemented to strengthen economic and public financial management while establishing good governance systems, including: (i) macroeconomic policy framework management, (ii) improving the budget system and public procurement, (iii) modernization of the tax system, (iv) improving the public accounting system, (v) developing the audit system and inspection, (vi) privatizing public enterprises, and as well as (vii) strengthening state property management.

The Government sees the public financial management and improvement program as a central plank underlying the general administrative reform program. Public financial management reform and the transformation of the civil service have become increasingly linked and mutually supportive in the progress towards the vision of installing much higher standards of management, accountability, transparency, and responsibility for mobilizing all government resources and effectiveness and efficiency in their application to the Government's National Poverty Reduction Strategy and priority programs.¹²⁸

As part of the reform programs of the Royal Government of Cambodia (RGC), the Ministry of Economy and Finance (MEF) has initiated a Public Financial Management Reform Program (PFMRP) and it was officially launched in December 2004

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¹²⁸ Ministry of Economy and Finance (n.d.). *An average annual growth.* Retrieved from http://www.mef.gov.kh/pfmrp.html

for the first stage while the second stage was kick-started in December 2008. This program aims to improve the good governance and transparency in the National Budget Management especially in the national budget expenditure with the improvement of the standards of management and accountability in the effective mobilization of all government current and capital resources. In addition, the long-term objective is to transform the RGC's Public Financial Management (PFM) system into a system featuring what are generally accepted as the best international standards. The reform program has different four stages: stage one: short term action plans including all necessary activities for achieving platform one, plus activities with long lead times and necessary for later platforms; stage two and three: medium term, planned for towards the end of stage one, when platform one objectives are within sight; and stage four: long term while getting to achieving the vision.¹²⁹

The key achievements from implementation of the PFMRP stage 1, which can be concluded that **budget is credible**. ¹³⁰ **First,** improved and strengthened revenue policy, forecasting, management and collection. As the results, revenue increased around 26 percent per annum on average. At the same time, Legal

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Royal Government of Cambodia, the Ministry of Economy and Finance (2004). Public Financial Management Reform Program (PFMRP)—Strengthening Governance through Enhanced Public Financial Management.p4

¹³⁰ Welcome Remarks, Dr. Aun Porn Moniroth, Minister attached to the Prime Minister Secretary of State of the Ministry of Economy and Finance Chairman of the Public Financial Management Reform Steering Committee at PFMRP Stage 2 Launch on 3rd December 2008.

framework was also broadened, improved, and enhanced, including Law on Customs, Law on taxation, Government order on Non-tax Revenue Management as well as the betterment of sub-decree, Prakas, and other related regulations. **Second,** improved and strengthened budget preparation. As the results, budget is more comprehensive, accurate and responsive to policies of the government through revising budget preparation calendar, introducing budget strategic plan, introducing of new budget classification, piloting program budgeting and introducing of systematic mid-year budget review and quarterly revenue and expenditure plan. This reflects dynamic progress of the key reforms, in which the RGC is also able to ensure consistency, coherence, and smooth coordination, particular between PFMRP and Decentralization and De-concentration Reform Program. **Third,** improved budget implementation and efficiency. As the results, budgetary control is more simplified and effective, disbursements and payments are smoother and timely, and recording is more transparent and accurate. In addition, internal control system has been strengthened through establishment of internal audit body in all line ministries and agencies. Fourth, skilled human capacity and institution have been enhanced through clearly defining roles, functions, and responsibilities of individual and institution; transferring knowledge and know-how from consultant/adviser through joint working; study tour; short term and long term training; as well as providing appropriate incentive to skilled staff through introducing Priority Mission Group (PMG) and Merit Based Pay Initiatives (MBPI).

To continue to implement the PFMRP in stage 2, the MEF has come up with a slogan of the stage 2 as "Building on Budget Credibility towards Achieving Better Financial Accountability". The PFMRP stage 2 has focused on the number of important outputs. First, Consolidated Action Plan (CAP) of the RGC is the Public Financial Management Reform Program—Stage 2 that is about to launch today. Second, Departmental Action Plans (DAPs) of the MEF which includes activities cluster and detailed actions of each Directorates, Departments, and entities of the MEF. Third, Ministry Action Plans (MAPs) of LMs and Agencies in which all LMs and agencies have to develop based on CAP and DAPs on time. Fourth, leadership, management, and monitoring performance frameworks for stage 2 were rearranged including the extension of EFPC roles to lead, manage, and coordinate at policy and political level.

Within the second platform of the PFMRP, FMIS (Financial Management Information System) project was formed as a core element to fully support PFMRP. FMIS was the key component of the PFMRP and was the foundation for achieving financial accountability of in platform 2 and the ongoing PFMRP's platforms. It was an integrated Information Technology System that enables prudent Financial Management (accountability, transparency, consistency, and efficiency) and provides Management Information incompliance with standard business process. The Information Technology speeds up processes, overcomes distance, and it

¹³¹ Ibid, p3

gives all who are authorised access to the data and information that it contains. Prudent Financial Management is enabled through budget and funds availability checking at all stages during processes such as procurement and payment. The implementation of FMIS had different three Phases, and the Phase 1 of FMIS kick-started in July 2015, Phase 2 in October 2015 and Phase 3 in January 2016.¹³²

3.5.2 Fighting Corruption

The Royal Government of Cambodia always considers corruption as obstacles to economic development, rule of law, democracy, social stability, as well as the main cause of poverty. In 1999 and 2006, the Royal Government issued a Sub-Decree on the establishment of Anti-Corruption Unit (ACU) under the management of the Office of the Council of Ministers, having a role as the implementing agency in fighting against corruption based on three key pillars: education, prevention, and obstruction and law enforcement aiming to win support from the public using transitional law under UNTAC as its tool.¹³³

The National Anti-Corruption Council and Anti-Corruption Unit (ACU) were established, and anti-corruption mechanisms, including rules and regulations, were put in place. Anti-Corruption Law was officially signed and promulgated on 17 April

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¹³² http://www.mef.gov.kh/pfmrp.html

¹³³ http://www.acu.gov.kh/en index.php

2010.¹³⁴ The ACU is seized with the mandate to conduct anti-corruption in every aspect, level, and sectors in Cambodia nationwide through the means of Education, Prevention, and Obstruction, Law Enforcement and crackdown all corrupt offences with strong and active participation and cooperation from the public. Responding to the guidelines of the National Anti-Corruption Council for Anti-Corruption Unit, the ACU has developed its concrete strategic plan as below:

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¹³⁴ Article 1: Purpose: This law has a purpose to promote effectiveness of all forms of service and strengthen good governance and rule of law in leadership and state governance as well as to maintain integrity and justice which is fundamental for social development and poverty reduction.

Figure 3. 3: Summary of ACU's Five-Year Strategic Plan (2011-2015)

ACU's Five - Year Strategic Plan (2011-2015) Vision: To become an effective institution with mass participation from all sectors in the fight against corruption. **Policy:** Fighting corruption with zero-tolerance Mission: Anti-Corruption Unit has a mission to lead the fight against corruption, in all sectors, at all levels throughout Kingdom of Cambodia through education, prevention and law enforcement and suppression with the participation of the public and international cooperation. ACU's Three Key Pillars: Education, Prevention, and Obstruction and Law Enforcement **National Cooperation Education Strategy Prevention and Good Governance Law Enforcement Obstruction Strategies Strategy Strategy** Strategy **Education Strategy** covers 6 goals and National and Interna-Prevention and Ob-Good Governance and Law Enforcement 21 core activities. struction strategy tional Relations Strat-Internal Audit covers Strategy covers 8 egy covers 1 goal and 5 goals and 19 core covers 5 goals and 12 goals and 27 core ac-2 core activities. core activities. activities. tivities.

Source: The Author, compiled from the ACU's Five-Year Strategic Plan (2011-2015)

Education Strategy:

- First Goal: To disseminate Anti-Corruption Law and Relevant Laws to improve public awareness to reduce corruption offences and opportunities
- Second Goal: To provide and disseminate anti-corruption related information to increase awareness and encourage public engagement in prevention and anti-corruption
- > Third Goal: To integrate the study curriculum in relation to corruption in order to boost the spirit and morals from primary level to tertiary level
- > Fourth Goal: To publicly disseminate the messages of Anti-Corruption through multimedia and through Civil Society Organizations
- Fifth Goal: To prepare the Contest and Round Table Discussions on Anti-Corruption to motivate the support of the public on integrity
- Sixth Goal: Having the National Anti-Corruption Day and prepare a special event on that day to expand and strengthen the spirit of Anti-Corruption to the public.

Prevention and Obstruction Strategies:

- First Goal: To encourage the prevention and obstruction corrupt practices at the targeted ministries/institutions
- > Second Goal: To strengthen and follow up on the implementation of the action plan against corruption of the targeted ministries/institutions
- Third Goal: To monitor and follow up the process of issuing the license, contractual process, and public procurement
- Fourth Goal: To determine the categories and integrity awards for the work of anti-corruption for the targeted ministries/institutions
- Fifth Goal: To effectively set up and implement the property and debts declaration system

Law Enforcement Strategy:

- First Goal: To establish an effective complaint system
- Second Goal: To increase the effective investigation and enforce law enforcement
- ➤ Third Goal: To enforce computer forensic investigation
- Fourth Goal: To have special group and to strengthen capacity for prompt investigation of priority corruption complaints
- > Fifth Goal 5: To have safe and effective mechanism and procedures to protect witnesses and complainants
- > Sixth Goal: To build up networks to provide information on corruption
- > Seventh Goal: Strengthening the Covert Surveillance
- > Eighth Goal: To build up and strengthen the capacity for entrapment

National Cooperation Strategy:

Goal: To promote the cooperation among national and international institutions

Good Governance Strategy:

- First Goal: To conduct internal audit as effective as possible
- Second Goal: Effective Internal Inspection
- Third Goal: To effectively monitor and evaluate this strategic planning
- Fourth Goal: To prepare an effective annual budget project
- > Fifth Goal: To strengthen framework of the Institution to enhance the effectiveness of the Anti-Corruption Unit's operation

3.5.3 Legal and Judicial Reform

In the Cambodian context where "the rule of law" has been set as the country's basis, legal and judicial reforms appear to be fundamental to the reestablishment of the country towards a real democratic and free-market economy regime. A "credible, predictable and transparent legal framework" together with "an independent and capable judiciary" will help Cambodia's democracy-based government to make its other reform agendas successful, achieved in the right direction for poverty reduction and sustainable economic growth.

In order to achieve a credible and stable legal and judicial system that promoted human rights and dignity, strengthened the rule-of-law principle of a liberal democracy, ensured social justice and created a reliable environment for attracting investment, the RGC was committed to accelerating the Legal and Justice Reform through:

- Continuing the implementation of seven strategic objectives of Legal and Justice Reform:
 - > Strengthening of the protection of fundamental rights and freedoms.
 - Modernization of the legislative framework.
 - > Providing better access to legal and judicial information.

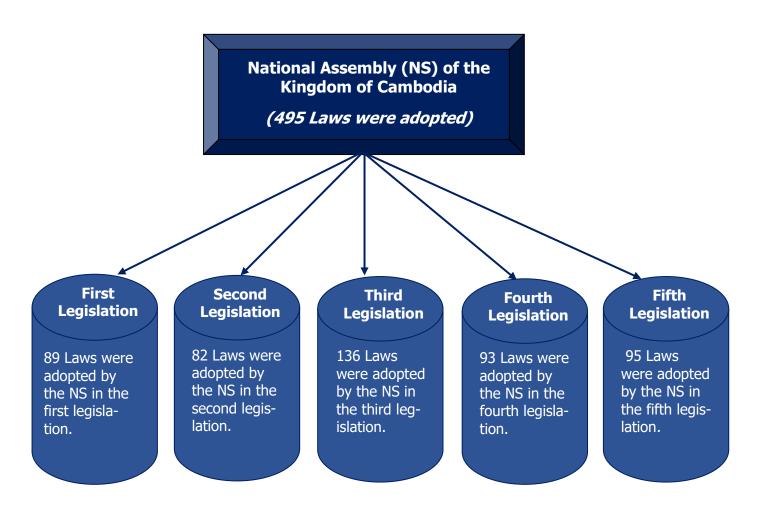
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¹³⁵ National Strategic Development Plan 2014-2018, p 9-10

- Enhancement of the quality of legal process and related services.
- Strengthening judicial services, including judicial power and prosecutorial services.
- ➤ Enlargement of alternative dispute resolution mechanisms.
- Strengthening of Legal and Judicial sector institutions to fulfil their mandates
- Continuing the promotion of the adoption fundamental laws:
 - Law on the statute of Judges and Prosecutors.
 - Law on the Organization and Functioning of Courts.
 - Law on amendment of the Law on Supreme Council of the Magistracy
- Continuing organizing programs and disseminating knowledge on laws and procedures to the people, and providing legal training to increase awareness and implementation for law enforcement officials.
- Strengthening the capacity building of judges and prosecutors.
- Creating mechanisms that contribute to promote and process:
 - Statute of Court Clerks.
 - Statute of Notary.
 - Statute of Bailiffs
- Providing legal assistance.
- Continuing the promotion of alternative dispute resolution mechanisms

Since the First Legislation (NITIKAL I), positive results have been impressive in this reform area—totally 495 laws were adopted by the National Assembly of the Kingdom of Cambodia from 1993 to 2018 (May). See figure 3.4 below for detailed information.

Figure 3. 4: Summary of Laws Adopted by the National Assembly (1993-2018)



Source: The Author, compiled from http://www.national-assembly.org.kh/

3.5.4 Public Administration Reform

Good governance, the core of the Rectangular Strategy, is critical to achieving the priorities of the Royal Government. Public administration is a strategic instrument of implementation. The Council for Administrative Reform (CAR) implemented the National Program for Administrative Reform to systematically and gradually transform the Administration and the Civil Service in order to serve people better.¹³⁶



Figure 3. 5: Diagram of NPAR 2015-2018

¹³⁶ Ibid, p.12

The Royal Government has established the Council for Administrative Reform (CAR) to guide and to spearhead administrative reform efforts. Working under the general direction of the Supreme Council of State Reform, chaired by the Prime Minister, the CAR primary mission is foremost that of a catalyst, coordinator and facilitator. A General Secretariat itself assisted by inter-ministerial teams responsible for implementing projects to enhance ownership and to focus and coordinate efforts better supports it. Individual ministries and agencies are responsible for implementation within their respective jurisdiction.¹³⁷

The aim of the Royal Government and the needs of its citizens are to build a public administration that provides improved responsiveness, effectiveness, efficiency, and reliability through the promotion of a service culture, motivation, loyalty, and professionalism in order to transform the public administration into an effective service provider. Good governance is considered as the core component for ensuring the success of the reform process of Royal Government of Cambodia and society. The National Program for Administrative Reform (NPAR 2015-2018) has been developed to promote effective performance and rationalized processes that contribute to the improvement of good governance in the public administration. ¹³⁸

The RGC, through the "win-win" strategy of national reconciliation and unification, has successfully built the foundation for peace, political stability, security and social order which are the most important prerequisite conditions for sustainable development. Key public administrative reform achievements made by

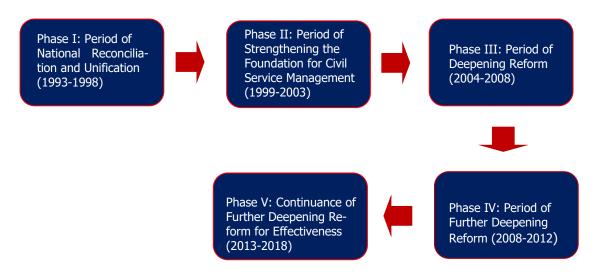
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¹³⁷ Council for Administrative Reform (2010). *National program for administrative reform* (Royal Government of Cambodia). Phnom Penh, Cambodia

¹³⁸ Committee for Public Administrative Reform (2015). *National program for administrative reform 2015-2018* (Royal Government of Cambodia). Phnom Penh, Cambodia

the RGC over the past 20 years have resulted from the right vision, policy and strategy, and also from the full support and active participation of ministries/institutions and civil servants of all levels. The development partners have also significantly contributed to these particular achievements. The history of civil administrative reform in Cambodia, since 1993, can be broken into five phases as below:

Figure 3. 6: The History of Civil Administrative Reform in Cambodia (1993-2018)



Source: The Author, compiled from NPAR 2015-2018

During the development process for the National Program for Administrative Reform (NPAR) 2015-2018, core activities for public administrative reform were established using the existing framework and strategies that are guides by the Rectangular Strategy Phase 3. The following public administrative reform program achievements have been attained since the first Plenary Meeting of the Council of Ministers on September 25, 2013 until the end of 2014:

1. Strengthening the quality of the Public Service

- ✓ The Pay system for civil servants, police and the armed forces has been revised and amended to ensure the correct and timely payment of salaries without any deductions during the fourth week of each month;
- ✓ Civil servants now receive their salary via the banking system; A "Drag and Drop System" has been designed for transferring and receiving of payroll documents electronically at national and sub-national levels, and is ready to launch in 2015;
- ✓ Manual salary tax deduction of civil servants has been replaced with an automatic system through the MCS payroll database;
- ✓ The procedure for review and approval of family allowance for civil servants has been simplifies and shortened with automatic allowances for civil servants' children up to the age of 21 years (previously if the children were above 15 years old, a certification letter was required).

2. Human Resource Management and Development

✓ Regularized to promote civil servants' ranks and steps as well as adjusted civil servants' category. By December 11, 2014, it was found that there were 101 063 civil servants, approximately 99.14%, from 32 ministries/institutions that had been regularized.

- ✓ Amended the statute and structure of the Royal School for Administration (RSA) in order to develop capacity of civil servants to respond the needs;
- ✓ Conducted a functional review related to the management and utilizing
 of human resources in MoEYS and MoH;
- ✓ Provided training to government officials of the Ministry of Environment in order to support their function;
- ✓ Provided training for 1 325 senior and middle management officials at national and sub-national levels under the framework of Public Financial Management (2nd Sub Program of Rural Development Program);
- ✓ Developed human resource management and development policy for the sub-national;
- ✓ Issued a Sub-Decree on management and arrangement of Teaching Services at Public Primary Schools.

3. Pay and Remuneration Reform

✓ Increased the basic salary of civil servants by 40 000 Riel for Category

A and 80 000 Riel for Categories B, C and D; increased the daily meal
allowance for army, police and prison officials by 4 200 Riel; provided
additional allowances for contracted teachers of 40 000 Riel per
month; and provided an allowance for contracted teachers at public
primary schools of 440 000 Riel per month.

- ✓ Issued the Royal Decree on the Common Principles of Organization of the State Civil Service. Categories of the civil servants are decreased to only 3 types (A,B and C) by removing Category D. Basic salary steps were reduced to simplify the system. Current categories, grades and steps for civil servants are being integrated into a new classification system in January 2015.
- ✓ Studied and prepared comparative tables of the composition of salaries of civil servants, police and the armed forces.
- ✓ Revised the functional allowance of civil servants for MoEYS and MoH. Minimum salaries of primary teachers were increased from 482 800 Riel to 550 000 Riel. Minimum salaries of primary nurses and primary midwifes were increased from 440 000 to 550 000 Riel.
- ✓ Revised the functional allowance of members of the Royal Government.
- ✓ Issued the Royal Decree on the Management and Disbursement of Functional Allowance for Advisors, Assistants, Secretaries and Equivalent Officials.

3.5.5 Decentralization and Deconcentration (D&D): A Gradual and Momentous Reform at the Sub-national levels of governance

The D&D reform is described to be the most ambitious and important change in Cambodian governance since the 1993 Constitution. Promoting and enhancing good governance is one of objectives of decentralization policy in Cambodia. Commune/Sangkat is defined as a legal entity, and a system of local governance shall be carried out at this level. The decentralization and deconcentration strategy is the policy statement of the Royal Government of Cambodia for the implementation of the vision of management systems of provincial/ municipal, district/khan and commune/Sangkat administrations.

Basic principles for decentralization and deconcentration reforms: 139

Reforms of management systems of provincial/municipal, district/khan and Commune/Sangkat administrations have the following two strategic goals:

- > First: to strengthen and expand local democracy;
- Second: to promote local development and to reduce poverty.

Therefore, reform will be developed based on the following important principles:

 Democratic representation: the reforms will strengthen the roles of councils at provincial/municipal, district/khan and commune/Sangkat administrations to be established in accordance with the principles of democracy by expanding their powers, duties, responsibilities and resources.

159

¹³⁹ Ministry of Interior (2005). *Strategic framework for decentralization and de-concentration reforms* (The National Committee for Sub-national Democratic Development). Phnom Penh, Cambodia.

- 2. <u>Participation of the people:</u> the reform will introduce systems and procedures as ensure that people, especially women, vulnerable groups and indigenous minorities can participate in decision making at provincial/municipal, district/khan and commune/Sangkat levels.
- 3. <u>Public sector accountability:</u> Reform will strengthen accountability at all levels of administration and facilitate citizens' oversight of the administrative and financial affairs of those administrations.
- 4. Effectiveness: Reform will bring public services closer to users by allowing citizens to participate in planning and monitoring public services in order to meet local needs and priorities. The reform will also improve administration and coordination, strengthen the management capacity of provinces/municipalities, districts/khans and communes/Sangkat's in order to promote the quality of services and expand the delivery of public services.
- 5. <u>Focusing on poverty reduction:</u> the reform will strengthen local capacity in using resources to support poverty reduction activities, especially vulnerable groups, indigenous minorities and women and children in order to achieve the Millennium Development Goals of Cambodia.

In March 2001, the Organic Law, including the Law on the Administration Management of Commune/Sangkat; and the Law on the Election of the Commune/Sangkat Council, was adopted. Based on this Law the elections of the Commune/Sangkat Councils were successfully held in February 2002, creating very substantial local authorities. The RGC considered this new policy as Decentralization and Deconcentration (D&D), as indicated in the 2001 Organic Law.

The first democratic commune councils in Cambodia were elected in February 2002. This established decentralized commune governance in Cambodia. Before February 2002 all local administrations were appointed by government. These administrations performed duties on behalf of the central government. They were essentially agents of central government to which government delegated certain functions for implementation of its policies. Line ministries have their line departments/agencies at district and provincial levels, which carry out the development policies and plans of their ministries. Under this system the central government has retained ownership and responsibility for all functions that have been delegated to sub-national administrations or line departments. This delegation also includes specific controls and instructions. Local administrations and agencies have to respond and be accountable upwards to the Royal Government on how it has implemented the delegated functions.

The Commune Councils Law established an inter-ministerial committee called the National Committee for Support to Commune Councils (NCSC). The NCSC is composed of major Ministries and is under the Chairmanship of the Deputy Prime Minister. It is responsible for implementing the Commune Councils Law and for further developing the policy of decentralization. A Department of Local Administration (DOLA) was also established within the Ministry of Interior. DOLA is the Secretariat to the NCSC and is responsible for coordinating the implementation of the Commune Law and its regulations. Implementation started in August 2001. Therefore, starting from February 2002, the governance at C/S level was substantially changed. The administration created by this election was the means to transfer governance ownership from the central to the C/S level, ensuring that the C/S councils represent the interests of their local communities, and being responsive and accountable to their local communities.

3.5.6 The National Committee for Sub-national Democratic Development (NCDD)¹⁴⁰

The National Committee for Sub-national Democratic Development (NCDD) is the inter-ministerial mechanism for promoting democratic development through decentralization and deconcentration reforms throughout Cambodia. NCDD was established by Royal Decree number Sti/imm/Dbod/Ddbd, dated on 31 December 2008. NCDD is accountable to the Royal Government of Cambodia for the implementation of the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans (Organic Law), the Law on Administrative Management of Communes/Sangkats and Decentralization and Deconcentration policy. To effectively implement the Organic Law and the CS law, in line with D&D policy NCDD has established sub-committees and a Secretariat to facilitate and manage implementation. NCDD has the following mission:

- Design and implement the national program on democratic development at sub-national level in accordance with the Law on Administrative Management of Capital, Provinces, Municipalities, Districts and Khans, Law on Administrative Management of Communes/Sangkats and Law on Public Financial System;
- Based on the national program, formulate annual work plans and budgets;
- Carefully review and update the national program from one phase to another;
- Consult, discuss and coordinate with all ministries/institutions in reviewing functions and responsibilities of the ministries/institutions, departments,

¹⁴⁰ http://ncdd.gov.kh/en/what-we-do/

units and authorities at all levels in order to identify functions, responsibilities, power and accountability for transferring to sub-national councils which include:

- Transfer of resources including revenue, finance, personnel, property, and capacity for managing and fulfilling the respective functions;
- Provision of capacity building and empowerment in order to get access to resources necessary for managing and fulfilling each function which includes revenue, finance, personnel, property, and capacity;
- Provision of power and duties to manage and perform all respective functions in line with the principles of local autonomy and local accountability to the maximum level.
- Prior to the transfer of functions and responsibilities to the councils at sub-national administrations, formulate procedures and formats for the integration of development plans and budgets of the ministries and institutions at sub-national level into the development plan and budget of the respective council;
- May provide recommendations to the Royal Government, or any ministries and institutions of the Royal Government, on the formulation or amendment of legal frameworks to ensure that they are consistent with the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans, Law of Administrative Management of Communes/Sangkats and policy on decentralization and deconcentration reforms;

- Discuss and coordinate with the Ministry of Economy and Finance and other relevant ministries and institutions, as necessary to prepare financial regimes and properties of sub-national administrations, including the formulation of formats, procedures, approval and implementation of the sub-national administration budgets, preparation of sources of revenues which include revenues from national and local level, transfer of supporting budgets which include conditional and un-conditional funds from national level to sub-national administrations, transfer of state properties, management and use of state properties to the sub-national administrations and properties provided to and earned by the sub-national administration themselves with planning, phasing, rationale, coordination, consultation, transparency and accountability;
- Cooperate with ministries and institutions of the Royal Government to identify policies and strategies for monitoring and reviewing the deployment of personnel, concurrent with the transfer of functions and duties, in order to establish a personnel framework for the sub-national administrations taking into account planning, rationale, consultation and transparency;
- Define types of personnel for each category of councils and define procedures and methods for reviewing and redeploying these personnel, while ensuring that the number of civil servants does not increase;
- Collaborate with State Secretariat for Civil Service and relevant ministries and institutions as necessary to develop a draft of a separate statute for civil servants of sub-national administrations;

- Ensure coordination and consultation on policies, strategies and reform programs, implemented by ministries and institutions concerned, in order to make them consistent with the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans, Law on Administrative Management of Communes/Sangkats, decentralization and deconcentration reforms as well as national programs;
- Study and determine boundaries of sub-national administrations as necessary;
- Study the growth of municipalities and urbanization as the basis for developing policies, structures and strategies for the management of the municipalities;
- Develop policies, strategies and plans for capacity building of sub-national councils and administrations;
- Cooperate in conducting studies and provide recommendations to the Royal Government for the establishment of an appropriate fund for decentralization and deconcentration reforms, in order to mobilize resources from Development Partners for the requirements of personnel and capacity development, technical support and other requirements at sub-national level including technical support for relevant ministries/institutions;
- Research, review and provide recommendations to the Royal Government on the mobilization and utilization of resources, from within and outside the country, for decentralization and deconcentration reforms;

- Investigate and formulate agreements between the Royal Government and Development Partners for the support to decentralization and deconcentration reforms, ensuring that all Development Partners are parties to such agreements and ensuring alignment and harmonization in using external assistance;
- Create an appropriate forum between the Royal Government and Development Partners for coordination, cooperation and support to decentralization and deconcentration reforms;
- ➤ Ensure the transfer of rights and responsibilities from present provincial, municipal, district and Khan administrations to Capital, provincial, municipal, district and Khan administrations established by the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans;
- Report to the Royal Government once a year on the implementation of the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans, Law on Administrative Management of Communes/ Sangkats and decentralization and deconcentration policy.

3.5.7 Policy and Strategy Framework of the Decentralization and Deconcentration Reform in Cambodia¹⁴¹

There are several policy documents of the Royal Government of Cambodia that are important to defining the strategic vision for decentralization and deconcentration (D&D). The Royal Government of Cambodia has committed to a policy of

¹⁴¹ National Program for Sub-National Democratic Development, 2010-2019, p 1-15

good governance. The Rectangular Strategy for Growth, Employment, Equity and Efficiency – Phase I, was introduced in June 2004. The core of the Rectangular Strategy is good governance focused on four reform areas: (1) anti-corruption, (2) legal and judicial reform, (3) public administration reform including decentralization and deconcentration, and (4) reform of the armed forces, especially demobilization. The National Strategic Development Plan (NSDP) 2006–2010 sets out common strategies in the efforts to reduce poverty and achieve the Cambodian Millennium Development Goals (CMDG). Good governance, again, has been identified as a core pillar of the NSDP, not only in respect to the MDGs and poverty alleviation, but also to increase quality and achieve effectiveness in public service delivery.

In June 2005, the government adopted the strategic framework on D&D reform. The strategy aims to create a governance system at sub-national levels based on the principles of strengthening local democracy, promoting community development, and reducing poverty. The government's long-term D&D reform objective is to broaden sustainable development and lay a strong foundation for economic growth, provide equitable opportunity for all citizens to participate in community development, promote sustainable environmental and natural resource management, improve public service delivery in response to people's needs and alleviate poverty with a special emphasis on vulnerable groups such as ethnic minorities, women and children.

To promote the implementation of D&D Reform Programme effectively, the RGC of the Fourth Legislation developed, approved, and implemented the Law on Administrative Management of the Capital, Province, Municipality, District and Khan (2008), elections at the sub-national tiers (2009), establishment of the National Program on Sub-National Democratic Development (2010) and approval of the National Program's first three-year Implementation Plan (IP3: 2011-2013). All aforementioned represent a commitment to the political, administrative and developmental reform at the sub-national levels.¹⁴²

In May 2010, the government developed the National Program for Sub-National Democratic Development (NP-SNDD) 2010-2019—the National Program for Sub-National Democratic Development (NP-SNDD) is the RGC's agenda for the next 10 years in the comprehensive and in-depth governance reform process of the Sub-National Administrations (SNA), which will also impact on other national institutions. The formulation of NP-SNDD reflects and confirms the RGC's political commitment to the vision, policies and strategies outlined in the D&D Strategic Framework and the government's commitment to implementing the Organic Laws on Capital, Province, Municipality, District and Commune/Sangkat administrations.

The NP-SNDD is structured around five program areas that interlink to form the institutional capacity which supports and allows for the realization of the D&D

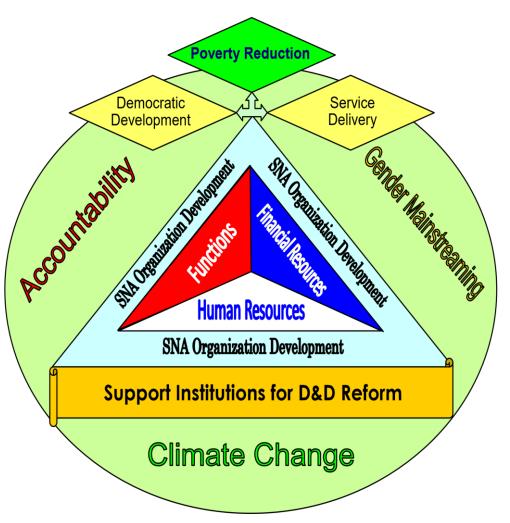
¹⁴² National Strategic Development Plan 2014-2018, p 13

reform goals. The presentation of the program areas is not to imply a sequential order of actions in support of D&D reform, but rather recognizes the iterative nature of government reform and the interlocking nature of government operations and systems. Activities of the five NP-SNDD Program Areas are described below:

- Program Area 1– SNA Organization Development–ensures that the fundamental organizational infrastructure is in place that facilitates the making of decisions, codifies the allocation of authority within the SNA and between different tiers and institutionalizes mechanisms which ensure democratic practices are legitimized and citizens' rights are protected.
- ❖ Program Area 2—Human Resource Management and Development Systems—allows for the transformation of management of civil servants and other personnel at the sub-national level. Achieving the results defined in this program area changes the incentives for civil service performance from one which focuses on completing tasks to one of serving citizens. Management of personnel from this perspective is essential for the improvement of service delivery.
- ❖ Program Area 3—Transfer of Functions—is core to the overall reform as it defines a) the responsibility and authority that will be executed through the institutional structure established in Program Area 1 and b) the resources that must be managed in accordance with those systems, operating procedures and practices advanced in Program Areas 1, 2 and 4.

- ❖ Program Area 4 Budget, Financial and Asset Management Systems contributes to two dimensions of the NP design. One, it establishes the financial systems and operating framework necessary for the management of fiscal resources (i.e. revenues and assets) and two, it defines the mechanisms for financing SNA activities.
- ❖ Program Area 5 Support Institutions for D&D ensures the necessary institutional arrangements and missions of institutions that will advance D&D reform and enable SNA to govern and manage effectively and sustainably.

Figure 3.7: Diagram on the NP for Sub-National Democratic Development



Source: The National Program (NP)-SNDD 2010-2019

3.5.8 Key Achievements

The RGC has made much progress in achieving governance reform. The concept of decentralization and deconcentration is not new in Cambodia, as D&D reform has been carried out since 2002. The Law on Commune/Sangkat Administrative Management was adopted to pave the way for implementing reform at the Commune/Sangkat level. Four consecutive Commune/Sangkat council elections were organized, in February 2002, in April 2007, in June 2012, and in June 2017.

The establishment of elected Commune/Sangkat councils has shown a number of positive results. First, the Commune/Sangkat council has gained legitimacy as the people's representative organ, leading to a changed line of accountability and the re-channeling of development assistance to the Commune/Sangkat council to address local needs. Second, the participatory planning and budgeting procedure has allowed people to participate and express their preferences in terms of community needs. Third, the decentralization program has contributed to security and peace building, and to physical infrastructure improvement leading to economic growth. Fourth, reform at Commune level has in return strengthened, stabilized and legitimized the central government. The Commune councilors who come from different political parties/ ideologies and were formerly enemies are now working together to develop their localities. 143

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 $^{^{143}}$ National Program for Sub-National Democratic Development, 2010-2019, p4

Social Accountability Strategic Plan for Sub-National Democratic Development was approved by NCDD. The plan will be jointly implemented by government and civil society and was developed with extensive consultation with NGOs. The plan aims to (i) improve citizens' access to information in terms of sub-national performance and budgets; (ii) develops processes for citizens to monitor service delivery and expenditure; (iii) develops interface mechanisms for local governments and communities to agree on a set of actions which will improve service delivery. The plan emphasizes a process of constructive engagement.

To enhance the good governance in the framework of delivering public service to citizen in good quality, transparency, and response to the local need, the Royal Government of Cambodia issued the Decision to establish One Widow Service Office (OWSO) and District Ombudsman Office at district/municipality/Khan level. Based on this decision, from 2005 to 2013, the MOI has established and operated 24 OWSOs in 23 provinces to provide 186 administrative service types that were delegated by 10 ministries/institutions. Meanwhile, the MOI is also preparing to open new 13 OWSOs in municipalities and Khan in Phnom Penh in 2014. To ensure the application of good governance and other principals related to public service delivery, the MOI also established District Ombudsman Office at district/municipality/Khan of OWSO. The District Ombudsman Office is an independent and neutral institution that receives and mediates complaints made by citizen in relation to service delivery of district/musicality/Khan administration.¹⁴⁴

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¹⁴⁴ National Strategic Development Plan 2014-2018, p14

3.5.9 Good Governance and Poverty Reduction in Cambodia

The Core of the Rectangular Strategy is *Good Governance*—Phase I (2004), Phase II (2008), and Phase III (2013). Good governance is the most important prerequisite to ensure socio-economic development with sustainability, equity and social justice. Good governance has been continuously strengthened through a number of reforms in key sectors, including fighting corruption, legal and judicial reforms, public administration reform, and armed forces reform. Indeed, the public financial management reform, land reform, and forestry and fishery reforms have significantly contributed to strengthening good governance and fighting corruption. The RGC continued its governance reforms by place importance on the enhanced effectiveness in implementation of policy and delivery and management of public goods, especially a better public services delivery in order to respond to the aspirations of the people.

The Royal Government of Cambodia (RGC) is committed to reducing poverty and inequality and improving the quality of life of the vast majority of Cambodia's rapidly growing population so that all Cambodians can enjoy the benefits of economic growth and participate in the development process. These are some prioritized poverty reduction actions of RGC: maintaining macroeconomic stability, improving rural livelihoods, expanding job opportunities, improving capabilities, strengthening institutions and improving governance, reducing vulnerability and strengthening social inclusion, promoting gender equity, prioritizing focus on population, public resource requirements and management, and monitoring and evaluation.

As a result, Cambodia has attained the lower middle-income status as of 2015, with gross national income (GNI) per capita reaching \$1,070. Driven by garment exports and tourism, Cambodia has sustained an average growth rate of 7.6 percent in 2004-2017, applying Rectangular Strategy Phase I (2004), Phase II (2008), and Phase III (2013) with Good Governance (GG) as a core of the strategy.

According to the data from the Ministry of Commerce (MoC) and the Council for the Development of Cambodia (CDC), 2003 net inflow of FDI was 84 million USD. Since 2004, it has rapidly increased from 131 million USD in 2004 to 139 in 2005, 483 in 2006, 867 in 2007, 815 in 2008, 539 in 2009, 783 in 2010, 902 in 2011, 1.600 in 2012, and to 2.300 million USD in 2013.

Depending on the WB 2014, it is shown that Cambodia unemployment rate has rapidly decreased from 2.5 percent in 2000 to 1.7 percent in 2001, 1.8 percent in 2002, 1.9 percent in 2003, 1.9 percent in 2004, 1.7 percent in 2005, 1.8 percent in 2006, 1.7 percent in 2007, 1.7 percent in 2008, 1.9 percent in 2009, 1.6 percent in 2010, 1.5 percent in 2011, 1.5 percent in 2012, and 1.4 percent in 2014.¹⁴⁵

¹⁴⁵ The Global Economy (n.d.). *Cambodia GDP*. Retrieved from http://www. theglobale conomy.com/Cambodia

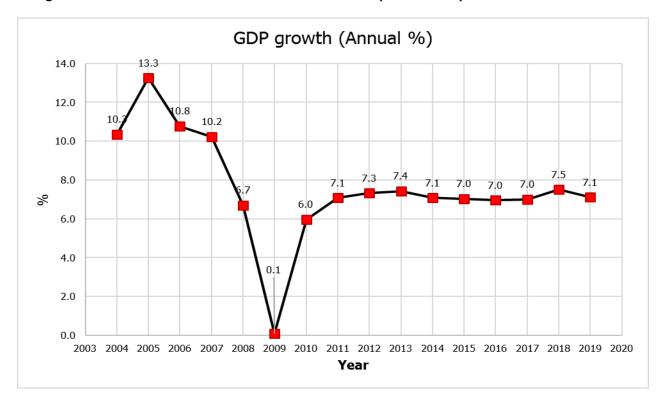


Figure 3. 8: Cambodia GDP Annual Growth Rate (2004-2019)

Source: The Author, Compiled from http://www.worldbank.org/en/ country/cambodia

Addressing the National Poverty Reduction Strategy (NPRS) for Poverty Reduction (PR) in Cambodia has begun since 2002. The poverty rate in Cambodia steadily decreased from 53.2 percent in 2003 to 13.5 percent in 2014, and people's wellbeing is also improved. In addition, Cambodia has made good strides in improving maternal health, early childhood development, and primary education in rural areas. The maternal mortality ratio per 100,000 live births decreased from 472 in 2005 to 170 in 2014, the under-five mortality rate decreased from 83 per 1,000 live births in 2005 to 35 per 1,000 in 2014.¹⁴⁶

¹⁴⁶ World Bank (n.d.). *The poverty rate in Cambodia.* Retrieved from http://www.worldbank.org/en/country/cambodia/overvie

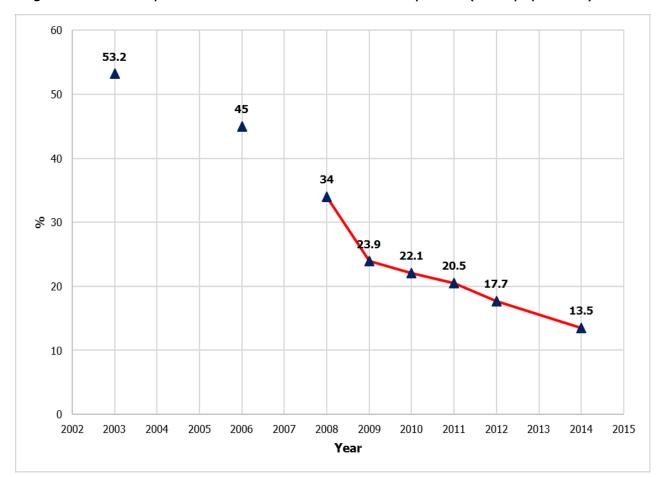


Figure 3. 9: Poverty Headcount Ratio at National Poverty Lines (% of population)

Source: The Author, Compiled from https://data.worldbank.org/indicator/SI.POV.NAHC?locations=KH

3.6 Conclusions

The Royal Government of Cambodia (RGC) has recognized the importance of strengthening governance in its National Strategic Development Plan (NSDP). The RGC calls for political encouragement for the nation's reforms. Those reforms are key factors to promote economic development in Cambodia, thereby improving Cambodian standards of living and pursuing Good Governance such as

Judicial and Legal Reform, Public Administration Reform, Decentralization and De-concentration, Anti-Corruption Reform, Armed Forces Reform, especially Demobilization, Public Financial Management Reform, Land Reform, and Fisheries Reform. The ultimate objective of the reforms, is to strengthen the capacity, efficiency, and quality of public services to raise public confidence in government and respond to the needs and aspirations of the people and business community.

In conclusion, RGC has been applying the Rectangular Strategy for growth, employment, equity, and efficiency based on good governance as a main policy and adopted National Poverty Reduction Strategy in 2002. The government also has made significant progress in creating a legal and institutional framework, and reform programs for good governance and poverty reduction. The characteristics of good governance and reforms are achievable make it possible to improve Cambodia's development by shoring up the foundations for dynamic enterprises, increasing trades, encouraging investment inflows, and promoting tourism which can generate more employments for Cambodian people. As a result, poverty is significantly reduced, and people's wellbeing is also being improved. Cambodia has undergone a significant transition, reaching lower middle-income status in 2015 and aspiring to attain upper middle-income status by 2030.

CHAPTER 4: RESEARCH METHODOLOGY

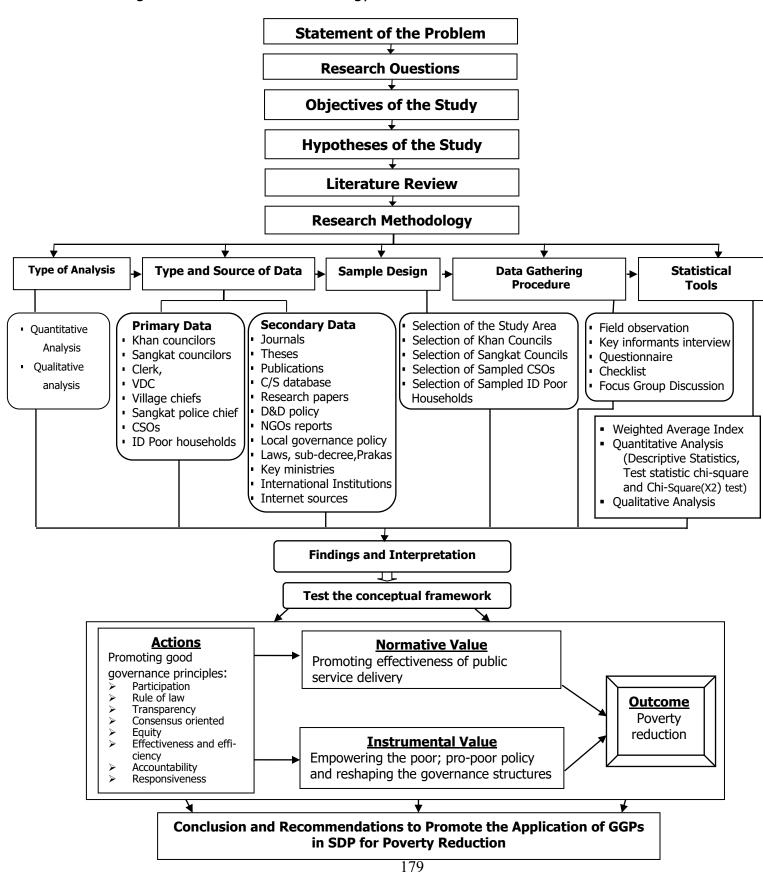
4.1 Introduction

The main objective of this chapter is to discuss and justify the research method used in this study to answer the research questions. To clearly represent the total activities related to data gathering and interpretation, this chapter is divided into eight sections. The first section describes the type of analysis while the second focuses on the type and source of data. Then the sample design in the third section. The data gathering procedure and data analysis and technique are presented in the fourth and fifth sections of this chapter respectively. Finally, the coverage of the study is presented in the sixth section.

4.2 Type of Analysis

This research study was an investigative type aiming to explore the policy documents and perception of key stakeholders in applications of good governance principles and its consequences in the poverty reduction. To achieve the purpose of the study, qualitative and quantitative approaches have been used for the research work. Qualitative analysis is used to describe about institutional framework, current situation of good governance, profile of selected municipal, khan, sangkats, and villages; key actors (local government and civil society organizations), and sampled ID Poor households. Quantitative analysis is also carried out to analyze the perceptions, views, opinions of respondents (key actors, local people and key informants) on the performance of various aspects of local good governance principles in poverty reduction. Descriptive statistics are applied to test the significance in terms of the perception of the villagers on the contribution of good governance principles in poverty reduction. The below figure illustrates how the research design approach would help to analyse a wide range of data to find the effectiveness in applications of good governance principles and its consequences in the poverty reduction at the Sub-National Level.

Figure 4. 1: Research Methodology Framework



4.3 Type and Source of Data

The data for the study are both secondary and primary. Tools used for gathering information from both sources are elaborated as below:

4.3.1 Secondary Data

The secondary data have been collected from various sources which are reliable and valid including journals, publications, published and unpublished reports, website and homepage of relevant Government Institutions, International Institutions (World Bank, Asian Development Bank, UNDP, and TI, etc.) and Non-Governmental Organizations, Commune/Sangkat database, NCDD program reports, research papers and evaluation reports which were conducted by domestic and international consultants, researchers, and research institutes. In addition, decentralization and deconcentration and local governance policy documents, guidelines, laws, sub-decree, Prakas related to reform agenda and good governance have also been collected from different key ministries and institutions including Ministry of Planning, Ministry of Economy and Finance, Ministry of Interior, National Assembly and Council for Administrative Reform, Royal Government of Cambodia.

4.3.2 Primary Data

Primary data is an imperative for this study, thus it is collected from the three key actors in governance including (1) Sub-national administration (khan councilors (KCs), Sangkat councilors (SCs), clerk, village development committees, village chiefs, and sangkat police chief), (2) civil society organizations (within the Sangkat administration), and (3) ID Poor households (ID Poor List) in the selected sangkats and villages.¹⁴⁷

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¹⁴⁷ Ministry of Planning (2015). Identification of Poor Households CAMBODIA. Results from Data Collection Rounds 9 (2015). Phnom Penh: Ministry of Planning http://www.idpoor.gov.kh/en/home

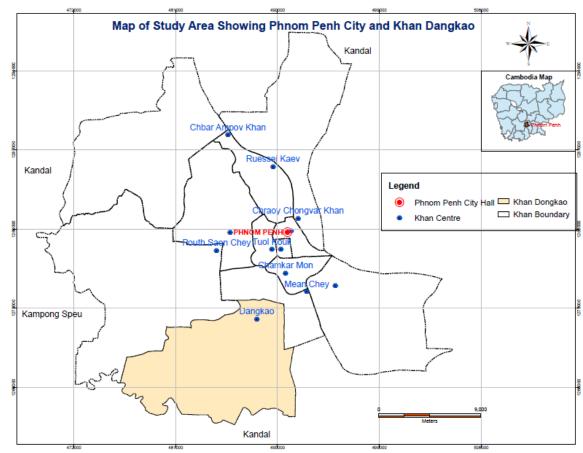
4.4 Sample Design

4.4.1 Selection of the Study Area

Multistage designs have been used for a variety of practical reasons. The multistage sampling is a further development of the principle of cluster sampling—random selection is made of primary, intermediate and final units from a given population or stratum. In Cambodia, presently there are 25 provinces/municipal areas including Phnom Penh.

The multistage random sampling using lottery method was used to select the study area. Based on the mentioned techniques, Phnom Penh Capital was selected. Phnom Penh Capital consists of 14 Khans and 105 Sangkats and 953 villages. Then Khan Dangkao was selected for the study area. Khan Dangkao comprising of 12 Sangkats and 81 villages—two Sangkats namely Dangkao and Prey Veaeng were selected. Sangkats Dangkao and Prey Veaeng consists of 6 and 9 villages respectively. Three villages of Sangkat Dangkao namely Baku, Mol and Khva villages were selected. While other three villages of Sangkat Prey Veaeng including Toap Baoh, Tuol Sambour and Serei Dei Dos villages were also selected for the study.

 $^{^{148}}$ Sampling, Third Edition. Steven K. Thompson. © 2012 John Wiley & Sons, Inc. Published 2012 by John Wiley & Sons, Inc.



Map 4. 1: Study Area Showing Phnom Penh City and Khan Dangkao

Source: Own Source, 2020.

4.4.2 Selection of Khan Councils (KCs)

Khan Dangkao consist of 19 councilors—50 percent or 10 of them were selected purposively for the study. Khan Dangkao is headed by a governor with assistance of four deputy governors. Under the governors and deputy governors, three offices have been established: (1) General Administration Office; (2) Social Affairs Office; and (3) Economics Office.

In Khan Dangkao consists of a governor, 4 deputy governors, 19 council members, and a chief of One Window Unit. Thus, 50 percent or 10 of Khan council members were purposively selected for the study. Therefore, 14 respondents including a governor, 2 deputy governors, and a chief of One Window Unit were interviewed. Table 4.1 illustrates the khan council members were interviewed based on khan administrative structure.

Table 4. 1: Sampled Khan Councils

Khan	Khan Council/Staff	Total Number	%	Sample Size
Dangkao	Khan Governor	1	100	1
	Deputy Khan Governors	4	50	2
	Councilors	19	50	10
	Chief of One Window Unit	1	100	1
	Total:	25	1	14

Source: Khan Dangkao Administration (2019), and Own Estimate.

4.4.3 Selection of Sangkat Councils (SCs)

A Sangkat council governs the Sangkat administration. Every Sangkat council has a Sangkat chief who also acts as presiding Sangkat councilor. The Sangkat chief has two assistants, a first deputy chief and a second deputy chief who come from among the elected councilors. Each council has a clerk appointed by the Ministry of Interior (MOI) who is employed within the MOI administrative framework. The Sangkat chief may also appoint advisory committees. Committees are composed of councilors and may also include citizens (or other representatives, such as NGO staff) as members.

In Sangkat Dangkao consists of 9 council members. Thus, 50 percent or 5 of Sangkat council members were purposively selected. In Sangkat Prey Veaeng comprises of 5 council members and 50 percent or 3 of Sangkat council members were purposively selected for the study. Therefore, 16 respondents including 2 Sangkat chiefs, 2 first deputy Sangkat chiefs and 2 second deputy Sangkat chiefs, 2 clerks, and 8 councilors were interviewed. Table 4.2: illustrates the Sangkat council members were interviewed based on Sangkat administrative structure.

Table 4. 2: Sampled Sangkat Councils

Sangkat	Sangkat Council/Staff	Total Number	%	Sample Size
	Sangkat Chief	1	100	1
	First Deputy Sangkat Chief	1	100	1
Dangkao	Second Deputy Sangkat Chief	1	100	1
	Councilors	9	50	5
	Clerk	1	100	1
	Sub-Total 1:	20	ı	9
	Sangkat Chief	1	100	1
	First Deputy Sangkat Chief	1	100	1
Prey Veaeng	Second Deputy Sangkat Chief	1	100	1
	Councilors	5	50	3
	Clerk	1	100	1
	Sub-Total 2:	16	-	7
	Grand Total:	36		16

Source: Sangkat Dangkao and Prey Veaeng Administration 2019, and Own Estimate.

4.4.4 Selection of Sampled Civil Society Organizations (CSOs)

50 percent of the Civil Society Organizations (CSOs) were selected for the study. Four Civil Society Organizations (CSOs) namely Peace and Development (PYD), Kdei Karuna Organization, My Village Organization (MVi) and Partners for Development (PFD), are currently working in Sangkat Dangkao, and two Civil Society Organization (CSOs) are operating in Sangkat Prey Veaeng including World Vision and Association of School Aid in Cambodia (ASAC) and. Therefore, 3 CSOs were purposely selected and interviewed for the study.

Table 4. 3: Sampled CSOs

Khan	Sangkat	Total CSOs	%	Sample Size
Dangkao	Dangkao	4	50%	2
	Prey Veaeng	2	50%	1
Total:	•	6	100	3

Source: Sangkat Dangkao and Prey Veaeng Administration 2019, and Own Estimate.

4.4.5 Selection of Sampled ID Poor Households (ID Poor HHs)

The number of sampled ID Poor households has been determined by using the Confidence interval formula for sample size as below:

$$n = (Z^2.p.q)/e^2$$

Where,

n = Sample Size

 $\mathbf{Z} = 1.96$ (as per table of area under normal curve for the confidence level of 95%)

 $\mathbf{q} = 1 - \mathbf{p}$

 \mathbf{p} = sample proportion .02

e = .02 (since the estimate should be within 2% of true value)

Based on the above-mentioned formula, the total number of respondents (ID Poor households) identified in the study is 188. Thus, the proportionate stratified sampling method was used to randomly select of the 188 households in the six villages for interview in this study. The total number of ID Poor households (1 and 2) among the six selected villages and sample number of households in each village are presented in table 4.4 below.

Table 4. 4: Sampled Households

Sangkat	Village	Total ID Poor HHs (Poor Level 1&2)	%	Sample Size	%
	Barku	100	16.86	32	17.02
Dangkao	Mol	52	8.76	16	8.51
	Khva	10	1.69	3	1.60
Prey	Toap Baoh	30	5.06	10	5.32
Veaeng	Toul Sambo	354	59.70	112	59.57
	Serei Dei Dos	47	7.93	15	7.98
Total	6 Villages	593	100	188	100

Source: Ministry of Planning (2016,2018). Identification of Poor Households Cambodia, and Own Estimate.

4.5 Data Gathering Procedure

Primary data was an imperative for this research, thus it was collected from sampled households and stakeholders. Several techniques were applied in this study including (i) field observation, (ii) key informants' interview, (iii) questionnaire survey, and (iv) focus group discussion. Detailed tools used for gathering information are elaborated as below:

4.5.1 Field Observation

Observation was conducted in the study areas to obtain more information and verification on the process of SDPs project preparation and implementation including village prioritization meetings, bid opening meetings, and quality of infrastructure projects evaluation. The observation was applied to collect the following data.

- Participation of local people in villages prioritization process
- Organization of bid opening meeting for infrastructure projects
- Quality of infrastructure projects evaluation

4.5.2 Key Informants Interview

Key informants were identified and interviewed to get their perceptions and views on local good governance principles and practices, the institutional framework and mechanism in local good governance for application in SDP and the current applications of local good governance in SDPs for poverty reduction, and its strengths and limitations and policies related to local good governance issue in SDPs. The government officials including 1 Khan governor, 2 deputy governors, 8 councilors, 1 chief of One Window Unit (OWU), 2 village chiefs, 2 village development committees, and 2 Sangkat police chiefs. 3 CSOs staff were asked on their involvement in local good governance application and practices in SDPs in terms of transparency, effectiveness and efficiency, facilitating and/or constraining factors of local good governance principles and their perceptions on the current local governance applied by SC for poverty reduction in their Sangkat administration respectively.

4.5.3 Questionnaire Survey

A standardized structured schedule was developed for a face-to-face interview with 2 Sangkat chiefs, 2 first deputy Sangkat chiefs, 2 second deputy Sangkat chiefs, 8 councilors, and 2 Sangkat clerks in order to obtain both qualitative and quantitative information. Two sets of standardized structured schedule (A and B) were developed for primarily SCs and selected committees, and for sampled households.

Set A is designed for SCs members including Planning and Budget Committees M & E committee and procurement committee. This set consisted of information regarding characteristics of respondents, level respondents' understanding of local good governance principles, level respondents' understanding of poverty issues, application of local good governance principles in Sangkat Development Planning (SDPs) for poverty reduction, their perception on local good governance principles in SDPs in terms of degree of satisfaction, and influencing, and significance impact and/or facilitating factors of local good governance's principles applications in SDPs for increasing of income, improving of education services, and improving of health care services for the poor households.

Set B is designed for sampled households. It consisted of information related characteristics of respondents, level respondents' understanding of local good governance principles, level respondents' understanding of poverty issues, involvement of local people in programs and/or community development activities

in terms of participation in decision making including project selection and resource allocation for education, health, road construction, water supply, electricity, hygiene and sanitation, public security, waste management, livelihood planning, and gender programs; rule of law in terms of land building dispute, power abuse by bureaucrats, criminal acts, violent disputes among member of community, environmental pollution, and violent disputes in waste management; transparency in SDP project implementation including budget allocation to the SDP project, financial report about SDP projects disclosed to public, signboard contains project budget and contribution present at each project site, result of bidding expose to the public, SCs gives information to the public about the SDPs; responsiveness and equity in response to local problems and needs from SDP; effectiveness and efficiency in SDP project in providing administration and public services to local people including school and health services, and the application of local good governance principles in SDP for poverty reduction, perceptions on the applications of local good governance principles in SDPs of SCs in terms of level of satisfaction, their perceptions on the significance of impact of local good governance in increasing of income, improving of education services, and improving of health care services for the poor households.

Both sets of questionnaires are shown in Appendix 4 which was translated from English into Khmer language and then pre-test was conducted to 6 SC members and 6 sampled households, and were modified.

4.5.4 Focus Group Discussion

Focus group discussion was conducted using a checklist of guiding questions.

Two levels of group discussion were arranged.

Firstly, at Sangkat level (2 groups), a group consisted of Sangkat chief and councilors, including clerks, Sangkat police chief, village chief, and village development committees was conducted in each Sangkat office individually. The group was organized to discuss on instructional framework and mechanism for the application of local good governance principles, facilitating and constraining factors the application of local good governance principles in SDP for poverty reduction, and strengths and limitation on planning and implementations of SDPs from the perspective of local good governance and recommendations on local good governance for the strengthening the effectiveness and efficiency of SDPs for poverty reduction.

Secondly, at village level (2 groups), a group consisted of a headperson of urban poor community, 9 representatives of ID Poor 1 and ID Poor and vulnerable households in each selected village (3 persons each village). The group was mainly discussed on cause of poverty, awareness of local good governance principles including participation, transparency, accountability, responsiveness, and effectiveness and efficiency and their feedbacks and suggestions on these principles in SDPs.

4.6 Statistical Tools

The Statistical Package for Social Science (SPSS) and Microsoft EXCEL have been used to process and analyze data to be obtained from a survey questionnaire.

4.6.1 Weighted Average Index (WAI)

Weighted Average Index (WAI), based on a Likert's five-social scales to be developed in assessing perception of SC members and from sampled household. The measurement on the perception was developed to assess influential factors various aspects local good governance principles in SDP for poverty reduction including:

- Degree of understanding and achievement
- Degree of influential factors
- Degree of satisfaction

All of above three-social scales consist of the following:

Low	Moderate	High		
0.33	0.66	1.0		

Thus, the following formula was applied for the degree of understanding and achievement according to Maih (1993):

WAI =
$$[\{fL(0.33) + fM(0.66) + fH(1)\}/N]$$

Where:

WAI = Weighted Average Index

fH = Frequency of high

fM = Frequency of moderate

fL = Frequency of low

N = Total number of observation (respondents)

Lowest	Low	Moderate	High	Highest
0.00-0.20	0.21-0.40	0.41-0.60	0.61-0.80	0.81-1.0

Thus, formula is formulated based on the degree of influential of factors in local good governance principles in SDPs as follow:

WAI =
$$[\{fLW(0.20) + fL(0.40) + fM(0.60) + fH(0.80) + fHH(1)\}/N]$$

Where:

WAI = Weighted Average Index

fHH = Frequency of highest

fH = Frequency of high

fM = Frequency of moderate

fL = Frequency of low fLW = Frequency of lowest

N = Total number of observation (respondents)

The perception of local people and local government on the degree of satisfaction and significance impact of local good governance on local good governance's principles applied in SDPs for poverty reduction was measured as below:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

The following formula was applied according to Maih (1993):

WAI =
$$[\{fSDS(-2) + fDS(-1) + fNe(0) + fS(1) + fSTS(2)\}/N]$$

Where:

WAI = Weighted Average Index

fSTS = Frequency of strongly satisfied

fS = Frequency of satisfied

fNe = Frequency of neutral

fDS = Frequency of dissatisfied

fSDS = Frequency of strongly dissatisfied

N = Total number of observation (respondents)

4.6.2 Quantitative Analysis

The following statistical applications were applied.

a) Descriptive Statistics

Simple statistical calculation was used to describe profiles and coverage of the study areas and sampled households, and was analysed by using percentages, frequency, cross-tabulation, graphs, charts and other illustration.

b) Test Statistic Chi-square

It was applied to test the distribution of household income in the study areas for 2019 and 2016. The formula to calculate 'Test statistic chi-square' is given below.

$$(X^2) = \Sigma\{(Oi - Ei)^2/Ei\}$$

Where, i = no. of classes

O_i = observed frequency in class i

E_i = expected frequency in class i

c = number of categories

df = c - 1

c) Chi-Square(X²) Test

It was applied to test the association between the local good governance principles and poverty reduction. The Chi-Square (X²) test was used and with the help of the following:

$$X^{2} = \sum_{j=1}^{n} \sum_{i=1}^{m} \frac{\left(O_{ij} - E_{ij}\right)^{2}}{E_{ij}}$$

Where,

 O_{ij} = Observed frequency in row 'i' and column 'j'

 E_{ij} = Expected frequency in row 'i' and column 'j'

d.f. = (r-1) * (c-1)

d.f. = Decrees of freedom

r = Number of rows

c = Number of columns

4.6.3 Qualitative Analysis

This was applied to analyse the performance of various aspects of local good governance principles of the two selected Sangkats, explain the application of local good governance principles in SDPs and its consequences. In addition, the qualitative statement was also applied in order to analyse the perceptions, views, opinions of respondents (SCs, local people and key informants) and group discussion, and to explain the applications of local good governance principles in SDP and how it was applied and factors facilitating and constraining the application and relationship.

4.7 Coverage of the Study

The study was carried out in the three villages of Sangkats Dangkao and three villages in Sangkat Prey Veaeng of Khan Dangkao, Phnom Penh, Cambodia. The study was mainly focus on the application local good governance principles in SDPs for poverty reduction at the sub-national level.

CHAPTER 5: PROFILE OF THE STUDY AREA

5. 1 Introduction

The preceding chapters have focused on the research methodology. In this chapter an attempt delineates the profile of study area. The first section summarizes general information of Phnom Penh Municipality: geography, demography, socioeconomic condition, and identification of poor households at municipality level of the study area, while the second and third sections provide information about geography, demography, socio-economic condition, and identification of poor households of Khan and Sangkat's levels, respectively.

5. 2 Phnom Penh Municipality

5.2.1 Geography and Administrative Divisions

Phnom Penh is in the south-central region of Cambodia, and is fully surrounded by Kandal Province. The municipality is on the banks of the Tonlé Sap, Mekong, and Bassac Rivers. These rivers provide freshwater and other natural resources to the city. Phnom Penh and the surrounding areas consist of a typical flood plain area for Cambodia. The city lies at 104°55 degrees of east longitude and 11°33 degrees of north latitude (Map 5.1), covers an area of 678.46 square kilometres (around 0.37 per cent) of Cambodia area.

The municipality is divided into 14 administrative divisions called Khans. The Khans are subdivided into 105 Sangkats, and further subdivided into 953 villages. All Khans are under the governance of the Phnom Penh Municipality. Dangkao, Meanchey, Porsenchey, Sen Sok and Russei Keo are considered the outskirts of the city. The municipality is governed by the governor who acts as the top executive of the city as well as overseeing the Municipal Military Police, Municipal Police, and Bureau of Urban Affairs. Every Khan also has a Khan governor who act as the top executive of the Khan administration.

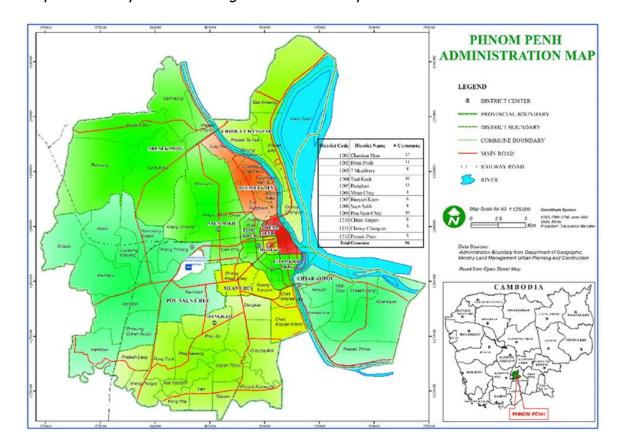
As illustrated in Figure 5.1, below, Phnom Penh Capital Hall's management structure is divided into two layers. The first layer is the municipal Council. The Council is comprised of twenty-one elected members, including three subcommittees/commissions which support aspects of the city's activities, in particular: technical coordination, procurement, and women and children. The Council approves the city's budget, development plan and other important business matters. The second layer is the Governing Committee, which is the executive body. The Governing Committee is led by the Governor with the support of six Deputy Governors. The Council members are elected while the Governor and his deputies are appointed by the Ministry of Interior.

Council **Elected Members Technical Coordination** Other **Procurement** Women & Children Commission Commission Commissions Commission **Governing Committee** Specialized (1 Governor with 6 deputy governors as assistants) departments Admin Director Admin Deputy Director Admin Deputy Director Admin Deputy Director Legal Affairs & Waste Man-Admin HRM Planning & Finance Urbanization Interagement Af-**Human Rights** sectoral Department Investment Department Department Department fairs Department Department Department -Order and -Social & -Financial Office -Urbanization -Personnel -Public Safety -Technical & -Planning Office Filing Office -PR & Interna-- Local Support -Accounting Office Economic Office Environmental Office -Capacity -Legal Affair & Impact Inspection Office tional Coopera-tion Office -State Property Development & Building Office -Advert Office Local Dispute Office Construction Resolution -Waste Manage-Office Management -Completion & ment Authority Office Office Office Information Community -Procurement Office -Statistics & Development Office Data Office Office -Council secre-

Figure 5. 1: Organizational Chart of PPCH

Source: Field Survey, 2020.

tariat Office



Map 5. 1: Study Area Showing Phnom Penh City

Source: Phnom Penh Administration.

5.2.2 Demography

With reference to National Census in 2019, Phnom Penh had a population of 2,129,371 people, with a total population density of 3,136 inhabitants per square kilometre in a 679 square kilometres city area. The population growth rate of the city is 3.92 per cent. The city area has grown fourfold since 1979, and the metro area will continue to expand in order to support the city's growing population and economy. The state religion is Theravada Buddhism. More than 90 per cent of the people in Phnom Penh are Buddhists. The official language is Khmer, but English and French are widely used in the city.

5.2.3 Socio-economic Aspects

As the Capital City of the Kingdom of Cambodia, Phnom Penh plays a critical role as the country's centre of political, economic, and cultural activity. Phnom Penh is Cambodia's economic centre as it accounts for a large portion of the Cambodian economy. Cambodia's strong economic growth has triggered an economic boom in Phnom Penh, with major investments in the construction sector, including in hotels, restaurants, bars, and high rise residential and commercial buildings. The economy is based on commercial interests such as garments, trading, and small and medium enterprises. In the past few years the property business has been booming, with rapidly increasing real estate prices. Tourism is also a major contributor in the capital as more shopping and commercial centres open, making Phnom Penh one of the major tourist destinations in the country along with Siem Reap and Sihanoukville. According to the World Travel and Tourism Council, tourism made up 17.5 per cent (US\$2,053 million) of Cambodia's GDP in 2009 and accounts for 13.7 per cent of total employment. With booming economic growth seen since the 1990s, new shopping venues have opened: Sorya Center Point, Aeon Mall Phnom Penh, Aeon Mall Sen Sok City, Olympia Mall, and Parkson Mall.

According to the Phnom Penh Profile on Economic and Social in Year 2018, the employment opportunity in Phnom Penh, was 62.4 per cent of the total population in the working age group (age 18 to 60) had a primary occupation. The female labour force participation is strong and 47.4 per cent of women over the age of 18 had a primary occupation. In terms of the sectors of employment, 90.5 per cent of the total primary occupation were in the service sector, while 7.3 per cent were in agriculture, and remaining 2.2 per cent in handicraft. And the main sources of incomes were from wages and salaries.

In relation to education, there were 359 pre-schools, of which 146 were public schools, and 213 pre-schools owned by private sector which provided basic education to pupil below 6 years old. There were 379 primary schools (164 were public schools and 215 were private schools), and 168 secondary schools (60 lower and 108 upper secondary levels), of which 66 were public and 102 private schools were operated by private sector that provide general education to above 6 years old children (MoEYS, 2019). An average distance for students accesses to primary school is about 2.7 Km, 4.3 Km to lower secondary school, and 5.1 Km to upper secondary school (PPP-CDB, 2018). Not only the basic education, there are 46 universities, 29 of these are owned by private sector. In addition, there are a number of international schools and universities in Phnom Penh. These types of schools make up a huge part of education in Phnom Penh. Many offer mixed curriculums and some focus on English-language education.

Phnom Penh has 67 public healthcare facilities, of which nine national hospitals, eight referral hospitals, 43 health centers, and 7 health posts (MoH, 2019). In addition, a number of private healthcare facilities are also operating in the city. Despite this rapid healthcare facilities development, more and more people are going abroad to access healthcare services. As these healthcare facilities lack sufficient human capital and resources, which prevents them from meeting the needs and expectations of the population, and public health facility users complained of a lack of hygiene and the high cost of service too. 47 are private hospitals

Phnom Penh's road network is comprised of various radial roads leading out of the city center (Monivong, Norodom, Russian, Charles De Gaulle, and Monireth Boulevards) and ring roads (Sihanouk, Mao Tse Toung, Inner Ring Road (IRR) and Outer Ring Road (ORR)). The radial roads connect to the national roads NR1, NR2, NR3, NR4, NR5 and NR6 in the suburban areas. The percentage of paved roads in the central four Khans is 94 per cent while paved roads are only at 27 per cent in suburban areas (JICA 2014). The capacity of the trunk roads will not be able to accommodate new traffic from the suburban access roads and new traffic bottlenecks are likely to emerge. Furthermore, much of the suburban roads remain unpaved without proper drainage systems, and will require upgrading as traffic volume increases. In 2014, MPWT, PPCH and JICA piloted a public bus network with 3 routes (totalling 54 km), of which the bus fleet is comprised of approximately 100 buses. A second phase of the public bus operation improvement project is under implementation by JICA, the bus fleet will increase by 180 buses (100 buses from China and 80 buses from Japan), expand the operation to a total of 10 routes (totalling 148 km). The two railway lines in Cambodia, the North Line and South Line, which originates from the Phnom Penh terminal station serves a logistics rail line to Poipet (North Line) and to Kampot (South Line).

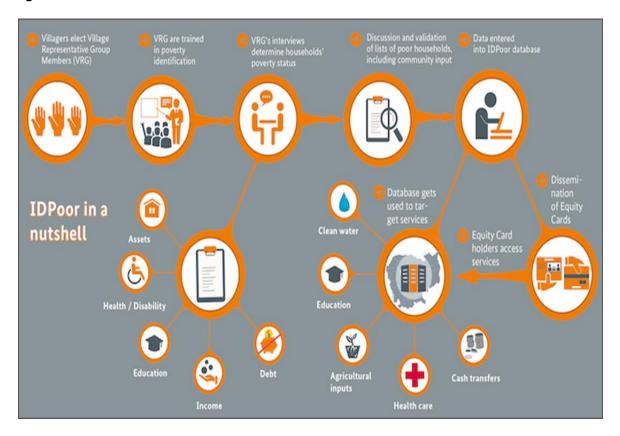
5.2.4 Identification of Poor Households

The ID Poor Programme, established in 2006 within the Ministry of Planning, is part of the Royal Government of Cambodia's ongoing efforts to reduce poverty and support socioeconomic development throughout the country. Being the RGC's mandatory standard tool for targeting pro-poor measures in the country, the programme provides regularly updated information on poor households to a large number of Government and non-governmental agencies to help them target services and assistance to the poorest and most vulnerable households.

The ID Poor Programme's main objectives are to reduce duplication of effort and resources by different institutions and organisations in identifying their target groups for various poverty reduction interventions, and to ensure that assistance is provided to those households who most need it. By using ID Poor data for targeting services and assistance to poor households, local authorities and local populations will also more easily accept your organisation's selection of beneficiaries, because the Lists of Poor Households have already been approved and accepted by them in the participatory identification process that was conducted.

The identification of poor households in Cambodia is implemented in yearly rounds, covering one third of the country every year. While initially designed to identify the rural poor, the identification process has been extended to urban areas in 2014 using an adapted procedure and questionnaire. The Figure 5.2 below depicts the core steps of the identification of poor households in both rural and urban areas.

Figure 5. 2: ID Poor Process



Source: Ministry of Planning, 2016 and 2018.

There are two poverty categories to which poor households can be assigned including ID Poor 1 (very poor) and ID Poor 2 (poor). The identification of poor households in Phnom Penh took place in 2016 and 2018 respectively, and the total number of areas covered by identification process in Phnom Penh were 11 Khans. There are two primary classifications for identifying poor and vulnerable households in Phnom Penh: (a) ID Poor; and (b) Urban Poor. "ID Poor" is a national poverty assessment methodology used to identify poor households for delivering targeted assistance programs to those who most need it. The terms "Urban Poor," "Urban Poor Communities," (UPCs) as well as "Urban Poor Settle-

ments" have been used somewhat interchangeably to refer to communities that are largely informal, or resettled from informal areas. PPCH uses 11 different codes for identifying where urban poor communities are located, including on: public and state land (railways, road side, sewage pipe, lake, river bank, roof of old buildings, pagoda, stupa), private land owned by the state, community land, private land, areas the government relocated, and private lands the government or communities rent. The total ID Poor 1 and ID Poor 2 were 16,764 households or 6.9 per cent of the total number of households in the coverage areas (See Table 5.1).

Table 5. 1: Number of ID Poor Households in Phnom Penh

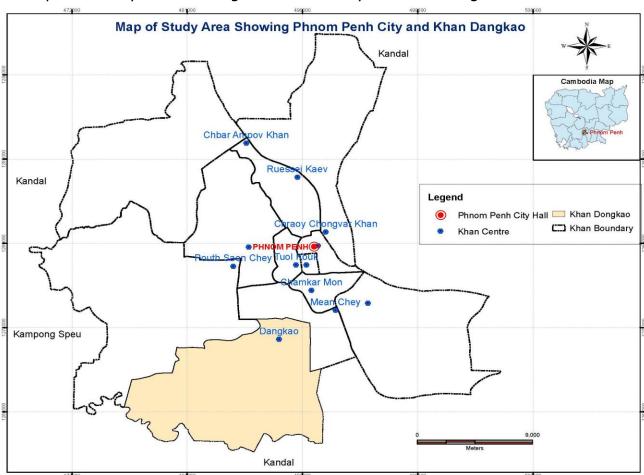
		Total number		Numbe	r of Househo	lds
No.	Khan	of HHs	ID Poor 1	ID Poor 2	Total	(%)
1	Prampir Meakkakra	12,350	353	285	638	5.2
2	Doun Penh	12,718	200	474	674	5.3
3	Chamkar Mon	17,705	367	429	796	4.5
4	Praek Pnov	12,410	540	1,191	1,731	13.9
5	Saensokh	21,217	47	910	957	4.5
6	Mean Chey	39,207	317	875	1,192	3.0
7	Ruessei Kaev	31,866	484	724	1,208	3.8
8	Chbar Ampov	42,846	1,192	3,484	4,676	10.9
9	Pur SenChey	23,658	1,072	1,292	2,364	10.0
10	Dangkao	24,925	753	683	1,436	5.8
11	Chraoy Chongvar	13,126	255	837	1,092	8.3
	Total	252,028	5,580	11,184	16,764	6.7

Source: Ministry of Planning, (2016,2018).

5. 3 Khan Dangkao

5.3.1 Geography and Administrative Divisions

Located in the southern part of Phnom Penh, Dangkao is the capital city's largest suburbs occupying of 197.89 km² (around 29.16 per cent) of Phnom Penh area. Khan Dangkao is subdivided into 12 Sangkats and 81 villages. The Khan lies at 104°52 degrees of east longitude and 11°28 degrees of north latitude (Map 5.2). All Sangkats are under the governance of the Khan administration. Khan Dangkao is considered as the rural or outskirts of the city. The Khan is governed by the governor who acts as the top executive of the Khan administration.



Map 5. 2: Study Area Showing Phnom Penh City and Khan Dangkao

Source: Own Source, 2020.

As demonstrated in Figure 5.3, below, Khan Dangkao's management structure is divided into two layers. The first layer is the Khan Council. The Council is comprised of twenty-one elected members, including three commissions which support aspects of the Khan's activities, in particular: technical coordination, procurement, and women and children. The Council approves the Khan's budget, development plan and other important business affairs. The second layer is the Governing Committee, which is the executive body. The Governing Committee is led by the Governor with the support of four Deputy Governors. The Council members are elected and the Governor and his deputies are appointed by the Ministry of Interior.

Council

Figure 5. 3: Organizational Chart of Khan Dangkao

Elected Members Technical Coordination Women & Chil-Other **Procurement** Commission dren Commission Commission Commissions Governing Committee Citizens Office (1 Governor with 4 deputy governors as assistants) **Planning** Urban One Window Admin and and Development Service Finance Sangkat Office Offices Office Support (OWSO) Office

Source: Field Survey, 2020.

5.3.2 Demography

The population of Dangkao increased from 92,461 in 1998 to more than 100,000 today, with a total population density of 515 inhabitants per square kilometre in 197.89 square kilometres. Dangkao has cheaper land, which is attractive to people in the low-middle and middle-income brackets. Dangkao is very ideal for residential and industrial development like building house or factories.

5.2.3 Socio-economic Aspects

Dangkao is home to many garment factories and several Borey development projects, which is number three housing supplier in 2017. The potential of Dangkao is due to low land price, affordable homes and abundance factories that have encouraged more people to move into the area. Dangkao has a greater potential compared to other suburb locations because of its inclusion in the government's latest development plan, among other factors. Dangkao is a good investment as it is served by an excellent road system that includes the Hun Sen Boulevard. During the past two decades Phnom Penh has experienced rapid growth, with its population doubling from 1998 mostly due to the in-migration of rural Cambodians seeking employment in the booming capital.

Majority income of the inhabitants (75.2 per cent) in Khan Dangkao earned from service sector, while remaining households earning income from handicraft, rice cultivation, and other activities (13.8 per cent, 9.3 per cent, and 1.7 per cent respectively) (PPP-CDB, 2018). There were also 4 pre-schools; three of these were private schools, in Khan Dangkao. There were 2 primary schools, and 1 secondary school. An average distance for students accesses to primary school is about

1.1 Km, 2.6 Km to lower secondary school, and 4.2 km to upper secondary school (PPP-CDB, 2018). Khan Dangkao has 3 healthcare facilities, of which 1 is health center and 2 are private owned (MoH, 2019). As new residential development projects in the Khan areas come to completion, further traffic congestion is anticipated. Like many other parts of Phnom Penh, Khan Dangkao is vulnerable to floods—both daily rainy season events as well as episodic larger-scale floodplain events, especially for the Urban Poor Communities (UPCs). The lack of a comprehensive drainage management system worsens the impact of these flooding events. The in-migration of rural population to the city has created a number of urban poor communities, and a number of urban poor communities is still existing in the Dangkao administration. The low socio-economic status of urban poor communities poses a significant threat to people's well-being, especially that of vulnerable groups.

5.3.4 Identification of Poor Households in Khan Dangkao

As shown in Table 5.2, Khan Dangkao had a total number of households of 16,936 of which 797 were ID Poor 1 households and 639 were ID Poor 2 households, which equivalence to 1,436 ID Poor households or 5.8 per cent of the total households in the Khan Dangkao. Among 12 Sangkats, Sangkat Prey Veaeng was the highest ID Poor households constituted of 30.3 per cent, and followed by Sangkat Sak Sampov which accounted for 13.7 per cent of total households. Remarkable, ID Poor households in Sangkat Spean Thma deployed only 3.1 per cent.

Table 5. 2: Number of ID Poor Households by Sangkat within Khan Dangkao

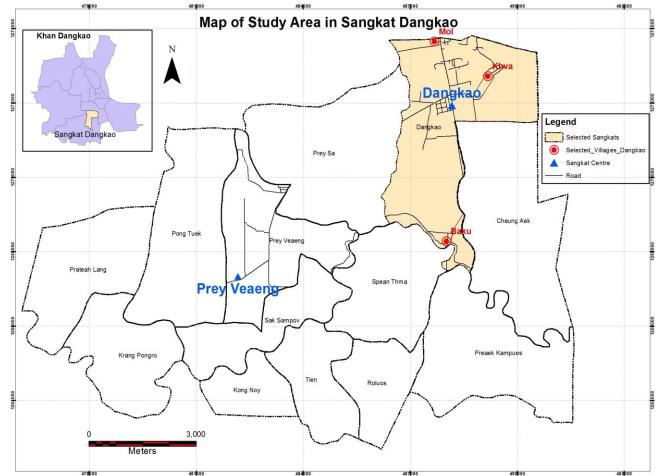
		Total number		Numbe	r of Househol	ds
No.	Sangkat	of HHs	ID Poor 1	ID Poor 2	Total	%
1	Dangkao	11,855	119	119	238	2.0
2	Pong Tuek	1,649	36	35	71	4.3
3	Prey Veaeng	1,523	325	137	462	30.3
4	Prey Sa	2,083	70	53	123	5.9
5	Krang Pongro	625	40	7	47	7.5
6	Sak Sampov	732	45	55	100	13.7
7	Cheung Aek	2,051	61	43	104	5.1
8	Kong Noy	452	20	23	43	9.5
9	Preaek Kampues	1,912	35	45	80	4.2
10	Roluos	656	15	63	78	11.9
11	Spean Thma	721	2	20	22	3.1
12	Tien	666	29	39	68	10.2
	Total	24,925	797	639	1,436	5.8

Source: Sangkat Administration (2020) and Ministry of Planning, (2016,2018).

5. 4 Sangkat Dangkao

5.4.1 General Setting

Sangkat Dangkao is located in Khan Dangkao centre. It is about 11 Km far from the Phnom Penh city centre. Sangkat Dangkao occupied 14.93 Km² of total area of Khan Dangkao. The Sangkat has administrative boundary with Sangkat Stueng Mean Chey to the North, concrete bridge (Spean Thma) to the South, Sangkat Prey Sa and Sangkat Chaom Chau to the West, and Sangkat Cheung Aek, Sangkat Boeng Tumpun and Sangkat Chak Angrae Leu to the East. The Sangkat lies at 104°53 degrees of east longitude and 11°29 degrees of north latitude (Map 5.3). There are six villages with total population of 47,089 inhabitants, of which 20,464 were females and 26,625 were males, which equivalence to 11,855 households.



Map 5. 3: Study Area Showing Sangkat and Village Locations

Source: Own Source, 2020.

5.4.2 Socio-economic Aspects

Majority of inhabitants (89.5 per cent) were involved in service activities as their major economic activities, while the rest engaged with handicraft and agriculture activities and off farm activities, such as worker in other countries, and seasonal migration (Sangkat Dangkao Five Year Development Plan, 2018-2022). As in commune database (CDB) of Sangkat Dangkao in 2018, it has total road length of 36, 746 meters, of which bituminous road is 3,500.0m, DBST,MAKADAM road

1,800.0m, concrete road 5,578.0m, laterite road 4,926.0m, constructed earth road 19,510.0m, and un-constructed earth road 1,432.0m. Sangkat Dangkao has 3 primary schools, which consist of 33 class rooms, which are allocated to almost throughout the Sangkat, and there are two secondary schools which consists of 37 class rooms (a lower secondary school with 10 class rooms and upper secondary school 27 class rooms). The average distance from central of village to the nearest primary school is 0.97 km, to lower secondary school 1.38 km, and to upper secondary school around 2 km. The Sangkat has a health centre which is located in the central of Sangkat territory which is easy for accessibility of all villagers, and the average distance from central of village to the health center is 1.12 km.

5.4.3 Identification of Poor Households in Sangkat Dangkao

As shown in Table 5.3, Sangkat Dangkao had a total number of households of 11,855 of which 119 were ID Poor 1 and 119 were ID Poor 2 households individually, which equivalence to 238 ID Poor households or 2.0 per cent of the total households in the Sangkat Dangkao. Among 6 villages, Barku village was the highest ID Poor households constituted of 16.7 per cent, and followed by Ta Lei village which accounted for 3.8 per cent of total households. Notable, ID Poor households in Thmei village was only 0.3 per cent.

Table 5. 3: Number of ID Poor Households by Village within Sangkat Dangkao

	\ 7 -11	Total number		Poor Ho	ouseholds	
No.	Village	of HHs	ID Poor 1	ID Poor 2	Total	Total %
1	Thmei	1,774	3	2	5	0.3
2	Barku	600	40	60	100	16.7
3	Sambuor	3,208	17	18	35	1.1
4	Ta Lei	960	21	15	36	3.8
5	Mol	3,531	32	20	52	1.5
6	Khva	1,782	6	4	10	0.6
	Total	11,855	119	119	238	2.0

Source: Sangkat Administration (2020) and Ministry of Planning, (2016,2018).

Most households in the poor communities, especially for ID Poor 1 and ID Poor 2 and vulnerable households have multiple income sources, with a median of two family members working to support the family. Men are working more in construction while women work more in the manufacturing industry, or more women are community vendors, while men are motor-taxi/tricycle drivers. The top three income sources of ID Poor 1 and ID Poor 2 and vulnerable households in the poor communities including (1) factory/construction worker; (2) small vendors in the community; and (3) motor-taxi/tricycle drivers. These income sources are all low-paid, low skilled labour or service jobs that can be carried out with any level of education. Factory/construction workers guarantee the household a regular monthly salary, while other jobs more or less depend on "day-to-day" business successes. Access to public services or investment to improve living condition is still difficult for many people in the poor communities, particularly for the ID Poor 1 and ID Poor 2 and vulnerable households.

5.4.4 Administration of Sangkat Dangkao

a) Sangkat Administrative Structure

As discussed in previous section, Sangkat Dangkao consisted of 9 councilors who were elected by villagers, which of these councilors were completely led by Cambodian People Party (CPP). There were 8 committees were established by the decision of SCs those including Budgeting and Planning Committee, Procurement Committee (PBC), Monitoring and Evaluation Committee which usually called Project Management Committee, Conflict Compromising Committee, Project Maintenance Committee, Disaster Management Committee, LAAR Program Committee, and Women Children Committee. Majority of those who involved in the above committees were village heads, deputy village heads, and village members. At least 2 councilors took role in each committee, while the Sangkat councilor chief took role as chairperson of all committees, while Sangkat clerk involved as assistant or secretary of each committees (See Figure 5.4).

Sangkat Chief Second Deputy First Deputy Sangkat Chief Sangkat Chiéf **Elected Members** Councilor Councilor Councilor Councilor Councilor Councilor Monitoring and Conflict **Budgeting** Project Disaster Women I AAR Procurement Evaluation Compromising and Planning Maintenance Management Program Children Committee Committee Committee Committee Committee Committee Committee Committee Clerk **Thmei** Sambuor Barku Ta Lei Mol Khva Village Village Village Village Village Village

Figure 5. 4: Organizational Structure of SCCs in Sangkat Dangkao

Source: Field Survey, 2020.

b) Duration of Working Experience with Sangkat

As presented in Figure 5.5, about 56 per cent of SCs and other committees from Sangkat Dangkao had working experience with SCs ranged from 2 to 10 years, and followed by 33 per cent had working experience with SCs of above 20 years, it means they have been working with SCs before the first Sangkat councillor's election in 2002, and a few of them have had working experience with Sangkat since the 1979 after the civil war terminated in Cambodia. And only 11 per cent had working experience with SCs ranged from 11 to 19 years. The average working experience with SCs was 14 years.

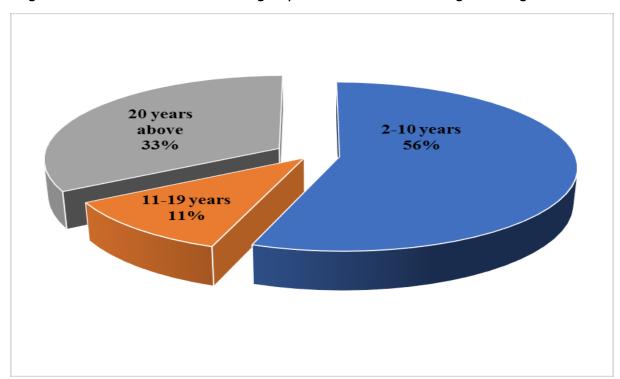


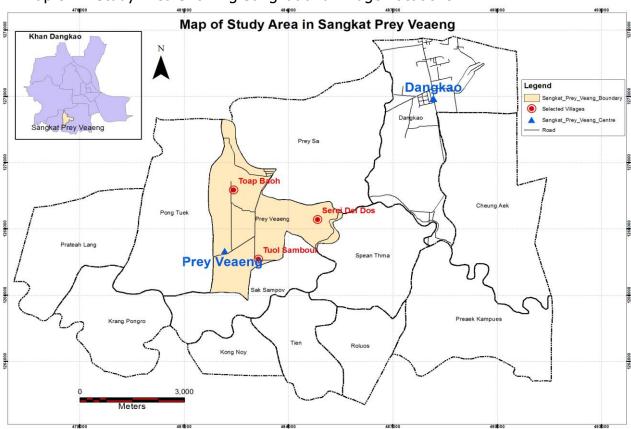
Figure 5. 5: Distribution of Working Experience of SCCs in Sangkat Dangkao

Source: Field Survey, 2020.

5. 5 Sangkat Prey Veaeng

5.5.1 General Setting

It is located in the western rural area or outskirts part of Phnom Penh city. It is about 13 Km from Khan centre and 20.56 Km far from the Phnom Penh city centre. The Sangkat has administrative boundary with Sangkat Chaom Chau 3 to the North, Sangkat Prey Sa and Sangkat Spean Thma to the East, Sangkat Sak Sampov to the South, Sangkat Pong Tuek to the West. Sangkat Prey Veaeng occupied 9.41 Km² of total area of Khan Dangkao. The Sangkat lies at 104°50 degrees of east longitude and 11°28 degrees of north latitude (Map 5.4). There are nine villages with total population of 7,398 inhabitants, of which 3,728 were females and 3,670 were males, which equivalence to 1,523 households.



Map 5. 4: Study Area Showing Sangkat and Village Locations

Source: Own Source, 2020.

5.5.2 Socio-economic Aspects

Majority of households (62.8 per cent) in Sangkat Prey Veaeng engaged in service and (36.3 per cent) involved in agricultural activities as their major income generation activities, while the rest engaged in handicraft and small business within the villages and Sangkat. Some of households in Sangkat were depending on remittance as the result of migration of their household heads, and adult children to work labourer in Thailand and other countries such as Malaysia, Indonesia and South Korea (Sangkat Prey Veaeng Three Years Investment Plan, 2020-2022). Sangkat Prey Veaeng's soil is agricultural category, so 650.0ha were wet rice land area for rice cultivation and vegetable growing. There were DBST, MAKADAM, concrete, laterite, constructed earth and un-constructed earth road of 14, 887 meters totally which served as a major accessibility for social and economic activities and transportation of agricultural product to markets.

There were 2 building of primary schools which constituted of 20 rooms and 1 building of lower secondary school (17 rooms), serving as general education for children, under the administrative of the Sangkat. There were also 2 private preschools available for those households who were able to send their children to study either basic Khmer or English language. There was no upper secondary school in Prey Veaeng, thus students have to travel to other Sangkat which around 4 km far from the Sangkat. However, there was a health centre which is located in the central of Sangkat area which is easy for accessibility of all villagers, and the average distance from central of village to the health center is 1.78 km.

5.5.3 Identification of Poor Households in Sangkat Prey Veaeng

As shown in Table 5.4, Sangkat Prey Veaeng had a total number of households of 1,523 of which 325 were ID Poor 1 and 137 were ID Poor 2 households, which equivalence to 238 ID Poor households or 30.3 per cent of the total households in the Sangkat Prey Veaeng. Among 9 villages, Toul Sambo village was the highest ID Poor households constituted of 83.1 per cent, and followed by Serei Dei Dos village which accounted for 63.5 per cent of total households. Remarkable, ID Poor households in Kamrieng village was only 1.3 per cent.

Table 5. 4: Number of ID Poor Households by Village within Sangkat Prey Veaeng

		Total number		Poor Ho	useholds	
No.	Village	of HHs	ID Poor 1	ID Poor 2	Total	%
1	Prey Veaeng Khang Lech	178	5	1	6	3.4
2	Prey Veaeng Khang Kaeut	164	1	6	7	4.3
3	Trapeang Chak	171	4	2	6	3.5
4	Trapeang Svay	59	3	2	5	8.5
5	Toap Baoh	109	17	13	30	27.5
6	Kamrieng	308	3	1	4	1.3
7	Roul Chruk	34	1	2	3	8.8
8	Serei Dei Dos	74	34	13	47	63.5
9	Toul Sambo	426	257	97	354	83.1
	Total	1,523	325	137	462	30.3

Source: Sangkat Administration (2020) and Ministry of Planning, (2016,2018).

The socio-economic situation of the poor communities' households, particularly for ID Poor 1 and ID Poor 2 and vulnerable households were not quite different from the poor households in Sangkat Dangkao. Majority of households in Sangkat Prey Veaeng engaged in factory/construction services activities as their major income generation activities, while the rest engaged in small business (vendors) within the communities and driver. These income sources are all low-

paid, low skilled labour or service jobs that can be carried out with any level of education. Factory/construction workers guarantee the household a regular monthly salary, while other jobs more or less depend on "day-to-day" business successes. Access to public services or investment to improve living condition is still difficult for many people in the poor communities, particularly for the ID Poor 1 and ID Poor 2 and vulnerable households. However, some of households in Sangkat were depending on remittance as the result of migration of their household heads, and adult children to work labourer in Thailand and other countries such as Malaysia, Indonesia and South Korea.

5.5.4 Administration of Sangkat Prey Veaeng

a) Sangkat Administrative Structure

In Sangkat Prey Veaeng consisted of 5 councilors who were elected by villagers, which of these councilors were completely led by Cambodian People Party (CPP). There were 6 committees were established by the decision of SCs those including Planning and Budgeting Committee (PBC), Procurement Committee (PC), Monitoring and Evaluation Committee, Conflict Compromising Committee, Project Maintenance Committee, and Women Children Committee. Majority of those who involved in the above committees were village heads, deputy village heads, and village members. At least 2 councilors took role in each committee, while the Sangkat councilor chief took role as chairperson of all committees, while Sangkat clerk involved as assistant or secretary of each committees.

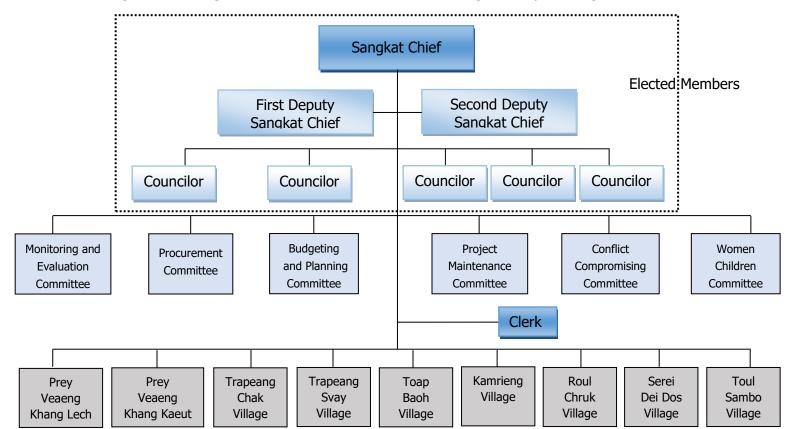


Figure 5. 6: Organizational Structure of SCCs in Sangkat Prey Veaeng

Source: Field Survey, (2020).

b) Duration of Working Experience with Sangkat

As illustrated in Figure 5.7, it was found that more than half the SCs and other committees have been working and experiencing with Sangkat of above 20 years. As most of them started working when the first SCs elections started in 2002. The minimum working experience was 2 years, as they recently joined, while the longest working experience was 40 years as they have started working since 1979, when Khmer Rouge was defeated by RGC, as Sangkat officer or village head. An average working experience with Sangkat was relatively high 18 years. Therefore, most of the SCs and other committees have not recently joined the Sangkat affair.

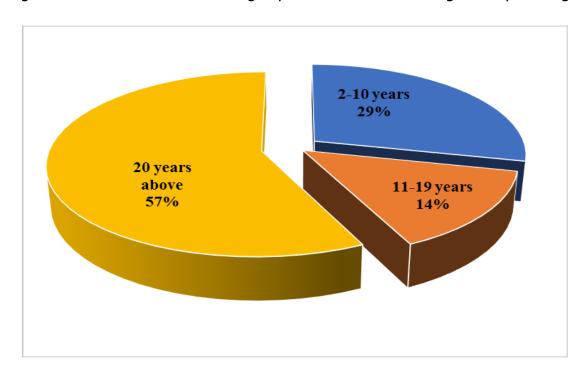


Figure 5. 7: Distribution of working Experience of SCCs in Sangkat Prey Veaeng

Source: Field Survey, 2020.

5. 6 Conclusions

Phnom Penh has witnessed significant urban growth over the last ten years, and now has more than 2 million residents in an increasingly sprawling urban land-scape. However, access to basic services remains variable, mainly to achieve sustainable and inclusive urban growth still a long way to go, particularly for the urban poor communities (UPCs) where there can be extreme differences in living conditions between the rich and the poor. The UPCs are generally characterized by poor quality housing, infrastructure gaps (i.e. water supply and waste collection), low skill, low pay jobs, and, of course, lack of land tenure.

To ensure that local needs (especially of the urban poor communities) are appropriately addressed, improving institutions and governance structures through effective institutions are essential for the development and management of the UPCs. While Cambodia's initiatives aimed at decentralization are an important step, there is still scope for strengthening capacity particularly at the local level, providing more clarity in roles and responsibilities between various line ministries and local authorities, in improving and promoting the implementation of local good governance principles as it is essential that the enabling regulatory frameworks are set in place, and it is also important to ensure that the line ministries and local governments are capacitated and technically equipped to execute the roles and responsibilities in their mandates. In the absence of local good governance and without strengthened institutional capacity at every level, in contrast, the urban poor communities face a host of challenges, including pollution, congestion, poverty, inequality and crime. Therefore, more effective and efficient delivery of public services, and pro-poor policies to assist low-income populations fully participate in labour markets, find affordable housing, access basic services (education and health services), and have a voice in decision-making help ensure that the benefits of the urban poor communities are enjoyed widely, are very critical and needed to be further strengthened and promoted by all key stakeholders.

CHAPTER 6: THE CURRENT SITUATION OF GOOD GOVERN-ANCE AND POVERTY REDUCTION IN THE STUDY AREA

6. 1 Introduction

This chapter consists of five sections that elaborate the current situation of good governance and poverty reduction in the study area. The first section provides a profile of respondents while the second section describes the level of understanding of local good governance principles (GGPs) and the third section indicates the perception of households and Sangkat Council and Committees (SCCs) on the root cause of poverty. Involvements of local people in the application of good governance principles for poverty reduction was discussed in the fourth section, the fifth section focused on the application of local good governance principles in Sangkat Development Planning (SDP) for poverty reduction, and the final section was conclusion.

6. 2 Profile of Respondents

Firstly, the demographic aspects which include gender, age and marital status of SCCs as well as sampled households, and while the second part describes the institution aspects of respondent both SCCs, and sampled households. The last part provides future more bright information related to income background of both levels of respondent.

6.2.1 Demographic Aspects

a) Gender

Table 6.1 shows that the majority of respondents (81 per cent) were men working for Sangkat and within other committees, and a few women (3 out of 16) occupied positions at Sangkat level, although women were encouraged to join development activities. Again, at Sangkat level, Sangkat Dangkao has comparative advantage of women working for and with Sangkat (22.3 per cent) which is higher than Sangkat Prey Veaeng as there were 14.3 per cent. In contrast, at the households' level, majority of respondents (67 per cent) were females and 33 per cent were males.

Table 6.1: Distribution of Respondents by Gender

	Sa	ngkat (Council	and Cor	Sampled Households									
Gender	Dangkao		Prey Veaeng Tota			otal	Dar	Dangkao		'eaeng	To	tal		
	(N	=9)	(N	l=7)	(N	=16)	(N	=48)	(N=140)		(N=	188)		
	f	%	f	%	f	%	f	%	f	%	f	%		
Male	7	77.7	6	85.7	13	81.3	16	33.3	46	32.8	62	33.0		
Female	2	22.3	1	1 14.3		18.7	32	66.7	94	67.2	126	67.0		
Total	9	100	7	7 100		100	48	100	140 100		188	100		

Source: Field Survey, 2020.

b) Age

As shown in Table 6.2, at Sangkat level more than half of SCCs (56.3 per cent) were in the age group (55-66) and followed by (18.8 per cent) were the aged 67 or older. In this regard, the older-age people joined with the SCCs as there were about 60 years old on average. Prey Veaeng SCCs' average age (about 62 years old) have comparative over those from Sangkat Dangkao (58 years old). At household level, the distribution of respondents' age was comparatively in different age groups. In the youngest age group 19-30 years, 13.3 per cent from both

Sangkats participated in the study. Age groups 31-42, 43-54, 55-66 years, all together shared at (77.1 per cent), while the aged 67 or older was 9.6 per cent. The average age of respondents from both Sangkats was about 48 years.

Table 6.2: Distribution of Respondents by Age

Age	Sar	ngkat Co	ouncil	and Con	nmitt	ees		Sar	npled H	louseho			
		gkao	Prey	Veaeng	T	otal		gkao		eaeng	Total		
	(N	=9)	(N	l=7)	(N:	=16)	(N=	- 48)	(N=	140)	(N=	188)	
	f	%	f	%	f	%	f	%	f	%	f	%	
19-30	0	0.0	0	0.0	0	0.0	6	12.5	19	13.5	25	13.3	
31-42	2	22.2	0	0.0	2	12.5	13	27.1	41	29.3	54	28.7	
43-54	0	0.0	2	28.6	2	12.5	13	27.1	27	19.3	40	21.3	
55-66	5	55.6	4	57.1	9	56.3	12	25.0	39	27.9	51	27.1	
67 Above	2	22.2	1	14.3	3	18.8	4	8.3	14	10.0	18	9.6	
Total	9	100	7	100	16	100	48	100	140	100	188	100	
Average	6:	L.8	5	8.4	6	0.1	48	3.0	47	7.1	47.5		

Source: Field Survey, 2020.

c) Marital Status

Table 6.3 shown that majority of respondents from both SCCs and household levels were married (81.3 per cent and 67.0 per cent) individually, and a few percentages of them were single. A single from Sangkat Dangkao and Prey Veaeng joined in the committee of both Sangkats. Similarly, sampled households from Sangkat Prey Veaeng were found 3.6 per cent were single. However, the percentage of widowed at household level were (28. 2 per cent) higher than Sangkat level were (6.3 per cent). Yet, among the sampled households there were 29.2 per cent in Sangkat Dangkao and 27.9 per cent in Sangkat Prey Veaeng, were widowed, while a few of sampled households in both Sangkats were divorced at 2.10 per cent.

Table 6.3: Distribution of Respondents by Marital Status

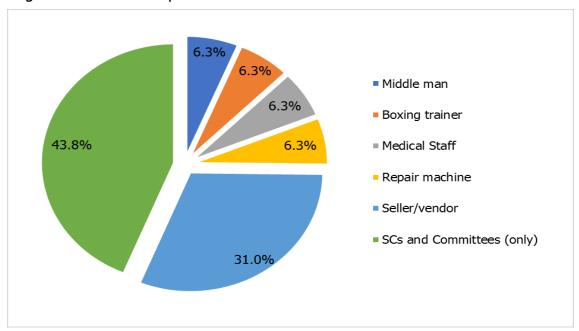
Marital	Sa	ngkat C	ouncil a	and Con	nmitte	es	Sampled Households								
Status	Dan	gkao	Prey V	'eaeng	Total		Dangkao		Prey Veaeng		Total				
	(N	=9)	(N=	=7)	(N=	=16)	(N=48)		(N=	140)	(N=	188)			
	f	%	f	%	f	%	f	%	f	%	f	%			
Married	7	77.8	6	85.7	13	81.3	33	68.8	93	66.4	126	67.0			
Single	1	11.1	1	14.3	2	12.5	0	0.0	5	3.6	5	2.7			
Widowed	1	11.1	0	0.0	1	6.3	14	29.2	39	27.9	53	28.2			
Divorced	0	0.0	0	0.0	0	0.0	1	2.1	3	2.1	4	2.10			
Total	9	100	7	7 100 16 100		48	100	140	100	188	100				

Source: Field Survey, 2020.

6.2.2 Economic Aspects

a) Main Occupation

Figure 6.1: Main Occupation of SCs and Committees



Source: Field Survey, 2020.

As shown in Figure 6.1 above, beside working as Sangkat Officials, at 31.0 per cent of SCs and committees in both Sangkats were engaged with seller/vendor activities, followed by middleman, boxing trainer, medical staff and repair machine together accounted (25. 2 per cent), while working as SCCs (only) was about 44 per cent.

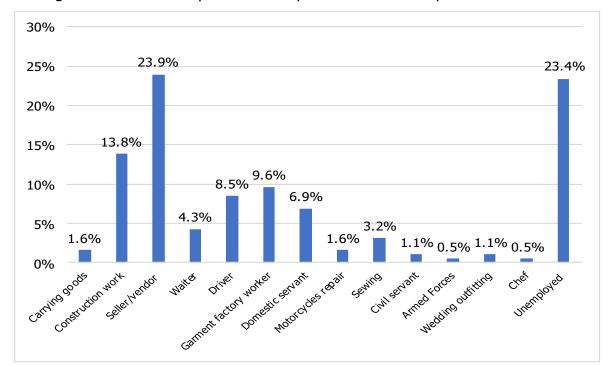


Figure 6.2: Main Occupation of Sampled Household Respondents

Source: Field Survey, 2020.

The Figure 6.2 above, shows the main occupation of respondents at household level from both Sangkats as sellers/vendors in the communities were 23.9 per cent. It was followed by construction work about 14 per cent, and other occupations such as (garment factory worker, driver, domestic servant, waiter, etc.) which together accounted of 29.3 per cent. In general, majority of respondents from SCs and committees, or sampled households were seller/vendor, and other occupations, especially for sampled households such as sewing, motorcycles repair, carrying goods, wedding outfitting, chef, civil servant, and armed forces, were also important sources of household income. However, 23.4 per cent of household respondents, particularly the elder people were unemployed dependent on their children's support or remittance. Thus, most income of respondents were earned from private sector, and sales labour (worker and service), particularly for sampled households in both Sangkats.

b) Households Income

For SCs and other committees' respondents, as shown in Figure 6.3 below, about (44 per cent) of them earned the income ranging less than \$500 per month, followed by (25 per cent) had earned the income ranging from \$1,000 to \$1,499 per month. Overall, SCs and other committees' member from Sangkat Dangkao had higher incomes than those from Sangkat Prey Veaeng, \$939, and \$750.0 monthly on average, respectively.

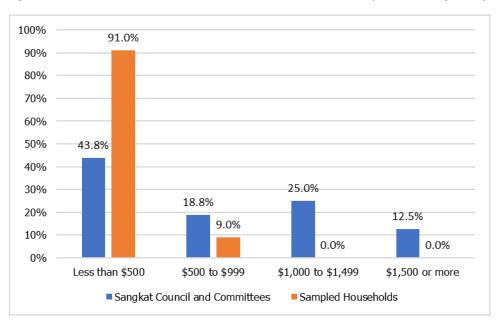


Figure 6.3: Distribution of Household Income of Respondents (2019)

Source: Field Survey, 2020.

As can be seen in Table 6.4, at the household level, the monthly income was dominated by a group that had incomes ranging from less than \$ 500 (91 per cent), followed by a few of those respondents having monthly income in rang of \$ 500 to \$ 999 (9.0 per cent). Whereas, to SCs and other committees on average monthly income, the Sangkat Dangkao had a higher average income than the Sangkat Prey Veaeng. Besides, monthly household income from both Sangkats had average income of \$332.6 per month which was much less than those respondents from the Sangkat level.

Table 6.4: Distribution of Household Income of Respondents (2019)

	Sa	ngkat C	ouncil a	and Con	nmitte	es		Sar	npled H	louseho	olds		
Monthly Income	Dang	gkao	Prey V	eaeng	To	otal	Dan	igkao	Prey V	/eaeng	To	otal	
(USD)	(N=9)		(N=7)		(N:	(N=16)		(N=48)		(N=140)		(N=188)	
	f %		f %		f	%	f	f %		%	f	%	
Less than \$500	3	33.3	4	57.1	7	43.8	41	85.4	130	92.9	171	91.0	
\$500 to \$999	1	11.1	2 28.6		3	18.8	7	14.6	10	7.1	17	9.0	
\$1,000 to \$1,499	4	44.4	0	0.0	4	25.0	0	0.0	0	0.0	0	0.0	
\$1,500 or more	1	11.1	1	14.3	2	12.5	0	0.0	0	0.0	0	0.0	
Total	9 100 7 100 16 100		100	48	100	140	100	188	100				
Average	\$938.90 \$750.0 \$844.5		\$3	70.0	\$29	\$295.10		\$332.6					

Source: Field Survey, 2020.

6.2.3 Social and Institutional Aspects

a) Education Level

From Table 6.5 below, about (69 per cent) of SCCs, completed at high school level, which followed by (12.5 per cent) of them completed at secondary level. There were only 2 respondents together (12.6 per cent) from Sangkat Dangkao finished at university level (bachelor and master degree), and joined the SCCs, which were considered as higher percentage than in Sangkat Prey Veaeng. About (45 per cent) of sampled households completed primary level and followed by illiterate respondents accounting 34 per cent. Overall respondents at Sangkat level from Dangkao have higher comparative education than Sangkat Prey Veaeng while the respondents at household level from Sangkat Prey Veaeng about 6 per cent of them were completed high school and only 2.1 per cent of respondents in Sangkat Dangkao.

Table 6.5: Distribution of Respondents by Education Level

	Sa	angkat (Council	and Co	mmit	tees		Sa	mpled	Househ	olds	
Education Level		ngkao N=9)		eaeng 7)		otal =16)		ngkao =48)	•	eaeng 140)	Total (N=188)	
	f	%	f	%	f	%	f %		f	%	f	%
Illiterate	0	0.0	0	0.0	0	0.0	13	27.1	51	36.4	64	34.0
Primary	0	0.0	1	14.3	1	6.2	28	58.3	56	40.0	84	44.7
Secondary	1	11.1	1	14.3	2	12.5	6	12.5	25	17.9	31	16.5
High School	6	66.7	5	71.4	11	68.7	1	2.1	8	5.7	9	4.8
Vocational Training	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Bachelor Degree	1	11.1	0	0.0	1	6.3	0	0.0	0	0.0	0	0.0
Master Degree	1	11.1	0	0.0	1	1 6.3		0.0	0	0.0	0	0.0
Total	9	100	7	100	16	100	48 100		140 100		188	100

Source: Field Survey, 2020.

b) Training on Local Good Governance

Since the decentralization has been introduced in late 1996, both government and NGOs' delivered many capacity building programs to local administration officials, in particular for the SCCs. More specifically, while the decentralization policy was fully adopted in 2001 which reflected when SCCs elected in 2002, it provided training on decentralization, participatory planning, participatory monitoring and evaluation, and local good governance etc.

As SCCs are mandate based, replacement and changing as the result of election, and resignation, trainings are being needed. Table 6.6 below shows, more than half of SCCs (56.3 per cent) from both Sangkats were attended training on local good governance. However, attending the complaint handling course (75 per cent) was higher than other courses, almost all SCCs (77.8 per cent) in Sangkat Dangkao attended, while the SCCs and committees (71.4 per cent) from Prey

Veaeng attended the course. Participatory planning and local conflict resolution courses, were about (69 per cent) respectively, attended by SCCs of both Sangkats. In comparison to other courses, majority of respondents from both Sangkats attended training on project monitoring and evaluation (62.5 per cent), financial management (43.8 per cent), while training on procurement monitoring, CSO role in governance, voice, empowerment and decision of citizen, and citizen engagement course were attended 31.3 per cent respectively. These were seen through NGOs and refreshment training provided by NCDD every year. In overall, Sangkat Prey Veaeng has slightly higher percentage of respondents than Sangkat Dangkao, who attended training course on local good governance.

Table 6.6: Distribution of Attending Training by Sangkat Council Members

Related Local Good Gov-		Da	ngl	cao (N	=9)			Prey	Ve	aeng (N=	7)	-	Γotal (l (N=16)		
ernance Courses		Yes		No	•	Total		Yes		No	•	Total	\	⁄es		No	
	f	%	f	%	f	%	f	%	f	%	f	%	f	%	f	%	
Local Good Governance	5	55.6	4	44.4	9	100.0	4	57.1	3	42.9	7	100.0	9	56.3	7	43.7	
Citizen engagement	3	33.3	6	66.7	9	100.0	2	28.6	5	71.4	7	100.0	5	31.3	11	68.7	
Gender for Social Accountability	2	22.2	7	77.8	9	100.0	1	14.3	6	85.7	7	100.0	3	18.8	13	81.2	
Local conflict resolution	6	66.7	3	33.3	9	100.0	5	71.4	2	28.6	7	100.0	11	68.8	5	31.2	
Voice, empowerment and decision of citizen	2	22.2	7	77.8	9	100.0	3	42.9	4	57.1	7	100.0	5	31.3	11	68.7	
CSO role in governance	3	33.3	6	66.7	9	100.0	2	28.6	5	71.4	7	100.0	5	31.3	11	68.7	
State non-state partnerships	2	22.2	7	77.8	9	100.0	1	14.3	6	85.7	7	100.0	3	18.8	13	81.2	
Transparency and access to information	2	22.2	7	77.8	9	100.0	1	14.3	6	85.7	7	100.0	3	18.8	13	81.2	
Communication for accountability	1	11.1	8	88.9	9	100.0	2	28.6	5	71.4	7	100.0	3	18.8	13	81.2	
Complaint handling	7	77.8	2	22.2	9	100.0	5	71.4	2	28.6	7	100.0	12	75.0	4	25.0	
Participatory Planning	6	66.7	3	33.3	9	100.0	5	71.4	2	28.6	7	100.0	11	68.8	5	31.2	
Project Monitoring and Evaluation	6	66.7	3	33.3	9	100.0	4	57.1	3	42.9	7	100.0	10	62.5	6	37.5	
Financial Management	4	44.4	5	55.6	9	100.0	3	42.9	4	57.1	7	100.0	7	43.8	9	56.2	
Procurement monitoring	3	33.3	6	66.7	9	100.0	2	28.6	5	71.4	7	100.0	5	31.3	11	68.7	

Source: Field Survey, 2020. (Multiple Responses)

6.3 Understanding of SCCs and Households on GGPs

The promotion of good governance principles (GGPs) at local government level is an important factor of the Royal Government of Cambodia's National Program (NP) for Democratic Development at the Sub-national Administrations (SNAs). There are eight good governance principles including participation, rule of law, transparency, consensus oriented, equity, effectiveness and efficiency, accountability, and responsiveness. Understanding these principles is very important for all stakeholders, especially for the SCCs. Therefore, sampled SCCs and the households in the two Sangkats were evaluated their level of understanding on local good governance principles respectively.

In terms of understanding of GGPs, the study asked the question to SCCs: To your knowledge, have you ever heard or understanding the meaning of these good governance principles? And what is your degree of understanding? Table 6.7 below, presents the responses. One hundred per cent (100 per cent) of the SCCs in both Sangkats indicated that they had known the local good governance principles, however the degree of understanding on the meaning of these GGPs were in different level (at WAI=0.61 to WAI=0.92). Clearly, 100 per cent of the SCCs in both Sangkats had understood the term participation with total WAI=0.92, followed by WAI=0.87, WAI=0.83, WAI=0.76, and WAI=0.70 with the term accountability, responsiveness, consensus oriented, and effectiveness and efficiency respectively. Nevertheless, the SCCs in both Sangkats understood

the term rule of law at moderate (WAI=0.66), transparency (WAI=0.62), and equity at WAI=0.61 as the lowest understanding among the eight good governance principles. In overall, the degree of understanding (WAI) on GGPs of the SCCs in both Sangkats were not much different.

Table 6.7: Awareness of SC and Committees on GGPs

					S	Sangkat	Council	and	Commi	itte	es (SC	CCs)					
Good		San	gka	t Dang	gka	10 (N=9	9)		Sangkat Prey Veaeng (N=7)								
Governance		Un	der	standin	g		Degree		Ur	nder	standi	ng		Degree	WAI		
Principles		Yes		No		Total	WAI*		Yes		No	-	Total	WAI*			
	f	%	f	%	f	%		f	%	f	%	f	%				
Participation	9	100.0	0	0.0	9	100.0	0.89	7	100.0	0	0.0	7	100.0	0.95	0.92		
Rule of law	9	100.0	0	11.1	9	100.0	0.66	7	100.0	0	0.0	7	100.0	0.66	0.66		
Transparency	9	100.0	0	0.0	9	100.0	0.63	7	100.0	0	0.0	7	100.0	0.62	0.62		
Consensus oriented	9	100.0	0	0.0	9	100.0	0.81	7	100.0	0	0.0	7	100.0	0.71	0.76		
Equity	9	100.0	0	0.0	9	100.0	0.62	7	100.0	0	0.0	7	100.0	0.61	0.61		
Effectiveness & efficiency	9	100.0	0	0.0	9	100.0	0.70	7	100.0	0	0.0	7	100.0	0.71	0.70		
Accountability	9	100.0	0	0.0	9	100.0	0.85	7 100.0 0 0.0 7 100.0				0.90	0.87				
Responsiveness	9	100.0	0	0.0	9	100.0	0.85	7 100.0 0 0.0 7 100.0				0.81	0.83				

*

Low	Moderate	High
0.33	0.66	1.0

Source: Field Survey, 2020.

Contrary to the SCCs, as can be seen in Table 6.8 below, only 21.7 per cent of the household respondents in both Sangkats confirmed that they had known the eight good governance principles, especially about 36 per cent of them knew the term participation, but the degree of understanding on the meaning of each GGPs was significantly low if compare with the SCCs. It was interesting to see that the sampled household respondents were better aware the meaning of responsiveness than other good governance principles at moderate level with total (WAI = 0.66),followed by participation (WAI = 0.44)and accountability (WAI=0.43) whilst rule of law at WAI=0.30 as the lowest understanding of the household respondents, and it was followed by WAI=0.32, WAI=0.33 and

WIA=0.34 with the term ttransparency, effectiveness and efficiency and consensus oriented, and equity individually. Overall, the sampled household respondents in both Sangkats were known and understood the GGPs in the same level.

Table 6.8: Awareness of Households on GGPs

	Sampled Households														
Good		Sa	ngka	it Dang	gkao	(N=48)		Sangkat Prey Veaeng (N=140)				9)	Total		
Governance	Understanding Degree Understanding						De-	WAI							
Principles		,			r <u> </u>		14/474					gree WAI			
		<u>Yes</u>		No	I	otal	WAI*	Yes No		l	Total				
	f	%	f	%	f	%		f	%	f	%	f	%	*	
Participation	19	39.6	29	60.4	48	100.0	0.45	48	34.3	92	65.7	148	100.0	0.43	0.44
Rule of law	10	20.8	38	79.2	48	100.0	0.31	27	19.3	113	80.7	148	100.0	0.30	0.30
Transparency	13	27.1	35	72.9	48	100.0	0.31	23	16.4	117	83.6	148	100.0	0.33	0.32
Consensus oriented	11	22.9	37	77.1	48	100.0	0.33	19	13.6	121	86.4	148	100.0	0.33	0.33
Equity	13	27.1	35	72.9	48	100.0	0.34	10	7.1	130	92.9	148	100.0	0.35	0.34
Effectiveness & efficiency	18	37.5	30	62.5	48	100.0	0.33	17	12.1	123	87.9	148	100.0	0.34	0.33
Accountability	16	33.3	32	66.7	48	100.0	0.44	33	23.6	107	76.4	148	100.0	0.43	0.43
Responsiveness	14	29.2	34	70.8	48	100.0	0.64	35	25.0	105	75.0	148	100.0	0.67	0.66

*

Low	Moderate	High
0.33	0.66	1.0

Source: Field Survey, 2020.

Overall, the awareness and degree of understanding of the eight good governance principles by the SCCs and sampled household respondents in the two Sangkats were significantly different in terms of meaning of each principle. For instance, the term of participation was highly understood by SCCs at (WAI=0.92) while the sampled households at (WAI=0.44) only. However, the study found that for most SCCs respondents from both Sangkats understood the meaning of equity, transparency, rule of law, effectiveness and efficiency, and consensus oriented at moderate levels with total (WAI=0.61, WAI=0.62, WAI=0.66, WAI=0.70, and WAI=0.76) while the sampled households were aware at low levels with total WAI=0.34, WAI=0.32, WAI=0.30, WAI=0.33, WAI=0.33, respectively.

6.4 Perception of SCCs and HHs on the Root Cause of Poverty

Poverty is the inability of getting choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation.

There are a number of root causes of poverty including ignorance, disease, apathy, dependency, poor governance, unemployment, lack of markets, poor infrastructure, poor leadership, lack of skills, and cost of living etc. Understanding the root causes of poverty is very vital for all key stakeholders to take action to remove them as the way to eradicate poverty. Therefore, the SCCs and sampled households in the two Sangkats were asked to express their concerns and perceptions on factors/problems that led to their families and communities falling into the poverty. In addition, how did poverty impact the community as well as individual families were also identified.

As can be seen in Table 6.9 below, 100 per cent of the SCCs respondents in both Sangkats considered that all the mentioned factors were the root cause of poverty which had directly or indirectly impacted to livelihood of the poor people.

Most of the SCCs respondents in both Sangkat thought an ignorance was the serious problem with total (WAI=0.86), followed by a lack of skills had major impact with total (WAI=0.84), and an unemployment with total (WAI=0.79). While cost of living with total (WAI=0.78), poor governance with total (WAI=0.75), disease with total (WAI=0.71), apathy with total (WAI=0.70) had also impact on the poor people in their administration management respectively.

Table 6.9: Perception of SCCs on the Root Cause of Poverty

	Sangkat Council and Committees (SCCs)										
Factors		Sangkat	Dan	gkao (N=9)	Sangkat Prey Veaeng (N=7)					Total
	Cause of Yes		Povert	ty	Degree	Cause of P		overty	/	Degree	WAI
			No		WAI*	Yes		No		WAI*	
	f	%	f	%		f	%	f	%		
Poor governance	9	100.0	0	0	0.73	7	100.0	0	0	0.71	0.75
Ignorance	9	100.0	0	0	0.85	7	100.0	0	0	0.87	0.86
Disease	9	100.0	0	0	0.64	7	100.0	0	0	0.80	0.71
Apathy	9	100.0	0	0	0.76	7	100.0	0	0	0.63	0.70
Unemployment	9	100.0	0	0	0.80	7	100.0	0	0	0.77	0.79
Dependency	9	100.0	0	0	0.67	7	100.0	0	0	0.69	0.68
Lack of markets	9	100.0	0	0	0.56	7	100.0	0	0	0.66	0.60
Poor infrastructure	9	100.0	0	0	0.47	7	100.0	0	0	0.66	0.55
Poor leadership	9	100.0	0	0	0.73	7	100.0	0	0	0.63	0.69
Lack of skills	9	100.0	0	0	0.83	7	100.0	0	0	0.85	0.84
Cost of living	9	100.0	0	0	0.82	7	100.0	0	0	0.71	0.78

*

Very minor	Minor	Moderate	Major	Very Major	
0.20	0.40	0.60	0.80	1.0	

Source: Field Survey, 2020.

From Table 6.10 below, clearly, for all sampled household respondents from both Sangkats perceived that the cited factors were the root cause of poverty which had affected to their living conditions directly or indirectly. A hefty majority of sampled household respondents from both Sangkats, with total (WAI=0.90) considered that an unemployment was a very serious factor and significant effect, followed by a lack of skills with total (WAI=0.88), and disease with total

(WAI=0.84) had very significant impact on their livelihood's activities. In addition, cost of living with total (WAI=0.81), ignorance with total (WAI=0.77), apathy with total (WAI=0.75), poor infrastructure with (WAI=0.71), and poor governance (WAI=0.69) were also other factors affecting their living conditions.

Table 6.10: Perception of Households on the Root Cause of Poverty

	Sampled Households													
Factors		Sangkat	Dang	kao (N	N=48)	San	gkat Pre	y Vea	eng (N=140)	Total			
		Cause of	Povert	ty	Degree	C	ause of P	overty	/	Degree	WAI			
	,	Yes	es No		WAI*	Yes		No		WAI*				
	f	%	f	%		f %		f	%					
Poor governance	48	100.0	0	0	0.65	140	100.0	0	0	0.70	0.69			
Ignorance	48	100.0	0	0	0.76	140	100.0	0	0	0.77	0.77			
Disease	48	100.0	0	0	0.86	140	100.0	0	0	0.83	0.84			
Apathy	48	100.0	0	0	0.77	140	100.0	0	0	0.75	0.75			
Unemployment	48	100.0	0	0	0.90	140	100.0	0	0	0.91	0.90			
Dependency	48	100.0	0	0	0.66	140	100.0	0	0	0.69	0.67			
Lack of markets	48	100.0	0	0	0.62	140	100.0	0	0	0.67	0.65			
Poor infrastructure	48	100.0	0	0	0.74	140	100.0	0	0	0.71	0.71			
Poor leadership	48	100.0	0	0	0.70	140	100.0	0	0	0.68	0.68			
Lack of skills	48	100.0	0	0	0.90	140 100.0		0	0	0.87	0.88			
Cost of living	48	100.0	0	0	0.83	140 100.0		0	0	0.80	0.81			

*

Very minor	Minor	Moderate	Major	Very Major
0.20	0.40	0.60	0.80	1.0

Source: Field Survey, 2020.

Overall, considering on the most serious root causes of poverty was perceived differently between the SCCs and sampled household respondents. The SCCs respondents considered an ignorance to be the most serious problem with total (WAI=0.86) while the sampled household respondents perceived an unemployment with total (WAI=0.90) as a very serious factor and significant effect their living conditions. However, the SCCs and sampled household respondents provided in a similar way or in the same thought that a lack of skills (WAI=0.84 SCCs and WAI=0.88 households) was also major factor of poverty and had a very significant effect on living conditions.

The study also asked the respondents: How dose poverty affects poor people in your Sangkat? Figure 6.4 depicts their responses. Most sampled household respondents from both Sangkats (86.7 per cent) thought that the poverty was greatly affected on their families and communities while (31.2 per cent) of the SCCs respondents perceived that the poverty was greatly impacted on poor people in their Sangkat administration management.

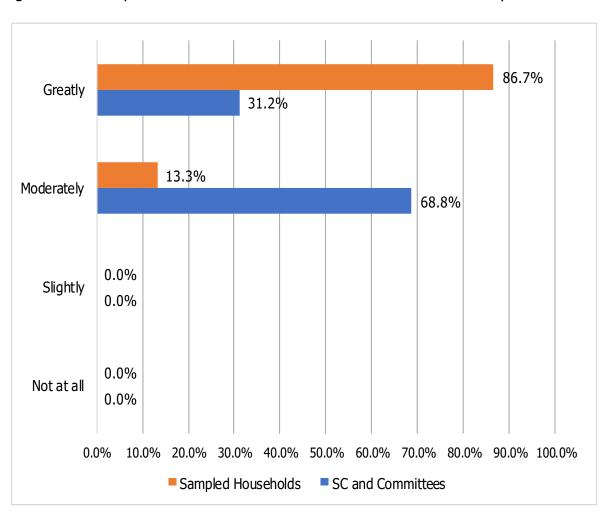


Figure 6.4: Perception of Households and SCCs on the effect of Poverty

6.5 Involvements of Local People in the Applications of GGPs for Poverty Reduction

Principles of Good Governance, which have been developed and used by the RGC in 2014 for the purpose of resources allocation, measuring democracy, services delivery and its effectiveness and efficiency and corruption, include (1) Participation, (2) Rule of law, (3) Transparency, (4) Consensus oriented, (5) Equity, (6) Effectiveness and efficiency, (7) Accountability, and (8) Responsiveness. The involvement of local people, particularly for poor people, women and minorities to participate in the development of their communities and influence the decision-making processes that are directly relevant and impacted on their lives. By examining the involvement of poor and vulnerable people in the applications of GGPs, a number of key questions was directly asked to respondents in the study areas.

6.5.1 Participation

Participation is one of the most important good governance principles. The term "participation in good governance" intents to be participated by every citizen in the process of decision making and implementing those decisions made. The important of participation is to make sure that all information about the problems, needs, and purposes of people are collected and analysed before decision made". SCCs and CSOs hold a variety of formal meetings, particularly the implementation of program or community activities development that poor and vulnerable people can attend. It was to be achieved through sharing data, giving opinions and views, consultation, joint planning meeting, joint implementation, as well as direct controlled by the people.

About 46 per cent of the respondents interviewed in Sangkat Dangkao attended the planning meetings while 40.8 per cent in Sangkat Prey Veaeng, particularly attending the road construction and waste management meetings were 60.4 per cent and 47.9 per cent in Sangkat Dangkao, and 51.4 per cent in road construction and 50.0 per cent in hygiene and sanitation meeting in Sangkat Prey Veaneng (See the Figure 6.5, Table 6.11 and 6.12 below).

It was quite clear from Figure 6.5 that only 30.1 per cent of Sangkat Dangkao and 21.7 per cent of Sangkat Prey Venaeng sampled household respondents had gave the suggestion during the meetings. This was the issue that always happens during the community's meetings, especially with poor and vulnerable people as the poor speak less than the non-poor.

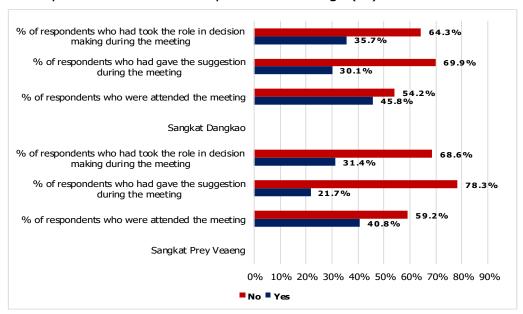
According the study, however, almost 36 per cent of all respondents in Sangkat Dangkao had took the role in decision making during the meetings, especially for road construction meeting about 42 per cent, followed by the waste management and hygiene and sanitation meetings (around 40.0 per cent) respectively. Whilst, 31.4 per cent of the respondents in Sangkat Prey Veaeng were involved in decision making during the meeting, for instance 42.9 per cent in road construction meeting and 38.6 per cent in gender meeting.

Although the respondents in both Sangkats who had attended the meetings and they were not strongly involved in suggestions or decision making during the meetings, but they found the meetings were useful and important for them to participate, particularly for road construction meetings.

Table 6.11: Participation of Sangkat Dangkao Sampled Households in Meetings

		Sangkat Dangkao Sampled Households (N=48)													
Type of Program	pe of Program gram/a				ro- r meet-		urinǵ [suggest gram/ac r meetin	tivity	Did you take a role in decision making					
	1	Yes		No	Total	,	Yes		No	Total	,	Yes No T			Total
	f	%	f	%	f	f	%	f	%	f	f	%	f	%	f
Participation		45.8		54.2			30.1		69.9			35.7		64.3	
Education	20	41.7	28	58.3	48	15	31.3	33	68.8	48	17	35.4	31	64.58	4 8
Health	20	41.7	28	58.3	48	7	14.6	41	85.4	48	15	31.3	33	68.75	48
Road construction	29	60.4	19	39.6	48	23	47.9	25	52.1	48	20	41.7	28	58.33	4 8
Hygiene and sanitation	21	43.8	27	56.3	48	21	43.8	27	56.3	48	19	39.6	29	60.42	48
Public security	17	35.4	31	64.6	48	20	41.7	28	58.3	48	10	20.8	38	79.17	48
Waste management	23	47.9	25	52.1	48	5	10.4	43	89.6	48	19 39.6 29 60.42				48
Gender	24	50.0	24	50.0	48	10	20.8	38	79.2	48	20	41.7	28	58.33	48

Figure 6.5: Sampled Households Participation in Meetings (%)



Source: Field Survey, 2020.

Table 6.12: Participation of Sangkat Prey Veaeng Sampled Households in Meetings

		Sangkat Prey Veaeng Sampled Households (N=140)													
Type of Program	gra	Did yo m/activi		_		d	uring [.] prog	suggesti ram/act meeting	ivity	Dic	ole in de ng	cision		
	,	Yes	1	No	Total	'	Yes	1	Vo	Total	'	Yes No To			
	f	%	f	%	f	f	%	f	%	f	f	%	f	%	f
Participation		40.8		59.2			21.7		78.3			31.4		68.6	
Education	32	22.9	108	77.1	140	25	17.9	115	82.1	140	19	13.6	121	86.4	140
Health	45	32.1	95	67.9	140	19	13.6	121	86.4	140	30	21.4	110	78.6	140
Road construction	72	51.4	68	48.6	140	29	20.7	111	79.3	140	60	42.9	80	57.1	140
Hygiene and sanitation	70	50.0	70	50.0	140	53	37.9	87	62.1	140	50	35.7	90	64.3	140
Public security	60	42.9	80	57.1	140	35	25.0	105	75.0	140	45	32.1	95	67.9	140
Waste management	56	40.0	84	60.0	140						90	64.3	140		
Gender	65	46.4	75	53.6	140	17	12.1	123	87.9	140	54	38.6	86	61.4	140

6.5.2 Rule of Law

The second good governance principle is rule of law. The term "rule of law in the meaning of good governance" requires fair legal framework to serve and protect public benefits and need to be enforced impartially. Furthermore, it also requires full protection of human rights, particularly those of minorities, and vulnerable groups. Thus, it needs independent judiciary and incorruptible authority forces". Rule of law plays an important role in shaping and promoting the social justice conditions of an individual and citizens in a community and society as general. The study, therefore, investigated the questions related to law enforcement including "Is the case existing in this village/community in the last 2 years? What is the solution to the case? And After the cases have been solved, do you feel safe or secure?" The result was indicated in Figure 6.6 and Table 6.13 and 6.14 respectively.

Figure 6.6 indicates that more than half (54.0 per cent and 53.1 per cent) of household respondents in Sangkat Prey Veaeng and in Sangkat Dangkao didn't know whether the cases existing in their village or community. Similarly, 36.1 per cent of respondents in Sangkat Dangkao and 34.9 per cent in Sangkat Prey Veaeng indicated that there were no cases existing in their village or community respectively. Only 11.1 per cent of household respondents in Sangkat Prey Veaeng reported that there were cases existing in the village, and followed by Sangkat Dangkao 10.8 per cent. 39.3 per cent of cases existing in Sangkat Prey Veaeng were related with land and building dispute, followed by violent disputes among member of community 15.7 per cent. Likewise, most of the cases existing

in Sangkat Dangkao 34.5 per cent were also related with land and building dispute and it was followed by violent disputes among member of community 12.5 per cent and environmental pollution 10.4 per cent.

54.0% 53.1% 60% 50% 36.1% 34.9% 40% 30% 20% 10.8% 11.1% 10% 0% Yes No Don't Know Sangkat Dangkao Sangkat Prey Veaeng

Figure 6.6: Cases Existing in the Village and Community (%)

Source: Field Survey, 2020.

Table 6.13: Cases Existing in the Sangkat Dangkao

Case	Is the case of [] existing in this village/community in the last 2 years											
	S	angkat Dar	igkao Sa	mpled He	ousehold	s (N=48)					
	`	res es	1	No	Don't	Know	Total					
	f	%	f	%	f	%	f					
Rule of Law		10.8		36.1		53.1						
Land/building dispute	17	35.4	24	50.0	7	14.6	48					
Power abuse by bureaucrats	0	0.0	0	0.0	48	100.0	48					
Criminal acts	0	0.0	0	0.0	48	100.0	48					
Violent disputes among member of community	6	12.5	9	18.8	33	68.8	48					
Environmental pollution	5	10.4	36	75.0	7	14.6	48					
Violent disputes in waste management	3	6.3	35	72.9	10	20.8	48					

Table 6.14: Cases Existing in the Sangkat Prey Veaeng

Cases	Is the case of [] existing in this village/community in the last 2 years Sangkat Prey Veaeng Sampled Households (N=140)											
	Yes No Don't Know Total											
	f	%	f	%	f	%	f					
Rule of Law		11.1		34.9		54.0						
Land/building dispute	55	39.3	57	40.7	28	20.0	140					
Power abuse by bureaucrats	0	0.0	0	0.0	140	100.0	140					
Criminal acts	0	0.0	0	0.0	140	100.0	140					
Violent disputes among member of community	22	15.7	31	22.1	87	62.1	140					
Environmental pollution	9	6.4	100	71.4	31	22.1	140					
Violent disputes in waste management 7 5.0 105 75.0 28 20.0 140												

In terms of case resolution, the study asked the question: What is the solution to the case? Table 6.15 presents the responses. In Sangkat Dangkao, 66.7 per cent of violent disputes in waste management and 60.0 per cent of environmental pollution, were resolved by the Village Chief and Sangkat Councilors. Likewise, about sixty-two per cent (62 per cent) of respondents in Sangkat Dangkao indicated that the case related with land and building dispute were resolved by Village Chief and Sangkat Councilors and remaining 38.3 per cent were consensus among parties involved with. However, 50.0 per cent of violent disputes among member of community were resolved through consensus among parties involved with and 33.0 per cent with respected member of community.

The solution to the case in Sangkat Prey Veaeng was not much different from Sangkat Dangkao, most of the respondents 67.9 per cent indicated that the case related with land and building dispute were resolved by Village Chief and Sangkat Councilors, and followed by 20.5 per cent were consensus among parties involved with. Similarly, 66.7 per cent of environmental pollution and 52.9 per cent of violent disputes in waste management cases, were directly resolved by Village Chief and Sangkat Councilors respectively.

Table 6.15: The Solution to the Case (%)

		What is th	e solution to	the [] case		
Rule of Law (Cases)	Consensus among par- ties involved with (%)	Village Chief/ Sangkat Councilors (%)	Respected member of community (%)	With police facilitation, but without judicial pro- cess (%)	Don't Know (%)	Total (%)
Sangkat Dangkao (N=48)						
Land/building dispute	38.3	61.7	0.0	0.0	0.0	100.0
Power abuse by bureaucrats	0.0	0.0	0.0	0.0	0.0	100.0
Violent disputes among member of community	50.0	16.7	33.0	0.0	0.0	100.0
Environmental pollution	0.0	60.0	40.0	0.0	0.0	100.0
Violent disputes in waste management	0.0	66.7	33.3	0.0	0.0	100.0
Sangkat Prey Veaeng (N=140)						
Land/building dispute	20.5	67.9	11.6	0.0	0.0	100.0
Power abuse by bureaucrats	0.0	0.0	0.0	0.0	0.0	100.0
Violent disputes among member of community	18.2	40.9	22.7	18.2	0.0	100.0
Environmental pollution	0.0	66.7	33.3	0.0	0.0	100.0
Violent disputes in waste management	0.0	52.9	32.9	14.3	0.0	100.0

The study did not only seek information on the solution to the case of respondents but also asked a question: After the cases have been solved, do you feel safe or secure? Data from Table 6.16 indicates that almost eighty-six per cent (85.8 per cent) of respondents in Sangkat Dangkao felt safe after environmental pollution case had been solved, followed by 78.5 per cent of violent disputes in waste management and 70.9 per cent of violent disputes among member of community, however the case related with land and building dispute, the respondents felt secure only 40.5 per cent while 59.5 did not feel safe after the case had been resolved.

Similarly, about 82.0 per cent of respondents in Sangkat Prey Veaeng indicated that they felt safe after violent disputes among member of community case had been resolved, followed by 80.1 per cent of violent disputes in waste management and 78.2 per cent of environmental pollution. But only 34.1 per cent of respondents expressed their secure while 65.9 did not feel safe after the case had been resolved.

Table 6.16: Feeling Safe and Secure After Cases Have Been Solved (%)

	After [] cases have been solved, do you feel safe or secure											
Rule of Law (Cases)		Sangkat	Dangkao (N=4	8)		_	at Prey Veaeng (N=140)					
	Yes											
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)				
Land/building dispute	40.5	59.5	0.0	100.0	34.1	65.9	0.0	100.0				
Violent disputes among member of community	70.9	29.1	0.0	100.0	81.8	18.2	0.0	100.0				
Environmental pollution	85.8	14.2	0.0	100.0	78.2	21.8	0.0	100.0				
Violent disputes in waste management	78.5	21.5	0.0	100.0	80.1	19.9	0.0	100.0				

6.5.3 Transparency

Transparency is one of the most important characteristics that affect the implementation of local good governance aspect in general. The term "transparency in good governance" means that all decision making and implementation of those decisions made must: Follow the legal framework. Information related to decision making and implementation of those decision made is openly disseminated freely access specially to those who will be affected by such decisions and their enforcement. All information must be simple accurate". Transparency which was covered on dissemination and sharing information about the project to public, process of project procurement and the dissemination the result of bidding for infrastructure project, procedures of payment to contractors and reporting about how budget has been spent in each project.

Household respondents in both Sangkats were asked whether they had received information related with implementation of Sangkat Development Plan (SDP) activities. Table 6.17 indicated clearly that almost respondents in Sangkat Dangkao about 88.0 per cent did not have information regarding budget allocation to the SDP project, followed by 81.3 per cent of financial report about SDP projects disclosed to public, but 60.4 per cent of respondents had received a very few information on result of bidding expose to the public. Contrary, the following four main information were disseminated quite numerous. They are: SCs encourage village headmen to spread information about project (81.3 per cent), SCs gives information to those impacted by project of SDPs (79.2 per cent), SCs spread information about the project in public post (66.7 per cent), and signboard contains project budget and contribution present at each project site (52.1 per cent). In addition, about 51.0 per cent of respondent in Sangkat Dangkao confirmed that SCs gives information to the public about the SDPs was abundant, and it was followed by signboard contains project budget and contribution present at each project site about 48.0 per cent.

Similarly, the respondents in Sangkat Prey Veaeng indicated that about 86.0 per cent they did not have information regarding financial report about SDP projects disclosed to public, and followed by budget allocation to the SDP project 80.7 per; however 66.4 per cent of respondents had received a very few information on result of bidding expose to the public. Additionally, 85.7 per cent of respondents confirmed that SCs encourage village headmen to spread information about

project was quite numerous, followed by SCs gives information to those impacted by project of SDPs (80.7 per cent), SCs spread information about the project in public post (59.4 per cent), and signboard contains project budget and contribution present at each project site (52.9 per cent). Clearly, 49.1 per cent of respondents in Sangkat Prey Veaeng indicated SCs gives information to the public about the SDPs was abundant, and followed by signboard contains project budget and contribution present at each project site (47.1 per cent). In overall, respondents in Sangkat Dangkao had received SDP information slightly higher than respondents in Sangkat Prey Veaeng.

Table 6.17: Sangkat Development Plan (SDP) Information Dissemination (%)

			How	much	do you	have i	nforma	tion o	f []?			
Sangkat Development Plan (SDP) Activities		S	_	Dangk =48)	ао			_	at Prey (N=140	Veaeng))		
	Do not have (%)	Very few (%)	Few (%)	Quite numer- ous (%)	Abundant (%)	Total (%)	Do not have (%)	Very few (%)	Few (%)	Quite nu- merous (%)	Abundant (%)	Total (%)
Transparency												
Budget allocation to the SDP project	87.5	12.5	0.0	0.0	0.0	100.0	80.7	19.3	0.0	0.0	0.0	100.0
Financial report about SDP projects disclosed to public	81.3	18.8	0.0	0.0	0.0	100.0	85.7	14.3	0.0	0.0	0.0	100.0
Signboard contains project budget and contribution present at each project site	0.0	0.0	0.0	52.1	47.9	100.0	0.0	0.0	0.0	52.9	47.1	100.0
Result of bidding expose to the public	20.8	60.4	0.0	18.8	0.0	100.0	19.3	66.4	0.0	14.3	0.0	100.0
SCs gives information to the public about the SDPs	0.0	0.0	30.3	18.8	50.9	100.0	0.0	0.0	36.6	14.3	49.1	100.0
SCs spread information about the project in public post	0.0	0.0	33.3	66.7	0.0	100.0	0.0	0.0	40.6	59.4	0.0	100.0
SCs encourage village headmen to spread information about project	0.0	0.0	18.8	81.3	0.0	100.0	0.0	0.0	14.3	85.7	0.0	100.0
SCs gives information to those impacted by project of SDPs	0.0	0.0	20.8	79.2	0.0	100.0	0.0	0.0	19.3	80.7	0.0	100.0

Respondents in both Sangkats were asked about how easy did they obtain information of SDP activities and the result was presented in Table 6.18 below. Table 6.18 shows that the three main source information that the respondents in Sangkat Dangkao had very difficult and difficult to obtain are: (a) Financial report about SDP projects disclosed to public (81.3 per cent), (b) Budget allocation to the SDP (68.8 per cent) and (c) Result of bidding expose to the public (60.4 per cent). However, the following five main source information were reached easy including signboard contains project budget and contribution present at each project site (100.0 per cent), SCs gives information to those impacted by project of SDPs (79.2 per cent), SCs gives information to the public about the SDPs (66.7 per cent), SCs encourage village headmen to spread information about project (63.7 per cent) and SCs spread information about the project in public post (60.7 per cent) respectively.

Clearly, most of the respondents in Sangkat Prey Veaeng (85.7 per cent) were very difficult and difficult in obtaining of financial report about SDP projects disclosed to public, and followed by budget allocation to the SDP (64.4 per cent) and result of bidding expose to the public (62.4 per cent). Contrary, the following five main source information were obtained easy. They are: signboard contains project budget and contribution present at each project site (100.0 per cent), SCs gives information to those impacted by project of SDPs (80.7 per cent), SCs encourage village head-men to spread information about project (69.4 per cent), SCs spread information about the project in public post (67.4 per cent) and SCs gives information to the public about the SDPs (61.4 per cent). Overall, respondents in both Sangkats were easy to obtain almost of SDP information, except the information regarding financial report about SDP projects disclosed to public, budget allocation to the SDP project, and result of bidding expose to the public were found difficult for them individually.

Table 6.18: Obtaining of Sangkat Development Plan (SDP) Information (%)

	How easy do you obtain information of []											
Sangkat Development Plan		Sang	kat Dar	ngkao (N=48)		Sang	kat Pre	y Veae	ng (N=	140)	
(SDP) Activities	Very difficult (%)	Difficult (%)	Quite diffi- cult (%)	Easy (%)	Very easy (%)	Total (%)	Very difficult (%)	Difficult (%)	Quite difficult (%)	Easy (%)	Very easy (%)	Total (%)
Transparency												
Budget allocation to the SDP project	68.8	18.8	12.5	0.0	0.0	100.0	64.4	16.3	19.3	0.0	0.0	100.0
Financial report about SDP projects disclosed to public	81.3	18.8	0.0	0.0	0.0	100.0	85.7	14.3	0.0	0.0	0.0	100.0
Signboard contains project budget and contribution present at each project site	0.0	0.0	0.0	100.0	0.0	100.0	0.0	0.0	0.0	100.0	0.0	100.0
Result of bidding expose to the public	20.8	60.4	18.8	0.0	0.0	100.0	19.3	62.4	18.3	0.0	0.0	100.0
SCs gives information to the public about the SDPs	0.0	0.0	33.3	66.7	0.0	100.0	0.0	0.0	38.6	61.4	0.0	100.0
SCs spread information about the project in public post	0.0	0.0	39.3	60.7	0.0	100.0	0.0	0.0	32.6	67.4	0.0	100.0
SCs encourage village headmen to spread information about project	0.0	0.0	36.3	63.7	0.0	100.0	0.0	0.0	30.6	69.4	0.0	100.0
SCs gives information to those impacted by project of SDPs	0.0	0.0	0.0	79.2	20.8	100.0	0.0	0.0	19.3	80.7	0.0	100.0

6.5.4 Responsiveness and Equity

The term "responsiveness in good governance", it means the efforts of state administration and institutions to serve all stakeholders equally without discrimination within reasonable timeframe. While the term "equity" it means that all people or groups in community, specially minorities and vulnerable groups have opportunity to participate, raise issues and needs, involve in implementation, and get reasonable interests to improve and maintain their well-being. Furthermore, they have a stake in it and do not feel excluded from the mainstreaming society. A specific question was asked, "In your opinion, are these SDPs responded to

you or community needs? It was quite clear from Table 6.19 that majority (83.3 per cent) of Sangkat Dangkao respondents confirmed that project of SDPs had benefited to the community including ID Poor households, vulnerable groups and individual. This was followed by the SDPs addressed local problems and needs (79.5 per cent), project of SDPs implemented at the time local problems and needs occurred (70.2 per cent), project of SDPs implemented within time frame (24.5 per cent), project of SDPs is allocated to every village of the Sangkat (20.8 per cent) and all poor villages and urban poor communities included in SDP project (19.7 per cent) respectively.

From Table 6.19, it can be seen that overwhelming majority (86.9 per cent) of Sangkat Prey Veaeng respondents firmly responded that project of SDPs had benefited to their community including ID Poor households, vulnerable groups and individual, followed by project of SDPs implemented at the time local problems and needs occurred (84.3 per cent), SDPs addressed local problems and needs (80.4 per cent) and all poor villages and urban poor communities included in SDP project (25.0 per cent).

In overall, the SDPs in both Sangkat addressed the real needs of people in their community respectively. Addressing the needs and issues of local people, besides, the respondents in both Sangkats (Dangkao and Prey Veaeng) did not know whether the project of SDPs implemented within time frame (65.5 per cent and 60.0 per cent), followed by all poor villages and urban poor communities included in SDP project (60.3 per cent and 60.0 per cent) and project of SDPs is allocated to every village of the Sangkat (60.0 per cent and 50.7 per cent).

Table 6.19: Responding of SDP to the Community Needs (%)

Sangkat Development Plan	In your opinion, are these SDPs responded to you or community needs										
(SDP) Activities	Sar	ngkat Da (N=48	3			_	Prey Veaen =140)	g			
	Yes (%)	No (%)	Don't Know (%)	Total (%)	Yes (%)	No (%)	Don't Know (%)	Total (%)			
Responsiveness and Equity											
SDPs addressed local problems and needs	79.5	12.5	8.0	100.0	80.4	16.0	3.6	100.0			
Project of SDPs implemented within time frame	24.5	10.0	65.5	100.0	19.3	20.7	60.0	100.0			
Project of SDPs implemented at the time local prob- lems and needs occurred	70.2	10.4	19.4	100.0	84.3	5.2	10.5	100.0			
Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and indi-											
vidual)	83.3	10.7	6.0	100.0	86.9	7.0	6.1	100.0			
Project of SDPs is allocated to every village of the Sangkat	20.8	19.2	60.0	100.0	19.3	30.0	50.7	100.0			
All poor villages and urban poor communities included in SDP project	19.7	20.0	60.3	100.0	25.0	15.0	60.0	100.0			

Respondents were asked" If there is any of your family members get an illness, to what health facility will you bring him/her? And what is quality of the government and private health facility?"

In Table 6.20, more than half (52.1 per cent) of the respondents in Sangkat Dangkao reported that they bought medicine from the pharmacy while their family members get an illness, however about 42.0 per cent of respondents indicated that they visited the government health facility. Visiting private health facility was at a distant second (4.2 per cent), followed by using Khmer traditional medication (2.1 per cent). In terms of quality of health facility, it was clearly indicated that the private health facility was good with WAI=0.83 and the government health facility was fair with WAI=0.59.

Clearly, approximately forty-six (45.9 per cent) of the respondents in Sangkat Prey Veaeng visited the government health facility, followed by 45.0 per cent, 5.0 per cent, 3.4 per cent and 0.7 per cent bought medicine from the pharmacy, visiting private health facility, using Khmer traditional medication and self-medication respectively. Similarly, the quality of private health facility was good with WAI=0.80 and fair with WAI=0.61 for the government health facility.

Evidence from this study shows that, the respondents (poor people) in both Sangkats, buying medicine from the pharmacy was seemed to be the first choice while they were getting sick, and if the health did not get better, access to the government health facility would have been the second option, but the accessibility to the private health facility was limited.

Table 6.20: Visiting of Health Facility by Household Respondents (%)

Health Service	If th	ere is ar	ny of your family n facility will		_	-	ealth
			Dangkao =48)	S		rey Veaeng :140)	Total WAI
	Hea		Quality of Health	Hea	Quality of Health		
	Faci f	%	Facility WAI*	f	ility %	Facility WAI	
Responsiveness and Equity							
Self-medication	0	0.0	-	1	0.7	-	-
Buy medicine from pharmacy	25	52.1	-	63	45.0	-	-
Khmer traditional medication	1	2.1	-	5	3.4	-	-
Government health facility	20 41.7 0.59 64 45.9 0.61						
Private health facility	2 4.2 0.83 7 5.0 0.80						
Total	48	100.0	-	140	100.0	-	-

 Very poor
 Poor
 Fair
 Good
 Very Good

 0.20
 0.40
 0.60
 0.80
 1.0

Other specific questions regarding the accessibility to school were asked "Does any of your household members go to school? And other related questions on satisfaction of school fee, school quality and school discipline etc., were also raised to the respondents". The data in Figure 6.7 and Table 6.21 indicated the percentage of children go to school. Almost eighty-two per cent (81.9 per cent) of the respondents in both Sangkats sent their children to school, of which respondents in Sangkat Dangkao (83.3 per cent) and Sangkat Prey Veaeng (81.4 per cent) respectively.

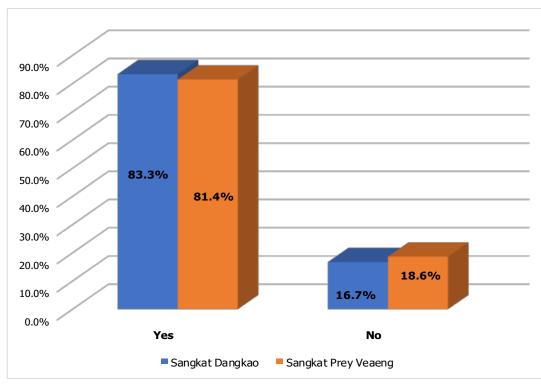


Figure 6.7: Accessibility to School (%)

Source: Field Survey, 2020.

Table 6.21: Accessibility to School (%)

School	Does any of your household members go to school							
	Dangka	ao (N=48)	Prey Veae	Prey Veaeng (N=140)		Total (188)		
	f	(%)	f (%)		f	(%)		
Responsiveness and Equity								
Yes	40	83.3	114	81.4	154	81.9		
No	8	16.7	26 18.6		34	18.1		
Total	48	100	140 100 188			100		

The data also shows that 83.1 per cent of the respondents in both Sangkats sent their children to primary school. Sending to secondary school was at a distant second (15.6 per cent), and followed by high school (1.3 per cent). Overall, the respondents in Sangkat Prey Veaeng sent their children to primary school much higher than Sangkat Dangkao, but sent less children to secondary school if compare with the respondents of Sangkat Dangkao. See the Table 6.22 below.

Table 6.22: Accessibility to School by Type of School (%)

School	Doe	Does any of your household members go to school						
	Dangkad	(N=40)	Prey Veaeng (N=114)		Total (N=154)			
	f	%	f	%	f	%		
Responsiveness and Equity								
Primary	30	75.00	98	85.9	128	83.1		
Secondary	9	22.50	15	13.2	24	15.6		
High School	1	2.50	1	0.9	2	1.3		
University	0	0.00	0	0.0	0	0.0		
Total	40	100	114	100	154	100		

Source: Field Survey, 2020.

As can be seen in Table 6.23 below, majority of respondents in both Sangkats had no objection with the amount of school fee, of which 81.7 per cent in Sangkat Prey Veaeng and 74.4 per cent in Sangkat Dangkao as they all go to public school, but they had objection with the amount of clothes uniform price tag about 50.0 per cent of the respondents in Sangkat Dangkao and 43.5 per cent in Sangkat Prey Veaeng, this due to they had to spend the money for buying clothes uniform for their children respectively.

It was quite clear from Table 6.23 that majority (83.5 per cent) of Sangkat Prey Veaneg respondents satisfied with the school quality (teachers, staff, facilities, curriculum), and followed by (79.5 per cent) of Sangkat Dangkao respondents.

Furthermore, it was clear that overwhelming majority (91.7 per cent) of Sangkat Prey Veaeng respondents expressed their satisfaction with the school discipline. This was followed by Sangkat Dangkao respondents about 77.0 per cent. However, the respondents in both Sangkats, of which 87.2 per cent in Sangkat Prey Veaeng and 64.1 per cent in Sangkat Dangkao did not know the school support committee respectively. And it was interesting to see that there was no confirmation of any unofficial payments had been made by the households' respondents in both Sangkats in order to get their child admission in the public school.

Table 6.23: Satisfaction of Respondents on School Services (%)

	Please give your opinion on the following questions								
	Sangkat Dangkao (N=40)				Sangkat Prey Veaeng (N=114)			N=114)	
School	Yes	No	Don't	Total	Yes	No	Don't	Total	
	(%)	(%)	Know	(%)	(%)	(%)	Know	(%)	
			(%)				(%)		
Responsiveness and Equity									
Do you have any objection with the amount of									
school fee	25.6	74.4	0.0	100.0	18.3	81.7	0.0	100.0	
Do you have any objection with the amount of									
clothes uniform price tag	4 9.7	50.3	0.0	100.0	43.5	56.5	0.0	100.0	
Do you satisfy with the school quality (teachers,									
staff, facilities, curriculum)	79.5	20.5	0.0	100.0	83.5	16.5	0.0	100.0	
Do you satisfy with the school discipline	76.9	0.0	23.1	100.0	91.7	0.0	8.3	100.0	
Do you satisfy with the school support committee	35.9	0.0	64.1	100.0	12.8	0.0	87.2	100.0	
Did you or anyone in your family have to make any									
unofficial payments to get your child admission in	0.0	100.0	0.0	100.0	0.0	100.0	0.0	100.0	
the school									

Source: Field Survey, 2020.

6.5.5 Effectiveness and Efficiency

The term "effectiveness and efficiency in good governance" is the process and institutional management system in best use of resources at their disposal with saving manner to produce high quality and quantity of outputs, and able to provide maximum benefits and to meet real needs of the community. The concept of effective and efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.

In terms of effectiveness and efficiency, the study asked the question: In your opinion, how is the quality programs implementation in your village in 2019 compare with 2018? Figure 6.8 presents the responses. Approximately seventy per cent (69.5 per cent) respondents in Sangkat Dangkao thought that the quality of village infrastructure development (drainage, concrete road, bridge, street lighting, etc.), had been increased in their village if compare with 2018. This was followed by poor people empowering program (45.7 per cent) and gender program (20.3 per cent) respectively. Whilst about 71.0 per cent of the respondents confirmed that the quality gender program implementation was constant, and followed by poor people empowering program (51.3 per cent) and village infrastructure development (22.6 per cent) respectively.

Similarly, about 66.0 per cent of the respondents in Sangkat Prey Veaeng considered that the quality of village infrastructure development (drainage, concrete road, bridge, street lighting, etc.), had been increased in their communities. And about 53.0 per cent believed that poor people empowering program had increased and only 15. 3 per cent accepted that gender program had also increased if compare with 2018. Contrary, about 85.0 per cent of the respondents strongly confirmed that the gender program was constant. This was followed by poor people empowering (40.7 per cent) and village infrastructure development (21.8 per cent) respectively. Generally, the quality of the village infrastructure development in both Sangkats had significantly been increased, and it was followed by poor people empowering program. However, the quality of gender program was still constant if compare with 2018.

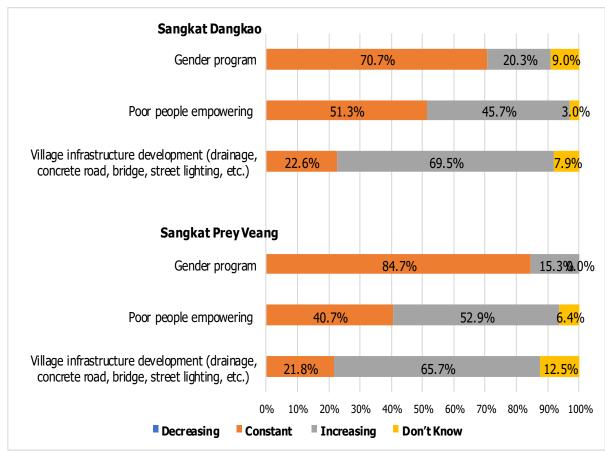


Figure 6.8: Perception of Respondents on the Quality of Program Implementation (%)

In this study, the question was asked, "In your opinion, how is the quality service in the village/Sangkat compare year 2019 and year 2018" From Table 6.24, it can be seen that majority of the respondents (67.8 per cent) in Sangkat Dangkao indicated that the quality of all services in their village had become better compared with the past (2018). This was followed by 62.5 per cent of the respondents in Sangkat Prey Veaeng.

Clearly, an overwhelming majority 89.3 per cent of the respondents in Sangkat Dangkao indicated that the quality service of water supply in their village had become much better if compare with 2018. Additionally, the following six main ser-

vices were also got much better than before. They are: Sangkat administration service (84.8 per cent), electricity (82.9 per cent), village administration service (81.9 per cent), school quality (81.6 per cent), public security (70.3 per cent) and health service (60.8 per cent). But, about 71.0 per cent of the respondents stated that the quality of hygiene and sanitation was still the same, and followed by waste management (70.4 per cent). See the Table 6.24.

Likewise, from Table 6.24, the study showed that, for most respondents (62.5 per cent) in Sangkat Prey Veaeng, the quality of all services had become better if compare with 2018. Only 37.5 per cent reported that the quality of all services was still the same. It was interesting to see that 89.3 per cent of the respondents indicated that the quality service of school had become better. This was followed by Sangkat administration service (85.3 per cent), village administration service (80.7 per cent), electricity (74.6 per cent), public security (74.4 per cent) and health (about 63.0 per cent). Whilst, about 76.0 per cent of the respondents stated that the quality of waste management was still the same, and followed by hygiene and sanitation (72.4 per cent) and water supply (56.4 per cent) respectively. Generally, all most of respondents in both Sangkats expressed that the quality of services in their villages had become better. However, the quality service of waste management and hygiene and sanitation was still the same if compare with 2018.

Table 6.24: Perception of Respondents on the Quality of Services (%)

Effectiveness and Efficiency	In your	opinion,	how is the compare	quality se year 2019	_	-	village/S	Sangkat	
	Sa	ngkat Da	ngkao (N=	48)	Sangkat Prey Veaeng (N=140)				
	Worse (%)	Same (%)	Better (%)	Total (%)	Worse (%)	Same (%)	Better (%)	Total (%)	
Quality of Service	0.0	32.2	67.8	100.0	0.0	37.5	62.5	100.0	
School	0	18.4	81.6	100	0	10.7	89.3	100	
Health	0	39.2	60.8	100	0	37.1	62.9	100	
Water supply	0	10.7	89.3	100	0	56.4	43.6	100	
Electricity	0	17.1	82.9	100	0	25.4	74.6	100	
Hygiene and sanitation	0	70.7	29.3	100	0	72.4	27.6	100	
Public security	0	29.7	70.3	100	0	25.6	74.4	100	
Waste management	0	70.4	29.6	100	0	75.6	24.4	100	
Sangkat administration service	0	15.2	84.8	100	0	14.7	85.3	100	
Village administration service	0	18.1	81.9	100	0	19.3	80.7	100	

6.6 Applications of GGPs in SDPs for Poverty Reduction

6.6.1 Process and Implementation of SDPs

The Sangkat Development Planning (SDPs) were prepared for every 5 years in accordance with the Sangkat mandate. The Planning and Budgeting Committee (PBC) of Sangkat who took responsibility for budget planning, and SDPs, 5 years and annual planning was officially established. The Planning and Budgeting Committee (PBC) comprised of Sangkat Chief, Sangkat Councils, clerk, village chiefs, assistant of village chief, villagers' representatives, and a woman in charge of women affair. Annually this committee prepared Sangkat Development Plan as consequently.

The Planning and Budgeting Committee (PBC) was playing an important roles in the preparation and implemention of the Sangkat Development Plan (SDP) and Sangkat Investment Plan (SIP), which rendered participatory bottom-up planning and implementation. Through out the planning and implementation of SDPs, the PBC was strictly applying local good governance principles in the Sangkat Development Planning for poverty reduction. The stage and/or implementation process of SDPs in Sangkat described below:

Figure 6.9: Process and Implementation of SDPs



PBCs reviewed the existing 5 years SDPs in 2018 by focusing on situation analysis of the Sangkat, development framework, and investment framework in the following sectors including economic, social, natural resource and environment, administrative service and security, and gender aspects. It was undertaken by holding meetings with PBCs at the Sangkat office in order to verify the constraints, needs and what were not done in the last year, and have to be done in the next year SDP.

Second Stage:
Problems and
Needs
Identification

PBC members were assigned to conduct meeting at village level in order to identify problems, causes of problem, locations, needs, constraints and solutions, to prioritize the project in each village with villagers and other key informants including CBOs and CSOs. After the village level meeting, key informants were invited to the meeting at the Sangkat level in order to prioritize the project to be implemented.

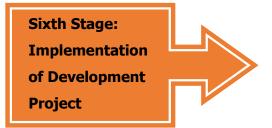
Third Stage: Selection of Priority Development Project Fourth Stage: Khan Integration Workshop (KIW)

Base on the result in the second stage, Sangkat prepared all proposed projects into a list and in flip chart in order to mobilize support from the Khan Integration Workshop (KIW) which usually held in October and November annually.

Sangkat chief presented what were done and what were not done by those (development agencies and line departments) who pledged to support the Sangkat projects in the previous year, and also presented the projects that were seeking the support for the next year. After presentation, development agencies and line departments were advised to inquiry the Sangkat chief and participated PBC regarding the project title, location (village), which presented in the flip chart, and sometimes PBC was advised to change the title of the project to fit with their objectives. These supporters were invited to sign the temporary contract agreement with Sangkat what they wished to support for development in Sangkats.



After the KIW, Sangkat Chief, PBC, Khan Facilitator Team, and other SCs were invited to the meeting at Sangkat level for projects approval to be funded by the Sangkat fund as on objectives and criteria (to the poorest village, top priority in the list and infrastructure). All Sangkat fund were used to support infrastructure, and projects which supported by the line departments and development agencies, and the participants including 6 out 6 SCs, as require, and other 23 of PBC members, to provide comments, and vote for approval of SDPs in the respective years. It was bunched into a book including minute of Sangkat meeting, and along with attendance list, Sangkat map, Sangkat situation analysis, approved projects, non-approved projects, projects were implemented in previous year, and budget from different sources and also Sangkat fund, and was sent to Division of Planning and Investment of Phnom Penh Capital Hall (PPCH) for comment and approval. The approved project list was disseminated and posted the Khan and the Sangkat information boards respectively, and also available in every village of



Once SDPs approved, Sangkat chief and SCs assigned M&EC including Sangkat chief, a SCs, village chief, and village chief assistant from the village that awarded the Sangkat fund to implement the project. These people will take role to conduct feasibility study including land acquisition with villagers, environment and social safeguard impact assessment. Site studies were conducted by the technical support officers from Khan and PPCH, in order to conduct technical measurement, technical design, plan, and cost estimation, and other related documents. Soon after the technical design of Sangkat project were available, SCs, with technical support officer and Khan facilitators, prepared a bid request or bid announcement. The procurement processes were undertaken at the Khan level, where all Sangkats within the Khan Dangkao were gathering. The procurement event was chaired and participated by Khan governors, Division of Planning and Investment, PPCH officials, and village chief who benefited from the projects, and other contractors. At least three contractors were required as effective bidding competition.

Seventh Stage:

Monitoring and

Evaluation

(M&E)

Before the project commencing to implement, M&EC requested through verbal to villagers who live along the project site to facilitate in terms of land clearance for the convenience of contractors to implement the project. In the meantime, village chief and their colleagues were explained and given the design of project documents in order to follow up, however these people were not every good understanding of the design, they just requested for verb explanation which helped them to follow up with the contractors. Project M&E committee and technical support officer conducted field monitor to confirm that whether the project completed according to the contractor's report or not. Village chief and elder people who live along the road were invited to participate the monitoring at the project site, and allowed to comment on the quality of project with technical officer, and Sangkat chief and SCs of Sanakats.

Source: Field Survey, 2020.

Sangkat Dangkao.

6.6.2 Opinions of SCCs on Application of GGPs in SDPs for Poverty Reduction

Opinions of SCs and committees (SSCs) on the applications of good governance principles (GGPs) in Sangkat Development Planning (SDP) for poverty reduction were sought through different approaches including group discussion and individual interview.

a) Rule of Law

Rule of law in SDPs means legal framework related to SDPs and implementation including law on Commune/Sangkat administrative and management, sub decree on Commune/Sangkat fund, proclamations on SDPs, Commune/Sangkat financial management system and Project Implementation Manual (PIM). Based on group discussion, SCCs within Sangkat stated that they had higher applied the rule of law in SDPs for Sangkat Dangkao, while Sangkat Prey Veaeng mentioned that they had also high applied the rule of law in SDPs. Both Sangkats were found in practicing rule of law they were relying on SDPs and SIPs manual, and PIM. Moreover, monthly meeting of SCCs were regularly conducted, which strictly complied with internal rule, regulation and rule of law enforcement by SCCs in both Sangkats.

b) Participation

In overall, Sangkat Dangkao slightly moderate (WAI=0.66) applied participation in SDPs, implement, monitoring and evaluation. Furthermore, Sangkat Dangkao applied participation in the early stage of SDPs such as local people participation in problem and need identification, and prioritization of SDPs project, selection of SDPs project location, and specially for information about project are shared among SCC and PBC, and SCCs exchange ideas about project of SDPs with Khan officers had higher of WAI (0.98 and 0.89 respectively), while the lowest value of WAI in the application of participation in SDPs was poor people contribute labour and financial resources for project implementation, at WAI=0.50.

Sangkat Prey Veaeng moderately (WAI= 0.62 on average) applied participation in SDPs. Sharing information of SDPs among SCC and PBC, and exchange ideas about project of SDPs with Khan officers had higher value of WAI application than other items of participation (WAI=0.94 and WAI=0.86 respectively). But, poor people participation in activities of project implementation, and poor people contribute labour and financial resources for project implementation, at WAI=0.40 individually.

Nonetheless, the participation of poor people in problems and need identification and prioritization of SDPs was limited as WAI=0.54 in Sangkat Prey Veaneg and WAI=0.57 in Sangkat Dangkao. Yet, the SCCs exchange ideas about project of SDPs with NGOs and local CBOs had also low value of WAI=0.50 in Sangkat Prey

Veaeng and WAI=0.56 in Sangkat Dangkao. Nevertheless, local poor people in these Sangkats had actively participated in project monitoring and evaluation at moderately. Not only the committee of maintenance group in each village, all villagers were also encouraged to do so for the longer use of the project output. Participation was fully mainstreamed into SDPs by both Sangkats, especially during the early stage of SDPs, as seen in the above elaboration SDPs process.

Table 6.25: Application of Participation in SDP Perceived by SCCs

Items	Saı	ngkat Da SCCs (I	angkao's N=9)	Sangkat Prey Veaeng's SCCs (N=7)			
	App	olied	Degree of Application	Applied		Degree of Application	
	Yes (%)	No (%)	WAI*	Yes (%)	No (%)	WAI	
Participation			0.66			0.62	
SCCs exchange ideas about project of SDPs with Khan officers	100.0	0.0	0.89	100.0	0.0	0.86	
SCs exchange ideas about project of SDPs with local CBOs	66.7	33.3	0.57	42.9	57.1	0.55	
SCCs exchange ideas about project of SDPs with NGOs	55.6	44.4	0.56	57.1	42.9	0.50	
Information about project are shared among SCC and PBC	100.0	0.0	0.98	100.0	0.0	0.94	
Poor people participation in problems and need identification	66.7	33.3	0.57	71.4	28.6	0.54	
Poor people participation in prioritize project of SDPs	77.8	22.2	0.54	85.7	14.3	0.57	
Poor people contribute labour and financial resources for project implementation	44.4	55.6	0.50	42.9	57.1	0.40	
Poor people participation in activities of project implementation	55.6	44.4	0.56	42.9	57.1	0.40	
Poor people participation in project monitoring and evaluation	66.7	33.3	0.64	57.1	42.9	0.60	

Note:*

Lowest	Low	Moderate	High	Highest
0.20	0.40	0.60	0.80	1.0

c) Accountability

As can be seen in Table 6.26, Sangkat Dangkao had applied all accountability items with high (WAI=0.85) in SDPs, generally. Particularly, among other items of accountability in SDPs, SCCs conduct evaluation on SDPs implementation performance evaluation had strongly applied, at AWI=0.93, and it was followed by procurement committee execute their responsibilities in project procurement from as assigned in project implement manual, and PBCs members perform according to assigned tasks in SDP guideline of WAIs of 0.88, 0.87 respectively. However, among the items of accountability in SDPs, SCCs keep reporting about SDPs projects progress to public, and reporting about the decision making during project activities implementation to public were applied at moderately of WAIs of 0.64, 0.66, individually.

Sangkat Prey Veaeng was also perceived high applied (WAI=0.81) on accountability in SDPs in overall. SCCs reporting about decision made during SDPs activities to public, and SCCs keep reporting about SDPs projects progress to public were also applied but in lower value of WAI (0.65 and 0.66 respectively) other items which apply greater than 0.74 of WAI, as SCCs perceived that there was high responsible of the output of the project after completion.

Both Sangkats accomplished highly on the application of accountability in SDPs. Nevertheless, Sangkat Dangkao performed better in terms of WAI value. All SCCs in these Sangkats were assigned the tasks according to the skill and their capacities in PBC, PC, and M&E committee. As mentioned earlier in this chapter, PBC took their roles and responsibilities in prepare and implementation of SDPs. Procurement Committee (PC) took their responsibilities in procurement. Meanwhile, M&EC took roles and responsibilities to monitor and evaluate during the project implementation. The progress of project implementation and quality of project was keeping reported by village head to M&EC.

Table 6.26: Application of Accountability in SDP Perceived by SCCs

Items	_	Sangkat Dangkao's Sangkat Prey Vea SCCs (N=9) SCCs (N=7)					
	Appl	ied	Degree of Application	Applied		Degree of Application	
	Yes (%)	No (%)	WAI*	Yes (%)	No (%)	WAI	
Accountability			0.85			0.81	
PBCs members perform according to assigned tasks in SDP guideline	100.0	0.0	0.87	100.0	0.0	0.80	
Procurement committee execute their responsibilities in project procurement from as assigned in project implement manual	100.0	0.0	0.88	100.0	0.0	0.80	
M and E committee members performance in project monitoring and evaluation according to the assigned tasks in SDPs	100.0	0.0	0.82	100.0	0.0	0.74	
PBC, Procurement committee and M and E committee are accountable to the outcome of SDPs and project implementation	100.0	0.0	0.84	100.0	0.0	0.86	
SCCs conduct evaluation on SDPs implement performance	100.0	0.0	0.93	100.0	0.0	0.83	
SCCs keep reporting about SDPs projects progress to public	100.0	0.0	0.64	100.0	0.0	0.66	
SCCs reporting about decision made during SDPs activities to public	100.0	0.0	0.66	100.0	0.0	0.65	
Conflicts conflict of interest of SDP project and fund has been solved by SCCs	100.0	0.0	0.76	100.0	0.0	0.77	

Note*:

11000				
Lowest	Low	Moderate	High	Highest
0.20	0.40	0.60	0.80	1.0

d) Transparency

As shown in Table 6.27, SCCs evaluated that they had applied highly (WAI=0.88) for Sangkat Dangkao, while Sangkat Prey Veaeng was perceived higher at WAI=0.83. Specifically, Sangkat Dangkao, bidding results announce to public and among bidding companies, and project expense expose at the project site (signboard) were highly applied among other items of transparency of WAI 0.96 respectively. It was followed by participatory annual budgeting planning among PBC members, at WAI=0.93. In addition, awarding the contract based on majority voting of committee members, and expense on project of SDPs recorded according to SC financial system had also highly applied with WAI=0.89 respectively. However, financing reporting about the project disclose to the public was also applied but in lower value of WAI of 0.69 among other items of transparency.

Sangkat Prey Veaeng, bidding results announce to public and among bidding companies, and project expense expose at the project site (signboard) were seen slightly higher applied than Sangkat Dangkao, at WAI=0.97 respectively. And it was followed by awarding the contract based on majority voting of committee members, and participatory annual budgeting planning among PBC members, at WAI=0.86 individually. It was not quite different from Sangkat Dangkao, financing reporting about the project disclose to the public was also applied at moderately (WAI=0.66) among other items of transparency. Overall, both Sangkats attained highly on the application of transparency in SDPs. But, Sangkat Dangkao performed better in terms of WAI value.

Table 6.27: Application of Transparency in SDP Perceived by SCCs

Items	_	Sangkat Dangkao's SCCs (N=9)			Sangkat Prey Veaeng's SCCs (N=7)		
	Appl	ied	Degree of Application	Applied		Degree of Application	
	Yes (%)	No (%)	WAI*	Yes (%)	No (%)	WAI	
Transparency			0.88			0.83	
Awarding the contract based on majority voting of committee members	100.0	0.0	0.89	100.0	0.0	0.86	
Bidding results announce to public and among bidding companies	100.0	0.0	0.96	100.0	0.0	0.97	
External financial audits conducted by municipality finance officer	100.0	0.0	0.84	100.0	0.0	0.80	
Expense on project of SDPs recorded according to SC financial system	100.0	0.0	0.89	100.0	0.0	0.71	
Project expense expose at the project site (signboard)	100.0	0.0	0.96	100.0	0.0	0.97	
Participatory annual budgeting planning among PBC members	100.0	0.0	0.93	100.0	0.0	0.86	
Financing reporting about the project disclose to the public	100.0	0.0	0.69	100.0	0.0	0.66	

Note*:

Lowest	Low	Moderate	High	Highest
0.20	0.40	0.60	0.80	1.0

Source: Field Survey, 2020.

e) Effectiveness and Efficiency

As can be seen in Table 6.28, in overall, Sangkat Dangkao still had comparative achievement in application of every items of effectiveness and efficiency at WAI=0.82, while WAI=0.80 for Sangkat Prey Veaeng. Mostly, among other items of effectiveness and efficiency in SDPs of Sangkat Dangkao, SDPs developed according to the schedule annually had strongly applied, at AWI=0.98, and it was followed by budget allocated to the priority project of SDPs, and SC members assigned task according to their skills capacity at AWI=0.89, respectively. In addition, among the items of effectiveness and efficiency in

SDPs, Sangkat fund is economically used in SDPs investment, and technical staff from municipality and Khan fully committed to support SCCs in technical project design, site study and cost estimation (infrastructure project) were applied at highly of WAIs of 0.87, 0.84, individually. Except, SDPs finished on time, and Sangkat fund disbursed on time for SDPs implement were applied at moderately of WAIs of 0.65, 0.63, respectively.

Sangkat Prey Veaeng highly (WAI=0.80 on average) applied effectiveness and efficiency in SDPs in overall. SDPs developed according to the schedule annually, and SC members assigned task according to their skills capacity had higher value of WAI application than other items of effectiveness and efficiency (WAI=0.97 and WAI=0.87 respectively). But, SDPs finished on time, and Sangkat fund disbursed on time for SDPs implement were applied at moderately of WAIs of 0.60 individually.

Overall, effectiveness and efficiency were perceived higher application by both Sangkats. Particularly, in perception of budget allocated to the priority project of SDPs, and Sangkat fund is economically used in SDPs investment, SCCs claimed themselves that Sangkat fund was used in effectiveness and efficiency way to maximize benefits as it was seen in the process of competitive project procurement which the lowest cost, with the designed technical plan, was awarded the contractor which elaborated in CDPs process above.

Table 6.28: Application of Effectiveness and Efficiency in SDP Perceived by SCCs

Items	-	gkat D SCCs (angkao's N=9)	Sangkat Prey Veaeng's SCCs (N=7)		
	Appl	lied	Degree of Application	Applied		Degree of Application
	Yes (%)	No (%)	WAI*	Yes (%)	No (%)	WAI
Effectiveness and Efficiency			0.82			0.80
SDPs developed according to the schedule annually	100.0	0.0	0.98	100.0	0.0	0.97
SDPs finished on time	44.4	55.6	0.65	42.9	57.1	0.60
SC members assigned task according to their skills capacity	100.0	0.0	0.89	100.0	0.0	0.87
Sangkat fund disbursed on time for SDPs implement	77.8	22.2	0.63	71.4	28.6	0.60
Budget allocated to the priority project of SDPs	100.0	0.0	0.89	100.0	0.0	0.86
Technical staff from municipality and Khan fully committed to support SCs in technical project design, site study and cost estimation (infrastructure project)	100.0	0.0	0.84	100.0	0.0	0.83
Sangkat fund is economically used in SDPs investment	100.0	0.0	0.87	100.0	0.0	0.86

Note*:

Lowest	Low	Moderate	High	Highest
0.20	0.40	0.60	0.80	1.0

Source: Field Survey, 2020.

f) Responsiveness

Based on group discussion, SDPs responded to the needs and issues of local people. SDPs of both Sangkats addressed the real needs, as in the top prioritized SDPs, of local people in general (as these were proposed the real need of local people) and in particularly to ID Poor and vulnerable group such as women, children and handicap person as their concerns were incorporated into SDPs and funded accordingly. Particularly, infrastructure project not only addressed the needs of local people in general, but it was also benefited directly to ID Poor and vulnerable group or individual, children and women in the villages.

Figure 6.10: The Application of GGPs in SDPs for Poverty

Applied in stage 2,6 and 7 of SDPs



Responsiveness, Equity, Consensus oriented

- Plans match with local problem and needs
- Equity and avoid discrimination in selection of beneficiaries/areas
- Poor and vulnerable people

Accountability

- Planning preparation
- Accountable to electorate (local people) (downward)
- Role of PBC, PC, and M&E committee

Applied in all stages of SDPs

Source: Field Survey, 2020.

Participation

- Men & women participation
- In decision making
- In contribution
- In implement
- In Monitoring & Evaluation

GGPs in Decentralized in SDPs

Effectiveness and efficiency

- Time frame (scheduling)
- Resource utilization and optimization
- Matching resource with local problems and needs

Applied in the whole process of SDPs

Applied in the whole process of SDPs

Rule of Law

Related legal framework
 (SDP, PIM, C/S Fund, and
 Commune/Sangkat Financial
 Management System)

Transparency

- Transparency in finance based on related regulations and guidelines
- Openly disclosed information
- Resource allocation

Applied in stage 3,4,5,6 and 7 of SDPs

6. 7 Conclusion

In conclusion, the study was evidenced that the Sangkat Council and Committees (SCCs) in both Sangkats had an opportunity to attend a number of related local good governance courses since 1996. This was considered as the foundation for become a healthy and an effective institution that would be able to provide the best possible development outcomes and services for their local people. However, the degree of understanding on the meaning of the eight local good governance principles was at moderate level, while the awareness of local people on good governance principles had been very low, and had not much interested.

The SCCs respondents from both Sangkats perceived that ignorance was a main root cause and major impact on the poverty, while local people considered the unemployment as a very serious factor and greatly affected their living conditions.

The household respondents in both Sangkats had directly or indirectly involved in the application of local good governance principles in their daily life. The application of good governance principles in the SDP had provided a huge benefit to the poor and vulnerable people in the two Sangkats. For instance, the household's respondents firmly stated that the quality of public services in their community, particularly school, electricity, water supply, and Sangkat and village administration services had become better if compare with 2018.

Therefore, the promotion of good governance principles took place in various fields of actions, at different levels and with a range of local authorities, communities and other key stakeholders. These includes respecting, protecting, empowering, democracy, rules of law, gender equality, administrative reform and decentralization, which these would be directly contributed to poverty reduction in the study areas.

CHAPTER 7: PERCEPTION OF SCCs AND HHs ON THE CONTRIBU-TION OF GGPs IN SDPs FOR POVERTY REDUCTION

7.1 Introduction

This chapter consists of three sections elaborate the opinions on the contribution of GGPs in SDPs for poverty reduction. First section provides perception of SCCs and local people on satisfaction of GGPs in SDPs for poverty reduction. The second section explained opinions on influencing GGPs in SDPs for poverty reduction, and the last section summarized the above sections findings.

7.2 Satisfaction on Contribution of GGPs in SDPs for Poverty Reduction

7.2.1 Satisfaction of SCCs

Level of satisfaction on the performance of SCs and committees within the respective Sangkats on the contribution of GGPs in SDPs including rule of law, participation, accountability, responsiveness, transparency, and effectiveness and efficiency were observed and interviewed on sub components of each principle respectively.

a) Rule of Law

From the group discussion, rule of law of both Sangkats were strongly satisfied the contribution of rule of law including PIM, SDP and SIP manual, Financial Management Declaration, and related regulations and manuals in SDPs. Without these guidelines and manual SDPs would not possible. Satisfied opinions were given in this regard as not all the regulations were applied in SDPs; it needed flexibility in order to reach the goal annually. However, rule of law was very important for SCs and committees as it prescribes the di-

rection for SCCs. As mentioned in Chapter 6 that it was strictly applied by both Sangkats in terms of information dissemination through monthly meeting which defined in internal rule and regulation of SCCs.

b) Participation

As can be seen in Table 7.1 below, about 67 per cent of SCCs the dissatisfaction with the lowest score (WAI: -1.00) in Sangkat Dangkao was "poor people contribute labour and financial resources for project implementation" as the poor and vulnerable people were not able to contribute for both labour and financial resources for SDPs project implementation. However, SCs and committees from Dangkao were strongly satisfied on sharing information about project among SC and PBC, and ex-changing ideas about project of SDPs with Khan officers at the highest WAI=1.43 and WAI=1.14 respectively.

Similarly, 71.4 per cent the SCs and committees from Sangkat Prey Veaeng perceived least satisfaction on the contribution of the poor in SDPs; particularly the contribution of labour and financial resources for SDPs project implementation by poor and vulnerable people was strongly dissatisfied at WAI=-1.33 as they were not able to support the SDPs project implementation. Nevertheless, SCs and committees were strongly satisfied on sharing information about project among SCs and PBC, and exchanging ideas about project of SDPs with Khan officers at the highest WAI=1.78 and WAI=1.22 in comparison to the rest items.

In general, SCs and committees in Dangkao were least satisfaction on the contribution of participation in SDPs at WAI=0.51, but it was higher than Sangkat Prey Veaeng at WAI=0.40.

Table 7.1: Satisfaction of SCCs on Participation Contributed in SDPs for Poverty Reduction

Items	Sangk	Sangkat Dangkao SCCs (N=9)			Sangkat Prey Veaeng SCCs (N=7)		
	Satis	Satisfied Degree of Satisfaction		Satisfied		Degree of Satisfaction	
	Yes (%)	No (%)	WAI*	Yes (%)	No (%)	WAI	
Participation			0.51			0.40	
SCs exchange ideas about project of SDPs with Khan officers	100.0	0.0	1.14	100.0	0.00	1.22	
SCs exchange ideas about project of SDPs with local CBOs	44.4	55.6	0.29	42.9	57.1	0.44	
SCs exchange ideas about project of SDPs with NGOs	55.6	44.4	0.43	57.1	42.9	0.33	
Information about project are shared among SC and PBC	100.0	0.0	1.43	100.0	0.0	1.78	
Poor people participation in problems and need identification	44.4	55.6	0.57	42.9	57.1	0.67	
Poor people participation in prioritize project of SDPs	44.4	55.6	0.43	42.9	57.1	0.33	
Poor people contribute labour and financial resources for project implementation	33.3	66.7	-1.00	28.6	71.4	-1.33	
Poor people participation in project implementation	22.2	77.8	0.00	14.3	85.7	0.00	
Poor people participation in project monitoring and evaluation	55.6	44.4	0.25	57.1	42.9	0.20	

Note:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

Source: Field Survey, 2020.

c) Accountability

Table 7.2 below shown that reporting about decision made during SDPs activities to public, performance of PBC members, M and E committee, procurement committee, problems solving on SDP conflict during project implement, and accountability of these committees on output and outcome of the project were strongly satisfied by SCs and committees in Prey Veaeng at WAI was from 1 to 1.57, nonetheless they were not strongly satisfied (WAI=0.89) on reporting about SDPs projects progress to public. In contrast, all items of accountability were strongly satisfied by SCs and committees of Sangkat

Dangkao, at minimum WAI=1.00 and maximum WAI=1.67, Sangkat Dangkao applied these items strictly referring to Chapter 6 and in above sections.

In conclusion, SCs and committees in Sangkat Dangkao were strongly satisfied on accountability in SDPs at WAI=1.30 which was slightly higher than Sangkat Prey Veaeng at WAI=1.25.

Table 7.2: Satisfaction of SCCs on Accountability Contributed in SDPs for Poverty Reduction

Items	Sangl	Sangkat Dangkao SCCs (N=9)			Sangkat Prey Veaeng SCCs (N=7)		
	Satis	sfied	Degree of Satisfaction	Satis	sfied	Degree of Satisfaction	
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI	
Accountability			1.30			1.25	
PBCs members perform according to assigned tasks in SDP guideline	100.0	0.0	1.29	100.0	0.0	1.11	
Procurement committee execute their responsibilities in project procurement from as assigned in project implement manual	100.0	0.0	1.67	100.0	0.0	1.44	
M and E committee members performance in project monitoring and evaluation according to the assigned tasks in SDPs	100.0	0.0	1.14	100.0	0.0	1.22	
PBC, Procurement committee and M and E committee are accountable to the outcome of SDPs and project implementation	100.0	0.0	1.43	100.0	0.0	1.57	
SCs conduct evaluation on SDPs implement performance	100.0	0.0	1.43	100.0	0.0	1.44	
SCs keep reporting about SDPs projects progress to public	100.0	0.0	1.29	100.0	0.0	0.89	
SCs reporting about decision made during SDPs activities to public	100.0	0.0	1.00	100.0	0.0	1.00	
Conflicts conflict of interest of SDP project and fund has been solved by SCs	100.0	0.0	1.14	100.0	0.0	1.33	

Note:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

d) Transparency

Majority of Dangkao SCs and committees satisfied the application of transparency items in SDPs; yet, there was not strongly satisfied on the financing reporting about the project disclose to the public as it was not well practiced by SCs, and it was not widely disseminated as information to the villagers and any interested stakeholders (WAI=0.78). However, they perceived strong satisfaction in participatory annual budgeting planning among PBC members at (WAI=1.78). Except the disclosing of project financial report to the public and any interested stakeholders, SCs and committees in Sangkat Prey Veaeng were strongly satisfied on all items of as in Table 7.3 below.

In general, transparency in SDPs in Dangkao was stronger satisfied by SCs and committees at WAI=1.30, while it was satisfied at WAI=1.22 by Prey Veaeng SCs and committees on this application.

Table 7.3: Satisfaction of SCCs on Transparency Contributed in SDPs for Poverty Reduction

Items	Sangkat Dangkao SCCs (N=9)			Sangkat	ng SCCs	
	Satisfied		Degree of Satisfaction	Satisfied		Degree of Satisfaction
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Transparency			1.30			1.22
Awarding the contract based on majority voting of committee members	100.0	0.0	1.33	100.0	0.0	1.14
Bidding results announce to public and among bidding companies	100.0	0.0	1.56	100.0	0.0	1.71
External financial audits conducted by municipality finance officer	100.0	0.0	1.11	100.0	0.0	1.14
Expense on project of SDPs recorded according to SC financial system	100.0	0.0	1.00	100.0	0.0	1.00
Project expense expose at the project site (signboard)	100.0	0.0	1.56	100.0	0.0	1.57
Participatory annual budgeting planning among PBC members	100.0	0.0	1.78	100.0	0.0	1.29
Financing reporting about the project disclose to the public	100.0	0.0	0.78	100.0	0.0	0.71

Note:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

e) Effectiveness and Efficiency

Table 7.4 shown that SCs and committees in Sangkat Dangkao perceived not strong satisfactions on timely disbursement of fund for SDPs implement, and pending on project implementation, respectively WAI=0.78, WAI=0.83, as explained in Chapter 6; however they perceived strongly satisfaction on preparing of SDPs according to the schedule annually, and Sangkat fund is economically used in SDPs investment, (WAI=1.67, 1.44).

Similarly, SCs and committees in Sangkat Prey Veaeng perceived least satisfaction on timely disbursement of fund for SDPs implement, and pending on project implementation at WAIs of 0.57, 0.75, respectively. Strong satisfaction was given on funding is economically used in SDPs investment, assigning task of SC members according to their skills capacity, and developing of SDPs according to the schedule annually at WAI=1.43 individually.

Table 7.4: Satisfaction of SCCs on Effectiveness and Efficiency Contributed in SDPs

Items	Sangkat Dangkao SCCs (N=9)			Sangkat Prey Veaeng SCCs		
					(N=	7)
	Satist	fied	Degree of	Satis	sfied	Degree of
			Satisfaction			Satisfaction
	Yes	No	WAI	Yes	No	WAI
	(%)	(%)		(%)	(%)	
Effectiveness and Efficiency			1.21			1.17
SDPs developed according to the schedule annually	100.0	0.0	1.67	100.0	0.0	1.43
SDPs finished on time	66.7	33.3	0.83	57.1	42.9	0.75
SC members assigned task according to their skills capacity	100.0	0.0	1.33	100.0	0.0	1.43
Sangkat fund disbursed on time for SDPs implement	77.8	22.2	0.78	71.4	28.6	0.57
Budget allocated to the priority project of SDPs	100.0	0.0	1.22	100.0	0.0	1.29
Technical staff from municipality and Khan fully com-						
mitted to support SCs in technical project design, site	100.0	0.0	1.22	100.0	0.0	1.29
study and cost estimation (infrastructure project)						
Sangkat fund is economically used in SDPs investment	100.0	0.0	1.44	100.0	0.0	1.43

Note:

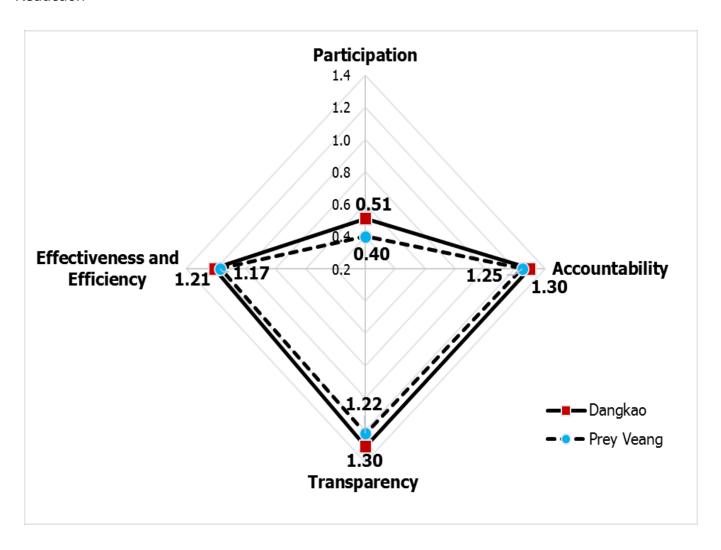
Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

f) Responsiveness

Though the Sangkat fund was not able to address all the needs and issues which were proposed in SDPs, about 80 per cent of SCs and committees satisfied that SDPs as it reflected to the needs and issues in the both Sangkats (Dangkao and Prey Veang). And about 65 per cent of the projects were supported by the SDPs annually, particularly for the small-scale infrastructure projects. As seen in Chapter 6, and in this Chapter, Prey Veaeng was less satisfied on the responsiveness of its SDPs, while Sangkat Dangkao was better according to Chapter 6, and responsiveness achievements in this Chapter.

From the above perceptions on satisfaction on six elements of good governance principles, the following figure illustrated the score of satisfaction perception which made by SCs and committee in both Sangkats. As mentioned, previous section, Sangkat Dangkao was perceived higher satisfaction on the contributions of GGPs for poverty reduction including participation, accountability, transparency, and effectiveness and efficiency. While, the rest of elements were not mentioned in the figure as it was based on group discussion, and therefore exact score was not calculated. Meanwhile, Sangkat Prey Veaeng was perceived lower satisfaction in comparison to Sangkat Dangkao. However, it was noted that the SCCs in both Sangkats perceived negative satisfaction on participation of poor people in contribution of labour and financial resources for project implementation, and least satisfaction on participation of poor people in project implementation.

Figure 7.1: Perception of SCCs on Satisfaction on Contribution of GPPs in SDPs for Poverty Reduction



Note:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

7.2.2 Satisfaction of Sampled Households

Different opinions on the level of satisfaction of households from different Sangkats were elaborated below.

a) Rule of Law

As can be seen in Table 7.5 below, all rule of law items was satisfied by sampled house-holds from Sangkat Dangkao. However, it was found at the lowest score of WAI in satisfaction at 0.50. This was due to the people did not feel safe after the case related with land and building dispute had been resolved. However, sampled households from Dangkao were strongly satisfied on violent disputes resolution among member of community, violent disputes in waste management, and environmental pollution in their communities.

Except the land and building dispute issue, the sampled households in Sangkat Prey Veaeng were strongly satisfied on all items of as in Table 7.5 below. In general, rule of law in Prey Veaeng was satisfied sampled households at WAI=0.60, while it was stronger satisfied by Dangkao sampled households at WAI=0.66.

Table 7.5: Satisfaction of Sampled HHs on Rule of Law Contributed in SDPs

Items	Sang	kat Dan (N=4	igkao HHs 8)	Sangk	at Prey Ve (N=140	eaeng HHs D)
	Satisfied		Degree of Satisfaction	Satisfied		Degree of Satisfaction
	Yes (%)	Yes No WAI		Yes No (%)		WAI
Rule of Law			0.66			0.60
Land/building dispute	62.5	37.5	0.50	59.3	40.7	0.48
Violent disputes among member of						
community	72.9	27.1	0.85	74.3	25.7	0.71
Environmental pollution	62.5	37.5	0.61	64.3	35.7	0.57
Violent disputes in waste management	70.8	29.2	0.70	71.4	28.6	0.65

b) Participation

As seen in Table 7.6, among nine items of participation were found that sampled households had negative opinion on the level of satisfaction on the improvement of hygiene and sanitation, and participation of sampled household in waste management in Sangkat Dangkao, because most of people including poor and vulnerable people were not much care about the hygiene and sanitation activities, and moreover sampled households were not satisfied the waste collectors, who always late in collecting the waste in their communities. While the rest were perceived strongly satisfied.

Similarly, they were found that two items of participation had perceived negative satisfaction these were the hygiene and sanitation and waste management, who waste collectors who always delayed in collection of waste in Sangkat Prey Veang. However, they perceived satisfaction on education program, gender program, public security, and electricity, while participation with road construction and health service program were perceived strongly satisfaction by local people.

Table 7.6: Satisfaction of Sampled HHs on Participation Contributed in SDPs

Items	Sang	kat Dan (N=4	gkao HHs 8)	Sangk	at Prey Vo (N=14)	eaeng HHs O)
	Satisfied Degree of Satisfaction		Sati	sfied	Degree of Satisfaction	
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Participation			0.46			0.44
Education program	88.9	11.1	1.10	81.4	18.6	0.96
Health service program	73.6	26.4	1.04	70.2	29.8	1.00
Road construction	89.4	10.6	1.10	90.6	9.4	1.32
Water supply	75.2	24.8	0.81	63.6	36.4	0.57
Electricity	72.5	27.5	0.69	72.2	27.8	0.71
Hygiene and sanitation	29.7	70.3	-1.23	25.5	74.5	-1.15
Public security	75.5	24.5	1.00	70.4	29.6	0.64
Waste management	38.9	61.1	-1.12	39.4	60.6	-1.06
Gender program	55.1	44.9	0.78	66.4	33.6	0.93

c) Accountability

Based on group discussion among the villagers from these Sangkats, they satisfied the application of accountability in terms of performance of SCs according to their responsibilities such as procurement, M and E committee, PBC, and moreover the responsibility on the output of the project implementation. On the other hand, the sampled households in Sangkat Dangkao had much higher satisfaction than Sangkat Prey Veang; reasons were mentioned in the above section. Among men and women during the group discussion in these Sangkats, men firmly argued satisfaction, while women were not able to articulate much in this issue as there was no special provision project for women from the Sangkat development fund.

d) Transparency

Table 7.6 describes that Sangkat Dangkao was found negative satisfaction including financial report about SDP projects disclosed to public, result of bidding expose to the public, and imbalance allocation of budget to the SDP project (WAI=-1.13, WAI=-0.08, WAI=-0.14, respectively). Nevertheless, villagers perceived satisfaction on signboard contains project budget and contribution present at each project site (WAI=1.09), SCs gives information to those impacted by project of SDPs (WAI=1.04), and SCs encourage village headmen to spread information about project (WAI=1.02).

Sangkat Prey Veaeng was found negative satisfaction on the budget allocation to SDP project (WAI=-1.07), this was the because of the high demands for each village which were not able to supply but the Sangkat fund, and they were trying to cover the most

priority need village first. In addition, the sampled households also perceived dissatisfaction on financial report about SDP projects disclosed to public (WAI=-0.21), and result of bidding expose to the public (WAI=-0.27). Sampled households still perceived satisfaction on posting project signboards (as it was explained verbally about the project information after project completion made by SCs), SCs gives information to those impacted by project of SDPs, and SCs encourage village headmen to spread information about project at WAI=1.03, WAI=0.02, WAI=1.00, respectively.

Table 7.6: Satisfaction of Sampled HHs on Transparency Contributed in SDPs

Items	Sangkat Dangkao HHS (N=48)			Sangkat Prey Veaeng HHs (N=140)		
	Satisfied		Degree of Satisfaction	Sati	sfied	Degree of Satisfaction
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Transparency			0.44			0.36
Budget allocation to the SDP project	14.6	85.4	-0.14	17.9	82.1	-1.07
Financial report about SDP projects disclosed to public	20.8	79.2	-1.13	21.4	78.6	-0.21
Signboard contains project budget and contribution present at each project site	79.2	20.8	1.09	78.6	21.4	1.03
Result of bidding expose to the public	18.8	81.3	-0.08	14.3	85.7	-0.27
SCs gives information to the public about the SDPs	72.9	27.1	0.92	70.0	30.0	0.80
SCs spread information about the project in public post	66.7	33.3	0.79	59.3	40.7	0.56
SCs encourage village headmen to spread information about project	68.8	31.3	1.02	85.7	14.3	1.00
SCs gives information to those impacted by project of SDPs	79.2	20.8	1.04	80.7	19.3	1.02

Source: Field Survey, 2020.

e) Effectiveness and Efficiency

Table 7.7 shown that sampled households in Sangkat Dangkao perceived less satisfaction on sustainability of the project (WAI=0.79); nevertheless, they perceived strong satisfaction on the project's quality, and benefits gain from the expense (low cost, high benefits) (WAI=1.21, WAI=1.17, respectively).

Likewise, the sampled households from Sangkat Prey Veaeng they were found less satisfaction on the long lasting of the project (sustainability) at WAI=0.56, but they perceived strong satisfaction on the project quality at WAI=1.19, and cost-benefit of the project (low cost, high benefit) at WAI=1.01.

Generally, the satisfaction on effectiveness and efficiency were satisfied by sampled households in Sangkat Dangkao at WAI=1.06, which were better than in comparison to Sangkat Prey Veaeng at WAI=0.92.

Table 7.7: Satisfaction of Sampled HHs on Effectiveness and Efficiency Contributed in SDPs

Items	Sa	ngkat D (N=4	angkao 8)	Sangkat Prey Veang (N=140)				
					Degree of Satisfi Satisfaction		sfied	Degree of Satisfaction
			WAI	Yes No (%)		WAI		
Effectiveness and Efficiency			1.06			0.92		
Project quality	89.6	10.4	1.21	90.7	9.3	1.19		
Long lasting of the project (sustainability)	72.9	27.1	0.79	77.9	22.1	0.56		
Cost-benefit of the project (low cost, high								
benefit)	79.2	20.8	1.17	82.1	17.9	1.01		

Source: Field Survey, 2020.

f) Responsiveness

As in Table 7.8, sampled households perceived strong satisfaction on problems and needs addressed by SDP projects, benefits of the project to community including vulnerable groups and individuals, and women, access to public school service, and implemented at the time local problems and needs occurred (WAI=1.78, WAI=1.70, WAI=1.69, WAI=1.55, respectively). However, the sampled households in Sangkat Dangkao perceived less satisfaction on the project of SDPs allocated to every village of the Sangkat (WAI=0.09), access to public health services (WAI=0.50), and all poor villages and urban poor communities included in SDP project (WAI=0.60).

Meanwhile, Sangkat Prey Veaeng perceived similarly to Sangkat Dangkao, yet the WAIs in Sangkat Dangkao were higher (WAI=1.11, WAI=1.03, respectively), as number of projects which supported by SDPs in Sangkat Dangkao were greater responded than Prey Veang, also the duration of project of implementation in Sangkat Dangkao was not prolonged as longer as Prey Veang.

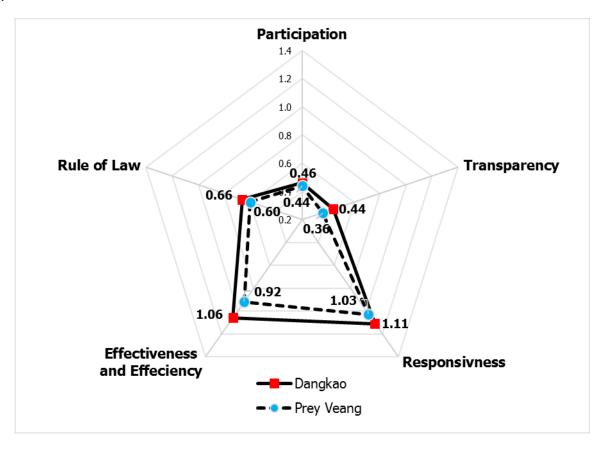
Table 7.8: Satisfaction of Sampled HHs on Responsiveness Contributed in SDPs

Items		ngkat I (N=	Dangkao 48)	Sangkat Prey Veang (N=140)		
	Satisfied Degree of Satisfaction		Satisfied		Degree of Satisfaction	
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Responsiveness			1.11			1.03
SDPs addressed local problems and needs	81.3	18.8	1.78	84.3	15.7	1.69
Project of SDPs implemented within time frame	66.7	33.3	0.99	64.3	35.7	0.94
Project of SDPs implemented at the time local						
problems and needs occurred	77.1	22.9	1.55	82.9	17.1	1.17
Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual, and women)	85.4	14.6	1.70	89.3	10.7	1.77
Project of SDPs is allocated to every village of	03.1	11.0	1.70	03.3	10.7	1.77
the Sangkat	20.8	79.2	0.09	20.0	80.0	0.06
All poor villages and urban poor communities						
included in SDP project	25.0	75.0	0.60	30.7	69.3	0.65
Public health services	52.1	47.9	0.50	56.4	43.6	0.40
Public school service	83.3	16.7	1.69	85.7	14.3	1.52

Source: Field Survey, 2020.

From people's perception on contribution of Good Governance Principles (GGPs) in SDPs for poverty reduction, as illustrated in figure below, both Sangkats perceived higher satisfaction by sampled households on responsiveness, and effectiveness and efficiency, while sampled households perceived neutral satisfaction on rule of law, transparency, and participation of poor people in SDP projects implementation.

Figure 7.2: Perception of Sampled HHs on Satisfaction on Contribution of GPPs in SDPs for Poverty Reduction



Note:

Strongly dissatisfied	Dissatisfied	Neutral	Satisfied	Strongly Satisfied
-2	-1	0	1	2

Source: Field Survey, 2020.

7.3 Impacts of GGPs in SDPs for Poverty Reduction

The impacts of GGPs application in SDPs for poverty reduction were seen in three types including the impacts to institution, economy and society.

7.3.1 Opinions of SCCs

Different opinions on the impacts of GGPs application in SDPs were perceived by both SCs and committees in Sangkat Dangkao and Sangkat Prey Veaeng respectively.

7.3.1.1 Institutional Impacts

From Table 7.9 it can be seen that the application of GGPs was significantly impacted on strengthening the relationship between SCs and local people, and increased capacity of SCs in planning, implementation, and monitoring and evaluation (AWA=1.0, respectively). However, the SCCs in Sangkat Dangkao perceived low impacts on the increased good collaboration among SCs from different political parties at WAI=0.40.

While, Sangkat Prey Veaeng perceived that the highest institutional impacts of GGPs were increased capacity of SCs in planning, implementation, and monitoring and evaluation, and strengthened relationship among SCs and various local committees in SDPs at WAI=0.90, respectively. Similarly, to Sangkat Dangkao, there was low impacts on the increased good collaboration among SCs from different political parties at WAI=0.30.

Table 7.9: Institutional Impacts GGPs in SDPs for Poverty Reduction by SCCs

Items	Sangl	Sangkat Dangkao SCCs (N=9)			Sangkat Prey Veaeng SCCs (N=7)		
	Impa	Impacted		Impacted		Degree of Impact	
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI	
Institutional Impacts			0.77			0.71	
Increased capacity of SCs in planning, implementation, and monitoring and evaluation	100.0	0.0	1.00	100.0	0.0	0.90	
Enhanced participatory planning of local people in decision making, implementation, and monitoring and evaluation	66.7	33.3	0.70	65.1	34.9	0.65	
Strengthened technical support staff from Khan and municipal level	100.0	0.0	0.90	100.0	0.0	0.85	
Strengthened relationship between SCs and local people	100.0	0.0	1.00	100.0	0.0	0.85	
Improved collaboration with NGOs on technical and financial support	75.6	24.4	0.50	57.1	42.9	0.55	
Strengthened relationship among SCs and various local committees in SDPs	100.0	0.0	0.90	100.0	0.0	0.90	
Increased good collaboration among SCs from different political parties	60.8	39.2	0.40	55.5	44.5	0.30	

Lowest	Low	Moderate	High	Highest
0.00-0.20	0.21-0.40	0.41-0.60	0.61-0.80	0.81-1.0

Source: Field Survey, 2020.

7.3.1.2 Economic Impacts

As in Table 7.10, SCCs perceived high economic impacts on the application of GGPs for poverty reduction at different levels including improving living conditions of poor and vulnerable households, cost effectiveness of the project of SDPs, and high quality of the project of SDPs (WAI=0.80, WAI=0.90, WAI=1.0, respectively). However, the SCCs of Sangkat Dangkao perceived the impacts on increasing employment opportunities of poor and vulnerable households at WAI=0.60, and increasing income generation of poor and vulnerable households at WAI=0.73.

Meanwhile, SCCs of Sangkat Prey Veaeng perceived similarly to Sangkat Dangkao, which the application of GGPs had significant impacted on economy items at WAI=0.92 for "high quality of the project of SDPs", WAI=0.90 "cost effectiveness of the project of SDPs", and WAI=0.80 "improved living conditions of poor and vulnerable households". Yet the WAIs for increasing income generation of poor and vulnerable households, and increasing employment opportunities of poor and vulnerable households in Sangkat Prey Veaeng were moderate (WAI=0.63, WAI=0.60, respectively).

The X^2 results as shown in the table (X^2 =6.355, d.f.=2, critical value of X^2 at 5% level of significance=5.991) indicate that the association between the local good governance and poverty reduction was significant. Hence, the null hypothesis "Ho 2: There is no association between the local good governance and poverty reduction" was rejected at alpha level 0.05.

Table 7.10: Economic Impacts GGPs in SDPs for Poverty Reduction by SCCs

Items	Sangkat Dangkao SCCs (N=9)			Sangkat Prey Veaeng SC (N=7)		
	Impacted		Degree of Impact	Impacted		Degree of Impact
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Economic Impacts			0.81			0.77
Cost effectiveness of the project of SDPs	100.0	0.0	0.90	100.0	0.0	0.90
High quality of the project of SDPs	100.0	0.0	1.00	100.0	0.0	0.92
Increased employment opportunities of poor and vulnerable households	68.9	31.1	0.60	67.7	32.3	0.60
Increased income generation of poor and vulnerable households	87.8	12.2	0.73	86.4	13.6	0.63
Improved living conditions of poor and vulnerable households	100 0.0		0.80	100	0.0	0.80
X ² =6.355 d.f.=2, Cri	tical Va	lue of	X ² at 5%	Sig. lev	vel=5.9	91

Lowest	Low	Moderate	High	Highest
0.00-0.20	0.21-0.40	0.41-0.60	0.61-0.80	0.81-1.0

Source: Field Survey, 2020, and Own Estimate.

7.3.1.3 Social Impacts

Table 7.11 describes that SCCs of Sangkat Dangkao was found very high positive social impacts including increased communication (road network) for poor and vulnerable households, increased good relations between SCs and poor people in the community, poor and vulnerable households and individuals benefited from SDPs' projects, improved inequality and poverty reduction, increased accessibility to school for poor and vulnerable households, and empowering the poor (WAI=1.0, WAI=1.0, WAI=0.90, WAI=0.90, WAI=0.80, WAI=0.80 respectively). Nevertheless, SCCs perceived low social impacts on poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs (WAI=0.40), poor and vulnerable households and individuals actively participated in SDPs (WAI=0.50), and increased accessibility to health services for poor and vulnerable households (WAI=0.50).

Sangkat Prey Veaeng was found highest social impacts on increased good relations between SCs and poor people in the community (WAI=1.0), enhanced social unity in the poor (WAI=0.90), and improved inequality and poverty reduction (WAI=0.90). In addition, the SCCs also perceived high social impacts on increased accessibility to school for poor and vulnerable, increased communication (road network) for poor and vulnerable households, and no discrimination in beneficiaries' selection at WAI=0.80 respectively. The SCCs of Sangkat Prey Veaeng still perceived low social impacts on increased accessibility to health services for poor and vulnerable households, poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs, and enhanced accessibility to drinking water for poor and vulnerable households at WAI=0.40, WAI=0.50, WAI=0.50, respectively.

Table 7.11: Social Impacts GGPs in SDPs for Poverty Reduction by SCCs

Items	Sangl	cat Dang (N=9	jkao SCCs))	Sangkat	t Prey Ve (N=7)	aeng SCCs)
	Impa	cted	Degree of Impact	Impa		Degree of Impact
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Social Impacts			0.72			0.71
No discrimination in beneficiaries' selection	100.0	0.0	0.70	100.0	0.0	0.80
Poor and vulnerable households and individuals actively participated in SDPs	66.7	33.3	0.50	57.1	42.9	0.60
Poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs	66.7	33.3	0.40	57.1	42.9	0.50
Poor and vulnerable households and individuals benefited from SDPs' projects	77.8	22.2	0.90	71.4	28.6	0.70
Increased good relations between SCs and poor people in the community	100.0	0.0	1.00	100.0	0.0	1.0
Enhanced social unity in the poor community	100.0	0.0	0.70	100.0	0.0	0.90
Increased social networking on collaboration with NGOs, IOs and others	55.6	44.4	0.60	57.1	42.9	0.60
Increased accessibility to health services for poor and vulnerable households	77.8	22.2	0.50	71.4	28.6	0.40
Increased accessibility to school for poor and vulnerable households	88.9	11.1	0.80	85.7	14.3	0.80
Increased communication (road network) for poor and vulnerable households	100.0	0.0	1.00	100.0	0.0	0.80
Enhanced accessibility to drinking water for poor and vulnerable households	77.8	22.2	0.60	57.1	42.9	0.50
Empowering the poor	70.8	30.2	0.80	71.4	28.6	0.70
Improved inequality and poverty reduction	88.9	11.1	0.90	85.7	14.3	0.90

Lowest	Low	Moderate	High	Highest
0.00-0.20	0.21-0.40	0.41-0.60	0.61-0.80	0.81-1.0

Source: Field Survey, 2020.

7.3.2 Opinions of Sampled Households

Different opinions on the impacts of GGPs in SDPs for poverty reduction were perceived by both sampled households in Sangkat Dangkao and Sangkat Prey Veaeng as below.

7.3.2.1 Economic Impacts

As can be seen in Table 7.12 below, the economic impacts items were perceived positive-ly by sampled households from Sangkat Dangkao. It was found that they had perceived at high level including increasing employment opportunities of poor and vulnerable households, and increasing income generation of poor and vulnerable households (WAI=0.73, WAI=0.76, respectively). Yet, sampled households from Dangkao had high perceived on improving living conditions of poor and vulnerable households at WAI=0.80.

Likewise, the sampled households in Sangkat Prey Veaeng were perceived on economic impacts on all items as in Table 7.12 below. In general, economic impacts in Prey Veaeng was perceived sampled households at WAI=0.70, while it was high perceived by Dangkao sampled households at WAI=0.76.

The X^2 results as shown in the table (X^2 =6.979, d.f.=2, critical value of X^2 at 5% level of significance=5.991) indicate that the association between the local good governance and poverty reduction was significant. Hence, the null hypothesis "Ho 2: There is no association between the local good governance and poverty reduction" was rejected at alpha level 0.05.

Table 7.12: Economic Impacts GGPs in SDPs for Poverty Reduction by Sampled HHs

Items	Sangkat Dangkao HHs (N=48)			Sangkat	eng HHs	
	Impacted		Degree of Impact	Impa	cted	Degree of Impact
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Economic Impacts			0.76			0.70
Increased employment opportunities of poor and vulnerable households	81.3	18.7	0.73	79.3	20.7	0.61
Increased income generation of poor and vulnerable households	87.1	12.9	0.76	87.4	12.6	0.73
Improved living conditions of poor and vulnerable households	89.7	10.3	0.80	88.5	11.5	0.75
X ² =6.979 d.f.=2,	Critical \	Value of X	² at 5%	Sig. leve		

 Lowest
 Low
 Moderate
 High
 Highest

 0.00-0.20
 0.21-0.40
 0.41-0.60
 0.61-0.80
 0.81-1.0

Source: Field Survey, 2020, and Own Estimate. 293

From Table 7.13 below, in 2016, the monthly income of households was dominated by a group that had incomes ranging from \$100 to \$199 (54.3 per cent), followed by 21.8 per cent had a range of income from \$200 to \$299, and 19.1 per cent of those households having monthly income ranging from less than \$100. Whereas, the monthly income in 2019 had a high income in rang of \$200 to \$299 (31.4 per cent), which followed by a range of income from \$300 to \$399 (29.8 per cent) and 17.0 per cent had earned the income ranging from \$400 to \$499 per month. In conclusion, the household monthly income distributions had changed significantly between 2019 and 2016.

The X² results as shown in the distribution table (X²=348.994, d.f.=6, critical value of X² at 1% level of significance =16.812) indicate that there was a significant difference between the income distributions of the households in 2019 and 2016. Hence, the null hypothesis "Ho 1: There is no significant difference between the income distributions of the households" was rejected at 1% significance level.

Table 7.13: Household Monthly Income Class (2019-2016)

Household Monthly In-	2019		201	16		
come Class (USD)	No. of Families	%	No. of Families	%		
<\$100	0	0.0	36	19.1		
\$100 to \$199	24	12.8	102	54.3		
\$200 to \$299	59	59 31.4		21.8		
\$300 to \$399	56	29.8	9	4.8		
\$400 to \$499	32	17.0	0	0.0		
\$500 to \$599	13	6.9	0	0.0		
>\$600	4	2.1	0	0.0		
Total	188	100.0	188	100.0		
X ² =348.994	d.f.=6, Critical Value of X ² at 1% Sig. level=16.812					

Source: Field Survey, 2020, and Own Estimate.

7.3.2.2 Social Impacts

Table 7.13 shown that sampled households in Sangkat Dangkao perceived highest social impacts on increased communication (road network) for poor and vulnerable households at WAI=1.0, but they perceived high social impacts on poor and vulnerable households and individuals benefited from SDPs' projects, increased accessibility to school for poor and vulnerable households, and improved inequality and poverty reduction in the community at WAI=0.89, respectively. Nevertheless, they perceived low social impacts on increased accessibility to health services for poor and vulnerable households, pro-poor policy and empowering the poor, and poor and vulnerable households and individuals actively participated in SDPs (WAI=0.40, WAI=0.40, WAI=0.45, respectively).

Similarly, the sampled households from Sangkat Prey Veaeng they were found highest social impacts on increasing communication (road network) for poor and vulnerable households at WAI=1.0. Additionally, they perceived highly of social impacts on improving inequality and poverty reduction in the community at WAI=0.86, and increased accessibility to school for poor and vulnerable households, and increased good relations between SCs and poor people in the community at WAI=0.85,respectively, but they perceived at low of social impacts on poor and vulnerable households and individuals actively participated in SDPs, and increased accessibility to health services for poor and vulnerable households, and pro-poor policy and empowering the poor at WAI=0.40, respectively.

Generally, the opinions on the impacts of GGPs in SDPs for poverty reduction were perceived by sampled households in Sangkat Dangkao at WAI=0.71, which were better than in comparison to Sangkat Prey Veaeng at WAI=0.69.

Table 7.14: Social Impacts GGPs in SDPs for Poverty Reduction by Sampled HHs

Items		ngkat Da HHs (N=4)		Sang	kat Prey HHs (N=14	
	Impa	acted	Degree of	Impacted		Degree of
			Impact			Impact
	Yes (%)	No (%)	WAI	Yes (%)	No (%)	WAI
Social Impacts	(%)	(70)	0.71	(%)	(70)	0.69
No discrimination in local development	75.0	25.0	0.77	79.3	20.7	0.80
Poor and vulnerable households and individuals actively participated in SDPs	50.7	49.3	0.45	53.1	46.9	0.40
Poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs	63.7	36.3	0.50	50.1	49.9	0.45
Poor and vulnerable households and individuals benefited from SDPs' projects	87.8	12.2	0.89	88.4	11.6	0.80
Increased good relations between SCs and poor people in the community	82.5	17.5	0.72	85.20	14.8	0.85
Enhanced social unity in the poor community	79.2	20.8	0.79	70.0	30.0	0.78
Increased accessibility to health services for poor and vulnerable households	50.3	49.7	0.40	53.1	46.9	0.40
Increased accessibility to school for poor and vulnerable households	89.0	11.0	0.89	85.3	14.7	0.85
Increased communication (road network) for poor and vulnerable households	90.9	1.0	1.0	85.7	14.3	1.0
Enhanced accessibility to drinking water for poor and vulnerable households	80.8	19.2	0.80	71.4	28.6	0.70
Pro-poor policy and empowering the poor	65.8	34.2	0.40	57.1	42.9	0.40
Improved inequality and poverty reduction in the community	89.8	10.2	0.84	71.4	28.6	0.86

Lowest	Low	Moderate	High	Highest
0.00-0.20	0.21-0.40	0.41-0.60	0.61-0.80	0.81-1.0

7.4 Conclusion

To conclude, the Sangkat Council and Committees (SCCs) and sampled households in both Sangkats satisfied on the contribution of Good Governance Principles (GGPs) in the Sangkat Development Plans (SDPs) for poverty reduction in their communities respectively. Yet, the degree of satisfaction was perceived differently between the SSCs and the sampled HHs in each Sangkats—SCs and committees perceived their satisfaction on the contribution of GGPs in SDPs for poverty reduction higher than the sampled HHs.

The economic impacts were perceived positively by sampled households from both Sangkats. The calculated value of test statistic Chi-square, is 348.99, is greater than the critical value of Chi-square is 12.59. So, the calculated test statistic Chi-square falls in the rejection region. Hence, the null hypothesis "Ho 1: There is no significant difference between the income distributions of the households" was rejected.

In addition, an opinion on the impacts of GGPs in SDPs for poverty reduction were perceived by both SCs and committees and sampled households. "Ho 2: There is no association between the local good governance and poverty reduction". Based on SCs and committees and sampled households, the calculated value of Chi-square, is 6.36, and 6.98 is greater than the critical value (5.99), respectively. So, the calculated Chi-square falls in the rejection region. Therefore, the null hypothesis is rejected. This means that there is an association between the local good governance and poverty reduction.

Therefore, from people's perception for both SCCs and sampled HHs, they were perceived that the application of GGPs in SDPs had definitely impacted on institution, economy, and society as a whole, which this had directly affected and contributed to the poverty alleviation of the people.

CHAPTER 8: FACTORS FACILITATING AND CHALLENGING IN APPLICATION OF GGPs IN SDPs FOR POVERTY REDUCTION

8.1 Introduction

Three main sections figure out the facilitating and constraining factors of GGPs application in SDPs in this chapter. Section one elaborates factors facilitating the application of GGPs in SDPs for poverty reduction from the aspects of institutional, economic and social factors, in section two describes on factors constraining the applications of GGPs in SDP for poverty reduction; while the last section summarizes the whole findings the chapter.

8.2 Factors Facilitating the Applications of GGPs in SDPs

There were various factors that facilitating the application of GGPs in SDPs, among those were categorized into three aspects of the study including institutional, economic and social factors.

8.2.1 Institutional Factors

Institutional aspects were identified as the factors facilitating the application of GGPs in SDPs. It included existing rules and regulations, local people participation, coaching, mentoring and on the job training, support from NGOs/line departments for SDPs implementation, and training on Local Good Governance (LGG) for SCCs were elaborated below.

a) Existing Rules and Regulations

As rule of law is a part of institutional aspects, it has been an important factor to enforce local governance processes in SDPs as it was elaborated earlier in the institutional and mechanism to apply GGPs application in SDPs in Chapter 3. Regulation factors were including SDPs and SIPs declarations and manual, Project Implement Manual (PIM) for SCs, Commune/Sangkat Procurement Declaration, and Commune/Sangkat Financial Management System Declaration. Thus, the influential of regulation on GGPs applications in SDPs of both Sangkats were quite similar between these Sangkats as it had been mainstreamed and enforce since the first C/SCs election in 2002.

b) People's Participation

From this aspect, SCs encouraged local people to participate in every step of SDPs although the approach of mobilizing participation was different between Sangkat Dangkao and Sangkat Prey Veaeng. People participation was a part of increasing transparency, responsiveness in terms of identification of real needs and issues, increasing accountability of PBC and SCs in take responsibilities which assigned, and effectiveness and efficiency in terms of SDPs touch the objectives, and implemented within time-frame and good quality. Hence, stronger enforcement participation resulted better GGPs in SDPs.

c) Coaching, Mentoring and on the Job Training

Municipality and Khan facilitator teams were playing important role to coach and mentor SCs; especially PBC, PC, and M&EC, on GGPs in SDPs. SCs from both Sangkats recognized that it very important activities and had high influence on GGPs application in SDPs. Coaching and mentoring were including SDPs preparation, KIW, feasibility study before

project implementation, procurement documents preparation participation in monitoring and evaluation of project implementation, and reporting to improve SCs and PBC performance. Trainings were also provided by these teams which mentioned in Chapter 6 of this study for the courses that they delivered.

d) Support from NGOs/Line Departments for SDPs Implementation

Regardless of commune fund support projects in SDPs, a number of local NGOs, also supported SCs of both Sangkats in order to implement SDPs project, for some non-infrastructure projects. The projects were about enforcing law on drug abuse, and human trafficking, domestic violence, children education sponsorship. The fund was specifically used in order to enhance local good governance and its donors considered that SCs were not able to address non-infrastructure due to limited fund, and therefore addressing non-infrastructure in additional to infrastructure will satisfy and improve governance of SCs from the aspect of partnership with development agencies.

As already mentioned, the Sangkat's fund was not able to cover all the proposed projects of SDPs of both Sangkats, however KIW helped SCs from both Sangkats to mobilize resources to support from local and international NGOs, and line agencies, to support implementation of SCs and SDPs projects (non-infrastructure) mainly. Hence, supporting from these agencies had high, and very high influential on GGPs, from the aspect of responsiveness in terms of SDPs addressed real needs and problems, participation in terms of needs and problems identification, implement, monitoring and evaluation; effectiveness and efficiency in terms of SDPs' objectives were addressed and within time frame, and accountability of PBC and SCs in SDPs preparation and implementation.

e) Training on Local Good Governance (LGG)

Changing SCs from a mandate to another made difficulty to apply GGPs in SDPs in particular and general aspect of SCs affair. Training courses as seen in Chapter 6, and especially course related to participatory planning and good governance would help SCs to apply GGPs; as these training introduced how participation, transparency, accountability, responsiveness, effectiveness and efficiency, equity, and consensus-oriented building among SCs and villagers were used in SDPs activities. These trainings, particular LGG, were regularly or on annual basic, provided by NCDD; especially local administrative unit and other local and international NGOs. In overall institutional, during the study period, had high and very high influence on GGPs application in SDPs of both Sangkats.

8.2.2 Economic Factors

Not only institutional factors which had influence on GGPs application in SDPs, but economic aspects were also another which had mentioned by both Sangkats. Sangkat fund allocation and allocation criteria to each village, existing financial management system and Sangkat financial auditing were regarded as the influential factors the achievements of GGPs applications in SDPs.

a) Sangkat Fund Allocation Criteria

Financial aspects of Sangkats were a sensitive which had been considered by many institutions on their capacity and transparency system. SCs and committees evaluated that existing financial allocation criteria which were set up by Sangkat was an influential factor of achievement of transparency, effectiveness and efficiency, accountability and responsiveness of GGPs in SDPs. The criteria were included the allocation of Sangkat fund for project implement irrespective of discrimination among the village within the Sangkat, and the poorest among the poor was given priority by Sangkat fund, equity and fair among the villages. Therefore, villagers saw the fair and transparent, responsiveness and accountability in Sangkat fund allocation.

b) Financial Auditing and SDPs Evaluation

Financial auditing and SDPs evaluation were conducted by internal people, and external people which usually conducted on annual basis. Therefore, SCs and committees understood that either financial audit or SDPs evaluation were an important factor to achieve GGPs application in SDPs. Thus, it enforced for more transparency in financial disclosing, and sharing and enhanced SDPs responsiveness in terms of real needs and problems identification; and effectiveness and efficiency in terms of project of meet the objectives of SDPs and within time frame.

Auditing was usually conducted in order to ensure that Sangkat fund was used according the purpose and properly recorded with support documents such as invoices, minutes and other related documents in the existing system, while SDPs evaluation was attempted to check whether SDPs prepared and implemented according to the guideline or process, especially minute of meetings with list attendance (signature, and or any mean to prove attendance) which usually applied in the stage of village meeting, feasibility study (land acquisition and project designs), and monitoring and evaluation on the quality of the project.

Other than financial auditing by external and internal people to maintain and check that Sangkat budget expenses with sufficient support documents before releasing the fund. Although accountants did not engage closely at Sangkat level, to some extent they helped SCs to ensure transparent, rule of law, effectiveness and efficiency its expenses and financial system. Therefore, it had high and very high influence to achieve these items in SDPs from the financial aspect.

8.2.3 Social Factors

There were many factors which facilitated the application of GGPs in SDPs, social aspects had been considered by SCs of both Sangkats other than institutional and economic aspects. Among other dimensions of social aspects public awareness, SC's leadership, and monthly meetings were the main factors facilitating the applications of GGPs in SDPs.

a) Public Awareness on SDPs

Both Sangkats made information boards in each village which supported by village chief to display information and disseminate it to the local people. Monthly and annual summary of Sangkat financial support, information about the SDPs and SIPs, and other related information in both Sangkats. Through these means of public awareness, it increased the awareness of local people on governance which improved interaction with, and the demand or voice up for better governance from SCs, if there was no public awareness on local governance, there was not better governance provided. Hence, this had stronger influence on GGPs in SDPs of both Sangkats.

b) SCs Leadership to Generate and Mobilize Fund

From the perception of local people, responsiveness of what they had proposed was a crucial issue to be addressed by SCs, governance of SCs was meaningless, otherwise. Therefore, SCs, with their best efforts, had to act as a good leader to mobilize fund from various sources including development agencies, NGOs, and philanthropies (charities) to address the issues besides Sangkat development fund of SCs. A Sangkat assigned SCs who were good at communication and fund raising from individual philanthropy. Additionally, the capacity to generate more funds helped to improve participation in planning process (identification, implement, and M&E), responsiveness in addressing the needs and issues, accountability in terms of willing to perform the assigned tasks, and effectiveness and efficiency in term of address the objectives of SDPs and within time frame.

c) Monthly Meeting of SCs

As discussed in previous Chapter 6 and 7 that SCs monthly meetings were required to be conducted according to SCs' regulation in both Sangkats. All related stakeholders including NGOs, CBOs, village chiefs, and villagers' representatives were invited to participate the meeting at Sangkat office. Agenda on SDPs, Sangkat development project, financial report, and any approval were usually opened to be discussed, and allowed to be inquired by participants. From this perception, SCCs from both Sangkats considered that it had very high influence on participation, accountability, transparency, and rule of law in SDPs implementation.

8.3 Factors Constraining the Applications of GGPs in SDPs

Several factors constraining the application of GGPs in SDPs ranged from institutional, social to economic factors. These constrained the above achievements of GGPs in SDPs in Chapter 6 and 7.

8.3.1 Institutional Factors

Low education level, multi-responsibilities of SCs and PBC, and lack of infrastructure technical knowledge was identified as the factors constraining the application of GGPs in SDPs

a) Lower Education Level

As mentioned in Chapter 6 on profile of respondents, SCs and committees' education were found different between Sangkat Dangkao and Sangkat Prey Veaeng ,majority of Sangkat Dangkao SCs and committees (79 per cent) received higher education level ranged from secondary to high school level in comparison with Sangkat Prey Veaeng that gained education level from primary class to high school level only (100 per cent) as seen in Table 6.5 in Chapter 6. Lower education level constrained, and took longer time in order to perceive new knowledge related SDPs and governance aspects. This affected on the performance of effectiveness and efficiency, responsiveness, and participation of local people in SDPs.

b) Multi-responsibilities of SCs and PBCs

Lacking of assistant and/or voluntary staff in order to perform multiple responsibilities of SCs and especially in local development fund of both Sangkats was found it as the constraining factor to response to the unlimited demand of local people. Although specific

tasks were assigned to each SCs, and PBC committee, they were working on handling workload and demand from villagers. As it was decentralized, SCs took responsibilities for several sectors including health, education, infrastructure, women and children affair, agriculture, water, environmental issue, etc. "How can they handle the overloaded responsibilities with low incentive and with a few SCs and sometimes some of them did not so active in SCs affair too, said Khan Dangkao Facilitator." Therefore, lacking of number of staff or human resource in order to respond or perform overloaded working requirements, highly constrained to the achievement of effectiveness and efficiency, responsiveness and accountability in SDPs of both Sangkats.

c) Lacking of Small Scale Infrastructure Technical Knowledge

"Working as SCCs was not about understanding on how to read and write Khmer language, but was also understanding technical knowledge such as planning, calculation, management, problem solving, leadership, and about infrastructure knowledge etc., said Khan Dangkao Facilitator." SCs were performing various aspects of works as mentioned earlier, and they therefore required beyond the capacity to read and write. Small scale infrastructure was usually addressed by Sangkat fund, and it was still in question that to what extent that the SCs understood the infrastructure technique and this was driven by technical engineering and technical support officers from Khan and PPCH levels. This was a bearer to achieve effectiveness and efficiency in terms of project outputs against the objectives, and time frame of SDPs implementation, responsiveness in terms of problems and needs were addressed, transparency in terms of financial report about project, and participation in monitoring and evaluation. Therefore lacking of technical knowledge was found as a factor constraining the expected of degree of achievement in GGPs applications in SDPs in these Sangkats.

8.3.2 Economic Factors

Several economic aspects which constrained of the achievement of GGPs in SDPs included postponement of contract implementation, inadequate Sangkat fund, and low SCs incentive and motivation.

a) Postponement of Project Implementation

Due to market price of construction materials, which were estimated during last 6 months before the procurement. If the project was not broken the contract, some projects of SCs were postponed to be implemented, and therefore, at the time being, construction materials' price increased beyond the contract price or bid price. Some contractors or companies were not able to implement their projects with SCs, lost otherwise. As the result of this, some projects failed to response to the need of local people within time frame. This constrained to achieve responsiveness in terms of real needs and issues, participation in terms of reluctant to participate in needs and problems identification, monitoring and evaluation, and effectiveness and efficiency in terms of addressing the objectives of SDPs within time frame. Therefore, it was constrained SCs to address the needs and issues of local people in both Sangkats.

b) Inadequate Amount of Sangkat Fund

It was found that the current amount of Sangkat fund was not sufficient to be used for SDPs, as it was calculated based on population, poverty index, and equal share amongst Sangkats. Thus, inadequate amount of Sangkat fund constrained on responsiveness, effectiveness and efficiency, and participation in SDPs of both Sangkats; specially to address the infrastructure needs, which was the most priority.

c) Low Incentives and Motivation

More than willingness to serve local people, SCs considered incentives which provided by government as a part of their daily living. Incentives of SCs ranged from 190 USD to 278 USD per month, which it was not able to cover the daily expenses of SCs and family. Low incentives discouraged or limited the willingness of SCs work hard in order to address the local needs. This concern discouraged SCs to perform their responsibilities to address issues and needs of local people. Low incentives were absolutely a factor constraining on rule of law, participation in terms of mobilizing people to participate in SDPs, accountability in terms of taking responsibilities to do plan, responsiveness in terms of mobilizing people to figure out the real needs and problems and mobilize fund to support those poor and vulnerable groups and individuals, transparency, and effectiveness and efficiency in terms of preparing SDPs within the time frame of both Sangkats, and achieve objectives of SDPs.

8.3.3 Social Factors

Several social aspects constrained the performance GGPs of SCs in SDPs was debated during the group discussion, and found based on previous Chapters analysis including the following.

a) Limited Local People Participation in SDPs

SDPs was beyond the mandate of small-scale infrastructure, including education, gender, health, hygiene and sanitation, waste management, social security, food and agriculture, etc. Limited amount of Sangkat fund discouraged people's participation, as majority of

infrastructure projects which were always ranked in the top priority of SDPs annually were not addressed by Sangkat fund, and therefore villagers were reluctant to participate during the next year meeting. They claimed that "last year proposed projects were not addressed, why we have to propose another project this year again? said a villager in Sangkat Prey Veaeng." Thus, the issue of which proposed in SDPs were not addressed by SDPs on time as inadequate amount of Sangkat fund. This had constrained SCs to achieve responsiveness in terms of SDPs addressing the real needs and issues, and of poor and vulnerable group and individual, participation in problem and needs identification, project activities implementation, cash and labour contribution, and in monitoring and evaluation.

b) Replacement, and Mandatory of PBC and SCs

SCs served the electorates on the basis of mandatory of five years per term. Therefore, the SCs and PBCs were replaced after the election, and some of them had no working experience before and hence it adversely impacted on understanding of SDPs performance. New SCs and PBC members have to spend time to catch up the system of SDPs and learn about local good governance. It spent almost more than a year in order to learn about SDPs preparation, procurement, project monitoring and evaluation, etc. Pending to understand the SDPs worsened the performance of SCs in preparation planning to address the local people needs and issues, although several trainings were provided to both Sangkats, but it was not work well. Thus, these affected on responsiveness, effectiveness and efficiency, participation and accountability of SCs and PBC in CDPs.

c) Lack of Participation in Decision Making

As it was elaborated in Chapter 6 on SDPs process and involvements of local people in the applications of GGPs for poverty reduction, it was found about 36 per cent of all respondents in Sangkat Dangkao had took the role in decision making during the meetings, especially for road construction meeting about 42 per cent. Whilst, 31.4 per cent of the respondents in Sangkat Prey Veaeng were involved in decision making during the meeting, for instance 42.9 per cent in road construction meeting and 38.6 per cent in gender meeting. Therefore, it was constrained SCs to achieve better GGPs application in SDPs.

d) Lack of Participation in Bidding Process

As per group discussion, there was no strong satisfaction by villagers on the selection of contractor, as they had never participated in procurement event although it was encouraged to participate which undertaken at the Khan office. This had high adverse affected and constrained to achieve transparency, responsiveness, and effectiveness and efficiency in SDPs.

e) Lack of Public Information Disclosing

Based on the analysis in Chapter 6 and achievements and satisfaction in Chapter 7 on respective principles of GGPs in SDPs was found that lacking of disclosing information regarding the budget allocation to the SDP project, financial report about SDP projects disclosed to public, and result of bidding expose to the public constrained to achieve better transparency, accountability, participation, rule of law, and accountability of SCs. These issues were found in both Sangkats.

f) Lack of Local People's Awareness

As in Chapter 6 regarding awareness of local people on general and specific concept of GGPs in SDPs, it was found that local people in both Sangkats had lower awareness on each principles of GGs practicing in SDPs. Particularly, equity, consensus oriented, effectiveness and efficiency, transparency, and rule of law, with total WAI=0.34, WAI=0.33, WAI=0.32, WAI=0.30, respectively. Lack of understanding from local people had constrained on enforcement GGPs in practicing in SDPs accordingly.

8.4 Conclusion

In conclusion, there were various factors that facilitating the application of GGPs in SDPs for poverty reduction including institutional, economic and social factors. The institutional factors were included local people participation, institutional support and funding from line departments and NGOs for SDPs implementation and promoting local good governance at Sangkat level, existing regulations, and coaching, mentoring, and on the job training and training on GGPs. Not only institutional factors which had influenced on GGPs application in SDPs, but economic aspects were also another which had mentioned by both Sangkats. Sangkat fund allocation and allocation criteria to each village, existing financial management system and Sangkat financial auditing were regarded as the influential factors the achievements of GGPs applications in SDPs. Whilst social aspects had been considered by SCs of both Sangkats other than institutional and economic aspects. Among other dimensions of social aspects public awareness, SC's leadership, and monthly meetings were the main factors facilitating the applications of GGPs in SDPs for poverty reduction.

Nevertheless, the institutional, social to economic factors were also identified as factors constraining the application of GGPs in SDPs for poverty reduction. The institutional factors constraining including low education level, multi-responsibilities of SCs and PBC, and lack of infrastructure technical knowledge of SCs; while the economic aspects which constrained of the achievement of GGPs in SDPs included postponement of contract implementation, inadequate Sangkat fund, and low SCs incentive and motivation, and finally the social aspects constrained including limitation of local people participation in SDPs, replacement, and mandatory of PBC and SCs, lack of participation in decision making, in bidding process, lack of public information disclosing, and lack of local people's awareness on local good governance processes—principles of good governance in SDPs for poverty reduction.

CHAPTER 9: CONCLUSION AND RECOMMENDATIONS

9.1 Introduction

The main objective of this chapter is to overview the whole research, its preamble, problems discovered by analyzing research questions, and probable solutions. To achieve this objective, this chapter is divided into four sections. The first section draws a brief outline of the research preamble. The second section provides a review of the findings in accordance with research questions. The third section recommends a possible solution on the basis of issues identified through this research, and conclusion is provided in the last section.

9.2 Outline of the Research Setting

Good governance has emerged as a major tool for poverty eradication (Grindle 2004; Khwaja 2004; Santiso 2003). Good governance is increasingly cited as a key component in any successful strategy to reduce poverty. Decentralization of authority and responsibility is considered a key factor in good governance. Good governance is concerned with institutionalizing democracy in such a way that the structure produces the expected functions. Sobhan (1998) has argued that the persistence of poverty in most countries has its origins in problems of governance rather than in an inadequacy of resources.

Good governance is necessary if all aspects of poverty are to be reduced. It facilitates participatory, pro-poor policies as well as sound macroeconomic management. It ensures the transparent use of public funds, encourage growth of all sectors, helps to establish the rule of law, and promote effective delivery of public services to benefit the poor.

Poverty reduction is the basic element to ensure social justice and sustainable growth; and it needs good governance to support and provide opportunity for the poor to get out of poverty trap. It means that problems of poverty and governance are complicated and linked. Weak governance of public institutions imposes direct costs on the poor. Without good governance, the scarce resources available are generally not put to their best use in combating poverty.

Local Governance is referred to Sub-national institutions constitute one of the most important avenues for poor people, women and minorities to participate in the development of their communities and influence the decision-making processes that are directly relevant to their lives. Important opportunities for poor people, women and minorities to participate in the development of their communities are to be found in local governance.

Local Good governance (LGG) is an increasingly important development issue in Cambodia. The RGC has publicly recognized that "Good governance is the most important precondition to economic development with sustainability, equity and social justice. Achieving good governance will require the active participation and commitment of all segments of the society, enhanced information sharing, accountability, transparency, equality, inclusiveness, and the rule of law" (RGC 2004).

Given this, the main objective of this research was to study on good governance and poverty reduction in Cambodia, specifically the study focuses on the application of good governance principles in local development processes—Sangkat Development Plans (SDPs) for poverty reduction at Sub-national level. Keeping this main objective to the forefront, both quantitative and qualitative data collected from interviews, focus group discussions, observations and official documents were triangulated to answer the six research questions including (1) What is the institutional framework for good governance and poverty reduction in the country? (2) What is the current situation of good governance and poverty reduction in the study area? (3) What is the perception of local government and citizen groups on the contribution of good governance principles in SDPs for poverty reduction in the study area? (4) What are the impacts of good governance principles in SDPs for poverty reduction in the study area? What is the relationship between good governance and poverty reduction in the study area? and What are the factors explaining performance of good governance principles in SDPs for poverty reduction?

9.3 Main Findings of the Study

This section summaries and further analyses the findings of this research to critically answer the research questions outlined in Chapter 1.

9.3.1 Institutional Framework

The first question was: what is the institutional framework for good governance and poverty reduction in the country?

To answer this, an exploring the policies, laws, regulations, and aspects related to the implementation of good governance and poverty reduction in Cambodia was carried out, particularly the dynamics of the development of government institutions in Cambodia and time to time reforms in its structures and functions were discussed and analyzed. An advanced analysis of the findings in Chapter 3 found that the RGC developed a number of institutional frameworks that builds the attitude of both national and sub-national institutions and actors, works against the creation of the proper environment for establishing good governance to alleviate poverty in the country.

9.3.1.1 Historical Background of Governance

Cambodia experienced frequent, unusually dramatic changes in its political and economic regimes since its independence in 1953. From 1953 to 1993, Cambodia had changed the transitions of political, legal, and economic systems for six times including from 1953-1970: (1st) Kingdom of Cambodia; 1970-1975: Khmer Republic; 1975-1979: Democratic Kampuchea; 1979-1989: People's Republic of Kampuchea; 1989-1993: State of Cambodia, and 1993 -Present: (2nd) Kingdom of Cambodia. Cambodia has taken Pluralism, Freedom, and Democracy as a national slogan for leading the country after the Paris Peace Agreements (PPA) on October 23, 1991. The First General Elections was held in Cambodia between 23 and 28 May 1993 while the Sixth General elections was held in Cambodia on July 29, 2018.

9.3.1.2 Governance Structure of the Public Sector

The Constitution of Cambodia provides the people of Cambodia to exercise their powers through a three separate branches of public sector—the promulgation of a new Constitution in 1993 laid the foundation for the development of Cambodia's new governance system. The Constitution declares liberal democracy and a multiparty system as the foundations of the political regime of the Kingdom of Cambodia. It stipulates that Cambodian citizens exercise their powers through three separate branches: The Legislature, the Executive, and the Judiciary. The Constitution also defines a market economy as the foundation of Cambodia's economic system. Ownership of private property such as land is guaranteed under the Constitution.

9.3.1.3 Development of Governance Policy Reforms

Through the analysis it surfaced that to achieve good governance, the Royal Government of Cambodia has focused on the effective implementation of its Governance Action Plan which covers four crosscutting areas of reforms: (i) combating corruption, (ii) public finance reform (iii) legal and judicial reform, and (iv) public administration and armed forces reform covering decentralization and de-concentration as well as demobilization. As a result, the Royal Government of Cambodia has continuously achieved remarkable outcomes especially in the area of liberalization and stabilization of its economy—an average annual growth has been about 6 to 7 per cent with a significant drop in inflation rate to below 5 per cent per annum.

9.3.1.4 Decentralization and Deconcentration (D&D)

If we analyze the history of local governance in Cambodia, the D&D reform is described to be the most ambitious and important change in Cambodian governance since the 1993 Constitution. Promoting and enhancing good governance is one of objectives of decentralization policy in Cambodia. Commune/Sangkat is defined as a legal entity, and a system of local governance shall be carried out at this level. The decentralization and deconcentration strategy is the policy statement of the Royal Government of Cambodia for the implementation of the vision of management systems of provincial/ municipal, district/khan and commune/Sangkat administrations which have two specific strategic goals: First: to strengthen and expand local democracy; Second: to promote local development and to reduce poverty.

Before February 2002 all local administrations were appointed by government. These administrations performed duties on behalf of the central government. The first democratic commune councils in Cambodia were elected in February 2002. This established decentralized commune governance in Cambodia. The Commune Councils Law established an inter-ministerial committee called the National Committee for Support to Commune Councils (NCSC). The NCSC is composed of major Ministries and is under the Chairmanship of the Deputy Prime Minister, Ministry of Interior. It is responsible for implementing the Commune Councils Law and for further developing the policy of decentralization. A Department of Local Administration (DOLA) was also established within the Ministry of Interior. DOLA is the Secretariat to the NCSC and is responsible for coordinating the implementation of the Commune Law and its regulations. Implementation started

in August 2001. Therefore, starting from February 2002, the governance at C/S level was substantially changed. The administration created by this election was the means to transfer governance ownership from the central to the C/S level, ensuring that the C/S councils represent the interests of their local communities, and being responsive and accountable to their local communities.

9.3.1.5 The National Committee for Sub-national Democratic Development (NCDD)

The National Committee for Sub-national Democratic Development (NCDD) is the interministerial mechanism for promoting democratic development through decentralization and deconcentration reforms throughout Cambodia. NCDD is accountable to the Royal Government of Cambodia for the implementation of the Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans (Organic Law), the Law on Administrative Management of Communes/Sangkats and Decentralization and Deconcentration policy. To effectively implement the Organic Law and the CS law, in line with D&D policy NCDD has established sub-committees and a Secretariat to facilitate and manage implementation.

Additionally, to promote the implementation of D&D Reform Programme effectively, the RGC approved, and implemented the Law on Administrative Management of the Capital, Province, Municipality, District and Khan (2008), elections at the sub-national tiers (2009). In May 2010, the government developed the National Program for Sub-National Democratic Development (NP-SNDD) 2010-2019—the National Program for Sub-National Democratic Development (NP-SNDD) is the RGC's agenda for the next 10 years in the

comprehensive and in-depth governance reform process of the Sub-National Administrations (SNA), which will also impact on other national institutions. The NP-SNDD is structured around five program areas that interlink to form the institutional capacity which supports and allows for the realization of the D&D reform goals.

9.3.1.6 Good Governance and Poverty Reduction in Cambodia

Through above discussion indicates that the RGC has made much progress in achieving governance reform—there are several policy documents of the Royal Government of Cambodia that are important to defining the strategic vision for decentralization and deconcentration. The RGC has committed to a policy of good governance—good governance has been continuously strengthened through a number of reforms in key sectors by placing importance on the enhanced effectiveness in implementation of policy and delivery and management of public goods, especially a better public services delivery in order to respond to the aspirations of the people. Particularly, the RGC is committed to reducing poverty and inequality and improving the quality of life of the vast majority of Cambodia's rapidly growing population so that all Cambodians can enjoy the benefits of economic growth and participate in the development process. As a result, Cambodia has attained the lower middle-income status as of 2015, with gross national income (GNI) per capita reaching \$1,070. The poverty rate in Cambodia has steadily decreased from 53.2 percent in 2003 to 13.5 percent in 2014, and people's wellbeing is also improved. It is undoubtedly and can be concluded that good governance is the most important prerequisite to alleviate the poverty through promoting socio-economic development with sustainability, equity and social justice in the country.

9.3.2 Present Good Governance and Poverty Reduction in the Study Area

The second research question posed in the thesis was: What is the current situation of good governance and poverty reduction in the study area? To answer this research question, the interview data from different stakeholders were contrasted with practical observations of the applications of good governance principles in SDP for poverty reduction in the study area.

9.3.2.1 Training on Good Governance and Understanding on Good Governance Principles

Attaining a good governance of local government, there must be capacity building of local government, which includes the increase of organizational capability of good decision making and service provision, and the capacity building of local public personnel. Through this research has found that since the decentralization has been introduced in late 1996, both government and NGOs' delivered many capacity building programs to local administration officials, in particular for the SCCs. The provided training on decentralization, participatory planning, participatory monitoring and evaluation, and local good governance etc.

The promotion of good governance principles (GGPs) at local government level is an important factor of the Royal Government of Cambodia's National Program (NP) for Democratic Development at the Sub-national Administrations (SNAs). Better understanding on good governance principles paves the way for effective local development and poverty reduction. The study found that all the SCCs in both Sangkats known the eight good governance principles, yet the degree of understanding on the meaning of these GGPs at

moderate level. While about 22 per cent of the household respondents in both Sangkats confirmed that they know the eight good governance principles, but the degree of understanding on the meaning of these GGPs is significantly low.

9.3.2.2 Perception on the Root Cause of Poverty

There are a number of root causes of poverty including ignorance, disease, apathy, dependency, poor governance, unemployment, lack of markets, poor infrastructure, poor leadership, lack of skills, and cost of living etc. Understanding the root causes of poverty is very vital for all key stakeholders to take action to remove them as the way to eradicate poverty. However, this research found that considering on the most serious root causes of poverty was perceived differently between the SCCs and sampled household respondents. The SCCs respondents considered an ignorance to be the most serious problem while the sampled household respondents perceived an unemployment as a very serious factor and significant effect their living conditions. Though, the SCCs and sampled household respondents provided in a similar way or in the same thought that a lack of skills was also major factor of poverty, and all most sampled household respondents from both Sangkats thought that the poverty was greatly affected on their families and communities.

9.3.2.3 Involvements of Local People in the Applications of GGPs for Poverty Reduction

Principles of Good Governance, which have been developed and used by the RGC in 2014 for the purpose of resources allocation, measuring democracy, services delivery and its effectiveness and efficiency and corruption, including (1) Participation, (2) Rule of law,

(3) Transparency, (4) Consensus oriented, (5) Equity, (6) Effectiveness and efficiency, (7) Accountability, and (8) Responsiveness. The involvement of local people, particularly for poor people, women and minorities to participate in the development of their communities and influence the decision-making processes that are directly relevant and impacted on their lives.

According the study, the household respondents in both Sangkats had directly or indirectly involved in the application of local good governance principles in their daily life. For instance, the participation and attending the planning meetings which were organized by the SCCs to identify the project priority list for the Sangkat Development Planning. Although the respondents in both Sangkats had attended the meetings, but they were not actively in giving suggestion or taking a role in decision making during the meetings, nevertheless they found that the meetings were useful and important for them to participate, particularly for road construction meetings.

The rule of law requires fair legal framework to serve and protect public benefits and need to be enforced impartially. The study, therefore, found that the most of the cases existing in both Sangkats were related with land and building dispute, followed by violent disputes among member of community on environmental pollution. The cases were resolved by the Village Chief and Sangkat Councilors or through consensus among parties involved with respected member of community. The study indicated that almost of respondents in both Sangkats felt safe after environmental pollution case had been solved, followed by violent disputes in waste management and violent disputes among member of community, however the case related with land and building dispute, majority of respondents did not feel safe after the case had been resolved.

The transparency means that all decision making and implementation of those decisions made must: Follow the legal framework and information related to decision making and implementation of those decision made is openly disseminated freely access specially to those who will be affected by such decisions and their enforcement. Overall, respondents in both Sangkats were easy to obtain almost of SDP information, except the information regarding financial report about SDP projects disclosed to public, budget allocation to the SDP project, and result of bidding expose to the public were found difficult for them to acquire individually.

The responsiveness means the efforts of state administration and institutions to serve all stakeholders equally without discrimination within reasonable timeframe. While the term equity it means that all people or groups in community, specially minorities and vulnerable groups have opportunity to participate, raise issues and needs, and get reasonable interests to improve and maintain their well-being, particularly they have a stake in it and do not feel excluded from the mainstreaming society. The study found that the SDPs in both Sangkat had addressed the real needs of people in their community including ID Poor households, vulnerable groups and individual respectively. However, the evidence from this study shows that the respondents in both Sangkats, buying medicine from the pharmacy was seemed to be the first choice while they were getting sick, and if the health did not get better, access to the government health facility would have been the second option, but the accessibility to the private health facility was limited. While the majority of respondents in both Sangkats satisfied with the school quality (teachers, staff, facilities, curriculum) and school discipline.

The effectiveness and efficiency is the process and institutional management system in best use of resources at their disposal with saving manner to produce high quality and quantity of outputs, and able to provide maximum benefits and to meet real needs of the community. According to the study, generally, all most of respondents in both Sangkats satisfied with the service provided by the SCCs and expressed that the quality of services in their villages had become better. However, the quality service of waste management, hygiene and sanitation, and gender program was still the same if compare with 2018.

9.3.2.4 Applications of GGPs in SDPs for Poverty Reduction

The Sangkat Development Planning (SDP) was prepared for every 5 years in accordance with the Sangkat mandate. The Planning and Budgeting Committee (PBC) was playing an important role in the preparation and implementation of the Sangkat Development Plan (SDP) and Sangkat Investment Plan (SIP), which rendered participatory bottom-up planning and implementation. Throughout the planning and implementation of SDPs, the PBC was strictly applying local good governance principles in the Sangkat Development Planning for poverty reduction.

The stage and/or implementation process of SDPs in Sangkat including (1) plan formulation, (2) problems and needs identification, (3) selection of priority development project, (4) Khan integration workshop (KIW), (5) approval on SDPs, (6) implementation of development project, and (7) monitoring and evaluation (M&E).

9.3.2.5 Opinions of SCCs on Application of GPPs in SDPs for Poverty Reduction

Opinions of SCs and committees (SSCs) on the applications of good governance principles (GGPs) in Sangkat Development Planning (SDP) for poverty reduction were sought through different approaches including group discussion and individual interview. It was evidenced from this study that the SCCs in both Sangkats had strictly applied of GGPs in their SDPs for poverty reduction respectively. For instance, the participation principle was directly applied in stage 2: problems and needs identification, stage 6: implementation of development project, and stage 7: monitoring and evaluation (M&E) of projects. While rule of law, accountability, and effectiveness and efficiency principles were applied in the whole process of SDPs. The responsiveness, equity, consensus-oriented principles were directly applied in stage 1,2,3 and 6 of SDPs (plan formulation, problems and needs identification, selection of priority development project, and implementation of development project.

9.3.3 Perception of SCCs and HHs on the Contribution of GGPs in SDPs for Poverty Reduction

The third research question outlined in this thesis was: What is the perception of local government and citizen groups on the contribution of good governance principles in SDPs for poverty reduction in the study area?

9.3.3.1 Satisfaction on Contribution of GGPs in SDPs for Poverty Reduction

The perception of SCCs and local people (HHs) on satisfaction of GGPs in SDPs for poverty reduction was explored and discussed in chapter 7 of the thesis. This research study found that the SCCs in both Sangkats perceived higher satisfaction on the contributions of GGPs for poverty reduction including accountability, transparency, and effectiveness and efficiency. However, the SCCs in both Sangkats perceived least satisfaction on participation of poor people in contribution of labour and financial resources for project implementation.

While the household respondents in both Sangkats perceived strong satisfaction on problems and needs addressed by SDP projects, benefits of the project to community including vulnerable groups, individuals and women. Additionally, the SDP projects were implemented at the time local problems and needs occurred. The household respondents also perceived higher satisfaction on responsiveness, and effectiveness and efficiency in implementing of SDPs, but they perceived neutral satisfaction on rule of law, transparency and participation.

9.3.4 Impacts of GGPs in SDPs for Poverty Reduction

The fourth question was: What are the impacts of good governance principles in SDPs for poverty reduction in the study area?

9.3.4.1 Opinions of SCCs

The SCCs in both Sangkat perceived that the application of GGPs in SDPs had significantly affected their local administration including institutional, economic, and social impacts.

The highest institutional impacts of GGPs in SDPs were increased capacity of SCCs in planning, implementation, and monitoring and evaluation, and strengthened relationship among SCCs and various local people and committees in SDPs. While the economic impacts were on improving living conditions of poor and vulnerable households, cost effectiveness of the project of SDPs, and high quality of the project of SDPs.

The SCCs also found a very high positive social impacts on increasing of communication (road network) for poor and vulnerable households, increasing a good relations between SCs and poor people in the community, poor and vulnerable households and individuals benefited from SDPs' projects, improving inequality and poverty reduction, increasing accessibility to school for poor and vulnerable households, and empowering the poor.

9.3.4.2 Opinions of Sampled Households

In general, the economic impacts were perceived positively by sampled households in both Sangkats. They had perceived at high level of improving living conditions of poor and vulnerable households, increasing income generation of poor and vulnerable households, and increasing employment opportunities of poor and vulnerable households. Additionally, the sampled households in both Sangkats perceived highest social impacts on increasing of communication (road network), increasing accessibility to school, and improving inequality and poverty reduction in the community. Nevertheless, they perceived low social impacts on increasing accessibility to health services, and pro-poor policy.

9.3.5 Hypotheses of the Study

The fifth question was: What is the relationship between good governance and poverty reduction in the study area?

The study has tested the null hypotheses which are as follows:

Ho1: There is no significant difference between the income distributions of the households.

Ho2: There is no association between the local good governance and poverty reduction.

To test these hypotheses, the study has collected data from both SSCs and household respondents to explore their perception on the relationship between good governance and poverty reduction in the study areas, particularly the income distribution of the sampled households. For the hypothesis Ho1 was required from household respondents while the hypothesis Ho2, the study was sought from both SSCs and households' respondents.

The X^2 results as shown in the distribution table (X^2 =348.994, d.f.=6, critical value of X^2 at 1% level of significance=16.812) indicate that there was a significant difference between the income distributions of the households in 2019 and 2016. Hence, the null hypothesis "Ho 1: There is no significant difference between the income distributions of the households" was rejected at 1% significance level.

The X^2 results as shown in the table (X^2 =6.355, d.f.=2, critical value of X^2 at 5% level of significance=5.991) indicate that the association between the local good governance and poverty reduction was significant. Hence, the null hypothesis "Ho 2: There is no association between the local good governance and poverty reduction" was rejected by the SCCs at alpha level 0.05. While the X^2 results as shown in the table (X^2 =6.979, d.f.=2, critical value of X^2 at 5% level of significance=5.991) indicate that the association between the local good governance and poverty reduction was significant. Hence, the null hypothesis "Ho 2: There is no association between the local good governance and poverty reduction" was rejected by the household respondents at alpha level 0.05.

Through this research it is found that the application of GGPs in SDP is one of the crucial factors for community development at sub-national administration, because the good governance promotes the institutional and social development, particularly the economic growth that has a beneficial effect on both poverty reduction and improved in income distribution.

9.3.6 Factors Facilitating and Challenging in Application of GGPs in SDPs for Poverty Reduction

The last question of the thesis was: What are the factors explaining performance of good governance principles in SDPs for poverty reduction?

9.3.6.1 Factors Facilitating the Applications of GGPs in SDPs

Throughout the analysis of the research question it has surfaced that the facilitating factors the applications of GGPs in SDPs are categorized into three aspects including institutional, economic and social factors.

- ➤ The institutional aspects were identified as the factors facilitating the application of GGPs in SDPs. It included existing rules and regulations, local people participation, coaching, mentoring and on the job training, support from NGOs/line departments for SDPs implementation, and training on Local Good Governance (LGG) for SCCs.
- Not only institutional factors which had influence on GGPs application in SDPs, but economic aspects were also another which had mentioned by both Sangkats. Sangkat fund allocation and allocation criteria to each village, and Sangkat financial auditing and SDPs evaluation were regarded as the influential factors the achievements of GGPs applications in SDPs.
- The social aspects had been considered by SCCs of both Sangkats other than institutional and economic aspects. Among other dimensions of social aspects public awareness, SC's leadership to generate and mobilize fund, and monthly meetings were the main factors facilitating the applications of GGPs in SDPs.

9.3.6.2 Factors Constraining the Applications of GGPs in SDPs

The study found that there are several factors constraining the application of GGPs in SDPs including institutional, economic, and social factors.

➤ Low education level, multi-responsibilities of SCCs and PBC, and lack of infrastructure technical knowledge was identified as the factors constraining the application of GGPs in SDPs.

- Several economic aspects which constrained of the achievement of GGPs in SDPs included postponement of contract implementation, inadequate Sangkat fund, and low SCs incentive and motivation.
- ➤ The social aspects constrained the performance GGPs of SCs in SDPs including limited local people participation, replacement, and mandatory of PBC and SCs, lack of participation in decision making, lack of participation in bidding process, lack of public information disclosing, and lack of local people's awareness.

9.4 Conclusion

This concluding chapter has further discussed the findings of this research study. These discussions helped to answer each of the research questions set out at the beginning. These answers pointed to the main barriers to promote the application of GGPs in SPDs for poverty reduction in the study areas. The exposed barriers finally helped to develop a robust institutional and stakeholder framework models. This chapter also indicates further research areas.

The findings of this study further imply that the poverty reduction is the basic element to ensure social justice and sustainable growth. It needs good governance to support and provide opportunity for the poor to get out of poverty trap. It means that problems of poverty and governance are complicated and linked. A large number of studies and a lot of evidence from countries around the world support that good governance reduces poverty, and that bad governance leads to poverty.

Moreover, this study found that the RGC has made significant progress in creating a legal and institutional framework, and reform programs for good governance and poverty reduction. The characteristics of good governance and reforms are achievable make it possible to improve Cambodia's development by shoring up the foundations for dynamic enterprises, increasing trades, encouraging investment inflows, and promoting tourism which can generate more employments for Cambodian people—poverty is significantly reduced, and people's wellbeing is also being improved.

This research study explores the fact that the achievements in the application of GGPs in SDPs, led to better SDPs performance, were determined by several factors. Factors facilitating good governance were experience and expertise of SCs following rules and regulations, local people's participation; coaching, mentoring and on-the-job-training, NGO funding support and from training on LGG, clear Sangkat fund allocation criteria, financial auditing and SDPs evaluation, public awareness, local leadership to generate and mobilize fund for SDPs implementation, regular meetings of SCs.

However, both Sangkats faced by constraining factors including lower education level, lack of technical and professional staff, multi-responsibilities, and lacking of small scale infrastructure technical knowledge, postponement of project implementation, inadequate Sangkat fund, reluctant of local people's participation, replacement and mandatory of PBC, lack of participatory decision making, lack of public information disclosing, and lack of participation in bidding process. Therefore, these were leading to different achievements of practicing GGPs in SDPs of both Sangkats. Additionally, both study Sangkats

faced key policy challenges on incentive and motivation of local government and compensation policy, which should be considered in future. More importantly, as lack of clear operation guideline in practicing GGPs in SDPs, leading practices of LGG concept and principles in SDPs process by both Sangkats, resulting different achievements of GGPs in SDPs for poverty reduction. In this respect, further improvement is essential to strengthen the application of GGPs in SDPs based on factors affecting SDPs performance in line with planning and policy implications are needed.

Finally, it has clearly seen that the application of GGPs in SDPs for poverty reduction did not focus on a theory, but rather on practices through public administration and services reform, and equal law enforcement to promote economic growth, employment, justice, equity, honesty, social responsibility, and fair distribution of social benefits to poor people and to decrease inflation, gap between rich and poor, and gender inequity.

9.5 Recommendations

Recommendations are made based on the findings of the studies, specific recommendations are provided to strengthen the application of GGPs in SDPs for effective poverty reduction at sub-national administration and local development in Cambodia accordingly.

9.5.1 Strengthening Institutional Framework for Application of GGPs in SDP

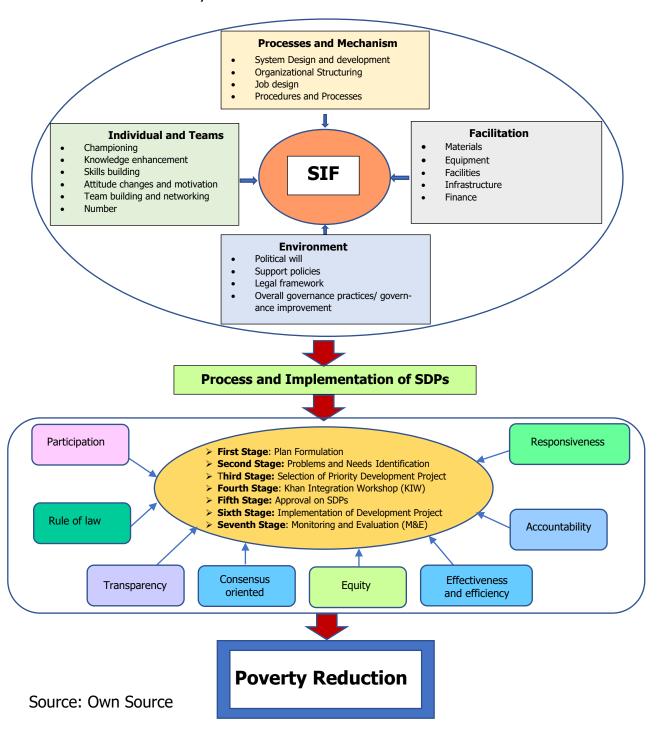
A new general framework based on the local context is therefore recommended. To effectively implement the GGPs in SDPs, it is very vital to enhance and strengthen state capabilities—the current SCCs working situations these include (i) processes and mechanism, (ii) facilitation, (iii) environment, and (iv) individual and teams.

To enforce SCCs performance that are important for improving organizational structuring, system design and development, job design, and implementation procedures and processes. The facilitations including materials, equipment, facilities, infrastructure and finance, are necessary items that need to be provided and supported to the SCCs for the implementation of SDPs more effectively and efficiently.

A good democratic political environment, political will, support policies, legal framework, and overall governance practices and governance improvement which are much more open and tend to be more amenable to good governance reforms. The individual and team work building through championing, knowledge enhancement, skills building, attitude changes and motivation, networking, and mobilize more staff for SCCs, are identified as preconditions for development at sub-national administration to ensure that SCs will be more efficient institution as they help to achieve conditions that are desirable.

Finally, the good governance principles (GGPs) have to be strictly applied in the whole process of SDPs that this a precondition and significant effect on poverty reduction. The recommended framework for application of GGPs in SDPs for poverty reduction is shown in the following figure.

Figure 9.1: Recommended Strengthening Institutional Framework (SIF) for Application of GGPs in SDPs for Poverty Reduction



9.5.2 Stakeholder Framework for Application of GGPs in SDP

Despite sincere efforts on application of an institutional framework, national government, sub-national administration (SNA), civil society organizations, private sector and donors, have to pay more attention on pro-poor policy and pro-poor growth poverty intervention as depicted as in the following figure.

National Government Level **SNA** (SDPs) GGPs: Civil Women and society Participation Minorities Rule of law Transparency **Pro-poor Growth** Pro-poor Poor and **Poverty** Consensus oriented **Policy Poverty** vulnerable Reduction Equity Intervention people Effectiveness and **Private** efficiency **Sector** Accountability **Poor Community** Responsiveness **Donors/DPs**

Figure 9.2: Stakeholder Framework for Application of GGPs in SDPs Poverty Reduction

Source: Own Source

It is believed that the type of growth that has a beneficial effect on both poverty reduction and improved in income distribution is "pro-poor" growth. But the "pro-poor growth" policy alone is insufficient for enhancing poverty reduction equally—good governance principles are essential for pro-poor growth policy to be effective and to reinforce the process of income distribution.

The basic argument to promote good governance for poverty reduction comprises, among other matters: (i) focusing poverty reduction resources and creating accountability in the use of public funds in the interests of the poor, (ii) building national capacities for pro-poor policy formulation and implementation, (iii) improving administration and private sector participation for better services delivery to the poor, (iv) shifting decision making nearer to the poor and helping the poor to organize themselves, (v) preventing corruption as it affects the poor most, (vi) strengthening the rule of law with clearly propoor enforcement procedures, and (vii) involving, in a participatory way, a diversified range of stakeholders including NGOs representing the poor.

The central government and sub-national administration (SNA), particularly through the application of GGPs in SDPs, will be the most direct channel through which governance affects poverty is via its impact on service delivery. Poverty reduction depends on improvements in the quality and accessibility to poor people of basic education, health, water and other social and infrastructure services. Policy and programme intervention therefore should be made in relation to poor people's livelihoods, resources, knowledge and rights. At the grass roots levels of programme management attempts should be made for the poor to: (i) facilitate the access to resources; (ii) help to strengthen the basis of livelihoods; (iii) expand their knowledge base; (iv) help exercise social and political rights; (v) investment in human capital to enable greater participation; (vi) provide access to productive assets, and (vii) empowerment through mobilizing their talents in community development projects.

Outsourcing of many government activities to civil society organizations (CSOs) can help reduce the burden of mis governance. Awareness campaigns through CSOs can play important roles in making citizens conscious of their rights and duties. The CSOs should develop their future advocacy and program activities in following areas: (i) advocacy for implementing the pro-poor policy during the Commune/Sangkat election campaign; and (ii) local and national level social mobilization for more debate and discussion on pro-poor policies in different events including workshop and public forums. It is also noted that CSOs have the potential to undertake productive investment and marketing capabilities, which may generate pro-poor employment. This potential needs to be harnessed and for these appropriate policies must be adopted. Therefore, all key stakeholders should support the CSOs in designing and implementing pro-poor employment projects.

The private sector serves as the engine of the society. It is an important collaborator in the economic development of the community. It generates jobs and incomes for the poor people in the community. Because of its resources such as financial and technical expertise, it can assist the SNA and SCCs in coming up with a pro-poor investment plan for the community and help in the implementation of the plan. It can also provide the needed resources for the SNA and SCCs to enable it to pursue big and wide scale projects that are beyond the SNA and SCCs' financial capability. The private sector has an important role to play in the fight against corruption. Therefore, to effectively fight corruption, governments, civil society organizations (CSOs) and donors should seek to systematically and constructively engage with the private sector as a source of corruption, but also a potential supporter in the fight against corruption.

In fact, donors and development partners have been among the most influential promoters of good governance in developing countries, like Cambodia, using aid as a means to support reform and initiatives. By paying greater attention to the pro-poor policy, key areas for donors' attention include: (i) supporting SNA and SCCs to design and implement employment policies that promote equal opportunities and welfare systems that allow marginalized groups to benefit from economic growth, linking government and the private sector; (ii) supporting participatory approaches for capacity development on employment policy design; (iii) supporting SNA and SCCs' own efforts to develop and implement social protection systems; (iv) investing in SNA and SCCs initiatives to develop and share knowledge on the effective design and implementation of social protection systems; and (v) committing to a long-term partnership, including financial and technical support, to underpin SNA and SCCs' efforts to build and promote social protection systems.

Finally, all key stakeholders have to pay more attention on strengthening women's representation and participation in local development activities, particularly the development and implementation of pro-poor policies that this can contribute significantly to pro-poor growth poverty intervention.

9.5.3 Capacity Building on GGPs

In factors constraining, majority of SCs and committee's education levels were low and old age, appropriate training should be delivered based on clear Training Needs Assessment (TNA), and appropriate training approach should be delivered such as learning by

doing, on the job training, by practicing principles of good governance in the daily work and real SDPs process practices. Additionally, the capacity building on GGPs should be widely promoted for the local people, particularly for the poor and vulnerable groups in the urban poor communities through local authorities and CSOs. This would enhance and inspire understanding local good governance in local planning process of SCs. Besides, specific training on local good governance's principles in SDPs, negotiation and mediation skill, communication and resource mobilization skill as well as participatory monitoring and evaluation should be delivered through appropriate approach such as practicing work during M&E stage of SDPs, this would enhance more comprehensive understanding how participatory monitoring and evaluation conducted. As seen that SCs and committee was lacking of technical knowledge on basic infrastructure project monitoring and evaluation, skills related to this calculation, drawing and design reading, and measurement would help SCs to increase its independent in decision making in this regard.

9.5.4 Human Resources for Sangkat Councils

To promote the development and implementation of SDPs and local good governance agenda at Sub-national level more effectively, additional human resources and/or technical staff for the position of civil engineering, Information Technology (IT), Management Information System (MIS), and Geographic Information System (GIS etc. should be employed and mobilized to support the daily operations and functioning of the SCs.

9.5.5 Additional Budget Allocation for Sangkat Councils

Inadequate budget is the main factor restricting activity and growth by SCs. Having wide discretion to select and set priorities is an empty power for councils with virtually no revenue. As the SCs can play a major role in advancing local and national development, especially in contributing to poverty reduction, the national government should consider to allocate appropriate and reliable local and national financial resources, particularly the extent of fiscal decentralization is probably the best indicator of the nature in promoting of local development, and the true commitment of the national government. More importantly, the government should establish the law on 'Commune/Sangkat Own Source Revenue' so that the SCs to have incentives and to generate revenues and control expenditures for local development activities more effectively and efficiently.

9.5.6 Incentives Policy for Sangkat Councils

Reward should be given to the Sangkat that had better performance or champion in application of good governance principles (GGPs). This can be done through the medal award, and awarding in terms of additional local development fund from the national government in order to implement SDPs, and it would motivate SCs to work harder, and increase truth from villagers. Besides, award as group, individual incentive should be given to Sangkat councilors who had performed well in application and understanding of local good governance principles in SDPs. To endorse this, policy support from ministry level, especially Ministry of Interior and Ministry of Economy and Finance are needed to enforce policy implications at Sub-national Administration development in Cambodia.

9.5.7 Strengthening GGPs in SDPs

Recommendations to strengthen local good governance—GGPs in SDPs for poverty reduction are made to both study Sangkats including:

- The participation of poor people in problems and needs identification which applied by both Sangkats should be improved by introducing participatory approach such as problem tree analysis, group discussion (women and men group, and other vulnerable groups) to motivate them to articulate their real needs and issues within the villages, and enhancing these skills to SCs, and PBCs in both Sangkats should be provided through facilitation skill and participatory approach's courses including methods and techniques.
- Although the Sangkat fund could not able to cover the project which required by the people, but the identification and selection priority development project or top priority project should be much focused on the poorest village, particularly in the urban poor communities have been identified as having the greatest need, where the residents have the most limited access to basic infrastructure, live far from jobs and services, and are at highest risk to flooding.
- ➤ Enhancing more effort to mobilize resources (finance) from different key stakeholders including CSOs, line departments, and private sectors would enhance responsiveness in terms of real needs and issues which proposed by villagers and achieved the objectives of SDPs.

- ➤ It was found that land acquisition was the problematic always occurred during project implement development stage, thus smoothly decision making, discussion among villagers whose land affected by the projects to reach consensus is needed, and appropriate intervention from Khan level is needed. Transparency in bidding of Sangkat project was operated at Khan level, which lack of participate from villagers, and beneficiaries from each Sangkat. Therefore, to increase transparency in bidding procurement at Sangkat level is encouraged where villagers, and interested people would be able to participate the bidding process.
- To ensure transparency in information dissemination, and budgeting report sharing to public should be promoted by both Sangkats. Increasing regularly participatory monitoring and evaluation in project implementation should be enforced by M and E committee in these two Sangkats in order to achieve effectiveness in terms of projects output achieved the objectives of SDPs, and also the responsiveness as problems would be solved through the project, and using their authorities as project owner to enforce contractors to implement project within time frame in order to achieve efficiency in SDPs implementation.
- Empowering the poor as well as promoting effectiveness of public service delivery, especially the applications of GGPs in SDPs should be pro-poor policy that this will provide directly interventions to the poor and vulnerable groups in the communities, and this would provide a huge benefits and significant impacts on their livelihood activities through building and strengthening institutions of the poor and vulnerable people in the rural and urban areas. Especially the need for capacity building, income and skills generation for poverty reduction.

9.5.8 Developing GGPs Framework and Measurement

The research found that there was no specific law or regulation as guidelines to enforce local good governance's principles practicing in SDPs in institutional framework and mechanism, specific guidelines other than existing guideline should be developed for practicing in SDPs. Existing guideline introduced rule of law, participation, accountability, transparency, responsiveness, effectiveness and efficiency, consensus oriented and equity which are broad elements which leading to different interpretation in the application of these principles in SDPs, as lack of clear indicators to measure these. Thus, developing indicators for each principle of GG are needed. Quantitative and qualitative techniques of indicators of these elements should be measured together with the achievement of SDPs. Meanwhile, law endorsement to enforce these principles is also needed to support the application in SDPs in Cambodia.

9.5.9 Further Research

This research study sets the ground for many further research studies. Top of all, the recommended strengthening institutional and stakeholders' frameworks for application of GGPs in SDPs for poverty reduction could be tested in the field. If subnational administration, like those in Cambodia, do not improve their present implementation procedures in pursuing good governance principles, they will face a number of challenges in promoting local community development for the poor and vulnerable people, especially in the context of COVID-19 pandemic impacts. Several initiatives by the government and the development agencies for poverty eradication will also not get momentum if the RGC fails to overcome bad governance and to achieve pro-poor policies development.

A further research could be conducted to explore the impacts of application of good governance principles in SDPs to livelihood of general people, and a comparative study between good governance principles applied in local projects supported by government agencies and CSOs.

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Appendix 1



Questionnaire No:	

BUILD BRIGHT UNIVERSITY (BBU) School of Doctoral Studies

Good Governance and Poverty Reduction in Cambodia: A Study of the Local Good Governance and Poverty Reduction at Sub-National Level

A Questionnaire for Sampled Households

Set (B)

Khan	Sangkat	Village	Poverty Status
		□ Baku	☐ ID Poor 1
	Dangkao	☐ Khva	□ ID Poor 2
Dangkao		□ MoI	
		☐ Toap Baoh	☐ ID Poor 1
	Prey Veaeng	☐ Toul Sambour	□ IDP Poor 2
		☐ Serei Dei Dos	
Date of Interview :			
Name of Interviewer :	******		
		Ву	

Mr. THOU Panha
Ph.D. Candidate
Specialization Rural Development and Social Work
Phnom Penh, 2020

Part A: Characteristics of Respondents

Q. No.	Questions	Answers	Coding
QA.1	Name of Respondent		
QA.2	Gender	☐ 1: Male	
		□ 2: Female	
QA.3	Age		
Q. 2.0	1.50		
QA.4	Education Background	☐ 1: Illiterate	
		☐ 2: Primary	
		☐ 3: Secondary	
		☐ 4: High School	
		☐ 5: Vocational Training	
		☐ 6: Bachelor	
		☐ 7: Any other (specify)	
		☐ 1: Married	
QA.5	What is your marital status?	□ 2: Widowed	
Q. 2.0	The state of the s	☐ 3: Divorced	
		☐ 4: Single	
		☐ 5: Other (specify)	
QA.6	What is your position within the household? (select one)	☐ 1: Head of the household	
Q11.0	What is your position within the nousehold. (select one)	\square 2: Spouse of the head of household	
		☐ 3: Parent or parent-in-law of the head of household	
		☐ 3: Parent or parent-in-law of the head of household ☐ 4: Son/daughter or son/daughter-in-law of the head of household	
		☐ 5: Other (specify)	
QA.7	How long have you been living in this village/community?	2 5. Other (Speen)	
Q. 2. /	110 W 1011g 114 V J C W C C C 11 W 1111g 111 V 1111 G II V 1111 G	Since(Years)	
QA.8a	Do you have any occupation?	☐ 1: Yes ☐ 2: No	
Q11.0W	20 you have any overpution.	_ 1.140 2.110	
		☐ 1: Radio/TV repair	
		☐ 2: Carrying Goods	
		☐ 3: Construction work	
		☐ 4: Sellers	
QA.8b	What is your main occupation?	☐ 5: Waiters	
		☐ 6: Drivers	
		☐ 7: Garment factory workers	
		□ 8: Domestic servants	
		☐ 9: Motorcycles repair	
		□ 10: Car repair	
		☐ 11: Computer Repair	
		☐ 12: Telephone Repair	
1		☐ 13: Hairdressers	

Q. No.	Questions	Answers	Coding
		☐ 14: Sewing	
		☐ 15: Civil servants	
		☐ 16: Armed Forces	
		☐ 17: Wedding outfitting	
		□ 18: Chef	
		☐ 19: Private Company	
		☐ 20: Security Guard ☐ 21: Blacksmith	
		☐ 21: Blacksmith	
		☐ 22: Repairing all types of machineries ☐ 23: Other (Specify)	
QA.9	Total monthly income of the household from all sources	In 2016:(In USD)	
		(1, 1/07)	
		In 2019:(In USD)	

Part B: Level of Good Governance Principles Understanding

QB1: There are eight good governance principles these include participation, rule of law, transparency, consensus oriented, equity, effectiveness and efficiency, accountability, and responsiveness. To your knowledge, have you ever heard or understanding the meaning of these good governance principles? (Interviewer is required to observe and evaluate, and then providing the answer)

_	No. Good Governance Principles Understanding Degree of						
No.	Good Governance Principles	Underst	anding	Deg	ree of Underst	anding	
		Yes	No	Low	Medium	High	
1	Participation: Participation in good governance intents to be participated by every citizen in the process of decision making and implementing those decisions made. The important of participation is to make sure that all information about the problems, needs, and purposes of people are collected and analyzed before decision made.	1	2	1	2	3	
2	Rule of law: Rule of law in the meaning of good governance requires fair legal framework to serve and protect public benefits and need to be enforced impartially. Furthermore, it also requires full protection of human rights, particularly those of minorities, and vulnerable groups. Thus, it needs independent judiciary and incorruptible authority forces.	1	2	1	2	3	
3	Transparency : Transparency in good governance means that all decision making and implementation of those decisions made must: Follow the legal framework. Information related to decision making and implementation of those decision made is openly disseminated freely access specially to those who will be affected by such decisions and their enforcement. All information must be simple accurate.	1	2	1	2	3	
4	Consensus oriented: In good governance, it means that the long-term perspective and consideration of different interests and needs in society to reach a broad consensus on best option and method to serve interest of the whole community.	1	2	1	2	3	
5	Equity: In good governance, Equity means that all people or groups in community, specially minorities and vulnerable groups have opportunity to participate, raise issues and needs, involve in implementation, and get reasonable interests to improve and maintain their well-being. Furthermore, they have a stake in it and do not feel excluded from the mainstreaming society.	1	2	1	2	3	
6	Effectiveness and efficiency: Effectiveness and efficiency in good governance is the process and institutional management system in best use of resources at their disposal with saving manner to produce high quality and quantity of outputs, and able to provide maximum benefits and to meet real needs of the com-	1	2	1	2	3	

QB1: There are eight good governance principles these include participation, rule of law, transparency, consensus oriented, equity, effectiveness and efficiency, accountability, and responsiveness. To your knowledge, have you ever heard or understanding the meaning of these good governance principles?

(Interviewer is required to observe and evaluate, and then providing the answer)

No.	Good Governance Principles	Understa	anding	Degree of Understanding					
		Yes	No	Low	Medium	High			
	munity. The concept of effective and efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.								
7	Accountability: Accountability in good governance means that the implementation of role, tasks in the process decision making and implement those decision made and take responsibility in all of their performance by reporting, explaining the reasons on those decisions made.		2	1	2	3			
8	Responsiveness: In good governance, it means the efforts of state administration and institutions to serve all stakeholders equally without discrimination within reasonable timeframe.	1	2	1	2	3			

Part C: Level of Poverty Understanding

<u>United Nations:</u> Poverty is the inability of getting choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation.

Q. No.	Questions				Answers					Coding
QC.1	I will read you a list of factors/problems leading your vil-	Cause of Poverty	Yes	No	Very	Minor	Moder-	Major	Very	
	lagers in the Sangkat to the poverty. Please tell me how				minor		ate		Major	
	serious you consider each factor to be. Please answer on a	1. Poor governance			1	2	3	4	5	
	scale of 1 to 5, where 1 corresponds to a very minor prob-	2. Ignorance			1	2	3	4	5	
	lem and 5 to a very serious one.	3. Disease			1	2	3	4	5	
		4. Apathy			1	2	3	4	5	
		5. Unemployment			1	2	3	4	5	
		6. Dependency			1	2	3	4	5	
		7. Lack of markets			1	2	3	4	5	
		8. Poor infrastructure			1	2	3	4	5	
		9. Poor leadership			1	2	3	4	5	
		10. Lack of skills			1	2	3	4	5	
		11. Cost of living			1	2	3	4	5	
QC.2	Which is currently the most serious problem in your									
	Sangkat? Indicate by the number between 1 and 11.									
QC.3	How dose poverty affects poor people in your Sangkat?	☐ 1: Not at all								
	Answer on a scale from 1 to 4, where 1 corresponds to "not	☐ 2: Slightly								
	at all" and 4 corresponds to "greatly".	☐ 3: Moderately								
		☐ 4: Greatly								

Part D: Involvements of Local People in the Applications of Good Governance Principles for Poverty Reduction

Pa	rticipation																							
Pro	grams or	QD.1	l .			Ql	0.2.			Q	D.3.			QD.4.		QD.	5.	(QD.6.		(QD.7.		
Con	nmunity activ-	lage/ gran durii	ng the	ro- ty of []	[act] pro	go to gram/ plann ng?	/	gestion during [] program/activity planning or meet-			g [] vity	ning or meeting of [] did you take a role in decision role in pro- gram/activity of []? money or in-kind program/activity of during the last 2				money or in-kind to program/activity of [] during the last 2				was y ntribut ogram/	e mon	ey/ in-	-kind
		years							ing				makin					years?						
		1. Y 2. N 9. D		ow	2. 3.	Most	r ly abs ly pre ys pre	sent	2. 3. 4.	Never Mostl Givin tion fi Alway sugge	y quio g sug reque ys giv	ges- ntly	1. Ye 2. No			ser aborer rganize	er	1. Yes 2. No		be the 2. In be 3. In els 4. It	volunta en dec orities volunta en a m volunta se cont is norn oluntar	arily, a eeting arily, a ribute nal to c	y the are s it has decision on the contrib	u- s on ne utes
a.	Education	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
b.	Health	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
c.	Road construc- tion	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
d.	Water Supply	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
e.	Electricity	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
f.	Hygiene and sanitation	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
g.	Public security	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
h.	Waste man- agement	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5
i.	Gender	1	2	9	1	2	3	4	1	2	3	4	1	2	1	2	3	1	2	1	2	3	4	5

Rule of Law												
Cases	QD.8. Is the in the last 2 y		g in this village/commur	QD.9. W	hat is the	solution t	to the []	case?				
	1. Yes			1. Viole								
	2. No	NOW		2. No ac		,						
	9. DON'T KI	NOW			ave solution		involved w	rith				
					ge Chief/S			1111				
				6. Resp	ected mem	ber of con	nmunity					
						ilitation, b	ut without j	udicial pr	ocess			
					to court 'T KNOW	I						
a. Land/building dispute	1	2	9	1	2	3	4	5	6	7	8	9
b. Violent disputes among member of community	1	2	9	1	2	3	4	5	6	7	8	9
c. Environmental pollution	1	2	9	1	2	3	4	5	6	7	8	9
d. Violent disputes in waste management	1	2	9	1	2	3	4	5	6	7	8	9
QD.10. After [] cases have been s	olved, do you f	eel safe or secure?			2. N	es lo OON'T KN	IOW					
a. Land/building dispute					1		2	2		Ģ)	
b. Power abuse by bureaucrats (such government's assets illegal sales, etc.		get graft, governme	nt aid budget graft, Sangk	at fund graft,	1		2	2		ý)	
c. Criminal acts	<i>6</i>				1		2	2		Ģ)	
d. Violent disputes among member	of community				1		2	2		<u>_</u>)	
e. Environmental pollution					1		2)		Ģ)	
f. Violent disputes in waste manage	ement				1		2	2		<u>_</u>)	
Transparency												
		QD.11. How n formation of [nuch do you have in-]?	QD.12. How information	easy do yo of []?	ou obtain	have m	any effor	pinion, de ts to socia lisseminat	l-	Ü	•
		1. Do not have 2. Very few 3. Few	4. Quite numerous5. Abundant6. NO CASE	1. Very diffic 2. Difficult 3. Quite diffi	5.	Easy Very easy	1. Neve 2. Rarel 3. Some	r V	4. Freque 5. Alway	ently		11-

Budget allocation to the SDP project 1 2 3 4 5 6 1 2 3 4 5 1 2 3 4 5 5 1 2 3 4 5 5 5 5 5 5 5 5 5 5																				
Description Public Publi	a.	Budget allocation to the SDP project	1	2	3	4	5	6	1	2	3	4	5	1	2	3	4	5		
tion present at each project site 1	b.		1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
C. SCs gives information to the public about the SDPs 1	c.	Signboard contains project budget and contribu-	1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
SDPs f. SCs spread information about the project in public post g. SCs encourage village headmen to spread infor- ilic post g. SCs encourage village headmen to spread infor- mation about project h. SCs gives information to those impacted by pro- ject of SDPs Responsiveness and Equity QD.14. In your opinion, are these SDPs responded to you or community needs? I.Yes 2. No 9. DON'T KNOW a. SDPs addressed local problems and needs 1.Yes 2. No 9. DON'T KNOW D. Project of SDPs implemented within time frame 1. 2. 9 c. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs is allocated to every village of the Sangkat e. Project of SDPs is allocated to every village of the Sangkat e. Project of SDPs is allocated to every village of the Sangkat f. All poor villages and urban poor communities included in SDP project D. D.15a. If there is any of your family members get an illness, to what health facility will you bring him/her? D. D.15b. Quality of the Government health facility? D. D.15b. Quality of the Government health facility? D. D.15c. Quality of the Private health facility? The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good	d.	Result of bidding expose to the public	1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
Itic post g SCs encourage village headmen to spread information about project 1 2 3 4 5 5 1 2 3 4 5 5 5 5 5 5 5 5 5	e.		1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
mation about project h. SCs gives information to those impacted by pro- ject of SDPs Responsiveness and Equity QD.14. In your opinion, are these SDPs responded to you or community needs? 1. Yes 2. No 9. DON'T KNOW a. SDPs addressed local problems and needs b. Project of SDPs implemented within time frame c. Project of SDPs implemented within time frame c. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual) e. Project of SDPs is allocated to every village of the Sangkat l. 2 9 f. All poor villages and urban poor communities included in SDP project l. 2 9 QD.15a. If there is any of your family members get an illness, to what health facility in the services of the Government health facility in the services of the se	f.	1 1 1	1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
Responsiveness and Equity QD.14. In your opinion, are these SDPs responded to you or community needs? 1. Yes 2. No 9. DON'T KNOW 1 2 9 b. Project of SDPs implemented within time frame 1 2 9 c. Project of SDPs implemented at the time local problems and needs occurred 1 2 9 d. Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual) e. Project of SDPs is allocated to every village of the Sangkat 1 2 9 f. All poor villages and urban poor communities included in SDP project 1 2 9 QD.15.a If there is any of your family members get an illness, to what health facility will you bring him/her? QD.15b. Quality of the Government health facility? QD.15b. Quality of the Government health facility? The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the Private health facility?	g.	mation about project	1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
a. SDPs addressed local problems and needs b. Project of SDPs implemented within time frame c. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual) e. Project of SDPs is allocated to every village of the Sangkat f. All poor villages and urban poor communities included in SDP project DD.15a. If there is any of your family members get an illness, to what health facility will you bring him/her? DD.15b. Quality of the Government health facility? DD.15c. Quality of the Frivate health facility? DD.15c. Quality of the Private health facility? The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the services:	h.		1	2	3	4	5	6	1	2	3	4	5		1	2	3	4	5	
a. SDPs addressed local problems and needs b. Project of SDPs implemented within time frame c. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual) e. Project of SDPs is allocated to every village of the Sangkat f. All poor villages and urban poor communities included in SDP project 1 2 9 QD.15.a If there is any of your family members get an illness, to what health facility will you bring him/her? 1: Nowhere, no action 2: Self medication 3: Buy medicine from pharmacy 4: Khmer traditional medication 5: Government health facility 6: Private health facility 7: DON'T KNOW QD.15b. Quality of the Government health facility? The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the services:	Re	sponsiveness and Equity																		
a. SDPs addressed local problems and needs b. Project of SDPs implemented within time frame c. Project of SDPs implemented at the time local problems and needs occurred d. Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual) e. Project of SDPs is allocated to every village of the Sangkat f. All poor villages and urban poor communities included in SDP project DD.15.a If there is any of your family members get an illness, to what health facility will you bring him/her? I: Nowhere, no action 2: Self medication 3: Buy medicine from pharmacy 4: Khmer traditional medication 5: Government health facility 6: Private health facility 7: DON'T KNOW DD.15b. Quality of the Government health facility? The quality of the services: 1. Very poor 2. Poor 3. Fair 4. Good 5. Very good The quality of the services:										· opini							unity no	eeds?		
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	QE	0.15b. Quality of the Government health facility?						The q	uality of t	he serv			3. Fair	4.	Good	5. V	/ery goo	d		
	QE	0.15c. Quality of the Private health facility?	_			_	_					_	3. Fair	4.	Good	5.	Very goo	od		_

QD.16 Does any of your household members go to school?	1.Yes	2. No			
a. Primary school	1, 1 65	2. 110			
b. Secondary school	1	2			
c. High school	1	2			
d. University	1	2			
QD.17 Please give your opinion on the following questions:	1.Yes	2. No	0 DON	'T KNOW	
a. Do you have any objection with the amount of school fee?	1.103	2.110	9.001	1 KNOW	
b. Do you have any objection with the amount of clothes uniform price tag?	1	2	9		
c. Do you satisfy with the school quality (teachers, staff, facilities, curriculum)?	1	2	9		
d. Do you satisfy with the school discipline?	1	2	9		
e. Do you satisfy with the school support committee?	1	2	9		
QD.18 Did you or anyone in your family have to make any unofficial payments to	1. Yes		9		
get your child admission in the school?	2. No				
get your child admission in the school.	9. DON'T KN	ΟW			
QD.19 When unofficial payments are required, which of the following occurs more	1.Seldom	2. Sometimes	3 Frequentl	y 4. Always	
frequently?	1.50140111	2. Sometimes	3. Troquenti	., 1.111114/5	
a. A school official indicates or asks for a payment	1	2	3	4	
b. The parent or family member offer a payment on his/her own accord	1	2	3	4	
c. It is known before-nand now to pay and now much to pay, so it is not discussed.	1	2	3	4	
c. It is known before-hand how to pay and how much to pay, so it is not discussed. Effectiveness and Efficiency	1	2	3	4	
Effectiveness and Efficiency	village in 2018 con			·	
	village in 2018 con	mpare 1. Dec	creasing nstant	3. Increasing 9. DON'T'KNOW	
Effectiveness and Efficiency QD.20. In your opinion, how is the quality of [] programs implementation in your versions.		mpare 1. Dec	creasing	3. Increasing	
Effectiveness and Efficiency QD.20. In your opinion, how is the quality of [] programs implementation in your with 2019?		mpare 1. Dec	creasing nstant	3. Increasing 9. DON'T'KNOW	
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Effectiveness and Efficiency QD.20. In your opinion, how is the quality of [] programs implementation in your with 2019? a. Village infrastructure development (drainage, concrete road, bridge, street lighting, etc.) b. Poor people empowering c. Livelihood Planning program d. Self Help Group/Saving program e. Gender program QD.21. In your opinion, how is the quality service of [] in the village/Sangkat comp 2018? a. School b. Health c. Water supply d. Electricity e. Hygiene and sanitation f. Public security g. Waste management	2.)	npare 1. Dec 2. Con 1 1 1 1 1 1 1 d year 1. Wors	creasing nstant 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	3. Increasing 9. DON'T'KNOW 3 9 3 9 3 9 3 9 3 9 8etter DON'T'KNOW 3 9 3 9 3 9 3 9 3 9 3 9 3 9	
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Part E: Perception of Citizen on the Satisfaction of Good Governance Principles in Poverty Reduction

QE 1: Are you satisfied with the implementation and contribution of good governance principles in poverty reduction?

Degree of satisfaction: 1= strongly dissatisfied, 2= dissatisfied, 3=neutral, 4= satisfied, 5= strongly satisfied

No.	Items	_	sfied		De	ecree isfact			Remarks
110.	rems	yes	No	1	2	3	4	5	
Participation									
1	Education program								
2	Health service program								
3	Road construction								
4	Water supply								
5	Electricity								
6	Hygiene and sanitation								
7	Public security								
8	Waste management								
9	Gender program								
Rule of Law									
1	Land/building dispute								
2	Power abuse by bureaucrats (such as project budget graft, government aid budget graft, Sangkat fund graft, government's assets illegal sales, etc.)								
3	Criminal acts								
4	Violent disputes among member of community								
5	Environmental pollution								
6	Violent disputes in waste management								
Transparency									
1	Budget allocation to the SDP project								
2	Financial report about SDP projects disclosed to public								
3	Signboard contains project budget and contribution present at each project site								
4	Result of bidding expose to the public								
5	SCs gives information to the public about the SDPs								
6	SCs spread information about the project in public post								
7	SCs encourage village headmen to spread information about project								
8	SCs gives information to those impacted by project of SDPs								
Responsiveness a									
1	SDPs addressed local problems and needs								
2	Project of SDPs implemented within time frame								

No.	Items					cree isfact			Remarks
		yes	No	1	2	3	4	5	
3	Project of SDPs implemented at the time local problems and needs occurred								
4	Project of SDPs benefited to the community (including ID Poor households, vulnerable groups and individual)								
5	Project of SDPs is allocated to every village of the Sangkat								
6	All poor villages and urban poor communities included in SDP project								
7	Public health services								
8	Public school service								
Effectiveness and Ef	ficiency								
1	Project quality								
2	Long lasting of the project (sustainability)								
3	Cost-benefit of the project (low cost, high benefit)								

Part F: Perception on Influencing Local Good Governance Principles Performance in SDPs for poverty reduction

Q.F.1. To what extend do you think the following items impacted from the application of local good governance principles in poverty reduction? If so, why do you think that it impacts?

Degree of impact: 1= Lowest, 2= Low, 3= Moderate, 4= High, 5= Highest

No.	Items					egre			Why
110.	Items	Yes	No	1	2	3	4	5	
Econ	omic Impacts								
1	Increased employment opportunities of poor and vulnerable households	1	2						
2	Increased income generation of poor and vulnerable households	1	2						
3	Improved living conditions of poor and vulnerable households	1	2						
Socia	l Impacts								
1	No discrimination in local development	1	2						
2	Poor and vulnerable households and individuals actively participated in SDPs	1	2						
3	Poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs	1	2						

No.			Impacted			gree	e of		Why
		Yes	No	1	2	3	4	5	
4	Poor and vulnerable households and individuals benefited from SDPs' projects	1	2						
5	Increased good relations between SCs and poor people in the community	1	2						
6	Enhanced social unity in the poor community	1	2						
7	Increased accessibility to health services for poor and vulnerable households	1	2						
8	Increased accessibility to school for poor and vulnerable households	1	2						
9	Increased communication (road network) for poor and vulnerable households	1	2						
10	Enhanced accessibility to drinking water for poor and vulnerable households	1	2						
11	Pro-poor policy and empowering the poor	1	2						
12	Improved inequality and poverty reduction in the community	1	2						

Thank you for your cooperation in providing the information!

Appendix 2



Questionnaire No:	

BUILD BRIGHT UNIVERSITY (BBU)

School of Doctoral Studies

Good Governance and Poverty Reduction in Cambodia: A Study of the Local Good Governance and Poverty Reduction at Sub-National Level

A Questionnaire for Sangkat Council and Committees

Khan	Sangkat									
	□ Dangkao									
Dangkao	Draw Vacana									
Č	☐ Prey Veaeng									
Name of Interviewer :										
Date of Interview :										
Set (A)										

By

Mr. THOU Panha Ph.D. Candidate Specialization Rural Development and Social Work Phnom Penh, 2020

Part A: Characteristics of Respondents

Q. No.	Questions	Answers	Coding
QA.1	Name of Respondent		
QA.2	Gender	□ 1: Male	
		☐ 2: Female	
QA.3	Age		
QA.4	Education Background	☐ 1: Primary	
		☐ 2: Secondary	
		☐ 3: High School	
		☐ 4: Vocational Training	
		☐ 5: Bachelor Degree	
		☐ 6: Master Degree	
		☐ 7: Any other (specify)	
		☐ 1: Married	
QA.5	What is your marital status?	□ 2: Widowed	
Q- 2.10		□ 3: Divorced	
		☐ 4: Single	
		☐ 5: Other (specify)	
QA.6	What is your position within the Sangkat? (select one)	☐ 1: Sangkat Chief (SC)	
Q11.0	What is your position within the sunghat. (select one)	☐ 2: 1st Deputy Sangkat Chief	
		☐ 3: 2 nd Deputy Sangkat Chief	
		☐ 4: Clerk	
		☐ 5: Councilor	
		☐ 6: M&E Committee	
		☐ 7: Procurement Committee	
		8: Women and Children Committee	
		☐ 9: Planning and Budgeting Members (PBC)	
		☐ 10: Other (specify)	
GA.7	How long have you been involving in Sangkat affair?	10. Other (specify)	
UA./	Trow long have you occur involving in Sangkat arian!	Since(Years)	
		☐ 1: Farming	
		☐ 2: Middle man	
GA.8	What is your main occupation besides working for Sangkat	☐ 3: Retailer	
UA.0	Councils?	☐ 4: Small business	
	Councils:	☐ 5: Other (Specify)	
		L J. Outer (opecity)	
QA.9	Total monthly income of the household from all sources		
		US\$	

Part B: Level of Local Good Governance Principles Understanding

QB1: There are eight good governance principles these include participation, rule of law, transparency, consensus oriented, equity, effectiveness and efficiency, accountability and responsiveness. To your knowledge, have you ever heard or understanding the meaning of these good governance principles? (Interviewer is required to observe and evaluate, and then providing the answer)

No.	Good Governance Principles	Underst	tanding	Degre	standing	
		Yes	No	Low	Medium	High
1	Participation: Participation in good governance intents to be participated by every citizen in the process of decision making and implementing those decisions made. The important of participation is to make sure that all information about the problems, needs, and purposes of people are collected and analyzed before decision made.	1	2	1	2	3
2	Rule of law: Rule of law in the meaning of good governance requires fair legal framework to serve and protect public benefits and need to be enforced impartially. Furthermore, it also requires full protection of human rights, particularly those of minorities, and vulnerable groups. Thus, it needs independent judiciary and incorruptible authority forces.	1	2	1	2	3
3	Transparency : Transparency in good governance means that all decision making and implementation of those decisions made must: Follow the legal framework. Information related to decision making and implementation of those decision made is openly disseminated freely access specially to those who will be affected by such decisions and their enforcement. All information must be simple accurate.	1	2	1	2	3
4	Consensus oriented: In good governance, it means that the long-term perspective and consideration of different interests and needs in society to reach a broad consensus on best option and method to serve interest of the whole community.	1	2	1	2	3
5	Equity: In good governance, Equity means that all people or groups in community, specially minorities and vulnerable groups have opportunity to participate, raise issues and needs, involve in implementation, and get reasonable interests to improve and maintain their well-being. Furthermore, they have a stake in it and do not feel excluded from the mainstreaming society.	1	2	1	2	3
6	Effectiveness and efficiency: Effectiveness and efficiency in good governance is the process and institutional management system in best use of resources at their disposal with saving manner to produce high quality and quantity of outputs, and able to provide maximum benefits and to meet real needs of the community. The concept of effective and efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment.	1	2	1	2	3
7	Accountability: Accountability in good governance means that the implementation of role, tasks in the process decision making and implement those decision made and take responsibility in all of their performance by reporting, explaining the reasons on those decisions made.	1	2	1	2	3
8	Responsiveness: In good governance, it means the efforts of state administration and institutions to serve all stakeholders equally without discrimination within reasonable timeframe.	1	2	1	2	3

Part C: Level of Poverty Understanding

<u>United Nations:</u> Poverty is the inability of getting choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living in marginal or fragile environments, without access to clean water or sanitation.

Q. No.	Questions				Answers					Coding			
QC.1	I will read you a list of factors/problems leading your villagers in the Sangkat to the poverty. Please tell me how	Cause of Poverty	Yes	No	Very minor	Minor	Moder- ate	Major	Very Major				
	serious you consider each factor to be. Please answer on a	1. Poor governance			1	2	3	4	5				
	scale of 1 to 5, where 1 corresponds to a very minor prob-	2. Ignorance			1	2	3	4	5				
	lem and 5 to a very serious one.	3. Disease			1	2	3	4	5				
		4. Apathy			1	2	3	4	5				
		5. Unemployment			1	2	3	4	5				
		6. Dependency			1	2	3	4	5				
		7. Lack of markets			1	2	3	4	5				
		8. Poor infrastructure			1	2	3	4	5				
		9. Poor leadership			1	2	3	4	5				
		10. Lack of skills			1	2	3	4	5				
		11. Cost of living			1	2	3	4	5				
QC.2	Which is currently the most serious problem in your Sangkat? Indicate by the number between 1 and 11.												
QC.3	How dose poverty affects poor people in your Sangkat? Answer on a scale from 1 to 4, where 1 corresponds to "not at all" and 4 corresponds to "greatly".	☐ 1: Not at all☐ 2: Slightly☐ 3: Moderately☐ □ 1: Not at all☐ □ 1: Not all☐ □ 1: Not all☐	□ 2: Slightly										
	3	☐ 4: Greatly											

Part D: Application of Local Good Governance Principles in Sangkat Development Planning for Poverty Reduction Q.D.1. Have you ever attended training course related to the following courses (Multiple Answers)?

Topic trained	Yes	No	If yes, what did you learnt?
Local Good Governance	1	2	
Citizen engagement	1	2	
Gender for Social Accountability	1	2	
Local conflict resolution	1	2	
Voice, empowerment and decision of citizen	1	2	
CSO role in governance	1	2	
State non-state partnerships	1	2	
Transparency and access to information	1	2	
Communication for accountability	1	2	
Complaint handling	1	2	
Participatory Planning	1	2	
Project Monitoring and Evaluation	1	2	
Financial Management	1	2	
Procurement monitoring	1	2	

Q.D. 2: Have the following aspects of local good governance principles been applied in Sangkat Development Planning for poverty reduction?

Degree of application: 1= Lowest, 2= Low, 3= Moderate, 4 = High and 5 = Highest

No.	Items	App	lied			egree plicat			If yes, how? No, why?
		Yes	No	1	2	3	4	5	
Partici	pation								
1	SCs exchange ideas about project of SDPs with Khan officers	1	2						
2	SCs exchange ideas about project of SDPs with local CBOs	1	2						
3	SCs exchange ideas about project of SDPs with NGOs	1	2						
4	Information about project are shared among SC and PBC	1	2						
5	Poor people participation in problems and need identification	1	2						
6	Poor people participation in prioritize project of SDPs	1	2						
7	Poor people contribute labour and financial resources for project implementation	1	2						
8	Poor people participation in activities of project implementation	1	2						
9	Poor people participation in project monitoring and evaluation	1	2						
Accou	ntability								
1	PBCs members perform according to assigned tasks in SDP guideline	1	2						
2	Procurement committee execute their responsibilities in project procurement from as assigned in project implement manual	1	2						
3	M and E committee members performance in project monitoring and evaluation according to the assigned tasks in SDPs	1	2						
4	PBC, Procurement committee and M and E committee are accountable to the outcome of SDPs and project implementation	1	2						
5	SCs conduct evaluation on SDPs implement performance	1	2						
6	SCs keep reporting about SDPs projects progress to public	1	2						

No.	Items	Application					If yes, how? No, why?		
		Yes	No	1	2	3	4	5	
7	SCs reporting about decision made during SDPs activities to public	1	2						
8	Conflicts conflict of interest of SDP project and fund has been solved by SCs	1	2						
Transp	arency								
1	Awarding the contract based on majority voting of committee members	1	2						
2	Bidding results announce to public and among bidding companies	1	2						
3	External financial audits conducted by municipality finance of- ficer	1	2						
4	Expense on project of SDPs recorded according to SC financial system	1	2						
5	Project expense expose at the project site (signboard)	1	2						
6	Participatory annual budgeting planning among PBC members	1	2						
7	Financing reporting about the project disclose to the public	1	2						
Effectiv	eness and Efficiency								
1	SDPs developed according to the schedule annually	1	2						
2	SDPs finished on time	1	2						
3	SC members assigned task according to their skills capacity	1	2						
4	Sangkat fund disbursed on time for SDPs implement	1	2						
5	Budget allocated to the priority project of SDPs	1	2						
6	Technical staff from municipality and Khan fully committed to support SCs in technical project design, site study and cost estimation (infrastructure project)	1	2						
7	Sangkat fund is economically used in SDPs investment	1	2						

Part E. Perception of Sangkat Councils Members on the Satisfaction of Local Good Governance Principles Application in Sangkat Development Planning (SDP) for poverty reduction

Q.E.1. To what extend are you satisfied with the following application local good governance principles in SDP for poverty reduction?

Degree of satisfaction: 1= strongly dissatisfied, 2= dissatisfied, 3=neutral, 4= satisfied, 5= strongly satisfied

		Sati	sfied	Deg	gree o	f Sati	isfact	ion	Remarks
No.	Items	Yes	No	1	2	3	4	5	
Participation									
1	SCs exchange ideas about project of SDPs with Khan officers	1	2						
2	SCs exchange ideas about project of SDPs with local CBOs	1	2						
3	SCs exchange ideas about project of SDPs with NGOs	1	2						
4	Information about project are shared among SC and PBC	1	2						
5	Poor people participation in problems and need identification	1	2						
6	Poor people participation in prioritize project of SDPs	1	2						
7	Poor people contribute labour and financial resources for project implementation	1	2						
8	Poor people participation in activities of project implementation	1	2						
9	Poor people participation in project monitoring and evaluation	1	2						
Accountab	ility								
1	PBCs members perform according to assigned tasks in SDP guideline	1	2						
2	Procurement committee execute their responsibilities in project procurement from as assigned in project implement manual	1	2						
3	M and E committee members performance in project monitoring and evaluation according to the assigned tasks in SDPs	1	2						
4	PBC, Procurement committee and M and E committee are accountable to the outcome of SDPs and project implementation	1	2						
5	SCs conduct evaluation on SDPs implement performance	1	2						
6	SCs keep reporting about SDPs projects progress to public	1	2						

		Satisfied Degree of Satisfac			isfact	ion	Remarks		
No.	Items	Yes	No	1	2	3	4	5	
7	SCs reporting about decision made during SDPs activities to public	1	2						
8	Conflicts conflict of interest of SDP project and fund has been solved by SCs	1	2						
Transpare	ncy								
1	Awarding the contract based on majority voting of committee members	1	2						
2	Bidding results announce to public and among bidding companies	1	2						
3	External financial audits conducted by municipality finance officer	1	2						
4	Expense on project of SDPs recorded according to SC financial system	1	2						
5	Project expense expose at the project site (signboard)	1	2						
6	Participatory annual budgeting planning among PBC members	1	2						
7	Financing reporting about the project disclose to the public	1	2						
Effectivene	ss and Efficiency								
1	SDPs developed according to the schedule annually	1	2						
2	SDPs finished on time	1	2						
3	SC members assigned task according to their skills capacity	1	2						
4	Sangkat fund disbursed on time for SDPs implement	1	2						
5	Budget allocated to the priority project of SDPs	1	2						
6	Technical staff from municipality and Khan fully committed to support SCs in technical	1	2						
	project design, site study and cost estimation (infrastructure project)								
7	Sangkat fund is economically used in SDPs investment	1	2						

Part F: Perception on Influencing Local Good Governance Principles Performance in SDPs for Poverty Reduction

Q.F.1. To what extend do you think the following items impacted from the application of local good governance principles in SDPs for poverty reduction? If so, why do you think that it impacts?

Degree of impact: 1= Lowest, 2= Low, 3= Moderate, 4= High, 5= Highest

	Items	Impa]	Degre	e of l	Why			
No.		Yes	No	1	2	3	4	5	
Institutio	onal Impacts								
1	Increased capacity of CCs in planning, implementation, and monitoring and evaluation	1	2						
2	Enhanced participatory planning of local people in decision making, implementation, and monitor-	1	2						
	ing and evaluation								
3	Strengthened technical support staff from Khan and municipal level	1	2						
4	Strengthened relationship between SCs and local people	1	2						
5	Improved collaboration with NGOs on technical and financial support	1	2						
6	Strengthened relationship among SCs and various local committees in SDPs	1	2						
7	Increased good collaboration among SCs from different political parties	1	2						
Economi	c Impacts								
1	Cost effectiveness of the project of SDPs	1	2						
2	High quality of the project of SDPs	1	2						
3	Increased employment opportunities of poor and vulnerable households	1	2						
4	Increased income generation of poor and vulnerable households	1	2						
5	Improved living conditions of poor and vulnerable households	1	2						
Social In	npacts								
1	No discrimination in beneficiaries' selection	1	2						
2	Poor and vulnerable households and individuals actively participated in SDPs	1	2						
3	Poor and vulnerable households and individuals gave a chance to take part in the projects of SDPs	1	2						
4	Poor and vulnerable households and individuals benefited from SDPs' projects	1	2						
5	Increased good relations between SCs and poor people in the community	1	2						
6	Enhanced social unity in the poor community	1	2						
7	Increased social networking on collaboration with NGOs, IOs and others	1	2						
8	Increased accessibility to health services for poor and vulnerable households	1	2						
9	Increased accessibility to school for poor and vulnerable households	1	2						
10	Increased communication (road network) for poor and vulnerable households	1	2						
11	Enhanced accessibility to drinking water for poor and vulnerable households	1	2						
12	Empowering the poor	1	2						
13	Improved inequality and poverty reduction	1	2						

Appendix 3



BUILD BRIGHT UNIVERSITY (BBU) School of Doctoral Studies

Good Governance and Poverty Reduction in Cambodia: A Study of the Local Good Governance and Poverty Reduction at Sub-National Level

A Checklist for Key Informants Interview

Date:	
Place:	
Time:	
Moderator:	
Minute Taker:	

By

Mr. THOU Panha
Ph.D. Candidate
Specialization Rural Development and Social Work
Phnom Penh, 2020

1. A Checklist for Khan Councils Interview

- 1. In your opinion, which is the bigger cause of poverty in your Khan administration that people are not doing enough to help themselves out of poverty, or that circumstances beyond their control cause them to be poor? Which one would you say is the most important cause?
- 2. What do you evaluate the local good governance of Sangkat councils?
- 3. By considering on the following key principles of local good governance: participation, rule of law, transparency, consensus oriented, equity, effectiveness and efficiency, accountability, and responsiveness, to what extent have these been applied for poverty reduction? How?
- 4. Among the above principles what principles have been applied the most by Sangkat councils?
- 5. What is your overall satisfaction on the applications of local good governance principles in SDPs of SCs for poverty reduction? Why?
- 6. What are your coaching and mentoring activities to enhance local good governance principles application in SDP for poverty reduction?
- 7. What are the strengths and limitations of local good governance principles applications in SDPs for poverty reduction?
- 8. Do you have any comment on local good governance application for the effective SDPs implementation and performance for poverty reduction?
- 9. Do you think poor people in this Khan are better off or worse off in terms of health care and education services?
- 10. In your opinion, how many Khan development programs are existed to empower poor people in year 2019?
- 11. Please give your opinion on the empowering poor people program or project achievement implemented by Khan and Sangkat Councilors?
- 12. If this Khan administration has large amount of fund, in your opinion, to which is best used?

2. A Checklist for Group Discussion of Sangkat Councils, Clerks, Sangkat Police chiefs, Village Chiefs, and Village Development Committees

- 1. In your opinion, which is the bigger cause of poverty in your Sangkat administration that people are not doing enough to help themselves out of poverty, or that circumstances beyond their control cause them to be poor? Which one would you say is the most important cause?
- 2. Among various principles of local good governance, what principles have been achieved for poverty reduction? Why? To what extent these have been achieved?
- 3. In relation to the above, in which principles have not yet been achieved in the implementation of SDPs for poverty reduction? Why?
- 4. As local good governance principles have been considered and applied in SDPs for poverty reduction, what are the impacts (negative and positive) of the applications of local good governance principles on SDPs of SCs, please discuss on institutional, social and economic aspects? Why?
- 5. Would you please identify key points that you considered as the factors affecting the applications of local good governance principles in SDPs for poverty reduction? Please discuss on institutional, social and economic aspect? Why? To what extent these influenced the application of local good governance principles in CDPs for poverty reduction?
- 6. Based on your experience with SCs, what are the strengths and limitations/constraints on the application of local good governance principles in SDPs for poverty reduction?
- 7. Through the discussion on the above topics and the results, what are your suggestions on local good governance principles application in SDPs implementation and performance for poverty reduction more effective and efficiency?
- 8. In your opinion, how many Sangkat Development Programs are existed to empower poor people in year 2019?
- 9. Please give your opinion on the empowering poor people program or project achievement implemented by Sangkat Councilors?
- 10. If this Sangkat administration has large amount of fund, in your opinion, to which is best used?

3. A Checklist for Group Discussion of Villagers

- 1. In your opinion, which is the bigger factors/problems leading you and your family to be poor? Which one would you say is the most important factor?
- 2. How dose poverty affects you and your family?
- 3. Are you aware of local good governance? What does it mean? Please consider on:
 - ✓ Participation,
 - ✓ Rule of law,
 - ✓ Transparency,
 - ✓ Consensus oriented,
 - ✓ Equity,
 - ✓ Effectiveness and efficiency
 - ✓ Accountability
 - ✓ Responsiveness
- 4. Did the Sangkat councils apply these in SDP for poverty reduction? How?
- 5. What are the benefits that you gained from the applications of local good governance principles in SDPs of SCs for poverty reduction? Why?
- 6. In general, are you satisfied the application of local good governance principles in SDPs for poverty reduction? Why?
- 7. What are your suggestions on local good governance principles application in SDPs implementation and performance for poverty reduction more effective and efficiency?

4. A Checklist for Local NGOs and International NGOs Interview

- 1. Would please kindly provide brief background of your organization?
- 2. How long have your organization been working and supporting these Sangkats?
- 3. What kinds of program are being provided by your organization to these Sangkats?
- 4. What are your organization strategies or activities to enhance local good governance principles practices at Sangkat level for poverty reduction?
- 5. Based on your working experience with these Sangkats, do you think that these (Sangkat councils) have applied local good governance principles in SDPs for poverty reduction?
- 6. What are the principles or key principles of local good governance they have applied for poverty reduction? How?
- 7. Did you involve in the application of local good governance principles in SDPs? How?
- 8. What are the different of local good governance principles application in SCs' project and NGOs' project for poverty reduction?
- 9. As local good governance principles have been applied in SDPs for poverty reduction, what are the impacts of the applications on institutional, social and economic aspect in SDPs of SCs? To what extent?
- 10. By considering on institutional, social and economic aspects what are the factors affecting the application of local good governance in SDPs of SCs for poverty reduction? Why?
- 11. What are the strengths and limitations of local good governance principles applications in SDPs for poverty reduction?
- 12. Do you have comments on local good governance principles application for the effective SDPs implementation and performance for poverty reduction?