

Framework:

This study analyzes strategic and programming issues arising from the emerging deconcentration and decentralization reforms in Cambodia and informs the debate on the pace and strategic direction of these reforms. The study looks at the evolving legal and regulatory framework pointing to the gaps and inconsistencies that need to be addressed for a coherent framework over time. The study elaborates on the large cast of complex, and sometimes competing, institutions and the challenges of setting up an equitable and transparent intergovernmental financing system. Evaluating the strengths and weaknesses of the government's 10-year national program, the study suggests some critical steps for successful implementation of the reforms, including the need to develop a clear reform policy framework, obtain better coordination among government agencies and between the government and development partners, clarify uncertainties in the assignment of functions between tiers of government, design a robust system on intergovernmental financing, and develop capacities to implement the reforms. The study also suggests some important considerations for ADB programming, including how to best support the deconcentration and decentralization reforms at the central, subnational, and sector levels.