



**KINGDOM OF CAMBODIA**

Nation Religion King



**ROYAL GOVERNMENT OF CAMBODIA**

A large, detailed blue emblem of Cambodia, featuring a central crown-like structure with a sunburst above it, a sword resting on a pedestal below, and a laurel wreath at the base.

**GUIDELINE FOR SECTORAL STRATEGIC  
DEVELOPMENT PLAN PREPARATION**

**Prepared by Ministry of Planning  
Phnom Penh, September 2018**



**KINGDOM OF CAMBODIA**

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**ROYAL GOVERNMENT OF CAMBODIA**

A large, blue-toned version of the royal emblem of Cambodia, featuring a central crown-like structure with two mythical animals (Gajasingha and Singha) on either side, and a banner at the bottom with Khmer text. The emblem is surrounded by a laurel wreath and a lotus flower at the base.

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**Supported by CCA**

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## FOREWORD

Cambodia has developed its National Strategic Development Plans for five times since 1996 and currently is implementing National Strategic Development Plan 2014-2018, the fifth national development plan, stating the policies and priority objectives of the government for 05 years. To achieve the desired national development objectives, careful development planning and commitment of resources at all levels will be necessary.

At the national level, the responsibility of planning and budgeting is delegated to line ministries and line agencies (LMs and LAs). To execute this responsibility effectively, LMs and LAs are required to formulate their policies, strategies and programs consolidated into Sectoral Strategic Development Plans which are aligned to the National Development Plan. Accordingly, the Ministry of Planning has produced this Sector Strategic Development Planning Guideline in addition to the Sub-national Planning Guideline. Due to close linkages between Sector and sub-national planning processes, for a number of sectors, the two guidelines will have to be used hand in hand. The Guideline also takes note of other crosscutting guidelines (Gender, Climate Change, disaster etc.) that have been issued as complementary in the overall planning process.

The Guideline for Sectoral Strategic Development Plan Preparation conforms to the basic principles of development planning, namely: effective inclusive participation in development planning processes; plans which are evidence-based; standardized and aligned to the National Strategic Development Plan and the National Vision; integration of cross-cutting issues and policies; fulfillment of mandates of LMs and LAs according to their technical capacities; transparency and value for money in service delivery as well as integration of human rights in the policies; legislation, plans and programs.

On behalf of Government, the Ministry of Planning, I wish to thank the various stakeholders who provided valuable contributions toward finalizing this Guideline. Specifically, I wish to extend my recognition and gratitude to the H.E. THENG Pagnathun, Delegate of Royal Government of Cambodia in charge of General Directorate of Planning and the technical team for developing this Guideline. Particularly, I would like to thank UNFPA for the continued financial and technical support to MOP and specifically for funding the development of this Guideline and thank CCCA for providing technical support for updating this Guideline to incorporate climate change in more details.

This guideline aims to support the formulation of standard Sector Strategic Development Plans which will not only facilitate harmonious implementation of the plans but also support effective monitoring and evaluation of progress of implementation and therefore achievement of objectives of National Development Plan and CSDGs. I therefore call upon Ministries, Agencies and all other stakeholders to utilize this guideline in the development and implementation of their Sector Strategic Development Plans.

Phnom Penh, September 2018  
Senior Minister,  
Minister of Ministry of Planning



**CHHAY Than**

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# CHAPTER 1

## INTRODUCTION

### 1.1 The Structure of the Sectoral Strategic Development Plan Preparation Guideline

This Guideline for Sectoral Strategic Development Plan Preparation is organized in four chapters as follows:

- **Chapter 1** is the Introduction. It covers the structure of the Guideline for Sectoral Strategic Development Plan Preparation, the background, the rationale and purpose of the guideline and the intended users of the Guideline.
- **Chapter 2** is the Institutional Framework for Developing a Sectoral Strategic Development Plan. It covers the planning frameworks within which SSDPs are prepared, the SSDP consultations and approval processes and the structures for preparing SSDPs.
- **Chapter 3** is Process of Developing an SSDP which covers the structure of a standard SSDP, the phases of developing an SSDP, and the activity time frame for developing an SSDP.
- **Chapter 4** is the SSDP implementation processes covering responsibilities for implementing the SSDP, consistence of the Mid-Term Expenditure Framework (MTEF) with the NSDP and the SSDP, implementation of the Annual Work Plans (AWPs) and the monitoring and evaluation arrangements.

### 1.2 Background

Ministry of Planning has the responsibility for guiding, developing, and managing the socio-economic development planning and managing the statistical functions of the government to support the development planning and the measuring of the progress of plan implementation.

In order to achieve the sustainable development, the Cambodia requires careful development planning and commitment of both human and financial resources. At the national Level, the responsibility of planning and budgeting is delegated to sector (LMs and LAs) while at the sub-national level, the responsibility rests with the sub-national councils which are the planning authorities at that level. To execute this responsibility effectively, LMs and LAs are required to formulate their policies, strategies and programs consolidated into Sectoral Strategic Development Plans (SSDPs) which are aligned to the objectives of the National Strategic Development Plan. The planning functions should therefore be based on guidelines issued by MOP.

The Guideline for Sectoral Strategic Development Plan Preparation is developed based on analysis of the current sector planning mechanisms to ensure that they are firmly anchored in best practices and lessons learnt. They take into account the requirement that needs to be incorporated in the development plans in the country.

The Guideline conform to the basic principles of development planning, namely; evidence-based, inclusive participation, standardization and alignment to the National Strategic Development Plan (NSDP) and the strategic direction of the National Vision, integration of cross-cutting issues and policies, fulfillment of mandates of LMs and LAs according to their technical capacities and support, transparency and value for money in

service delivery, as well as integration of human rights in the policies, plans and programs.

### **1.3 Rationale**

The realization of national development goals and objectives requires among other conditions, that all sectors develop and implement SSDPs that are aligned to the NSDP. Currently, a number of sectors do not have SSDPs and for the sectors that have them the process of their development is not guided by a common planning framework and therefore not fully aligned to the National Strategic Development Plan. The alignment of SSDPs to the NSDP is a challenge as priorities highlighted and emphasized by the sectors have sometimes not been in line with those stated in the NSDP. To address this, Ministry of Planning (MOP) has developed this Guideline to support the harmonized development of SSDPs which are aligned with the National Strategic Development Plan with regards to timeframes, objectives, strategies and programs.

### **1.4 Purpose**

The Guideline for Sectoral Strategic Development Plan Preparation is designed to:

- provide a uniform format for preparing SSDPs which are aligned to the National Strategic Development Plan,
- facilitate the preparation of SSDPs based on the NSDP and the preparation of LMs and LAs' Budget Strategic Plan and Annual Work Plan based on the SSDPs,
- ensure that SSDPs are developed to support the achievement of the development goals and objectives of NSDP,
- ensure that SSDPs are of a standard format and of the same timeframe and horizon as the medium-term development plans, the NSDP, and that they integrate cross-cutting issues identified during the NSDP preparation processes,
- provide the basis for preparing Annual Work Plans and budgets at national level over the plan period, and
- provide the basis for effective implementation, monitoring and evaluation of NSDP at the sector level.

### **1.5 Users**

The key users of this Guideline are institutions and other stakeholders involved in the formulation of Sectoral Strategic Development Plans. They include:

1. Ministry of Planning for overall guidance of the Sectoral Strategic Development Planning process.
2. Ministry of Economy and Finance which reconciles SSDP budgets through Budget Strategic Plans to the national budget.
3. Members of the Sector Working Groups (SWGs) who are task-oriented groups whose role is to harmonize, coordinate, monitor, evaluate and report on the sector vision and goals, policy frameworks, plans, and performance of sector LMs and LAs.
4. Private sector organizations and enterprises which may wish to integrate their activities with those in the SSDPs.
5. Development Partners and Civil Society Organizations who need to identify priorities for supporting the country's sector development efforts.
6. Academia for the purpose of studies or researches
7. Consultants who may be engaged to support sectors in the development of SSDPs.

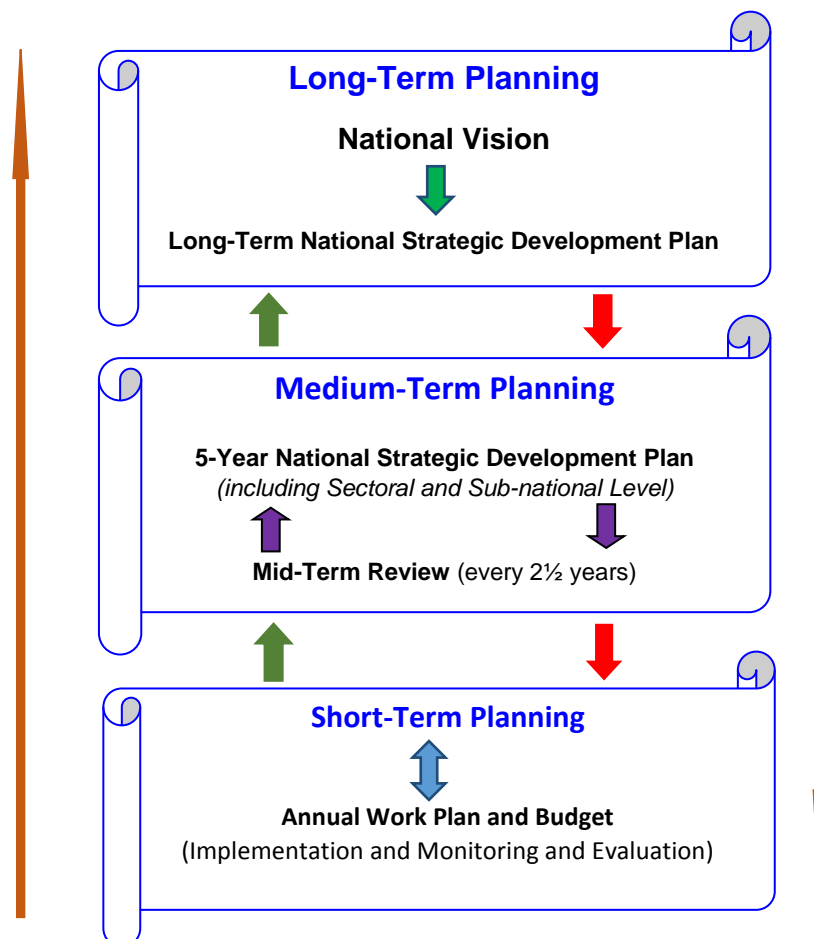
## CHAPTER 2

### INSTITUTIONAL FRAMEWORKS FOR DEVELOPING A SECTORAL STRATEGIC DEVELOPMENT PLAN

#### 2.1 National Strategic Development Planning Framework

The National Strategic Development Planning Framework (NSDPF) outlines the principles and guidelines to be followed in developing national long and medium-term development plans in the context of a shared national vision. The framework is operationalized through the long-term planning framework comprising at least 10-year National Strategic Development Plan, medium-term planning comprising 5-year National Strategic Development Plan together with corresponding Sectoral Strategic Development Plans with short-term annual budgets and work-plans.

Figure 1: Inter-Relationship between Development Plans



#### 2.1.1 Long-Term Development Plans

Currently, there is no long-term National Strategic Development Plan, but medium-term development plan. The development of the first 5-year National Strategic Development Plan was Socio-Economic Development Plan (SEDP) 2001-2005 and current one is



NSDP 2014-2018. The 10-year development plan will be produced to provide strategic guidance to the production of the five-year NSDPs.

### **2.1.2 Medium-Term Development Plans**

#### **a. The Five-Year National Strategic Development Plan**

The 5-Year National Strategic Development Plan is the tool for prioritizing the Government's policies, programs and activities and for mobilizing external resources. The NSDP covers the following:

- A general overview of development in the economy including the macroeconomic performance, development challenges and opportunities for further development.
- The theme of the plan which is in line with the National Vision, including policies, objectives, strategies and interventions.
- The achievements of the implementation of previous NSDP
- Priority public sector development programs and projects
- Implementation and monitoring and evaluation arrangements and strategies
- The roles of key players (LMs and LAs, the private sector, development partners and civil society organizations).

The priorities are set out in the NSDP guide the allocation of public resources and are costed with annualized budgets. Moreover, the indicators and annual targets need to be specified in the plans for the purpose of the monitoring and evaluation of the implementation of the plan.

#### **b. The Sectoral Strategic Development Plans**

LMs and LAs are required to prepare their respective SSDPs which are consistent with the long-term national development goals and objectives. The SSDPs provide strategic directions of the sectors over their plan period which has to be consistent with the time frame and horizon of NSDP. The SSDPs shall further ensure that the sectors are capable of fulfilling the sector roles defined in the National Strategic Development Plan. The SSDPs shall spell out the interventions, including detailed inputs, outputs and target indicators, to achieve each objective identified in the sector.

### **2.1.3 Short-Term Development Plans**

LMs and LAs are required to prepare their Annual Work Plans, aligned with the priorities in their SSDP and NSDP.

## **2.2 SSDP Consultation and Approval Processes**

All SSDPs shall conform to the following standard development planning principles namely: evidence-based, inclusive participation, standardization and alignment to the NSDP and National Vision, integration of cross-cutting issues and policies, Sector mandates, capacities and support, support to managerial and technical capacities, transparency and value for money to avoid duplication of effort in service delivery. To guarantee these principles SSDP preparation shall follow systematic consultative and approval processes.

Figure 2: Processes of NSDP Preparation

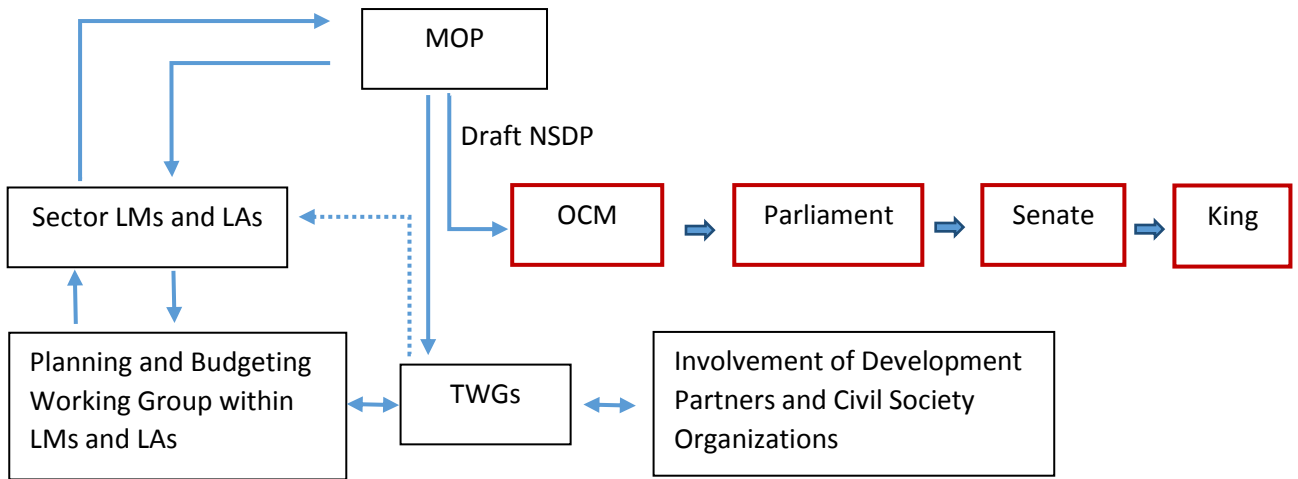
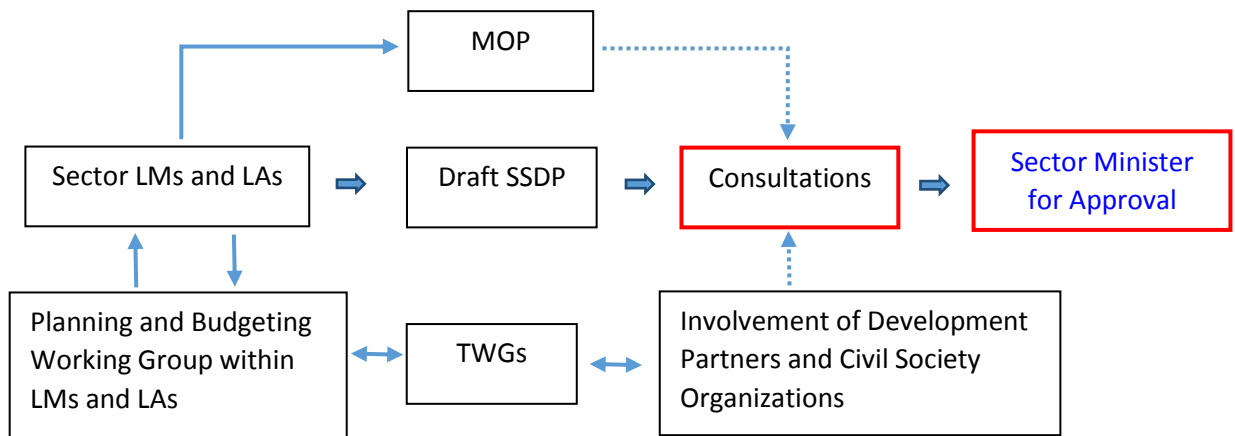


Figure 3: Processes of SSDP Preparation



The planning process is initiated by a planning call circular by MOP to all LMs and LAs to inform stakeholders of the preparation of the 5-year or five-year National Strategic Development Plan and to invite them to submit development plans and budgets. The circular presents the general guideline for preparing the plan, the macroeconomic perspective, sector development priorities, the schedule for submission of proposals and the criteria for resource allocation between projects and programs. It calls for LMs and LAs to formulate development plans which are mainly focused on the identified sector priority areas.

### Development Planning Consultative Processes

The consultations need to reach the consensus through participatory consultative dialogues with various stakeholders at the national level including the private sector, development partners and civil society. At the macro level, the consensus on the key development agenda and macro-economic targets is reached in the inter-ministerial dialogue among MOP, MEF, SNEC and CRDB/CDC.

#### a. Sector Level Consultations

At sector level, LMs and LAs shall make adequate consultations with relevant stakeholders including SNAs, National Council for Sustainable Development, private sector and civil society organizations during the drafting of SSDPs. LMs and LAs shall also consult development partners to identify possible areas of support that can be solicited from them. These shall be generated internally and shall be aligned with the national aspirations, strategic directions and objectives as pronounced in the NSDP.

Participation of development partners shall be mainly for purposes of getting an insight of the sector developments to which their support shall be directed.

#### **b. Sectoral Strategic Development Plan Approval Process**

At national level, the Sector Minister will approve its SSDP after being consulted with various concerned stakeholders. If the Sectoral Development Plan is a cross-cutting sector plan, it should be approved by those relevant sector ministers.

### **2.3 Institutional Arrangements for the Preparation of SSDPs**

#### **Line Ministries and Agencies**

LMs and LAs shall establish a Sector Working Group (SWG), responsible for the preparation of SSDP in their sector. The SWG shall be a task-oriented group comprising planning officers, finance officers, technical officers at director level of LMs and LAs in the sector, representatives of CSOs, SNAs and the private sector institutions associated with the sector, and representatives of development partners. The role of the SWG is to harmonize, coordinate, monitor, evaluate and report on the sector vision and goals, policy frameworks, plans, and performance of the sector.

The terms of reference of the SWG shall include:

1. Discussion of issues of policy and strategic nature from all relevant participants in the sector.
2. Formulation and coordination of Sector Strategies for long, medium and short term investment plans and budgets.
3. Development of indicators and monitoring and evaluating sector performance.
4. Prioritization of expenditure within the available resources and mobilization of resources for funding identified financial gaps during the course of implementation of SSDP projects and programs.
5. Monitoring and evaluation of Sector Policies and Programs.

#### **Ministry of Economy and Finance**

The Ministry of Economy and Finance in collaboration with the MOP shall:

- Enforce discipline and adherence to SSDP implementation and budgetary expenditure on approved programs;
- Facilitate the review and development of Annual Work-Plans, and budgets;
- Ensure that the budget guidelines for the fiscal year reflect only those priorities indicated in the NSDP.
- Release budgetary allocation to LMs and LAs whose Annual Work plans reflect the priorities of their SSDPs and aligned to NSDP.

#### **Ministry of Planning**

MOP shall take a lead role of coordinating the Sectoral Strategic Development Planning function by:

- Providing planning guideline for the preparation of SSDPs to ensure the consistency of sector strategies, programs and activities with national development goals;
- Extending technical support where possible to LMs and LAs for the SSDP development processes;
- Organizing workshops on the application and use of the guideline;

- Monitoring the SSDP preparation to ensure that SSDPs are completed and produced within the prescribed planning period.

### **Consultants**

To strengthen planning capacity and ensure ownership, the SSDP should be prepared by the Sector Working Group within LMs and LAs. Where the sector lacks technical capacity relating to a section of the guideline, LM and LA may approve and engage the services of a Consultant with the relevant expertise. The consultant shall assist the SSDP Preparation Team to prepare the SSDP and not to prepare it for them, a condition that shall be emphasized in the consultant's Terms of Reference (TOR). This is intended to ensure that entities build their own internal capacities and own the process.

# CHAPTER 3

## THE PROCESS OF AN SSDP DEVELOPMENT

### 3.1 Structure of a Sectoral Strategic Development Plan

To support harmonized development of SSDPs and effective monitoring and evaluation of the implementation of National Strategic Development Plans through SSDPs these guidelines provide a standard structure of a Sectoral Strategic Development Plan. Broadly an SSDP should cover the contents summarized in Box1 below.

#### Box 1: The Standard Structure of a Sectoral Strategic Development Plan

Table of Contents
List of Acronyms
List of Tables
List of Figures
Foreword
Executive Summary
Chapter 1: Introduction
Chapter 2: Situation Analysis (Sector Profile/Current Situation/Baseline)
Chapter 3: The Strategic Direction of the Sector
Chapter 4: Institutional Arrangements for Implementing the SSDP
Chapter 5: The SSDP Financing Strategy
Chapter 6: Monitoring and Evaluation Arrangements
Chapter 7: Conclusion
Annex 1: Cost Implementation Matrix
Annex 2: Performance Monitoring Matrix

The details of each section are in the following elaborations:

#### **Foreword**

The Foreword shall briefly:

- Describe the rate of growth of the Sector as compared to the population growth over the last plan period. This is intended to determine whether the Sector was positively growing or declining;
- Compare the contribution to the growth or decline by the various sub Sectors;
- Describe the Sector performance against the set targets in the previous plan period;
- Describe the performance of the Sector against internationally agreed standards or targets e.g. the Sustainable Development Goals (SDGs), Cambodia's National

Determined Contribution under climate change Paris Agreement or other internationally agreed programs.

- Make projections for the next plan period as dictated by the NSDP
- State the overall aim of the SSDP and describe the Sector development strategies and policies, their successes over the previous plan period and the ways their shortfalls, if any, will be addressed in the next plan.
- State the Sector strategic objectives which should be in line with the Sector priorities in the NSDP.
- Enumerate at least four major challenges of development of the Sector and describe how the plan will address those challenges.
- State the institution responsible for the overall implementation of the plan and the contributing institutions and other stakeholders. These should be commended for their participation in developing the Sector plan and solicit for continued support.

The foreword to the SSDP shall be signed by the Sector Minister responsible for the sector. If a cross-cutting sectoral development plan, it will be signed by more than one relevant sector ministers.

### ***Executive Summary***

The Executive summary shall include:

- General background to the preparation of the SSDP including brief description of the process and participation of key stakeholders,
- A brief insight into the scope and direction of the development policies, programs and projects and
- The indicative budget and expected outcomes of the sector

### ***Chapter 1: Introduction***

This chapter shall cover the following:

- The background of the sector
- The development priorities being addressed by the SSDP
- Linkage with NSDP
- The mission and the strategic objectives of the sector
- The process of developing the SSDP and finally
- The structure of the SSDP.

### ***Chapter 2: Sector Situation Analysis (Achievements and Challenges)***

This chapter shall elaborate the following:

- The status of the sector according to the specific mandates of the institutions constituting the Sector. In particular for each LM and LA, the SSDP shall give precise statements on the following:
  - Analysis of the status of the performance in implementing programs and projects under the previous plan period.

- Analysis of key climate change vulnerabilities in the sector, other significant environmental and socio-economic risks, and any existing initiatives to address the vulnerabilities;
- A summary of key development problems/issues/gaps identified from the situation analysis
- The institutional capacity of the sector with respect to:
  - Financial resources - giving the proportion of financial resources allocated and appropriated by the sector LMs and LAs through the overall national budget
  - Human Resources development and management with regard to the availability of sector relevant technical and specialized competences.
- Monitoring and Evaluation function with respect to:
  - Existence and functionality of the sector M&E plan
  - Existence of a sector coordination structure and
  - Existence of a functional information system to support the sector M&E function

### ***Chapter 3: The Strategic Direction of the Sector***

This chapter should include the following:

- The Vision and the Mission of LM/LA
- Strategic Objectives and Outcomes
- Sector Development Priorities by Programs and Sub-programs
- Alignment of SSDP interventions with the National Strategic Development Plan and CSDGs
- Cross-cutting Priorities such gender, climate change and green-growth.

### ***Chapter 4: Institutional Arrangements for Implementing the Plan***

This chapter shall elaborate the following:

- Arrangements for coordinating SSDP implementation. This should include arrangements for coordinating inter and intra sectoral implementation of the SSDP
- Sustainability Arrangements - elaborating on institutional, program and financial sustainability

### ***Chapter 5: SSDP Financing Strategy***

This chapter shall clearly give the sector Indicative Financial Plan including the resource mobilization and expenditure strategies. It shall cover:

- Financing estimates on budget and resources from development partners
- Resource gaps and appropriate strategies to mobilize additional resources to fill the financial gaps
- Annual cost estimates (capital and recurrent) of priority programs and the overall cost of the plan (recurrent and capital)
- Linkages of the sector financial plan to NSDP costing and MTEF,
- The costing of each SSDP shall be based on clear costing assumptions linked to verifiable indicators and resource source.

## **Chapter 6: Monitoring and Evaluation**

This chapter should include:

- A clear definition of key program-specific inputs, outputs, outcome and impact indicators
- A schedule of LM/LA interdepartmental meetings to assess progress of implementation,
- A schedule of annual reviews with stakeholders
- A schedule for midterm reviews
- A schedule of Final Review and evaluation of implementation of the SSDPs.

The scheduling of midterm and final review and evaluation of the SSDPs shall be stated clearly that the results support the overall NSDP monitoring and evaluation the schedule of which shall be clearly stated in the NSDP.

## **Chapter 7: Conclusion**

### **3.2 Phases of an SSDP Development**

There are nine phases of developing a Sectoral Strategic Development Plan as follows:

1. Sector diagnosis
2. Policy formulation
3. Selection of objectives and priority areas
4. Design of priority programs and sub-programs
5. Preparation of cost and financing framework
6. Design of monitoring system
7. Writing up of draft plan
8. Revision of draft and
9. Approval and dissemination of the plan

All phases require technical expertise, but stakeholders and development partners need to be informed and consulted in critical moments of the plan preparation process, especially at the end of Phases 3 and 7, the selection of objectives and priorities, and the writing of the draft plan, respectively. The most important and also most time-consuming phases are Phases 1 and 4, sector diagnosis and program design, respectively. These require active involvement of LMs and LAs while for others, especially phase 5; it is mainly the technical people who are responsible for their completion. The outputs of phases 1 to 6 are used to provide inputs to the components of the standard SSDP structure above. The completion of the nine phases will ordinarily take between 3 and 4 months.

#### **3.2.1 PHASE 1: SECTOR DIAGNOSIS**

##### **Context analysis**

Context analysis shall cover the macro-economic, demographic, social, cultural, climate change, environment, political and institutional aspects. The macro-economic analysis shall emphasize past and future economic growth trends, public revenues and budget, and employment trends. On the demographic context particular emphasis shall focus on the population clusters the sector is meant to serve, the geographic and density



distribution of the target population and the internal and external migration where applicable. The socio-cultural context shall cover the way the sector influences or is affected by the distribution of wealth and cultural differences, including gender, while the politico-institutional context shall focus on the roles of the government and the private sector, the organization administration and issues of decentralization of sector activities where applicable. The analysis on climate change and other significant environmental aspects shall identify the risks (both in the short and long term) and opportunities for climate proofing the sector, as well as to increase resource efficiency and reduce impact on the environment.

### **Analysis of existing policies**

This shall involve analysis of explicit policies affecting the sector where they exist, implicit policies as reflected in the practical decisions made by the government, the overall development policies which have a direct impact on the sector performance especially those explicitly stated in the National Development Plans as well as the sector relevant international commitments made by the government, such as Cambodia Climate Change Strategic Plan, Cambodia's Nationally Determined Contributions (NDC) and National Policy and Strategic Plan on Green Growth.

### **Analysis of Sector Performance**

The analysis should cover quality and equitable accessibility of outputs of the sector and the internal and external efficiency and effectiveness in the production of sector outputs. Indicators of these aspects should be clearly defined and used in the analysis and monitoring of the sector activities. The analysis should include indicators related to sector's ability to address cross cutting issues, including climate change risks. For one ministry sector, in order to avoid biased self-positive aggrandizement and get objective evidence based sector analysis, it may advisable to outsource sector analysts.

### **Analysis of management capacity**

Capacities of LMs and LAs to execute their mandates and effectively address sector's challenges, including climate change risks, shall be analyzed. Major strengths and weaknesses of the LMs and LAs at different levels of delivery of sector outputs shall be reviewed with the aim of identifying the major challenges which need to be addressed to ensure efficient and effective implementation of the sector plan to be developed. Analysis of management capacity shall include information on capacity needs to boost sectoral response to climate change, including support required from other line ministries to manage climate risks (e.g. joint assessment of climate risk, joint regulation, coordinated design of response policies, etc.).

### **Analysis of cost and financing**

Analysis of costing and financing of sector programs shall include analysis of public expenditure by category (development and recurrent) and by different sources of financing. Where sector services are decentralized to SNAs, costing and financing by SNAs shall as well be analyzed. Where sector investments are vulnerable to climate risks, the cost of climate proofing shall be considered in the analysis.

### **Preparation of the diagnostic results**

Analysis of information from the diagnostic phase should be organized to provide contents of contents of the Section 2 of the SSDP. To ensure this, three steps should be followed: Performance Review, Compilation of the Sector Profile and the linking of key sector development problems with the broad objectives of the NSDP.

### *Step 1: Performance Review*

The performance review should cover:

- Policies, programs and activities relating to the thematic area of the previous NSDP.
- Interventions not covered by NSDP but implemented during the previous NSDP planning period.
- Implementation of cross-cutting issues such as gender, climate change, environment, population, and social protection programs, etc.
- Statement of Income and Expenditure of the Sector;
- Key problems/issues encountered during the implementation stage; and
- Lessons learnt which have implications for the next NSDP planning period.

### *Step 2: Compilation of the Sector Profile*

Based on the available information, LMs and LAs shall compile and update the current state of developments/baseline of the Sector. This shall include:

- *Description of the sector infrastructure, facilities and human resources for the development*
- *Analysis of production and distribution*
- *Analysis of cross-cutting issues*
  - ✓ *Gender* - roles and responsibilities of men, women, boys and girls, as well as their access to services
  - ✓ *Environment* - Some environmental issues which need to be taken into account and prepare some actionable measures to resolve them based on the mandate of the institution when preparing the inputs for NSDP as well as the Sectoral Strategic Development Plans are:
    - Climate change – assessing a range of potential medium- and long-term impacts of climate change on the growth of the sector, and identifying opportunities for climate proofing of sectoral investments and reducing greenhouse gas emissions
    - Floods
    - Drought
    - Environmental issues with energy
    - Air pollution
    - Water pollution
    - Noise pollution
    - Soil pollution
    - Over-fishing
    - Deforestation
    - Mining exploitation
    - Waste management (medical waste, toxic waste, liter, electronic waste)
    - Loss of biodiversity
    - Erosion
- *Indicators of Development of the Sector* - Indicators to measure the current level of development of the Sector shall be identified and presented as the baseline for the SSDP in relation to the national indicators identified in the NSDP. In addition all sectors shall include Sustainable Development Goals (SDGs) indicators that are relevant to their sectors, and indicators that measure progress in addressing specific climate change risks and capacity gaps identified. These shall also form the basis for determining targets to be achieved in the SSDP and the subsequent

assessment of performance. Indicators should be disaggregated in terms of sex, age and spatial distribution (rural/urban or national, regional and district basis).

**Step 3: Linking Identified Key Development Issues to the NSDP**

The development problems identified in Step 2 shall be linked to the development problems/issues identified during implementation of the previous NSDP and be tabulated against the relevant broad objectives of the next plan. This shall ensure that the problems identified in the NSDP are adequately addressed by the SSDP over the plan period. The main Output of Step 3 is a Matrix showing linkages of identified issues to the broad development objectives of NSDP.

**Table 1: Linkage between Key Development Issues to NSDP**

Priorities in NSDP	Sector Development Issues related to the Implementation of NSDP
Priority 1: .....	1.
	2.
	3.
Priority 2: .....	1.
	2.
	3.

**3.2.2 PHASE 2: POLICY FORMULATION**

Policy formulation has to do with defining broad, long-term goals (which might well extend beyond the plan period) and with selecting major strategies for reaching those goals. The policy formulation should be based on a review of existing policies as well as the results of the sector diagnosis with focus on:

- *Explicit sector policies where they exist;*
- *Implicit policies as reflected in the practical decisions made by the government and in the choice of ongoing development projects in the sector,*
- *Overall development policies that have a direct impact on the sector like the National Development Plan, and*
- *International commitments made by the government, like SDGs, NDC and other protocols.*

**3.2.3 PHASE 3: SELECTION OF THE SECTOR GOAL, SSDP OBJECTIVES AND PROGRAMS**

The general approach for deriving objectives and priority programs is by use of the “problem tree” tool which helps in analysis and ordering of different problems around a focal problem. By simple rewording, the “problem tree” is transformed into an “objective tree”, it facilitates derivation of possible sector vision, goals, objectives and outputs.

The problem tree construction should be a collaborative technique and should be used for systematizing group discussion and reaching consensus on what the group considers to be the main causes and effects of the focal problem. It helps in understanding the context and interrelationship of problems, and the potential impact of specific actions that can be undertaken.

The sector Vision shall be consistent with the national Vision Statement. It should be broad enough to encompass a variety of perspectives and mandates of the LMs and LAs

in the Sector and should easily be understood by the LMs and LAs in the Sector. In relation to the sector vision, each LM and LA should set a goal in relation to the NSDP goal. The Sector goal must reflect the appropriate broad objective areas of the NSDP. The Sector Goal and the National Goal should be subjected to compatibility analysis to ensure that they are not in conflict. Where a conflict exists, the Sector goal shall be reviewed to reflect the goals set for the sector under the NSDP.

Sector goal, objectives and programs shall aim to address the climate change and disaster risks and tap into opportunities to contribute to resilient low carbon green-growth.

### 3.2.4 PHASE 4: DESIGN OF PRIORITY PROGRAMMES

It is recommended that each sector develops sector priority programs to achieve the sector goal in relation to the national goal. Programs may be groups of related projects, services or activities directed towards the attainment of the sector objectives over a specified period of time. LMs and LAs shall prioritize the objectives and action areas by consensus within the ministry or agency. Prioritization should be guided by the following criteria:

- *Impact on a large proportion of the citizens especially, the poor and vulnerable;*
- *Significant effect on meeting basic human needs/rights – e.g. mothers and children health, quality education, reduction of gender discrimination, etc.;*
- *Significant effect on the economy e.g. attraction of investors, job creation, increases in incomes, etc.*
- *Reducing or bridging the rural-urban disparities/gaps in access to public services*
- *Resolutions of cross-cutting issues*

The sector priority programmes shall include climate change activities required (e.g. policy, regulations, fiscal instruments, planning tools, data collection and monitoring systems, climate proofed investments, pilot projects and research) and disaster risk reduction measures. The priority programmes could be intended to cover the opportunities for improving resource efficiency, gender equality and social inclusion, and environmental quality.

#### 3.2.4.1 Program Design and the Logical Framework Matrix (LFM)

A Logical Framework Approach shall be used for the program design. This is a structured and systematic way of analyzing problems, defining objectives and selecting and organizing the relevant strategies and activities for achieving the objectives in a logical order. It results into the production of a Logical Framework Matrix (LFM), also called a “LogFrame”, which summarizes the program and shall be accompanied by more detailed work plans or activity schedules. Table 2 shows the structure of a typical LFM.

Table 2: Typical Structure and Content of a Logical Framework Matrix

Program Description	Indicators/Targets	Means of verification	Assumptions
<p><b>Goal</b></p> <p>The broad development impact to which the program contributes at a national or sectoral level (provides the link to the policy and/or sector program context)</p>	<p>Measures the extent to which a contribution to the overall objective has been made.</p>	<p>Sources of information, and methods used to collect and report it (including who and when/how frequently)</p>	

Program Description	Indicators/Targets	Means of verification	Assumptions
<p><b>Outcome</b></p> <p>The development outcome at the end of the program, specifically the expected benefits to the target group(s)</p>	<p>Helps answer the question: “How will we know if the purpose has been achieved?” Should include appropriate details of quantity, quality and time</p>	<p>Sources of information, and methods used to collect and report it (including who and when/how frequently)</p>	<p>Assumptions (factors outside the program management control) that may have an impact on the purpose</p>
<p><b>Outputs</b></p> <p>The direct outputs (goods and services) that the program delivers, and which are largely under project management’s control</p>	<p>Helps answer the question “How will we know if the results have been delivered?” Should include appropriate details of quantity, quality and time</p>	<p>Sources of information, and methods used to collect and report it (including who and when/how frequently)</p>	<p>Assumptions (factors outside the program management control) that may have an impact on the outputs</p>
<p><b>Activities</b></p> <p>Specific activities to be undertaken in order to achieve the expected outputs</p>	<p><b>Inputs</b></p> <p>Human resource, budget, equipment, etc. required for the implementation of the activities</p>		

### **Indicators**

An indicator is a measure that is used to demonstrate change in a situation, or the progress or results of an activity, project, or program. The good indicator should have SMART criteria as follows:

- **Specific** - indicating with precision what should be achieved;
- **Measurable** - quantifiable without exceptional investment in data gathering;
- **Achievable** - attainable with the human, material, financial resources available;
- **Relevant** - useful for achieving the overall objective or goal;
- **Time-bound** - including time limits in which to be achieved.

They shall further provide bases for assessing the extent to which objectives will be achieved thereby playing an important role in monitoring and evaluating the SSDP implementation.

### **Different types of indicators**

Within the LFM, the indicators are classified according to their relationship with the different hierarchical levels of goals, objectives, outputs and activities (inputs) within the program design, which actually corresponds to classification along a results chain diagrammatically presented in Figure 4 below.

Figure 4: Result Chains



- **Impact indicators** relate to the overall goal or development objective: They measure the long-term and aggregated results or changes at the level of the beneficiaries (long-term results).
- **Outcome indicators** relate to the purpose or program objective: They measure the intermediate results or consequences of output at the level of the beneficiaries (intermediate results).
- **Output indicators** relate to the direct results: They measure the immediate and concrete results of the different activities implemented and inputs used (tangible immediate results).
- **Input indicators** relate to the activities: They measure the human, financial, and other resources provided for implementing the plan.

A considerable number of indicators may be identified in the different program matrices, which will serve as the basis for the various program-specific monitoring processes at the different levels of management. However, for the purpose of monitoring the performance of the SSDP implementation at sector level, a limited set of key indicators is needed. The selection of these indicators should take into account the following requirements in respect of the key indicators. The key indicators should,

- mainly relate to the impact and outcomes of the sector performance.
- be limited in number. Too many indicators might be difficult to interpret and create confusion and it is costly.
- give a comprehensive picture of the sector performance, while at the same time maintaining focus on critical challenges as reflected in the priority programs (including indicators related to climate change, disaster risk and green growth)
- provide information not only about national averages but also about disparities within the sector performance.
- The list and the definition of indicators should remain stable during the plan period (even if some fine-tuning might be necessary after some years) in order to be able to measure progress over time in a consistent way.
- The indicators should be easily understandable by decision-makers and common users.
- In order to ensure smooth coordination and cooperation, the SSDP Preparation Team should ensure that all indicators are commonly agreed upon by the different stakeholders and development partners.

#### **3.2.4.2 The monitoring procedure**

The monitoring procedure of a Sectoral Strategic Development Plan shall be a cyclical process that starts with the preparation of the Annual Operational Plan of the first year and continues till the preparation of the next SSDP, as illustrated in Figure 5.

Figure 5: SSDP Monitoring Procedure



### *I. Preparation of an Annual Operational Plan and Budget*

The Annual Operational Plans are a necessary precondition for successful implementation of SSDPs. They shall be prepared on a program-specific basis by the departments in charge of implementing the different programs. To facilitate efficient plan implementation, preparation of the annual operation plans and the annual budgets should be closely linked.

Operational Plans should follow the same structure and the logical framework format as the program matrices of the medium-term plan, but be more detailed. They should spell out the following:

- Precise targets to be reached during the specific year;
- Detailed activities to be carried out in order to reach the targets;
- Timing of each activity;
- Specific departments, divisions or units in charge; and
- Realistic budget estimates and financing schedules (taking into account climate proofing costs as relevant).

### *II. Routine monitoring*

The plan implementation should be monitored on a routine basis through structured meetings within the different departments and divisions, based on the targets and indicators contained in the Operational Plans.

### *III. Periodic review*

Short standardized written performance reports should be produced by the same departments and divisions at regular intervals using the guidelines and tools provided to them.

### *IV. Annual review*

During the last quarter of the fiscal year, LMs and LAs shall prepare a consolidated annual performance report on the basis of the reports prepared by the implementing

departments and of other additional inputs (such as financial reports) to be produced by that relevant department.

This report shall serve as the basic document for the Annual Review Meeting with stakeholders, which shall offer the opportunity to jointly assess achievements and shortcomings of the plan implementation and to agree on improvements to be made in order to reach the development objectives and targets put forward by the SSDP. Each annual review meeting (and report) shall be timed in such a way that it can serve as a basis for preparing the Operational Plan and budget of the following year.

#### *V. Mid-term review*

The mid-term review is intended for examining more carefully results obtained and problems encountered and to decide whether there is a need to revise the targets and programs foreseen for the second term of the plan. The mid-term review should also examine whether key challenges identified by the sector are being effectively addressed, proposing corrective measures/programs as needed. In addition to the internally produced performance report, special evaluation studies might also have to be commissioned in order to assess more systematically ongoing or completed programs, with a view to deriving lessons from these studies for further planning and program development.

#### *VI. Final review and evaluation*

The final performance report and evaluation studies shall look back at the plan as a whole. The focus of the final review, and of the corresponding Final Review Meeting with stakeholders, should be on final impact and outcomes, their relevance, cost-effectiveness and sustainability, as well as analysis of reasons why certain results have been achieved and not others and to derive lessons for possible policy revision and for preparing the next SSDP.

### **3.3 Activity Timeframe for Preparation of SSDP**

The development of the SSDP shall start at the beginning of a new planning cycle when MOP issues a planning call circular requesting sectors, LMs and LAs to produce and submit their inputs to MOP for developing the NSDP. Information submitted to MOP shall be the results of Phase 1, Sector Diagnosis, Phase 2, Policy Formulation and Phase 3, Selection of Objectives and Priority areas. The adopted NSDP should provide more concrete grounds for Phase 4, Design of Priority Programs, Phase 5, Preparation of the Cost and Financing Framework and Phase 6, the Design of Monitoring and Evaluation Arrangements. The timing of the latter should be designed to support and feed into the national monitoring and evaluation arrangements elaborated in the National Strategic Development Plan.



Table 3: Activity Time Schedule for Formulating a Sectoral Strategic Development Plan

Phase	Description	Timeframe	Remarks
1	Sector diagnosis	3 Weeks	Requires active involvement of relevant LMs and LAs, DPs, CSOs, and private sector
2	Policy formulation	3 Weeks	
3	Selection of objectives and priority areas	2 Weeks	
4	Design of priority program	2 Weeks	Should be based on overall priorities elaborated in the published NSDP
5	Preparation of cost and financing framework	2 Weeks	
6	Design of monitoring system	2 Weeks	
7	Writing up of draft plan	2 Weeks	Should be shared with relevant stakeholders for comments
8	Revision of draft plan	4 Weeks	Broad consultations with relevant stakeholders
9	Approval and dissemination of the approved plan	2 Weeks	Approved by the Sector Minister and the approved plan should be disseminated to sub-national level for guidance in the selection of programs for their development plan preparations.

## CHAPTER 4

### SSDP IMPLEMENTATION PROCESSES

#### 4.1 Responsibilities for Implementing the SSDP

Implementation of the SSDP is the responsibility of Sector Ministries, Agencies and Departments (LMs and LAs), SNAs, relevant Civil Society Organizations (CSOs), and the private Sector. These organizations are required to formulate SSDP's goals, objectives and strategies and programs of the sector which need to be aligned to the objectives of National Strategic Development Plan.

#### 4.2 Consistence of MTEF with NSDP and SSDP

The development of both the SSDP and the Medium-Term Expenditure Framework (MTEF) shall draw their inspiration from the NSDP. The MTEF process shall emphasize analysis of the national objectives and priorities as defined by the NSDP which provides the basis for deriving the respective missions and strategic objectives of the Ministries, departments and agencies. The budget under the MTEF should be informed by the cost implications of the annualized action plans of the NSDP and therefore the SSDPs over their plan period which should be of the same time frame. Consequently, the projection period under the MTEF shall be the same as that of the NSDP and SSDP plan period.

#### 4.3 Implementation of Annual Work Plan

Sector Policies and programs shall be translated into activities with a budget, broken down by the respective implementing Sector LMs and LAs. The preparation the AAPs shall take into consideration the following:

- What action to be taken,
- who to take that action and at what time
- the involvement of development partners and
- a budget indicating the cost of the planned activities

#### *Linking the Sector Annual Work Plan to the Annual National Budget*

The national budget is essentially an instrument for the implementation of the NSDP and cost SSDPs reflect the expected expenditures to be incurred during the implementation of the NSDP. In this regard, well formulated SSDPs have embedded in them the cost of personnel, administrative and investment activities that contribute to the achievement of the sector objectives. Therefore, the SSDP preparation Teams shall identify all the types of inputs required and estimate the cost for each activity. To ensure that the cost annualized activities of the SSDPs feed into the annual national budget, the MTEF process which links a Sector's expenditure to the Sector's goals, objectives, activities, output and outcomes to the national budget, shall be followed during the costing the planned activities of the SSDPs.

In order not to distort implementation schedules, the planned cost of annualized activities should of necessity correspond to the timely flow of resources as provided for in the MTEF.

#### **4.4 Monitoring and Evaluation (M&E) Arrangement**

Sector LMs and LAs shall be required to monitor and evaluate the implementation of their SSDPs. A functional M&E system for monitoring, planning, budgeting and reporting for the sector shall be put in place and monitoring and evaluation arrangements and schedules shall be clearly spelled out in the SSDPs. So as to inform the overall evaluation and possible review of the NSDP, the timing of SSDP evaluations shall be at least two months before the scheduled evaluation of the NSDP. The M&E Steering Committee shall provide the appropriate Monitoring and Evaluation Guidelines as well as the schedule for evaluations of the NSDP.

The sector M&E system shall be developed and integrated into all stages of the program cycle, from identification through to the evaluation. Throughout the duration of the SSDP, the system shall generate timely reports on progress to provide management with the necessary information; to help keep the program running as smoothly as possible, to inform the stakeholders whether the implemented activities achieved their objectives and to highlight any unexpected outcomes. All SSDPs shall include well defined indicators at Sector level, with at least one sector specific climate change related indicator (other indicators maybe added to reflect key cross cutting challenges). The system shall thus necessarily include a LogFrame and a list of indicators.

To facilitate and support effective, evidence based monitoring and evaluation all sectors shall work towards establishing functioning and appropriate sector information management systems. The information system shall comprise collection, processing, analysis, interpretation, write-up and presentation of the data around a set of key performance indicators; derivation of lessons and policy messages from the data collected; and utilization of the lessons learnt and subsequent management action to improve implementation.

**Annex 1: Cost Implementation Matrix**

Description (Programs, Sub-Programs and Activities)	Estimated Expenditure		Responsible Unit
	Current Expenditure	Investment Expenditure	

**Annex 2: Performance Monitoring Matrix**

Indicators	Unit	2017 Baseline	2018 Estimate	Target by Year					Data Source	Responsible Unit
				2019	2020	2021	2022	2023		