

Delegating Functions to Citizen Service Centers

Lessons from One Window Service Offices in Cambodia

The **One Window Service Office initiative** – a citizen service center approach to developing more accountable administrative services – is at the forefront of decentralization reform in Cambodia. Some forty groups of functions have now been delegated to district and municipal administrations to provide better services for citizens. This learning note briefly discusses the process adopted by the lead implementing agency to bring about the delegation of services, the results to date and the challenges encountered. Although this initiative started as a pilot, it holds the promise of triggering more significant reform if the trajectory of change is sustained.

As discussed in earlier learning notes, the One Window Service Office (OWSO) establishes an administrative reform to enable more transparent, accountable and responsive service delivery that is faster and closer to the people. In the “one window” arrangement (a type of one stop shop), a range of government services have been made available in one local level office. Those services are provided with the support of a more user-friendly front office staffed with district officials trained to interface with the public.

Functions. The functions deconcentrated to the OWSO are services previously provided by provincial line departments. Although participating ministries understand the rationale embodied in the principle of subsidiarity, the approach adopted by different line ministries varied. Most ministries delegated a number of pre-selected services to kick the process off, but others conducted a functional mapping process before delegating. Currently, the main justification for deconcentrating services is to lower costs for clients and make licensing processes more achievable, but a number of ministries, such as the Ministry of Interior and Ministry of Public Works and Transport, have focused on improving responsiveness by deconcentrating services that are high in demand.

The functions provided by the OWSOs across the provinces of Cambodia are not always the same. While there is a core set of functions applicable in all, the services delegated are selected to meet the specific requirements and profiles of districts. Functions are to be delegated to each district, dependent on their primary economic characteristics and needs: rural, urban, tourist, agricultural and so on. Experience also suggests that there is a significant difference in demand for core services in rural and urban areas. Legalization service have been far less important in districts with fewer educational institutions.

Roles and responsibilities. While the delivery of the agreed services occur at the local level, mostly in offices housed in district or municipal administration compounds, the functions are not decentralized. To date the services are only deconcentrated to the District, Municipality or

Khan. Line departments still retain responsibility for the functions and any necessary follow-up, e.g. verification of the details of the license granted, or errors made during the provision of the service. This deconcentration of functions to the district level is mandated through a decision made by the Prime Minister, and it is on this basis that the participating line ministries delegate services (via *prakas*) and issue guidelines.



What works?

Kicking off the process of engaging ministries. By the end of 2012, twenty-four OWSOs were fully functioning and another seven offices were under construction or preparation. Ten ministries have delegated 38 groups of administrative functions (186 specific services) to these districts or municipalities for OWSOs to have the mandate to provide these services. The Ministries of Commerce, Tourism, Culture and Fine Arts; Industries, Mines and Energy; Land Management; Public Works and Transport and Tourism, all of which began deconcentrating functions to the Municipalities of Battambang and Siem Reap in 2005. The Provincial Administration Department (Ministry of Interior) delegated the notarization of official documents and the Ministry of Health and the Ministry of Agriculture, Fisheries and Forests, joined at the end of 2011. The Ministry of Education, Youth and Sports completed the delegation process in 2012.

Shifting from enforced payment to voluntary payment. While the line ministry norm is for officials to visit businesses and demand payments (often accompanied by police), the OWSOs function as modern institutions and it is incumbent on the business owner or citizen to seek a license. The OWSO does not play an enforcement role, but



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aims instead to build public awareness of the regulatory requirement and administrative process.

Slow and steady. For many years, the OWSO team in the Ministry of Interior at the national level has applied a “silk glove approach” – praising the ministries for delegating rather than questioning relevance or impact of the services delegated. The OWSO team also supported capacity development to respond to suggestions from line ministries that district staff were not sufficiently skilled.

New principles of governance emerge. All line ministries have signed up to, and are now aware of, how functions can be delegated and how services can be delivered with accountability and transparency – the seed of reform is planted in each ministry. On 20 February 2013, the Prime Minister widened the reform by issuing a sub-decree that all districts (even those without an OWSO) be allowed to provide the services that have been assigned to the OWSOs.

A multi-stakeholder advisory committee. A high level inter-ministerial technical advisory committee (TAG) facilitates inter-ministerial dialogue. Throughout this process, the TAG has met regularly and provides an appropriate forum for discussion. As the decentralization reform expands, the TAG role is likely to be central.

Challenges

Line ministry resistance undermines effectiveness. Many ministries are reluctant to delegate functions that matter – especially if it means letting go of power and decision. In many situations, the services delegated are not relevant or the threshold (e.g. size of property or business) is so low that the service is not demanded by citizens; in some cases the functions are only partially deconcentrated. Moreover, some line departments are continuing to provide services to residents when the regulations requires them to go to the local OWSO.

Simplification of procedures. Although the objective of the OWSO has not yet been broadened to include simplification of procedures, citizens expect that services should be more straightforward and, preferably, provided in “one-stop and one-visit”. There is considerable scope for simplifying procedures for license application. For instance, permissions to open a business in the hospitality sector currently require approvals from five departments and two levels of local administration, but only two of the departments are represented in the OWSO.

Regulation “creep”. Engagement in the OWSOs has been used by some ministries to introduce and test new regulations in participating districts. For instance, the Ministry of Agriculture, Forests and Fisheries introduced licenses for the transportation of animals. Concerns have

been raised as to why new regulations are justified rather than delegating functions with known demand.

Cost effectiveness. While the OWSOs in Battambang and Siem Reap generate revenues well over operating costs, most OWSOs may not reach a point of cost recovery until functions are assigned more efficiently and effectively. The relevance of functions delegated, low populations in some districts, and a lag in citizen demand all limit the usage of OWSOs. Moreover if government seeks to ensure that citizens everywhere in Cambodia have equal access to services, it will be necessary to create appropriate outreach models, optimize functions and establish fees to achieve cost recovery.

Complexity of services. Line agencies often argue that districts don’t have the technical capacity to take decisions, and require the decisions to be made at the higher level. The Ministry of Interior itself argues that some services, such as issuing of personal ID cards, are too complicated to be deconcentrated to the district level. At this stage too, it is not clear what it would take to address capacity concerns so that Line Ministries do not use this as a reason *not* to delegate.

Sustaining achievements and standards. According to the legal framework, the delegation of functions is permanent. However, sustainability of the quality of services is currently dependent, at least to some extent, on continued donor interest and oversight. The assignment of new functions to districts may be accelerated as the decentralization reform functional assignment processes are taken forward, but this has been slow to date. It is also expected that, in the future, economies of scale and scope will need to be taken into account when selecting services to delegate. These considerations affect the financial sustainability of the OWSO.

The OWSO has successfully established the process of functional delegation to districts and has improved the way administrative services are delivered, but there is ongoing resistance in some line ministries that continues to constrain the process. This undermines the potential efficiency and effectiveness of the OWSO citizen service center initiative. Expanding the impact of the OWSO does not mean building more offices in new locations, but efforts to work with Ministries on more optimal functions. Moving forward this will require clearer definition of objectives, targets, services delegated, and more open efforts to identify and resolve blockages.

The DFGG Learning Note Series provides quick summaries of the lessons learned in the DFGG project. The information is obtained from progress reports, meetings, workshops and World Bank Implementation Support. End evaluations will provide further reflection on these issues.

DFGG Learning Note 9 reflects on lessons learned by the OWSO team and through field visits and OWSO discussions. Written by Ruud Corsel and Janelle Plummer. February 2013