

**Annual Technical Consultation between Cambodia and Denmark
On Danish Environmental Assistance to Cambodia**

Council for the Development of Cambodia, Phnom Penh, Cambodia
30 April 2001

AGREED MINUTES

1. Introduction

The first bilateral annual technical consultations on co-operation between Cambodia and Denmark were held in Phnom Penh on 30 April 2001.

The Cambodian delegation was headed by H.E. Mr. Keat Chhon, Senior Minister of Economy and Finance and Vice Chairman of the Council for the Development of Cambodia (CDC), and the Danish delegation by H.E. Mr. Niels Kaas Dyrland, Ambassador (a list of participants is enclosed as Annex 1).

2. Opening Statement

Opening the talks, the Head of the Cambodian Delegation H.E. Mr. Keat Chhon, Minister of Economy and Finance and Vice Chairman of CDC welcomed the Danish Delegation to this first annual technical consultations on Environmental Assistance Co-operation between Denmark and Cambodia.

H.E. Mr. Keat Chhon recalled the start of the co-operation on Environmental Assistance with the signing of Memorandum of Understanding on the 29 May 1997. Since then the present draft final NRE Programme Document as of March 2001 has evolved as a result of a valuable and very participatory process including consultations, workshops and discussions with all stakeholders, who hold key positions and are actively engaged in management and planning of the Cambodian natural resources and environment. Not only did this process improve the programme document, but also it created awareness and ownership among the Cambodian stakeholders.

He further stressed that the programme truly reflects the vision of the Government and the path which will lead to the sustainable management of the natural resources and sustain the livelihoods of millions of poor people in the Cambodian rural areas who strongly depend on access to natural resources. He praised the thoroughness and diligence put into the preparation of the programme by the Danish side and confirmed that the programme truly reflected the socio-economic and cultural conditions, the level of human and financial resources available and the technological and institutional capacity in the Cambodian society.

He finally assured of the Royal Government of Cambodia's (RGC's) complete commitment and political will for the immediate implementation of the programme, which only awaited the final approval from the Danish Government.

In his opening remarks the Head of the Danish Delegation H.E. Niels Kaas Dyrland, Ambassador of Denmark, thanked for the kind welcome and expressed satisfaction that Denmark and Cambodia for the first time held technical consultations to review the contents of our environmental co-operation programme including the activities already under implementation as well as the draft final 5-year Natural Resources & Environment Programme soon to be launched.

He then focussed on the significant growth in the co-operation between our two Governments from the commencement of transitional assistance in the early nineties and the continued support through the

Mekong River Commission also commenced in the early nineties to the establishment of the Environmental co-operation in 1997. He confirmed that the process of formulating the 5-year Natural Resources & Environment Programme has elevated our co-operation to a higher level and felt encouraged that the co-operation will continue to strengthen in the years ahead and develop into a solid, long-term partnership based on trust, realistic agreements concerning shared visions, joint objectives and reciprocal obligations.

He stressed that Denmark is an active participant in international efforts to promote integration of environmental considerations in all spheres of economic activity. The overriding objective of Denmark's development policy is to create lasting improvements in the living conditions of the poorest segments of the world's population through poverty reduction. Denmark was therefore pleased to support Cambodia's efforts in sustainable use of natural resources and environmental protection, as a means to alleviate poverty and took strong note of the Royal Government of Cambodia's own emphasis of the strong relations between sustainable natural resources management and poverty reduction

He referred to the concept of partnership in Denmark's development policy and the regular consultations as a key element in building the partnerships. A frank and close dialogue on strategic, political and all other pertinent issues creates a mutual understanding and secures trust and openness that is essential to a solid partnership. He then informed of Denmark's long tradition in international development cooperation and the fact that great efforts are made to ensure the quality of Danish development assistance. Reflecting government policies, Danish development assistance has for the last several years amounted to around 1% of the GDP corresponding in year 2000 to more than 12 billion Danish Kroner or around 1½ billion US\$ disbursed for development purposes. Furthermore, as a follow up of the Rio Conference in 1992, the Danish Parliament decided to gradually building up an Environmental Funding Facility aiming at reaching ½% of the GDP in year 2005 for environmental activities. Our co-operation on Natural Resources & Environment programme was funded under this Environmental Funding Facility.

He finally informed that Denmark follows closely the general economic and political developments in Cambodia both bilaterally and through the multilateral Consultative Group Meetings. In the upcoming Consultative Group Meeting in Tokyo in June, Denmark will look forward to you sharing the contents of your progress reports with regard to economic and fiscal reforms, administrative reform, demobilization and forestry policy reform. Denmark also looks forward to discuss developments with regard to democracy and good governance, transparency and respect for human rights. The Danish government has noted the Royal Government of Cambodia's wish to maintain and expand its partnership in development with the international donor community and intends to continue to be part of this important process to the benefit of the people of Cambodia.

3. Cambodia's Reform Programme and the Natural Resources and Environment Sector

H.E. Mr. To Gary, Secretary of State, Ministry of Environment, presented the developments within the natural resources and environment sector within the broader context of Cambodia's reform programme.

The Royal Government of Cambodia (RGC) has embarked on a bold reform programme, which has poverty alleviation as the main objective. As there is a strong correlation between sound natural resource management and poverty reduction, natural resource management and environmental concerns are at the core of this reform.

In recent decades Cambodia's environment has deteriorated because of conflict, neglect and uncontrolled resource exploitation. Water resources, land and associated bio-diversity are main environmental concerns.

Illegal logging and poor agricultural practices are affecting soil condition and the quality of underground and surface water systems. Growing urban and industrial pollution cause degradation of water and air quality. Intensified fishing practices also adversely impact important fisheries resources. Increasing environmental impacts are expected, particularly in the coastal zone, from the accelerated economic development such as infrastructure, tourism, industrial developments, expansions of ports, oil and gas exploitation and rapidly growing aquaculture. Conflicts are likely to develop, as a result of current and planned activities due to inadequate legal and policy framework, lack of incorporation of environmental concerns in the planning process, weak enforcement capacity, centralized decision making, poor information base, insufficient participation and a weak human resource base.

To address these problems, the Royal Government of Cambodia (RGC) is formulating a national strategy which, with the assistance from Denmark under the Natural Resource and Environment Programme, would help us to achieve the long term objective of managing, conserving, and protecting Cambodia's environment and natural resources in an ecological sustainable manner while pursuing the alleviation of the prevailing poverty and improving the socio-economic conditions for the Cambodian people.

The medium term objectives of our programme is to: (i) develop coastal zone management; (ii) strengthen forest concession management; (iii) reduce urban and industrial pollution; (iv) enhance protected area management; (v) improve the management of the Tonle Sap ecosystem; and (vi) build the environmental planning capacity of core institutions.

The second five year socio-economic development plan ((2001-2005) demands that the Ministry of Environment takes a lead role in environmental management and accomplish four immediate tasks: (i) develop environmental policies; (ii) ensure good environmental governance; (iii) implement environmental sector activities; and (iv) ensures environmental cooperation and coordination at national and international levels. To achieve these tasks and the long term objective, the following is needed: (i) institutional strengthening; (ii) inter-ministerial cooperation; (iii) the incorporation of environmental concerns into all development plans, through the use of environmental and social impact assessment, environmental monitoring and information management; and (iv) environmental education and awareness raising.

The Royal Government of Cambodia (RGC) and Ministry of Environment is committed to environmental protection and sustainable natural resource management in conformity with international environmental agreements and conventions.

The Danish assistance and our bilateral co-operation, under the Natural Resource and Environment Programme will be a major vehicle through which the Royal Government of Cambodia (RGC) will implement these activities and ensure that our common vision and objectives of poverty reduction and sound management of Cambodia's natural resources and environment can materialize.

4. Natural Resource and Environment (NRE) Programme, Cambodia

Referring to the final draft of the NRE Programme Document dated March 2001, the Danish delegation informed that this is scheduled to be presented to the Danida Board in May 2001 for endorsement. Following approval, the Programme could then be officially launched, in which connection, it was agreed that Cambodia would organize a "launching workshop" to officially announce the approved programme. Such a workshop could be organized in late June/early July 2001.

Cambodia further suggested that the launching of such a substantial programme, with a tentative target budget in commitments of DKK 411 million covering a five-year period, should be formalized with the signing of the programme document. The signing, it was suggested could take place either late May or early June 2001. Denmark would soon suggest a date for the ceremony.

It was underlined that the NRE Programme Document is principally a strategy document, and not a funding document allocating actual financial resources, although it provided indicative commitments to support implementation of programme activities.

As a tool for management of the programme, the document is to be seen as a “living” document, to be reviewed and updated regularly through joint planning, monitoring and review, not least through the joint reviews and annual bilateral technical consultations envisaged in the NRE Programme Document. In this regard, the Danish delegation encouraged the Royal Government of Cambodia (RGC) to actively participate in the formulation, appraisal and review of individual projects. Denmark would be pleased to provide the support needed to make this possible.

Referring to the assumptions, risks and pre-requisites identified during programme formulation and listed in Section 5.8 of the draft NRE Programme Document, no changes or need to update these were noted. The importance of inter- and intra-ministerial, as well as national-provincial coordination was highlighted during the discussions.

Programme Management and Organization

Both parties recognized that the programme management and organization is one that would have to be allowed to evolve over time - in respect of actors, roles, linkages and co-ordinating mechanisms. As new activities come on stream, and more experience is gained with implementation of on-going activities, it is envisaged that the programme would evolve a structure that is administratively manageable, efficient and effective, and one that reflects and reinforces the Programme’s thematic focus, as identified through the four Programme components, and schematically presented on page 58 of the final draft NRE Programme Document.

Cambodia assured that the envisaged Programme Coordination Committee at the national level would be established quickly, as soon as the NRE Programme was approved. The challenge, it was recognized, was in developing the appropriate mechanisms to enable effective planning inputs and feedback from project level to component and programme level planning and review.

Comments were raised with regard to the selection of host institutions for projects, both on-going and under preparation, within the Royal Government of Cambodia (RGC). Cambodia accepted, in this regard, that it would need to take ownership of the process of identifying the relevant actors, co-operating and lead implementing agencies, in evolving the Programme organization and management structure.

NRE Programme Implementation Plan and Budget Frame

The Danish delegation presented the updated Summary of **Component activities** (Table 6, page 41 of the NRE Programme Document, updated April 26, 2001, enclosed as Annex 2). It was agreed that this correctly reflects the present status of the NRE Programme.

The Danish delegation presented the updated **Implementation Plan** (Annex B, page 62 of the NRE Programme Document, Draft update, April 26, 2001, enclosed as Annex 3). It was explained that the indicative amounts are commitments and not planned disbursements. The document is a draft update and may change. It shows the overall time frame of the NRE Programme, from 2001 to 2010, with indicative commitments for the first phase, i.e. 2001 to 2005. Since the NRE Programme is funded under a regional facility, covering other countries in the region besides Cambodia, further funds may, under certain circumstances, be available if actual disbursements are lower than planned in these countries. This arrangement could also apply in the opposite direction. That is the reason why flexibility has been built into the plan, with the possibility of advancing some activities, if such a

situation arises.

The Implementation Plan was endorsed by both delegations, as the basis for the next five years cooperation.

5. Review of Programme Activities

The status of projects under implementation, and under preparation were jointly reviewed (enclosed as Annex 4 are the Project Status Overviews). A summary of the key issues discussed and agreed actions to be taken is given below.

Projects Approved and Under Implementation

Environmental Management of the Coastal Zone: The project is progressing according to schedule. The importance of establishing mechanisms for cross-sectoral coordination was highlighted. Concerning the budget revisions raised, it was agreed that a formal submission would be made by the Project, in this regard, which Denmark would consider. The Project was asked to give a full picture of the Project's spending to date by budget line, and projected total expenditure with the proposed revisions vis-a-vis the originally-approved project budget. Concerning the preparation of Phase III, it was agreed that a draft project document would be submitted to the Danish Embassy not later than 15 June 2001.

Integrated Pest Management Farmer Training Project: The project is progressing according to schedule. A stronger collaboration between the Ministry of Environment (MOE), and the Ministry of Agriculture, Forestry and Fisheries (MAFF) in pesticide utilization nationwide was advocated by the Cambodian side. A second phase was being aimed at, in which connection the Project was aiming at completing a Phase II draft project document by November 2001. In the formulation of Phase II, the Danish delegation suggested to the Project to take into consideration the geographical focus aimed at in the NRE Programme Document.

National Community Forestry Programme: The activities are being undertaken according to plan. The interest of the Ministry of Agriculture, Forestry and Fisheries (MAFF) to be included in the Project (currently being implemented by the Ministry of Rural Development in co-operation with CONCERN) was noted. Denmark welcomed the interest from MAFF, citing the importance of inter-ministerial coordination/cooperation, particularly in the area of natural resources and environment management. A second phase of the support in co-operation with CONCERN was being aimed at. A draft proposal will be submitted in August/September 2001.

Forest Crime Monitoring and Reporting:

In December 1999, the NGO, Global Witness, was accepted by the Royal Government of Cambodia (RGC) as independent monitoring agency in the project titled "Forestry Crime Monitoring and Reporting", a joint effort by the Cambodian Ministry of Agriculture, Forestry and Fisheries; Ministry of Environment; UNDP and FAO. The project was approved by the ministries in August 1999.

When the UNDP administered trust fund ran out of funds Danida offered to grant fund the activities of Global Witness. After arrangement and acceptance were made by all parties, the contract between Danida and Global Witness was signed 28 November 2000 with FAO as co-signatory, based on the original FAO contract text and the original terms of reference as independent monitor to the Forest Crimes Monitoring Unit.

Referring to the recent controversy regarding the role of Global Witness, MAFF informed that an agreement on revised terms of reference was expected to be signed soon.

Formulation of Seila NRM Mainstreaming Strategy: The project is expected to commence in early May, following the recent recruitment of the consultant proposed to assist in the task. Cambodia noted that the NRM mainstreaming strategy to be formulated for SEILA would complement the environment strategy developed by the Ministry of Environment. The five-member working group comprising representatives from the Ministries of Environment, Agriculture, Forestry and Fisheries, and Interior - who will work closely with the consultant in the formulation of the strategy - is being constituted.

Institutional Capacity Building of the National Tree Seed Sector, Cambodia: This is a component of a regional project being implemented covering Cambodia, Laos and Vietnam. In Cambodia, MAFF is the implementing agency. Additional support is being provided to the project for equipment for the Seed Center and the Seed Office, and for hiring a translator and an in-country Danida advisor. An addendum to the agreement signed in July 1999 for implementation of the project is being signed at the conclusion of this Technical Consultation.

Projects under Preparation:

Support to Demining Operations in Cambodia - CMAC: Reference was made to the 5.0 million DKK funding approved in 1999, which is currently frozen. The Danish delegation informed that possible unfreezing of this funding is again being looked into, based on a recent submission from UNDP reporting on compliance with the four demands stipulated by Denmark following the irregularities revealed by the 1999 audit of CMAC's operations.

The Danish delegation also informed that in line with the new NRE Programme strategy, any future support to de-mining would be made only as part of component support. No free-standing support to de-mining activities is envisaged.

National Capacity Development: The DKK 35.0 million Project is awaiting funding approval by the Danish financial authorities. The Danish delegation informed that the Project was due to be considered by the Danida Board in May 2001 and by the Danish Parliamentary Finance Committee in June 2001. The tendering for the project activities would follow. Meanwhile, the NRE Coordinator has been posted to Cambodia from 1st April 2001. As the funding for NRE programme coordination was included in the project budget, it was agreed, pending approval of the project funding, that a bridging financing arrangement to support programme coordination for six months would be extended under the Embassy local grant authority - to enable mobilization activities to be undertaken, and further preparation of the NRE Programme project pipeline. A draft agreement would soon be forwarded for early signing.

As the project is involving several Ministries, it was proposed to the Royal Government of Cambodia (RGC), as also mentioned in the project document, that a memorandum of understanding be signed between the involved institutions specifying roles, coordination mechanisms, exchange of data etc. to ensure achievement of intended project outputs.

Integrated Watershed Management, Kbal Chhay: The Project is under preparation, and is presently being appraised. The interest of the Municipality of Sihanoukville to participate in implementing the project was noted. Subject to a positive outcome of the appraisal, it is expected that the funding application for the project will be presented to the Danish financial authorities in October 2001. Consequently, an agreement could be signed later in 2001.

Solid Waste Management: The preparation of the project is proceeding. A feasibility study of the project is being carried out from 30 April - 22 May 2001 to further investigate and develop the technical conditions and ownership of the Project. Funding, subject to a positive appraisal, is aimed at in November 2001.

Development of NRE Programme Monitoring Indicators: The project is proposed to be developed by the Cambodia Development Resource Institute in collaboration with the NRE Coordinator. A draft project document is envisaged to be submitted in September 2001. The Cambodian delegation expressed the desire to be a party to any eventual agreement to be signed in this regard.

Materials and Lecture Notes Development for Environmental Studies: The Project is under revision. The Danish delegation confirmed its agreement, in principle, to the project idea, and suggested that further development of the proposal submitted in October 2000 in respect of outstanding issues will be discussed with the NRE Coordinator in May 2001.

Environmental Education Project with Santi Sena: It was agreed that this was a support-worthy project. A revision of the project proposal prepared in December 2000 is being undertaken based on a field visit undertaken by the Danish Embassy and the NRE Coordinator in March 2001.

6. General Technical Co-operation Agreement

With reference to the significant growth in the co-operation between the two countries and the establishment of a long term partnership signified with the common approval of the 5-year NRE Programme Document, the Danish side handed over a draft agreement for Technical Assistance, with the suggestion that the parties together sign the document. The signed agreement would form the basis for future cooperation. The Cambodian side informed that the approval of the draft agreement would follow normal government procedure. Comments would be forwarded and it was expected that joint signing could take place in late May or early June in connection with signing of the NRE Programme Document after approval of the Board of Danida.

7. Other Issues

On the subject of tax **exemption/reimbursement** on equipment and petrol to be used for the project implementation the Danish delegation referred the attention to the clauses in the agreements between the governments where the parties shall ensure that Danish grants are not used for payment of any import duty, tax, national or other public charge. The Cambodian side confirmed that equipment specified in the project document and the agreement would be exempted from customs duty when imported to Cambodia. For petrol and gasoline a procedure was established where applications for exemption were forwarded to CDC and granted on a regular basis.

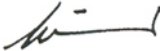
In order to facilitate administration for all involved, the Danish side suggested that visa/stay permits for international long term advisers recruited by Danida was extended from the current 6-month period to a longer period bearing in mind that the advisers were normally on a 2-year contract. The Cambodian side took due note of the suggestion but informed that a 6-month visa was the maximum period granted for the moment according to the rule of the government. This rule was applied to all international advisers/consultants from all donors.

The Danish delegation stated that all financial statements made in these Agreed Minutes were subject to approval by the competent Danish authorities.

It was agreed to hold Annual Technical Consultations once a year, and High Level Consultations every second year. The Cambodian side suggested in line with similar arrangements with other co-operation partners that the biannual High level consultations to be held on a rotation basis between Denmark and Cambodia. It was agreed to hold the next round of Annual Technical Consultations followed by Annual High Level Consultations next year. The date and venue would be discussed and agreed upon.

Phnom Penh, 2 May 2001

For the Royal Government of Cambodia



Keat Chhon, MP
Sr. Minister of Economy and Finance

For the Government of Denmark



Niels Kaas Dyrland
Ambassador

Table 6: NRE Programme – Summary of Component activities (Draft Update, 26 April 2001)

<i>NRE Programme</i>	On-going and Approved Projects	Component activities under preparation	Screened topics for coming component activities
Component I: Capacity development, environmental education and monitoring		<ul style="list-style-type: none"> • National Capacity Development Project (2001-2005) • Support to Cambodian Development Resource Institute (2001-2005) 	<ul style="list-style-type: none"> • Environmental Education and Awareness Raising • Provincial Capacity Development in Environment
Component II: Land-use Planning	<ul style="list-style-type: none"> • Environmental Management in Coastal Zones (phase 2: 2000-2002) 	<ul style="list-style-type: none"> • Integrated Watershed Management, Kbal Chhay, Sihanoukville (2002-2005) 	<ul style="list-style-type: none"> • Environmental Management in Coastal Zones (Phase 3) • Integrated Watershed Management • Land-use planning in Coastal and Southern Provinces
Component III: Urban, industry and energy environment		<ul style="list-style-type: none"> • Municipal Solid Waster Management (2002-2005) 	<ul style="list-style-type: none"> • Urban Environmental Management and Cleaner Production • Renewable Energy
Component IV: Natural resource management	<ul style="list-style-type: none"> • Integrated Pest Management (phase 1 2000-02) • Community Forestry (CONCERN) (phase 1:2001-2003) 		<ul style="list-style-type: none"> • Integrated Pest Management (Phase 2) • Support to the Seila Programme • Community Forestry (phase 2) • Wetlands Management
Local Grant Authority of the Royal Danish Embassy in Bangkok	<ul style="list-style-type: none"> • Support to Forest Crime Monitoring (Global Witness) • Formulation of NRM Mainstreaming Strategy for the SEILA Programme (2001-2005) 	<ul style="list-style-type: none"> • Support to Santi Sena (Monks' NGO) • Royal University of Phnom Penh (Environmental Education) 	<ul style="list-style-type: none"> • <i>(others to be identified)</i>

Status: April 2001

PROJECT STATUS OVERVIEW

1. Name of Project Environmental Management of the Coastal Zone

- A. Capacity Building in Coastal Zone Environmental Management in Cambodia Phase I
- B. Bridging and Transition phase to a possible Phase II
- C. Environmental Management in the Coastal Zone Phase II

File No.: 104 CAM. 1 mika.3 (phase I) and 104.CAM.1.MFS.3 (Phase II)

2. Government Agreement signed

- A. 18 April 1997
- B. 10 September 1998 and
- C. 08 February 2000

Period of Agreement:

- A. 14 months May 1997-July 1998
- B. 10 months June 1998-May 1999 (Bridging Phase) and June 1999-December 2000 (Transition Phase)
- C. 2 years March 2000 to March 2002

3. Danish Grant

- A. DKK 4,866,000
- B. DKK 2,986,404 (Bridging) and DKK 1,886,057
- C. DKK 14,861,817

4. Total disbursement as per latest year-end (2000):

- A+B: DKK 9,738,461
- C: DKK 6,536,182

5. Disbursement projection current year (2001):

- A. DKK 0 (completed)
- B. DKK 0 (completed)
- C. DKK 1,500,000 (disbursed as of 31 March 2001)

6. Implementing authority in partner country

Ministry of Environment, Cambodia

7. Objectives

7.1 Development objectives

- A. Phase I and Bridging and Transition phases
Sustainable development of the Cambodia coastal zone

7.2 Immediate objectives

- A. Identification of key issues, main priorities and actions required with respect to effective coastal zone management through capacity exercises, primarily at the provincial level are initiated.

Development of a framework Danida program for continued development assistance to coastal zone management in Cambodia.

- B. Coastal zone Management capacity and implementation enhanced in the provincial department of

the key line ministries especially Ministry of Environment and Ministry of Agriculture, Forestry and Fisheries and in other key stakeholders at the local level.

Identification of key national issues, priorities and actions required for CZM initiated and a comparison with key governmental and local stakeholders.

The existing institutional mechanisms at the national level strengthened, and linkages between the Coastal Coordinating Unit and the provincial levels established.

The visibility of the project increased, and information on its achievements among all stakeholders secured.

Actions based on case study information in pilot areas

Improved coordination with the other donor and relevant NGO project by actively working together where possible.

B. Phase II

Development objectives:

Improved living conditions for the coastal population through sustainable use and development of the coastal zone.

Immediate objectives:

Enhanced government capacities to undertake integrate coastal zone management.

Provincial working groups having become active and significant forums for coordination, negotiation and planning of legal, administrative and technical actions to enforce environmental management in the coastal zone and to promote sustainable livelihood.

One or two communities in each province/municipality having planned and launched a pilot project in environmentally sustainable and socio-economically viable activities or technologies that can improve the livelihood of the most vulnerable groups.

8. Status

- A. Project Phase I has been completed.
- B. Bridging and Transition phase have been completed
- C. Phase II is on going

9. Deviation from and budget in previous year

- A. NA
- B. NA
- C. No major deviations in plans and budgets

10. Actions to be taken

Budget revisions required reflecting the higher number of personnel ongoing training during Phase 2 as compared to the levels mentioned in the Project Document. The 4 Provincial Working Groups have doubled in size allowing technical personnel from the departments to benefit from the training side by side with the Directors. A focal point system has been established as a technical network among the ministries that are members of the National Coastal Steering Committee, which also require funding.

Draft project document and draft terms of reference for appraisal of Phase III Support to be submitted to the Danish Embassy by 15 June 2001 at the latest.

11. Issues of discussion

Coordination Mechanism between the CZM Project in Cambodia other projects under the MIFRESTA program operating in the same geographical areas.

12. Latest review/evaluation

August 1998

13. Scheduled mission/deadline/key meetings

Review of the project since its start in 1997 is tentatively scheduled from late August/early September 2001 combined with an appraisal of Phase 3 of the project.

14. Reporting

A and B: Inception and first quarterly report, July 1997
 Completion Report, Phase 1 and Bridging Phase, March 1999
 Completion Report Transition phase, January 2000.
C: Inception and first quarterly progress report, July 2000
 Second quarterly progress report, January 2001
 Fourth quarterly progress report (in Printing)

PROJECT STATUS OVERVIEW

- | | |
|--|--|
| 1. Name of Project | Integrated Pest Management Farmer Training Project |
| File no. | 104.Cam.1.MFS.5 |
| 2. Govt. Agreement signed on | 31 May 2000 |
| Period of Agreement | 24 months |
| Starting date implementation | 1 September 2000 |
| 3. Danish Grant | DKK 14.634 mill. |
| 4. Total Disbursement as per latest year end (2000) | DKK 2.830 mill. |
| 5. Disbursement Projection for current year (2001) | DKK 7.158 mill (of which DKK 1,214,550 + 221,400 has been disbursed as of 31.3.2001) |

6. Implementing Authority

Ministry of Agriculture, Forestry and Fisheries, Department of Agronomy and Agricultural Land Improvement

7. Objectives

Development objectives

To reduce the existing and potential use of pesticides by increasing the capabilities of farmers to manage their crops and inputs more effectively, thereby improving food security in Cambodia in a way that is environmentally sustainable.

Immediate Objectives

To improve capability of MAFF (at National, Provincial and District levels) and NGO to plan, manage and implement farmer training

To improve production related decision-making through discovery-based learning approach, thereby enabling them to become less dependant of pesticides

To develop and enlarge the scope and content of IPM enabling FFSs and follow-up activities to address key constraints of farming system in Cambodia

8. Status Summary of activities implemented since the agreement signed

The implementation of phase I of the project started in September 2000 with the arrival of Senior Project Advisor

Nominated National IPM Coordinator and provincial coordinators, recruited project Support staff and technical staff

Purchased office equipment and transport facilities (Motorbikes and vehicles) Completed inception report and submitted to the Royal Danish Embassy

Held 2 management committee meetings

Organized planning workshop and several provincial coordinators meetings

Organized one Farmer Trainer Orientation Course for 30 farmers (11 women) to become skilled farmer trainers in Battambang

Organized a TOT Curriculum Development Workshop in Siem Reap

Organizing season-long TOT in rice for 33 participants in Siem Reap

Organizing 108 Farmer Field schools in rice, vegetables and Mung beans

9. Deviations from plan and budget

Deviation for Project Document

Reallocation of DKK 159,000 from contingencies to operational costs to compensate for addition error made in Project Document.

Reallocation of DKK 26,000 from contingencies to stationaries/ supplies to provide for purchase of books, software, CD-ROMs etc.

Reallocation of part of budget available for academic studies to Farmer Field Schools and other activities is training budget. Due to lack of suitable, outstanding candidates for Academic studies in the near future this budget could be reduced drastically.

Costs for Farmer Trainers (FT) operated Farmer Field Schools were underestimated in Project Document. FT operated schools will require weekly support of District IPM Trainer for at least 2 seasons.

Number of Farmer Training Orientation courses was reduced. The remaining budget will be used for Refresher courses for already trained Farmer Trainers. Newly trained Farmer Trainers need supervision and support by District IPM staff. This limits the number of FT that can be trained each season. In addition it was observed that already trained FT require refresher courses to upgrade their knowledge and skills. In the Project Document these refresher courses were not foreseen.

Provincial meetings between IPM staff and between institutions and organizations involved in IPM FFS are becoming increasingly important. Therefore, the number (and budget) of provincial meetings/workshops was increased.

Deviation from Inception report

Deployment of international consultants delayed due to availability of international consultants and local counterparts

Study tours to Vietnam delayed due to work commitments Vietnamese Program. Study tours other countries require time for proper preparation.

10. Actions to be taken

Execution of implementation as presented in work plan

11. Issues for Discussion

The implications of the new NRE Program strategy on Phase II of the Project,
Preparation of Phase II

12. Latest Review/Evaluation

Not yet

13. Scheduled Missions & Key activities

Evaluation/ formulation/pre-appraisal second phase Mission: Early 2002
Draft Project Document Phase II: November 2001 (Project Management)

14. Reporting

First Progress Report (September -December 2000) submitted in March 2001. Responsibility progress reporting: National Project Co-ordinator, assisted by Senior Project Advisor

PROJECT STATUS OVERVIEW

- 1. Name of Project:** National Community Forestry Program
File Ref. No. 104.Camb1.MFS.7
- 2. Agreement Signed:** Agreement signed on 11.12.00
Period of agreement: 18 months (11 December 2000 -11 June 2002)
- 3. Danish Grant:** 4,794,000 DKK
- 4. Total disbursement per latest year end:**
- 5. Disbursement Project for current year (2001):** 3,195,000 DKK (of which DKK 1,045,831 has been disbursed as of 31.03.2001).
- 6. Implementing Authority in partner country:** Concern Worldwide in cooperation with the Ministry of Rural Development

7. Objectives

Wider objectives:

To create an environment that builds the capacity of development actors to facilitate and enable community forestry initiatives

8. Status

Support to the three main project activities has been ongoing since the funding start date:

- Support to the Cambodia Community Forestry Training Team (CAMCOFTT), which Provides training in Community Forestry Concepts and Methods and Forestry techniques in Khmer language throughout the country to staff of Government, NGOs, UN, CNGOs and Associations involved in community activities.
During 2001, three course have been conducted; Concept and Methods of Participatory Forest Management, held in Kompot, Participatory Seedling Production in Battambang and Facilitation Skills for Community Forestry in Banteay Meachay
- Support to the Provincial project based in Pursat and Kampong Chhnang Province:

	<u>Pursat</u>	<u>Kampong Chhnang</u>
No. of District:	3	4
No. of Village:	9	11
No. of School:	6	10
No. of Pagoda:	9	10
No. of Women Center:	0	1
No. of Beneficiaries:	945	1,080 families

- Support to National level policy development based in Phnom Penh.

9. Deviations from plan and budget in previous year: No deviation

10. Actions to be taken:

Proposal for next phase of support to be prepared.

11. Issues for Discussion:

No outstanding issues

12. Latest review/evaluation: Evaluation of National Community Forestry Program, Concern Cambodia, March 2001, by PD Hardcastel, Forestry Development Specialist.

13. Scheduled missions/deadlines/key meetings:

None

14. Reporting: Annual report for year 2000, available and submitted to MRD Six monthly reports to be produced, due June 2001 and every six months thereafter Final completion report to be submitted by August 31st, 2002.

PROJECT STATUS OVERVIEW

1. **Name of Project/Component:** Forest Crime Monitoring & Reporting Project, UNTS/CMB/001 /DFI(CMB/99/A05).
File Ref. No.: 104.Camb.1.MFS.2/2
2. **Date Agreement Signed:** 28 November 2000
3. **Period of Agreement:** 1 December 2000 to 24 October 2002
4. **Danish Grant:** DKIK 2,817,638 (USD323,866.00)
5. **Total Disbursement as per latest year end (2000):**
6. **Disbursement Projection (for current year-2001):** US\$161,933.00 (of which DKK 1,045,831 has been disbursed as of 31.03.2001).
7. **Implementing Authority/Co-operating Authorities:** Global Witness/FAO/UNDP
8. **Objectives:** (1) periodic program reviews conducted to determine level of compliance and achievements in eliminating forest crimes. Random unannounced audits conducted each calendar year of the project. (2) Verification and validation determined through a combination of activities including; field inspections of concession operations, review of concession volume production records, harvest volume data, meetings with community leaders, coordination with customs on movement of wood products out of the country, review of forest monitoring reports and records from the crime monitoring and reporting units in MOE and MAFF, review of activities begging performed by Litigation and Legislation Office and Department of Inspection personnel to detect and report illegal activity, and coordination with provincial governors, chief foresters, military, police and forestry personnel to determine level and extent of achievements to eliminate illegal logging and other forest violations.
9. **Status:**
10. **Deviations from plan and budget:** None
11. **Actions to be taken:** Continued audits to verify and validate performance of all parties.
12. **Issue for Discussion:** Continued support for the project and possible support of government upon completion of the project.
13. **Latest Review/Evaluation:** December 2000.
14. **Scheduled Missions/Deadlines/Meeting:** 10 April 2001 meeting.
15. **Reporting:** May 2001 Global Witness.

PROJECT STATUS OVERVIEW

- 1. Name of component/project** : Formulation of NRM Mainstreaming Strategy for the SEILA Programme, 2001 – 2005
- File no.** : 104.Camb.1.MFS.2/4
Embassy Local Grant Authority
- 2. Govt Agreement signed** : n/a
- Period of Agreement** : 3 months technical assistance over a period of 6 month, 1 May – 30 October 2001
- 3. Danish Grant** : DKK 498,600 (USD 58,657)
- 4. Total disbursement as per latest year-end (2000)** : none
- 5. Disbursement projection current year (2001)** : DKK 498,600

6. Implementing authority in partner country

SEILA Task Force Secretariat

7. Objective

To formulate a NRE mainstreaming strategy and workplan for the Royal Government of Cambodia's SEILA Programme 2001-2005.

8. Status

Consultant has been recruited, and the formulation exercise is expected to commence in early May 2001; identification/orientation of formulation team to work with consultant initiated by the Seila Task Force (STF).

9. Deviations from plan and budget in previous year

10. Actions to be taken

11. Issues for discussion

12. Latest review/evaluation

13. Scheduled missions/deadlines / key meetings

14. Reporting

Consultant to prepare inception report for submission to Danida through the Seila Task Force (STF) Secretary General 2 weeks after start of assignment.

PROJECT STATUS OVERVIEW

1. Name of component/project : Support to the UNDP Trust Fund for Capacity Building in De-mining Operations in Cambodia – CMAC

File no. : 104.Camb.1.MFS.4

2. Govt Agreement signed : n/a

Duration of Project : 1 year

3. Danish Grant : 5.0 million DKK, approved by Danish financial authorities in April 1999

4. Total disbursement as per latest year-end (2000) : none

5. Disbursement projection current year (2001) : none

6. Implementing authority in partner country

UNDP, Cambodia / Cambodian Mines Action Center (CMAC)

7. Objective

To reduce land mines/UXO contamination in Cambodia, so that people can go about their lives free from the threat of landmines/UXO, so that reconstruction and development activities can take place in a safe environment, and to achieve the target of Zero Victims.

8. Status

Following irregularities revealed by an audit of funds contributed to CMAC by the Royal Government of Cambodia, and the planned expanded audit then, it was decided to freeze the approved funding of DKK 5.0 million in June 1999. Danida subsequently stipulated four demands for unfreezing of the funding namely:

- i) that the results of the expanded CMAC audit of the trust fund are known;
- ii) that results of the follow-up action on the CMAC Quality Assurance Report on DU3 demining activities are known;
- iii) that the new and full management team is in place; and
- iv) that appropriate financial and management procedures are in place in CMAC.

These demands/pre-conditions remain to be satisfactorily met/complied with.

9. Deviations from plan and budget in previous year

Project has not been initiated.

10. Actions to be taken

Compliance with the four Danish demands/preconditions to be satisfactorily established by the concerned implementing authorities, with request for unfreezing of funds.

11. Issues for discussion

Danish future strategy for support to de-mining in Cambodia

12. Latest review/evaluation

13. Scheduled missions/deadlines/key meetings

14. Reporting

PROJECT STATUS OVERVIEW

1. **Title** : National Capacity Development
2. **National executing agency** : Council for Development of Cambodia (CDC)
3. **National implementing agencies** : Ministry of Environment (MOE); Ministry of Agriculture, Forestry and Fisheries (MAFF); Ministry of Industry, Mine and Energy (MIME); Ministry of Water Resources and Meteorology (MOWRAM); Ministry of Land Management Urban Planning and Construction (MLMUPC)
4. **Duration** : 5 years
5. **Starting date (expected)** : August/September 2001
6. **Danish Grant** : DKK 35,785,500
7. **Objectives**

7.1 Development Objectives

The development objective of the project has been formulated as:

Environmental and social concerns are integrated into natural resource and industrial sector planning and management in Cambodia.

7.2 Immediate Objectives

The immediate objective of the project has been formulated as follows:

Developed capacity within key natural resource, environment and aid organisations in order to integrate environmental and related social concerns into policy, strategy, operational systems and procedures, and awareness creation at political level and among the wider public.

8. Status

Awaiting funding approval by Danish financial authorities (to be presented in May 2001). Meanwhile Project CTA/ NRE Coordinator has been posted from 1st April 2001. Interim funding for operation of NRE Programme Office provided (extended funding needs to be arranged).

8.1 Outputs

The NCD project includes seven main project outputs, namely:

- *Output 1: Strengthened human resources capacity in the natural resources and environment sectors*
- *Output 2: Strengthened aid coordination in the natural resources and environment sectors*
- *Output 3: Strengthened monitoring and assessment of the state of the environment and natural*
- *Output 4. Strengthened systems for planning sustainable use of natural resources*
- *Output 5: Strengthened industrial inspection and industrial zoning*
- *Output 6. Strengthened water resources monitoring and management systems*
- *Output 7: Strengthened integrated land use planning system*

The outputs focus on six natural resource and environmental management themes together with one cross-cutting theme for training of counterpart staff. The seven thematic outputs mutually support each other.

8.2 Activities

The Strategy for scheduling of Project Activities can be broadly divided into four distinct phases as follows:

- A **4-month Inception Phase** during which the Inception Plan will be prepared, procurement plans made, staff recruited, counterparts identified, and baseline studies carried out, followed by:
- A **1-2 year intensive Capacity Development Phase** where staff are trained, ministries, departments and offices are strengthened, and systems for delivery of services piloted and/or installed at the central level. The main outputs from this Phase are improved institutional systems and procedures, including a State of Natural Resource and Environment Report prepared through inter-ministerial cooperation. Heavy emphasis is placed on capacity development through on-the-job training by long term TA. Following this phase is:
- A **1-2 year Capacity Consolation Phase** where the influence of TA is reduced, where systems and procedures are managed by the relevant departmental staff, largely unassisted but with strong monitoring and continuous evaluation by TA. It is at this stage that the central authorities plan or full adherence to the government's decentralization policies, especially with regards to delegation of powers and responsibilities to the regional, provincial or commune levels in the NRE sectors. This followed by:
- A **1 year Capacity Replication Phase** in which central level staff become trainers at regional and/or provincial levels. Provincial staff will be trained in the process of monitoring and reporting on the state of environment and natural resources based on participatory NRE data gathering systems.

9. Deviations from plan and budget in previous year

10. Actions to be taken

Action to be taken on pre-condition for commencing activities with regard to MOU between all involved institutions (ref. Section 4.8 of Project Document)

Funding for continued operation of NRE Programme Office until approval of Project to be arranged.

11. Issues for discussion

12. Latest review/evaluation

13. Scheduled missions/deadlines/key meetings

14. Reporting

PROJECT STATUS OVERVIEW

1. **Name of component/Project:** Integrated Watershed Management, Kbal Chhay
2. **Government Agreement signed:** Not yet signed
Period of Agreement: 2 Years (2002-2004)
3. **Proposed Budget:** DKK 900.,000 (as per draft Project Document dated Jan 2001)
4. **Total disbursement as per latest year-end:** N/A
5. **Disbursement projection current year:** N/A
6. **Implementing authority in partner country:** Provincial Administration and Department of forest and wildlife (DFW), Ministry of Agriculture, Forestry and Fisheries (MAFF).

7. Objectives

Improve the livelihood of poor people in the rural and urban communities through improvement of water Resources from the Kbal Chhay Watershed.

- 1) Institutional and organizational framework for KCPF management strengthened.
- 2) KCPF management plan developed
- 3) KCPF management plan implemented
- 4) Project monitoring and evaluation system.

8. Status

Draft project document (Jan 2001) is presently being pre-appraised (19 April - 3 May 2001). Being investigated is a lengthening of the proposed project period to 3 years, within a possible total funding support of DKK 15.0 million. Subject to a positive outcome of the appraisal, it is expected that the funding application for the project will be presented to the Danish financial authorities for approval in October 2001.

9. **Deviations from plan and budget in previous year:** N/A (New project and not yet implemented)
10. **Actions to be taken:** N/A
11. **Issue for discussion:** Request for stimulating the implementation of the project.
12. **Actions to be taken:** N/A
13. **Scheduled mission/deadlines/key meetings:** N/A
14. **Reporting:** N/A

PROJECT STATUS OVERVIEW

1. **Name of component/project** : Solid Waste Management (under preparation)
File no. : 104.Camb.1.MFS/c
2. **Govt Agreement signed** : n/a
Duration of Project : 2 years (as proposed in Draft Project Document, Jan 2001)
3. **Proposed Danish Grant** : 10.0 million DKK (as per Draft PD, Jan 2001)
4. **Total disbursement as per latest year-end (2000)** : n/a
5. **Disbursement projection current year (2001)** : n/a

6 Implementing authority in partner country

Ministry of Environment through Department of Pollution Control (Solid Waste and Hazardous Substance Management Office); and Sihanoukville Municipality

7 Objectives

Development objective:

To improve the environmental quality in urban communities and thus the living and health conditions of the population through sustainable, replicable and poverty-oriented solid waste management in urban centers of Cambodia.

Immediate objectives

- a) improved policy and regulatory framework for solid waste management, and capacity development at the national and provincial/municipal level;
- b) overall integral strategy for solid waste management in Cambodia, procedures and action plans for urban solid waste management at local levels developed, and demonstration projects implemented including services to the poor; and
- c) improved education and increased awareness of the population at local levels in solid waste management and in urban environmental quality in general.

8 Status

The project is under preparation.

A project formulation mission was fielded by Danida on 12-27 November 2000, resulting in a draft project document "Solid Waste Management", dated Jan 2001. A feasibility study of the project is being carried out from 30 April - 22 May 2001 to further investigate and develop the technical conditions and ownership of the Project. Funding, subject to a positive appraisal, is aimed at in November 2001.

9 Deviations from plan and budget in previous year

n/a

10 Actions to be taken

Feasibility study to be completed, followed by appraisal, and funding approval.

11 Issues for discussion

12 Latest review/evaluation

13 Scheduled missions/deadlines/key meetings

Feasibility study, 30 April - 22 May 2001

14. Reporting

Draft Project Document, Solid Waste Management, January 2001

PROJECT STATUS OVERVIEW

- | | |
|-------------------------------------|--|
| 1. Name of Project | Development of NRE Program Monitoring Indicators |
| File no. | n/a |
| 2. Govt. Agreement signed on | n/a |
| 3. Danish Grant | Yet to be determined |
| 4. Total Disbursement | n/a |
| 5. Disbursement Projection | n/a |
| 6. Implementing Authority | Cambodian Development Resource Institute |
- 7. Objectives**
- Development objectives**
Develop indicators, manuals/guidelines to be used for monitoring and evaluating the NRE Program and its four components.
- Immediate Objectives**
- Verifiable indicators for monitoring the implementation process (benchmarks, milestones, success criteria) developed
 - Verifiable indicators for impact assessment/achieving the defined development and immediate objectives of the NRE Program developed
 - Verifiable indicators for impact assessment relevant to Dander's policy concerns (and on poverty in particular) developed
 - Verifiable indicators for monitoring of risks, assumptions and prerequisites developed
- 8. Status**
- CDRI prepared the draft concept note and submitted to Danida for preliminary discussions. On 9 March 2001, mission from Ministry of Foreign Affairs, Denmark met and discussed the proposal with CDRI. On 27 March 2001, CDRI hold the follow-up discussions with mission from the Embassy. Based on the agreement from the meeting, CDRI starts the preparation end of April 2001 after new NRE Program co-ordinator had assumed his position on 3 April 2001. The draft project proposal covering around 2 years inside a budget of 4.5 million DKK shall be ready for desk appraisal in August 2001.
- 9. Deviations from plan and budget**
- The institutional overhead should be reduced to max 12% and the various budget lines elaborated with details. Based on the development of the cooperation, the Embassy considers to fund further upto 5 million DKK in the end of 2003.
- 10. Actions to be taken**
- CDRI will start working closely with the Danida NRE Program Office in CDC to prepare the project document. The draft project document therefore will be submitted to Danida through the NRE Program Office before September 2001.
- | | |
|--|--|
| 11. Issues for Discussion | None |
| 12. Latest Review/Evaluation | n/a |
| 13. Scheduled Missions & Key activities | Danida would expect approval by the Chairman of the Board of Danida in October 2001. |
| 14. Reporting | n/a |

PROJECT STATUS OVERVIEW

1. **Name of component/project** : Materials and Lecture Notes Development for Environmental Studies (under preparation)

File no. : 104.Camb.1.MFS.2
Embassy Local Grant Authority

2. **Govt Agreement signed** : n/a

Proposed Project Duration : 3 years, 2001-2003

3. **Proposed Budget** : DKK 1.4 million approx (USD 162,670)

4. **Total disbursement as per latest year-end (2000)** : none

5. **Disbursement projection current year (2001)** : none

6. **Implementing authority in partner country**

Royal University of Phnom Penh (RUPP)

7. **Objectives**

Development Objective:

To strengthen environmental education at university level in Cambodia.

Immediate Objective:

To develop lecture notes/teaching materials for major courses under the Bachelor's Program in Environmental Studies of the Royal Phnom Penh University, and improve access to international environmental information.

8. **Status**

A proposal dated October 2000 was forwarded by RUPP to the Embassy via the Danida NRE Programme Office at CDC in November 2000. Proposed project activities include: i) the development of lecture notes for 25 major courses under the Bachelors program for environmental studies of the University, and ii) support for the Environmental Studies Department library of the University.

Consideration of the proposal reveals two main points which need to be further developed and satisfactorily clarified, namely: i) the proposed budgets, in particular, the salary incentive payments/norms for payment to lecturers for development of materials, and ii) academic quality management/assurance for the materials to be developed. These were discussed with RUPP in late January 2001.

9. **Deviations from plan and budget in previous year**

The project is still under preparation.

10. Actions to be taken

Proposal to be further developed in respect of the two points mentioned in item 8.

Guidelines for supplementary salary payments to teachers/lecturers for materials development to be discussed/developed.

11. Issues for discussion

12. Latest review/evaluation

13. Scheduled missions/deadlines/key meetings

14. Reporting

PROJECT STATUS OVERVIEW

1. Name of Project	Environmental Education Project with Santi Sena
File no.	104.Camb.1.MFS.2
2. Govt. Agreement signed on	n/a
3. Danish Grant	Yet to be determined
4. Total Disbursement	n/a
5. Disbursement Projection	n/a
6. Implementing Authority	Santi Sena Organization (Monk's NGO).

7. Objectives

Development objectives

Enhance capacity for Environmental Education and Awareness Raising of Monk's Organization Santi Sena in Svay Rieng Province.

Immediate Objectives

- Improve competence of Sand Sena in functioning the Natural and Environmental Resource Center.
- Promote training skills for Monks in awareness raising on NRE

8. Status

Mr. Outey Mea, the consultant for the project, via the NRE Program in CDC forwarded draft Project Document dated December 2000 to the Embassy. From 11-12 April 2001, a short Danida mission took place to Svay Rieng Province, in which Santi Sena operates. The mission therefore supports the development and immediate objectives as described in the DPD. Based on feed back from the Embassy, the project proposal will be revised.

9. Deviations from plan and budget

The project is still under revision and preparation.

10. Actions to be taken

The revised DPD shall be worked out in close cooperation with Santi Sena. The NRE Program Office will facilitate the revision, and the revised DPD will be submitted to the Embassy through the NRE Program Office.

11. Issues for Discussion	None
12. Latest Review/Evaluation	n/a
13. Scheduled Missions & Key activities	Revised proposal to be submitted in June 2001.
14. Reporting	n/a