

ASIAN DEVELOPMENT BANK
AIDE MEMOIRE
PROJECT REVIEW MISSION, 03 - 16 JUNE 2014
ADB LOAN 2599/GRANT 0186; FINLAND GRANT 0191; IFAD LOAN 8243/GRANT 0192-CAM:
TONLE SAP POVERTY REDUCTION AND SMALLHOLDER DEVELOPMENT PROJECT

1. INTRODUCTION

1. The Tonle Sap Poverty Reduction and Smallholder Development Project (TSSD) was approved by ADB on 8 December 2009 and declared effective on 31 March 2010 with a loan amount of \$3.3 million and a grant of \$27.3 million, and a closing date of 28 February 2018. The Project is co-financed by the International Fund for Agricultural Development (IFAD) with a loan of \$6.8 million and a grant of \$6.8 million and the Government of Finland (GoF) with a grant of \$1.595 million which became effective on 15 February 2010 and 3 December 2010 respectively.

2. The Project's outcome will be increased agricultural productivity and improved access to markets in 196 communes in four provinces in the Tonle Sap basin. The outputs will be: (i) improved rural infrastructure to support agricultural productivity, market access and the quality of life in rural communities; (ii) improved capacity of smallholder farmers to increase agricultural productivity; (iii) improved agricultural policy environment, (iv) improved availability and access to quality seeds; (v) increased access to agricultural information and market data; and (vi) effective project management that enables timely project completion within the agreed budget.

3. A Mission (the Mission)¹ was conducted from 03 - 16 June 2014 to: (i) review overall project implementation progress; (ii) assess the implementation of the February-2014 Review Mission's agreed actions plan and (iii) identify bottlenecks and recommend measures for effective project implementation. A kick-off meeting was held on 3 June, at the Ministry of Agriculture Forestry and Fisheries (MAFF), chaired by MAFF Project Director, and a wrap-up meeting on 16 June at the National Committee for Sub-National Democratic Development Secretariat (NCDDS), chaired by NCDDS Project Director. The Mission met officials from MAFF, the NCDDS, Ministry of Post and Telecommunications (MPTC), Council for Agriculture and Rural Development (CARD), and Ministry of Economy and Finance (MEF). The Mission also met with provincial project teams from NCDDS and Agriculture and Provincial authorities followed by field visits. Representatives from IFAD and from Government of Finland (GOF) participated in the wrap up meeting. The Aide Memoire (AM) summarizes the findings and agreements based on the discussions with the EAs and IAs and are subject to the approval of higher authorities of the Government and ADB. A list of persons met is in Appendix 1.

2. MAIN FINDINGS and ISSUES

A. Overall Implementation Progress

4. Good progress has been achieved since the last review mission in February 2014 whereby most of the agreed actions were either achieved or are on-going with the status provided in Appendix 2.

¹ The Mission comprised C. Hem, Sr. Project Officer, Mission Leader, S. Sok, Sr. Procurement Officer, C. Chea, Gender Specialist, S. San, Project Analyst, and P. Song, Operations Assistant.

5. As of 12 June 2014, the cumulative contract awards and disbursements were \$18.93 million or 42% of the total budget and \$16.69 million or 37% of the total project budget respectively. The overall implementation progress is estimated to be at 54% (Appendix 3) against an elapsed time of 55%. With the planned contract award and disbursement, it is expected that the Project will be fully on track within quarter 3 this year. A summary of contract awards and disbursements is provided in Table 1.

Table 1: Summary of Cumulative Contract Award and Disbursement

No.	Loan/Grant	Allocation (Net Loan)	Contracts Awarded	Amount Disbursed (Including advances)	% Contracted	% Disbursed
		(1)	(2)	(3)	[4 = (2/1)]	[5 = (3/1)]
1	ADF Loan	3.28	1.17	1.46	35.72%	44.42%
2	ADF Grant	27.3	14.08	13.13	51.58%	48.10%
3	Finland Grant	1.6	0.49	0.50	30.78%	31.08%
4	IFAD – Loan	6.51	1.59	0.56	24.44%	8.57%
5	IFAD – Grant	6.69	1.59	1.05	23.78%	15.63%
	TOTAL:	49.53	18.93	16.69	42%	37%

Source: Asian Development Bank

B. Progress and Issues by Component

Component 1: Commune Development through a Block Grant

a. Improving rural infrastructure supporting agricultural productivity

6. All rural infrastructure subprojects from 2012 are completed. For 2013 subprojects, technical Clearance has been given for 103 subprojects and contract awards for these projects have been made. A total of 76 subprojects have been completed and there are 27 with on-going construction. For the 2014 subprojects a total of 298 subprojects have been identified. Project designs and cost estimates have been completed for 208 subprojects, Technical Clearance has been given for 118 subprojects and there have been 44 contracts awarded. There are currently 37 subprojects with on-going construction and seven are completed.

b. Improved capacity of smallholder farmers

7. A total of 1,239 target villages have been selected so far across the 196 target communes and there are now 717 LIGs established. An assessment of the 400 LIGs that had been formed in 2013 was completed by the Specialized Service Provider for Monitoring LIG formation (SSP1) that was recruited in Q4 2013. This assessment revealed that overall a total of 226 LIGs (56 %) need to be reformed.² During the Q1 the LIG reformation was completed in BMC and SRP while in KPC 36 out of 56 identified LIGs were reformed and in KPT only three of the 27 initial LIGs were reformed. The field staff of SSP1 has been monitoring the process of reformation of the LIGs to ensure that the guidelines are strictly followed. Based upon the data

² The proportions of LIGs that need to be reformed were BMC (92 %); KPC (56 %); SRP (51 %); KPT (27 %). The reform was needed because of the formation process had departed from the process described in the LIG formation guidelines which has resulted in some households, which are not classified as poor being selected as beneficiaries.

available for 544 LIGs formed so far there are 10,544 group members. The numbers of Female Headed Households (FHHs) in these LIGs are 2,235 (21.9 per cent). Training on financial literacy was provided to all management committee members of the 400 LIGs, and each has opened their bank account and received transfer of GRF in their accounts. The recruitment of the SSP for Standard Management Training and Mentoring of LIGs (SSP2) has been completed and they have conducted their mobilization and are currently preparing their Inception Report. The recruitment of the SSP for the provision of Animal Health and Production Services (SSP3) is nearing completion and a contract award will be made in June. The conduct of the Agroecosystems Analysis (AEA) in the remaining 92 communes has commenced with the collection of secondary data.

8. **Issues and agreed actions:** The Mission noted that CCs already received funds for the 400 LIGS and these LIGs will receive money in their accounts within June. The LIG members need funds to implement their livelihood activities in order to catch up with the agriculture production season. It is agreed that SSP2 will revise their initial action plan to prioritize the support for the 400 LIGs in order to enable the LIG members to access revolving funds and use for the wet season agricultural activities. SSP2 will review the draft loan application form and will include the list of key activities that the individual loans will be used for and then quickly mobilize their staff to support these LIGs to complete their member applications and then loan disbursement. NCDDES will mobilize necessary resources available at all levels to help achieving disbursements to all members of the 400 LIGs by 15 July 2014.

c. Improved commune capacity for project management

9. Two days of training were completed in each province to introduce the Guidelines for the Utilization of the Community Development Fund (CDF) for support to Livelihood Activities. Monthly coordination meetings have been conducted in all communes by the Commune Councils (CCs), which are attended by the Commune Extension Workers (CEWs) and Commune Administrative Assistants (CAAs).

10. **Issues and agreed actions:** A few Commune Clerks and C/S Chiefs were found to have cleared the payments to contractors for rural infrastructure sub-projects without the necessary supporting documents. NCDDES will send a reminder or conduct refresher training to Commune Clerks and C/S Chiefs on the need to maintain all supporting documents for future auditing purpose. There were cases in BMC where the provincial department of taxation asked the contractors of civil works awarded by the CCs to pay tax. NCDDES agreed to discuss with General Department of Taxation, MEF and provide instruction to the subnational level regarding tax payments by end of June. The Mission also noted a number of CAA and CEWs resigned from the projects causing additional burden for CCs to recruit and for the Project to train the new recruits. One cause of the resignation was reported to be linked to low incentives provided to them. NCDDES agreed to review the situation and budget availability and propose remedy action to ADB by end of June. The NCDDES also agreed to determine whether the CCs should consider the recruitment of one additional Commune Clerk.

Component 2: Enabling Environment for increased Agricultural Productivity and Diversity

a. Improved Agricultural Policy Environment

11. Initial drafts of the guidelines for contract farming were completed and are under review by MAFF/GDA team members as well as the Provincial Agricultural Extension Advisers (PAEAs). Training on Auditing for Good Agricultural Practices (GAP) was completed in Siem Reap with the support of the international expert on GAP. The Cambodian GAP Accreditation Scheme, Auditing Process and Audit of GAP practices were presented during the workshop.

b. Increased availability and access to quality seeds

12. A total of 11 new Rice Seed Producer Groups (RSPGs) have been identified and preliminary meetings with these groups have commenced making a total of 28 groups including the 17 from 2013 that already received some support. The rehabilitation of the Balang Research Station in KPT commenced and overall progress is about 80 percent. Three hectares of land were leveled using laser equipment in Balang Station. The contract award for Tuek Vill Research Station was made but rehabilitation activities have not yet commenced during the Mission. Rice seed production crops of early varieties on 2.1 ha which were planted in late 2013 has been harvested a total of 2.6 tons.

13. Surveys of rice variety preferences were conducted in 3 provinces (excluding KPC which will be done in Q2). The results of the surveys are being used to determine the rice varieties to be used in the rice demonstrations. 14 of the existing RSPGs have conducted 1st quarterly meetings. Contract award for construction of storage warehouses and drying pavements for 5 RSPGs (1 in each province, except for BMC - 2) was made, but construction activities have not yet commenced during the Mission. Training on Financial Management for the RSPGs was completed in BMC and KPC with the support of resources persons from MAFF/GDA & PIC. There were total sales of 111.3 tons of commercial rice seed by the RSPGs during Q1 to farmers. 2013-14 dry season vegetable/cash crop demonstrations at 20 demos sites in the four provinces including cucumber, yard long bean, ridge gourd, eggplant, melon, tomato, bitter gourd, and sweet corn were established in late 2013 and the harvest of many crops with the conduct of field days were finished in Q1 of 2014, except for 4 demos in KPT and 2 demos in KPC that will be completed in Q2 2014.

14. The national workshop on Environment/Climate Change Impact on Smallholder Agriculture was conducted at MAFF/GDA. The checklists for environmental risk management related to small-scale agriculture/livelihood activities were discussed, and a format for the checklist was agreed. Following this workshop, checklists have been developed for about 12 practices/technologies including rice production SRI, improved vegetable production, cash crops on paddy fields, native chicken raising, pig raising and pond (poly-culture) fish raising. These checklists have been developed for potential topics relevant to LIGs and are being reviewed by NCCDS and MAFF-GDA/PDA teams. The documents will be combined with other documents (i.e. techno-guides which contain training outlines, technical specifications, budget estimate) for each topic to guide the procurement and implementation of outsourced training for LIG. Guidelines for supervision/ monitoring of training for LIGs have been drafted and have been submitted to concerned IAs (i.e. NCCDS and GDA/PDAs) for review before finalization for use in provincial training for sub-national staff planned which is planned in mid-July.

15. **Issues and agreed actions:** The Mission noted that both rice research stations (Tuek Vill in SRP and Balang in KPT) have not yet opened bank accounts to deposit the revenue from the sale of rice seeds. The TSSD support for the operation and maintenance as well as management of the stations has not yet been clearly explained to the research station staff. The operational manual has been drafted by PIC consultant but still requires considerable additional improvement by reviewing good practices from other well-recognized rice research/seed production agencies such as CARDI and AQIP. MAFF/GDA will search and study on possibility for legal framework of the stations to either a semi-autonomous or administrative public enterprises model. In this regard, under the framework of TSSD a joint decision or Letter of Agreement (LOA) will be prepared listing the roles and responsibilities of the different agencies including GDA, PDA and the research station. The support to be provided by the Project, which will be dependent on the development of a clear exit plan and compliance with the operational manual regarding the use of the revenues from the activities of the research stations, will be included in the LOA. GDA agreed to have the final drafts of operational manual and LOA and submit to ADB for review by end of July 2014.

c. Increased access to agricultural information and market data

16. The recruitment of the Service Provider for the production of the multi-media content for the Mobile Commune Access (MCA) Program by NCDDDS has commenced and Eols have been submitted to ADB. NCDDDS have submitted the results of the invitation for Eols from Service Providers for the conduct of the technical training for the CEWs. The draft agreement between the Telecentre operators, CCs and DSTs has been revised with comments from GoF. While the former National Coordinator for MAFF TSTD is in the process of transferring the ownership and the list of equipment in each Telecenters to respective PDAs, it is agreed that NCDDDS develop a simplified LOA between the CCs and the Telecentre operators, as an interim measure whilst the full agreements are finalized, so that the financial subsidies from the CCs can commence. A survey of 10 Telecentres located within the target communes has been conducted by MPTC and from the results it has been recommended that six of these Telecentres should continue to receive support. The first advertisement for the Telecenter Business Planning Advisers failed to attract any applicants. The second advertisement was made with some adjustment to the ToR attracted only two applicants who are being assessed by NCDDDS. The procurement of the solar panels, ICT hardware and office furniture for the CCs has been completed and contracts have been awarded and delivery is expected by mid-July. The newly formed MPTC team completed the preparation of their work plan and budget for 2014 and was approved by ADB. The activities focus on the providing computer and ICT literacy training for the commune staff and DFT/DST members which will commence in July. TSTD extension materials contents for MCA program have been structured with file names in Khmer and have been reviewed by MAFF/GDA and endorsed to NCDDDS for loading onto MCA devices.

17. **Issues and agreed actions:** All activities under MPTC will need to be completed by December 2014. Given that a total number of 616 trainees from the 28 districts and 196 communes will need to be trained by December, this could not be completed with the current six MPTC Master Trainers. MPTC requires two additional Training Assistants to support the Master Trainers in KPT and KPC. They also require an additional six Masters Trainer (2 for SRP, 2 for KPT and 2 for KPT) to complete the tasks. A formal request with the full list of the additional six Master Trainers and two Training Assistants together with the budget expenses (salary supplements will not be provided) will be sent to ADB for review by 20 June. Mobile networks

are available in all target communes but there is limited access to 3G. MPTC and NCDSS will hold discussions by end of June with key mobile operators, for those who have stronger 3G coverage in the communes, to get their plans and recommendations to improve 3G access in the 196 target communes.

Component 3: Effective Project Management

18. A joint ADB/IFAD/GoF Review Mission was conducted in February and an Agreed Time Bound Action Plan was prepared at the conclusion of the mission. No National Coordination Meeting was conducted in Q1 but a meeting was organized by NCDSS to introduce the Guidelines for CDF Utilization for supporting livelihood improvement activities. Provincial Monthly Coordination Meetings were conducted in each province on a regular basis with the participation of the provincial and district teams. District Monthly Coordination Meetings are also now being conducted in each district and at the commune level there are regular monthly meetings. The PFT and provincial advisers continued to conduct regular monitoring visits to the communes to check on the progress of the field activities and to advise on financial reporting. Refresher training for monitoring and supervision of the rural infrastructure sub-projects, led by the Rural Infrastructure Experts (RIEs), was completed in each province. A ToT on LIG Financial Literacy was organized by NCDSS for the provincial advisers, PFT team/Leaders and some PIC members. The field work for the Baseline Survey was completed and their draft final report was submitted to NCDSS for comment. The Activity Monitoring Frameworks (AMFs) for each component based upon the approved AWPB for 2014 were approved and training for the sub-national teams were facilitated in each province by the PIC team and NCDSS national team to enable the DFT/DST to compile the monitoring information on a quarterly basis. Contracts for all national and provincial advisers were renewed for 2014 and the recruitment of the provincial Livelihood Improvement and Communications Advisers (LICAs) commenced based upon the approved ToR. The provincial LICAs will be mobilized in each province during July.

19. **Fund Flow Issues:** The mission noted that all project staff have received their salary supplements and other fixed allowance through bank transfer to their individual accounts starting from April 2014. The implementation of the Component 2 activities continues to encounter disruption of the fund flow causing the delay of field activities. This was due to the slow liquidation of advances made to the subnational level. Inadequate supporting documents were reported to be the main issue. The Financial Management and Procurement Expert from PIC should regularly visit the sub-national level and provide hands on training .

20. **Government Counterpart Staff:** Revisions have been made to the ToRs of all positions agreed during the last review mission. With the revised TORs, the MPTC already shared with ADB the revised staff list in March while MAFF shared in May 2014, and NCDSS has agreed to send the revised staff list by end of June 2014.

21. **Project Car and Motorcycles:** Without having to lend to MAFF DCU or NCDSS as earlier agreed, the MPTC has reconfirmed to make one project vehicle available for PIC team to use for local transportation and field supervision starting immediately. In addition, four motorcycles will be provided by MPTC to the LICAs until the project activities required for their availability are completed. The vehicle and motorbikes will be returned to MPTC directly upon completion of respective activities.

22. **Creation of Tboung Khmum province:** The government has split Kampong Cham province into two provinces: Kampong Cham and Tboung Khmum. Three of TSSD target

districts are now within the Tboung Khmum province. As Tboung Khmum province is still in the process for establishing the provincial administrative structure, NCDDDS will send an instruction to the Kampong Cham and Tboung Khmum provincial authorities to allow the existing Kampong Cham team to continue supporting the three target districts that are located in the Tboung Khmum province until the end of 2014. The NCDDDS Project director recommended that the Project should consider implementing the project activities in the 3 target districts under the Tboung Khmum administrative structure from 2015. Mission informed that the Project will be downsizing starting from 2015. Any increase of recurrent costs for any unforeseen activities will be very difficult to finance due to the Project budget constraint. The Mission requested the government to consider a no additional cost option regarding the implementation of activities under the new structure of Tboung Khmum province.

23. **Revision of the PAM:** As of the Mission date the revision of the PAM has not been completed. EAs with the assistance from PIC will complete the revision of the PAM and submit to ADB for review by 15 July 2014.

24. The audited financial statement and management letter report, covering the fiscal year ended 31 December 2013, will be due for submission on 30 September 2014. At the request of the Embassy of Finland, the audited financial statement and report of the independent auditors on the use of the proceeds and final completion report of the grant of Government of Finland (Grant 0191) shall be prepared and submit to the Government of Finland by 30 September 2015.

25. **Joint Mid-Term Review (MTR):** EAs and IAs agreed that the joint MTR will be conducted in September 2014. MAFF/DCU will recruit two consultants: an international and a national consultant for a period of about 2 months to review the project original and current design, review the project baseline and current achievement and provide recommendations for future focus including a phasing out plan. It is necessary to have the consultant mobilized by August so that draft inputs could be provided to the joint MTR in September. MAFF/DCU agreed to start the recruitment process immediately after the Mission.

Procurement

26. **Procurement Plan:** The procurement plan will be updated from time to time and the updated procurement plan will be published on the ADB website.

27. **Civil Works:** The procurement for rehabilitation of the research stations in Siem Reap and in Kampong Thom was completed. The research station in Kampong Thom is completed about 80% and the construction at the station in Siem Reap will commence in June. An additional contract has been awarded for the construction of storage warehouses and drying pavements for five RSPGs. There will be further civil works for similar structures for new RSPGs after the completion of surveys to assess their needs.

28. **Goods:** EAs completed four procurement packages of Goods and the contracts have been signed to four suppliers (i) supply of 234 tablet computers in amount of \$139,230; (ii) supply of 196 laptop computers in amount of \$153,272; (iii) supply and installation of solar power system in amount of \$286,669.87; and (iv) supply of 392 desks and chairs in amount of \$92,708. The goods expected delivery to site and completed in July 2014.

29. **Consultant recruitment:** NCDDDS is procuring many consultant recruitment packages and three of them are under processing. (1) Recruitment of service provider for Animal Health

and Production Improvement Program (SSP3) is at submission 4 "Contract Negotiation" stage. NCDDDS has already sent submission 4 to ADB and the no objection will be issued next week. The contract is expected to sign at end of June 2014. (2) Development of multimedia material for mobile commune access program is at submission 1 stage. NCDDDS already issued the Request for Proposal on 9 June 2014. EA expects to submit the submission 2 in mid-July. (3) Training for CEWs is at submission 1 stage. ADB provided comments on the submission 1 recently. NCDDDS expects to submit the revised submission 1 next week. The MAFF/DCU will submit a proposal to ADB to provide a new mechanism for the recruitment of a Project Translator primarily to support the Team Leader but also for the translation of project documents and reports for posting on the TSSD website. The MAFF/DCU will submit a budget proposal together with ToR to ADB for the recruitment of one international and one national consultant to support the preparation of the 2030 Vision of Crop Production.

30. **Post Review** The mission noted that there are a few contracts below prior review threshold to be procured. The contracts should be retained during the project implementation and up to two years after the project closing date. This documentation must include: (1) signed original contract, (2) evaluation report including the analysis of the respective proposals, (3) recommendations of award and (4) all bidders' proposals (including winner and unsuccessful bidders' proposals), for examination by ADB or by its consultants. However, EA/IAs shall furnish copies of such documentation to ADB CARM upon award contract for record.

31. **Publication of the Contract Award:** In accordance with PAM and the Government Procurement Manual, para. 18.10, the EA has to establish a project website and publish the contract award information which should be included in the contract, including the name and nationality of the supplier and contract price. The Mission suggests both EAs to follow these requirements. The Mission noted that two staff positions: a Website Development and Maintenance Officer and a Website Content and Data Development Officer have been included in the MAFF DCU team and they have begun developing the website. MAFF DCU agreed to have website launched by 15 July 2014 and to procure necessary office equipment for the two staff to enable the timely launching of the project website. MEFF DCU will recruit a translator to assist in translation of project related documents and materials for the project website and assist the International Team leader during meeting and field visits with translation.

3. AGREED ACTION PLAN

32. To ensure the smooth implementation of the Project, project parties (EAs, IAs and Financiers) agreed on specific follow-up actions with target deadlines as in Table 2. It is to note that EAs and IAs are obliged to implement agreed actions of the February 2014 review mission that are still pending or are on-going.

Table 5: Time-bound Agreed Follow-up Actions

Issues	Follow-up Actions	Time frame	Primary Responsible
COMPONENT 1: COMMUNITY DRIVEN DEVELOPMENT THROUGH COMMUNE BLOCK GRANTS			
1. LIG members need funds to implement their livelihood activities to catch up the agriculture production cycles	SSP2 with support from NCDDDS will review LIG loan application and assist LIG members to fill the forms so that disbursements can be made to all members of the 400 LIGs by 15 July 2014	< 15 Jul 2014	NCDDDS/SSP2

Issues	Follow-up Actions	Time frame	Primary Responsible
2. A few Commune Clerks and C/S Chiefs cleared payment for contractors for sub project of infrastructure without keeping the support documents	NCDDES will send a reminder or conduct refresher training to Commune Clerks and C/S Chiefs to maintain all supporting documents for future auditing purpose	Immediately and on-going	NCDDES
3. Provincial department of taxation asked the contractors of civil works awarded by the CCs to pay tax	NCDDES to discuss with General Department of Taxation, MEF and provide instruction to the subnational level regarding tax payments	< 30 September 2014	NCDDES
4. A number of CAA and CEWs resigned from the projects causing additional burden for CCs to recruit and for the project to train new members	NCDDES to review the situation and budget availability and propose remedy action to ADB	< 30 June 2014	NCDDES
COMPONENT 2: ENABLING ENVIRONMENT FOR INCREASED AGRICULTURAL PRODUCTIVITY AND DIVERSIFICATION			
5. Tuek Vill and Balang Rice research stations do not yet have bank accounts to deposit the revenue from the sale of rice seeds.	MAFF/DCU will facilitate the opening of bank accounts and money from seeds sale and other revenue sources are to be deposited in the bank accounts	By 20 June	MAFF DCU/GDA
6. Operation and maintenance management of the stations regarding TSSD support have not yet been clearly explained to research station staff	A draft joint decision or Letter of Agreement (LOA) defining the roles and responsibilities of different agencies including GDA, PDAs and the research and draft operational manual to ensure sustainable production of certified seeds will be finalized by GDA and submit to ADB for review.	31 July 2014	MAFF DCU/GDA
7. Equipment of Tele-centres has not fully transferred from MAFF TSTD to respective PDAs.	TSTD MAFF national coordinator will send a delegation letter to all respective PDAs to supervise and decision on the future of each telecenter established under TSTD.	30 June 2014	MAFF
8. Support by PDA and CCs to Telecenters have not been clear.	Develop a simplified LOA between the CCs and the Telecentre operators, as an interim measure.	June 2014	NCDDES
	Finalise the agreements between Telecentre operators, CCs, and DSTs.	August 2014	NCDDES, MAFF DCU
9. Tele-centre Business Planning Advisor is unavailable.	Finalise the recruitment of Tele-centre Business Planning Advisors.	July 2014	NCDDES
10. MPTC require additional resources to complete all training activities	Formal request with the list of the additional master trainers and training assistants and budget will be sent to ADB for review.	20 June 2014	MPTC
11. There is no or very slow mobile 3G data in most communes	MPTC and NCDDES will hold necessary discussion with key mobile operators to get their plan and recommendations to extend 3G coverage in the 196 communes.	30 June 2014	MPTC/NCDDES

Issues	Follow-up Actions	Time frame	Primary Responsible
COMPONENT 3: EFFECTIVE PROJECT MANAGEMENT			
12. Three of TSSD target districts are now within the Tboung Khmum province that was split from Kampong Cham.	NCDDDS will send an instruction to the Kampong Cham and Tboung Khmum provincial authorities to allow the existing Kampong Cham team to continue supporting the three target districts	End of June	NCDDDS
13. Revision of the PAM has not yet been completed	MAFF/DCU and NCDDDS with assistance of PIC complete the revision	<10 July 2014	NCDDDS/MAFF
14. Joint MTR to be conducted in August 2014	MAFF DUC to start recruitment process for international and national consultant to mobilize by August 2014.	July 2014	NCDDDS/MAFF
15. Publication of contracts awards and public awareness toward the project are limited due to absence of project website and newsletter	Project website to be launched by 15 July and all contract awards are uploaded to the website	15 July 2014	MAFF DCU/NCDDDS/ MPTC
	First new quarterly project newsletters to be published by end of 15 July 2014	15 July 2014	
16. Project website has not been operationalized	MAFF DCU to complete design of a website for the project and make its operationalized and to ensure regular updates.	15 July 2014	MAFF DCU
	MAFF DCU assigned staff (2) need to be equipped with necessary IT equipment (incl. laptops) and a translator needs to be recruited.	01 August 2014	

33. The Mission expresses its gratitude to the RGC, its staff, representatives from GOF and IFAD, and the Project consultants for the cooperation extended to the Mission.

25 June 2014



Hem Chanthou, Senior Project Officer

Annex 1

List of Key Persons Met

MAFF

1. H.E. Sen Sovann, Project Director
2. H.E. So Khan Rithykun, Director General, GDA
3. Prak Cheattho, Project Manager, GDA
4. Srey Vuthy, Project Manager
5. Koam Sokun, Procurement Officer
6. Kim Savoeun, PAC, PDA/Kampong Cham
7. Thiv Vanthy, PAC, PDA/Kampong Thom
8. Kung Chantha PAC, PDA/Siem Reap
9. Pang Vanna Sek PAC, PDA/Banteay Meanchey

NCDDS

10. H.E. Hoeuk Som Orn, Governor, Kampong Thom
11. Yos Youren, Facilitation Team Leader, Kampong Thom
12. Chip Pharin, Facilitation Team Leader, Banteay Meanchey
13. Ny Kimsan, Project Manager

MPTC

14. H.E. Chea Manith, Project Coordinator
15. Suy Vanna, Project Manager

CARD

16. H.E. Sok Silo, Deputy Secretary General

CARDI

17. Mr. Ouk Makara, Director of CARDI

IFAD

18. Meng Sakphouseth, Country Program Office, IFAD

FINLAND

19. Mr. Kalnaovkul Bhuripan, Program Officer, the Embassy of Finland

MEF

20. Yi Sokthearith, Chief of ADB Division

**Annex 2
Status of Action Plan from June 2013 Review Mission**

Issues	Follow-up Actions	Time frame	Primary Responsible	Progress
COMPONENT 1: COMMUNITY-DRIVEN DEVELOPMENT THROUGH COMMUNE BLOCK GRANTS				
1. There is a need for some adjustments to the design of culvert (higher side-wall) to minimize erosion of road; canal embankment adjacent to it.	Revised templates that can be used by the CTAs in the design of Rural Infrastructure sub-projects involving culverts will be prepared.	March 2014	PIC RIEs	Partially Completed. Meetings were conducted by one RIE in two provinces with the participation of TSOs and CTAs to introduce a revision of culvert designs for sub-project 2014 (KPC on 26 Feb and KPT on 28 Feb 2014).
2. Some commune irrigation subprojects i.e. canal construction were incomplete due to currently low ceiling for commune project.	Revised instructions will be provided to all CCs by NCCDS to permit the carrying over of sub-projects to utilize the following years fund allocation where two or more villages are benefiting.	Immediately	NCCDS	Completed. CC have been advised that they can carry over sub-projects to utilize the following years' fund to continue incomplete sub-projects (mainly in BMC) and the sub-projects concerned are being redesigned with assistance from CTA.
3. Errors in formation of first 400 LI/G identified by SSP1	Provinces review / reform groups in line with SSP1 recommendations NCCDS to report to ADB/IFAD	March 2014	Provinces / NCCDS	Completed. The 400 LI/Gs are formed in line with SSP1 recommendation.
4. Revision of LI/G formation guidelines	Guidelines revised in line with Aide Memoire and SSP1 recommendations Disseminate in each Province	March 2014	NCCDS	Completed. The guidelines have been revised and the refresher training was completed in each province during March 2014.
5. Need to ensure timely transfer of GRF to first 400 groups	Training to CEW on (1) group rules; account opening and FM; (2) loan proposals and training needs	May 2014	NCCDS	Partially Completed A 5-day ToT on LI/G Financial Literacy was provided by a consultant hired by NCCDS to project staff and advisors on March 2014 at NCCDS. The ToT was replicated at provincial level for the training of DFT, CEW, CAA and LI/G leaders on the following schedule in April. Bank account has been opened for the 400 LI/Gs.
6. Recruitment of SSP2	Ensure recruitment of SSP2 is completed on time by March	March 2014	NCCDS and ADB	Completed Contract signed and mobilization started.
7. Complete the formation of remaining LI/Gs.	Formation to start when (i) review of first 400 groups completed and (ii) revised guidelines disseminated.	June 2014	Provinces	On-going. The formation of new LI/Gs is on-going after completion of the review of the 400 LI/Gs and dissemination of the revised Guidelines for LI/G Formation. About 37% of the new LI/Gs have been formed according to the guidelines, and the remainder will be completed by the end of June.

Issues	Follow-up Actions	Time frame	Primary Responsible	Progress
8. Transfer of GRF to remaining LIGs	Ensure groups ready. Take temporary measures if necessary and plan cash-flow (account replenishment)	July 2014	NCDDDS	On-going Establishment of GRFs will follow the completion of the first round of capacity building and mentoring support by SSP2.
9. Ensure suitable service providers available for LIGs technical training	Develop methodology for training and demonstration by lead farmers and conduct ToT	May 2014	NCDDDS	Partially completed. PIC team is working with the MAFF/GDA and NCDDDS team to develop a series of techno-guides for a range of livelihood options for the LIGs which will include the requirements for training and demonstrations support. Techno-guides for 5 main topics have been completed and will be endorsed by MAFF to NCDDDS for dissemination to CC.
10. DSTs do not have clear understanding of their roles, especially in supporting the LIGs.	ToRs for DSTs should be revised to provide clearer description of their specific responsibilities to support the LIGs particularly in the delivery of the technical training and establishment of demonstrations.	April 2014	MAFF/GDA	Completed. PIC team has completed orientation workshops in each province with the DST members to explain the activities in the AWPB under their responsibility including the provision of support to the PIGs, and also to introduce and explain the use of the AMF. The revised ToRs for DSTs has been translated and explained to DSTs during the provincial workshops on Training Quality Management
11. No preparations for effective supervision and monitoring of livelihood activities by DSTs and CEWs	SSP2 will be given the task of introducing procedures for monitoring the activities of the CEWs as well as DSTs in the delivery of support to the LIGs.	April 2014	NCDDA/MAFF	Ongoing. The preparations for supervision and monitoring of livelihood activities have been drafted by the PIC team and will finalize for approval. Training will be conducted in July to DSTs and CEWs.
12. Commune offices do not display information on TSSD sub-projects activities.	All CC offices will install Project Information Boards which display information on all TSSD sub-projects and LIGs including the levels of funding provided from commune block grants.	June 2014	NCDDDS	Not yet completed.
13. AEAs in 2014 AWPB cannot be contracted as lump sum to PDA, but done at cost (with supporting documents/detailed receipts)	Revised procedures for the funding the conduct of the AEA will be submitted to ADB for prior approval.	March 2014	MAFF/GDA	Completed. Proposal for funding the AEAs by reimbursement of actual costs has been submitted to ADB for approval. The revised procedures were approved by ADB.

Issues	Follow-up Actions	Time frame	Primary Responsible	Progress
COMPONENT 2: ENABLING ENVIRONMENT FOR INCREASED AGRICULTURAL PRODUCTIVITY AND DIVERSIFICATION				
14. A MAFF GAP Office has been established but there is a need for more support from GDA for the GAP Pilot Study in SRP.	The MAFF/GDA staff assigned in the GAP Office will be fully mobilized with adequate counterpart resources and specific responsibilities assigned to the team members to support the GAP Pilot Studies.	April 2014	MAFF/GDA	Completed. MAFF/GDA have established a GAP Office and assigned staff to the office. The GAP team has joined in the field activities in Siem Reap for the Pilot Study on GAP. PIC team has been working closely with the GAP team to develop work plans for better support.
15. Research Station Business Plans have not been fully implemented including the opening of bank accounts and the preparation of production and marketing plans.	Formal letter will be submitted to ALCEDA bank for the establishment of bank account for each Research Station and an operational manual and formal accounting system will be developed for use by the stations.	April 2014	MAFF/GDA & PIC	On-going. MEF have indicated that prior approval from them is required before the bank accounts can be opened. A formal request has been submitted to MEF. The Operation Manual has been drafted and will be submitted to ADB for comments. Finalization will be done after ADB's comments.
16. Regular and proper record keeping for seed production and seed sale by Stations and RSPGs need strengthening	Both Research Stations will introduce formal recording systems for seed production and sales. Simple systems for record keeping will be introduced to RSPGs through the conduct of additional capacity building training.	May 2014	MAFF/GDA & PIC	Partially completed. Basic Financial Management Training has been given for RSPGs in BMC and KPC, and will be delivered in other provinces in June. Log sheets were prepared for RSPGs to record in addition to some of financial management. Recording formats were prepared and provided to the two Research Stations to properly record in terms of cash-in & cash out voucher, cashbook, record of production and income, follow-up of rice seed stocks, and registration of equipment inventory in the stations.
17. Unavailability of fund to fully support preparations of GDA Crop Production Vision 2030	The support for the preparation of the GDA Crop Vision Statement will be limited to one national consultant for 10 person months. A formal ToR will be prepared for the consultants and submitted to ADB for approval.	April 2014	MAFF/GDA & PIC	On-going. ADB have now agreed that one international consultant can be recruited for maximum period of two months to support this activity. GDA has provided a list of the tasks for the consultants. Based on the list, draft TORs prepared and submitted to MAFF/GDA for review.
18. Rice yield estimates at field day appears to differ between provinces – exceptionally too high (could be due to sampling errors?) and there was limited technical supervision by national team	DSTs will be provided with further training on techniques for sampling and yield estimation of demonstrations and MAFF/GDA team will attend these field days on a regular basis.	June 2014	MAFF/GDA	Completed. GDA prepared a guideline on Rice Yield Estimation in which two formula and better sampling for reducing errors were introduced. The guideline was explained in detail to DSTs during the provincial workshops on Climate Change and Environment Awareness.

Issues	Follow-up Actions	Time frame	Primary Responsible	Progress
19. Finalization and submission (to CCs) of reports for AEAs conducted in 2013 has been delayed.	One member of GDA national team will be assigned with responsibility for coordinating the review and collation of the all AEA reports for entry into a database.	May 2014	MAFF/GDA	<p>Completed. One MAFF/GDA Team members has been assigned as the AEA Focal Point and has commenced the collation of all AEA reports and their inclusion into a database. Reports for AEAs conducted in 2013 have been finalized and all were submitted to CCs in the four provinces, expected to be done late April.</p>
20. Procurement of the mobile devices (MCA program) for the CEWs has been delayed.	Procurement of the Mobile devices will be completed by NCDDDS.	April 2014	NCDDDS	<p>Partially completed. The contract signed and delivery will be in July-August. The contents for CMA will be endorsed by MAFF to NCDDDS for uploading.</p>
21. The management and ownership of property at the TCs remain unclear.	The Telecentre management contract which was redrafted by the PIC must be finalized, signed and used as a legal document guiding the TCs in the management principles for both government authorities and the operators.	April 2014	NCDDDS/PIC	<p>Partially completed. The PIC team has revised the TC contract and feedback was received from the Government of Finland. The contract has been revised to reflect these comments. PDA needs to arrange transfer of ownership of equipment to communes in which TCs are located.</p>
COMPONENT 3: EFFECTIVE PROJECT MANAGEMENT				
22. DST members have not been receiving their DSA payments and in some cases there has been no payment of office operating costs.	MAFF/DCU and NCDDDS will put in place a mechanism for direct payment of salaries, allowances and other costs by bank transfers from the FGIA accounts.	April 2014	NCDDDS/MAFF	<p>Completed. The direct payment (salary, motorbike and communication allowances) to their account began in March-April 2014.</p>
23. Provincial advisory teams need to be strengthened to provide a more focused support for the livelihood activities for LIGs.	NCDDDS will recruit four LICAs to be deployed in each province to work until end of 2014 to provide better coordination of support to LIGs.	April 2014	NCDDDS	<p>Partially completed The 2 LICAs signed contract (BMC and KPT) and will commence work in July. The evaluation of the other 2 LICAs have been submitted to ADB for NOL.</p>
24. Provincial reports are submitted separately by the PID and PAC and there is no integrated report produced from each province.	PIDs should take the lead in the consolidation of the Quarterly Progress Reports for all components and coordinate the collection of the Activity Monitoring Data.	March 2014	NCDDDS/MAFF	<p>Completed The formats for the QPR have been provided to the provincial advisers.</p>
25. Equipment (vehicles and laptops) provided by the project have not all been used for its primary purpose	List of all equipment/vehicle assigned to staff (taking gender equality in to account) will be compiled with understanding that they for project work and priority.	April 2014	NCDDDS/MAFF	<p>Partially completed DCU is compiling inventories list of all equipment/vehicle. GDA/NPC has instructed PAC to prioritize the use of vehicle for project activities.</p>

Issues	Follow-up Actions	Time frame	Primary Responsible	Progress
26. There have been changes on the design most importantly on the Rural ICT.	DMF will be revised as a part of the PAM revision to reflect all design changes that have occurred.	March 2014	PIC/EAs	Completed. The DMF for Component 2.3(c) has been completed and used in the identification of the indicators for the AMF.
27. There is a critical need to promote the project and its achievements and products through ICT with coordinated effort of management at national and sub-national levels.	Design project website with regular updates of contents, link to key other websites (incl. telecenter one), content support for online sharing through social media/FB.	April 2014	MAFF/DCU	Partially completed. The PIC team has completed TOR for the DCU team which now includes two staff with expertise (from TSTD) in website operation and maintenance. DCU staff have designed the project website (in draft form) and will make its operationalized in Q3. External assistance for design of project website is still needed urgently.
28. The modifications to the project design and the 2014 AWPB necessitate changes in staffing both on the government counterpart staff and the consultant team and the rearrangement of the vehicle and motorbikes.	TORs will be adjusted to fit with the requirement. EAs and IA will provide updated list of staff as per Appendix 5 Contract variation will be made for the SMEC contract as per requirement in appendix 6. Additional four provincial livelihoods and ICT (LICAs) will be individually recruited with 11 person month each. MPTC will transfer one vehicle to be used by the PIC and 4 motorbikes to NCDSDS to be used by the LICAs.	March 2014	MAFF/NCDSDS	Completed. MAFF/DCU has submitted to ADB the revised listing of MAFF staff assigned to support TSSD. TORs for the DST have been revised by the PIC team and approved by MAFF/GDA. TORs for the MPTC team have been revised and approved by the Minister and ADB. TORs for MAFF/GDA, MAFF/DCU and NCDSDS teams have been revised. Recruitment of the provincial LICAs will be completed in July 2014. Contract Variation for SMEC has been completed and approved by ADB. 4 vehicles will be retained by MPTC and 4 motorcycles have not yet been transferred to NCDSDS.

Annex 3 Project Physical Progress

(as of 12 June 2014)

Components	Assigned Weight (a)	Actual Progress (b)	Weighted Progress c (a x b)
1. Communally Driven Development through commune block grants	55.00		28.40
(a) Improved Rural Infrastructure supporting agricultural productivity	25.00		11.75
1.1 Identify priority social infrastructure or facilities and include in the CIP	2.00	0.60	1.20
1.2 Work with the relevant provincial agencies to develop an engineering design for a preparation of project bidding documents for advertisement	5.00	0.60	3.00
1.3 Review project proposals and award contracts	5.00	0.50	2.50
1.4 Monitor and supervise contractor's performance and progress payments in selected locations	5.00	0.40	2.00
1.5 Assess the quality of completed civil work	5.00	0.40	2.00
1.6 Final payment to successfully completed projects (and other forms) for dissemination to farmers in Tonle Sap Basin area	3.00	0.35	1.05
(b) Improved Capacity of Smallholder Farmers	25.00		13.00
1.7 Provide training for commune councils from 196 communes on LIGs project management.	1.00	1.00	1.00
1.8 Carry out agro-ecological analysis and develop through use of ICT, including assessment of private sector role	2.00	0.70	1.40
1.9 Work with DOAs to identify LIG groups and develop necessary extension packages for them	5.00	0.50	2.50
1.10 Identify appropriate NGOs and/or MFIs and develop necessary MOUs for training and services through focus group and stakeholder meetings, and community need assessment workshops	15.00	0.50	7.50
1.11 Monitor and provide support	2.00	0.30	0.60
(c) Improved Commune Project Management Capacity	5.00		3.65
1.12 PIM is developed and finalized by Oct 2011 for e-development groups and users (including women and ethnic minorities) in phases	1.00	1.00	1.00
1.13 Commune block grant are set up and CAAs and CEWs are recruited for 196 communes by Dec 2012	1.00	1.00	1.00
1.14 Provide PIM training to 196 communes by Dec 2012	1.00	1.00	1.00
1.15 Coordinate with relevant government staff on a regular basis	1.00	0.65	0.65
1.16 Supervise activities that are carried out by LIGs and service providers	1.00	0.00	0.00
2. Enabling Environment for Increased Agricultural Productivity and Diversification	30.00		16.60
(a) Improved Agricultural Policy Environment	6.00		6.00
2.1 Identify the scope of policy work by carrying out the related legislation review, draft required law or policy	2.00	1.00	2.00
2.2 Develop relevant operation documents	2.00	1.00	2.00
2.3 Conduct consultation workshops to incorporate inputs from other relevant ministries and stakeholders to finalize operation documents	2.00	1.00	2.00
(b) Increased Availability and Access to Quality Seeds	12.00		8.40
2.4 Assess and identify farmer organizations for seed production by Mar 2012	2.00	0.80	1.60
2.5 Develop partnerships with relevant research stations for seed production and distribution	2.00	1.00	2.00
2.6 Select appropriate types of varieties based on market demands and develop marketing strategies (including post harvest and sales)	1.00	0.60	0.60
2.7 Provide necessary capacity building to farmer organizations for seed production and distribution (including post harvest)	3.00	0.60	1.80
2.8 Carry out demonstration activities to increase awareness/demand and conduct pre-and-post surveys to assess increase in rice yields	2.00	0.60	1.20
2.9 Procure and distribute quality seeds	2.00	0.60	1.20
(c) Increased Access to Agricultural Information and Market Data	12.00		2.20
2.10 Provide support to CEWs for Mobile Commune Assess (MCA) program	2.00	0.60	1.20
2.11 Develop multi-media content to improve effectiveness of agricultural extension delivery.	1.50	0.50	0.75
2.12 Deliver support for existing 10 TCs established under TA 7305-CAM within the TSSD target communes	0.50	0.50	0.25
2.13 Enhance computer skills of DFTs/DSTs, CAAs and Commune Clerks	4.00	0.00	0.00
2.14 Empower CCs with ICT facilities to enable them to play a more significant role in agricultural extension delivery	4.00	0.00	0.00
3. Effective Project Management (completed by Feb 2018)	15.00		9.00
3.1 Support the effective functioning of Project Steering Committee	3.00	0.60	1.80
3.2 Support the provincial administration and agriculture department for coordination and supervision of project activities	4.00	0.60	2.40
3.3 Support the district administration and agriculture office for coordination and supervision activities	5.00	0.60	3.00
3.4 Establish and support the project performance monitoring system	3.00	0.60	1.80
TOTAL SCORE	100.00		54.00

Note (a) weight for each component indicated in the Indicative Activities in the DMF
 (b) percentage of progress against each activity
 (c) implementation progress to date against each activity

Appendix 4: Progress and Issues in the Provinces

1. BANTEAY MEANCHEY

A. Output 1

(i) Improved Rural Infrastructure Supporting Agricultural Productivity.

1. **Selection of priority subprojects** - The PFT and DFT/DST have assisted the CEWs/CAAs to conduct commune level meetings in 32 targeted communes to confirm the selection of two rural infrastructure sub-projects in each commune. As a result 64 priority rural infrastructure sub-projects were identified for 2014 was selected in CIP.
2. **CDF Allocation** - The DFTs have collected and compiled the priority list of 64 rural infrastructure sub-projects for the 32 communes and submitted these to the PID Preparing AWBP2014.
3. **Rural Infrastructure sub-project design** - The contracts of the three Commune Technical Assistants (CTAs) were renewed by the CCs for the conduct of the feasibility studies and preparation of the designs. The CTAs have conducted field visits to the sub-project sites and for the completion of the topographic surveys and data collection for preparation and so far have completed 18 subprojects (carry-over of 2013) and 32 subprojects (2014).
4. **Approval of sub-project design** - Sub-projects designs were submitted by the by C/S Chiefs to the PID for Review Technical Designs and Technical Clearance.
5. **Contract Awards** - Contracts were awarded for 18 sub-projects (carry-over 2013) and 14 sub-projects (2014).
6. **Contract Implementation** - For the 2013 sub-projects there are 17 sub-projects with regular monitoring of contract implementation by commune Project Management Committee (PMC) and 14 sub-projects have completed contract implementation. For the 2014 sub-projects there are 12 sub-projects with regular monitoring of contract implementation by commune PMC and two sub-projects have completed construction.

(ii) Improved Capacity of Smallholder Farmers

1. **Formation of LIGs (Phase 1)** - For the 100 LIGs that were formed in 2013 and were checked by SSP1/ ATSA, 2 LIGs were found to be satisfactory, 92 LIGs needed to be reformed and 6 LIGs were recommended for improvement in terms of documentation by commune support staff. All 100 LIGs have completed this process and they completed their financial literacy training and all 100 LIGs have opened their bank account at Hatha Kaksekar Limited (100 LIG).
2. **Formation of LIGs (Phase 2)** - 117 LIGs have been formed following the recommendations from SSP2 and the commune support staff have taken the lead in the formation of these groups and 64 LIGs so far have elected Group Leaders completely follow the guideline.
3. With support from MAFF/GDA team the approach for the conduct of AEA and the reporting format were adjusted to reflect better the local situation. The DSTs were encouraged to collect secondary data within the 14 remaining target communes and to complete the AEA documentation, but the field practice was not yet done.

B. Output 2

1. **New Rice Seed Producer Groups** - Two new RSPGs have been selected and identified which will be formed to groups next time. Preliminary meetings were conducted with these groups to disseminate information on the formation of farmer cooperatives and the advantages of farmer group formation. Final selection has not been done yet.
2. **Survey for Rice Seed requirements** - A survey to determine the rice seed requirement was conducted in 14 target communes. A total of 214 persons (91 women) participated in the survey. This data will be used for conducting rice demonstrations in wet season and link to the production plan of

RSPGs. As a result, the total planting area for wet season rice is 49,469 ha and for dry season rice is 2,033 ha. Most of farmers use a direct seedling method for cultivating rice with 150 kg of rice seed per ha. Out of 14 communes, there are six communes planting both dry and wet season rice, and eight communes planting wet season rice. The most popular varieties planted by farmers in these surveyed communes are Phka Rumdoul, Neang Ming, Neang Khon, Senkra Op (aromatic rice imported from Thailand), Phka Kgnei, Sen Pidor, and Somaly.

3. **Rice Seed Producer Groups** - Three RSPGs organized their 1st quarterly meeting in their groups for discussion on rice seed production planning. In total, 69 RSPG members (24 women) attended the meeting. For this year they plan to produce 97 ha with Phka Rumdoul, 37ha with Sen Kra Op which is ordered by private buyers. Training on Financial Management was conducted for four RSPGs (2013 groups) by external trainer from Phnom Penh and trainer in the province. 12 RSPG members (3 women) were trained for a period of three days including practical exercises. Cash in and out vouchers, cashbook, income and expense record, income statement, loan contract, saving follow-up table, balance sheet, and inventory registration of the group's equipment are key contents trained to the groups.
4. **Follow up for Rice Variety Demonstrations** - The DSTs conducted follow-up of 20 rice variety demonstrations established in 2013. All demo farmers interviewed said they would adopt rice seed production techniques and use the varieties tested last year. All 20 demo farmers will expand the planting surface of 18 ha. Last year, only 1.97 ha was planted with 20 plots of rice demonstration.
5. **Survey of Rice Millers** - Ten Rice Millers were surveyed by the DSTs in five districts. As the results, the preferred varieties that RM purchased there were (1) Phka Romdoul and Makis; (2) Phka Khgnei; (3) Neang Khon and Neang Megn; and (4) Sen Kra Op varieties, and they wish purchase up to 400 tons of each variety.
6. **Rice Variety Demonstrations** - The selection of pilot farmers for conducting rice field demonstration in wet season was completed. 22 farmers have been selected and four farmers will be selected in June and two more farmers selected in October after the flooding period.
7. **Vegetable Demonstrations** - Five vegetable production demonstrations that were planned for 2013 have been completed during Q1, and the DSTs conducted four farmer field days in their respective commune with total participation of 214 people (97 women) during these events. As the results, yard long bean got the average yield is 23.7 tons/ha and cucumber got the average yield is 45.5 tons/ha.
8. **Farmer Field Schools on Rice** - Two FFSs that commenced in 2013 have been completed during Q1 with an average yield of 6.13 tons/ha.

C. Output 3

1. Training on PPMS was conducted for DSTs by the PICs with coordination from PAC and PAEA in the province. 25 DSTs (10 women) were trained for a period of two days with the inclusion of practical exercises, and they have been trained for one day period on Financial Management by GDA Financial Staff with coordination from PAC's Assistant.
2. Training workshop on Training Quality Management System was conducted for DSTs by PICs with coordination from PAC and PAEA in the province. 25 DSTs, one Gender Focal Point, one LGFSA (11 women) were trained for a period of two days including presentations, plenary and small groups discussions as the training methods. The topics included training and training cycle, understanding the beneficiaries and their capacity development, training design and development, training management, managing outsourced capacity building/training program, and follow-up action - post-training/workshop + evaluation are key contents trained to trainees. A training workshop on Environment and Climate Change was conducted for DST, Gender Focal Point, PPMA, LGFA by TA with participation of national staff. There were 31 staff (13 women) were participated in this workshop.

2. SIEM REAP PROVINCE

A. Output 1

(i) Improved Rural Infrastructure Supporting Agricultural Productivity.

1. **Selection of priority subprojects** - The PFT and DFT/DST assisted the CEWs/CAAs to conduct commune level meetings in 58 targeted communes to confirm the selection of two rural infrastructure sub-projects in each commune. As a result 116 priority rural infrastructure sub-projects were identified for 2014. They are mostly concerned with irrigation rehabilitation including rehabilitation/construction: natural pond 2, dam 44, canal 32, road 4, pond 13, and culvert construction 21.
2. **Rural Infrastructure sub-project design** - The contracts of the eight Commune Technical Assistants (CTAs) were renewed by the CCs for the conduct of the feasibility studies and preparation of the designs. The CTAs have conducted field visits to the sub-project sites and for the completion of the topographic surveys and data collection for preparation and so far have completed 30 subprojects (carry-over of 2013) and 65 subprojects (2014).
3. **Approval of sub-project design** - Sub-projects designs were submitted by the C/S Chiefs to the PID for Review Technical Designs and Technical Clearance.
4. **Bidding Meetings and Contract Awards** - 30 sub-projects from 2013 and 28 sub-projects from 2014 completed bidding meetings organised by the CCs by clustering at commune level. Every bidding announcement for each commune was posted on the NCDD Website as well as the commune information board. Contracts were awarded for 30 sub-projects (carry-over 2013) and 23 sub-projects (2014).
5. **Contract Implementation** - For the 2013 sub-projects there are 14 sub-projects with regular monitoring of contract implementation by commune Project Management Committee (PMC) and 16 sub-projects have completed contract implementation. For the 2014 sub-projects there are 21 sub-projects with regular monitoring of contract implementation by commune PMC and two sub-projects have completed construction.

(ii) Improved Capacity of Smallholder Farmers

1. **Formation of LIGs (Phase 1)** - For the 100 LIGs that were formed in 2013 and were checked by SSP1, 10 LIGs were found to be satisfactory, 50 LIGs needed to be reformed and 40 LIGs were recommended for improvement in terms of documentation by commune support staff. All 100 LIGs have completed this process and they completed their financial literacy training and 67 groups have opened their bank account at Hatha Kaksekar Limited and for the other 33 LIGs the DFTs/CEWs/CAAs are continuing to facilitate the opening of the bank accounts to reach 100 LIGs as planned.
2. **Formation of LIGs (Phase 2)** - 262 LIGs have been formed following the recommendations from SSP2 and the commune support staff have taken the lead in the formation of these groups and 99 LIGs so far have elected Group Leaders.
3. **Conduct of AEA** - With support from MAFF/GDA team the approach for the conduct of AEA and the reporting format were adjusted to reflect better the local situation. The DSTs were encouraged to collect secondary data within the 30 remaining target communes and to complete the AEA documentation, but the field practice was not yet done due to the delay of budget release.

B. Output 2

1. **Good Agricultural Practices** - The Agriculture Team, with assistance from the MAFF/GDA team, provided continuing support to the Farmer Field Schools (FFSs) on Good Agricultural Practice (GAP) in the five communes. Upon the completion of the FFSs, a one day closing workshop was completed to certify the farmers who fully participated during the season long field practice. In addition farmer groups in seven other target districts have been identified to participate in the next cycle of the GAP pilot study.

2. **Rice Seed Producer Groups** - Continuing support was provided to the four existing RSPGs to strengthen their value chains and management systems to achieve their long term development goals with the conduct of monthly meetings. In addition four farmer groups have been identified in Srei Snom, Angkor Chum, Varin and Svay Lue districts for the formation of new RSPGs for support this year. The materials, supplies and improved facilities for seed production were provided to two 2 existing RSPGs in Chikraeng and Banteay Srie districts.
3. **Tuek Vill Research Station** - Seed production at Tuek Vill Research Station progressed well during this dry season. A total of 5.8 tons (comprising seed of six rice varieties (Phka Romdule, Phka Romdeing, Phka Romieth, Sen Pidor, Chul Sar and IR66) and also some cash crops (Mungbean - 22 kg; Long Bean - 6 kg and Sweet Corn - 490 kg) were produced. 1.3 tons of rice seed was sold at KHR 2,500 per kg to RSPGs in BMC and KPC provinces. In addition to this, 30 tons of compost was produced to improve the soil fertility of the station.
4. **Survey of rice varieties** - The DST completed their field survey on rice varieties and the demand for each with rice millers as well as CCs in the remaining 30 target districts. The two top rice varieties (Sen Pidor (early variety) and Phka Romdule (medium variety)) were prioritized.
5. **On Farm Demonstrations** - The DST coordinated the conduct of a feasibility study for field demonstrations (both animal and rice production) in 2014. Participating farmers were completely identified and prepared their available material inputs for field demonstrations (chicken (13) and pig production (5) and rice SRI (60)).

C. Output 3

1. During this period the provincial and district teams further improved their capacity by fully participating in the following training course and events:
 - PPMS training course (2 days);
 - Refresher training course on LIG establishment (2 days);
 - Workshop on climate change and environment effect (1 day);
 - Training course on quality management of training services (2 days).
2. Participated in the first Quaterly Working Group Meeting for MAFF/GDA and provincial Agriculture Teams took place in Kompong Cham province to discuss the progress of activities and issues at field level.
3. Regularly participated in Provincial Monthly Coordination Meetings with provincial PID team and together with DFT and DST Leaders, and also coordinated Monthly Technical Meeting with DSTs to discuss their field activities and to develop monthly work plans.
4. One two wheeled tractor was supplied to the Research Station for seed production and two water pumps together with plastic water pipes were delivered to the RSPGs.

3. KAMPONG THOM PROVINCE

A. Output 1

(i) *Improved Rural Infrastructure Supporting Agricultural Productivity.*

1. **Selection of priority subprojects** - The PFT and DFT/DST assisted the CEWs/CAAs to conduct commune level meetings in 45 targeted communes to confirm the selection of at least one rural infrastructure sub-projects in each commune. As a result 65 priority rural infrastructure sub-projects were identified for 2014. The outputs from these sub-projects have included 42 sub-projects are earth canal rehabilitation, 16 damp embankments, 2 culverts, 3 watergates, 1 concrete canal rehabilitation and 1 irrigation structure.
2. **Rural Infrastructure sub-project design** - The contracts of the eight Commune Technical Assistants (CTAs) were renewed by the CCs for the conduct of the feasibility studies and preparation of the designs. The feasibility studies for 63 CDF rural infrastructure sub-projects for 2014 were completed.
3. **Approval of sub-project design** - Technical clearance was provided for 46 sub-projects.
4. **Bidding Meetings and Contract Awards** - All sub-projects completed bidding announcement and 12 sub-projects have contracts awarded. Every bidding announcement for each commune was posted on the NCDD Website as well as the commune information board.
5. **Contract Implementation** - Construction of the 24 CDF rural infrastructure sub-projects among 25 from AWP 2013 were fully completed and one is on-going. The outputs from these contracts included 24.2 km of earth canal rehabilitation, 3.6 km of damp embankment, 59 culverts (on canal and dam), four water gates and one drainage system.

(ii) *Improved Capacity of Smallholder Farmers*

1. **Formation of LIGs (Phase 1)** - For the 100 LIGs formed in 2013 that were checked by SSP1, 27 LIGs needed to be reformed and 73 LIGs were recommended for improvement in terms of documentation by commune support staff. All 100 LIGs have completed this process and they completed their financial literacy training and all groups have opened their bank account.
2. **Formation of LIGs (Phase 2)** - Out of the 180 LIGs remaining to be formed 70 LIGs have been established and elected their group leaders.
3. **Conduct of AEA** - The collection of secondary data for AEA was completed in 19 target communes, but the field work for AEAs did not commence due to the delay of budget release.

B. Output 2

1. **Contract Farming** - A one-day Provincial Orientation on Contract Farming was conducted by PDA under supported from GDA and PIC and 63 people (15 female) participated including PDA staff, GDA, PIC, DSTs, PAC, PAEA, Farmers and Rice Millers.
2. **New Rice Seed Producer Groups** - Four new Rice Seed Producer Groups (RSPG) were identified (one group in Sakream Choeung village, Sakream commune, Prasat Balangk district, one group in Loeuk village, Prah Damrei commune, Stoung district, one group in Thnot Chum-2 village, Thnot Chum commune, Baray district, and one group in Panha Chi village, Thboung Krapoeu commune, Santuk district.
3. **Balang Research Station** - At the Balang Agriculture Research Station construction commenced on 9th January. The construction achievement far is Laterite road: 465m achieved 90%; 3 Canals: 1,324m achieved 90%; Culvert (3 places) achieved 100%; Warehouse (374 m²) achieved 80%; Earth Filling (90m x 5m x 0.85m) achieved 100%; and Drying Pavement (600m²) achieved 60%. Rice seed production at Balang Agriculture Research Station has commenced in three hectares which were completely leveled. Total production of Certified Seed at Balang Research Station (10 ha) was as follows: Three early rice varieties for production of certified seed (Chulsa: 1.5ha, Sen Pidor: 1ha and IR66: 0.5ha). The rice seed crops are now at tillering stage and are growing well. Medium duration and late varieties will be planted on seven hectares during the wet season. 200 kgs of foundation Seed was purchased from CARDI for certified seed production (Sen Pidor: 20kg; ChulSa: 30kg; IR66: 10kg; Phka Romdul: 60kg; Phka Rodeng: 20kg; Phka Chan Sesar: 30kg; and Raing Chey: 30kg. A total of 2.9 tons of certified seed (Chulsa, Sen Pidor, IR66, Phka Romdeng, Phak Romdul, Phka Chan Sesar, Rainng Chey and CAR4) was sold to RSPGs, Farmers and Buyers.

4. **Survey of Rice Varieties** - 19 target communes completed the survey of the rice seed requirements by DSTs for six target districts. The priority rice varieties are used in each target commune is Phka Romdoul, Raing Chey, IR66, 504 and traditional rice varieties.
5. **Survey of Rice Millers** - Eight rice millers (Baray=2, Santuk=2, Stueng Sen=2 and Stoung=2) were surveyed to determine the rice varieties preferred and the volumes purchased to estimate potential demand.
6. **Rice Seed Producer Groups** - Four RSPGs formed in 2013 conducted their 1st Quarterly Meetings. The RSPG in Chhuk Khsach plan to produce the good seed on area of 20.3 ha. The RSPG in O'kanthor plan to produce the good seeds of early rice varieties on 10 hectares (CLSa: 6ha, SPD: 2ha and IR66: 2ha). The RSPG in Ngorn plan to produce good seed of medium and late rice varieties on 11.40 ha (PRD: 8.80 ha and RC: 2.60ha). The RSPG in Santuk Krav plan to produce the good seed of medium and late rice varieties on 10.7 ha (PRD= 5.51ha and RC=5.21ha). Equipment and supplies for these RSPGs for improvement of their facilities for processing and storage of rice seed with inputs were delivered to two RSPGs (Chhuk Khsach and Santuk Krav villages) by MAFF/ GDA and PDA. A total of 1.2 tons of certified seed was distributed to eight RSPGs (150 kg per group) by DSTs in each target district with support from the PAC. 11.3 tons of good seeds were sold by two RSPGs (Chhouk Khach: 110kg, Santuk Krav: 11,200kg) to farmers and other buyers in the communes.
7. **Rice Variety Demonstrations** - 42 Rice Field Demonstrations (established in 2013) were followed up by DST of each target district to encourage adoption. The sites and pilot farmers for 38 on-farm demonstrations (two per commune) and field days (one in each commune) for new rice varieties and use of SRI for LIG members have been selected.
8. **Pig Raising Demonstrations** - Seven demonstrations and field days on Sow Raising have commenced (two demonstrations completed 80 percent construction of the pig sties and for the other demonstrations the sites and pilot farmers have been selected).
9. **Native Chicken Raising Demonstrations** - 19 demonstrations and field days on Native Chicken Raising for LIG members have been commenced (three demonstrations were completed 80 percent construction of chicken houses and for the other demonstration the sites and pilot farmers have been selected).

C. Output 3

1. Refresher training on financial management training for CCs, CAAs, and Clerks was conducted by the provincial LGFSA.
2. Wealth Ranking Training was conducted for the DFTs, CAAs and CEWs.
3. Refresher Training on Monitoring and Supervision of rural infrastructure sub-projects for the PMCs was conducted by the PIC Rural Infrastructure Engineer. .
4. Financial literacy Training for LIG leaders (100LIGs) was conducted by the team from NCDDS.
5. PAC, PAEA and 2 DST team leaders within target district joined the 1st Quarterly Meeting for MAFF/GDA team with PACs and PAEAs (provincial based meeting) Kampong Cham province.
6. The training course on PPMS and Reporting for DTS team (for 2 days) was conducted by the PDA with support from the PIC with 35 participants (7 women).
7. The training course on Financial Management to DSTs and Agriculture Research Station's staffs was conducted with support from the MAFF/DCU and PIC with 34 (8 women) participants.
8. The Provincial Workshop on Quality Management of Training/Capacity Building Program (2 days) was conducted with 36 (7 women) participants (PGFP, DSTs and ARS's staffs), which organized by PDA under supported from PIC and GDA.
9. Provincial Training Workshop on Climate Change and Environment Impact Awareness was conducted by MAFF/GDA and PIC with 38 (7 women) participants.
10. The Provincial Technical Monthly Meetings with PDA team, PAEA, DSTs and Agriculture Research Station's staffs were organized by PDA under supported from PAEA.

4. KAMPONG CHAM

A. Output 1

(i) Improved Rural Infrastructure Supporting Agricultural Productivity.

1. **Selection of priority subprojects** - The PFT and DFT/DST assisted the CEWs/CAAs to conduct commune level meetings in 61 targeted communes to confirm the selection of two rural infrastructure sub-projects in each commune. 122 rural infrastructure sub-projects were selected by the CCs for 2014.
2. **Rural infrastructure sub-project design** - Three CTAs have renewed their contracts and two CTAs have been recruited to assist the CCs in conducting the topographical surveys in 61 communes for rural infrastructure sub-projects. Three of the CTAs are responsible for two districts each and the two other CTAs are responsible for one district each. The topographic surveys have been completed for all sub-projects and 24 gained Technical Clearance.
3. **Approval of sub-project design** - Sub-projects designs were submitted by the C/S Chiefs to the PID for Review Technical Designs and Technical Clearance.
4. **Contract Implementation** - From 2013 27 sub-projects have been fully completed, two sub-projects are half completed and one sub-project is completed under 20 percent.

(ii) Improved Capacity of Smallholder Farmers

5. **Formation of LIGs (Phase 1)** - 100 LIGs that were evaluated by SSP1 have been reformed and revived and opened their bank accounts (ACLEDA 42; PRASAC 6; KREDIT 5; HATTHA KAKSEKAR 16; and SATHAPNA 31).
6. **Formation of LIGs (Phase 2)** - For the 280 LIG groups planned in 2014, the 204 1st village meetings were completed and 110 2nd village meetings and 94 LIGs were formed so far.
7. **Conduct of AEA** - The 27 AEA reports for Batch 2 communes were published and delivered to respective communes, and copies to DFTs, DSTs, PDA, PFT and GDA. The DSTs commenced the conduct of AEAs in the remaining 29 communes through the collection of secondary data.

B. Output 2

6. **Survey of rice varieties** - Rice seed assessment was conducted in 19 communes, and the popular varieties used by farmers in these communes were found to be Phka Rumdoul, Raing Chey, IR66 and IR 504.
7. **Rice Variety Demonstrations** - 18 rice seed on-farm demonstrations that carry forward from 2013 were harvested and seven field days were organized to disseminate the result of the demonstrations with participation of 316 persons (100women). The average yield of the demonstrations was 5.4 tons/ha.
8. **Vegetable Demonstrations** - Five vegetable/cash crop demonstrations were established in five districts, including Bitter Gourd in Ponhea Kreak , Ridge Gourd in Kong Meas, Tomato in Domber , Sweet Melon in Kosh Sotin and Sweet Corn in Kong Meas. Three field days were organized to disseminate the results of the demonstrations, including one field day on Bitter Gourd with participation of 67 people (41 women), one field day on Sweet Corn with participation by of 52 people (21women) and one field day on Ridge Gourd with participation of 38 people (10 women).
9. **Good Agricultural Practices** - A GAP Workshop was organised to disseminate the PROKAS for Promulgation of GAP for Food Safety Standard for Fruits and Fresh Vegetable Production. The workshop was attended by 64 people (22 women) including participants from TSSD/PIC, PAC, PAEA, PDA staff and DST members (29), two representatives from NGOs (NAS and Caritas), representatives of Farmers Vegetable Groups (8), Farmers Vegetable producers (9) Fruits and Vegetable Sellers (8), others from Organic Community, Safety Community and IPM farmer (8).
10. **Survey of Rice Millers** - DSTs conducted survey to 12 rice millers in 5 districts (Batheay, Steung Trong, Cherng Prey, Ponhea Kreak and Kroach Chmar), expected 3 districts (Kosh Sotin, Domber and Kong Meas) did not conduct the survey where have small scale of milling machines only.

11. **Rice Seed Producer Groups** - Quarterly meetings with each of the five RSPGs were conducted to strengthen their group management, assess rice seed needs and develop their rice seed production plan. The five RSPGs sold a total of 80 tons of good seeds produced in 2013. Two days training on financial management was organised for RSPG leaders of five groups formed in 2013. Agriculture equipment was delivered to two RSPGs. Rice seed capital amounting to 794 kg of Sen Pidau & Phkar Romdoul was provided to seven SRPGs.
12. **New Rice Seed Producer Groups** - Four new RSPGs were identified (2 in Batheay, 1 in Cheung Prey and another 1 in Kong Meas), including have formed two groups in Batheay district with total 14 members (3 women).
13. **Follow up for Rice Variety Demonstrations** - Follow up was conducted for the 12 farmers who conducted rice seed demo in 2013, and it was found that all of them will continue to use the rice varieties from demonstration.
14. **Rice Variety Demonstrations** - 44 farmers were selected to organize rice seed on-farm demonstrations and 600 kg of rice seed was distributed to them. One farmer has sown by direct seeding using a drum-seeder.
15. **Vegetable Demonstrations** - 23 farmers were identified for vegetable/cash crop demos, including two demos have been conducted on the Bitter Gourd.
16. **Chicken Demonstrations** - 23 farmers for chicken demonstrations were identified, and eight demonstration sites have constructed the pens and two demonstrations have received the chicks. An additional five farmers were identified for Chick Production demonstration, with the installation of the pen completed at one site and one other site has commenced chick production.
17. **Mushroom Demonstrations** - Six farmers were identified for straw mushroom demonstrations, including two demonstrations have been organizing in Ponhea Kreak district.
18. **Fish Raising Demonstrations** - Three farmers were identified for fish raising demonstrations.
19. **Cash Crop Demonstrations** - Two farmers were identified for cash crop after rice demonstrations identified.
20. **Computer Skills Training** - MTC completed computer training course to project staffs in eight districts which participated by 122 CAAs and CEWs, 24 DFTs and 40 DSTs.

C. Output 3

1. The project conducted training course on Guidelines of utilization of CDF for livelihood improvement sub project for 378 participants consisted of 98 females.
2. Conducted wealth ranking training course for LIG formation to 61 CAAs and 61 CEWs, 8 DFTs and 4 PFTs in the province for one day consisted of 63 females.
3. Conducted fresher training course on LIG formation to 61 CAAs, 61 CEWs, 8 DFTs, 8 DST and 61 commune councils for one day consisted of 66 females.
4. Conducted refresher training course for one day in each of 8 target districts, which participated by 61 CAAs, 60 CCs, 59 commune clerks and 15 DFTs consisted of 38 females.
5. 61 target communes in 8 target districts conducted 144 monthly coordination meetings which consisted of commune councils, commune support staffs (CAA, CEW), commune clerks and DFTs.
6. Conducted trice of provincial monthly coordination meeting which involved by 8DFTs, 16 DSTs (included gender), PFTs, PAC and TAs.
7. Conducted 40 times of district monthly coordination meeting which involved by 3DFTs and 5DSTs and district governor in 8 target districts.
8. PFT and Rural Infrastructure Engineer conducted Training of Trainer on refresher training on monitoring and supervision of rural infrastructure sub project for 8 DFT as TSO and 3 CTAs for one day in IP3's meeting room.
9. Conducted training course on use of PPMS for measurement of the achievement of targets set for project activities and 2014 Annual Work Plan and Budget Dissemination for 2 days to 96 participants consisted of 7 females (9 PFTs, 3TAs, 26 DFTs, and 61 CCs) came from Kampong Cham and Kampong Thom Province.

