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CAMBODIA PROPOSAL FOR GAFSP FUNDING

REDUCING GLOBAL RISK AND VULNERABILITY THROUGH IMPROVING FOOD SECURITY AND HOUSEHOLD NUTRITION IN CAMBODIA

Phnom Penh 30 September 2010

1 Summary of Overall Agriculture and Food Security Strategy and Associated Investment Plan

1. This concept note for ***Reducing Global Risk and Vulnerability through Improving Food Security and Household Nutrition in Cambodia*** is submitted to the GAFSP Trust Fund for their consideration. The Royal Government of Cambodia believes that the concept note meets the eligibility and country selection criteria for the GAFSP, as outlined in Annex 1.

1.1 Objectives, Results and Indicators

2. Cambodia's economic performance over the past decade has been impressive and poverty reduction has made significant progress. Over the past 10 years growth has averaged 9.7 percent per annum while in the period 2004-2007 it has averaged nearly 11 percent. The fallout of the global financial crisis pushed GDP growth to almost zero in 2009 for the first time, but forecasts are for a return to higher positive growth in 2010-2011. At the same time, poverty has been reduced significantly (around 10 percentage points in a decade) and continues to fall; going from 35 percent in 2004 to 30.1 percent in 2007[1,2]. As a result of economic development income per capita increased from US$250 in 1998 to an estimated US$795 in 2008[3].

3. The production of food grain in particular and agriculture in general continues to be the mainstay of the economy, but garments, tourism and construction have contributed more to GDP growth. There have been significant structural changes in the economy which has shifted out of agriculture and into industry and services. The average annual growth of agricultural GDP was 4.07% in the period 1990-2007 and most recently (considering the period 2002-2007) has reached an average of 5.38% per year. While all the sectors of the economy have been recently suffering from a harsh decline, projections for the 2010 performance of the agricultural sector are still positive, ranging from 1.5 to 6% according to different sources.

4. Cambodia has a large endowment of natural resource (land, water, climatic conditions and geographic position) which represent potential comparative advantages for agriculture. With 85% of the population living in the rural areas, and over 60% of the population directly or indirectly depends on income generated in agriculture, forestry or fisheries. The government therefore considers that raising agricultural productivity and diversification is crucial to address food insecurity and household nutrition, poverty, and influence on future directions of economic growth.

5. Despite its success in food grain production and self-sufficiency, Cambodia is now faced with the problem that currently agricultural productivity is stagnant and narrowly based on a few crops and that water resources remain underdeveloped and underperforming. In order to overcome the challenge of agricultural and rural development, the Royal Government of Cambodia (RGC) formulated the *Rectangular Strategy* (RS-II) to serve as a roadmap for socio-economic development in the country, with priority set on alleviating poverty and enhancing economic growth. The *National Strategic Development Plan* 2009-2013[4] (NSDP-II) operationalized this strategy by emphasizing the need for the development of the *Strategy for Agriculture and Water* (SAW)[5] with an over-arching goal: ***"To contribute to poverty reduction, food security and economic growth through enhancing agricultural productivity and diversification and improving water resources development and management"***.

6. The SAW (2010-2013) was approved in April 2010 by the combined Ministries of MAFF and MOWRAM, along with the Technical Working Group for Agriculture and Water (TWGAW), representing the donor partners working in the sector. The SAW and its associated Budget Investment Plan serves as the

[1] Knowles, J. (2006). A New Set of Poverty Estimates for Cambodia, 1993/94 to 2004. Phnom Penh, Report to the EAS Country Unit of the World Bank

[2] Knowles, J. (2008). Poverty Estimates for Cambodia, 2007. Phnom Penh, Report to the EAS Country Unit of the World Bank.

[3] ADB (2009). Key Indicators for Asia and the Pacific Database. Manila, Asian Development Bank

[4] RGC (2009). National Strategic Development Plan Update 2009-2013: For Growth, Employment, Equity and Efficiency to Reach Cambodia Millennium Development Goals. Phnom Penh, Royal Government of Cambodia. November.

[5] TWGAW (2007). Strategy for Agriculture and Water 2006-2010. Phnom Penh, Technical Working Group on Agriculture and Water, Ministry of Agriculture Forestry and Fisheries and Ministry of Water Resources and Meteorology.

overall agriculture and food security strategy for the RGC. It represents a unique document as it firmly embeds food security (availability, access and utilization) within an overall framework of agricultural and water resource management, improving productivity and access to markets, and improving the institutional framework for the management of the agriculture and water sectors.

7. The goal of the SAW is to achieve a greater diversity of agricultural production, higher success rates in agriculture and water sector programs, improved competitiveness, higher income in rural areas, increased employment in rural areas, and finally higher economic growth in rural areas. The overall impact of the intervention would be a higher growth in productivity, a vibrant rural economy, and a reduction in poverty.

8. The SAW identifies the responsible actors (government, donor partner, and CBOs) and suggests a set of policy targets and indicators for monitoring progress. It includes a detailed matrix, which for each component and areas for intervention identifies measureable outcome indicators which are:

1. Agricultural output increased by 20% over 4 years
2. Beneficiary income increased by 20% over 4 years
3. Employment in agri-business and agro-industrial sector increased by 20% over 4 years
4. Area planted to cash crops increased by 20% over 4 years
5. Value of agricultural exports increased by 30% over 4 years
6. Value of formal bank loans for capital investment in agriculture increased by 25% over 4 years
7. Volume of imported processed agri-foods decreased by 20% over 4 years
8. Number of agri-business SME's increased by 10% over 4 years
9. The area of cropping land with access to irrigation services is increased by 100,000 hectares over 4 years
10. The incidence of drought or flood affected farmland is reduced by 20% over 4 years

These targets are seen as modest and definitely achievable over the planned 4 years of the SAW program, taking into consideration the past performance of the sector (see Annex 2 for a more detailed performance review).

9. The SAW is a rolling medium to long term Program over the period 2010-2013 and beyond to guide the implementation of individual projects and actions aimed at improving food security and economic growth through (a) enhancing agricultural productivity and diversification and (b) improving water resources development and management. It comprises 24 components arranged over 6 pillars; see Figure 1. The full SAW design document, logframe and budget are presented as an Attachment to this Proposal.

1.2 Key Elements of the Policy Environment

10. The government's strategy for agricultural and rural development has been articulated in a number of strategies and programs starting in 1994 and has been continuously updated over time. The National Program to Rehabilitate and Develop Cambodia (NPRD) was implemented in 1994-1995 before being superseded by the First Socio-Economic Development Plan (SEDP-1), 1996-2000, and then subsequently the Second Socio-Economic Development Plan (SEDP-2), 2001-2005. These have been superseded by the *Rectangular Strategy for Growth, Employment, Equity, and Efficiency*, 2004 (updated 2009), and the *National Strategic Development Plan* 2006-2010 (updated 2009-2013). Both of these current policy documents highlight the role of agricultural development as a vehicle for rural development in Cambodia. Founded on the platforms of good governance, peace, political stability, social order, macroeconomic stability, partnership and economic integration, the Rectangular Strategy (RS-II) and National Strategic Development Plan (NSDP-II) focuses on critical development issues such as the enhancement of the agricultural sector, rehabilitation and construction of physical infrastructure, private sector development and employment generation, and capacity development and human resource development.

11. Similar to the Rectangular Strategy, the Cambodian National Strategic Development Plan 2006-10 (2009-2013 updated) (NSDP-II) has the overall aim of poverty reduction, and serves as the guiding document for implementation of the Rectangular Strategy. The NSDP-II is a combination of the earlier NSDP-I, SEDP-

1&2, the National Poverty Reduction Strategy (NPRS), the National Population Policy (NPP) and other sectoral policies & strategies aimed to ensure Cambodia's rapid progress towards achieving the Cambodia Millennium Development Goals (CMDGs) & other socio-economic goals.

12. The RGC has indicated in its NSDP-II that the overall goal is "poverty reduction and economic growth through enhancement of agriculture sector development". The sectoral goal is to "ensure food security, increase incomes, create employment and improve nutrition status for all people by improving productivity and diversification, and commercialization of agriculture with environmentally sound protection and food security".

13. The RGC recognizes that land reform is vital to enhance social stability, the development of an efficient land market, environmental sustainability, and for increasing agricultural productivity through the issuance of land titles to the citizens; in particular, to farmers who are cultivating land that they occupy. The government also recognizes that the issuing land titles to citizens is vital for improving the management of land use, especially the management of state owned lands, to ensure security of land tenure in a transparent and equitable manner, and to further reduce poverty by enabling citizens to have access to financial markets by using their land titles as collateral. It was estimated in 2001 that there are 6-7 million parcels of land (plot) for which land titles have to be issued.

14. RGC attaches high importance to land reforms for poverty reduction and sustainable socio-economic development. Under the NSDP-II the priority is on strengthening security of land tenure (both state land and private land) through land registration for systematic and sporadic land titling procedures in order to provide land titles to people as well as institutions entitled to tenure rights.

15. In addition to overarching development goals, the NSDP-II recognizes the need to address rural development and makes improving the lives and livelihoods of the rural poor a top priority. Agricultural productivity improvement is the core strategy to meet this need. Food security and nutrition are recognized as of primary importance and the RGC in consultation with Development Partners have developed the *Strategic Framework for Food Security and Nutrition in Cambodia 2008-2012 (SFFSN)* the *National Nutrition Strategy (2009-2015)*, and the *National Social Protection Strategy for Poor and Vulnerable People (2010)*. Both the RGC and Development Partners have invested significantly in food security and social safety net programs since the 2008 food security crisis; see Annex 3. Regionally, the country strategies are linked with the *ASEAN Integrated Food Security (AIFS) Framework* and the *Strategic Plan of Action on Food Security in the ASEAN Region (SPA-FS) 2009-2013*.

16. *The Strategy for Agriculture and Water (SAW)*, 2006-2010, was adopted by MAFF and MOWRAM in 2007 as the overarching framework for the agriculture and water sectors and the harmonization of RGC and the external development partners' efforts in agriculture and rural development. The overall goal of the strategy is to contribute to poverty reduction, food security and economic growth through enhancing agricultural productivity and diversification and improving water resources development and management. The SAW program for 2010-2013 was formally approved by MAFF and MOWRAM in April 2010.

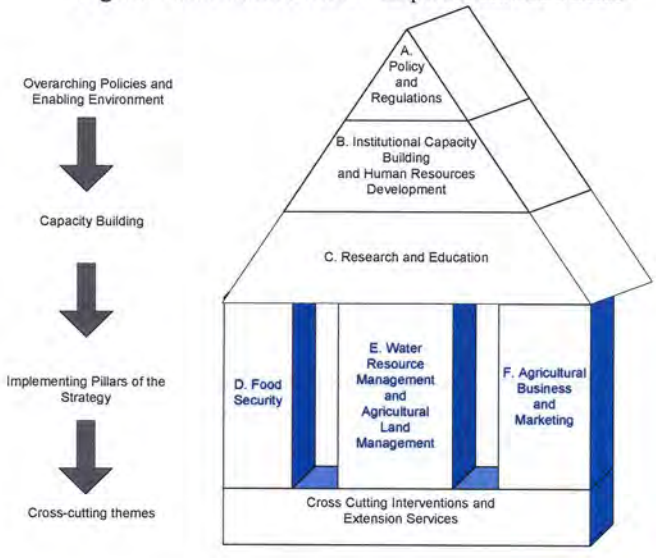
17. Following on the widespread adoption of the SAW program, the government announced in July 2010 the development of a *Policy Document of the Promotion of Rice Production and Export*, the aim of this policy is to increase the level of food security within Cambodia by producing more rice for own consumption, as well as contributing to global food security by becoming a major exporter of milled rice.

1.3 Plan Components to Achieve the Objectives

18. The SAW is a rolling medium to long term Program to guide the implementation of individual projects and actions aimed at improving food security and economic growth through (a) enhancing agricultural productivity and diversification and (b) improving water resources development and management. It comprises 24 components arranged over 6 pillars; see Figure 1. The Full Design and Logframe are contained as an Attachment to this Concept Note.

19. The 6 pillars of the strategy are designed as 3 enabling pillars and 3 core or implementing pillars. Pillar A sets the overarching policies and enabling environment for the SAW, while Pillars B and C provide the capacity building to MAFF and MOWRAM for them to implement the SAW activities. Pillars D, E and F serve as the main implementation vehicle for the SAW; concentrating on delivering interventions and services in Food Security, Water Resource Management and Agricultural land Management, and finally Agricultural Business and Marketing. It is worth emphasizing that cross-cutting services such as gender mainstreaming functions and extension services are fully embedded in Pillars D, E and F.

Figure 1 Harmonized SAW Implementation Pillars



20. The Program's six intermediate outputs that contribute towards the Program goal are:

1. **Output A (Policy & Regulation):** A sound policy and legal framework to enable development of the Agriculture and Water sectors
2. **Output B (Institutional Capacity Building and Human Resource Development):** A sound institutional, administrative, research and education basis for effective work performance in agricultural and water resource development and management
3. **Output C (Research and Education):** A comprehensive and coordinated capacity to assemble and utilize agricultural and water-related knowledge, information and technology transfer
4. **Output D (Food Security):** Agricultural systems and community arrangements that enable poor and food insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food at all times to meet their dietary needs and food preferences for an active and healthy life
5. **Output E (Water Resource Management and Agricultural Land Management):** Sustainable and pro-poor management of water resources, water management facilities, water-related hazards, and land resources that is integrated, efficient, and carried out in a river basin context
6. **Output F (Agricultural Business and Marketing):** Agriculture and agri-business that make effective use of inputs and market opportunities, are steadily intensifying and diversifying production, and deliver full benefits to farmers, rural communities, and other stakeholders

21. The program is designed as a national Program with the aim of strengthening the enabling environment, whilst at the same time mobilizing the natural, human and financial resources in order to empower national and sub-national authorities, communities, and families to manage agricultural and water resources to increase the productivity of agriculture enabling secure food supplies and economic growth. The program builds on the Strategic Framework for Food Security and Nutrition in Cambodia 2008-2012 (SFFSN) and the National Nutrition Strategy (2009-2015) and provides a concrete and comprehensive investment plan

that addresses food security and nutrition, agricultural productivity, water resource management, agricultural land use management, and agricultural marketing and diversification.

Overall Program Impact Expected

22. The Program will lead to significant longer-term impact of the capacity of MAFF and MOWRAM to perform their mandated functions in the agriculture and water resource sectors and to support the implementation of the implementing pillars D. Food Security; E. Water Resource Management & Agricultural Land Management; and F. Agricultural Business and Marketing.

23. In relation to the intermediate outputs contributing to the Program goal, the Program is expected to achieve the following results:

24. Output A (Policy & Regulation):
- MAFF and MOWRAM have implemented and enforced policies, plans, laws and regulations for which they are responsible
- Ministerial Prakas' are issued devolving the implementation of development programs to provincial departments, as mandated under the Organic Law

25. Output B (Institutional Capacity Building and Human Resource Development):
- Facilities and equipment are improved
- An increase in performance and output in organizational capacity in planning, administration, management (financial and contract management, human resources management, information management, engineering and public works, project management, monitoring and evaluation) at the central and provincial level is observed
- Information systems are implemented
- A gender unit in MAFF and MOWRAM is functioning and fully funded to implement gender mainstreaming policies
- Gender Action plans are updated yearly and implemented

26. Output C (Research and Education):
- Training institutes' facilities and curricula is improved
- Strategic and applied research and technologies are developed and adopted that are pro-poor, pro-women and pro-environment
- REE capacity is built and partnerships with national and international institutes strengthened
- Training given to directors and senior staff of MAFF and MOWRAM and provincial staff as well as FWUCs
- Agriculture processing technology is improved and niche products meet market needs
- Commune councils and rural communities develop and implement community development plans for communal aspects of agriculture, agri-business and water management
- All action plans incorporate gender policy

27. Output D (Food Security):
- Beneficiary farmers are benefited by extension, technology transfer, improved production trainings and sets of low-input and improved technical packages
- Beneficiary farmers organized into groups and conducting smallholder farming activities based on the principles of sustainable and Good Agricultural Practices and Natural Resources Management
- Community projects are implemented using participatory planning techniques
- Communities are involved in the local planning processes under the provisions of the Organic Law
- Food security concepts are integrated into development programs and policy

28. Output E (Water Resource Management and Agricultural Land Management):
- The Tonle Sap Authority (TSA) develops and implements an Integrated Water Resource Management Plan for the Tonle Sap and connected river basins

- MOWRAM and MAFF develop and implement a water resource management and agricultural resource management data collection and dissemination system
- Provincial and local authorities, farmers and other stakeholders are involved in IWRM and irrigation infrastructure planning and implementation
- An inventory and appraisal of land and water resources is carried out
- Master plans and identified priorities for land and water resource utilization are implemented
- Agricultural and economic productivity of lowland and upland areas and cropping systems are assessed and subsequent land use plans are implemented
- MAFF and MOWRAM provide extension services for increased agriculture and water productivity
- MAFF and MOWRAM provide extension services for increased agriculture and water productivity in irrigable and rain-fed croplands
- 100,000 hectares of wetland and dryland irrigation is constructed and sustainable water management, harvesting and use practices are adopted by beneficiary farmers.
- Land use certificates are provided to smallholder farmers
- Communal land rights are provided to indigenous communities
- MOWRAM and MAFF develop and implement a drought and flood forecasting system that provides timely warning to local authorities and farmers on the likely incidence and severity of events.
- MOWRAM and MAFF develop and implement drought and flood mitigation measures

29. Output F (Agricultural Business and Marketing):

- Beneficiary farmers have access to rural financial packages and contract farming agreements i.e. agricultural insurance products, long-term loans through RDB and financial institutions, and leasing arrangements, to provision agriculture and water public and private extension services to increase and sustain agricultural productivity
- Beneficiary farmers, agriculture merchants, suppliers and traders, by coordination of a national network supported by the GDA, have adopted high-value crop production, appropriate farm mechanization technologies, and alternative delivery mechanisms that are proven to increase agricultural yields and quality
- Marketplaces have the human, financial and infrastructure resources to store, grade, package, process and transport agricultural products
- Farmers are linked directly with high-value markets, agri-clinics and SMEs (through ICT applications and rural networks) to enable trade in agricultural products supported by farmer marketing schools, market-led extension services, Farmer Contract Law and sub-decree(s)
- Export in certified processed agri-food products that meeting international standards has increased

Target Beneficiaries

30. The directly targeted beneficiaries of the activities will be:

31. **Men and women farmers and non-farmer households**; farmer and water user groups; agri-business entrepreneurs; market traders, suppliers and buyers; financial service providers; and other rural stakeholders providing them access to market information and appropriate technologies to improve farm production, income and profitability and enhance their food security.

32. **MAFF and MOWRAM staff at the central, provincial and district levels** enabling them to provide services to communes and villages for the benefit of their inhabitants. It should be recognized at the outset of the SAW that given the limited time-frame of the program implementation, it is envisaged that most of the capacity building effort will be concentrated at the central and provincial levels in order to strengthen their operations and mandates, before moving onto the district and lower levels during subsequent rollout of the SAW. The mid-term review of the SAW should evaluate if and how the expansion of SAW activities to more provinces and to districts should occur.

33. **Staff of research and educational institutes** enabling them to plan and implement long-term strategies for human resources development and for knowledge and technology generation, adaptation and diffusion.

Constraints Addressed by the Program

34. **Limited institutional capacities** are widely recognized as a major constraint to effective policy and program implementation. All SAW Programs have been conceived to strengthen local capacities while implementing development activities. In addition, Pillar B of the SAW specifically aims to strengthen the institutional capacity, implementation, and human resources in relation to the SAW.

35. Under the SAW, **a number of Ministries and Agencies are identified** as being involved in implementation. The Ministry of Agriculture, Forestry and Fisheries and the Ministry of Water Resources and Meteorology are the key implementers, in collaboration with the other ministries in the RGC.

36. **Policy dialogue between the RGC and development partners is constantly ongoing**. The SAW already incorporates all relevant national and sector policies. New policy challenges emerging subsequently are expected to be addressed through the implementation of the SAW, which will provide evidence of better policy options. Pillar A of the SAW specifically aims to strengthen policies and regulations for the agriculture and water sectors.

1.4 Planned Composition and Level of Spending to Implement the Components

37. The SAW program over a four year period is estimated to cost US$501.295 million as summarized in Table 1. This comprises (i) US$6.21 million (1.24%) for Policy and Regulation, (ii) US$16.145 million (3.22%) for Institutional Capacity Building and Human Resource Development, (iii) 57.245 million (11.42%) for Research and Education, (iv) US$44.665 million (8.91%) for Food Security, (v) US$283.790 million (56.61%) for Water Resource Management and Agricultural Land Management, (vi) US$81.760 million (16.31%) for Agricultural Business and Marketing, and finally (vii) US$11.48 million (2.29%) for Program Management Support costs.

Table 1 SAW Program Summary Program Cost/Budget by Components - 4 year period

Component	Total (US$)	%
A. POLICY & REGULATION	**6,210,000**	**1.24%**
Component I - Policy, regulatory frameworks and Law are strengthened	2,400,000	0.48%
Component II – Legal framework for agricultural land management is developed	1,600,000	0.32%
Component III – Legal framework for water licensing and FWUCs is developed	1,710,000	0.34%
Component IV – Marketing policies are strengthened	500,000	0.10%
B. INSTITUTIONAL CAPACITY BUILDING & HUMAN RESOURCE DEVELOPMENT	**16,145,000**	**3.22%**
Component I – Human Resources and Management	13,485,000	2.69%
Component II – Improve the planning, budget and financial management systems	1,050,000	0.21%
Component III – Management Information Systems are implemented	1,610,000	0.32%
C. RESEARCH & EDUCATION	**57,245,000**	**11.42%**
Component I - Organizational Structure and Mechanisms in MAFF and MOWRAM	12,045,000	2.40%
Component II – REE capacity	20,800,000	4.15%
Component III – Research and technology development	24,400,000	4.87%
D. FOOD SECURITY	**44,665,000**	**8.91%**
Component I – Community Self-reliance for Food Security and Poverty Reduction	41,750,000	8.33%
Component II – Enhancement of Institutional and Policy Environment and Information Systems for FSN	2,915,000	0.58%
E. WATER RESOURCE MANAGEMENT & AGRICULTURAL LAND MANAGEMENT	**283,790,000**	**56.61%**
Component I – Water data management is improved	5,575,000	1.11%
Component II – Development of integrated water management	3,925,000	0.78%
Component III – Development of irrigation and water management infrastructure	248,510,000	49.57%
Component IV – National land resource assessments are developed	6,430,000	1.28%
Component V – Productivity of lowland rice soils is improved	6,400,000	1.28%
Component VI – Productivity of upland soils for sustainable management and utilization is improved	3,125,000	0.62%
Component VII – Strengthening of smallholder land tenure security and productivity	2,625,000	0.52%
Component VIII – Strengthening of the management of state land resources	1,900,000	0.38%
Component IX - Strengthening the implementation and impact of land use and lend tenure policies	5,300,000	1.06%
F. AGRICULTURAL BUSINESS & MARKETING	**81,760,000**	**16.31%**
Component I – Inputs and farm production are improved	6,450,000	1.29%
Component II – Markets are developed and market opportunities are expanded	27,950,000	5.58%
Component III – Extension and outreach is improved	12,560,000	2.51%
Component IV – Market infrastructure is improved	34,800,000	6.94%
Total Program Budget	**489,815,000**	**97.71%**
Program Management Support	11,480,000	2.29%
Total Program Cost	**501,295,000**	**100.00%**

38. SAW is designed as a completely new harmonized programmatic approach to agriculture and water development, hence historical ODA and government expenditures have not followed the SAW program areas. Table 2 compares actual spending by government and donors with the guidelines presented in the strategic documents. The analysis is complicated by the fact that the ASSDP and SAW include substantial allocations to food security, for which there is no single operational responsibility in government[6].

39. Table 2 suggests that the actual investment for rural roads rose to about 20 percent above NSDP costing share for rural development in 2008. In contrast, actual investment in MAFF and MOWRAM combined was about 40 percent below NSDP costing. Recurrent allocations for all ministries were slightly below NSDP costing. Compared with SAW costing, actual outturn for investment in irrigation was slightly above in 2007 and substantially above in 2008. The actual outturn for research, extension and education was over double the SAW costings in 2007 (largely as a result of the last year of CAAEP II) and nearly 20 percent higher in 2008. Compared with the ASDP costing, research was heavily underfunded and extension was heavily over-funded. These comparisons demonstrate the large swings in expenditure that have taken place, both because of emerging government priorities and because of the effects of large donor projects. The relatively low share of costing assigned to extension by ASDP and the SAW may reflect the more challenging conditions facing agriculture in 2005/06, before the demonstration of growth and the impact of world prices.

Table 2 Comparison of Actual Spending with ASDP, SAW and NSDP

(Riels mn)

	Strategy Investment Costing		Govt. Capital Budget Outturn	Donor Exp. Outturn	Govt. Capital and Donor Outturn		NSDP Recurrent Costing	Govt. Recurrent Budget Outturn	
	5 Years	3 Years[a]	2007-09	2007-09	2007-09	% of 3 yr Strategy	2006-10	2007-09	% of NSDP Rec.
ASSDP Sectoral Goals 2006-10									
Research services	388,112	232,867		57,200	57,200	24.6%			
Extension services	40,359	24,215		10,131	10,131	41.8%			
Market access for agricultural products	26,650	15,990		87,257	87,257	545.7%			
Institutional and legislative framework	56,061	33,637		41,958	41,958	124.7%			
Fisheries reform - sustainable access	57,453	34,472		34,089	34,089	98.9%			
Forestry reform	16,428	9,857		40,862	40,862	414.6%			
Total MAFF	25,874	15,524		14,528	14,528	93.6%			
SAW Programmes 2006-10									
Institutional capacity building & management	205,350	123,210		20,959	20,959	17.0%			
Agricultural and agri-business support	205,350	123,210		49,395	49,395	40.1%			
A&W research, education & extension	410,700	246,420		49,763	49,763	20.2%			
Water resource, irrigation & land management	410,700	246,420	337,864	158,313	496,177	201.4%			
Total MAFF/MOWRAM	205,350	123,210		110,518	110,518	89.7%			
NSDP 2006-10									
Agriculture - MAFF/MOWRAM)	1,437,450	862,470	352,591	444,337	796,928	92.4%	246,460	281,288	114.1%
Rural Development – MRD	1,437,450	862,470	248,923	176,845	425,768	49.4%	121,260	57,502	47.4%

Notes: _a/ 60% of 5 year total.
Source: ASSDP 2006-10, p. 31-32; SAW 2006-10, p.31; NSDP 2006-10, p.87 and 110; and consultant estimates.

Note: ASSDP and SAW programme areas exclude food security because RGC expenditure on Food Security is not captured in MAFF and MOWRAM budget lines.
Sources: PER analysis on actual expenditure, ASSDP, SAW and NSDP[7]

40. Although it is difficult to estimate the financing gap due to the miss-match between current donor and government expenditure items and those items to be financed under the SAW, current MAFF and MOWRAM budget allocations are US$27.6 million (2007-2009), while the SAW budget for 2010-2013 is US$501 million. As shown in Annex 4, there are several other donors directly participating in funding SAW activities; notably ADB's funding of US$77 million towards the Water Sector Management Pillar of the SAW. **Indications are that there is a financing gap of at least US$400 million**. Given the low emphasis on

[6] Some of the activities in the food security programmes can be assigned to research, extension and/or crop production. However, a large part of the ASDP is assigned to scaling up the National Programme for Food Security and Poverty Alleviation (NPFSPA) which supports community-based development, with no pre-assigned sub-sectoral allocations.

[7] Mokoro (2010). Integrated Fiduciary Assessment and Public Expenditure Review - Agriculture, Irrigation and Rural Roads Public Expenditure Review. World Bank Contract 7153651. Headington, Oxford, Mokoro Ltd for World Bank. June.

funding Food Security and Nutrition interventions, it remains highly likely that this component will remain under funded unless through GAFSP financing; see Annex 6 and Annex 7 for more details of the lack of overlap between different donor partner projects and GAFSP financed components.

1.5 Financing Sources and Gaps

41. Financing sources from RGC to MAFF and MOWRAM recurrent budgets remain small, at US$27 million in 2009; see Table 2, meaning that the government budget could only contribute 21% of the SAW Investment Plan, leaving a financing gap of 71% or $355.71 million; much of which is filled by ODA budget. The GAFSP is expected to fill critical parts of this gap, in particular as it pertains to the food security and nutrition area. As shown in Annex 4, Annex 6 and Annex 7 the other Development Partners have signaled their attention to fund other parts of the ODA Budget for Cambodia and the GAFSP is only expected to finance 10% of the total SAW Investment Plan.

1.6 Process through which the strategy and investment plan was developed

42. More details on the process undertaken to develop the SAW are contained in Annex 5. The preparation of the SAW 2006-2007 and Harmonized SAW 2007-2010 was very inclusive, involving all ministries involved in the agriculture and water sectors, civil society, NGOs, CBOs, the private sector, farmer organizations and development partners. The Harmonized Strategy and its associated Investment Plan directly derives from the RS-II and NSDP-II and the 5 individual programs developed under the SAW. This enabled the relatively rapid, but participatory and transparent development (3 months) of the Harmonized SAW and associated Investment Plan. The Harmonized SAW and Investment Plan were prepared by MAFF and MOWRAM with the assistance of the TWGAW[8] donor group in consultations with NGOs, private sector and CBOs. The RGC subsequently incorporated the recommendations of the review and approved the updated SAW in April 2010.

2 Specific Proposal for GAFSP Financing

2.1 Specific Objectives and Targeted Results

43. **Program Development Objective**: The program development objective (PDO) is to enhance the productivity of agriculture in selected highly food insecure and economically depressed areas of Cambodia. An increase in agricultural productivity in these areas, characterized predominantly by poor, smallholder farm households, is expected to positively impact on household food security and welfare in a number of ways. Directly, it will increase the output of the targeted households by providing them with additional nutrition and sources of income. Indirectly it will create opportunities for further diversification and intensification of production within various farming systems, it will both increase aggregate supply of food at the local level, at the national level, and also at the international level with Cambodia being a net-exporter of rice grains. Further, by increased earnings and incomes, it will enhance households ability to access other foods and goods/services that will improve household nutritional status and general welfare; particular for women and children.

44. **Program Goal and Sector Strategy**: The PDO clearly fits into the overall Strategy for Agriculture and Water (SAW) goal of increasing food security and nutrition in an integrated way. It directly addresses, and is derived from, the Food Security Pillar of the SAW. In the context of the SAW, the proposed program also draws from the RGC's Rectangular Strategy, the National Strategic Development Plan, and the Strategic Framework for Food Security and Nutrition in Cambodia 2008-2012; which are provided as Attachments to this Concept Note.

[8] The Government Donor Coordination Committee (GDCC) meets quarterly, ADB, World Bank, the UN agencies and bilateral development partners participate with senior Government representatives. The GDCC has 19 technical working groups (TWG), of which TWG on Agriculture and Water (TWGAW) is one of the 19 TWGs. The technical working groups are the formal framework for developing the RGCs aid effectiveness agenda. NGOs participate in the technical working group on agriculture and water meetings and the private sector participates in the agriculture and agro-industry working group.

45. **Key Indicators**: The achievement of the PDO will be measured mainly by the actual farm-field level yield increases in crop, livestock and fish production (resulting from the use of new varieties, better quality seeds and improved on-farm water management and agronomic practices). Estimates of yield increases, numbers of farmer/households as well as women farmers benefiting from the project interventions are given in Annex 8 and summarized in the M&E framework provided in Table 3. A discussion of the project components and activities to be financed are given below.

2.2 Components and Activities to be Financed

Overall Program structure

46. The proposed Food Security Program will consist of five inter-related pillars that correlate directly to the Components in the Cambodian government's Investment Plan (SAW) and to GAFSP Components; see Annex 6 and Annex 7.

47. The pillars of this proposed Food Security Program correlates with the implementing Pillar D. Food Security of RGC's SAW Investment Plan and contributes to SAW's Pillar D: Food Security goal:

48. ***Agricultural systems and community arrangements that enable poor and food insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food at all times to meet their dietary needs and food preferences for an active and healthy life.***

49. This program also correlates with components in SAW's Pillar A. Policy and Regulations where it concerns agricultural land use and Rice Policy, and with Pillar C. Research and Education where it concerns pro-poor, pro-women and pro-environment activities. In addition, there is strong correlation with SAW's cross-cutting interventions of a) Decentralization and Deconcentration; b) Gender; c) Poverty Alleviation; d) Climate Change; and e) Extension services.

50. The Food Security program is a rolling medium to long term program to guide the implementation of actions aimed at improving food security, nutrition and economic growth through (a) enhancing agricultural productivity and diversification and (b) small-scale agri-business linked to markets. These program components are derived directly from the GAFSP components; as shown in Annex 7. The program comprises ten components arranged over the five pillars. These are briefly outlined below before they are explained in detail; see Annex 8 for the logframe, Annex 9 and Annex 10 for the budget, and Annex 11 for the implementation plan.

Pillar C1. RAISING AGRICULTURAL PRODUCTIVITY

1. Component I: Adoption of higher yielding technologies
2. Component II: Technology generation
3. Component III: Improving the efficiency of agricultural land use

Pillar C2. LINKING FARMERS TO MARKET

1. Component I: Reduce transfer and transaction costs
2. Component II: Other value additions

Pillar C3. REDUCING RISK AND VULNERABILITY

1. Component I: Improving nutrition of vulnerable groups

Pillar C4. IMPROVING NON-FARM RURAL LIVELIHOODS

1. Component I: Promoting non-farm rural entrepreneurship

Pillar C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING AND CAPACITY DEVELOPMENT

1. Component I: Implementation of the Rice Policy
2. Component II: Capacity building for sector strategy, investments and implementation
3. Component III: Knowledge development and dissemination

Reasons for Activity Selection

51. Although Cambodia had recently experienced reductions in poverty rates and progress in economic growth, poverty and food insecurity are still prevalent in the country, especially in the rural areas. The severity

of the situation is currently being further exacerbated by volatile prices for basic foodstuffs and goods, as well as recurrent natural disasters, such as droughts and floods, which are linked with climate change. Achieving food security has remained one of the continuous priorities for the Royal Government of Cambodia (RGC). The SAW Investment Plan priority for MAFF to deliver to the Food Security goal in SAW is in accordance with the RGC priority. The Components, Sub-Components and Activities selected for this implementing program reflect SAW priorities and seek to cover funding gaps in current and future RCG and donor projects, see Annex 4, Annex 6 and Annex 7. The Components and Activities build on and scale up the ongoing FAO/EU Food Facility Project and the World Bank/IFAD CBAPP project.

Pillar C1: Raising Agricultural Productivity

52. The goal of this Pillar is to achieve sustainable and pro-poor management of agricultural technology and land resources that is integrated and efficient. Three Components in this pillar contribute to this goal, described below.

Component I: Adoption of higher yielding technologies

53. Persistent technology transfer gaps are one of the main reasons for low productivity of agriculture adaptation. Transfer and adoption of the proven technologies is a prudent priority for Cambodia. Non-availability of quality inputs, especially seed, fertilizer and pesticide is a critical concern. The emphasis here is on timely provision of quality farm inputs; such as seeds, fertilizers, appropriate pesticides and IPM.

54. This Component undertakes direct field action aimed at improving as rapidly as possible the food security situation of target beneficiaries over a 4-year period, through improving their food and agricultural production capacity and/or income earning capacity. Beneficiaries will benefit from the Component's village wide activities for diversified and sustainable agricultural and small livestock and fishery productivity practices and techniques through training and low-input and improved technical packages for agriculture, small livestock and village aquaculture provided. The assurance of the sustainability of this Component is based on participatory community development and livelihood approaches, delivery of interventions for production support in line with particular priority needs of the target groups and post-implementation extension services. In close partnership with MOWRAM, on-farm water management services will also be provided, along with construction and rehabilitation of small-scale tertiary irrigation systems where required and feasible.

Component II: Technology generation

55. Subsistence farmers comprise the majority poor and food-insecure people of Cambodia as their access to knowledge, technologies, production resources, including inputs, and to markets is limited. Women contribute actively to household income through petty trade, wage/exchange labor and handicrafts. Furthermore, major environmental issues, soil erosion and degradation, soil and water salinity, floods and drought, chemical pollution, river siltation deforestation, loss of crop diversity, and decline of fish stocks, let alone climate change, exacerbate the vulnerability problems.

56. This Component addresses the above technology-related constraints by generating appropriate technologies and training resource-poor men and women farmers in the resultant prioritized technologies through extension mechanisms delivered via GDA and PDA staff. At the conclusion of the training, it is expected that farmers will participate in food processing, marketing, and trading activities to improve their income and sustain their livelihoods.

57. To consolidate the technology learned to achieve and sustain greater agricultural output and income benefit, beneficiary Self-Help Groups (SHGs) will be transformed into Farmer Organizations (FOs). At the same time as FO formation, village self-help groups will continue to plan and carry out small-scale common community projects, especially for food security and emergency preparedness in agricultural productivity practices, and response for disaster risk reduction.

Component III: Improving the efficiency of agricultural land use

58. As a precondition to sustainable food security, project beneficiaries need to have secure access to land. The activities of this Component will firstly seek to secure official recognition of land tenure arrangements for the project beneficiaries; in particular the poor and indigenous communities in the Project area, particularly in areas that receive irrigation infrastructure, and extension services to beneficiaries. Communal land rights for indigenous communities (IC) need to have a particular focus on cases that can be coupled with the Community Forestry application process.

59. Secondly, the main activities of this Component relate to the development of land use management systems, including the identification of suitable land for different agricultural activities and the development of usable soil classification maps for land use planning in the project areas. Once land use classifications have been developed then a legal framework to manage agricultural lands can be developed and enacted.

Pillar C2: Linking Farmers to Market

60. The goal of this Pillar is to achieve sustainable agriculture practices and agri-business that make effective use of inputs, value-added and market opportunities that deliver full benefits to farmers, rural communities and other stakeholders. Two Components in this pillar contribute to this goal, and the selection of the proposed implementing activities of this Pillar are based on SAW priorities and current and future donor project and funding gaps; see Annex 4, Annex 6 and Annex 7.

Component I: Reduce transfer and transaction costs

61. This Component focuses on linking producers to markets by providing information on opportunities and developing marketing and business strategies to reach those markets. Outlined in following paragraphs are several necessary sub-components to be implemented to achieve the outcomes of this Component.

62. Farmers will also be organized into value chain partnerships to input suppliers, producers, and market traders in the traditional marketing system. Key to this is to understand production demand and developing inventories by province and district to link farmers to production and supply areas using commodity clustering strategies.

Component II: Other Value Addition

63. Market-oriented technologies will be demonstrated and farmers trained in these technologies in order that they can fully realize the economic benefits of these markets and agricultural products with a unique Cambodian identity or brand. These products need to meet international standards and give the farmers a medium- to long-term return on investment to make it an economically viable speculation for the farmers. The proposed project would support investments which reduce post-harvest losses, such as construction of communal or inter-communal storage facilities, and demonstration of post-harvest technologies to farmers and communities; including rice storage poly bag technologies to reduce pest infestation and post-harvest losses.

64. Building on the CIDA funded Agricultural Market Information System, which is implemented by MAFF, the program would scale up and extend the mobile phone and SMS based price information systems to new provinces not yet covered.

65. Central to securing return on investment is the essential task of developing marketing and promotion strategies and the implementation of promotions to target the domestic and export markets. Marketing strategies and promotions will be oriented to current and future projected market needs, thereby ensuring that agricultural production caters to consumer preferences thereby sustaining the sector into the future.

Pillar C3: Reducing Risk & Vulnerability

66. The goal of this Pillar is to achieve sustainable agricultural systems and community arrangements that enable poor and insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food at all times to meet their dietary needs and food preferences for an active and healthy life. A single Component with seven implementing activities in this pillar contribute to this goal and the selection of the proposed implementing activities of this Pillar is based on SAW priorities and current and future donor project and funding gaps; see Annex 4, Annex 6 and Annex 7.

Component I: Improving nutrition of vulnerable groups

67. This Component recognizes the synergies between an increase in food diversification and intensification and nutrition, sanitation and health care. Hence Component I will also focus on training, especially for women, with an emphasis on improvement of nutrition, sanitation and food safety, supply of potable water, and food safety. Integral to sustaining best-practices in these areas is coordination with health clinics and hospitals for measuring improved health in the target groups through patient records and informing future Ministry of Health (MoH) pubic health care policy.

68. Related to informing future public health care policy is the requirement to monitor and assess the effectiveness of various elements of implementing activities of this Component. While this will make use of the monitoring and evaluation work under the program management, it will use separate technical studies to inform best practice in food security and public health.

Pillar C4: Improving Non-Farm Rural Livelihoods

69. The goal of this Pillar is to achieve sustainable agri-business that steadily intensifies and diversifies production and delivers full benefits to farmers, rural communities and other stakeholders. A single Component with five implementing activities in this pillar contribute to this goal and the selection of the proposed implementing activities of this Pillar is based on SAW priorities and current and future donor project and funding gaps; see Annex 4, Annex 6 and Annex 7.

Component I: Promoting non-farm rural entrepreneurship

70. To achieve the intended purpose of this Component, several interventions are proposed that focuses on on-farm and off-farm target groups for income generation support through vocational training. This Component capitalizes on the technical training the target Self-Help Groups and Farmer Organizations receive in Pillar C1 – Raising Agricultural Productivity, by facilitating organization into off-farm income generation enterprises such as micro-businesses and small-scale agro-processing. Basic administration training will be provided to encourage income sustainability through these schemes.

71. Beneficiary households will be supported with vocational training packages that will provide for off-farm employment opportunities. Beneficiaries that show willingness and an aptitude in skills learned would have the opportunity to become members of off-farm income generating community enterprises such as micro-businesses and small-scale agro-processing groups that will be formed and trained under this Component. These micro-businesses and small-scale agro-processing groups will implement community micro-projects and be supported in their community endeavors by links to markets and post-implementation extension services.

Pillar C5: Technical Assistance, Institution-Building & Capacity Development

72. The goal of this Pillar is to achieve a sound policy and regulatory framework to enable development of the Agriculture sector in support of Food Security. Three Components in this pillar contribute to this goal, and the selection of the proposed implementing activities of this Pillar are based on SAW priorities and current and future donor project and funding gaps; see Annex 4, Annex 6 and Annex 7.

Component I: Implementation of the Rice Policy

73. This component provides mechanisms to implement the key technical advisory activities which were identified under the recently approved *Policy for the Promotion of Rice Paddy Production and Export of Milled Rice.* This component aims to support sustainable investment in post-harvest processing and milling and will ensure food security and longer-term agricultural innovations and technology accession. The activities will include: (i) preparation of studies and strategy work to explore export opportunities of Cambodian agriculture products for regional and global markets; (ii) preparation of annual economic/market studies to reflect changes in rice/agricultural product markets for poor farmers to be better able to meet domestic and export supply and demand; (iii) provide TA for the Government on drafting relevant legal acts on law on agricultural communities and sub-decrees on supporting contract farming arrangements; and related development of arrangements for effective information sharing with stakeholder groups, including project beneficiary groups.

Component II: Capacity building for sector strategy, investments and implementation

74. In the agricultural planning process, MAFF retains a valuable role in strategic guidance for the agriculture sector, supported by stronger planning capacity and direction at sub-national levels as a result of the decentralization and de-concentration process. Component I also focuses on improving MAFFs functioning Gender Unit for mainstreaming of gender issues across MAFF and PDAs.

75. The Organic Law devolves responsibility down to the sub-national level, as specified under Article 14, 35-39 and 41, respectively articulating that councils be established for local planning and development; the activities, roles and responsibilities for each council; and finally, regulates coordination between different institutions/organizations. Chapter 3 of the Organic Law (Article 114 and 115) establishes technical committees to include MAFF and PDA, whilst Article 123 establishes technical facilitation committees to assist the councils in the development of their infrastructure and development plans. Further details on the implementation of the Organic Law are in the National Program for Sub-National Democratic Development (NP-SNDD) 2010-2019.

76. As an interim measure to the goal of implementing Organic Law at the sub-national level nationwide, this Component will provide budget and technical assistance to recruited staff at PDAs in targeted provinces selected by MAFF. They will be assisted in developing departmental strategy plans, strengthened in public financial management systems, and program based budgeting. Assistance will be given to Provincial Rural Development Committees and Councils to enable them to determine their development priorities and implementing strategies. A mid-term review will determine planning for roll out into further provinces.

Component III: Knowledge development and dissemination

77. This Component seeks to improve effectiveness of the existing institutional and policy environment for FSN and to overcome the challenge of improved use of and quality of information and data on FSN through the strengthening and exploitation of the synergies of different systems of collection, analysis, and dissemination as well as use of data related to FSN. Specific attention will be given to ensuring improved management of FIVIMS managed by MAFF, including its greater harmonization with other FSN information systems and the strengthening of analytical capacities in MAFF for FSN data analysis.

78. The government, through the overall coordination by CARD has taken several initiatives, including the establishment of a coordination body and TWGs to coordinate in mainstreaming FSN in sectoral policies and strategies as well as in integrating FSN in decentralized planning process. However, the progress has been somewhat limited, especially at the sub-national levels – in particular, limited coordination capacity and understanding of the concepts of FSN among stakeholders have impeded the mainstreaming process.

79. The specifics of Component II to address these issues are to build up and strengthen the collaboration between CARD, line ministries, and the National Committee for Democratic Development at the Sub-National Level (NCDD) and National Council for Nutrition (NCN), civil societies, and private sectors, with MAFF establishing official focal points with clear responsibilities to coordinate the aforementioned bodies. Through the establishment of an FSN trainers pool mandated with raising the awareness of, and commitment to FSN concepts to key policy makers, planners, and program developers at the national and decentralized levels (provinces, districts and communes), FSN concepts will be mainstreamed into development plans and programs at the national and sub-national levels. The FSN trainer's pool will develop a portfolio of trainings in FSN concepts complete with a mainstreaming tool and manuals for training purposes. Capacity building of members of commune councils and farmer communities in managing the project cycle, especially integrating FSN issues in their development management processes will be conducted.

80. At the same time, in view of the importance of information and knowledge in decision-making, different institutions have set up FSN-information supporting systems (e.g. FSNIS, FIVIMS, CAM-Info., Food Security Atlas, AIDOC, etc.). However, these information systems have not been well coordinated due to lack of harmonized procedures, structure and mechanism for cooperation among concerned institutions. Through improved an coordination body and effective storage of FSN related data, workshops will be conducted with members of other TWGs, especially TWG-AW, TWG-FSN, and TWG of the Micronutrient and Infant and Young Child Feeding to disseminate, promote, and support best practice of innovative FSN

approaches. The feedback from the application of innovative FSN approaches in FSN programs and projects will inform policy and program formulation.

81. Whilst the coordination and dissemination of innovative FSN approaches will improve with the approaches described above, also of importance is to improve information and data on food quality and safety from the viewpoint of consumer protection, especially at local levels (e.g. inclusion of food safety issues in leaflets on food security).

Area Coverage of the Project

82. Due to the complex nature of the program and the limited GAFSP budget in relation to activities, the program will be implemented through a Project modality. Ten highly food insecure provinces have been identified as the target area coverage of the project. These provinces are vulnerable to drought and flood and are accorded the highest priority in food security considerations. The ten provinces covered in the project are Kampong Speu, Prey Veng, Svay Rieng, Takeo, Banteay Meanchey, Kampong Cham, Kampong Thom, Preah Vihear, Siem Reap and Oddar Meanchey. The project area will be more specifically identified to the village level during the preparation of the detailed project proposal. The area coverage corresponds to the provinces covered by the FAO/EU Food Facility Project (due to finish in mid 2011) and the World Bank/IFAD CBAPP Project due to commence in early 2011. The synergies between ongoing and planned activities in these areas will be leveraged to ensure a greater beneficiary coverage and scaling up of impact.

M&E Framework

83. M&E will be employed as management tool for the purpose of (i) learning and corrective action during the program implementation and (ii) accountability for the use of resources and the results achieved; see Table 3. The former purpose (learning and correction) would focus on the implementation process so as to facilitate timely corrective management actions, for which monitoring would play the major part, supplemented by an external mid-term evaluation. The latter purpose of accountability would focus on the assessing the effectiveness, including cost-effective aspect, for the program in achieving the expected outcomes, for which the baseline study, evaluation, especially the terminal evaluation (also external) would play the key role.

84. In particular, monitoring would be carried out as part of the management function internal to the program management – this is essential to facilitate the timely learning and mid-course correction. Thus, monitoring includes in-depth review of the process and the results in the implementation process. On the other hand, evaluation should assess the efficiency and effectiveness of implementation, including management actions, as well as overall relevance and cost-effectiveness of the results being achieved, including identification of main reasons for the outcome and recommendation for overall management actions on the future of the program. It should also be an independent function carried out by an external competent agent.

85. To enable the monitoring and evaluation approach above, M&E will be implemented within the standard MTEF operating procedures of the Government. M&E of this proposed program would adhere to the Indicators outlined in the Logical Framework, see Annex 8.

Table 3 Program M&E Framework

Overall Project	
Goal	Target Value (end-of-project)
The Food Security program aims to improve the income and food security of poor people in Cambodia through more and better public investment in the agriculture and rural sectors that is country-owned and led through technical assistance	Agricultural output increased by 20% over 4 years Beneficiary income increased by 20% over 4 years Employment in agri-business increased by 20% over 4 years
C1 – Raising Agricultural Productivity	
Objectives	Output Indicators
An increasingly productive and diversified agricultural system that is capable of assuring food security for the target population and delivering an acceptable quality of life for rural communities, especially the poor	40,000 beneficiary farmers (20,000 are women farmers) and 400 Farmer Organizations are benefited by extension, technology transfer, improved production trainings and sets of low-input and improved technical packages
Pro-poor and pro-women community groups, particularly of food-insecure households, who are empowered to actively	Community projects are implemented using participatory planning techniques

develop their potentials, opportunities and minimize risks and represent their own interests in political and administrative environments	Communities are involved in the local planning processes under the provisions of the Organic Law
Farmers have secure tenure to their land	Land titles for rural land use are provided to project beneficiaries, including indigenous communities
C2 – Linking Farmers to Market	
Traditional marketing that provides market access and value-added sales opportunities for farmers and rural communities	Farmers in 10 provinces are linked directly with high-value markets for 4 commodities through rural networks to enable trade in agricultural products supported by market-led extension services 17 high value-added agricultural products identified for trade
C3 – Reducing Risk & Vulnerability	
Community self reliance for food security and nutrition and health	40,000 households (20,000 women-headed households) are trained in home gardening techniques by year 4 Food use, nutrition, and basic health care training to 40,000 households (20,000 women-headed households) 40,000 households are trained in sanitation installation and safe water use
C4 – Improving Non-Farm Rural Livelihoods	
Off-farm training and employment and agri-business opportunities for farmers and rural communities	4,000 self-help groups are organized and functioning 1,000 micro-businesses (women-headed) and 1,000 small-scale agro-processing are developed and functioning 4,000 people are trained in new and/or additional vocational skills
C5 – Technical Assistance, Institution-Building and Capacity Development	
MEF and MAFF implements the Rice Policy	Ministerial Prakas', regulations, strategies are developed and implemented nationwide
Policies, plans and regulatory frameworks for MAFF are fully established, maintained and coordinated	MAFF have implemented and enforced policies, plans, regulations for which they are responsible under this Program
Gender is mainstreamed in MAFF	The gender unit in MAFF is functioning and fully funded to continue implementation of gender mainstreaming policies Gender Action plans are updated yearly and implemented
Policies and information on aspects of food security related to agriculture and water management that effectively guide public administration at all levels	Food security concepts are integrated into development programs and policy

Implementation arrangements

86. The implementation arrangements for the program will be across different government ministries and agencies, depending on their particular strengths, mandates and ongoing activities; see Table 4. The RGC has agreed to delegate project management functions to FAO, IFAD and WFP because of the technical expertise in agriculture, nutrition and rural development and their extensive experience in management and monitoring agriculture-related projects in Cambodia. They have a well-established administrative capacity in Cambodia that will be utilized to provide implementation support to technical implementing agencies. The costs related to project management would be covered by management fees.

87. The Food Crisis Committee led by the Ministry of Economy and Finance will be the coordinating body from the RGC side. As specified in Table 4, the day-to-day implementation of the program activities will be carried out by the Ministry of Economy and Finance (MEF), Ministry of Agriculture, Forestry and Fisheries (MAFF), and the Council for Agricultural and Rural Development (CARD). Where required, these will coordinate with the following agencies to implement project activities:, Ministry of Land Management and Urban Planning (MLMUP), Ministry of Commerce (MoC), Ministry of Health (MoH), Ministry of Planning (MoP), Ministry of Women's Affairs (MoWA), Ministry of Water Resources and Meteorology (MOWRAM), National Committee for Sub-National Democratic Development (NCDD), Commune Councils, Provincial

Councils, National Nutrition Council (NNC), Technical Working Group for Food Security and Nutrition (TWGFSN), and the Technical Working Group for Agriculture and Water (TWGAW).

Table 4 Implementation Arrangements by Component

Component	Lead Implementing Agency	Managing Agency	Supervising Entity
Pillar C1. RAISING AGRICULTURAL PRODUCTIVITY	MAFF	FAO	World Bank
Pillar C2. LINKING FARMERS TO MARKET	MAFF	IFAD	
Pillar C3. REDUCING RISK AND VULNERABILITY	MAFF	FAO	
Pillar C4. IMPROVING NON-FARM RURAL LIVELIHOODS	MAFF	IFAD	
Pillar C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING AND CAPACITY DEVELOPMENT 1. Component I: Implementing the Rice Policy	MEF with MAFF	FAO	
2. Component II: Capacity building for sector strategy, investments and implementation	MAFF	FAO	
3. Component II: Knowledge development and dissemination	CARD	FAO and WFP	

88. The activities of the program will be implemented through mainstreaming activities in line departments and contracted CBOs and service providers selected by the concerned Ministries in collaboration with the respective Managing Agencies. They should have proven competence and experience relevant to the program activities. In particular, they need to demonstrate:

1. Capacity and experience in promoting and proving practical and sound technical support for capacity building and management support
2. Capacity and experience in planning and implementation in support of the mainstreaming objectives and approaches similar to the program
3. Experience with training and capacity building of government staff and line departments
4. Experience and demonstrated ability to contribute to the sub-national democratic development process.

89. Community-Based Organizations (CBOs) and service providers will carry out project work from identification, proposal formulation, implementation and monitoring/reporting through contracts with the Management Agencies. They will liaise and coordinate the planning work with the provincial authorities and work closely in the implementation process with the line departments and provincial departments. CBOs and service provider's performance in delivering the Contracts will be audited and evaluated.

Sustainability

90. Sustainability is a core project principle and will be fully factored into project design through the following features and/or expected measures:

91. **Institutional sustainability:** At the ground level, project activities will be implemented primarily through farmers' and/or beneficiaries' groups such as Self-Help Groups (SHGs) and Farmer Organizations (FOs). As such, key activities should continue to be performed by these groups in the post-implementation stage, without limited need for external support (in the form of extension support by GDA and PDAs). The farmers' or producer groups to be supported under the project will be selected on the basis of clear eligibility criteria, which include willingness and capacity of the groups and their economic business model (to avoid opportunistic "supply-driven" formation of groups). Women will form at least 50% of all farmers' groups and, where appropriate, women only groups will be formed.

92. **Financial sustainability:** The main issue with financial sustainability arises potentially with regard to funds for the operational budget of Farmer Organizations (FOs). The management team of FOs will be given training in basic administration and account skills to manage membership fees and revenue earned through links to markets. This project has a key activity for the development of high quality commodities with the intent to cluster commodity production among FOs. This strategy will help FOs to sustain market partnerships and revenue flow in their respective value chains. Post-implementation SHGs and FOs will be supported by extension by GDA and PDAs.

93. **Technical sustainability:** The program will undertake the following activities to enhance technical sustainability: (i) technical training for any maintenance or equipment repair work they may have to undertake; (ii) beneficiary farmers, SHGs, FOs and micro-businesses in small-scale agro-processing will be provided vocational training, capacity building and technical assistance support; (iii) the program will significantly invest in training and capacity building up and down the line to ensure relevant staff and skills are available during implementation and after project closure.

94. **Social and Environmental sustainability:** Socially, the program will seek to target poor and vulnerable community groups to food security, including women and indigenous community groups particularly for the provision of agricultural lands. With respect to the environment, the program activities are not expected to have any adverse environmental impact. The program will help to develop climate resilient technology development. Safeguard action plans will, however, be prepared to help deal with potentially adverse environmental and social impacts. Finally, the M&E system will track social and environmental development.

95. **Mode of Financing:** Investment project with technical assistance.

2.3 Amount of Financing Requested

96. The overall program cost is estimated at US$50 million. **US$45 million is requested from the GAFSP Trust Fund** and the RGC will provide the remaining 10 percent (US$5 million) of the cost as in-kind Counterpart contribution for central and provincial office and implementation operating costs. The table below gives estimates of cost by Component and Sub-Component. These costs provided correlate directly with the SAW budget have been modified on the basis of the scale and scope of the interventions planned and the end-of-project indicators prescribed in this project; see Table 5.

Table 5 GAFSP Food Security Program Cost/Budget by Components - 4 year period

Priority		Year 1	Year 2	Year 3	Year 4	Total (US$)	
	C1. RAISING AGRICULTURAL PRODUCTIVITY	**$2,250,000**	**$8,050,000**	**$6,200,000**	**$6,200,000**	**$22,700,000**	**45.4%**
H	Component I – Adoption of higher yielding technologies	$1,300,000	$6,800,000	$5,000,000	$5,000,000	$18,100,000	36.2%
H	Component II – Technology generation	$400,000	$400,000	$600,000	$600,000	$2,000,000	4.0%
M	Component III – Improving efficiency of agricultural land use	$550,000	$850,000	$600,000	$600,000	$2,600,000	5.2%
	C2. LINKING FARMERS TO MARKET	**$900,000**	**$1,300,000**	**$700,000**	**$700,000**	**$3,600,000**	**7.2%**
H	Component I - Reduce transfer and transaction costs	$300,000	$300,000	$300,000	$300,000	$1,200,000	2.4%
H	Component II - Other value addition	$600,000	$1,000,000	$400,000	$400,000	$2,400,000	4.8%
	C3. REDUCING RISK & VULNERABILITY	**$1,400,000**	**$2,500,000**	**$2,500,000**	**$2,300,000**	**$8,700,000**	**17.4%**
H	Component I – Improving nutrition of vulnerable groups	$1,400,000	$2,500,000	$2,500,000	$2,300,000	$8,700,000	17.4%
	C4. IMPROVING NON-FARM RURAL LIVELIHOODS	**$400,000**	**$1,900,000**	**$1,900,000**	**$1,900,000**	**$6,100,000**	**12.2%**
M	Component I – Promoting non-farm rural entrepreneurship	$400,000	$1,900,000	$1,900,000	$1,900,000	$6,100,000	12.2%
	C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING, CAPACITY DEVELOPMENT	**$1,895,000**	**$2,110,000**	**$2,060,000**	**$1,035,000**	**$7,100,000**	**14.2%**
H	Component I - Implementation of the Rice policy	$1,100,000	$1,125,000	$550,000	$250,000	$3,025,000	6.1%
H	Component II - Capacity-building for sector strategy and PFM implementation	$425,000	$360,000	$360,000	$330,000	$1,475,000	3.0%
M	Component III - Knowledge development and dissemination	$370,000	$625,000	$1,150,000	$455,000	$2,600,000	5.2%
	Total Program Budget	**$6,845,000**	**$15,860,000**	**$13,360,000**	**$12,135,000**	**$48,200,000**	**96.4%**
	RGC Program Management Support	**$420,000**	**$440,000**	**$470,000**	**$470,000**	**$1,800,000**	**3.6%**
	Personnel and Staffing	$200,000	$200,000	$200,000	$200,000	$800,000	1.6%
	Vehicles and Transport	$100,000	$50,000	$50,000	$50,000	$250,000	0.5%
	Meetings and Workshops	$20,000	$20,000	$20,000	$20,000	$80,000	0.2%
	M&E and Reviews	$-	$70,000	$100,000	$100,000	$270,000	0.5%
	Operating Costs	$100,000	$100,000	$100,000	$100,000	$400,000	0.8%
	Total Program Cost	**$7,265,000**	**$16,300,000**	**$13,830,000**	**$12,605,000**	**$50,000,000**	**100.0%**

2.4 Preferred Supervising Entity

97. The preferred supervising entity is the World Bank, which has the necessary fiduciary oversight capacities on the ground; see Table 4. The supervision strategy would include semi-annual supervision missions, which will review the program implementation progress. FAO, IFAD and WFP are the preferred Management Agencies. These Agencies have been chosen because of their technical and investment expertise in agriculture and rural development, their long experience in project management and expertise in monitoring and supervising agriculture sector projects in Cambodia. They have a well established administrative capacity in Cambodia that will help close and constant monitoring of the project activities and thereby ensure effective implementation of the program.

98. Funds will be transferred from the GAFSP Trust Fund to the Supervising Entity for onward disbursement to the Management Agencies, who will use their own internal policies, guidelines and procedures and will enter into grant agreements with the Royal Government of Cambodia (MEF, MAFF, and CARD), other agencies and CBOs to implement the day-to-day activities of the program.

99. The Management Agencies will submit quarterly implementation progress and financial management reports, as well as annual audits and implementation reports on progress and results of all activities financed through the GAFSP Trust Fund to the Supervising Entity for review and then submission to the GAFSP Steering Committee.

2.5 Timeframe of Proposed Support

100. The program will be implemented over a 4-year period (January 2011 to January 2015) and corresponds directly to the SAW implementation plan. This will allow project activities to be conceived and executed as part of the SAW initiatives and activities. See Annex 11 for the Implementation Plan.

2.6 Risks and Risk Management

101. The following risks have been identified as Likely and Relatively Serious and each have a corresponding mitigation action; see Table 6.

Table 6 Risk Management Plan

Main Risks	Mitigation Action
I. Adoption of higher yielding technologies: Instances of major flooding or drought occurrences impede improvement of agricultural productivity	Agricultural input and productivity training includes safety net activities. Farmers will be linked to high-value markets
II. Technology generation: Farmer Organizations (FOs) do not collect enough revenue to become self-supporting	Participatory planning training is conducted and includes safety net activities. FO members pay a small annual registration fee. Community beneficiaries of FO projects contribute small annual fee. FO management trained in management and administrative tasks
III. Improving efficiency of land use: Previous implementation of land titling projects not planned well and ran short of funding	MLMUP and MAFF have an inter-ministerial coordination letter signed between the two ministries that helps to satisfy donor confidence. Planning improvements based on lessons learnt
IV. Improving efficiency of land use: Capacity limited to consult with each beneficiary on land use and land titles	Community beneficiary group meetings facilitated by PDA where it is difficult for PDA to reach beneficiaries one-on-one. Land dispute resolution procedures are actioned where required
V. Improving nutrition of vulnerable groups: Nutritional interventions may not result in measurable impacts on maternal and child nutrition	There is coordination with provincial health clinics and hospitals to determine reduction in occurrence of main diseases. Health of target population is tested using modern health screening techniques in coordination with MoH. Patient records kept at health clinics and hospitals

102. The risks above and other risks of a lesser likelihood and severity have been captured in a Risk Assessment document and mitigated in a Risk Management plan, see Annex 12. It is envisaged that the Risk Assessment and Risk Management plan informs the detailed program design stage the risks will be revisited and revised throughout the implementation of the program subject to M&E input and lessons learned on a quarterly basis.

2.7 Consultation Process with Local Stakeholders and Development Partners

103. Extensive consultation has already been made during the preparation of the investment plan and the setting of priorities; see Annex 5. To reap the maximum possible benefit from the program, every effort will be made to ensure that all concerned agencies, including government and non-government organizations, civil societies, local representatives, farmer organizations, media personnel and policy maker would be fully associated with the detailed project formulation process. In addition, regular consultation with other development partners will be held for managing the program effectively.

2.8 Declaration from the RGC and Donor Partners

104. This program document has been prepared by the Royal Government of Cambodia and endorsed by the Minister of Economy and Finance, Minister of Agriculture, Forestry and Fisheries, the Development Partner co-facilitators of the Technical Working Group on Agriculture and Water (TWGAW), and the FAO Representative in Cambodia.

105. The proposal has been developed with extensive consultations and a due-diligence process under the TWGAW. The proposal is part of a comprehensive plan of support for agriculture and food security issues, it is aligned with the technical pillars of the RGC Strategy for Agriculture and Water 2010-2013 and it is addressing strategic coordination issues in the Agriculture and Water sectors.

Keat Chhon
Deputy Prime Minister
Minister of Economy and Finance
Royal Government of Cambodia
Phnom Penh, Cambodia

Date 28/..9../2010

Chan Sarun
Minister of Agriculture, Forestry and Fisheries
Royal Government of Cambodia
Phnom Penh, Cambodia

Date 21/..9.../2010

Ajay Markanday
FAO Representative
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Date 15/...9../2010

Katherine Mitchell
Second Secretary for Development
Australian Embassy
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Date 15/...9../2010

Supplementary Annexes

Annex 1: Country Selection Criteria Eligibility

Annex 2: Sector Analysis

Annex 3: Donor Funding and Coordination

Annex 4: List of Donor Projects

Annex 5: Stakeholder Consultation

Annex 6: Linkages and Synergies Between SAW and GAFSP

Annex 7: Where the Cambodia Food Security Program and GAFSP Component Areas Overlap and Areas where Other Donors are Working

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Annex 9: Summary Budget

Annex 10: Detailed Budget

Annex 11: Detailed Implementation Plan

Annex 12: Risk Management Plan

Annex 1 Country Selection Criteria

106. As noted by the GASP guidelines, with limited resources, not all country proposal can be financed. Priority will be given to IDA-only countries with the greatest need, with a conducive policy environment and to those who are implementation ready. This Annex to the Concept Note Submission responds to these criteria.

1.1 Country Need

107. A new study on MGD Trailblazers as been published by the Center for Global Development[9]. The Show the progress of countries in meeting their Millennium Development Goals. Ahead of the September UN MDG Summit, they examine just how individual countries are faring toward achieving the highly ambitious MDG targets; see Table 7. They do so mindful that the MDGs originally were envisioned as global, inspirational targets and not as programmatic tools for individual countries. They find evidence of dramatic achievements by many poor countries – such as Honduras, Laos, Ethiopia, Uganda, Burkina Faso, Nepal, **Cambodia**, and Ghana. In fact, these countries performance suggests that they may achieve most of the highly ambitious MDG targets (page18).

108. Table 8 also shows Cambodia rankings versus the rest of the countries in the East Asia group (of those who are competing for GAFSP funds, the ranking show that while Cambodia is making great strides to meet the MDG, much more work needs to be done by the RGC and Donor Partners, particularly in the areas of food security and nutrition.

Table 7 Top MDG Progress Index Performers

Country	MGD Progress Index Score	MGD Progress Score Ajust.	Indicators Above Achievement Trajectory	Indicators with >50 progress	Indicators Covered
Honduras	7.0	7	6	2	8
Kyrgyz Republic	6.0	6	6	9	8
Vietnam	6.0	8	6	9	8
Laos	6.0	6	5	2	8
Cambodia	**6.0**	**6**	**5**	**2**	**8**
Nepal	5.5	5.5	4	3	8
Burkina Faso	5.5	5.5	5	1	8
Ethiopia	5.5	5.5	4	3	8
Bolivia	5,0	5	5	0	8
Armenia	5.0	5	5	0	8
Nicaragua	5.0	5	4	2	8
Ghana	5.0	5	4	2	8
Malawi	5.0	5	4	2	8
Mongolia	5.0	5.7	4	2	7
Uganda	5.0	5	4	2	9

Source: Leo, Benjamin and Julia Barmier (2010) Who are the MDG Trailblazers? a New MGB Progress Index. CGD Working Paper 222. Washington, D.C.: Center for Global Development

[9] Leo, Benjamin and Julia Barmier (2010) Who are the MDG Trailblazers? a New MGB Progress Index. CGD Working Paper 222. Washington, D.C.: Center for Global Development.
http://www.cgdev.org/content/publications/detail/1424377

Table 8 Eligible Countries for GASFP and their MDG Status

Country	Cambodia	Kiribati	Laos PDR	Mongolia	Samoa	Solomon Islands	Timor-Leste	Tonga	Vanuatu	Average Region	Average All Countries
MGG Progress Score	6	4.5	6	5	4	3.5	3	3	2.5	4.2	3.3
MGD Progress Score (Adjust)	6	7.2	6	5.5.7	5.3	5.6	4	3.4	4	5.2	3.7
Population Below $1.25/day)	1		1	1			1			1.0	0.63
Prevalence of Under Nourishment	1	1	1	0	1	1	0	0.5	1	0.7	0.49
Primary Education Completion Rate	1	1	5	1	1		1	0.5	0	1.3	0.48
Girl: Boys Ratio in Primary and Secondary Education	1	1	5	1	1	1		1	0.5	1.4	0.73
Child Mortality Rate	5	5	1	1	0.5	1	1	0.5	0.5	1.7	0.5
Material Mortality Rate	0.5		1	0.5	0.5	0.5	0	0	0.5	0.4	0.33
HIV/AIDS Prevalence Rate	0		0					0		0.0	0.23
Access to Improved Water Service	1	1	1	0.5	0	0	0	0.5		0.5	0.47

Source: Leo, Benjamin and Julia Barmier (2010) Who are the MDG Trailblazers? a New MGB Progress Index. CGD Working Paper 222. Washington, D.C.: Center for Global Development

1.2 Country Policy Environment

109. The GASFP guidelines suggest that countries with a policy environment more conducive to generating higher investment returns will be given priority. For example, IFAD's Rural Sector Performance Scores can be used as a proxy for sectoral policies. Table 9 show the Need and Policy Status of Eligible countries from the Asia grouping. Cambodia clearly demonstrates a higher Need for GAFSP funding with 25% of the population being under-nourished, while the Policy environment is clearly being improved with the development of an overarching strategy for Food Security under the Strategy for Agriculture and Water (SAW) and the development of a Rice Productivity and Export Strategy. These two Strategy documents follow on from the development of the Rectangular Strategy and the National Strategic Development Plan, which all serve as guiding documents for rural development.

Table 9 Eligible Countries for GASFP and their Need/Policy and Readiness Status

	Country	Cambodia	Kiribati	Laos PDR	Mongolia	Samoa	Solomon Islands	Timor-Leste	Tonga	Vanuatu	Average Region
Need	GNI Per Capita (Atlas Method)	600	2000	750	1680	1780	1180	2460	2560	2330	1704.4
	Share of Population in Rural Areas, 2005	80	51	83	43	54	84	72	78	76	69.0
	Prevalence of Undernourishment (% of population, 2004-2006)	25	5	19	29		9	23		6	16.6
	ODA to Agriculture $/per rural person	3.5	92	11.2	16.9	6	14.5	12	11.3	20.6	20.9
Policy	IFAD Rural Sector Performance Score 2007	3.95		3.64	3.84		3.11				3.6
	Average of IDA CPIA Clusters (Economic Management, Structure, Policy, Social Inclusion, Public Security, Management and Institutions	3.29	3.02	3.28	3.28	3.99	2.76	2.81	3.19	3.3	3.2

Source: GAFSP Guidelines

1.3 Country Readiness

110. The Readiness of Cambodia to implement programs is mixed, with successful implementation of IFAD funded projects and not so successful in implementing IDA funded projects; Table 10 provides a list of Asian countries and their readiness states as per the IDA and IFAD ranking schema. The list of donor projects working in the agriculture and water sector are listed in Annex 3 and Annex 4; which demonstrates a high level of commitment from development partners to continue to fund ODA projects in Cambodia.

111. Figure 7 shows that only 6% of total ODA budget is going to the food security and nutrition sector in Cambodia; highlighting the pressing need for further development partner support to this long neglected sector.

112. From a country policy perspective, Cambodia is the only country to include agriculture as part of their Poverty Reduction Strategies, which in turn have been incorporated as the main pillar of the subsequent Rectangular Strategy, the National Strategic Development Plan, the Strategy for Agriculture and Water, and now the just released Rice Promotion and Export Policy.

Table 10 Eligible Countries for GASFP and their Readiness Status

	Country	Cambodia	Kiribati	Laos PDR	Mongolia	Samoa	Solomon Islands	Timor-Leste	Tonga	Vanuatu	Average Region
Readiness	IDA Portfolio rating	3.5	NA	4.5	3.5	4.5	2.6	2.5	4.85	NA	3.7
	IFAD Projects at Risk (PAR)	6	4	4	6	4	4	4	4		4.5
	PRSP with Agriculture in Policy Matrix (year)	2005									2005

Source: GAFSP Guidelines

Annex 2 Sector Analysis

2.1 Overview

113. Cambodia's economic performance over the past decade has been impressive and poverty reduction has made significant progress. Over the past 10 years growth has averaged 9.7 percent per annum while in the period 2004-2007 it has averaged nearly 11 percent. The fallout of the global financial crisis pushed GDP growth to almost zero in 2009 for the first time, but forecasts are for a return to higher positive growth in 2010-2011. At the same time, poverty has been reduced significantly (around 10 percentage points in a decade) and continues to fall; going from 35 percent in 2004 to 30.1 percent in 2007[10,11]. As a result of economic development income per capita increased from US$250 in 1998 to an estimated US$795 in 2008[12].

114. Agriculture continues to be the mainstay of the economy, but garments, tourism and construction have contributed more to GDP growth. There have been significant structural changes in the economy which has shifted out of agriculture and into industry and services. The average annual growth of agricultural GDP was 4.07% in the period 1990-2007 and most recently (considering the period 2002-2007) has reached an average of 5.38% per year. While all the sectors of the economy have been recently suffering from a harsh decline, projections for the 2009 performance of the agricultural sector are still positive, ranging from 1.5 to 6% according to different sources.

115. Cambodia has a large endowment of natural resource (land, water, climatic conditions and geographic position) which represent potential comparative advantages for agriculture. With 85% of the population living in the rural areas, and over 60% of the population directly or indirectly depends on income generated in agriculture, forestry or fisheries, agriculture is crucial to address poverty and influence on future directions of economic growth.

116. Nevertheless, the rural economy grows only at a modest pace and in the last decade, the contribution of agriculture and agro-industry to overall economic growth has come largely through the accumulation of factors of production – land and labor – as part of extensive growth of activity, with only modest improvement in productivity from very low levels. The main sources of rural economic growth come from (i) a growth in land under production, (ii) a growth in the rural labor force, (iii) modest gains in agricultural productivity mainly in non-rice crops, (iv) public and private investment in agriculture and rural infrastructure (transport, irrigation, and processing), as well as substantial investment in social infrastructure such as health, education and sanitation.

117. Despite these generally positive signs, there is justifiable concern about Cambodia's ability to seize the opportunities presented. The concern is that there exists a set of structural and institutional constraints to agricultural and rural development that unless addressed by appropriate interventions and policies, will result in a slowing of economic growth and poverty reduction. These constraints include (i) an insecurity in land tenure which constrains investment in productive activities; (ii) low productivity in land and human capital; (iii) market failures and coordination issues and a business enabling environment which is not conducive to formalized investment; (iv) weak and underdeveloped rural roads and irrigation infrastructure; and (v) a financial sector that is unable to mobilize significant funds for agricultural and rural development.

118. Investments are needed to increase agricultural productivity, guarantee food security, better use of existing cultivable areas, to improve food processing capacity and to face threats from climate change and erratic sequencing of floods and droughts.

[10] Knowles, J. (2006). A New Set of Poverty Estimates for Cambodia, 1993/94 to 2004. Phnom Penh, Report to the EAS Country Unit of the World Bank.

[11] Knowles, J. (2008). Poverty Estimates for Cambodia, 2007. Phnom Penh, Report to the EAS Country Unit of the World Bank.

[12] ADB (2009). Key Indicators for Asia and the Pacific Database. Manila, Asian Development Bank.

2.2 Agriculture sub-sector analysis

2.2.1 Trade and agriculture

119. Agriculture contributes significantly to external trade but it cannot be compared with garment exports. In 2007, rice exports amounted to $411 million (10% of total exports, but garment exports amounted to more than 73.3%), while fish exports were $105 million and rubber exports amounted to $157 million – a total of $3,874 million for domestic exports. Garment exports drastically dropped in 2008 by 25%, while agricultural exports have been less vulnerable to the fluctuations of the economy. There is a huge potential for agricultural export still unexplored.

120. Agriculture potentials for export and import substitution are significant but require better compliance with stringent international trade standards, food safety requirements and quality controls for agricultural products, while improving food-based health and nutrition for the Cambodian population.

121. Most rice exports are in the form of paddy and not milled rice. Middlemen absorb high profit margins from collecting unprocessed product in the villages and selling it to the urban markets or exporting it to China, Thailand and Viet Nam. Cambodia still imports 70% of the fruits and vegetable that it consumes. Diversification of agricultural products is the obvious response to this imbalance through import substitution, whereas there is scope for expanding high-value crops for export, moving from paddy to high quality rice, and exploiting markets for products such as fine herbs and spices.

2.2.2 Crops

122. Crops represent the biggest share of the agriculture sector production (52% in 2007, equal to 15.5% of GDP)[13], and the major source of income to farmers, followed by fisheries (24% of the sector and 6.9% of GDP), livestock and poultry (16% of the sector and 4.4% of GDP), while the forestry and logging share of this sector has been declining over the years and in 2007 represented less than 10% (only 2.9% of GDP, while it used to be 16.1% of GDP in 1994, reduced to 5.6% in 2003).

123. Among the individual crops, rice (paddy) dominates with 29% of total sector production (8.6% of GDP), with an average annual growth of 5.95% over the period 1993-2005. Rice production comprises 84% of total cultivated land and provides 75% of the population's food requirements. Other relevant crops are: corn, soybean, mung bean, cassava, sugarcane, peanut, sesame, sweet potatoes, Chinese cabbage, cauliflower, lettuce, water melon and tobacco. There are plantations dedicated to industrial crops, such as rubber, cashew nut, pepper, palm sugar, palm oil and fruit trees (mango, pineapple, jackfruit, durian, rambuttan and banana).

2.2.3 Livestock and poultry

124. The Cambodian livestock and poultry sub-sector, dominated by smallholders, is one of the least developed in the region, with scarce investment. Cambodia continues to be highly dependent on imports of large quantity of livestock products from abroad. Animals are kept mainly for home consumption, provision of draught power and manure, or as a source of cash income, with a level of production significantly stagnant. The exception is poultry that has grown significantly in spite of the effects of the Avian Influenza. The potential of livestock (cattle, buffalo and pigs) is considerable, but the vulnerability of its production to trans-boundary diseases has been a cause of major concern.

2.2.4 Fisheries

125. Freshwater and marine fisheries and aquatic resources provide employment to over three million people, involving up to 45% of the households living in riparian provinces, many of whom are among the poorest in the country. Fish represents the main source of protein and calcium intake for Cambodians and 75% of the total national intake, since the basic diet comprises fish and rice. The potential of inland fisheries is

[13] IMF data

high: 90% of fish produced comes from freshwater basins. Nevertheless, fishing, fish processing and marketing systems are complex and highly fragmented, and depend on a large number of small-scale operators. Access to services in landing centres and to fish markets is inadequate. Prevailing hygienic conditions are insufficient, affecting fish safety and quality. There is a lack of trained staff in food science. Post-harvest technology is poor and so is endowment of equipment in food safety laboratories. The application of food safety control is inadequate, preventing expansion and diversification of fish exports.

2.2.5 Forestry

126. Although forests cover more than 58% of the total land, forestry contribution to GDP has declined, after the uncontrolled deforestation of past decades with illegal logging and encroachment upon forest land still frequent. The introduction of "community forestry" is the recent approach to integrate progress in rural livelihoods with sustainable development through mitigation of climate change, biodiversity conservation, reforestation, and forestry-related voluntary carbon market opportunities through carbon credit investments in small-scale forestry initiatives.

2.3 Rural development policies for economic growth and poverty reduction

127. RGC has adopted a multi-pronged approach to foster rural development and empower local communities to plan and manage development of their communities. The decentralization and de-concentration of public services delivery, support for participatory decentralized, area-based programmes, and the provision of credit to households and small businesses, are some of the highlights of these efforts.

128. The government's strategy for agricultural and rural development has been articulated in a number of strategies and programs starting in 1994 and has been continuously updated over time. The Royal Government of Cambodia (RGC) in 2004 adopted the Rectangular Strategy for Growth, Employment, Equity and Efficiency[14] as the framework for the country's socio-economic development. This has been incorporated into the National Strategic Development Plan for 2009-2013[15]. Founded on the platforms of good governance, peace, political stability, social order, macroeconomic stability, partnership and economic integration, the Rectangular Strategy and NSDP-II focuses on critical development issues such as the enhancement of the agricultural sector, rehabilitation and construction of physical infrastructure, private sector development and employment generation, and capacity development and human resource development.

129. Similar to the Rectangular Strategy, the Cambodian National Strategic Development Plan 2006-10 (2009-2013 updated) (NSDP-II) has the overall aim of poverty reduction, and serves as the guiding document for implementation of the RGC Rectangular. The NSDP-II is a combination of the earlier NSDP-I, SEDP-1&2, the National Poverty Reduction Strategy (NPRS), the National Population Policy (NPP) and other sectoral policies & strategies aimed to ensure Cambodia's rapid progress towards achieving the Cambodia Millennium Development Goals (CMDGs) & other socio-economic goals.

130. The RGC has indicated in its NSDP-II that the overall goal is "poverty reduction and economic growth through enhancement of agriculture sector development". The sectoral goal is to "ensure food security, increase incomes, create employment and improve nutrition status for all people by improving productivity and diversification, and commercialization of agriculture with environmentally sound protection and food security"[15].

131. Two sector-specific development plans are also relevant in the context of rural development and the agriculture sector; the Agricultural Sector Strategic Development Plan of 2006-2010 (ASDP) and the Strategy

[14] RGC (2004). The Rectangular Strategy for Growth, Employment, Equity and Efficiency in Cambodia. Phnom Penh, Cambodia, The Third Legislature of the National Assembly, Royal Government of Cambodia.

[15] RGC (2009). National Strategic Development Plan Update 2009-2013: For Growth, Employment, Equity and Efficiency to Reach Cambodia Millennium Development Goals. Phnom Penh, Royal Government of Cambodia.

for Agriculture and Water (SAW) also covering the same time period. The SAW program for 2010-2013 was formally adopted by MAFF and MOWRAM in April 2010.

132. The Strategy for Agriculture and Water (SAW), 2006-2010[16], was adopted by MAFF and MOWRAM in 2007 as the overarching framework for the agriculture and water sectors and the harmonization of RGC and the external development partners' efforts in agriculture and rural development. The overall goal of the strategy is to contribute to poverty reduction, food security and economic growth through enhancing agricultural productivity and diversification and improving water resources development and management.

133. Under successive policies including the SEDP-2, the Rectangular Strategy, the ASDP and the SAW, the RGC has recognized the importance of growth and diversification within the agricultural and rural sectors to drive the economy and shift the focus from food security, to diversification and commercialization. However, while the policies have been well articulated and are a sound basis for development, there has been a disconnection between the development of policies at the central level and their implementation at the local level.

2.4 Binding constraints to agriculture performance

134. There are many factors which constrain the development of a highly profitable rural sector in Cambodia. Basically, the critical constraints fall into five main areas; (i) low levels of technology adoption and the human capital required to utilize such technology; (ii) poor infrastructure (rural roads and irrigation, post-harvest storage and handling, processing, transportation and the logistics of getting agricultural product to markets); (iii) microeconomic risks to appropriation of returns (property rights, corruption and the business enabling environment related to taxation and fees); (iv) the difficulties in coordinating markets and marketing through formalized mechanisms of exchange; and (v) difficulties in accessing finance for agricultural investments, including the high cost of finance relative to the economic returns to investment in agriculture and agro-industry.

135. Many of these critical constraints are interlinked. Unequal access to opportunities manifests itself in fewer educational opportunities for the poor and reduced health outcomes, which in turn are linked to human capital constraints. The uneven playing field for the poor relative to the rich manifests in the unequal access to infrastructure, productive assets such as land and credit, and policy outcomes which discriminate against the poor.

136. Fundamentally, the underdeveloped nature of infrastructure and its unequal access are primary binding constraints to rural development and poverty reduction. However, only when the fiscal situation sufficiently improves will the Government be in a position to allocate more resources to infrastructure investment. However, improved infrastructure alone is not enough to lower the cost of doing business and to stimulate private investment. Better infrastructure has to be accompanied by significant improvements in investor confidence, which can be done through the Government adequately addressing governance concerns by implementing initiatives aimed at reducing corruption and strengthening the rule of law.

137. Removing these three constraints (e.g., weak financial intermediation, inadequate infrastructure, and weak investor confidence) will result in increased private investments from domestic and foreign sources. But, to ensure that growth can be sustained at a high level similar to that achieved by many Southeast and East Asian economies in recent decades, the Government will also need to address the market failures (such as information and coordination externalities) in order to encourage investments in diversifying and expanding the manufacturing sector and agro-based exports, and in upgrading the level of technology.

2.4.1 Access to land and soil quality

[16] TWGAW (2007). Strategy for Agriculture and Water 2006-2010. Phnom Penh, Technical Working Group on Agriculture and Water, Ministry of Agriculture Forestry and Fisheries and Ministry of Water Resources and Meteorology.

138. Cambodia has 18.1 million hectares of land but only 22% is agricultural land, whereas 58% is covered by forests, 15% is grassland, shrubs and inundated land and 5% is urban area. Land distribution is inequitable, and most poor households own small parcels. The average size of farm land is 1.53 ha per farm household (1.33 ha for the poor farm households)[17]. Male-headed households average 4.4 plots per household and 0.39 ha per plot, as female-headed households own only 3.8 plots per household and 0.30 ha per plot[18]. Fragmentation of farming land affects efficiency.

139. Access to land is central. Many farmers do not have legal title to their land, which makes them vulnerable and reduces incentives to invest. Security of land tenure is a precondition for investment in productive activities. Well-defined property rights improves private appropriability of returns and owners with secure land titles are more willing to invest in higher-risk and potentially higher-payoff activities; such as investing in irrigation and drainage systems, planting perennial trees and diversifying into vegetable and cash crops. Land titles enable title holder to use these as collateral for production and working capital loans. The evidence demonstrates that secure land tenure on private plots raises revenue, yields, productivity, rental value and sales value, as well as household consumption.[19,20] The RGC's land reform programme is part of the Government strategy for agricultural development.

140. Soil quality differs across the country. Intensification of rice production depends on land suitability for multiple cropping, potentials for other crops in lowlands, in wet and dry seasons (given prevailing conditions for irrigation or water storage), and upgrading of upland farming both in rice and non-rice crops[21]. Information on soil fertility is often inadequate.

2.4.2 Productivity in agriculture

141. The low level of overall productivity, both in labor and land terms[22], is a basic feature of the sector, even though significant improvements have been achieved, especially in rice production. Yields per hectare increased from 1.31 tons per ha (in 1993) to 1.97 tons (in 2004) and according to more recent estimates, have reached the unprecedented level of 2.489 tons per ha in 2008. These results explain the rice surplus, which goes above the needs for seed and domestic consumption, making Cambodia a potential strong rice exporter, in spite of price fluctuations[23]. Productivity is however inferior than in surrounding countries with similar geo-climatic conditions, where yields of 3 to 5 tons per ha are not rare.

2.4.3 Technology in agriculture

142. Fertilizer usage is lower than in neighboring countries. Farmers show little interest in technological innovation, and low productivity technology prevails. The introduction of improved seed varieties is inadequate and so is information on new varieties of seeds, proper use of fertilizer and pesticides and soil testing. Only 25% of cultivated land is prepared with the use of machines. About 64% of farmers do not have access or do not own major farm machinery. There is little familiarity with the operational functioning and maintenance of agricultural machinery. Except for a few cases, milling makes use of obsolete technologies, generating low-level quality of milled rice. Harvesting and post-harvesting technology is not comparable with that of neighboring countries. Inadequate knowledge is available to raise livestock. Small-scale fishers face similar constraints.

[17] According to the 1999 Census. See AusAid, *Cambodia Sector Report, Diagnostic Study* cit., Phase 1 of Design, Agricultural Programme, Cambodia, 2007-12 – Programme Concept Document Final Report, Table 295.
[18] See CDRI, *Cambodia Land Titling Rural Baseline Survey Report*, December 2007, page 2.
[19] NIS (2004). Cambodia Socio-Economic Survey. Phnom Penh, Cambodia, National Institute of Statistics.
[20] World Bank (2007). Sharing Growth: Equity and Development in Cambodia. Report No. 39809-KH. Phnom Penh, World Bank.
[21] See "Assessing Land Suitability for Crop Diversification in Cambodia" by R.W. Bell, N. Schoknecht, W. Vance, and S, Hin, in CARDI, "Proceedings etc." cit.
[22] According to the AusAid, *Cambodia Sector Report, Diagnostic Study*, 2006, labor productivity in agriculture was $170 per worker and productivity of land was $518 per hectare.
[23] In 2004-2005, this surplus reached the level of 416,118 tons of milled rice.

143. Research and extension services are insufficient. Limited capacity of agricultural research is still prevailing in the country, also due to inadequacies of the existing research facilities, their limited research programmes and the limited resources to which they have access. Funds and facilities available to CARDI, the main research institution on rice, are not equal to the task.

144. There are 4 to 5 extension workers for each district, covering about 10 communes on average (almost 100 villages), which may have a population of as many as 10,000 households. Several communes do not have access to any extension services. Training provided through extension is often limited to the introductory level and not followed up with adequate training to ensure effective productivity gains.

145. The poor can benefit most from improvements in agricultural productivity and technology. The huge potentials in Cambodian agriculture can only be tapped through better informed farming practices to increase yield (thus production) with minimal effort even without a quick expansion in cultivated land. Agricultural productivity of rice is far from its full potential and can be increased substantially. A clear, coherent strategy for the rice sector needs to be formulated around the dual objective of achieving food security and exporting rice. Productivity can be improved by introducing new seeds, using fertilizers and pesticides and improving irrigation and drainage systems.

2.4.4 Competitiveness in agriculture

146. Competitiveness is central to catch up the opportunities for import substitution and exports in agriculture. It needs to be verified both in price terms and in terms of quality of Cambodian supplies.

147. In order to take advantage of opportunities for import substitution in agriculture and promoting agriculture exports, four conditions are required: (a) a competitive price; (b) good quality of production; (c) reliability of supply; and (d) easy access to markets (including a good marketing network), ensuring effective development of markets and linkages between farmers/producers, wholesalers, and consumers or export links. Product quality and supply reliability are all linked to productivity conditions, as well as the use of technology and research. Productivity affects the possibility of introducing new and diversified crops (e.g. preferred rice varieties, or crops that can be certified as organically grown) that can better meet the rapidly changing demands of consumers both in domestic and foreign markets.

148. At present, 70% of Cambodia's consumption of fruit and vegetables is imported, providing an obvious opportunity for "import substitution". On the other hand, farmers in border areas, who have the advantage of cheaper transportation, are able to sell their product to neighboring countries, and obtain good profits. Improvement in the quality of Cambodia's agriculture is therefore the first condition to enhance its position in external trade.

149. Increased production and diversification of agriculture can provide a basis for downstream value-added processing, with opportunities for profitable developments also in the agri-business value chain. Improved "upstream" services (e.g. better seed supply, better access to agricultural machinery) may need to be integrated with "downstream" marketing operations, e.g. improvement of transportation facilities. There are many opportunities to add value to agricultural production creating employment, both on-farm and off-farm, and providing additional sources of cash income for workers and households involved in all stages of the value chain. To take advantage of these opportunities requires, besides additional knowledge, financial resources i.e. through rural credit.

150. A member of WTO since 2004, the Cambodian economy has seen its competitiveness ranking rapidly increase during the course of the last 15 years. The expansion of exports depends on several factors that allow an increase in sales to existing or new markets for the same products or for new ones, and not only on "competitiveness" of agricultural production. The recent global economic crisis suggests that competitiveness, however important, is not a substitute for foreign demand and a sound international economy.

151. The competitiveness of the agriculture sector and related activities (including fisheries and forestry) depends on several factors that determine their productivity, influencing productivity of labor, land and water. Some factors relate to natural events (weather conditions and climate change) or access to technology (which influence the use of appropriate know-how and the efficient use of inputs, their quality, scientific research and its use in agriculture). Some cost factors regard the market conditions in which each output is produced: access to reliable and good quality supplies of inputs (e.g. high quality seed and fertilizer); available infrastructure for transportation, distribution, and storage, and in the general status of trade facilitation; development of post-harvesting processing activities; access to credit and working capital.

152. The legal framework in which productive activities are carried out is also relevant, especially as regards the conformity to food safety standards and other international norms and requirements, which are crucial for the acceptability of agricultural products in foreign markets, but also for the acceptability of the same products in domestic markets in terms of consumer protection.

153. Finally, there are more general factors regarding the environment in which agricultural production is generated that affect the livelihoods of the population in the rural environment (e.g., health and education): they affect the quality of labor available in the sector. Other conditions regard the access to non-farming income opportunities which directly affects the non-farming population (both in urban and rural locations) and also has repercussions in the markets for agricultural products, since they affect the purchasing power of the consumers of agricultural produce.

154. These are the complex terms in which increases in productiveness and competitiveness in agriculture production come into play in Cambodia. Although agricultural productivity has significantly improved in rice production and other crops in recent years, it is relatively low compared with neighboring countries. Nevertheless, given the low cost of labor in Cambodia, the competitiveness of Cambodian paddy is high. This explains why Thailand and Viet Nam absorb a considerable share of rice production for export, which is then processed to obtain milled rice and further exported or consumed in their local markets.

155. Competitiveness in rice production[24] is still limited to paddy, and has not been extended to Cambodian milled rice. Agricultural exports are basically in the form of raw or semi-processed products, which prevents producers to add value to their outputs and does not encourage diversification of production. This is due to the limited capacity of Cambodian mills, often limited by scarce working capital, or inadequate transport facilities, so that processed rice costs too much in Cambodia as compared with neighboring competitors. Very few large-scale mills operate in Cambodia (producing rice of the best quality and highly appreciated in foreign markets), while most local mills have strong limitations in capital and quality of their production. Consequently, profit margins in the productive chain of rice is often limited and is absorbed by intermediaries who prefer to cross borders and export raw rice, gaining modest intermediation fees which undermines the acquisition of the full value potential to the Cambodian economy.

156. Conditions for rice exports, linked to the intensity of demand from neighboring countries and the reduced constraints in world markets for rice trade (with the appearance of new large importing countries showing interest for Cambodian rice) are favourable, but exports are dependent on the potential of an international demand that in general shows low income elasticity. Potential for higher earnings require expansion of milling facilities, which for the time being are limited. SPS certification may be required in some importing countries.[25]

157. Exporting performance for rubber has been good in recent years, showing potential for growth, but demand is mostly only from Viet Nam and there is no tariff advantage with other suppliers. Demand is also limited to the performance of one single industry (tire manufacturers), which has strongly been affected by the global economic downturn and the crisis of the international automobile sector.

[24] See *Cambodia Country Competitiveness*, Discussion Paper No. 7, UNDP, 2009.

[25] See *Cambodia's 2007 Trade Integration Strategy*, prepared under the Trade-Related Assistance for Development and Equity (TRADE) Project of Cambodia's Ministry of Commerce and UNDP, December 2007.

158. In cassava, competitiveness may be positive, but an unreliable volume of supply may be a deterrent to keep processing plants working at their full capacity. Exports have been concentrated in Thailand and Viet Nam, and been mostly limited to raw material rather than processed product. While productivity is very high, high transportation costs and reduced post-harvest processing facilities are a big limitation. Moreover, cassava is not a product that may generate a significant value added.

159. Cashew-nuts are mainly exported raw (in shells) to Viet Nam (where they are processed) due to low technology, low productivity, high transportation costs, inadequate access to credit and limited local processing capacity. Nevertheless, the dynamic volume of sales in the last few years has been significant. Unfortunately, world market prices for cashew-nuts are highly volatile, and Cambodia faces the harsh competition of several exporters from Asia, Africa and South America. If Viet Nam increases its domestic production, it may reduce absorption of Cambodian exports. Moreover, the sector requires a long gestation period before obtaining the first harvest.

160. Soybean has also shown significant improvements in recent years, especially through exports to Thailand and Viet Nam, and potentials for exports to China are significant. International competition is significant and the world demand seems to be concentrated in few countries. Cambodian exports of soybean may not be able to compete with American soybean in the region if trade barriers are eliminated in Thailand and Viet Nam. Palm oil, still inadequately developed in the country, has potential for significant growth in the future.

161. The production of fruit and vegetable is unjustifiably depressed in Cambodia, while the country imports massive volumes of these products from neighboring countries. The potentials are high, but constraints are several, including limited local expertise, limited working capital, undeveloped marketing chains, small volumes of production of good quality standards, and in general, inadequate storage and marketing facilities and skills, and potentials for high post-harvest losses. There are problems in meeting international standards of hygiene and safety regulations. Potential SPS problems exist for several products. There are poor technical monitoring and inspection systems. Although there is a high potential for organic fruit, there is limited capacity for a certified organic production. There are difficulties in controlling the level of antibiotics used as well as the residues for some fruits. In some cases (e.g. mango), infestation of insects has produced massive damages.

162. Exports from fisheries have a high potential in this country, given the abundance of marine and inland water resources, but faces strong limitation from the food safety side. The EU has banned imports of fish from Cambodia due to failure to comply with EU legislation regarding hygiene and sanitary conditions since 1997. Bad infrastructure and processing facilities could hamper expansion in the future. Most exports are informal and still provide low value added to the country. Training of fishermen in modern SPS handling and processing is a requirement to improve competitiveness in this industry, where conformity with SPS guidelines, both for domestic consumption and exports is crucial.

163. Cambodia has high shipping costs. This regards in particular local (intra-regional) transportation costs. Local transportation facilities (storage and refrigeration) are insufficient for most agricultural commodities. Moreover, links between farmers and markets are not adequately developed: there is a need to establish new vertical chains that open marketing opportunities. Rural credit availability is still a limiting factor in promoting full exploitation of commercialized agriculture. In spite of the increased productivity (yields per ha) obtained in the last few years for several crops, other cost elements, which regard mostly post-harvest operations, are still very high and negatively affect the competitiveness of Cambodian agriculture.

164. Limited awareness and knowledge of potential international markets has often emphasized the indispensable role of intermediaries that reduce the margin profits earned by farmers in the absence of alternative distribution organizations.

2.4.5 Trade, market access, food safety and consumer protection

165. A major limitation to Cambodian competitiveness is the fact that the country so far does not comply with several provisions of the WTO Agreement on Technical Barriers to Trade. In general, certificates of conformity issued by the RGC institutions have no value to the Cambodian exporter or the importer of Cambodian goods and services in the absence of adequate international accreditation. This is due to the limited infrastructure in the area of conformity compliance with international standards and the inadequate alignment of national standards to requirements requested by regional and overseas certification bodies.

166. This is a serious concern for agricultural exports, when it comes to conditions that affect food sanitary conditions. Market access for plant and animal products has increasingly become subject to risk assessment by the importing countries. This is a constraint that Cambodian exporters have to take into account in order to expand their market potential. In order to open new markets to agricultural and fisheries products from Cambodia it is not enough to have the marketing structure and the commercial links that promote sales of Cambodian products if the food safety challenges are not met. Meeting those challenges is the necessary condition to open access to markets.

167. The RGC is aware that as a member of WTO, Cambodia is expected to implement the WTO Framework Agreement on the Application of the Sanitary and Phyto-Sanitary (SPS) measures. The country's capacity to adopt these SPS measures – which regard plant safety, animal safety and food safety – is very limited, and the institutional confusion due to duplication or conflicting responsibilities of the RGC agencies involved not only create a problem of coordination, but hinder the practical application of those measures so that the country often does not meet the international conformity requirements.

168. Several Cambodian products continue to be excluded from export markets on the grounds of safety, due to poor hygiene in handling or other contaminations, or on the grounds of potential environmental risks. International inspectors have highlighted both institutional and technical issues that have undermined the country's attempt to put in place a credible regime of monitoring and surveillance, inspection, testing and certification of Cambodian export products.

169. Enhancement of SPS control institutional framework is a matter of the most urgent nature for the future role of agriculture exports, together with measures required to support producers and exporters in producing better quality crops or food that meet SPS requirements of export and domestic markets. It is necessary to enhance awareness of the importance to increase consumer protection in domestic markets for the benefit of the Cambodian population and, at the same time, to promote testing for export certification purposes, enhance the recognized accreditation of certification in the fisheries sector, and enhance the capacity for plant protection diagnosis laboratories. This can be done with enforcement of a border inspection system, surveillance and pest listing.

170. Recent outbreaks of food-borne diseases and food scandals (such as melamine contamination in the food chain) have added pressure to add greater regulation and stricter enforcement, not only to ensure market access in foreign countries, but also to enhance food safety for the benefit of Cambodian consumers. The requirement for the HACCP-based (Hazard Analysis and Critical Control Points) system has become a common feature for public food-safety in OECD countries. The time may have come to intensify the protection of the Cambodian consumer, not only in terms of food security but also in terms of food safety. Unfortunately, developing countries often do not have the financial and technical means required to comply with these safety standards. However, the urgency to expand foreign market opportunities makes the adoption of these safety requirements and practices a required investment in order to promote export earnings, with significant positive effects also on health of the Cambodian population.

171. Fish and fish product safety and quality systems call for science-based and transparent decision-making processes with the use of qualified personnel trained in food science and technology, chemistry, biochemistry, microbiology, medicine, epidemiology, quality assurance, auditing and food law. The reality in Cambodia unfortunately is that there is a strong limitation of technical personnel of this type, and food safety laboratories are not well equipped. Moreover, there are very few regulations and standards and corresponding inspection capacities that are related to fish and fish products, preventing action against cases of adulteration and contamination of fish products.

2.4.6 Food security challenges

172. With 34.7% of the population living below the official income poverty line, and 20% of the population living below the food poverty line in 2004, food security is one of the most significant problems that Cambodia faces today. Nationally 23% of the Cambodian population, or three million people, were food-deprived in 2003-2004, consuming less than the minimum dietary energy requirement (MDER) of 1715 kcal/person/day but 69% of the lowest income quintile was considered food-deprived. The food-deprived population consists of the persons that would have to increase food consumption by 280 kcal/person/day in order to reach the average national level of food consumed. In Cambodia only the fifth (wealthiest) quintile was found to have a balanced diet, with the proportion of proteins, fats and carbohydrates indicated in the FAO/WHO guidelines. The remaining 80% lacked a balanced diet, having a diet low in fats and proteins and high in carbohydrates, the latter sourced particularly from cereals, notably rice.

173. Poverty conditions prevail, especially in the rural areas, and are associated to food insecurity that is present in all of the rural communities and some urban ones as well. In those cases, nutrition is inadequate, and strongly relies on diets of rice and fish.

174. Malnourishment of children puts them at increased risks of infection, illness and premature death. About 54 percent of all cases of under-five mortality in Cambodia are associated with malnutrition. Under-nutrition also has negative effects on children's physical and mental growth and development and therefore on their human potential.

175. The pursuit of food security means to ensure that poor and food insecure population improves its physical and economic access to sufficient, safe and nutritious food in all times of the year, meeting its dietary needs.

176. There are four dimensions of food insecurity:

177. ***Food Availability:*** This notion applies to farmers or other food producers that lack the ability to directly produce sufficient food to meet their nutritional needs through their own efforts in agricultural production and through gathering from Common Property Resources (CPRs) including forests and fisheries.

178. ***Food Access:*** this is the form of food insecurity that applies to people who do not have sufficient cash income to purchase enough food through the market at prevailing prices. This limitation may be accentuated by a lack of market infrastructure, services and capital to provide a sufficient stock to meet minimum food requirements. When incomes suddenly decline (as in the situation of an economic crisis) or chronic poverty, this form of food insecurity becomes applicable as social transfers or safety nets for people are unable to produce or purchase sufficient food needs.

179. ***Food Use and Utilization:*** this is the ultimate manifestation of food insecurity, measured in terms of actual use of food and intake of adequate nutrition. Pregnant and lactating mothers may themselves be malnourished, limiting the nutrition available to their infants. Mother-child care practices may not be appropriate for child health and nutrition. A high incidence of infections such as acute respiratory infection and diarrhea and lack of maternal and child health services reduce mother and child health and nutrition. Lack of access to safe drinking water and hygienic sanitation increases illness and infection rates and decreases health and nutritional status. Ensuring optimal food use may require the utilization of appropriate health and nutrition education.

180. ***Food Stability:*** Instability in the regular supply of sufficient food and clean water causes malnutrition and food insecurity. Causes of instability can include flood and drought impacts on agriculture, environmental degradation or changes in access to CPRs, shifts in purchasing power for market foods, and political instability including wars and conflict.

181. The situation of food insecurity in Cambodia, regarding these four dimensions, is the following:

182. ***Food Availability***. Although Cambodia has become self-sufficient in rice production and is now able to meet the minimum staple food needs of the population overall, at the sub-national level rice balances are uneven among different geographical areas and socio-economic groups. There are large variations in the intake of non-rice food items and constraints in the efforts to produce sufficient food from crop agriculture due to small farm sizes, a high dependency on rain-fed production, rising rates of landlessness, low crop yields, high production risks, excessive cost of credit and a lack of crop diversification. In terms of livestock production, major constraints include high livestock mortality and morbidity rates and the small number of heads owned by each household. As for access to Common Property Resources (CPRs) such as forests, fisheries and common agricultural areas, they are an important food resource for Cambodian people, especially the rural poor, but food availability from CPRs is limited by degradation of these resources largely due to commercial exploitation and enclosure of areas by private interests, which limits access to them.

183. ***Food Access.*** Although most rural Cambodians are farmers that produce food, they are also highly dependent on buying some types of food, including rice, for some period every year. Purchasing power to buy food on the market is limited in Cambodia and many poor rural households lack productive assets (such as land and livestock) to generate cash income. Rapidly increasing food prices have limited the capacity of food-insecure households to buy sufficient food and have induced a switch to foods of lower nutritional value or lacking important micronutrients. One of the most significant impacts of the global economic crisis on Cambodia has been through a reduction of the purchasing power of large strata of the population, increasing their food insecurity.

184. ***Food Use and Utilization***. This is a major contributor to malnutrition in Cambodia and may be linked to poor nutrition knowledge and practices, insufficient access to maternal care services, inappropriate mother-child care practices, prevalence of child illnesses including diarrhoea and respiratory infections, and child micronutrient malnutrition. Behind these causes there may also be insufficient access to affordable good quality health services. Expenditure on health care among the poor has often led to indebtedness and asset disposal, and further impoverishment and worsening food insecurity. Insufficient access of rural households to sanitation (16 percent) and a lack of access to safe drinking water (42 percent) are additional causes of child illnesses in Cambodia.

185. ***Food stability.*** External shocks and stresses can reduce access to food or food utilization to below minimum needs. Agro-ecological vulnerabilities include high risk of flood or drought damaging crop production. Socio-economic vulnerabilities include dependency on low, erratic and insecure sources of cash income, illiteracy and a lack of education, a broad range of factors related to security and human rights and inadequate provisioning of social transfers or safety nets to provide food and other basic needs to vulnerable groups. Vulnerability may be either temporary (e.g. due to flood or drought impacts) or permanent (e.g. for the elderly population living alone, orphans, people with chronic illnesses, the under-employed).

186. This is an area where disaster risk reduction and social safety nets may be required. Households who are more exposed to food insecurity need to protect themselves from disasters, both natural than man-made. In case of a natural calamity (drought or flood) that compromise the source of income of the poorest or most vulnerable population, inadequate food intake may be one of the first consequences.

187. Disasters come also from economic crises, which may put entire communities at risk, as it has been the case through the negative impact of the recent global economic downturn on some key industries such as garment, tourism and construction, which have caused a sudden increase of unemployment in large strata of the population, putting entire families at risk of food insecurity. For communities at risk, therefore, a number of measures can be established to better cope with food insecurity, e.g. through the establishment or maintenance of rice banks and other types of "safety net", or access to all other kind of assistance that the RGC or other institutions provide in those circumstances. Another way to enhance food security is also by enabling and training people to interact with public institutions in order to obtain the necessary assistance and advice in case of food insecurity.

and 2002, floods accounted for 70% of production losses of rice and drought accounted for 20% of those losses. The link between the intensification of the frequency of these natural disasters and climate change is strong is Cambodia.

196. Cambodia is particularly vulnerable to the effects of climate change. Overall temperature increases could increase total annual rainfall by 35% as compared with current levels. Lowlands, where Cambodian population is currently concentrated, are going to be more affected though an increased risk of pest infestation and reduced crop yields. Water availability is going to be altered. Erosions, inundations, increases in extension of wetlands and stress marshes, and salinisation of lands may occur more intensively. Measures are required to adapt coastal and water resource infrastructures and increase national capacity to predict the impact of climate.

197. There are significant poverty alleviation impacts in improving rural road infrastructure. The inadequate road system is a major bottleneck to economic development. Investment in rural roads yields high returns to poverty reduction in developing countries[26], and this has been demonstrated to be the case in Cambodia as well[19,20]. Improving rural roads will help rural populations gain access to key services, including education and health, and improve opportunities for non-farm income generating activities.

198. Investments in irrigation and drainage infrastructure will reduce climactic risk, reduce yield volatility and provide food and income security to agricultural-based households. The government and donors have already invested heavily in irrigation based infrastructure. This development assistance focus should continue, and ADB (among many other donors) have already indicated a long term commitment to irrigation infrastructure development.

2.5 Cause and Effect Analysis

199. On the basis of the preceding review, the objective of this section is to identify the core problem for the Food Security and Nutrition in Cambodia. The identification of the core problem, its causes and its impacts are visualized through a Problem Tree Analysis indicating cause and effect relationships. The Problem will lead to the identification of the Logical Frame of the Program. By specifying the core problem and therefore the overall purpose of the Program, the analysis provides an approach to the program design.

200. The analysis conducted in the previous sections of the report indicate a large number of constraints and problems affecting the capacity of MAFF to meet the goal ***to contribute to poverty reduction, food security and economic growth through enhancing agricultural productivity and diversification and improving agricultural resources development and management.*** Figure 2 presents the problem tree analysis.

201. The impacts of the core problem are broken down as immediate and overall as shown above in Figure 2 and are briefly discussed in their bottom-to-top relationships. The ultimate, and negative, impacts to the economy are shown as the top set of boxes in Figure 2. At this point it seems almost redundant to explain these impacts, but they are so crucial to Cambodia's future development, they must be stressed even if briefly.

202. Agricultural ventures of every description need financial, technical, and managerial assistance aimed at improving their profitability. Primary producers are limited in their ability to diversify because of traditional cropping practices. They are unable to break into new crops or products, and to some degree are locked into them by donor and government programs which only present information on how to produce more of the same thing and have limited rates of success. With little likelihood of seeing higher profit margins, there is little incentive to invest in better high priced inputs, machinery, or infrastructure.

203. Marketing opportunities are not linked to the increased production. Since little attention is paid to quality control and assurance by anyone (except the ultimate consumer) there is no incentive to produce a

[26] Fan, S. (2008). Public Expenditure, Growth and Poverty in Developing Countries: Issues, Methods and Findings. Baltimore, John Hopkins Publications.

188. Measures to address food insecurity therefore require, in addition to "food-safety nets", an intensification and diversification of food production, particularly by smallholder farming households and those that are more food insecure, so that through their own crops and grazing lands. They may also gain a better chance to achieve a productive use of their resources with access to common property resources of land, fisheries and forests, so that they may become able to produce the required food or the corresponding income as required to meet their food security needs.

189. From the point of view of the food insecure persons, food security requires improved nutrition and basic health awareness and practices. The most vulnerable people in the matter of food security deserving special attention are: women, children and the elderly, as they are more at risk when it comes to food security.

2.4.7 Natural resource management: water, forestry and fisheries

190. The sustainable use of these natural resources, including forestry, mangrove, protected areas and fisheries, has become a central component of government policy, given the rich endowment in land, water, forestry, and fisheries resources.

191. About 90% of its land lies in the catchment area of a perennial river, with an estimated annual runoff of 475 billion cubic meters of water that comes from the Mekong system. During the wet season (with a generous rainfall that lasts six months of the year), floods are frequent and practically unmanaged, except for a dike that protects the capital city. Floods have some positive effects by replenishing soil nutrients and moisture but also damage infrastructures, crops and personal property.

192. Access to irrigation systems varies geographically. In some north-eastern provinces there are virtually no irrigated areas. Only 23% of the area dedicated to rice (473,000 ha.) is included in some kind of irrigation scheme (11% is limited to wet season irrigation, another 11% benefits from partial dry season irrigation and only 1% is fully irrigated in both seasons). A large scale expansion of the irrigation systems for rice production however, is not economically viable. Less expensive rehabilitation of existing irrigation systems is more cost-effective. Current emphasis is on river-basin plans, complementing the use of irrigation for farming with inland fisheries and ensuring compatibility between natural flooding and flood recession regimes and the involvement of Farmer Water User Committees (FWUCs).

193. Community-based natural resource management (both in the forestry and fisheries sectors) has become the main approach pursued for the enhancement of livelihoods in an environment-friendly strategy for poverty reduction. The pursuit of the Code of Conduct for Responsible Fisheries has been part of these efforts. In forestry, major efforts have focused on forest rehabilitation and responsible use of forestry resources, with emphasis on family-based smallholder forestry, extension to household and community empowerment through a participatory approach in management, value-adding of wood products through improved wood processing capacity and development of non-wood forest products, and the development of forestry-related voluntary carbon credit opportunities.

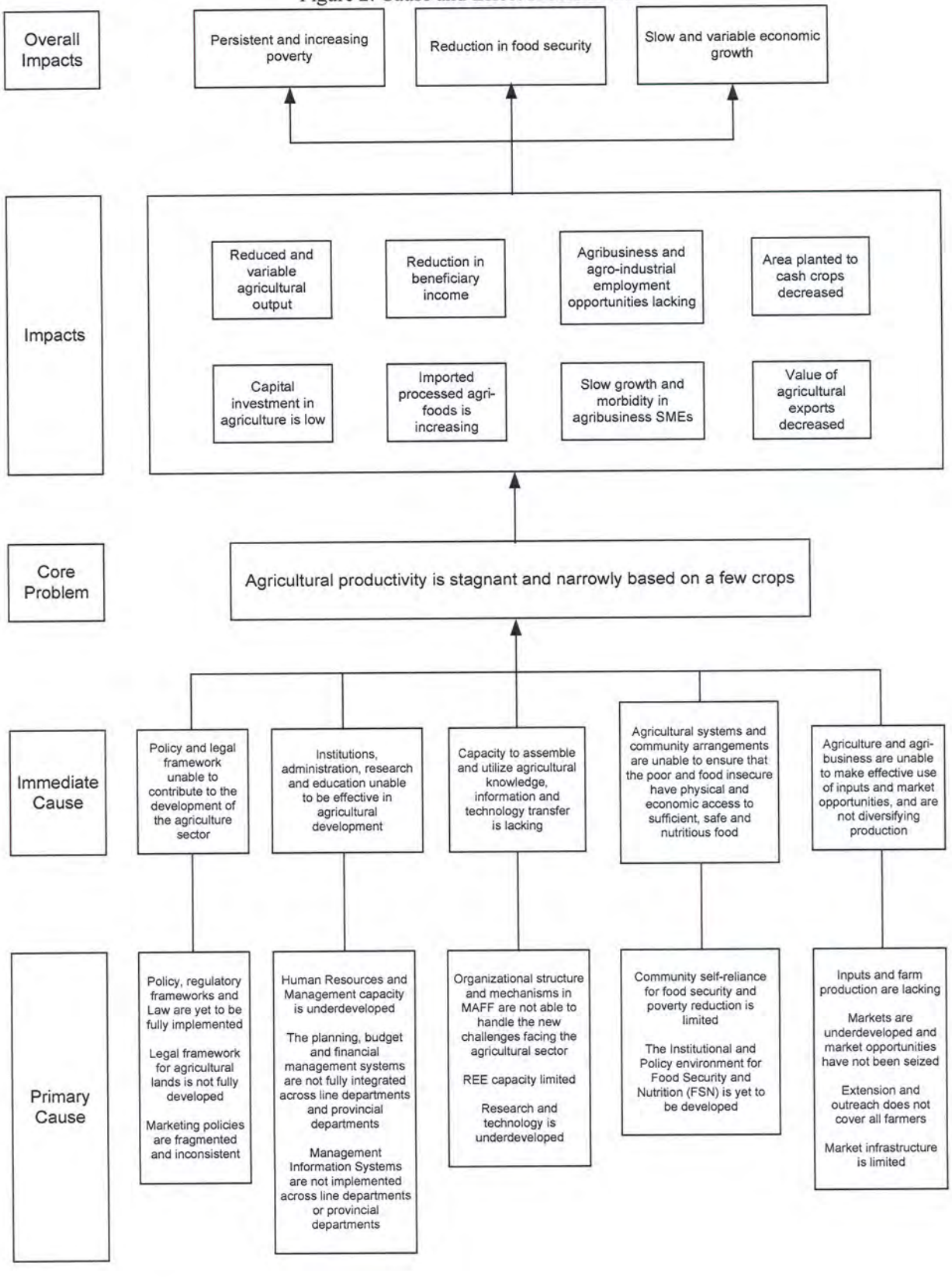
2.4.8 Climate change: the new challenges

194. The sustainable use of these natural resources, including forestry, mangrove, protected areas and fisheries, is presently being combined with increasing attention to, and in search of a right response to, climate change and protection of the environment. Biodiversity conservation is an important component of this approach. The protection of the environment from soil erosion, degradation, salinity and from the losses to forestry endowment due to natural or man-made causes is also central. Demographic pressure increasingly threatens ecosystems such as the one in Tonle Sap, based on flooded forest and lake fisheries. The presence of landmines is still a major threat to the natural resources in several regions of the country.

195. Partly linked to natural resource management is the adoption of disaster prevention measures and disaster risk reduction management. Natural disasters are strongly linked to climatic conditions. Events such as floods and droughts have a major bearing on economic performance and poverty reduction. Between 1998

premium product. There is no competitive advantage, or incentive, associated with better prices and increased demand for their products.

Figure 2: Cause and Effect Problem Tree



204. Although Cambodia has become self-sufficient in rice production and is now able to meet the minimum staple food needs of the population overall, at the sub-national level rice balances are uneven among different geographical areas and socio-economic groups. There are large variations in the intake of non-rice food items and constraints in the efforts to produce sufficient food from crop agriculture due to small farm sizes, a high dependency on rain-fed production, rising rates of landlessness, low crop yields, high production risks, excessive cost of credit and a lack of crop diversification. Although most rural Cambodians are farmers that produce food, they are also highly dependent on buying some types of food, including rice, for some period every year. Purchasing power to buy food on the market is limited in Cambodia and many poor rural households lack productive assets (such as land and livestock) to generate cash income.

205. External shocks and stresses can reduce access to food or food utilization to below minimum needs. Agro-ecological vulnerabilities include high risk of flood or drought damaging crop production. Socio-economic vulnerabilities include dependency on low, erratic and insecure sources of cash income, illiteracy and a lack of education, a broad range of factors related to security and human rights and inadequate provisioning of social transfers or safety nets to provide food and other basic needs to vulnerable groups. Vulnerability may be either temporary (e.g. due to flood or drought impacts) or permanent (e.g. for the elderly population living alone, orphans, people with chronic illnesses, the under-employed).

206. The negative aspects of the above issues, coupled with a lack of diversity and competition as well as poor low success rates of agriculture sector programs, lead to further depression in the rural sector.

207. Income in the rural areas remains depressed in the face of poor prices and rising production costs. While daily labor wages have nearly doubled in the last few years, they have only barely kept up with the increases in food and energy costs. Rises in agricultural input costs have not been matched by higher sale prices for their produce.

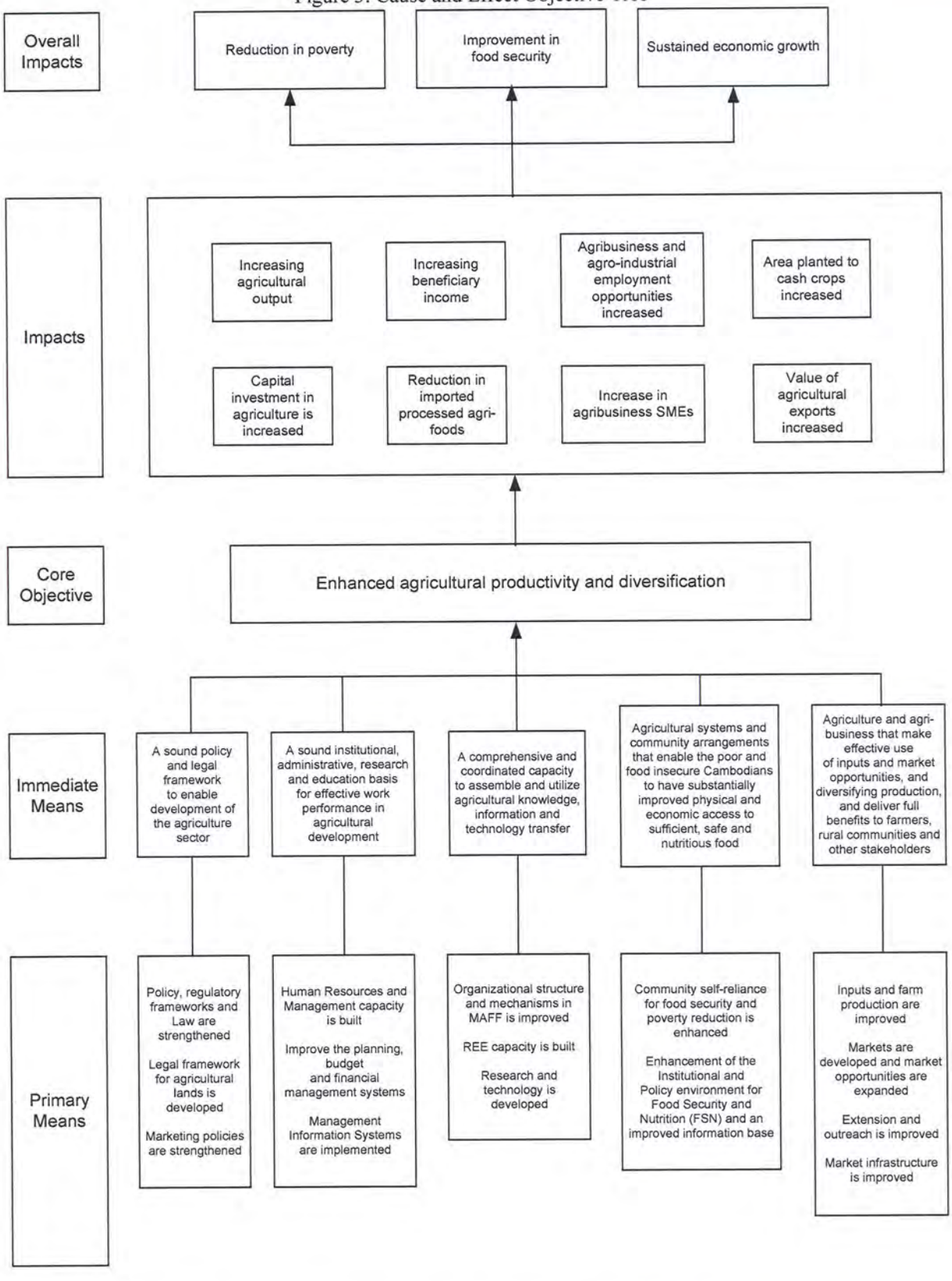
208. Low employment in rural areas is a chronic problem. As daily labor costs rise, primary producers and processors look for ways to either diversify into less demanding crops. Slow growth in the rural economy is the result of all the factors mentioned. Without growth, or even the prospect of future growth, there will be a continued downward spiral.

209. The problems become indicators of the future and without meaningful interventions there is little to indicate an optimistic future for the rural residents of Cambodia. It is easier to leave the land and try their luck in the urban areas.

210. As shown in Figure 2, the areas for improvement can be grouped into five overall problem areas: (i) Policy and legal framework is unable to contribute to the development of the agriculture sector; (ii) Institutions, administration, research and education are unable to be effective in agricultural development and management; (iii) Capacity to assemble and utilize agricultural-related knowledge, information and technology transfer is lacking; (iv) Agricultural systems and community arrangements are unable to ensure that the poor and food insecure have physical and economic access to sufficient, safe and nutritious food; and (v) Agriculture and agri-business are unable to make effective use of inputs and market opportunities, and are not diversifying production

211. The core problem identified from the analysis is that currently agricultural productivity is stagnant and narrowly based on a few crops. The challenge for the project design is to turn the core problem and the associated primary causes into solutions. Reformulating the core problem into a core objective implies that a successful program would give rise to enhanced agricultural productivity and diversification, improved food security and nutrition, and improved agricultural resources development and management. This would have consequent impacts in a greater diversity of production, higher success rates in agriculture sector programs, improved competitiveness, higher income in rural areas, increased employment in rural areas, and finally higher economic growth in rural areas. The overall impact of the intervention would be a higher growth in productivity, a vibrant rural economy, and a reduction in poverty; see Figure 3.

Figure 3: Cause and Effect Objective Tree



212. The primary causes of the core problem also have primary solutions to the achieving the core objective. These are also presented in Figure 3 and form the basis for the proposed interventions.

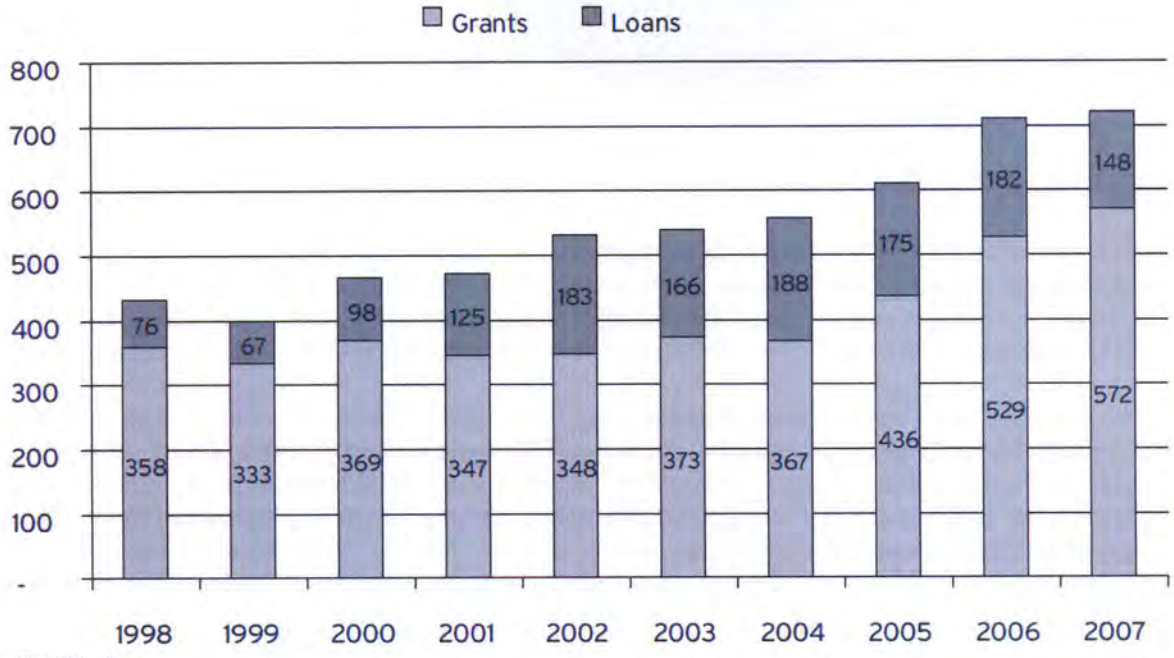
213. These areas for improvement can be grouped into five overall areas: (i) A sound policy and legal framework to enable development of the agriculture sector; (ii) A sound institutional, administrative, research and education basis for effective work performance in agricultural resource development and management; (iii) A comprehensive and coordinated capacity to assemble and utilize agricultural-related knowledge, information and technology transfer; (iv) Agricultural systems and community arrangements that enable poor and food insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food; and (v) Agriculture and agri-business that make effective use of inputs and market opportunities, are steadily intensifying and diversifying production, and deliver full benefits to farmers, rural communities, and other stakeholders.

Annex 3 Donor Funding and Coordination

3.1 External assistance to agriculture and other sectors: the overall picture

214. Public investments required to implement policies and strategies envisioned by the RGC in support of agriculture, forestry and fisheries, rely not only on resources provided by the annual national budget but also and significantly on contributions made available by external Development Partners. International development aid to Cambodia is mostly disbursed in the form of grants, coming from bilateral and multilateral agencies (including UN organizations). Grants represent the biggest share of external assistance, accounted for about 75 percent of total disbursements over the period 1998-2007. The remaining 25 percent was disbursed as loans, which represents a slight drop in relative terms over the last few years (see Figure 4). Majority of loans come from international financial institutions (IFIs), including regional development entities. On average, Cambodia receives about US$550 million in ODA per year and ODA has accounted for about 12 percent of the GNI[27] over the last decade.

Figure 4 Trends in Development Aid to Cambodia



(US$ Million)
Source: Brooking Institute, Aid Effectiveness report

215. Figure 5 shows that from 1998-2007, more than half of all development aid went to social[28], economic[29] and physical infrastructure sectors[30]. These sectors accounted for about 24 percent, 20 percent and 16 percent of aid, respectively. Agriculture development accounted for 7.9 per cent of the total ODA received in that period. The remaining funds were disbursed to so called multi-sectors (community and social welfare services, culture and arts, environment and conservation, gender mainstreaming, HIV/AIDS, governance and administration, tourism and others).

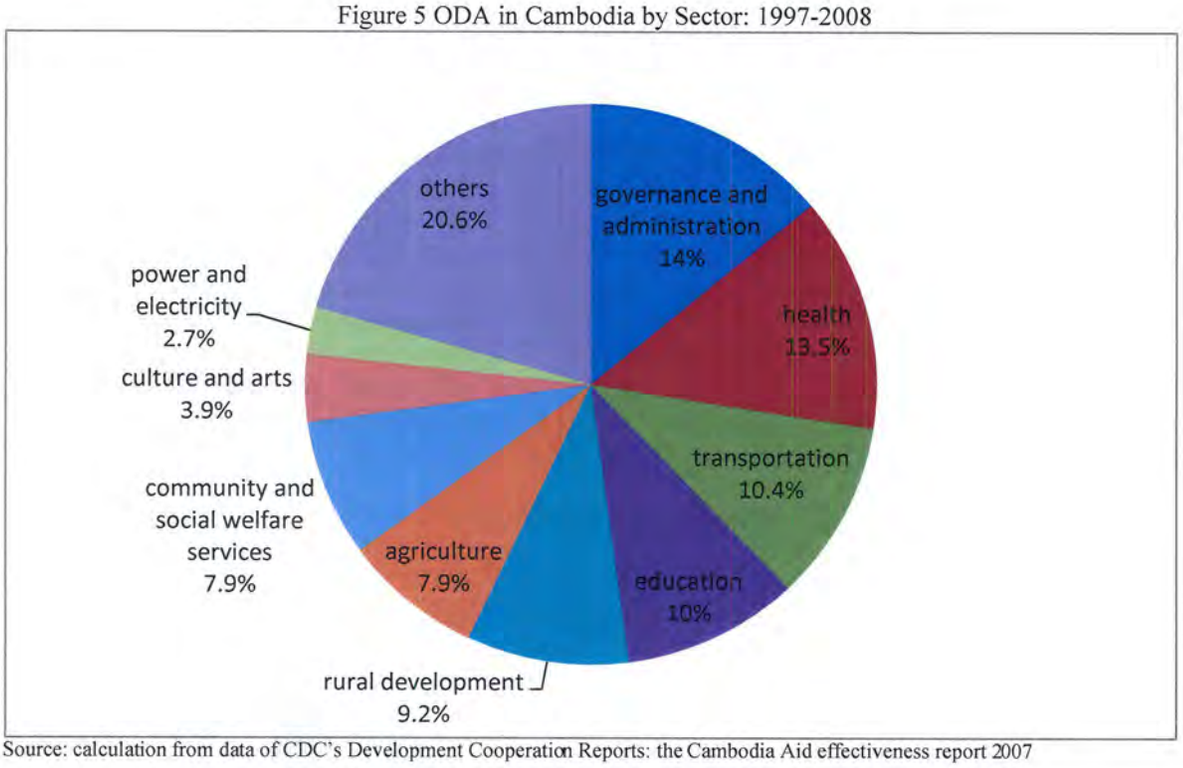
[27] GNI comprises the total value produced within a country less net taxes on production and imports, less compensation of employees and property income payable to the rest of the world plus the corresponding items receivable from the rest of the world, i.e. GDP less primary incomes payable to non-resident units plus primary incomes receivable from non-resident units.

[28] Social sector is composed by health and education sub-sectors

[29] Economic sector is composed by agriculture, manufacturing, mining and trade, rural development and land management, banking and business services, and urban planning and management sub-sectors

[30] Physical infrastructure sector is composed by IT, power and electricity, transportation, and water and sanitation sub-sectors

Figure 5 ODA in Cambodia by Sector: 1997-2008



Source: calculation from data of CDC's Development Cooperation Reports: the Cambodia Aid effectiveness report 2007

216. In general, aid delivery in Cambodia is highly fragmented. As of October 2009, there were 718 ongoing projects and 37 pipeline projects, implemented by more than 35 development partners as recorded in the CDC/ODA database[31]. Among these, 10 are bilateral donors contributing for less than US$1 million of combined ODA. An additional 22 bilateral and multilateral donors provided just US$5 million combined.

217. There are currently more than 20 organizations engaged in the implementation of project related to Agriculture and Rural Development in Cambodia, including UN agencies (FAO, WFP, IFAD, UNDP and UNEP), International Financial Institutions (ADB and the World Bank) and bilateral donors, which include the European Union and some of its Member Countries (mainly United Kingdom, Denmark, France, Spain and Finland) and other bilateral organizations (Japan, Australia, USA, Canada, New Zealand). Other bilateral donors provide support not directly but through partnership agreements or trust funds provided to UN agencies.

218. Comparing agriculture and related activities with the other sectors (see Table 11) that benefit from external assistance, high aid volatility levels have been seen in the agriculture sector, more than other comparable sectors and constantly increasing over time,[32] turning aid to agriculture more unpredictable, with severe consequences on income levels of farmers and vulnerable population that depends on external assistance. Volatility and unpredictability of donor funding undermine aid effectiveness because they "*affect short- and medium-term budget planning and programming, disrupt implementation of expenditure allocations, complicate macroeconomic management, and deepen the challenge of building absorptive capacity*"[33].

[31] http://cdc.khmer.biz/index.asp

[32] Aid volatility levels are calculated as a percentage by dividing Root Mean Squared Error by Mean of the relevant aid flows during the corresponding period.

[33] *Aid effectiveness in Cambodia*, Brookings Institution, December 2008.

Table 11 Aid Volatility by major sector (%)

Sector	1992-1996	1997-2001	2002-2006
Agriculture	28.4	31.4	47.6
Education	20.4	15.5	5.7
Land Management	28.7	7.0	20.2
Health	29.2	21.0	8.9

Source: Calculation from CDC statistics, Aid effectiveness in Cambodia, Brookings Institution

3.2 Structure of development assistance to agriculture

219. The Donor Matrix reported in Table 12 presents a synthesis of the development assistance provided by all external Development Partners operating in support of agriculture, fisheries and forestry and related sectors, including rural development[34] (both in support to policies and administration and water and sanitation in rural areas). A more detailed analysis by development partner, area of operations and the relationship of project activities to the Strategy for Agriculture and Water (SAW) is presented in Table 13. This latter table provides an indication of major thematic gaps in current and ongoing donor projects versus the funding proposal put forward for GAFSP.

220. Data provided is based on information on individual activities, programmes or projects regarding initiatives that were ongoing between the years 2007-2009. Projects initiated any time before 2007 and concluded after the beginning of the same year, are recorded.[35] The table offers an overall picture of the total commitments of key donors that have been supporting Cambodia's agriculture, rural development and related sectors in the last three years but is not an accurate description of the volume of assistance delivered in those three years by the same donors, since it is based on the total value of committed resources emerging from information on individual programmes, projects or activities and not on actual disbursements for the same years.[36] This is a better indicator of the overall size and weight of development support provided by each donor to agriculture and rural development at large at this period of time, even though it includes budgets for previous years or budgets for future years, than an indicator that reflects only aid delivery flows for the last three years. However, the CDC/ODA data used as the main source for this analysis has some limitations due to problems of attribution among donors, double counting and categorization of interventions.[37] For these reasons, the value reported in the table overestimates the actual flows of resources committed or disbursed by some donors in those three years.

221. Considering the limitations with which this data has been calculated, it is however possible to identify all the donors, and the specific area of their interventions that have committed significant amounts of resources to support agriculture development and related sectors in recent years (see Figure 6). Donors contributing to agriculture development are: ADB, which is by far the biggest partner in this area, with 26.72% of the total, followed by WFP with 11.63%, Japan (8.333%), United Kingdom (8,06%), Australia

[34] Rural development is not included in the analysis of this document, since in general refers to activities not related to food and agricultural production, fisheries and forestry, covered in other sub-sectors.

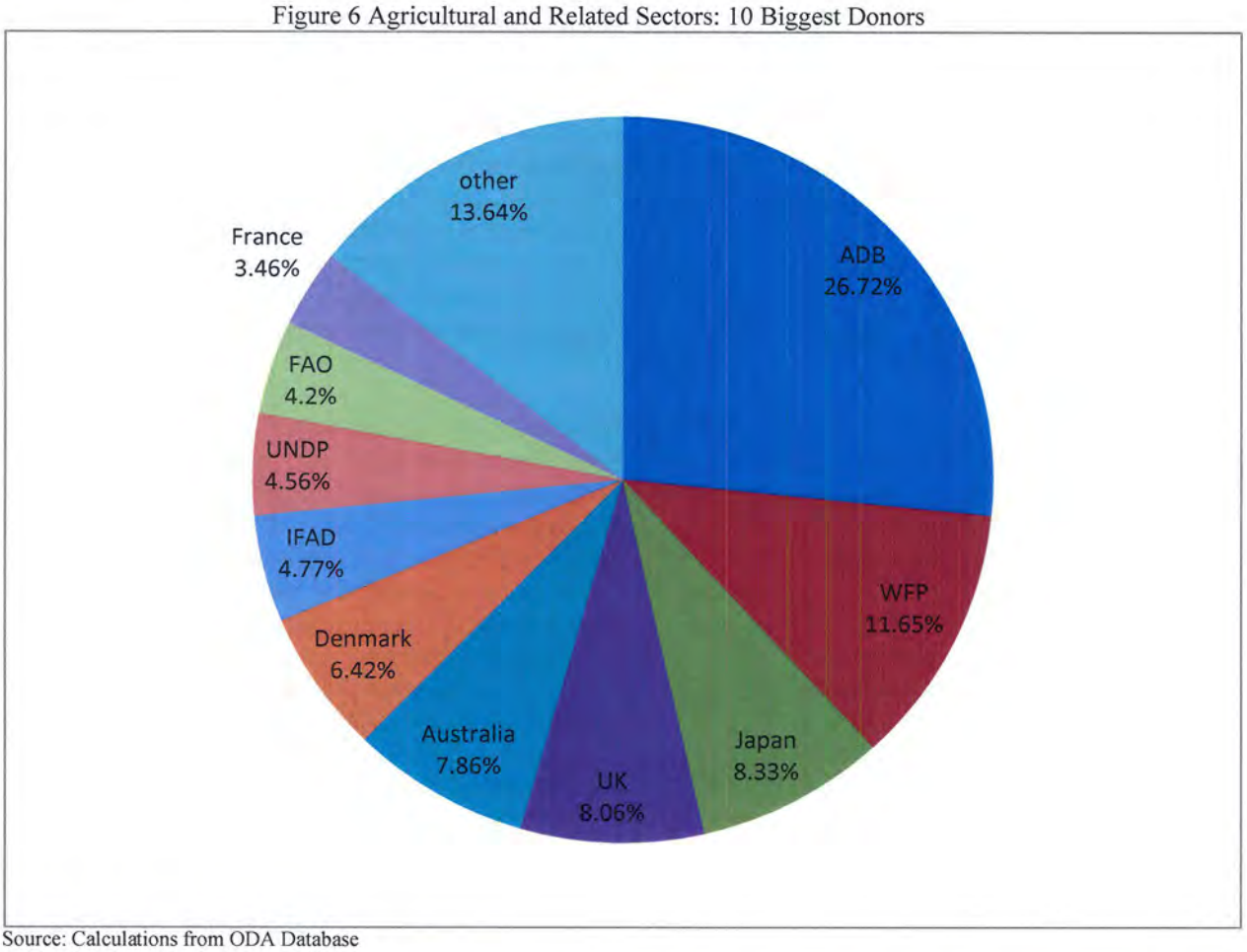
[35] The *Grand Total* for the agricultural and related sectors exceeds 1 billion US dollars and cannot be compared with the total flows of disbursements for those years. Since original data are often expressed in national currencies, data are converted into US dollars using average compounded exchange rates between national currencies and US Dollars for the years 2007-2009

[36] The intent is to provide statistical information on flows of development assistance received by Cambodia in agriculture in those three years, nor on variation of intensity of that development support to agriculture over the years. That would have required a longer historical series of flows of disbursements in agricultural years, and not an analysis of the latest three years.

[37] In a few cases, programmes, projects or activities funded by a donor but implemented by another donor, is recorded two times in the database. There are also some problems of project classification. Often, projects fall under more than one category, and hence are accounted multiple times in the CDC official figures. In this report projects are recorded in the donor matrix only once under the category that appears to be more appropriate for the analysis (see for example United States 33.853 million dollar "Economic Growth" Project, recorded both under fisheries and livestock & veterinary, recorded in the matrix only under fisheries).

(7.86%), Denmark (6.42%), IFAD (4.77%), UNDP (4.56%) and finally FAO (4.4%). Smaller than FAO, but significant are also France (3.46%), South Korea (3.20%), USA (2.99%) and the European Union (2.49%). A modest contribution as small as $19.000 (0.1% of the total) comes from the Netherlands, although the country is a significant supporter of activities carried out by UN agencies in Cambodia, with contributions not reflected above, since they are accounted as UN system activities. Overall, United Nations contribution to the agricultural and related sectors is about 25.56% of the total ODA for the same sector.

Figure 6 Agricultural and Related Sectors: 10 Biggest Donors



Source: Calculations from ODA Database

222. There is a relatively low level of commitment of the World Bank and IMF resources in support to agricultural development and related sectors, as compared with ADB. This pattern highlights a clear division of responsibilities among international financial institutions operating in Cambodia (ADB, IMF, and WB), funneling their abundant monetary resources where their regional mandate and comparative advantage lies. In terms of type of assistance, the great majority of intervention take place under the form of free-standing technical cooperation (about 70% of the total), followed by Investment Project/Programme (about 20%) and other type of cooperation, for a marginal part.

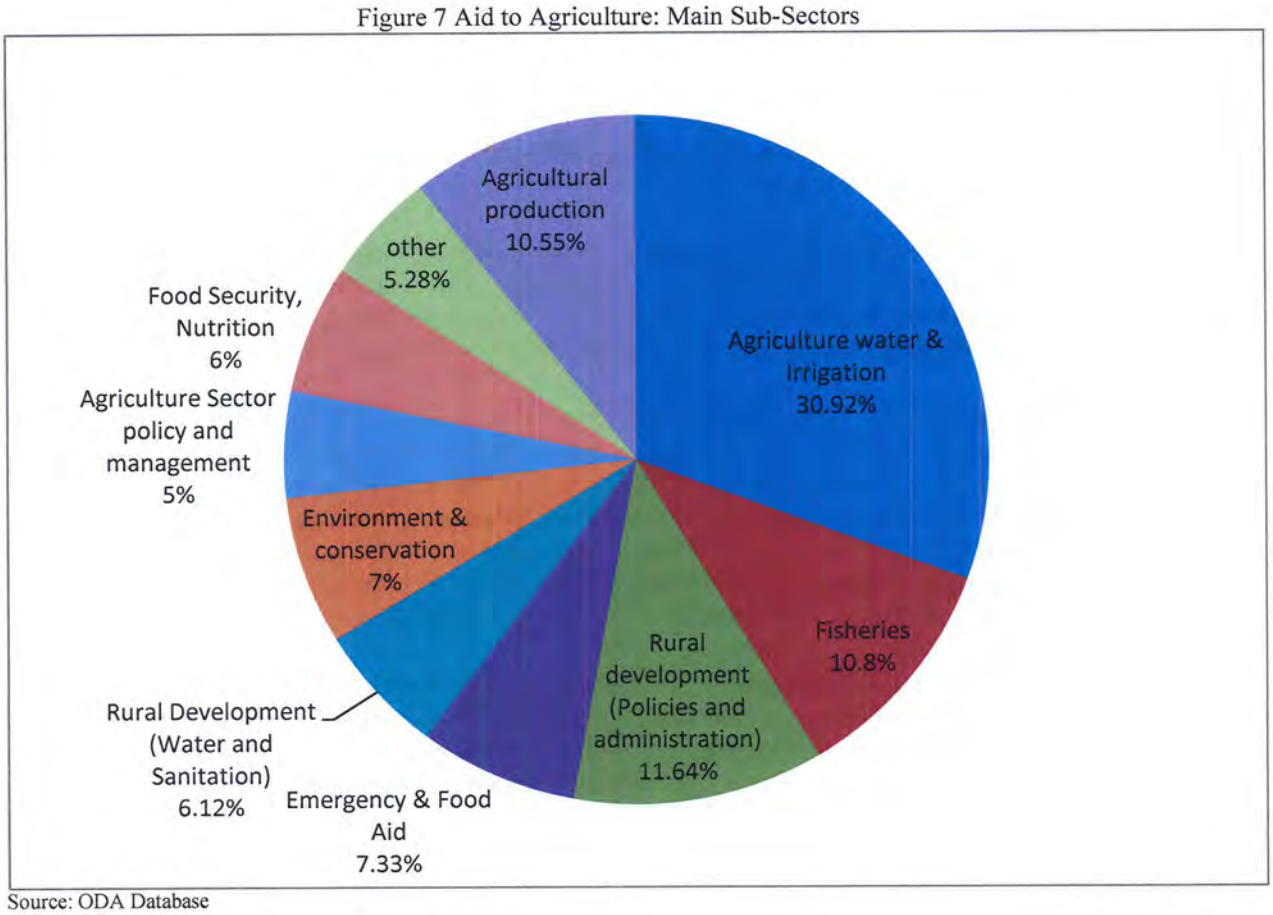
223. In spite of the above mentioned data limitations, the picture that emerges reflects the overall value of the ODA portfolio owned by the RGC for the indicated period, whether the actual delivery of those commitments has started happening before that period or will follow after 2009.

224. This aggregate information, however, compares values of aid budgets for agriculture of different donors that are not really comparable with each other, since it compares destinations of aid funds to sub-sectors that are very different from one donor to another. A sub-sector analysis arrives at more significant conclusions on the division of labor among Development Partners regarding the support to agriculture.

3.3 Donor contributions at the sub-sector level

225. Figure 7 illustrates that agriculture water and irrigation absorbs the biggest share of foreign aid to agriculture (30.92% of our aggregate), followed by rural development (policies and administration) (11.64 %), fisheries (10.8%), agricultural production[38] (10.55%), emergency and food aid (7.33 %), environment and conservation (7%), and rural development (water and sanitation) (6.12%). Forestry (in the diagram included under "other") represents only 0.79% of the total, although environment and conservation may include several activities that are closely related to forestry.

Figure 7 Aid to Agriculture: Main Sub-Sectors



Source: ODA Database

226. Agricultural sector policy and management or food security and nutrition represent 5% and 6% of the total, respectively. Under the item "agricultural production" (which is not a combination of various sub-groups and represents 10.55% of the total), we grouped several important items, such as rural extension (2.84%), livestock and veterinary services (2.85%), food crops (1.73%), cash and export crops (1.69%), education and training (0.66%), agricultural inputs (0.55%) and post harvest support (0.23%).

227. The variety of positions reflects different institutional focus, different vocations and a variety of comparative advantages, which are reflected in different experiences in development programmes and different emphasis in the allocation of resources among the various areas that have been here grouped under agriculture and rural development. This also implies that there is room for complementarities, synergies and collaboration among Development Partners, given this variety of interests and capacities, including the opportunity of reducing unnecessary duplications and negative rivalries.

[38] "Agriculture production" is not a category used in the CDC databank. It has been introduced in this report as a conglomerate of the following CDC categories: rural extension, livestock and veterinary services, food crops, cash and export crops, education and training for agriculture, agricultural inputs and post harvest support.

228. The sub-sector that attracts the biggest share of donor support is agricultural water and irrigation (30.92%), where the biggest donor is ADB that provides 25.94% of the support to the sub-sector, followed by WFP (16.25%),[39] IFAD (15.42%), Australia 13.01%), Japan (9.61%), South Korea (8.34%), United Kingdom (5.24%) and France (4.89%). FAO provides 1.17%.

229. In the rural development sub-sector, which regards mostly non-farming activities, the big donors are ADB, United Kingdom and, among UN agencies, UNDP (for policies and administration support). The biggest contributor to agriculture financial services is ADB, and in a more modest, but significant position, also by Canada, cash crops (where France provides 64% and is the biggest supporter, and Germany almost 36%), and post-harvest operations, where the only donor recorded by CDC for providing specific contributions to this sub-sector is Japan.

230. FAO is one of the biggest partners in the area of education and training for agriculture (34.56% of support to this sub-sector), second only to Japan, which provides 44.66%. FAO provides 24.5% of development assistance to food security, second to ADB that offers the greatest amount of funding (58.09%), while in third position is the European Union (17.41%).

231. In rural extension Australia is the largest contributor providing 73.26% of the total. Japan is another big player in rural extension with 15.66%. WFP provides the largest support to emergency and food aid at 90.39% followed by FAO (7.8%). Environment and conservation has multiple donor support: ADB (32.56%), Japan (19.99%), UNDP (13.81%), World Bank (12.64%), Denmark (11.88%) and FAO (7.06%)

232. Other sub-sectors: agricultural inputs – the biggest partner is Japan (95.31%); fisheries, which is an area where Cambodia can count on the support from Denmark (53.38%) and Japan (7.85%), among the most important supporters; livestock, supported by World Bank (34.07%), European Union (26.56%), Japan (19.40%), Canada (11.87%) and FAO (5.73%); and forestry, which benefits from the support of donors such as Japan (52.84%), European Union (20.54%), UNEP (20.01%) and FAO (3.89%). In crops the big players are Australia (86.54%) and the European Union (11.02%), and agricultural sector policy and management (0.25%), supported mostly by ADB (47.75%) and United Kingdom (46.06%).

233. To follow is a correlation between the number of donors involved in each sub-sector and the amount of resources committed for the same area of intervention. In general, the greater number of donors involved in a specific sub-sector leads to a large total contribution, suggesting a tendency to a diffused distribution of efforts among donors, but with some interesting exceptions. For example, Food Security and Nutrition, accounting for 6% of the total, is funded only by FAO, ADB and the European Union. The same is valid for Emergency and Food Aid, which accounts for about 7.33% of the total, receiving funds only from 3 donors (FAO, WFP and ADB). Following an inverse reasoning, the Livestock and Veterinary sub-sector, which accounts for 3% of the total, is being supported by 7 different donors (mostly bilateral, plus FAO and the World Bank). This inference shows how, in some sub-sectors, a small number of donors are involved with a great amount of resources, while in others is the opposite situation: many donors contributing with little money to the same sub-sector. In general, UN agencies (with the exception of FAO), are present in few sub-sectors intervening with a large amount of resources. For instance, WFP contributes $75 million to Emergency and Food aid, IFAD support with $53 million agriculture water and irrigation and UNDP provides $43 million to support rural development, while other bilateral donors allocate smaller resources in a greater number of sub-sectors, adopting a more scattered approach in resource allocation.

[39] WFP role in this sub-sector is exaggerated, since the CDC database classifies interventions that are actually purely food security measures also as agricultural water and irrigation, due to the link between beneficiaries of food interventions and water resource development.

Annex 4 List of Donor Projects

Table 12: Agricultural Sector Donor Matrix

(Thousand USD)	DONOR	UN Agencies					Int'l Financial Institutions		European Union and Member Countries						Other Bilaterals					
SUB-SECTORS		FAO	IFAD	UNDP	WFP	UNEP	ADB	IBRD/ World Bank	Denmark	Finland	France	Spain	UK	EU/EC	Australia	Canada	Japan	New Zealand	Korea	USA
Agriculture financial services	3.22%						30,165									4,675				
Agriculture inputs	0.58%	200								92							5,930			
Agriculture Sector policy and management	5.25%	142					27,070				3,366		26,112							
Agriculture water & Irrigation	32.40%	4,114	53,987		56,892		90,820				17,111		18,336	426	45,544		33,641		29,200	
Cash and Export Crops	1.77%										11,743									
Education, Training	0.69%	2,576								102				567	533		3,328			
Extension Services	2.98%	3,197										365			23,567		5,038			
Fisheries	11.32%	7,108							65,300			1,052				372	9,609	5,040		33,853
Food Crops	1.81%	65												2,155	16,929				412	
Livestock & Veterinary	2.99%	1,849						11,000						8,577	418	3,834	4,811		1,800	
Post harvest	0.24%																2,639			
Forestry	0.83%	350				1,800						249		1,844			4,753			
Food Security, Nutrition	6.38%	16,902					40,080							12,011						
Environment & conservation	5.76%	4,393		8,595		2,500	20,260	7,863	7,392		2,954	1,656		440		2,206	12,438	126		
Emergency & Food Aid	7.68%	6,475			75,042		1,500													
Rural development (Policies and administration)	8.21%			43,063			57,030			2,798			26,112						2,800	
Rural Development (Water and Sanitation)	6.42%						35,660						20,698		1,989	822	7,785		2,000	
Other	1.48%							340			4,033			2,123		5,148	4,337			
GRAND TOTAL	$1,080,800	$47,371	$53,987	$51,658	$131,933	$4,300	$302,585	$19,203	$72,692	$2,992	$39,207	$3,322	$91,258	$28,143	$88,980	$17,056	$94,309	$5,166	$36,212	$33,853
% of the total		4.38%	5.00%	4.78%	12.21%	0.40%	28.00%	1.78%	6.73%	0.28%	3.63%	0.31%	8.44%	2.60%	8.23%	1.58%	8.73%	0.48%	3.35%	3.13%

*Values expressed in thousand USD

*Exchange rates used for the conversion of local donor's currencies in USD as average x-rates between local Donor currency and USD over the period 2007-2008

* Projects included in the Matrix cover the period 2007-2009. Projects initiated before 2007 but completed after 2007 are included. Pipeline project for the same period are also included.

Source: ODA Database

Table 13:On-Going Donor Projects by Sector and in relation to the Strategy for Agriculture Components

Project List					SAW Components					
Project Title	**Duration**	**Donor**	**Amount ($million)**	**Area of operation**	**A**	**B**	**C**	**D**	**E**	**F**
Projects – integrated water resource management, agricultural development, water supply and sanitation										
1. Cambodia SME Development in Selected Agri-Sectors/Value Chains	2008-12	IFC	$US 11.3	Nationwide		✓	✓			✓
2. Helping Address Rural Vulnerabilities and Ecosystem Stability (HARVEST) Program	2010-15	USAID	$US60?-100?	Nationwide			✓	✓		✓
3. Economic Growth	2008-12	USAID	$US 57.4	Nationwide	✓		✓			✓
4. Land management and administration project (LMAP)		WB		Nationwide	✓				✓	
5. Multi-purpose water resources development, Krang Ponley	2004-09	KOICA		Kampong Chhnang			✓		✓	
6. Battambang Rural Area Nurturing and Development Project	2006-10	Japan	JPY 326	Battambang				✓	✓	
7. Support Project for Agricultural Development of Cambodia (PADAC)	2008-12	AFD	EUR 2.8	Battambang, Kampong Thom, Kratie		✓	✓			
8. Northwest Irrigation Sector (NWISP)	2005-10	ADB, AFD	$US 22.6	Battambang Banteay Meanchey, Pursat, Siem Reap, Kandal	✓	✓	✓		✓	
9. Stung Staung Water resources development	2005-08	China		Kampong Thom		✓			✓	
10. Integrated Development Project	2005-09	FAO funded by Italy	$US 3.3	Battambang	✓	✓			✓	
11. Land Allocation for Social and Economic Development (LASED)	2007-12	GTZ, WB		Kratie, Kampong Cham, Kampong Thom	✓				✓	
12. Support for Development of the Cadastral System (Land Management)	2002-09	GTZ, CIDA		14 provinces	✓				✓	
13. Rural Poverty Reduction Project	2004-11	IFAD	$US 16	Prey Veng, Svay Rieng		✓		✓		
14. Rural Livelihoods Improvement Project	2007-15	IFAD	$US 10.2	Kratie, Preah Vihear, Ratanakiri		✓	✓			✓
15. Community-based rural development	2001-08	IFAD, GTZ, AusAID, WFP	$US 22.8	Kampong Thom, Kampot			✓		✓	✓
16. Improve the food security of farming families affected by the volatile food prices	2009-11	EU, FAO	$US 15	Nine provinces				✓		

17. Various small-scale livelihood support and food security projects*	1997-13	FAO, Spain, OPEC, EC, MDG	$US 8.6	Nationwide	✔	✔	✔	✔	✔	✔
18. Economic and social relaunch of the Northwest Provinces (ECOSORN)	2006-10	EU	EUR 26	Battambang Banteay Meanchey Siem Reap			✔	✔	✔	✔
19. Various small-scale food security projects	2007-13	EU	EUR 13.2	Nationwide				✔		
20. Improving the livelihood of poor farmers in Southern Cambodia	2003-08	ADB, JFPR	$US 1.8	Kampong Chhnang, Kampong Thom and 3 others			✔		✔	✔
21. Community-Based Rural Development Project	2001-08	IFAD, GTZ, WFP	$US 22.85	Kampong Thom and Kampot	✔	✔			✔	✔
22. Tonle Sap Poverty Reduction and Smallholder Development Project	2010-11	ADB, IFAD, FINNIDA	$US 55	Banteay Meanchey, Siem Reap, Kampong Thom, Kampong Cham		✔	✔			✔
23. Piloting the Post-Harvest Technology and Skills Bridging Programs for Rural Poor	2009-12	ADB, Japan	$US 2.3	Kampot, Siem Reap, Battambang			✔			✔
24. Tonle Sap Technology Demonstrations for Productivity Enhancement	2009-12	ADB	$US 3.45			✔	✔			✔
25. Rural Water Supply and Sanitation	2005-15	ADB	$US 10.0	Tonle Sap basin provinces (excl Banteay Meanchey)					✔	
26. Tonle Sap sustainable livelihoods (TSSLP)	2006-10	ADB Finland	$US 20.3	BattambangPursat, Siem Reap, Kampong Chhnang, Kampong Thom					✔	✔
27. Tonle Sap rural water supply and sanitation sector	2006-11	ADB	$US 18.0	BattambangPursat, Siem Reap, Kampong Chhnang, Kampong Thom	✔				✔	
28. PPTA Second Rural Water Supply and Sanitation Sector Project	2008-09	ADB	$US 0.6	Nationwide	✔				✔	
29. Emergency Food Assistance Project	2008-11	ADB	$US 17.5	Kampong Chhnang, Pursat, Otdar Meanchey, Banteay Meanchey, Battambang, Siem Reap, Kampong Thom				✔		
30. Agriculture Sector Development Project (LN 2023)	2004-10	ADB	$US 5.88		✔		✔		✔	
31. Promoting climate-resilient water management and agriculture in rural Cambodia	2009-13	UNDP	$US 4.09	Nationwide		✔			✔	
32. IDA 3746 Provincial and Peri-Urban Water Supply and Sanitation Project	2003 – ongoing	WB	$US 23 (incl. IDA grant)	Nationwide	✔				✔	
33. Cambodia Agriculture Marketing Information Project (CAMIP)	2005-11	Canada	CAD 4.5	11 provinces						✔

34. Food security program	2003-08	CIDA	CAD 3.9	Kampong Chhnang				✔		
35. Agriculture Development in Mine-Affected Areas of Cambodia (ADMAC)	2005-09	CIDA	CAD 5	Northwest Cambodia			✔		✔	
36. Allocation for Social and Economic Development	2008-13	WB	$US 11.5	Kratie, Kampong Cham, Kampong Thom	✔					✔
37. Empowerment for the Poor in Siem Reap	2007-08	WB	$US 0.99	Siem Reap						✔
38. Capacity Building for the Quality Standard Control of Agriculture Materials (Chemical Fertilizers and Pesticides)	2009-11	Japan	JPY 300			✔				
39. Australian Centre for International Agriculture Research	2007-15	AusAid	AUD 10.1			✔				
40. Agriculture Quality Improvement Project (AQIP)	2000-10	AusAid	AUD 20.3	Svay Rieng, Takeo, Prey Veng, Kandal		✔				
41. AIMAD	2006-11	AusAid	AUD 3.1	Banteay Meanchey		✔				
42. ADRA Harvest Project	2006-11	AusAid	AUD 4.34	Siem Reap, Preah Vihear		✔				
43. Smallholder Agriculture and Social Protection	2009-11	AusAid, WB	AUD 27.8	Nationwide				✔		
44. Cambodia Agriculture Value Chain Program (CAVAC)	2007-12	AusAid	AUD 45	Kampong Thom, Kampot, Takeo		✔			✔	✔
Policy, institutional-building and capacity development										
45. Northwest Irrigation Sector project	2004-10	AFD	EUR 4	Banteay Meanchey, Battambang, Pursat, Siem Reap	✔				✔	
46. CDRI Water Resource Management Research Capacity Development Program	2006-11	AusAid	AUD 2.99	Nationwide		✔				
47. Natural Resource Management and Livelihoods Program	2006-10	DFiD	GBP 13.6	Coastal provinces	✔	✔				
48. Support for the Development of Agriculture and Water Sector Policies	2006-09	AFD	$US 1.5 (Grant)	Nationwide	✔	✔				
49. Strengthening the Participatory Irrigation Management and Development Strategy	2007-09	FAO	$US 0.375	Nationwide	✔					
50. Improvement of Agricultural River Basin Management and Development Project (TSC3)	2009-14	Japan	$US 3.7	Kandalm Takeo, Pursat, Kampong Chhnang, Kampong Speu, Battambang	✔	✔			✔	
51. Biodiversity Management & Conservation in the TSBR		UNDP, GEF		Kampong Thom, Kampong Chhnang,		✔				

				Pursat, Battambang Siem Reap						
52. Mekong River basin wetland conservation and sustainable use program	Ongoing to 2008	UNDP, GEF, the Netherlands	$US 31.5	Mekong region		✔				
53. Technical Services Centre for Irrigation Systems, phase I and II	2001-05 2006-09	JICA	$US 5.0	Nationwide with pilot areas in Pursat etc.		✔				
54. Tonle Sap environmental management (TSEMP)	2005-08	ADB, GEF, UNDP	$US 18.7	Tonle Sap basin provinces		✔				
Irrigation system construction and rehabilitation										
55. The Basin-Wide Basic Irrigation and Drainage Master Plan Study	2007-09	Japan	JPY 147.9	Nationwide					✔	
56. Rehabilitation of small irrigation rehabilitation projects	2008-09	Japan	$US 0.35	Kampong Cham, Takeo, Kandal, Pursat, Kratie					✔	
57. The Project for Rehabilitating Boeung Veam Irrigation System	2010-11	Japan	$US 0.96	Kampong Cham					✔	
58. The Project for Rehabilitating Kbal Tonsoung Irrigation System	2008-09	Japan	$US 0.85	Kampong Cham					✔	
59. The Project for Rehabilitating Portasu Irrigation System	2009-11	Japan	$US 0.175	Takeo					✔	
60. The Project for Rehabilitating Thanal Cham Reservoir	2008-09	Japan	$US 0.085	Kandal					✔	
61. The Project for Rehabilitating Toul Kou Irrigation System	2007-08	Japan	$US 0.080	Pursat					✔	
62. The Project for Rehabilitating Bos Leave Irrigation System	2007-08	Japan	$US 0.086	Kratie					✔	
63. The Program for the Rehabilitation of Irrigation Systems and Rural Community Development in Cambodia	2009	Japan, Korea	$US 0.30	Nationwide					✔	
64. Krang Ponley Water Resources Development Project	2006-10	Korea	$US 27	Nationwide					✔	
65. Construction of Irrigation Systems	2009-10	Korea	$US 2.5	Batheay district					✔	
66. Agricultural Productivity Promotion Project in the West Tonle Sap	2010-15	Japan	$US 4.4	Battambang, Pursat, Kampong Chhnang		✔		✔		✔
67. West Tonle Sap Irrigation and Drainage Rehabilitation and Improvement Project	2011-16	Japan	$US 40-50	Battambang, Pursat, Kampong Chhnang					✔	

SAW components: A – Policy & Regulation; B – Institutional Capacity Building & Human Resource Development; C – Research & Extension; D – Food Security; E –Water Resource Management & Agricultural Land Management; F – Agricultural Business & Marketing

*** FAO projects:** Support to sericulture rehabilitation; Capacity building to enhance fish quality control and standardization services and contribute to poverty alleviation; Joint Programme for children, Food Security

and Nutrition in Cambodia; Enhancing community-based forest management and utilization for the improvement of rural livelihoods in Cambodia; Input supply to vulnerable population under Initiative Soaring Food Prices; Agricultural policy and programme support under the Initiative on Soaring Food Prices; Special Programme for Food Security (SPFS); Creative Industries Support Programme; Support to Smallholder Livestock Production in Cambodia; Off farm income generation within the National Programme for Household Food Security and Poverty Reduction; SPFS Support Livelihood Diversification and Natural Resource Management by Small Group Enterprises; Regional Fisheries livelihoods programme for South and Southeast Asia
ADB = Asian Development Bank, AFD = Agence Francaise de Developpement, AusAID = Australian Agency for International Development, CIDA = Canadian International Development Agency, DiFD = United Kingdom Department for International Development, EU = European Union, FAO = Food and Agriculture Organization of the United Nations, FINNIDA = Finnish International Development Agency, GEF = Global Environment Facility, GTZ = Deutsche Gesellschaft für Technische Zusammenarbeit, IFAD = International Fund for Agricultural Development, JICA = Japanese International Cooperation Agency, JFPR = Japan Fund for Poverty Reduction, KOICA = Korean International Cooperation Agency, UNDP = United Nations Development Program, WB = World Bank, WFP = World Food Program. Source: ODA Database

Annex 5 Stakeholder Consultation Process

234. The Government Donor Coordination Committee (GDCC) meets quarterly, ADB, World Bank, the UN agencies and bilateral development partners participate with senior Government representatives. The GDCC has 19 technical working groups (TWG), of which TWG on Agriculture and Water (TWGAW) is one of the 19 TWGs. Minutes of each of the meetings held since December 2004 and implementation progress of the Joint Monitoring Indicators (JMI) of each TWG that has been discussed during the quarterly meeting are available on the internet[40]. NGOs participate in the technical working group on agriculture and water meetings and the private sector participates in the agriculture and agro-industry working group.

235. During processing, the Project design was discussed with the TWG on Agriculture and Water to ensure consistency of the proposed GAFSP with the priorities developed in the Government's Strategy for Agriculture and Water (SAW). The TWG members supported the proposed concept and the sectoral approach to Food Security and Nutrition. While they welcomed the alignment with the government's SAW, they also highlighted the need to align the government's ongoing programs of decentralization and deconcentration, the evolving Organic Law[41] and the public financial management initiatives to ensure strong linkages between agriculture and water development, and to support the development of institutional capacity and human resources for agriculture resources management. Table 14 provides a list of each TWGAW meeting held from 2004 to 2009. The number of roundtable discussions held over this period was approximately 128 (based on RGC attendance records). Since the proposed Food Security Program design for the GAFSP is taken from the relevant Water Sector Pillars of the Strategy for Agriculture and Water 2010-2013, Table 14 provides an indication of the extent of government and donor partner discussions on the development of the Submission.

236. In addition to TWGAW formal discussions on the design of SAW (and hence the GAFSP Concept Note), the individual program design teams also held separate extensive discussions with relevant stakeholders on specific elements of the design of the SAW. While the list of persons consulted by each SAW program design team is not consolidated, an example of the extent of consultation is that until the completion of the Harmonized SAW program in March 2010 a total of 170 meetings had been held by Program 1 and Program 4 (Institutional Capacity Building and Water Resources Management Programs).

237. For each of the Programs under the SAW consultations and stakeholder workshops were held with RGC Ministries and line departments, Donor Partners, NGOs, beneficiary farmers, and the private sector. Additional meetings with the private sector are held under the Agriculture & Agro Industry Private Sector Working Group.

238. Finally, for the actual preparation of the GAFSP, a round of consultations with RGC Ministries and key development partners on the TWGAW was held during August and September 2010; see Table 15.

[40] http://www.cdc-crdb.gov.kh/cdc/gdcc/default.htm

[41] Law on Administrative Management of the Capital, Provinces, Municipalities, Districts and Khans.

Table 14 List of Technical Working Group on Agriculture and Water Meetings – 2004-2009

No.	Date	Attendees	Meeting Subject	Venue	Notes
1	14-Sep-04	8	B2 TF Meeting- Provision and Exchange of Information Related to TWGAW Mandate and Activities	3rd Floor Meeting Room of DPSIC, MAFF	B2 TF Meeting
2	14-Jan-05	25	The 1st & 2nd Sub Working Group Meeting of the Joint Government- Donor TWGAW	Conference Room, MAFF	1st Sub- Working Group
3	22-Feb-05	10	The 1st & 2nd Sub Working Group Meeting of the Joint Government- Donor TWGAW	Meeting Room, DPSIC	1st Sub- Working Group
4	23-Mar-05	13	Formulating Medium Term Sector Strategy on Agriculture and Water	Meeting Room, DPSIC	
5	1-Apr-05	9	The 1st B1 FT Meeting on Joint Development of Medium Term Sector Strategy for Agriculture and Water	Meeting Room, DPSIC	
6	11-Apr-05	10	The 1st B1 FT Meeting on Joint Development of Medium Term Sector Strategy for Agriculture and Water	Meeting Room, DPSIC	
7	4-May-05	9	The 2nd B2 TF Meeting	DPS, MAFF	
8	27-May-05	48	The 5th Joint Government- Donor TWGAW	Meeting Room, DPSIC	Morning Time
9		35	The 5th Joint Government- Donor TWGAW	Meeting Room, DPSIC	Afternoon Time
10	28-Nov-05	11	The TF B1 Meeting of the Joint Government- Donor TWGAW	Meeting Room, DPSIC	
11	24-Jan-06	18	The Task Force B1 Meeting	DPSIC Meeting Room 3rd Floor, MAFF	
12	27-Jan-06	29	The 7th Joint Government Donors	DPSIC Meeting Room 3rd Floor, MAFF	TWGAW Meeting
13	14-Feb-06	13	The B1 Task Force Meeting of the TWGAW	DPSIC Meeting Room 3rd Floor, MAFF	B1 Meeting
14	17-Feb-06	16	B1 TF Meeting on Development of Agriculture	DPS, MAFF	B1 TF Meeting
15	28-Feb-06	15	The B1 Task Force Meeting of the TWGAW	DPSIC Meeting Room 3rd Floor, MAFF	B1 Meeting
16	3-Mar-06	11	The B1 Task Force Meeting of the TWGAW	DPSIC Meeting Room 3rd Floor, MAFF	B1 Meeting
17	23-Mar-06	14	B1 TF Meeting on Development of Agriculture	DPS, MAFF	B1 TF Meeting
18	24-Mar-06	30	The 4th Meeting on Joint Government Donor- TWGAW	Conference Room, MAFF	
19	3-Apr-06	5	Strategic Formulation I: Option & Structure		B1 Stragety Team
20	4-Apr-06	10	Task Force B2 of TWGAW		
21	7-Apr-06	9	Task Force B1 of TWGAW		
22	12-Apr-06	7	Task Force B1 of TWGAW- Strategy Formulation of Agriculture and Water Resources (Strategy Profile and Option)		
23	21-Apr-06	11	B1 Task Force Meeting of the Joint Government- Donor TWGAW	DPS Meeting Room, MAFF	Strategic Prifiles and Options
24	28-Apr-06	9	B1 Task Force Meeting of the Joint Government- Donor TWGAW	DPS Meeting Room, MAFF	Strategic Prifiles and Options
25	5-May-06	5	B1 Task Force Meeting of the Joint Government- Donor TWGAW	DPS Meeting Room, MAFF	Strategic Prifiles and Options
26	19-May-06	90	Stakeholder Workshop on Strategy Formulation for Agriculture and Water Resources 2006- 2010		Workshop
27	25-May-06	20	Meeting of TWGAW	Meeting Room, MOWRAM	
28	26-May-06	10	B1 Task Force Meeting	DPS, MAFF	
29	1-Jun-06	7	The 2nd B2 Task Force Meeting	DPSIC Meeting Room 3rd Floor, MAFF	
30	2-Jun-06	8	B1 Task Force Meeting- Strategy Formulation (Strategy Profiles, Strategy Options, and Development Framework)	DPS, MAFF	
31	9-Jun-06	9	Strategy Team of B1 Task Force Meeting- Agriculture and Water Strategy Formulation	DPSIC Meeting Room 3rd Floor, MAFF	
32	15-Jun-06	6	Strategy Team of B2 Task Force Meeting- Agriculture and Water Strategy Formulation	DPS, MAFF	
33	16-Jun-06	9	Strategy Team of B1 Task Force Meeting- Agriculture and Water Strategy Formulation	DPS, MAFF	
34	23-Jun-06	13	Strategy Team of B1 Task Force Meeting- Agriculture and Water Strategy Formulation II	DPS, MAFF	
35	26-Jun-06	28	Consultation Meeting on Strategy Formulation II- Agriculture and Water Strategy Formulation II	DPSIC Meeting Room 3rd Floor, MAFF	
36	26-Jun-06	8	TWGAW B1 Task Force Strategy Team Meeting	DPSIC Meeting Room 3rd Floor, MAFF	
37	6-Jul-06	9	Strategy Team B2 Task Force Meeting- Agriculture and Water Strategy Formulation	DPSIC Meeting Room 3rd Floor, MAFF	
38	12-Jul-06	18	Workshop on Strategy Formulation II for Development of a Medium Term Strategy for Agriculture and Water Resources (2006- 2010)	Phnom Pros Hotel, Kampong Cham	Provincial workshop
39	13-Jul-06	16	Workshop on Strategy Formulation II for Development of a Medium Term Strategy for Agriculture and Water Resources (2006- 2010)	Phnom Pros Hotel, Kampong Cham	Provincial workshop
40	14-Jul-06	6	B1 Task Force Meeting- Agriculture and Water Strategy Formulation II	DPSIC Meeting Room 3rd Floor, MAFF	
41	21-Jul-06	7	B1 Task Force Meeting- Agriculture and Water Strategy Formulation II	DPSIC Meeting Room 3rd Floor, MAFF	
42	17-Aug-06	9	B1 Task Force Meeting- Agriculture and Water Strategy Formulation II	DPSIC Meeting Room 3rd Floor, MAFF	
43	24-Aug-06	11	B1 Task Force Meeting- Agriculture and Water Strategy Formulation II	DPSIC Meeting Room 3rd Floor, MAFF	
44	25-Aug-06	6	B2 Task Force Meeting- Provision and exchange of Information related to TWGAW mandate and Activities	DPSIC Meeting Room 3rd Floor, MAFF	
45	4-Sep-06	8	B1 Task Force Meeting- Agriculture and Water Strategy	DPSIC Meeting Room 3rd Floor, MAFF	

Table 14 List of Technical Working Group on Agriculture and Water Meetings – 2004-2009

No.	Date	Attendees	Meeting Subject	Venue	Notes
46	11-Sep-06	9	B1 Task Force Meeting- Agriculture and Water Strategy	DPSIC Meeting Room 3rd Floor, MAFF	
47	19-Sep-06	75	The Joint Government Donor- TWGAW	DPS, MAFF	
48	4-Oct-06	6	B1 Task Force Meeting- Agriculture and Water Strategy	DPSIC Meeting Room 3rd Floor, MAFF	
49	13-Oct-06	15	The Joint Government Donor- TWGAW	DPS, MAFF	B1 TF Meeting
50	19-Oct-06	23	B1 TF Meeting- water, Irrigation and Land Management Program	DPS, MAFF	B1 TF Meeting
51	27-Oct-06	11	Task Force C1 & C2 Meeting- ISAEA Approach and NWISP Implementation Process		Task Force C1 & C2 Meeting
52	11-Nov-06	39	The 1st Meeting on Joint Government- Donor TWGAW	Conference Room, MAFF	
53	17-Nov-06	15	B1 Taskforce Meeting- Agriculture and Water Strategy	DPSIC Meeting Room 3rd Floor, MAFF	
54	1-Dec-06	13	B1 TF Meeting- Agriculture and Water Strategy	DPSIC Meeting Room 3rd Floor, MAFF	
55	6-Dec-06	18	Workshop on Agriculture and Water Strategy, and Water Resources, Irrigation and Land Management Program Design		
56	7-Dec-06	19	Workshop on Agriculture and Water Strategy, and Water Resources, Irrigation and Land Management Program Design		
57	22-Dec-06	45	The Joint Government Donor- TWGAW- Full TWGAW Meeting	Conference Room, MAFF	Full TWGAW Meeting
58	8-Jan-07	18	Food Security Support Program	DPS Meeting Room, MAFF	TMSG Meeting
59	9-Jan-07	12	The Joint Government Donor- Strategy Team Meeting	DPS Meeting Room, MAFF	B1 Task Force
60	22-Jan-07	11	The Joint Government Donor- Strategy Team Meeting	DPS Meeting Room, MAFF	B1 Task Force
61	26-Jan-07	10	The Joint Government Donor- Strategy Team Meeting	DPS Meeting Room, MAFF	B1 Task Force
62	30-Jan-07	112	Stakeholder Consultation Workshop on Agriculture and Water Strategy, 2006-2010	Cambodiana Hotel	Workshop
63	1-Feb-07	6	Strategy Team Meeting	3rd floor Meeting Room of DPS, MAFF	
64	9-Feb-07	10	The Joint Government Donor- Strategy Team Meeting	DPS Meeting Room, MAFF	B1 Task Force
65	16-Feb-07	6	The Joint Government Donor- Strategy Team Meeting	DPS Meeting Room, MAFF	B1 Task Force
66	4-May-07	14	The Joint Government Donor- Work Plan Development for TWGAW	DPS Meeting Room, MAFF	Core Team Meeting
67	17-May-07	39	The Joint Government Donor- TWGAW	Conference Room, MAFF	
68	8-Jun-07	36	Workshop on the Finalization of TORs for the Design of the National Program on Institutional Capacity Building & Management Support Program	DPS Meeting Room 3rd Floor, MAFF	Workshop
69	26-Jun-07	81	Workshop on the Finalization of TORs for the Design of the National Program on Water Resource, Irrigation Management and Land Program	DPS Meeting Room 3rd Floor, MAFF	Workshop
70	27-Jun-07	36	Workshop on Finalization of TORs for the Design of the National Program on Cambodia Agriculture and Water Research, Education and Extension Program	DPS Meeting Room 3rd Floor, MAFF	Workshop
71	28-Jun-07	30	Workshop on the Finalization of TORs for the Design of the National Program on Food Security Program	DPS Meeting Room 3rd Floor, MAFF	Workshop
72	22-Aug-07	59	The Joint Government Donor- Full TWGAW Meeting	Conference Room, MAFF	
73	4-Sep-07	13	Water Resources, Irrigation Management and Land Program-	Meeting Room, MOWRAM	TMSG Meeting- Review and Finalize TOR Program #4
74	5-Sep-07	16	TMSG Meeting on Agriculture and Agri- Business Program	Meeting Room, MOWRAM	TMSG Meeting- Review, Discuss and Finalize TOR Program #3
75	12-Nov-07	15	Program #4 Meeting		Program #4
76	14-Nov-07	55	The Joint Government Donor- Full TWGAW Meeting	Conference Room, MAFF	Full TWGAW Meeting
77	20-Nov-07	17	Cambodia Agriculture and Water Resources Research Education and Extension Program	DPS Meeting Room, MAFF	TMSG Meeting- Review and Finalize TOR Progra #5
78	7-Dec-07	15	Food Security Support Program	Meeting Room, MAFF	TMSG Meeting- Review and Finalize TOR Program #2
79	21-Dec-07	13	Cambodia Agriculture and Water Resources Research Education and Extension Program	DPS Meeting Room, MAFF	TMSG Meeting- Review TOR Program #5
80	28-Dec-07	7	Food Security Support Program	DAE Meeting Room, MAFF	Review and Finalize TOR Program #2
81	11-Jan-08	9	1st Meeting of Selection Panel: CASSP	DPS Meeting Room, MAFF	Program Design Team Selection
82	15-Jan-08	14	Institutional Capacity Building and Management Support Program	DPS Meeting Room, MAFF	TMSG Meeting- Review and Finalize TOR Prgram #1
83	18-Jan-08	14	TMSG-2 Meeting	DAE Meeting Room, MAFF	TMSG-2 Meeting

Table 14 List of Technical Working Group on Agriculture and Water Meetings – 2004-2009

No.	Date	Attendees	Meeting Subject	Venue	Notes
84	21-Jan-08	13	Institutional Capacity Building and Management Support Program	DPS Meeting Room, MAFF	TMSG Meeting- Review and Finalize TOR Program #1
85	30-Jan-08	13	Food Security Support Program	DPS Meeting Room, MAFF	TMSG Meeting
86	31-Jan-08	52	World Development Report-2008 "Agriculture for Development"	Conference Room, MAFF	TWGAW Meeting
87	12-Feb-08	12	TMSG- FSSF Meeting	DPS Meeting Room, MAFF	TMSG- FSSF Meeting
88	19-Feb-08	44	The Joint Government Donor- Full TWGAW Meeting	Conference Room, MAFF	Full TWGAW Meeting
89	21-Feb-08	33	TMSG: FSSF- Workshop on Analysis of Food Security Situation and Searching for Priority Response	Phnom Pros Hotel- Kampong Cham Province	Provincial workshop- KCH
90	22-Feb-08	34	TMSG: FSSF- Workshop on Analysis of Food Security Situation and Searching for Priority Response	Phnom Pros Hotel- Kampong Cham Province	Provincial workshop- KCH
91	5-Mar-08	20	TMSG-2 Meeting	DPS Meeting Room, MAFF	TMSG- 2 Meeting
92	14-Mar-08	20	TMSG-2 Meeting	DPS Meeting Room, MAFF	TMSG- 2 Meeting
93	21-Mar-08	32	TMSG, FSSP: Mini-Workshop on Consultation Program Outline for Food Security Support Program	Prek Leap	Mini-Workshop
94	8-Apr-08	21	Food Security Support Program	DPS Meeting Room, MAFF	Program #2- TMSG Meeting
95	8-Apr-08	15	Cambodia Agriculture and Agri-Business Support Program (CAASP)	DPS Meeting Room, MAFF	Program #3- TMSG Meeting
96	21-Apr-08	10	Cambodia Agriculture and Agri-Business Support Program (CAASP)	DPS Meeting Room, MAFF	Program #3- TMSG Meeting
97	22-Apr-08	21	Cambodia Agriculture and Agri-Business Support Program (CAASP)	DPS Meeting Room, MAFF	Program #3- TMSG Meeting
98	27-May-08	8	Co- Chairs & Co- Facilitators Meeting	H.E Chan Tong Yves office, MAFF	
99	28-May-08	22	TMSG-2 Meeting	DPS Meeting Room, MAFF	TMSG-2 Meeting
100	9-Jun-08	22	TMSG-2 Meeting	DPS Meeting Room, MAFF	TMSG-2 Meeting
101	10-Jun-08	13	TWGAW Meeting	DPS Meeting Room, MAFF	
102	12-Jun-08	75	2nd Meeting of Full TWGAW for Year 2008	Conference Room, MAFF	
103	21-Jul-08	12	TMSG-1 Meeting	DPS Meeting Room, MAFF	TMSG-1 Meeting
104	31-Jul-08	9	TMSG: Program #1 Meeting	Meeting Room, MOWRAM	Program #1 Meeting
105	8-Aug-08	12	Cambodia Agriculture and Water Resources Research Education and Extension Program	DPS Meeting Room, MAFF	TMSG Meeting
106	11-Aug-08	14	TMSG-2 Meeting	MAFF	Morning Time
107		20	Cambodia Agriculture and Agri-Business Support Program (CAASP)	DPS Meeting Room, MAFF	Program #3- TMSG Meeting (Afternoon Time)
108	4-Sep-08	12	Co- Chairs & Co- Facilitators Meeting	H.E Chan Tong Yves office, MAFF	
109	12-Sep-08	18	Finalization of Proposed Program Outline Cambodia Agriculture and Agri-Business Support Program (CAASP)	DPS Meeting Room, MAFF	Program #3
110	18-Sep-08	65	3rd Meeting of Full TWGAW for Year 2008	Conference Room, MAFF	3rd Meeting
111	2-Oct-08	8	Meeting to Prepare the Launching Workshop on the Implementation of the SAW	DPS Meeting Room, MAFF	
112	3-Oct-08	43	CAASP Program Design Document Stakeholders' Workshop	MAFF	Workshop
113	14-Oct-08	4	Meeting to organize of a Launching Workshop on the Institutional and Financial Arrangement for the SAW Implementation	DPS Meeting Room, MAFF	
114	17-Oct-08	41	TWGAW Meeting on Agriculture for Cambodia: Sustaining Rapid Growth Report	DPS Meeting Room, MAFF	
115	22-Oct-08	13	Meeting to organize of a Launching Workshop on the Institutional and Financial Arrangement for the SAW Implementation	DPS Meeting Room, MAFF	
116	23-Oct-08	49	Stakeholder Workshop on Food Security Support Program (FSSP) Documents	Golden Sand Hotel, Sihanouk Ville	Provincial workshop- SHV
117	24-Oct-08	35	Stakeholder Workshop on Food Security Support Program (FSSP) Documents	Golden Sand Hotel, Sihanouk Ville	Provincial workshop- SHV
118	20-Nov-08	22	TMSG Meeting: Water Resources, Irrigation Management and Land Program	DPS Meeting Room, MAFF	TMGS Meeting
119	12-Dec-08	9	Co- Chairs & Co- Facilitators Meeting	Meeting Room, MAFF	
120	18-Dec-08	46	The Joint Government Donor- Full TWGAW Meeting	Conference Room, MAFF	Full TWGAW Meeting
121	5-Mar-09	34	Cambodia Agriculture and Water Resources Research Education and Extension Program	Room #3.10/ DPS/MAFF	
122	10-Mar-09	16	Institutional Capacity Building & Management Support Program for Agriculture and Water Resources (TMSG& PDT)	Room #3.10/ DPS/MAFF	
123	18-Mar-09	7	Co- Chairs & Co- Facilitators meeting	H.E Chan Tong Yves office, MAFF	
124	1-Apr-09	58	Full TWGAW meeting	MAFF Conference Room	
125	6-May-09	50	The Joint Government Donor- Stakeholders meeting	MAFF Conference Room	TMSG Program

Table 14 List of Technical Working Group on Agriculture and Water Meetings – 2004-2009

No.	Date	Attendees	Meeting Subject	Venue	Notes
					No. 5
126	26-Jun-09	41	Stakeholder Workshop on Institutional Capacity Building & Management Support Program for Agriculture and Water Resources	MAFF Conference Room	Workshop
127	8-Jul-09	94	Full TWGAW meeting	MAFF Conference Room	
128	22-Jul-09	7	Co- Chairs & Co- Facilitators meeting	MAFF	

Table 15 List of Consultation Meetings for GAFSP Preparation August-September 2010

Date/Time	Activities	Venue
Wednesday, 11 August		
10:30	Meeting with H.E Kith Seng, Under Secretary of State, MAFF	Venue: H.E Kith Seng's Office
Thursday, 12 August		
09:00	Meeting with H.E Chan Tong Yves, Secretary of State, and Co-Chair of TWGAW, MAFF	Venue: H.E CTY 's Office
15:00	Task Force Meeting to be chaired by H.E Kith Seng, Under Secretary of State, MAFF	Venue: Cabinet Meeting Room
17:00	Meeting with H.E San Vanty, Under Secretary of State, MAFF	Venue: H.E Vanty's Office
Friday, 13 August		
09:00	Meeting with Dr. Brett Ballard, Rural Development Advisor, AusAID	Venue: Australian Embassy
Monday, 16 August		
10:00	Meeting with Mr. Fan Qimiao, Country Manager, World Bank	Venue: WB's office
15:00	Meeting with Mr. Srey Chanthy, Acting Head of Aid CIDA	Venue: CIDA's office
Tuesday, 17 August		
10:30	Meeting with Mr. Jean-Pierre de Margerie, Country Representative, WFP	Venue: WFP
Wednesday, 18 August		
09:00	Meeting with Mr. Ung Dararat Moni, Senior Portfolio Advisor, IFAD. Tel: 012- 925 103	Venue: IFAD's office
13:30	Meeting with Mr. Peter Brimble, Country Economist ADB	Venue: ADB's office
16:00	Meeting with Mr. Flynn Fuller , Mission Director, USAID	Venue: USAID's office
Thursday, 19 August		
09:00	Meeting with Mr. Mey Ly Huoth, Deputy Director General, MoWRAM	Venue: His office MoWRAM
10:30	Meeting with H.E. Vongsey Vissoth, Secretary General, Ministry of Economy and Finance	Venue: MEF's office Mr. Krisna, WBD Chief, DIC, MEF
14:00	Meeting with Mr. Shieuya Yukihiro, Representative of Agriculture and Rural Development JICA	Venue: JICA's office
15:30	H.E. Rath Virak, Secretary General, CARD H.E. Srun Darith, Deputy Secretary General, CARD	Venue: Council of Ministers H.E. Virak 's office Main Building 5 Floor
Friday, 20 August		
11:00	H.E. Ngan Chamroeun, Deputy Head of NCDD Tel: 012-489 993	Venue: Ministry of Interior his office
Friday, 27 August		
10:00	Meeting with Chargé d'Affaires, Rafael Dochao Moreno, EC	Venue: EC
Thursday, 2 September		
09:00	Meeting with H.E Kith Seng, Under Secretary of State, MAFF	Venue: H.E Kith Seng's Office
Wednesday, 8 September		
09:00	Task Force Meeting chaired by H.E Kith Seng, Under Secretary of State, MAFF	Venue: MAFF
Thursday, 9 September		
09:00	Technical Working Group for Agriculture and Water	Venue: MAFF

Annex 6 Linkages and Synergies Between SAW and GAFSP

	GAFSP Components				
SAW Components	**C1: Raising Agricultural Productivity** Adoption of higher yielding technologies; technology generation; water management; land rights and land use	**C2: Linking Farmers to Markets** Reduce transfer and transaction costs; other value addition; supporting mobilization of rural finance	**C3: Reducing Risk and Vulnerability** Managing price and weather risk; strengthening food-related social protection; improving nutrition of vulnerable groups	**C4: Improving Non-Farm Rural Livelihoods** Improving the investment climate; Promoting non-farm rural entrepreneurship	**C5: Technical Assistance, Institution-Building and Capacity Development** Capacity-building for sector strategy, investments and implementation; enhancing design, monitoring and evaluation; knowledge development and dissemination; private sector advisory services
A: Policy & Regulation A sound policy and legal framework to enable development of the Agriculture and Water sectors					✔
B: Institutional Capacity Building & Human Resource Development A sound institutional, administrative, research and education basis for effective work performance in agricultural and water resource development and management					✔
C: Research & Extension A comprehensive and coordinated capacity to assemble and utilize agricultural and water-related knowledge, information and technology transfer	✔				
D: Food Security Agricultural systems and community arrangements that enable poor and food insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food at all times to meet their dietary needs and food preferences for an active and healthy life			✔		
E: Water Resource Management & Agricultural Land Management Sustainable and pro-poor management of water resources, water management facilities, water-related hazards and land resources that is integrated, efficient and carried out in a river basin context	✔				
F: Agricultural Business & Marketing Agriculture and agri-business that make effective use of inputs and market opportunities, are steadily intensifying and diversifying production, and deliver full benefits to farmers, rural communities, and other stakeholders		✔		✔	

Annex 7 Where the Cambodia Food Security Program and GAFSP Component Areas Overlap and Areas where Other Donors are Working

Food Security Program Component and GAFSP Component Matrix				
GAFSP Component: C1 - Raising Agricultural Productivity				
	1. Adoption of higher yielding technologies	2. Technology generation	3. Water management	4. Land rights and land use
Food Security Program Component: Raising Agricultural Productivity 1. Adoption of higher yielding technologies 2. Technology generation 3. Improving the efficiency of agricultural land use	☑	☑	This component is covered by the following donor projects: 5, 8, 9, 22, 26, 31, 45, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 67	☑ This component is covered by the following donor projects:4,11,12
GAFSP Component: C2 - Linking Farmers to Markets				
	1. Reduce transfer and transaction costs	2. Other value addition	3. Supporting mobilization of rural finance	
Food Security Program Component: Linking Farmers to Markets 1. Reduce transfer and transaction costs 2. Other value addition	☑	☑	This component is covered by the following donor projects: 1, 3, 6, 7, 13, 14, 15, 18, 20, 22, 30, 33, 48	
GAFSP Component: C3 – Reduce Risk and Vulnerability				
	1. Managing price and weather risk	2. Strengthening food-related social protection	3. Improving nutrition of vulnerable groups	
Food Security Program Component: Reducing Risk and Vulnerability 1. Improving nutrition of vulnerable groups	This component is covered by the following donor projects: 2, 16, 18, 18, 19, 29, 34	This component is covered by the following donor projects: 2, 18, 18, 19, 34, 43	☑	

GAFSP Component: C4 – Improving Non-Farm Rural Livelihoods				
	1. Improving the investment climate	2. Promoting non-farm rural entrepreneurship		
Food Security Program Component: Improving Non-Farm Rural Livelihoods 1. Promoting non-farm rural entrepreneurship	This component is covered by the following donor projects: 1, 2, 3, 8, 15, 18, 21, 26, 47	☑		
GAFSP Component: C5 – Technical Assistance, Institution-Building and Capacity Development				
	1. Capacity-building for sector strategy, investments and implementation	2. Enhancing design, monitoring and evaluation	3. Knowledge development and dissemination	4. Private sector advisory services
Food Security Program Component: Technical Assistance, Institution-Building and Capacity Development 1. Implementation of the Rice Policy 2. Capacity-building for sector strategy, investments and implementation 3. Knowledge development and dissemination	☑	This component is covered by the following donor projects: 46, 47, 48, 49, 50, 51, 52, 53, 54	☑	This component is covered by the following donor projects: 7, 18, 24, 26, 30, 38, 46, 48, 49

Annex 8 Detailed Logframe

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
Program Goal: The Food Security Program aims to improve the income and food security of poor people in Cambodia through more and better public investment in the agriculture and rural sectors that is country-owned and led and through technical assistance					
C1. RAISING AGRICULTURAL PRODUCTIVITY					
Goal: Sustainable and pro-poor management of agricultural technology and land resources that is integrated and efficient					
Objectives					
1. An increasingly productive and diversified agricultural system that is capable of assuring food security for the nation and delivering an acceptable quality of life for rural communities, especially the poor			• 40,000 beneficiary farmers (20,000 are women farmers) and 400 Farmer Organizations are benefited by extension, technology transfer, improved production trainings and sets of low-input and improved technical packages	• MAFF annual reports • National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	
2. Pro-poor and pro-women community groups, particularly of food-insecure households, who are empowered to actively develop their potentials, opportunities and minimize risks and represent their own interests in political and administrative environments			• Community projects are implemented using participatory planning techniques • Communities are involved in the local planning processes under the provisions of the Organic Law	• MAFF annual reports • National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	
3. Farmers have secure tenure to their land			• Agricultural Land titles are provided to project beneficiaries, including indigenous communities	• Land titles • MLMUP and MAFF annual reports • National and provincial	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
				annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	
Outputs: **Component I – Adoption of higher yielding technologies**	High				
1.1 On-farm productivity is improved through the provision of extension services for the adoption of low-input technical packages		1.1.1 Conduct field trials confirming promising technical packages and practices (for crops, livestock, on-farm water control, fisheries and forestry	• Field trials are initiated by year 2	• Field trial results reports	
		1.1.2 Develop extension, technology transfer, and traditional and non-traditional on-farm production training guidelines	• Training guidelines are developed by end year 1	• Training guidelines and manuals	
		1.1.3 Disseminate sets of low-input technical packages for production to farmers	• Sets of low-input technical packages are disseminated to 40,000 farmers by end of program	• Documentation of technical packages and practices	
		1.1.4 Conduct extension, technology transfer, and on-farm production training to farmers under the coordination, facilitation and quality assurance of GDA and PDA	• Participatory extension, technology transfer, and production trainings are initiated by year 2 and 40,000 farmers are participating by end of program	• Attendance lists and records of trainings and field trials	**Risk** • Pests/diseases limit productivity or changes in supply/demand limit profits in first growing season affecting farmer interest levels in program technologies
1.2 On-farm productivity is improved through the provision of extension services of adoption of improved technical packages		1.2.1 Develop extension, technology transfer, and improved on-farm production training guidelines	• Training guidelines are developed by end year 1	• Training guidelines and manuals	
		1.2.2 Disseminate sets of improved technical packages for production	• Sets of improved technical packages are disseminated to	• Documentation of technical packages and practices	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		to farmers	40,000 farmers by end of program		
		1.2.3 Conduct extension, technology transfer, and improved on-farm production training to farmers under the coordination, facilitation and quality assurance of GDA and PDA	• Participatory extension, technology transfer, and improved production trainings are initiated by year 2 and 40,000 farmers are participating by end of program	• Attendance lists and records of trainings and field trials	
		1.2.4 Improved, diversified, and sustainable agricultural productivity practices, techniques and management of natural resources learned through the technical training are implemented	• Improved varieties of seeds, breeds, and other essential production inputs are used by 40,000 farmers by year 3 • Improved sustainable and good agricultural practices are adopted in 40,000 farmers by year 4 • Community-based natural resource management is implemented in 400 villages by year 4	• Farm records (production inputs used and yields) • M&E reports of production practices, land and water use management activities by farmers • Records of activity and yields from the community-based natural resources management (including forestry and fisheries) • Baseline / endline surveys	**Risk** • Instances of major flooding or drought occurrences impede improvement of agricultural productivity • Farmers have trouble adopting several new technologies and concepts
Outputs: **Component II – Technology generation**	High				
2.1 Pro-poor, pro-women and pro-environment technologies are developed and adopted		2.1.1 Identify and conduct preliminary assessment of technologies developed and successfully adopted elsewhere, including: • High quality aromatic rice varieties • Appropriate early, medium and late rice varieties and sowing densities for different agro-ecological zones and farming systems • Organic farming products • Niche-specific products • Food processing • Marketing and trading • High yielding quality rice varieties resistant to drought,	• Participatory research and on-farm assessment is conducted by end year 1 • On-farm technologies are validated and recommendations available by end year 1 • Technologies for resource-poor men and women farmers based on on-farm technologies and those successfully adopted elsewhere are adopted by year 3	• Research and assessment records	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		flood & pests • Intensification of production, processing and marketing of upland crops, namely, maize, soybean and cassava, particularly to strengthen the rain-fed upland production • Conservation agriculture technologies • Pro-women farm technologies for time saving and reducing drudgery • Husbandry, particularly feeding and health of cattle, buffalo, pigs and chicken • Animal waste management, especially recycling of animal dung through bio-digester for production of gas and production of organic fertilizer • Residue management, especially, recycling of rice straw for production of quality compost, semi-composting and organic farming • Reducing pre- and post-harvest losses, agro-processing and value addition			
		2.1.2 Conduct participatory research and on-farm assessment and then validate relevant technologies for resource-poor men and women farmers	• On-farm technologies are validated and recommendations available by end year 1	• Endorsed on-farm technology proposal	
		2.1.3 Train 40,000 resource poor men and women farmers in identified and prioritized technologies through appropriate extension mechanisms	• 40,000 men and women (20,000 women) farmers participate in food processing, marketing and trading by year 3	• Training attendance and performance records • Farm accounts • Baseline/endline surveys • M&E reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		2.1.4 Facilitate the transformation of self-help groups to farmer/villager organizations (FOs)	• 400 FOs are registered by year 4	• FO registration records • Attendance records from Self-management Capacity and Skills training	**Assumption** • Registration of FOs becomes decentralized to the district level
		2.1.5 Conduct Participatory Planning training for the implementation of community projects including safety net activities	• Participatory Planning training conducted by year 3 • Community projects are implemented using participatory planning techniques by year 3	• Attendance records of Participatory Planning training • Community project planning documentation	**Risk** • FO's do not collect enough revenue to become self-supporting
Outputs: **Component III – Improving the efficiency of agricultural land use**	Medium				
3.1 Land titling supports objectives to promote agricultural production, productivity, and diversification as well as poverty reduction for target beneficiaries		3.1.1 MLMUP to issue land titles to project beneficiaries including indigenous communities	• Land titles are issued by year 4	• Land titles	**Assumptions** • Financial and technical support is secured for land-titling • MLMUP and MAFF have an inter-ministerial coordination letter signed between the 2 ministries
3.2 Agricultural land use maps and soil classifications are developed		3.2.1 Develop action plan to conduct regular agricultural land use surveys and soil classification	• Action plan developed by end year 1	• Action plan	
		3.2.2 Conduct surveys on a continuing basis to determine agricultural land use changes and contribute to nationwide Agricultural land use changes map layer and soil classification maps	• Updated agricultural land use changes from year 2	• Land use survey reports • National agricultural land use plan • Agricultural land use changes map layers • Soil classification maps	
3.3 Legal framework to manage agricultural lands is developed		3.3.1 Establish a legal framework for agricultural land use management	• The legal framework is achieved by mid year 1	• Legal framework	**Assumption** • The study has a focus on poor and vulnerable rural households obtaining access to appropriate land

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		3.3.2 Establish the technical framework for agricultural land use management	• The technical framework is developed by mid year 1	• Action plan • Technical reports	for agricultural productivity
C2. LINKING FARMERS TO MARKET					
Goal: Agriculture and agri-business that make effective use of inputs, value-added and market opportunities and deliver full benefits to farmers, rural communities, and other stakeholders					
Objective 1. Traditional marketing that provides market access and value-added sales opportunities for farmers and rural communities,			• Farmers in 10 provinces are linked directly with high-value markets for 4 commodities through rural networks to enable trade in agricultural products supported by market-led extension services • 17 high value-added agricultural products identified for trade	• National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	
Outputs: **Component I – Reduce transfer and transaction costs** **1.1 Traditional marketing systems are strengthened**	High	1.1.1 Facilitate value chain partnerships between input suppliers, producers and market traders in the traditional marketing system	• Traditional value chain partnerships strengthened for 4 commodities in 10 provinces over 3 years	• Value chain partnership agreements	**Risk** • Phyto-sanitary regulations do not meet market standards
Outputs: **Component II – Other value addition** **2.1 Market oriented and niche-specific technologies are developed and adopted for export**	High	2.1.1 Post harvest technologies are developed and disseminated	• Distribution of post harvest storage systems to project villages by end year 4	• M&E reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		2.1.2 Identify high quality niche products with a unique Cambodian identity/brand for export	• 17 high quality niche products identified by end year 1	• Product recommendation report	
		2.1.3 Develop marketing strategies to promote production and export of niche products identified	• Marketing strategies developed by year 2 • Promotion strategies developed by year 2	• Marketing and promotion strategies for each nice product	
		2.1.4 Agricultural Market Information System expanded to project provinces	• Major markets and traders in 10 provinces involved in AMIS by end year 3	• AMIS reports • M&E reports	
C3. REDUCING RISK & VULNERABILITY					
Goal: Agricultural systems and community arrangements that enable poor and food insecure Cambodians to have substantially improved physical and economic access to sufficient, safe and nutritious food at all times to meet their dietary needs and food preferences for an active and healthy life					
Objective 1. Community self reliance for food security and nutrition and health			• 40,000 households (20,000 women-headed households) are trained in home gardening techniques by year 4 • Food use, nutrition, and basic health care training to 40,000 households (20,000 women-headed households) • 40,000 households are trained in sanitation installation and safe water use	• MAFF annual reports • National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	
Outputs: **Component I – Improving nutrition of vulnerable groups** **1.1 Access to adequate food is increased, and better nutrition practices in the use of food, including food preparation and preservation, is accompanied with improved sanitation and**	High	1.1.1 Conduct home gardening training to self-help groups, FOs and households, particularly to	• 40,000 households (women-headed households 20,000) are trained in home gardening	• Training and attendance records • M&E records	**Assumptions** • There is coordination with health clinics and hospitals to determine

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
health		women-headed households	techniques by year 4		reduction in occurrence of main diseases • Health of target population is tested using modern health screening techniques in coordination with MoH • Patient records kept at health clinics and hospitals
		1.1.2 Conduct food use, nutrition, and basic health care training and extension	• Food use, nutrition, and basic health care training to 40,000 households (20,000 women-headed households) conducted by year 4	• Training and attendance records • M&E records	
		1.1.3 Conduct food intake and food composition studies (from own production and from purchasing at household level)	• Identification of food intake and food composition studies conducted by mid year 2	• Study reports • Baseline/endline surveys • Household food purchasing and consumption records	
		1.1.4 Conduct food production and income changes studies	• Food production and income changes studies conducted by mid year 2	• Study reports • Baseline/endline surveys	
		1.1.5 Conduct KAP studies	• KAP studies conducted by mid year 2	• KAP study report	
		1.1.6 Provide sanitation inputs to householders	• 40,000 sanitation kits are provided by year 4	• Procurement records • M&E records	
		1.1.7 Conduct training to householders on household sanitation installation and safe water use	• 40,000 households are trained in sanitation installation and safe water use by year 4	• Training and attendance records • M&E records	
C4. IMPROVING NON-FARM RURAL LIVELIHOODS					
Goal: Agri-business that steadily intensifies and diversifies production, and delivers full benefits to farmers, rural communities, and other stakeholders					

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
Objective 1. Off-farm training and employment and agri-business opportunities for farmers and rural communities			• 4000 self-help groups are organized and functioning • 1000 micro-businesses (women-headed) and 1000 small-scale agro-processing are developed and functioning • 4000 people are trained in new and/or additional vocational skills	• MAFF annual reports • National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports • Records of activity of community-based self-help groups	
Outputs: **Component I – Promoting non-farm rural entrepreneurship**	Medium				
1.1 Better income through diversified income-generation opportunities (on-farm and off-farm)		1.1.1 Stimulate membership of existing self-help groups (rice banks, cow banks, saving groups, and social charity groups, etc.) and form new self-help groups at the community level	• 4000 self-help groups are organized and functioning by end year 4	• SHG meeting notes	
		1.1.2 Provide basic administration training to self-help groups for self-management capacity	• Basic administration training conducted within 6 months of self-help group formation	• Attendance and performance records of on and off-farm vocational skills training	
		1.1.3 Micro-businesses and small-scale agro-processing are developed and functioning at a basic level in communities	• 1000 micro-businesses (women-headed) and 1000 small-scale agro-processing are developed and functioning at a basic level by year 3 • Community micro-projects are implemented by year 4	• Records of activity of community-based self-help group`s • Micro-business records • Records of activities of community micro-projects • M&E records	
		1.1.4 Develop a set of vocational training packages for on and off-farm employment opportunities	• Set of vocational training packages are developed by end year 2	• Training packages	
		1.1.5 Train people in vocational skills and link to employment	• 4000 people (2000 are women) are trained in new and/or additional	• Attendance and performance records	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		opportunities	vocational skills by year 4	• Baseline/endline surveys	
C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING, CAPACITY DEVELOPMENT					
Goal: A sound policy and regulatory framework to enable development of the Agriculture sector and in support of Food Security					
Objectives 1. MAFF implements the Rice Policy			• Ministerial Prakas', regulations, strategies are developed and implemented nationwide	• MAFF annual reports • Program Management Support Unit reports • Steering Committee Reports • Prakas • Technical report • Project reviews	
2. Policies, plans and regulatory frameworks for MAFF are fully established, maintained and coordinated			• MAFF have implemented and enforced policies, plans, regulations for which they are responsible under this Program	• MAFF annual reports • Program Management Support Unit reports • Steering Committee Reports • Sub-decree • Technical report • Project reviews	
3. Gender is mainstreamed in MAFF			• The gender unit in MAFF is functioning and fully funded to continue implementation of gender mainstreaming policies • Gender Action plans are updated yearly and implemented	• Ministerial strategies and development plans • Gender Action Plans • M&E reports	
4. Policies and information on aspects of food security related to agriculture and water management that effectively guide public administration at all levels			• Food security concepts are integrated into development programs and policy	• MAFF and MOWRAM annual reports • National and provincial annual performance reports • Program Management Support Unit reports • M&E reports • Steering Committee Reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
				• Policy review report	
Outputs: **Component 1 – Implementation of the Rice Policy**	High				
1.1 Develop implementation roadmap		1.1.1. Develop the road map for the implementation of the Rice Policy	• Rice road map is developed by mid year 1	• Rice road map and budget	
		1.1.2. Develop implementation management guidelines and materials	• Implementation management guidelines and materials developed by end year 1	• Training guidelines • Training materials	
		1.1.3. Prepare plan of action to reduce infrastructure costs	• Action plan developed by mid year 2	• Action plan materials	
		1.1.4. Engage bilateral and multilateral partners and/or private sector to mobilize resources for investment projects	• Engagement process started by mid year 2	• Records of meetings	
1.2 Explore export opportunities in regional markets		1.2.1. Conduct a comprehensive study on Cambodia's potential markets for rice	• Study completed by mid year 1	• Reports • M&E reports	
		1.2.2. Disseminate widely the results with stakeholders	• Dissemination through workshops by end year 1	• Records of Meetings • M&E reports	
		1.2.3. Lead trade delegations consisting of representatives of relevant ministries and milled rice exporting companies	• Trade delegations every six months from beginning year 2	• Records of Meetings	
		1.2.4. Explore opportunities to export milled rice to Malaysia, Indonesia, Brunei, Philippines and Europe	• Trade negotiations after every trade delegation	• Records of Meetings	
1.3 Develop arrangements for information sharing with stakeholders in domestic market		1.3.1. Disseminate market information	• Market information is disseminated in monthly bulletins	• Bulletins • M&E Reports	
		1.3.2. Prepare a monitoring toolkit covering the process of production, processing, export and trade\	• Monitoring toolkit is developed by mid year 2	• Reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
1.4 Prepare a Strategic Penetration Plan and Cambodia's position to compete in regional and global markets		1.4.1. Define strategic objectives to position Cambodia in the international markets 1.4.2. Explore new markets and disseminate information to rice producers and exporters 1.4.3. Negotiate bilateral agreements with potential rice importing countries 1.4.4. Establish the Association of Rice Exporting Countries (AREC)	• Strategic Plan is developed by end year 2 • New market opportunities are identified and information distributed to producer and exporters on a 6 monthly basis starting mid year 2 • Bilateral agreements negotiated with potential importing countries • AREC established by mid year 2	• Reports • Bulletins • Reports • MOUs • MOUs	
Component II – Capacity building for sector strategy, investments and implementation	High				
2.1 Deconcentration and Decentralization provincial administrative strengthening		2.1.1 Strengthen provincial departments ability to strategically plan and implement development projects 2.1.2 Provincial Rural Development Committees and provincial councils meet on a regular basis to identify and implement development plans 2.1.3 Provincial integration workshops (25) to identify and prioritize requirements	• Recruited staff in 3 provincial departments are involved in their departmental strategy planning and development process by year 1 • Provincial Rural Development Committees and provincial councils meet on quarterly and yearly • 25 provincial workshops held by year end of program	• Strategy planning and Development documents from 3 provincial departments • M&E reports • Attendance records • Meeting notes • Attendance records • Meeting notes • Development requirements documented	**Risk** • Limited capacity within MAFF to train and sustain provincial staffing and administrative capacity levels
2.2 Continue gender mainstreaming		2.2.1 Continue gender mainstreaming operations in MAFF	• Gender is mainstreamed in MAFF operations by year 4	• Development plans have integrated gender	
Outputs: **Component III – Knowledge development and**	Medium				

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
dissemination					
2.1 Key policy makers, planners and program developers are trained in FSN concepts and the concepts are integrated into policy, development plans, and programs at the national and decentralized level		2.1.1 Establish an FSN trainers pool	• FSN trainers pool established by year 2	• Commune planning documentation • M&E reports generated by mainstreaming tool	
		2.1.2 Develop processes and guidelines for FSN national trainers pool	• Processes and guidelines of the FSN national trainers pool are developed by year 2	• Membership records • Meeting dates and notes	
		2.1.3 FSN national trainer establishes a portfolio of trainings	• Training portfolio established by mid year 2	• Training portfolio	
		2.1.4 Develop FSN mainstreaming tool with manuals (e.g. good practices in monitoring, planning and coordination techniques, training approaches and programs) and apply FSN mainstreaming tool to training portfolio	• Mainstreaming tool is applied in training portfolio by mid year 2	• Training portfolio	
		2.1.5 Compile and disseminate FSN mainstreaming tools for development projects to sub-national level	• Mainstreaming tools are compiled and disseminated and are being used by various partners in field for mainstreaming FSN in development projects by year 2	• Dissemination records • M&E reports	
		2.1.6 Conduct workshops on FSN concepts and objectives training to policy makers, planners, program designers, and relevant decision makers at various line ministries	• 3 workshops are conducted on FSN concepts and objectives training by year 2	• Workshop attendance records	
		2.1.7 Train key policy makers, planners and program developers at the national and provincial levels in FSN portfolio of trainings and ToT skills	• FSN and ToT training conducted by year 3	• Attendance and performance records • M&E reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
2.2 The FSN coordination structure is enhanced to include collaboration between and among concerned line ministries and agencies (i.e. CARD, NCDD, and NNC)		2.2.1 Establish FSN official focal points with clear responsibilities at MAFF and MOWRAM, with various line ministries and agencies, such as NCDD and NCC for actions at the provincial and commune levels	• Official focal points with clear responsibilities are established by year 2	• MAFF and MOWRAM meeting dates and notes	
2.3 Members of commune councils and farmer communities (FOs, FGs, FWUCs, etc) are trained in managing the project cycle and integrate FSN issues in their development management process		2.3.1 Establish FSN planning and coordination teams at provincial and commune levels	• FSN teams are established mid year 3	• FSN team meeting dates and notes	
		2.3.2 FSN teams apply FSN objectives and monitoring tools into development plans	• FSN teams have FSN objectives and monitoring tools by year 3	• FSN development plans • FSN team meeting dates and notes	
		2.3.3 Train commune council members and farmer communities in FSN training subjects in FSN portfolio, including the project cycle and FSN planning	• Commune council members and farmer communities are trained in FSN training subjects, including the project cycle by year 3 • FSN plans are incorporated in commune development plans by year 4	• Attendance and performance records • M&E reports	
2.4 The existing information and data on FSN is enhanced, used and is managed (maintained)		2.4.1 Establish coordination and harmonization processes, roles and functions for the existing FSN agency for FSN-related information	• The existing agency roles and functions in development aspects and FSN is established by year 2	• FSN meeting dates and notes • FSN coordination plan	
		2.4.2 Improve the quality, breadth and scope of FSN information via the TWGAW website accessible to all participating agencies, e.g. TWGs especially TWG-AW, TWG-FSN	• TWGAW website information is maintained and up-to-date by year 2	• TWGAW website content • foodsecurity.gov.kh website	
		2.4.3 Integrate FIVIMS FSN information analysis and dissemination system with	• FIVIMS' compiles, analyses, maps and reports food security related information by year 3	• Integrated FIVIMS reports	

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		VAM, FSNIS, CamInfo, etc.			
		2.4.4 Conduct workshops to promote the use of FSN information with members of other TWGs, especially TWG-AW, TWG-FSN and TWG of the Micronutrient and Infant and Young Child Feeding	• 1 workshop per year is conducted to promote the use of FSN information	• Workshop attendance records • Meeting notes	
		2.4.5 Document and disseminate best practice and innovative FSN approaches	• Best practices and innovative approaches documented and disseminated by year 3	• Best practice documentation	
		2.4.6 Conduct FSN policy and program formulation dialogue with government and development partners	• 1 workshop per year is conducted to promote FSN policy and program formulation dialogue	• FSN policy and program matrices and design • Meeting dates and notes	
2.5 The quality and scope of information and data supporting FSN in Cambodia is improved		2.5.1 Link and expand existing FSN data with identification of poor communities and poor households initiatives (ID-Poor Program in MoP)	• FSN data is expanded and linked with ID-Poor Program in MoP by year 3	• ID-Poor Program reports	**Assumptions** • Information and data needed for identifying and targeting on the food insecure and poor households and villages becomes available when implementation could be expected to begin (such as progress under the MOP project for Identification of Poor Households and WFP sponsored Integrated Food Security and Humanitarian Phase Classification) • Baseline surveys to be carried out use the methodology used by the "Identification of Poor Households Project (ID-Poor)" being implemented by the Ministry of Planning

Outputs	Priority Ranking	Key Activities	Indicators	Source of Verification	Assumptions and Risks
		2.5.2 Develop targeted investment proposals under the FSSP using ID-Poor Program data	• Investment proposals under the FSSP are developed by year 3	• Investment proposals	
		2.5.3 Create and disseminate leaflets on food safety awareness at commune and village meetings on food security	• Leaflets developed and disseminated at commune and village meetings by year 3	• Records of food safety awareness activities at local level • Leaflets	
		2.5.4 Conduct basic study on information flows and structure on food safety at decentralized level	• Basic study data on information flows and structure on food safety at decentralized level data is collected and stored by year 3	• Study data	

Annex 9 Summary Budget

GAFSP Food Security Project Cost/Budget by Components - 4 year period

Priority		Year 1	Year 2	Year 3	Year 4	Total (US$)	
	C1. RAISING AGRICULTURAL PRODUCTIVITY	**$2,250,000**	**$8,050,000**	**$6,200,000**	**$6,200,000**	**$22,700,000**	**45.4%**
H	Component I – Adoption of higher yielding technologies	$1,300,000	$6,800,000	$5,000,000	$5,000,000	$18,100,000	36.2%
H	Component II – Technology generation	$400,000	$400,000	$600,000	$600,000	$2,000,000	4.0%
M	Component III – Improving efficiency of agricultural land use	$550,000	$850,000	$600,000	$600,000	$2,600,000	5.2%
	C2. LINKING FARMERS TO MARKET	**$900,000**	**$1,300,000**	**$700,000**	**$700,000**	**$3,600,000**	**7.2%**
H	Component I - Reduce transfer and transaction costs	$300,000	$300,000	$300,000	$300,000	$1,200,000	2.4%
H	Component II - Other value addition	$600,000	$1,000,000	$400,000	$400,000	$2,400,000	4.8%
	C3. REDUCING RISK & VULNERABILITY	**$1,400,000**	**$2,500,000**	**$2,500,000**	**$2,300,000**	**$8,700,000**	**17.4%**
H	Component I – Improving nutrition of vulnerable groups	$1,400,000	$2,500,000	$2,500,000	$2,300,000	$8,700,000	17.4%
	C4. IMPROVING NON-FARM RURAL LIVELIHOODS	**$400,000**	**$1,900,000**	**$1,900,000**	**$1,900,000**	**$6,100,000**	**12.2%**
M	Component I – Promoting non-farm rural entrepreneurship	$400,000	$1,900,000	$1,900,000	$1,900,000	$6,100,000	12.2%
	C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING, CAPACITY DEVELOPMENT	**$1,895,000**	**$2,110,000**	**$2,060,000**	**$1,035,000**	**$7,100,000**	**14.2%**
H	Component I - Implementation of the Rice policy	$1,100,000	$1,125,000	$550,000	$250,000	$3,025,000	6.1%
H	Component II - Capacity-building for sector strategy, investments and implementation	$425,000	$360,000	$360,000	$330,000	$1,475,000	3.0%
M	Component III - Knowledge development and dissemination	$370,000	$625,000	$1,150,000	$455,000	$2,600,000	5.2%
	Total Program Budget	**$6,845,000**	**$15,860,000**	**$13,360,000**	**$12,135,000**	**$48,200,000**	**96.4%**
	Program Management Support	**$420,000**	**$440,000**	**$470,000**	**$470,000**	**$1,800,000**	**3.6%**
	Personnel and Staffing	$200,000	$200,000	$200,000	$200,000	$800,000	1.6%
	Vehicles and Transport	$100,000	$50,000	$50,000	$50,000	$250,000	0.5%
	Meetings and Workshops	$20,000	$20,000	$20,000	$20,000	$80,000	0.2%
	M&E and Reviews	$-	$70,000	$100,000	$100,000	$270,000	0.5%
	Operating Costs	$100,000	$100,000	$100,000	$100,000	$400,000	0.8%
	Total Program Cost	**$7,265,000**	**$16,300,000**	**$13,830,000**	**$12,605,000**	**$50,000,000**	**100.0%**

Program Cost/Budget by Components and Sub-Components

Component Sub-component	Total (US$)		Sub-Component	
C1. RAISING AGRICULTURAL PRODUCTIVITY	**$22,700,000**	**45.4%**		
Component I – Adoption of higher yielding technologies	*$ 18,100,000*	*36.2%*		
On-farm productivity is improved through adoption of low-input technical packages			$ 7,100,000	14.2%
On-farm productivity is improved through adoption of improved technical packages			$ 11,000,000	22.0%
Component II – Technology generation	*$ 2,000,000*	*4.0%*		
Self-management and empowerment in farmers groups and village common works			$ 2,000,000	4.0%
Component III – Improving efficiency of agricultural land use	*$ 2,600,000*	*5.2%*		
Land titling supports objectives to promote agricultural production, productivity, and diversification			$ 200,000	0.4%
Agricultural land use maps and soil classifications are developed			$ 2,050,000	4.1%
Legal framework to manage agricultural lands is developed			$ 350,000	0.7%
C2. LINKING FARMERS TO MARKET	**$3,600,000**	**7.2%**		
Component I - Reduce transfer and transaction costs	*$ 1,200,000*	*2.4%*		
Traditional marketing systems are strengthened			$ 1,200,000	2.4%
Component II - Other value addition	*$ 2,400,000*	*4.8%*		
Market oriented technologies are developed and adopted for export			$ 2,400,000	4.8%
C3. REDUCING RISK & VULNERABILITY	**$8,700,000**	**17.4%**		
Component I – Improving nutrition of vulnerable groups	*$ 8,700,000*	*17.4%*		
Access to adequate food, better nutrition practices including food preparation and preservation, improved sanitation and health			$ 8,700,000	17.4%
C4. IMPROVING NON-FARM RURAL LIVELIHOODS	**$6,100,000**	**12.2%**		
Component I – Promoting non-farm rural entrepreneurship	*$ 6,100,000*	*12.2%*		
Better income through diversified income-generation opportunities (on-farm and off-farm)			$ 6,100,000	12.2%
C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING, CAPACITY DEVELOPMENT	**$7,100,000**	**14.2%**		
Component I - Implementation of the Rice policy	$3,025,000	6.1%		
Develop implementation roadmap			$ 600,000	1.2%
Explore export opportunities in regional markets			$ 950,000	1.9%
Develop arrangements for information sharing with stakeholders in domestic market			$ 400,000	0.8%
Prepare a Strategic Penetration Plan and Cambodia's position to compete in regional and global markets			$ 1,075,000	2.2%

Program Cost/Budget by Components and Sub-Components

Component Sub-component	Total (US$)		Sub-Component	
Component II - Capacity-building for sector strategy, investments and implementation	*$ 1,475,000*	*3.0%*		
Deconcentration and Decentralization provincial administrative strengthening			$ 500,000	1.0%
Continue gender mainstreaming operations in MAFF			$ 975,000	2.0%
Component III - Knowledge development and dissemination	*$ 2,600,000*	*5.2%*		
Key policy makers, planners and program developers are trained in FSN concepts; integrated into policy, plans, and programs			$ 365,000	0.7%
FSN coordination structure includes collaboration between and among concerned line ministries and agencies			$ 150,000	0.3%
Commune councils and farmer communities (FOs, FGs, FWUCs, etc) trained in managing the project cycle and FSN integration			$ 500,000	1.0%
Existing information and data on FSN is enhanced, used and is managed (maintained)			$ 735,000	1.5%
Quality and scope of information and data supporting FSN in Cambodia is improved			$ 850,000	1.7%
Total Program Budget	**$48,200,000**	**96.4%**	**$ 48,200,000**	**96.4%**
Program Management Support	$1,800,000	3.6%		
Personnel and Staffing			$ 800,000	1.6%
Vehicles and Transport			$ 250,000	0.5%
Meetings and Workshops			$ 80,000	0.2%
M&E and Reviews			$ 270,000	0.5%
Operating Costs			$ 400,000	0.8%
Total Program Cost	**$50,000,000**	**100%**		

Annex 10 Detailed Budget

Detailed Program Cost/Budget by Components - 4 year period

Component Sub-component Activity	Year 1	Year 2	Year 3	Year 4	Total (US$)
C1. RAISING AGRICULTURAL PRODUCTIVITY	**2,250,000**	**8,050,000**	**6,200,000**	**6,200,000**	**22,700,000**
Component I – Adoption of higher yielding technologies	**1,300,000**	**6,800,000**	**5,000,000**	**5,000,000**	**18,100,000**
On-farm productivity is improved through adoption of low-input technical packages					
Field trials confirming promising technical packages and practices	300,000	300,000			600,000
Extension, technology transfer, and traditional and non-traditional on-farm production training guidelines	500,000	500,000	500,000	500,000	2,000,000
Disseminate sets of low-input technical packages for production to farmers		1,000,000	1,000,000	1,000,000	3,000,000
Extension, technology transfer, and on-farm production training to farmers		500,000	500,000	500,000	1,500,000
On-farm productivity is improved through adoption of improved technical packages					
Extension, technology transfer, and improved on-farm production training guidelines	500,000				500,000
Disseminate sets of improved technical packages for production to farmers		1,000,000	1,000,000	1,000,000	3,000,000
Extension, technology transfer, and improved on-farm production training to farmers		500,000	500,000	500,000	1,500,000
Implement agricultural productivity practices, techniques and management of natural resources		3,000,000	1,500,000	1,500,000	6,000,000
Component II – Technology generation	**400,000**	**400,000**	**600,000**	**600,000**	**2,000,000**
Self-management and empowerment in farmers groups and village common works					
Pro-poor, pro-women and pro-environment technologies	400,000	400,000	400,000	400,000	1,600,000
Transformation of self-help groups to farmer/villager organizations (FOs)			100,000	100,000	200,000
Participatory Planning training for the implementation of community projects including safety net activities			100,000	100,000	200,000
Component III – Improving efficiency of agricultural land use	**550,000**	**850,000**	**600,000**	**600,000**	**2,600,000**
Land titling supports objectives to promote agricultural production, productivity, and diversification					
Issue land titles to project beneficiaries through MLMUP processes	100,000	100,000			200,000
Agricultural land use maps and soil classifications are developed					
Develop action plan to conduct regular agricultural land use surveys and soil classification in project area	250,000				250,000
Conduct surveys on a continuing basis to determine agricultural land use changes		600,000	600,000	600,000	1,800,000
Legal framework to manage agricultural lands is developed					
Establish a legal framework for agricultural land use management	200,000				200,000
Establish the technical framework for agricultural land use management		150,000			150,000
C2. LINKING FARMERS TO MARKET	**900,000**	**1,300,000**	**700,000**	**700,000**	**3,600,000**
Component I - Reduce transfer and transaction costs	**300,000**	**300,000**	**300,000**	**300,000**	**1,200,000**
Traditional marketing systems are strengthened					
Value chain partnerships between input suppliers, producers and market traders in the traditional marketing system	300,000	300,000	300,000	300,000	1,200,000
Component II - Other value addition	**600,000**	**1,000,000**	**400,000**	**400,000**	**2,400,000**
Market oriented technologies are developed and adopted for export					
Post-Harvest Technologies developed and disseminated	300,000	300,000	300,000	300,000	1,200,000
Identify high quality niche products with a unique Cambodian identity/brand for export	200,000	200,000			400,000
Marketing strategies to promote production and export of niche products identified		400,000			400,000
Agricultural Market Information Systems	100,000	100,000	100,000	100,000	400,000
C3. REDUCING RISK & VULNERABILITY	**1,400,000**	**2,500,000**	**2,500,000**	**2,300,000**	**8,700,000**
Component I – Improving nutrition of vulnerable groups	**1,400,000**	**2,500,000**	**2,500,000**	**2,300,000**	**8,700,000**
Access to adequate food, better nutrition practices including food preparation and preservation, improved sanitation and health					
Home gardening training to self-help groups, FOs and households		400,000	400,000	400,000	1,200,000
Food use, nutrition, and basic health care training and extension		400,000	400,000	400,000	1,200,000

Detailed Program Cost/Budget by Components - 4 year period

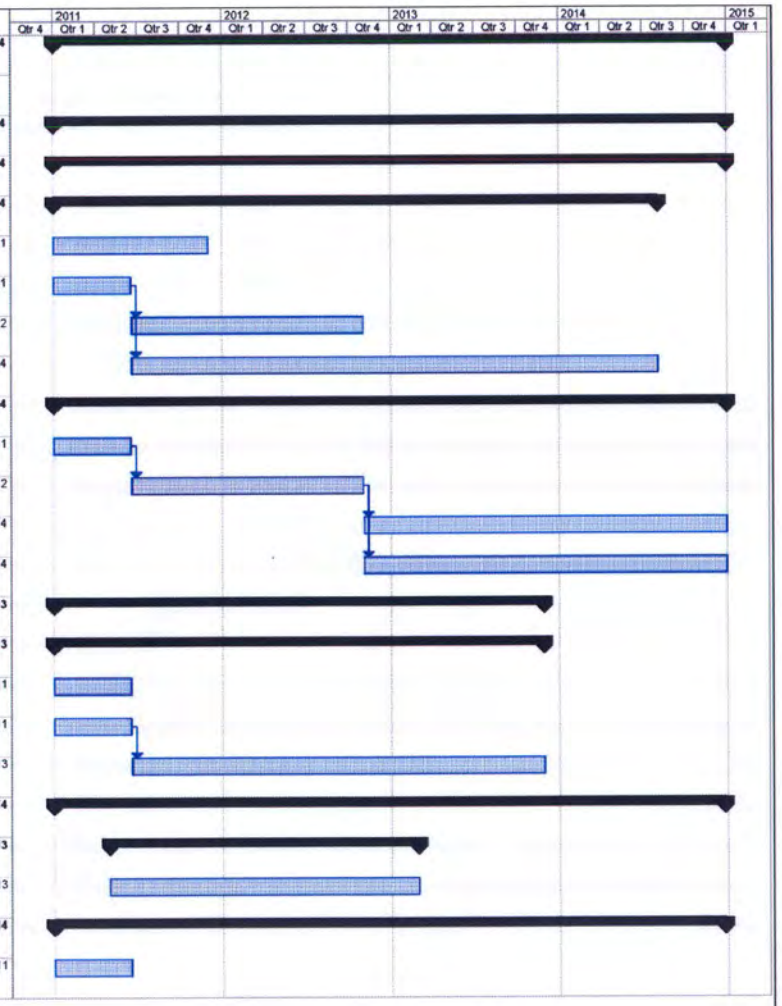
Component	Sub-component	Activity	Year 1	Year 2	Year 3	Year 4	Total (US$)
		Food intake and food composition studies		100,000	100,000	100,000	300,000
		Food production and income changes studies		100,000	100,000	100,000	300,000
		KAP studies		100,000	100,000	100,000	300,000
		Sanitation inputs to householders	800,000	800,000	800,000	600,000	3,000,000
		Training to householders on household sanitation installation and safe water use	600,000	600,000	600,000	600,000	2,400,000
C4. IMPROVING NON-FARM RURAL LIVELIHOODS			**400,000**	**1,900,000**	**1,900,000**	**1,900,000**	**6,100,000**
Component I – Promoting non-farm rural entrepreneurship			**400,000**	**1,900,000**	**1,900,000**	**1,900,000**	**6,100,000**
	Better income through diversified income-generation opportunities (on-farm and off-farm)						
		Membership of existing self-help groups and form new self-help groups at the community level	100,000	100,000	100,000	100,000	400,000
		Basic administration training to self-help groups for self-management capacity		100,000	100,000	100,000	300,000
		Micro-businesses and small-scale agro-processing at a basic level in communities		1,500,000	1,500,000	1,500,000	4,500,000
		Set of vocational training packages for on and off-farm employment opportunities	100,000				100,000
		Train people in vocational skills and link to employment opportunities	200,000	200,000	200,000	200,000	800,000
C5. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING, CAPACITY DEVELOPMENT			**1,895,000**	**2,110,000**	**2,060,000**	**1,035,000**	**7,100,000**
Component I - Implementation of the Rice policy			**1,100,000**	**1,125,000**	**550,000**	**250,000**	**3,025,000**
	Develop implementation roadmap						
		Develop road map for the implementation of the Rice Policy	200,000				200,000
		Develop implementation management guidelines and materials	100,000				100,000
		Prepare plan of actions to reduce infrastructure costs		200,000			200,000
		Engage bilateral and multilateral partners and/or private sector to mobilize resources for investment projects		100,000			100,000
	Explore export opportunities in regional markets						
		Conduct a comprehensive study on Cambodia's potential markets for rice	300,000				300,000
		Disseminate widely the results with stakeholders	50,000				50,000
		Lead trade delegations consisting of representatives of relevant ministries and milled rice exporting companies		100,000	100,000		200,000
		Explore opportunities to export milled rice to Malaysia, Indonesia, Brunei, Philippines and Europe		200,000	200,000		400,000
	Develop arrangements for information sharing with stakeholders in domestic market						
		Disseminate market information	50,000	50,000	50,000	50,000	200,000
		Prepare a monitoring toolkit covering the process of production, processing, export and trade\	200,000				200,000
	Prepare a Strategic Penetration Plan and Cambodia's position to compete in regional and global markets						
		Define strategic objectives to position Cambodia in the international markets	200,000	200,000			400,000
		Explore new markets and disseminate information to rice producers and exporters		75,000	75,000	75,000	225,000
		Negotiate bilateral agreements with potential rice importing countries		100,000	100,000	100,000	300,000
		Establish the Association of Rice Exporting Countries (AREC)		100,000	25,000	25,000	150,000
Component II - Capacity-building for sector strategy, investments and implementation			**425,000**	**360,000**	**360,000**	**330,000**	**1,475,000**
	Deconcentration and Decentralization provincial administrative strengthening						
		Strengthen provincial departments ability to strategically plan and implement development projects	75,000	75,000	75,000	75,000	300,000
		PRDC & provincial councils identify and implement development plans	25,000	25,000	25,000	25,000	100,000
		District integration workshops (25) to identify and prioritize requirements	25,000	25,000	25,000	25,000	100,000
	Continue gender mainstreaming operations in MAFF						
		Office Equipment	40,000				40,000
		Vehicles and Motorbikes	25,000				25,000
		Staff Costs	75,000	75,000	75,000	75,000	300,000
		Training					
		1. Gender awareness	10,000	10,000	10,000	10,000	40,000
		2. Capacity building	10,000	10,000	10,000	10,000	40,000

Detailed Program Cost/Budget by Components - 4 year period

Component	Sub-component	Activity	Year 1	Year 2	Year 3	Year 4	Total (US$)
		3. Workshops	75,000	75,000	75,000	45,000	270,000
		4. Study tours	35,000	35,000	35,000	35,000	140,000
		5. Women Farmer Livelihood Activities	30,000	30,000	30,000	30,000	120,000
Component III - Knowledge development and dissemination			**370,000**	**625,000**	**1,150,000**	**455,000**	**2,600,000**
	Key policy makers, planners and program developers are trained in FSN concepts; integrated into policy, plans, and programs						
		FSN trainers pool	10,000	10,000	10,000	10,000	40,000
		Processes and guidelines for FSN national trainers pool	60,000				60,000
		FSN national trainer establishes a portfolio of trainings	60,000				60,000
		FSN mainstreaming tool with manuals and apply FSN mainstreaming tool to training portfolio	25,000	25,000	25,000	25,000	100,000
		Disseminate FSN mainstreaming tools for development projects to sub-national level		10,000	10,000		20,000
		Workshops on FSN concepts and objectives training to policy makers, planners, program designers, and line ministries		20,000	20,000	20,000	60,000
		Train key policy makers, planners and program developers in FSN portfolio of trainings and ToT skills		25,000			25,000
	FSN coordination structure includes collaboration between and among concerned line ministries and agencies						
		FSN official focal points with clear responsibilities at MAFF	50,000	50,000	50,000		150,000
	Commune councils and farmer communities (FOs, FGs, FWUCs, etc) trained in managing the project cycle and FSN integration						
		FSN planning and coordination teams at provincial and commune levels	50,000	50,000			100,000
		FSN teams apply FSN objectives and monitoring tools into development plans	50,000	50,000			100,000
		Train commune council members and farmer communities in FSN training subjects in FSN portfolio		100,000	100,000	100,000	300,000
	Existing information and data on FSN is enhanced, used and is managed (maintained)						
		Coordination and harmonization processes, roles and functions for the existing FSN agency	15,000				15,000
		FSN information via the TWGAW website accessible to all participating agencies	50,000				50,000
		FIVIMS FSN information analysis and dissemination system integration		150,000	150,000		300,000
		Workshops to promote the use of FSN information with members of other TWGs		75,000	75,000		150,000
		Document and disseminate best practice and innovative FSN approaches		60,000	60,000		120,000
		FSN policy and program formulation dialogue with government and development partners			50,000	50,000	100,000
	Quality and scope of information and data supporting FSN in Cambodia is improved						
		Link and expand existing FSN data with ID-Poor Program in MoP			300,000		300,000
		Develop targeted investment proposals under the FSSP using ID-Poor Program data			150,000	150,000	300,000
		Create and disseminate leaflets on food safety awareness atcommune and village meetings on food security			100,000	50,000	150,000
		Study on information flows and structure on food safety at decentralized level			50,000	50,000	100,000
Total Program Budget			**6,845,000**	**15,860,000**	**13,360,000**	**12,135,000**	**48,200,000**
Program Management Support			**420,000**	**440,000**	**470,000**	**470,000**	**1,800,000**
	Personnel and Staffing		200,000	200,000	200,000	200,000	800,000
	Vehicles and Transport		100,000	50,000	50,000	50,000	250,000
	Meetings and Workshops		20,000	20,000	20,000	20,000	80,000
	M&E and Reviews		-	70,000	100,000	100,000	270,000
	Operating Costs		100,000	100,000	100,000	100,000	400,000
Total Program Cost			**7,265,000**	**16,300,000**	**13,830,000**	**12,605,000**	**50,000,000**

Annex 11 Detailed Implementation Plan

ID	Task Name	Duration	Start	Finish
1	**Food Security Program**	**52.15 mons?**	**Mon 1/3/11**	**Wed 12/31/14**
2				
3	**RAISING AGRICULTURAL PRODUCTIVITY**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
4	**Component I – Adoption of higher yielding technologies**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
5	**On-farm productivity is improved through adoption of low-input technic**	**46.8 mons**	**Mon 1/3/11**	**Mon 8/4/14**
6	Field trials confirming promising technical packages and practices	12 mons	Mon 1/3/11	Fri 12/2/11
7	Extension, technology transfer, and traditional and non-traditional on-farr	6 mons	Mon 1/3/11	Fri 6/17/11
8	Disseminate sets of low-input technical packages for production to farme	18 mons	Mon 6/20/11	Fri 11/2/12
9	Extension, technology transfer, and on-farm production training to farmer	40.8 mons	Mon 6/20/11	Mon 8/4/14
10	**On-farm productivity is improved through adoption of improved technic**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
11	Extension, technology transfer, and improved on-farm production training	6 mons	Mon 1/3/11	Fri 6/17/11
12	Disseminate sets of improved technical packages for production to farme	18 mons	Mon 6/20/11	Fri 11/2/12
13	Extension, technology transfer, and improved on-farm production training	28.15 mons	Mon 11/5/12	Wed 12/31/14
14	Implement agricultural productivity practices, techniques and manageme	28.15 mons	Mon 11/5/12	Wed 12/31/14
15	**Component II - Technology generation**	**38 mons**	**Mon 1/3/11**	**Fri 11/29/13**
16	**Pro-poor, pro-women and pro-environment technologies**	**38 mons**	**Mon 1/3/11**	**Fri 11/29/13**
17	Preliminary assessment of technologies developed and successfully ado	6 mons	Mon 1/3/11	Fri 6/17/11
18	Participatory research and on-farm assessment, validate relevant techno	6 mons	Mon 1/3/11	Fri 6/17/11
19	Train farmers in technologies through appropriate extension mechanism:	32 mons	Mon 6/20/11	Fri 11/29/13
20	**Component III - Improving the efficiency of agricultural land use**	**52 mons**	**Mon 1/3/11**	**Fri 12/26/14**
21	**land titling supports objectives to promote agricultural production, prod**	**24 mons**	**Mon 5/2/11**	**Fri 3/1/13**
22	Issue land titles to project beneficiaries through MLMUP processes	24 mons	Mon 5/2/11	Fri 3/1/13
23	**Agricultural land use maps and soil classifications are developed**	**52 mons**	**Mon 1/3/11**	**Fri 12/26/14**
24	Develop action plan to conduct regular agricultural land use surveys and	6 mons	Mon 1/3/11	Fri 6/17/11

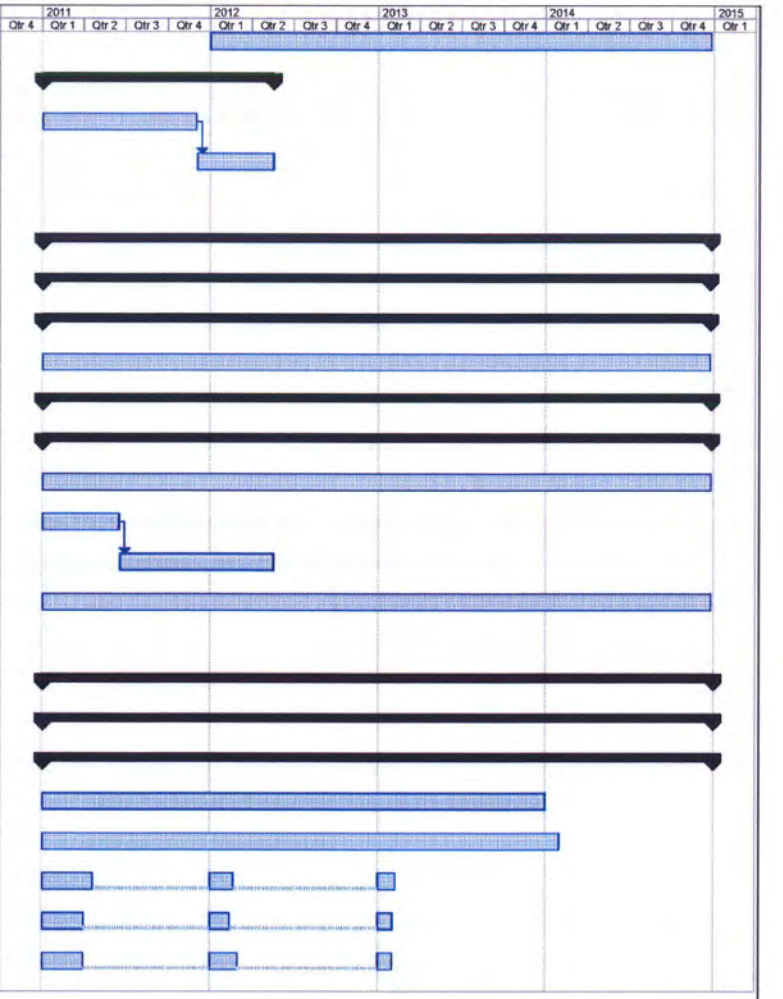


Project: GAFSP Sequencing
Date: Mon 9/6/10

Task | Progress | Summary | External Tasks | Deadline
Split | Milestone | Project Summary | External Milestone

Page 1

ID	Task Name	Duration	Start	Finish
25	Conduct surveys on a continuing basis to determine agricultural land use	39 mons	Mon 1/2/12	Fri 12/26/14
26	**Legal framework to manage agricultural lands is developed**	**18 mons**	**Mon 1/3/11**	**Fri 5/18/12**
27	Establish a legal framework for agricultural land use management	12 mons	Mon 1/3/11	Fri 12/2/11
28	Establish the technical framework for agricultural land use management	6 mons	Mon 12/5/11	Fri 5/18/12
29				
30	**LINKING FARMERS TO MARKET**	**52 mons**	**Mon 1/3/11**	**Fri 12/26/14**
31	**Component I - Reduce transfer and transaction costs**	**51.9 mons**	**Mon 1/3/11**	**Wed 12/24/14**
32	**Traditional marketing systems are strengthened**	**51.9 mons**	**Mon 1/3/11**	**Wed 12/24/14**
33	Value chain partnerships between input suppliers, producers and market	51.9 mons	Mon 1/3/11	Wed 12/24/14
34	**Component II - Other value addition**	**52 mons**	**Mon 1/3/11**	**Fri 12/26/14**
35	**Market oriented and niche-specific technologies are developed and adop**	**52 mons**	**Mon 1/3/11**	**Fri 12/26/14**
36	Post Harvest Technologies developed and disseminated	52 mons	Mon 1/3/11	Fri 12/26/14
37	Identify high quality niche products with a unique Cambodian identity/bra	6 mons	Mon 1/3/11	Fri 6/17/11
38	Marketing strategies to promote production and export of niche products	12 mons	Mon 6/20/11	Fri 5/18/12
39	Agricultural Market Information Sysems	52 mons	Mon 1/3/11	Fri 12/26/14
40				
41	**REDUCING RISK AND VULNERABILITY**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
42	**Component I - Improving nutrition of vulnerable groups**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
43	**Access to adequate food, better nutrition practices including food prepa**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
44	Home gardening training to self-help groups, FOs and households	39.1 mons	Mon 1/3/11	Tue 12/31/13
45	Food use, nutrition, and basic health care training and extension	40.25 mons	Mon 1/3/11	Fri 1/31/14
46	Food intake and food composition studies	7.2 mons	Mon 1/3/11	Thu 2/7/13
47	Food production and income changes studies	6 mons	Mon 1/3/11	Fri 2/1/13
48	KAP studies	6.58 mons	Mon 1/3/11	Fri 2/1/13



Project: GAFSP Sequencing
Date: Mon 9/6/10

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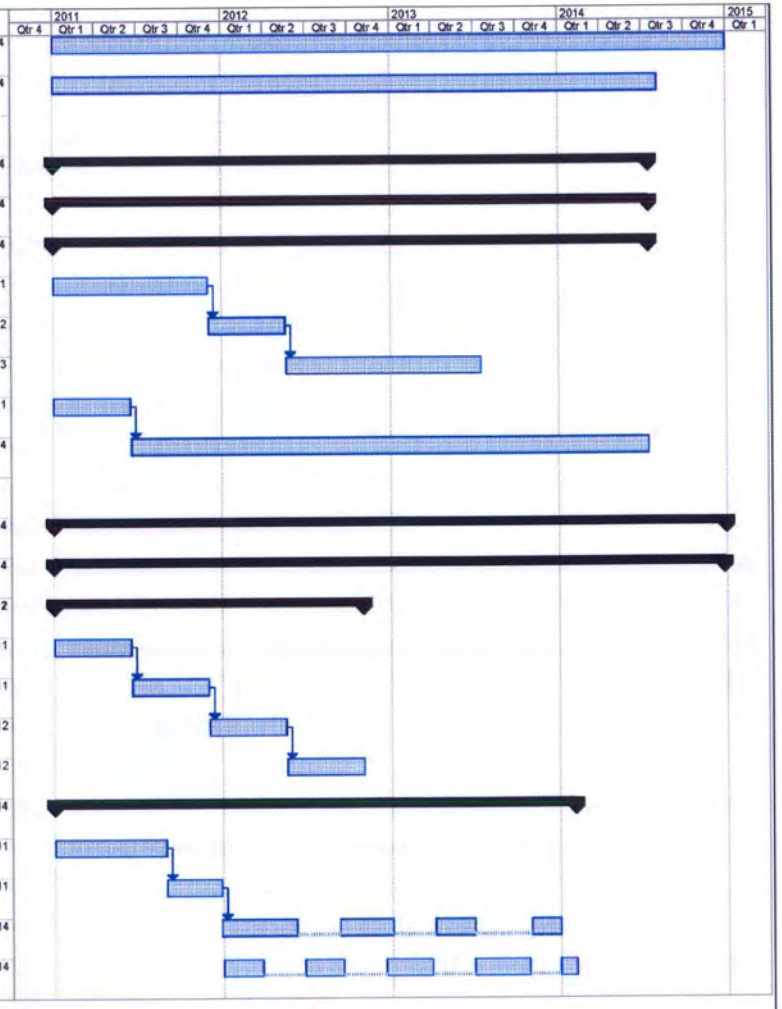
ID	Task Name	Duration	Start	Finish
49	Sanitation inputs to householders	52.15 mons	Mon 1/3/11	Wed 12/31/14
50	Training to householders on household sanitation installation and safe w	46.8 mons	Mon 1/3/11	Mon 8/4/14
51				
52	**IMPROVING NON-FARM RURAL LIVELIHOODS**	**46.15 mons**	**Mon 1/3/11**	**Wed 7/16/14**
53	**Component I - Promoting non-farm rural entrepreneurship**	**46.15 mons**	**Mon 1/3/11**	**Wed 7/16/14**
54	**Better income through diversified income-generation opportunities (on-**	**46.15 mons**	**Mon 1/3/11**	**Wed 7/16/14**
55	Membership of existing self-help groups and form new self-help groups a	12 mons	Mon 1/3/11	Fri 12/2/11
56	Basic administration training to self-help groups for self-management ca	6 mons	Mon 12/5/11	Fri 5/18/12
57	Micro-businesses and small-scale agro-processing at a basic level in cor	15.1 mons	Mon 5/21/12	Tue 7/16/13
58	Set of vocational training packages for on and off-farm employment oppo	6 mons	Mon 1/3/11	Fri 6/17/11
59	Train people in vocational skills and link to employment opportunities	40.15 mons	Mon 6/20/11	Wed 7/16/14
60				
61	**TECHNICAL ASSISTANCE, INSTITUTION-BUILDING AND CAPACITY DEVELOPMI**	**52.15 mons?**	**Mon 1/3/11**	**Wed 12/31/14**
62	**Component I - Implementation of Rice Policy**	**52 mons?**	**Mon 1/3/11**	**Fri 12/26/14**
63	**Develop implementation roadmap**	**24 mons?**	**Mon 1/3/11**	**Fri 11/2/12**
64	Develop road map for the implementation of the Rice Policy	6 mons?	Mon 1/3/11	Fri 6/17/11
65	Develop implementation management guidelines and materials	6 mons?	Mon 6/20/11	Fri 12/2/11
66	Prepare plan of actions to reduce infrastructure costs	6 mons?	Mon 12/5/11	Fri 5/18/12
67	Engage bilateral and multilateral partners and/or private sector to mobiliz	6 mons?	Mon 5/21/12	Fri 11/2/12
68	**Explore export opportunities in regional markets**	**40.35 mons?**	**Mon 1/3/11**	**Wed 2/5/14**
69	Conduct a comprehensive study on Cambodia's potential markets for rice	8.65 mons?	Mon 1/3/11	Wed 8/31/11
70	Disseminate widely the results with stakeholders	4.25 mons?	Thu 9/1/11	Wed 12/28/11
71	Lead trade delegations consisting of representatives of relevant ministrie	15.29 mons?	Thu 12/29/11	Wed 1/1/14
72	Explore opportunities to export milled rice to Malaysia, Indonesia, Brunei	15.16 mons?	Mon 1/2/12	Wed 2/5/14



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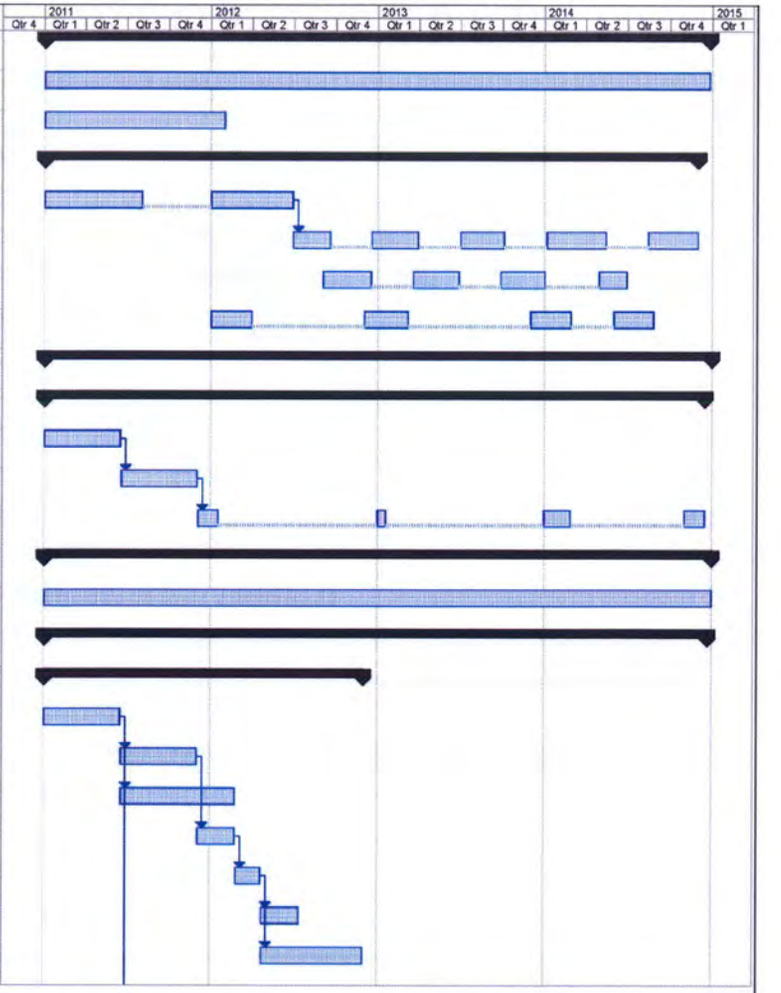
ID	Task Name	Duration	Start	Finish
73	**Develop arrangements for information sharing with stakeholders in dom**	**52 mons?**	**Mon 1/3/11**	**Fri 12/26/14**
74	Disseminate market information	52 mons?	Mon 1/3/11	Fri 12/26/14
75	Prepare a monitoring toolkit covering the process of production, processi	14.1 mons?	Mon 1/3/11	Tue 1/31/12
76	**Prepare a Strategic Penetration Plan and Cambodia's position to compe**	**51.03 mons?**	**Mon 1/3/11**	**Mon 12/1/14**
77	Define strategic objectives to position Cambodia in the international mari	14.1 mons?	Mon 1/3/11	Thu 6/28/12
78	Explore new markets and disseminate information to rice producers and	18.49 mons?	Fri 6/29/12	Mon 12/1/14
79	Negotiate bilateral agreements with potential rice importing countries	13 mons?	Mon 9/3/12	Mon 8/30/14
80	Establish the Association of Rice Exporting Countries (AREC)	13.05 mons?	Mon 1/2/12	Tue 8/26/14
81	**Component II - Capacity building for sector strategy, investments and impler**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
82	**Deconcentration and Decentralization provincial administrative strength**	**51.6 mons**	**Mon 1/3/11**	**Tue 12/16/14**
83	Strengthen provincial departments ability to strategically plan and implen	6 mons	Mon 1/3/11	Fri 6/17/11
84	PRDC & provincial councils identify and implement development plans	6 mons	Mon 6/20/11	Fri 12/2/11
85	District integration workshops (25) to identify and prioritize infrastructure	6 mons	Mon 12/5/11	Tue 12/16/14
86	**Continue gender mainstreaming**	**52.15 mons**	**Mon 1/3/11**	**Wed 12/31/14**
87	Continue gender mainstreaming operations in MAFF	52.15 mons	Mon 1/3/11	Wed 12/31/14
88	**Component III - Knowledge development and dissemination**	**51.8 mons**	**Mon 1/3/11**	**Mon 12/22/14**
89	**Key policy makers, planners and program developers are trained in FSN**	**25 mons**	**Mon 1/3/11**	**Fri 11/30/12**
90	FSN trainers pool	6 mons	Mon 1/3/11	Fri 6/17/11
91	Processes and guidelines for FSN national trainers pool	6 mons	Mon 6/20/11	Fri 12/2/11
92	FSN national trainer establishes a portfolio of trainings	9 mons	Mon 6/20/11	Fri 2/24/12
93	FSN mainstreaming tool with manuals and apply FSN mainstreaming toc	3 mons	Mon 12/5/11	Fri 2/24/12
94	Disseminate FSN mainstreaming tools for development projects to sub-n	2 mons	Mon 2/27/12	Fri 4/20/12
95	Workshops on FSN concepts and objectives training to policy makers, pl	3 mons	Mon 4/23/12	Fri 7/13/12
96	Train key policy makers, planners and program developers in FSN portfc	8 mons	Mon 4/23/12	Fri 11/30/12



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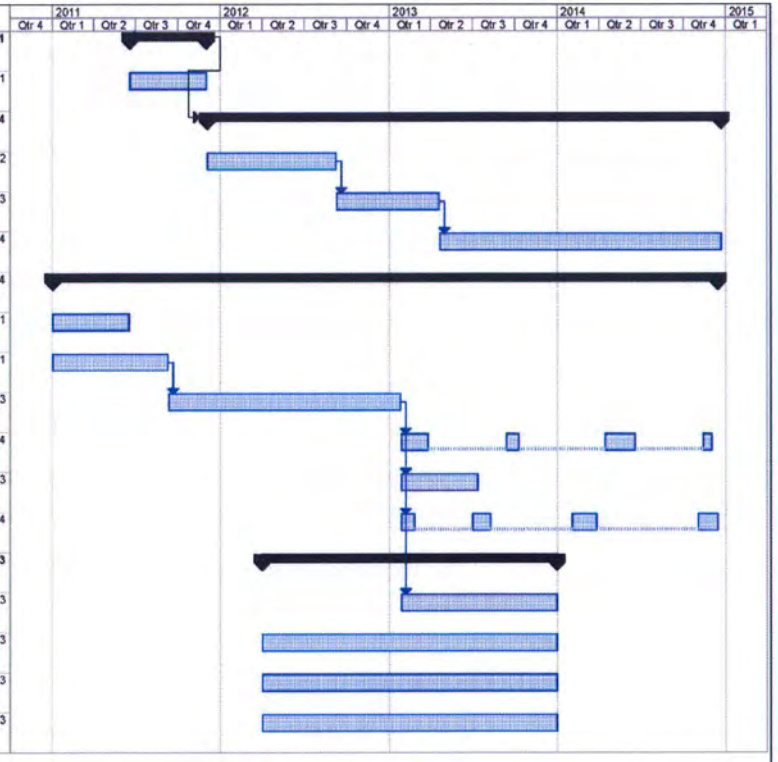
ID	Task Name	Duration	Start	Finish
97	**FSN coordination structure includes collaboration between and among**	**6 mons**	**Mon 6/20/11**	**Fri 12/2/11**
98	FSN official focal points with clear responsibilities at MAFF	6 mons	Mon 6/20/11	Fri 12/2/11
99	**Commune councils and farmer communities (FOs, FGs, etc) trained in n**	**39.8 mons**	**Mon 12/5/11**	**Mon 12/22/14**
100	FSN planning and coordination teams at provincial and commune levels	10 mons	Mon 12/5/11	Fri 9/7/12
101	FSN teams apply FSN objectives and monitoring tools into development	8 mons	Mon 9/10/12	Fri 4/19/13
102	Train commune council members and farmer communities in FSN trainin	21.8 mons	Mon 4/22/13	Mon 12/22/14
103	**Existing information and data on FSN is enhanced, used and is manage**	**51.55 mons**	**Mon 1/3/11**	**Mon 12/15/14**
104	Coordination and harmonization processes, roles and functions for the e	6 mons	Mon 1/3/11	Fri 6/17/11
105	FSN information via the TWGAW website accessible to all participating a	9 mons	Mon 1/3/11	Fri 9/9/11
106	F/VIMS FSN information analysis and dissemination system integration	18 mons	Mon 9/12/11	Fri 1/25/13
107	Workshops to promote the use of FSN information with members of othe	6 mons	Mon 1/28/13	Mon 12/1/14
108	Document and disseminate best practice and innovative FSN approache	6 mons	Mon 1/28/13	Fri 7/12/13
109	FSN policy and program formulation dialogue with government and deve	6 mons	Mon 1/28/13	Mon 12/15/14
110	**Quality and scope of information and data supporting FSN in Cambodia**	**22.85 mons**	**Mon 4/2/12**	**Tue 12/31/13**
111	Link and expand existing FSN data with ID-Poor Program in MoP	12.1 mons	Mon 1/28/13	Tue 12/31/13
112	Develop targeted investment proposals under the FSSP using ID-Poor P	22.85 mons	Mon 4/2/12	Tue 12/31/13
113	Create and disseminate leaflets on food safety awareness at commune a	22.85 mons	Mon 4/2/12	Tue 12/31/13
114	Study on information flows and structure on food safety at decentralized	22.85 mons	Mon 4/2/12	Tue 12/31/13



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Annex 12 Risk Management Plan

12.1 Summary Risk Assessment

Component	Risk Identified	Likely (Tick)	Relatively Serious (Tick)	Not Mitigated Over Program Period (Tick)	Major Risk (All three columns ticked)
C1. RAISING AGRICULTURAL PRODUCTIVITY					
I. Adoption of higher yielding technologies	Pests/diseases limit productivity or changes in supply/demand limit profiles in first growing season affecting farmer interest levels in program technologies	✓			
	Farmers have difficulty adopting several new technologies and concepts	✓			
	Instances of major flooding or drought occurrences impede improvement of agricultural productivity	✓	✓		
II. Technology generation	Farmer Organizations (FOs) do not collect enough revenue to become self-supporting	✓	✓		
III. Improving efficiency of land use	Previous implementation of land titling projects not planned well and ran short of funding	✓	✓		
	Capacity limited to consult with each beneficiary on land use and land titles	✓	✓		
C2. LINKING FARMERS TO MARKETS					
I. Reduce transfer and transaction costs	Phyto-sanitary regulations do not meet market standards	✓			
II. Other value addition	Phyto-sanitary regulations and export regulations do not meet all international	✓			

Component	Risk Identified	Likely (Tick)	Relatively Serious (Tick)	Not Mitigated Over Program Period (Tick)	Major Risk (All three columns ticked)
	export market standards				
C.3 REDUCING RISK & VULNERABILITY					
I. Improving nutrition of vulnerable groups	Nutritional interventions may not result in measurable impacts on maternal and child nutrition	✓	✓		
C4. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING AND CAPACITY DEVELOPMENT					
II. Capacity building for sector strategy, investments and implementation	Limited capacity within MAFF to train and sustain provincial staffing and administrative capacity levels	✓			

PROGRAM GOVERNANCE					
PUBLIC FINANCIAL MANAGEMENT (PFM)					
1. Internal controls	Lack of sufficiently qualified staff and establishment of explicit policies, procedures, and reporting requirements based on managers' assessment of risk reinforced by a written code of conduct and recurrent training	✓	✓		
2. De-concentration and integration	Overlapping responsibilities exist between Ministerial departments in all ministries and in a number of PFM areas, this and the implementation of more de-concentrated PFM arrangements may generate reform resistance	✓			
3. Budget comprehensiveness and transparency	Limited accountability of Government to its own population and a lack of checks and balances that fiscal transparency otherwise makes possible because information about public finances is available, but it is not always comprehensive,	✓	✓		

Component	Risk Identified	Likely (Tick)	Relatively Serious (Tick)	Not Mitigated Over Program Period (Tick)	Major Risk (All three columns ticked)
	timely, accurate and easily accessible				
4. Policy-based budgeting	The PBB (program based budget) is bargained rather than formula-based. The final ministerial annual budgets bears little relation to the PBB originally proposed	✓	✓	✓	✓
5. Predictability and control in budget execution	Revenue yields significantly lower than in comparable countries notwithstanding significantly improved revenue performance in recent years, due to continuing inefficiencies in administering revenue collection and enforcing compliance. Incorrect payments in respect of government salaries as a result of weak payroll and establishment controls. Devolution of financial accounting to finance and accounting units within individual departments creates information-flow weaknesses and hampers oversight of both Ministerial level finance and accounting departments as well as higher level MEF oversight	✓	✓	✓	✓
6. Accounting, recording and reporting	Inaccuracies in financial statements as a result of lack of capacity, weak compliance with controls over the recording of transactions and preparation of accounts. Inconsistency in allowances paid to Government staff attending training, workshops and other similar activities. Delayed or non-existent reconciliation of advances for operating costs and expenses	✓	✓		
7. External scrutiny and audit	Limited assurance over the Government's performance because of limitations in the quality of the external audit function and a culture of non-response by management of audited entities. Poor use of resources and unresponsiveness to the needs of the people because lack of capacity of parliamentary oversight and weak accountability mechanisms. External audit reports are not published and the deliberations and recommendations are not publicly available	✓	✓	✓	✓
PROCUREMENT					
1. Central institutional	No international-standard, acceptable framework, limited capacity, weak	✓	✓		

Component	Risk Identified	Likely (Tick)	Relatively Serious (Tick)	Not Mitigated Over Program Period (Tick)	Major Risk (All three columns ticked)
framework and capacity	compliance with rules and regulations and weak oversight controls causing losses and poor value for money from procurement and encourages insulation of project procedures from national capacities				
2. Procurement operations and market performance	Clear evidence of mis-procurement (use of force account), poor procurement under LCB and abuse of shopping procedures	✓	✓		
CORRUPTION					
1. Legislative and policy framework	Anticorruption policy is sound but has no measurable impact. The Policy has to be operationalized through specific procedures and controls	✓		✓	
2. Integrity institutions and capacity	Current procedures neither control endogenous abuse, nor protect from exogenous pressure. Capacity development in Stage 1 of PFMRP was limited and may undermine reform activities	✓	✓		
3. Anti-corruption operations and instruments	Anticorruption policy is not reflecting the reality of the country, the EA and projects	✓			
4. Rule of Law	Inadequate sanctions for fraudulent and corrupt activity by Project staff, contractors, suppliers and consultants	✓	✓	✓	✓

12.2 Risk Management Plan

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
C1. RAISING AGRICULTURAL PRODUCTIVITY			
I. Adoption of higher yielding technologies			
Likelihood of pest infestation and disease limits productivity. Changes in supply/demand limit profiles in first growing season can cause farmer interest levels in program technologies to drop	GDA and PDA will actively coordinate, facilitate and assure the quality of extension, technology transfer and on-farm production training given to farmers. Extension services by PDA will provide follow-up support to farmers, particularly in the first growing season. Farmers will be linked to high-value markets	EAs, IAs, GDA, PDAs	• Training attendance lists and records of training and field trials • Farm records (production inputs used and yields) • M&E reports • PDA extension service records
Farmers have difficulty adopting several new technologies and concepts	Extension, technology transfer, and on-farm production training guidelines developed will consider farmer literacy/education levels. Agriculture technical packages developed for farmers will be simple and easy to follow. Training given to farmers will be practical and PRA-based. Extension services by PDA will provide follow-up support to farmers, particularly in the first growing season	EAs, IAs, GDA, PDAs	• Training guidelines and manuals • Technical package documentation and practices • Training attendance lists and records of training and field trials • Farm records (production inputs used and yields) • M&E reports • PDA extension service records • Baseline/endline surveys
Instances of major flooding or drought occurrences impede improvement of agricultural productivity	Agricultural input and productivity training includes safety net activities. Farmers will be linked to high-value markets	EAs, IAs, GDA, PDAs	• Training guidelines and manuals • Training attendance lists and records of training and field trials • Farm records (production inputs used and yields) • M&E reports • PDA extension service records

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
II. Technology generation			
Farmer Organizations (FOs) do not collect enough revenue to become self-supporting	Participatory planning training is conducted and includes safety net activities. FO members pay a small annual registration fee. Community beneficiaries of FO projects contribute small annual fee. FO management trained in management and administrative tasks	EAs, IAs, PDAs	• Training attendance lists and records of training and field trials • Farm records (production inputs used and yields) • M&E reports • PDA extension service records
III. Improving efficiency of land use			
Previous implementation of land titling projects not planned well and ran short of funding	MLMUP and MAFF have an inter-ministerial coordination letter signed between the two ministries that helps satisfy donor confidence. Planning improvements based on lessons learnt	MAFF, MLMUP	• Signed MLMUP and MAFF inter-ministerial coordination letter • Implementation plan • M&E reports
Capacity limited to consult with each beneficiary on land use and land titles	Community beneficiary group meetings facilitated by PDA where it is difficult for PDA to reach beneficiaries one-on-one. Land dispute resolution procedures are actioned where required	EAs, IAs, PDAs	• Community meeting attendance lists • Land dispute resolution procedures and action plan • Land dispute records • Number of land titles issued
C2. LINKING FARMERS TO MARKETS			
I. Reduce transfer and transaction costs			
Phyto-sanitary regulations do not meet market standards	Agriculture micro-businesses and small-scale agro-processing are functioning at a basic level in communities and supported by extension. Through GDA/PDA, communicate trade constraint experiences and information at the local level to the Ministry of Commerce and current trade and market	GDA, PDA, MoC	• Records of activity of micro-businesses and agro-processing activities • PDA extension records • M&E reports • MAFF and MoC annual reports

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
	information linked through other donor projects and MoC fed information via GDA/PDA network		
II. Other value addition			
Phyto-sanitary regulations and export regulations do not meet all international export market standards	Agriculture micro-businesses and small-scale agro-processing are functioning at a basic level in communities and supported by extension. Through GDA/PDA, communicate trade constraint experiences and information at the local level to the Ministry of Commerce and current trade and market information linked through other donor projects and MoC fed information via GDA/PDA network. Rice Policy implementation plans will have actions for rice exports to meet international market standards	GDA, PDA, MoC	• Records of activity of micro-businesses and agro-processing activities • PDA extension records • M&E reports • MAFF and MoC annual reports • Rice policy implementation plan
C3. REDUCING RISK & VULNERABILITY			
I. Improving nutrition of vulnerable groups			
Nutritional interventions may not result in measurable impacts on maternal and child nutrition	There is coordination with provincial health clinics and hospitals to determine reduction in occurrence of main diseases. Health of target population is tested using modern health screening techniques in coordination with MoH. Patient records kept at health clinics and hospitals	EAs, IAs, MAFF, PDA	• Patient records at provincial health clinics and hospitals • M&E reports • Baseline/endline surveys

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
C4. TECHNICAL ASSISTANCE, INSTITUTION-BUILDING AND CAPACITY DEVELOPMENT			
II. Capacity building for sector strategy, investments and implementation			
Limited capacity within MAFF to train and sustain provincial staffing and administrative capacity levels	Staff is recruited in target provincial departments and are involved in their departmental strategy planning and development process	EAs, IAs, MAFF, PDA	• Recruitment records • Staff performance appraisals • Training records

PROGRAM GOVERNANCE			
PUBLIC FINANCIAL MANAGEMENT (PFM)			
1. Internal controls Lack of sufficiently qualified staff and establishment of explicit policies, procedures, and reporting requirements based on managers' assessment of risk reinforced by a written code of conduct and recurrent training	Strengthen internal controls by ensuring that the Project uses SOP including procedure in the Financial Management Manual (FMM) which cover: • financial policies and standards • elements of internal control • financial accounting system, ledgers, journals • bank accounts and credit/grant withdrawals • project expenditure, payroll, petty cash, advances; and • FM reports, audit, counterpart funds withdrawals. Provide hands-on training and technical assistance to EA/IAs in FMM and SOP as well as relevant provisions of the Financing Agreement and donor's Procurement Guidelines and Consulting Guidelines. Project to closely monitor and review financial management conduct and make necessary improvements as required	EAs, IAs MEF to monitor compliance with SOP/FM, as well as Financing Agreement and donor's Anticorruption Policy	• Consolidation of bank accounts, new COA budget classification, and BSP contribute to improved revenue and expenditure coverage • Number of bank accounts reduced from 58 (2009 level) to 25 by 2013 • Database to improve capturing/monitoring of external finance is operational • Financial management and SOP manuals in English and Khmer

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
2. De-concentration and integration Overlapping responsibilities exist between MEF departments and in a number of PFM areas, this and the implementation of more de-concentrated PFM arrangements may generate reform resistance	Support PFMRP activities in assisting management to elaborate gains arising from both integration and de-concentration and engaging stakeholders in understanding and developing commitment to the reform process	MEF	• Roles and Responsibilities of concerned departments clearly documented. • Where overlaps occur a clear set of procedures and guidelines on how to resolve conflicts are developed and documented
3. Budget comprehensiveness and transparency Limited accountability of Government to its own population and a lack of checks and balances that fiscal transparency otherwise makes possible because information about public finances is available, but it is not always comprehensive, timely, accurate and easily accessible	Continue with the planned activities designed to improve public availability of budget information and reporting of government operations under Stage 2 of the PFMRP implementation of the new economic classification and COA and development of an improved functional classification and a new program classification. The implementation of the PFSL will address the absence of reporting of auxiliary and autonomous budgets and preparation of a budget annex	EAs, IAs MEF to monitor compliance with SOP/FM, as well as Financing Agreement and donor's Anticorruption Policy	• Budget integrates recurrent, capital (incl. external financed expenditure) and data for public owned agencies • Summary publications of information for general public produced for budget, and widely disseminated • New budget classification and BSP methodology
4. Policy-based budgeting The PBB (program based budget) is bargained rather than formula-based. The final MEF annual budget bears little relation to the PBB originally proposed	A package of measures: a) Empower consultant team b) Strengthen MTR/PCR process c) Decide on SOP limit and arrangements during PAM formulation d) Preparation of a realistic annual procurement plan as guided by the procurement guidelines, tied to annual workplan and budget	EAs, IAs, MEF	• Budget variance authorization procedures in place • MEF budget fully aligns with PBB
5. Predictability and control in budget execution Revenue yields significantly lower than in	Support the PFMRP Stage 2 aims to further improve revenue policy and administration of the provisions under the Revenue Policy 2009. Formalize consultant	EAs, IAs, MEF	• Revenue out-turn increasingly close to targeted level in approved budget • Better yield achieved through

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
comparable countries notwithstanding significantly improved revenue performance in recent years, due to continuing inefficiencies in administering revenue collection and enforcing compliance. Incorrect payments in respect of government salaries as a result of weak payroll and establishment controls	counter-signature authority over authorization of all works expenditures against quality and volume and over procurement process. Formalize low SoE limit		improved collection efficiency and planned use of non-tax sources – achieve 5% growth above GDP real growth and inflation and increase in non-tax revenue = 5% above GDP real growth and inflation
6. Accounting, recording and reporting Inaccuracies in financial statements as a result of lack of capacity, weak compliance with controls over the recording of transactions and preparation of accounts. Inconsistency in allowances paid to Government staff attending training, workshops and other similar activities. Delayed or non-existent reconciliation of advances for operating costs and expenses	Continue to support the planned activities of Stage 2 PFMRP aims to improve accounting and reporting and the implementation of FMIS to replace the manual system, monitoring arrangements and strengthening internal audit coverage and capacity in MEF and line ministries. Follow MEF's Instruction Letter No. 2000 dated April 23, 2007 on standard daily subsistence allowances. Set training and workshop eligibility rules and cost/reimbursement guidelines	EAs, IAs, MEF	• Budget holders increasingly able to commit expenditure in line with budgets and cash flow forecasts • Internal Audit sections staff and producing reports • % of payments to creditors and staff made through banking system in 2010 = 75% • % of tax revenue collected through banks in 2010 = 60% • Composition of expenditure by type (staff costs, non-staff costs etc) with 5% of approved budget
7. External scrutiny and audit Limited assurance over the Government's performance because of limitations in the quality of the external audit function and a culture of non-response by management of audited entities. Poor use of resources and unresponsiveness to the needs of the people because lack of capacity of parliamentary oversight and weak accountability mechanisms. External audit	A major program of assistance is needed to build NAA capacity as part of PFMRP, which is funded outside of the PFMRP Multi-Donor Trust Fund. Strengthen MTR and PCR Teams with a) independent procurement specialist/s and b) independent engineering specialist/s 1.	EAs, IAs, MEF, NAA	• Public finances (TOFE) regularly available - within 2 weeks of end of period • Publically available Audit Reports from NAA

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
reports are not published and the deliberations and recommendations are not publicly available			
PROCUREMENT			
1. Central institutional framework and capacity No international-standard, acceptable framework, limited capacity, weak compliance with rules and regulations and weak oversight controls causing losses and poor value for money from procurement and encourages insulation of project procedures from national capacities	More rigorous PAM process establishes precise procedures (including post-qualification consultant counter-signatures; SoE limits; post-qualification of contractors, etc) and support the PFMRP Stage 2 objective to further strengthen the transparency of the procurement process while also developing the systems capacity and methodologies necessary to support a more de-concentrated framework. A project required that provides hands-on SOP/PM training to the EAs/IAs/IPAs, CCs, and district and provincial project implementation personnel. Project to monitor and review procurement conducts, and where necessary, take measures to improve procurement procedures based on lessons learned from each successive procurement activity	EAs, IAs, MEF	• Procurement rules and policy has been improved through amendment of sub-decree No. 60 and Prakas No. 045 on Procurement Decentralization • Reporting mechanism and post-review procedures have been introduced • Procurement Manual issued (English and Khmer)
2. Procurement operations and market performance Significant risk. Clear evidence of mis-procurement (use of force account), poor procurement under LCB and abuse of shopping procedures	A policy is required that explicitly sets forth criteria for decisions about the use of Force Account. Preparation of realistic annual Procurement Plans and tied to annual work plan and budget. Adherence to the procedures and guidelines set forth in the Financing Agreement, ADB's Procurement Guidelines and SOP/PM that also cover international competitive bidding, national competitive bidding, shopping and complaints procedures. Package of measures, customized to the project, including:	EAs, IAs, MEF	• Force Account Use policy in place • Annual Procurement Plans aligned with annual work plan and budget • Procurement committees have established procurement procedures and guidelines

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
	a) Establish national and provincial level procurement committees in accordance with SOP/PM b) Empower consultant team c) Strengthen MTR/PCR process d) Decide on SOP limit and arrangements during PAM formulation		
3. External demand (civil society, NAA, National Assembly) External demand for effective PFM weak although shows an improving trend	Empower MEF capability to respond to external demand through increasing transparency in implementation, progress reporting and dialogue. Provide technical support to the ICT Unit to ensure continued development and implementation of the ICT strategic framework. Continue support to build capacity in ICT	MEF, NAA, National Assembly	• PFM reporting is published regularly for public access
CORRUPTION			
1. Legislative and policy framework Anticorruption policy is sound but has no measurable impact. The Policy has to be operationalized through specific procedures and controls	Replace nominal commitments to implement the Anti-corruption Policy with changes in implementation procedure: a) Empower consultant team b) Strengthen MTR/PCR process c) Decide on SOP limit and arrangements during PAM formulation d) Conduct audits projects in a systematic way	EA, IA, MEF	• Anti-Corruption reporting is published regularly for public access • Provision for regular audit of projects incorporated into project designs • Formal Audit report prepared and published
2. Integrity institutions and capacity	A package of measures:	EA, IA, MEF	• Procurement procedures following

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
Current procedures neither control endogenous abuse, nor protect the project from exogenous pressure. Capacity development in Stage 1 of PFMRP was limited and may undermine reform activities	a) Empower consultant team b) Strengthen MTR/PCR process c) Decide on SOP limit and arrangements during PAM formulation d) Adopt a longer term perspective in training by training trainers and institutionalizing the training program		Policy and guidelines are institutionalized – training workshops held with existing and new staff on a quarterly basis
3. Anti-corruption operations and instruments Anticorruption policy is not reflecting the reality of the country, the EA and the project	Continue with NRDP practical adaptations to increase control and implement a package of measures: a) Empower consultant team b) Strengthen MTR/PCR process c) Decide on SOP limit and arrangements during PAM formulation	EA, IA, MEF	• Anti-Corruption reporting is published regularly for public access • Provision for regular audit of ADB financed projects incorporated into project designs • Formal Audit report prepared and published
4. Rule of Law Inadequate sanctions for fraudulent and corrupt activity by Project staff, contractors, suppliers and consultants	The Project to identify and apply sanctions available under current law and regulations of Cambodia, donor Loan and Grant Regulations the Financing Agreement, and donor's Procurement Guidelines and Consulting Guidelines. Sanctions for individuals may include transfer of duties, retraining, suspension, dismissal, re-grading, and prosecution under Cambodian Law. Sanctions for firms may include: termination of contract, debarment or blacklisting under donor's Procurement Guidelines and Consulting Guidelines or prosecution under Cambodian Law	EA	• Employment contracts modified to include sanctions for fraudulent and corrupt activity • Awareness workshops held with staff on the Rule of Law and sanctions against abuse according to employment contracts

ADB = Asia Development Bank, BSP = Budget Strategic Plan, CAR = Council for Administrative Reform, CC = Commune Council, COA = Chart of Accounts, D&D = De-concentration and Decentralization, DOB = Department of Budget Ministry of Economy and Finance, EA = Executing Agency, GDA = General Department of Agriculture, FBAC = FM = financial management, FMIS = Financial Management Information System, FMM = Financial Management Manual (Cambodia), FO = Farmer Organization, GDP = Gross Domestic Product, IA = Implementing Agency, ICT = Information Communication Technology, IPA = Independent Procurement Agency, LCB = local competitive

Major Assessed Risks	Proposals for Mitigation	Responsibility	Source of Verification
bidding, M&E = Monitoring and Evaluation, MAFF = Ministry of Agriculture, Forestry and Fisheries, MBPI = Merit Based Pay Initiative, MEF = Ministry of Economy and Finance, MLMUP = Ministry of Land Management and Urban Planning, MoC = Ministry of Commerce, MTR = Program Mid-Term Review, NAA = National Audit Authority, OED = Operations Evaluation Department (ADB), PAM = Project Administration Manual (ADB), PBB = program based budget, PCR = Project Completion Report (ADB), PDA = Provincial Department of Agriculture, PFM = Public financial management, PFMRP = PFM Reform Programme (MEF & ten donors), PFSL = Public Financial System Law, PM = Project Management, PRA = Participatory Rural Appraisal, SoE = Statement of Expenditure, SOP = standard operating procedure, TOFE = Government Finance Statistics, WB = World Bank			

Attachment 1: Agriculture and Food Security Strategy Documents

1. **National Strategic Development Plan (2009-2013)**
2. **National Program for Sub-National Democratic Development (2010-2019)**
3. **Strategic Framework for Food Security in Cambodia (2008-2012)**
4. **National Nutrition Strategy (2009-2015)**
5. **Strategy for Agriculture and Water (2010-2013)**
6. **Policy on the Promotion of Paddy Rice Production and Export of Milled Rice**
7. **ASEAN Integrated Food Security (AIFS) Framework and Strategic Plan of Action On Food Security In The ASEAN Region (SPA-FS) 2009-2013**

Attachment 3: Investment Plan Review

1. **Investment Plan Review**
2. **Cambodia Development Consultation Forum Declaration - June 2010**

Attachment 2: Agriculture and Food Security Investment Plan

1. **Strategy for Agriculture and Water (2010-2013)**
1.1 **Detailed Logframe**
1.2 **Detailed Budget**
1.3 **Detailed Implementation Plan**

2. **TOR for SAW Implementation Process**