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Enabling poor rural people  
to overcome poverty

## **Kingdom of Cambodia**

### **Country strategic opportunities programme**

Executive Board — Ninety-second Session  
Rome, 11-13 December 2007

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For: **Review**

## **Note to Executive Board Directors**

This document is submitted for review by the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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## Abbreviations and acronyms

AsDB	Asian Development Bank
AusAID	Australian Agency for International Development
CARD	Council of Agriculture and Rural Development
CMDG	Cambodia Millennium Development Goal
COSOP	country strategic opportunities programme
CSES	Cambodia Socio-economic Survey
D&D	“decentralisation and deconcentration”
DANIDA	Danish International Development Assistance
DFID	Department for International Development (United Kingdom of Great Britain and Northern Ireland)
GTZ	<i>Gesellschaft für Technische Zusammenarbeit</i> German Agency for Technical Cooperation
JMI	joint monitoring indicator
M&E	monitoring and evaluation
MAFF	Ministry of Agriculture, Forestry and Fisheries
MEF	Ministry of Economy and Finance
MRD	Ministry of Rural Development
MOWA	Ministry of Women’s Affairs
MOWRAM	Ministry of Water Resources and Meteorology
MTR	mid-term review
NCDD	National Committee for the Management of Decentralisation and Deconcentration Reform
NSDP	National Strategic Development Plan
PBAS	performance-based allocation system
PDA	provincial departments of agriculture
RULIP	Rural Livelihoods Improvement Project
SAW	Strategy for Agriculture and Water
TWGAW	Technical Working Group on Agriculture and Water
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
VAHW	village animal health worker
VEW	village extension worker
WFP	World Food Programme

# Map of IFAD operations in the country



**Source:** IFAD

*The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.*

## Summary of country strategy

1. **Introduction.** IFAD launched a review process in early 2007 to develop a new results-based country strategic opportunities programme (COSOP) covering the 5-year period from 2008 to 2012.
2. **Rural poverty.** In Cambodia, 91 per cent of poor people live in rural areas affected by low agricultural productivity and poor access to services. In 2004, 4.24 million people were living below the poverty line (39 per cent of the rural population) and 2.39 million (22 per cent) were living in extreme poverty, i.e. below the food poverty line.
3. **IFAD's comparative advantage** lies in its focus on rural poor people and improving agricultural productivity and service delivery, and in the relative weight of the Fund's contribution to agricultural and rural development<sup>1</sup> compared with overall official development assistance and the investments of international financial institutions.
4. **Strategic objectives.** The new country programme will support the Government's poverty reduction initiatives and focuses on both rural poverty reduction and growth of the rural economy. The COSOP will have two strategic objectives:
  - **Strategic objective 1:** sustainable improvement of the livelihoods of rural poor men and women in the project areas through community empowerment, productivity improvement and improved access to assets, productive resources, rural services, rural infrastructure and markets.
  - **Strategic objective 2:** promotion of "decentralisation and deconcentration" (D&D) and local governance for pro-poor agricultural and rural development through building linkages between the "decentralisation and deconcentration" framework and agricultural and rural development and institutional support for evidence-based pro-poor policymaking.
5. **Targeting strategy.** IFAD assistance will target the provinces having high rates of poverty. Within the selected provinces, IFAD assistance will support the poorer section of the rural population in selected geographical target areas and the poor communes and districts, using the Government's commune database as a proxy for poverty. Participatory wealth-ranking procedures or the 'most-vulnerable families' approach will be used to target poor villages directly within target communes – and poor households within villages. IFAD's target group will include: (i) rural poor households, with access to only small areas of land, that lack other productive assets and that may very likely be food insecure and indebted, with little if any access to off-farm employment opportunities; (ii) agricultural landless people that are willing to learn skills for livestock-raising, off-farm income-generating activities or wage employment; (iii) women and woman-headed households with a large number of dependents; and (iv) other rural poor households, e.g. those in indigenous ethnic minority communities.
6. As agreed with the Government, future IFAD assistance will target areas in which: (i) poverty rates are high and the Cambodia Millennium Development Goals (CMDGs) are most in need of improvement; (ii) there are opportunities to improve agricultural productivity and develop strategic partnerships with other agencies; and (iii) there are no major, ongoing, externally financed agricultural and rural

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<sup>1</sup> IFAD assistance (2002-2004) in Cambodia accounted for 2 per cent of total bilateral official development assistance (ODA) for all sectors, but 59 per cent of bilateral ODA in the agricultural sector, 24 per cent of the World Bank lending for rural development and 33 per cent of AsDB lending for the rural development sector. Based on the latest data available, while IFAD assistance in Cambodia in the period of 2002-2006 accounted for 0.8 per cent of total ODA for all sectors, 12 per cent of the total ODA was for agriculture and 8 per cent of total ODA was for rural development or 5 per cent of total ODA was for both agricultural and rural development.

development programmes. Potential target areas in the next COSOP period will include the more remote border provinces (Mountain/Plateau regions), e.g. Mondul Kiri, Stung Treng and Oddar Meanchey and also Kompong Cham, Kompong Thom and Siem Reap.



# Kingdom of Cambodia

## Country strategic opportunities programme

### I. Introduction

1. The country strategy for IFAD assistance to Cambodia was formulated in 1998. In early 2007, IFAD launched a review process<sup>2</sup> to develop a new results-based country strategic opportunities programme (COSOP), which will cover the 5 years from 2008 to 2012. The COSOP has been prepared following a participatory and consultative process.

### II. Country context

#### A. Economic, agricultural and rural poverty context<sup>3</sup>

##### Country economic background

2. Cambodia has a land area of 181,035 km<sup>2</sup> and a population of 14.1 million in 2006, growing at a rate of 1.81 per cent annually (2004). In the 2006 Human Development Report of the United Nations Development Programme, Cambodia was ranked 129<sup>th</sup> out of 177 countries, with a Human Development Index of 0.583, which is below the average for developing countries. GDP per capita was US\$514 in 2006. Cambodia's recent economic performance has been strong, driven by the garment, tourism and construction sectors, with garments accounting for nearly 70 per cent of exports. Real GDP growth averaged 8.4 per cent annually from 1994 to 2006 and reached 13.3 per cent in 2005 and 10.8 per cent in 2006, yielding substantial gains per capita overall. However, much of the economic growth has been concentrated in urban areas, especially in Phnom Penh. With the prospect of substantial oil and gas revenues, the Government's future fiscal position and the availability of funds for development could improve substantially.
3. Cambodia remains a high-cost economy (transport, electric, port, finance and informal fees) and is 109<sup>th</sup> out of 117 rated countries in terms of competitiveness according to the World Economic Forum. The main challenges for Cambodia include its heavy dependence on the garment industry and tourism and an agricultural sector with low productivity, leading to continuing high levels of rural poverty. At the same time, the labour market is growing at the rate of 250,000 annually, with about 84,000 per year being absorbed by the agriculture sector. The need for greater accountability and good governance are recurring concerns.
4. Agriculture grew by 5.7 per cent in 2005 and 5.5 per cent in 2006 and accounted for about 30.1 per cent of GDP at 2000 constant prices. The low agricultural growth rate – 2.5 per cent annually from 1998 to 2004, with wide annual fluctuations depending largely upon climatic conditions – is of particular concern, as 81 per cent of the population lives in rural areas and 70 per cent earns a living mainly from farming. The two most significant features of Cambodian agriculture are the continuing heavy reliance on rice (90 per cent of the total planted area) and overall low productivity, with annual value added of US\$292 (in 2000 prices) per worker in 2001-2003. The low productivity reflects: low levels of technology; poor access to services; relatively poor soils; semi-regular, excessive floods and droughts; the high-cost economy; and poor rural infrastructure.
5. Only 25 per cent of the total planted area is irrigated (including land with supplementary irrigation), and most crops are rainfed, generally with only one rice

<sup>2</sup> Appendix I documents the COSOP formulation and consultation process.

<sup>3</sup> Data come from the National Strategic Development Plan's Annual Progress Report 2006, Ministry of Economy and Finance Statistics of September 2007 or the World Bank. Appendix II provides additional data, part of which may be out-of-date.

crop per year. The prices of all agricultural inputs and outputs are market determined. While there is now a growing annual surplus of rice, subsistence-oriented production, lack of market information, limited milling capacity and poor transport infrastructure are major constraints on the development of rice exports. Cambodia's competitiveness is also hindered by poor quality and unreliability of supply and a lack of transparency in marketing transactions. Marketing chains for agricultural produce are underdeveloped, with many small-scale operators, limited post-harvest technologies and a lack of facilities for storage, cleaning, etc. Cambodia is highly vulnerable to the impacts of climate change/hazards, particularly floods and droughts.

6. Nationally, only 15 per cent of urban and rural land parcels have formal titles. The 2004 Cambodia Socio-economic Survey (CSES) showed that the top 20 per cent of landowners 'owned' 70 per cent of the land. According to a World Bank report in 2006, the proportion of rural households lacking land for cultivation rose from 13 per cent in 1997 to 20 per cent in 2004. Causes include: (i) increase in the labour force; (ii) involuntary landlessness (e.g. distress sales due to natural disasters, ill health, etc.); (iii) land grabbing and land speculation; (iv) eviction due to infrastructure construction and urban development; and (v) granting of economic land concessions. Increasing landlessness and land conflicts will put at risk the Government's poverty reduction goal and its promotion of sustainable and equitable economic development. Many underdeveloped economic land concessions, together with wide land speculation, have resulted in a sharp increase in the area of agricultural land not under productive use. The social land concession programme is hampered by lack of political will, confirmed availability of state land for social land concessions and essential supportive services.
7. In terms of overall poverty, the 2006 Human Development Report places Cambodia 73<sup>rd</sup> out of 102 developing countries, the third lowest in Asia. In Cambodia, poverty is largely a rural phenomenon: 91 per cent of poor people live in rural areas affected by low agricultural productivity and poor access to services. The 2004 CSES showed that 4.24 million people or 39 per cent of the rural population were living below the poverty line and 2.39 million (22 per cent) were living in extreme poverty, i.e. below the food poverty line. Poverty is most severe in the Tonle Sap and Mountain/Plateau regions and in districts close to the borders with Thailand and Laos in the north and north-east and Viet Nam in the east. The majority of poor people, 3.36 million or 72 per cent, live in the Plains and Tonle Sap basin areas. However, the Mountain/Plateau regions have the highest rural poverty rate, 56 per cent, although with fewer people (0.65 million) living below the poverty line due to the low population density.
8. In terms of occupation, households engaged in agricultural activities experience high levels of poverty (41 per cent) and account for 48 per cent of the poor. The rise in inequality nationally<sup>4</sup> can be attributed primarily to differences in access to rural infrastructure, markets and services and to lack of adequate public investment in the agriculture and natural-resource-based sectors, on which the overwhelming majority of poor people rely for their livelihoods. The main causes of poverty include: location in a remote area with difficult access to services; lack of access to sufficient land with a secure title and/or other productive assets; a shortage of labour; lack of off-farm income-earning opportunities; and lack of health, education and other services (e.g. extension, finance and market services).
9. The 2006 Human Development Report ranks Cambodia 99<sup>th</sup> out of 140 countries in terms of the Gender Development Index and 68<sup>th</sup> out of 75 countries in terms of the Gender Empowerment Measure. While women's participation in the labour force is high, there are few women in legislative, managerial or professional occupations. Woman-headed households with many dependents are among the poorest in the

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<sup>4</sup> The Gini coefficient rose from 0.35 in 1993 to 0.40 in 2004.

villages. Despite the importance of women in agricultural production, they are more likely to be landless and on average own smaller areas of agricultural land than men. Women have less access to support services and may face difficulty in keeping their land rights in the case of a husband's death or a family break-up, which can lead to their impoverishment. Women continue to be concentrated in low-wage/low-income sectors and are paid less than men for the same work. The rapid expansion of the garment sector has been a major benefit to approximately 200,000 women (over 90 per cent of the workforce in this sector) and their families.

10. An analysis in 2005 showed that the Cambodia Millennium Development Goals' (CMDGs) targets for reducing overall and food poverty to 25 per cent and 13 per cent of the population respectively by 2010 – and to 19.5 per cent and 10 per cent by 2015 – are within reach. To achieve the poverty reduction targets of the National Strategic Development Plan (NSDP) and the CMDGs will require: (i) a sustained high rate of economic growth and, in particular, a high rate of growth in the agriculture/rural sector; (ii) appropriate policies, strategies and programmes to address rural poverty and ensure that economic growth and modernization benefit the maximum number of rural poor households and reduce the widening inequality between urban and rural areas; (iii) an increase in public investment and a more efficient use of resources for targeted rural poverty reduction and improved productivity and profitability of smallholder agriculture and the wider rural economy; (iv) an investment in skills to expand and diversify the non-agricultural job opportunities available to the rural population; and (v) a simultaneous investment in sound economic governance and rural infrastructure.

## **B. Policy, strategy and institutional context**

### **National institutional context**

11. The Ministry of Economy and Finance (MEF) is currently engaged in a series of public financial management reforms to improve weak budgetary and financial management. MEF has developed a standard operating procedure, a financial management manual, a procurement manual and a handbook of decentralized projects – to be used by all development projects – that are yet to be harmonized internally within the government institutions concerned. The new strategic framework for “decentralisation and deconcentration” (D&D) envisages changes in structures, roles and responsibilities, and financing and operating procedures at national and subnational levels (province, district and commune).
12. The details of these changes will be clarified in the new “organic law”, which will probably be enacted in late 2008 or 2009. The Government has stated that during a transition period after the enactment of the law, the existing operational structure, systems and procedures of the D&D programme would continue to function until new ones are in place. The National Committee for the Management of Decentralisation and Deconcentration Reform (NCDD) was established in August 2006 to assume responsibility for drafting the “organic law” and managing the D&D process, with the General Directorate of Local Administration in the Ministry of Interior as its secretariat. A programme support team manages and coordinates part of the financial and technical support provided by external development agencies for D&D.
13. The Council of Agriculture and Rural Development (CARD) is part of the Council of Ministers – with all ministries involved in the development of the rural sector as members. CARD has the mandate to enhance coordination, improve programme effectiveness, reduce food and nutrition insecurity and provide policy guidance for agricultural and rural development. However, a lack of human resources and expertise prevents it from effectively performing its roles and responsibilities.
14. The overall mandate of the Ministry of Agriculture, Forestry and Fisheries (MAFF) is to develop, implement and evaluate policies and regulations in the agricultural

sector and to support the development of technology, human resources and extension services to ensure improved food security, incomes and employment and nutrition status for the Cambodian people by improving the productivity, diversification and commercialization of agriculture with environmentally sound protection and food safety. MAFF has made gradual efforts to achieve policy development, institution-building and operational reform to respond to evolving political and institutional changes. However, at national and subnational (provincial departments of agriculture [PDAs]) levels, the Ministry needs a more appropriate structure with a strong focus on decentralized service delivery and accountability. During the previous COSOP period, IFAD assistance helped the Ministry successfully support a D&D approach to participatory agricultural development for rural poverty reduction. The Ministry of Women's Affairs (MOWA) has a mandate to improve the status of Cambodian women. IFAD helped MOWA develop a successful approach to gender mainstreaming in agriculture, together with the Provincial Departments of Women's Affairs in Prey Veng and Svay Rieng. The Ministry of Rural Development (MRD) has a mandate to coordinate the development activities of other ministries in rural areas and to improve rural livelihoods. MRD has specific responsibilities for rural economy, rural roads, rural drinking water supplies, community development and government policy for the development of highland tribal and ethnic groups.

15. Other key agencies involved in agricultural and rural development include the Ministry of Land Management, Urban Planning and Construction and the Ministry of Water Resources and Meteorology (MOWRAM). All of their provincial departments and district offices need capacity-building and technical support from their national-level counterparts or other sources in order to implement development activities and deliver better services. However, the capacity to provide this support is often lacking at the national level. Commune councils were elected most recently in April 2007 by proportional representation and have their own budgets with development funds flowing directly from the National Treasury. These councils can take on agency roles delegated by the State. At the village level, each village has a chief and a variety of community organizations. At present, the capacities of the commune councils and village-based organizations are rather limited.

#### **National rural poverty reduction strategies**

16. The Rectangular Strategy was formulated by the Government in early 2005 with four priority areas: (i) the agriculture sector; (ii) infrastructure development; (iii) private-sector development and employment generation; and (iv) capacity-building and human resource development. Good governance is the cornerstone. The strategy focuses on growth, employment, equity and efficiency in order to provide a clear framework to move the country forward on the path of rapid socio-economic development.
17. The National Strategic Development Plan 2006-2010 incorporates the medium-term National Poverty Reduction Strategy. The highest NSDP priorities are poverty reduction and achieving CMDG targets by 2015. Sixty per cent of the planned resources are targeted at rural areas, with increased attention to productive activities and social services, including agriculture and health and education. However, the NSDP and CMDGs do not have specific targets for rural poverty reduction.
18. A national Strategy for Agriculture and Water (SAW) was prepared as a strategic framework – for the Government and external development partners – for implementing the NSDP and achieving the CMDGs in agriculture and water sectors.

#### **Harmonization and alignment**

19. The Government's Action Plan for Harmonisation, Alignment and Results (2006-2010) covers five areas: (i) government ownership through effectively leading and coordinating development; (ii) alignment of support from development agencies with Cambodia's development strategies, institutions and procedures;

(iii) harmonization by development agencies to provide more transparent and effective assistance; (iv) management of resources and improved decision-making for results; and (v) mutual accountability of the Government and development agencies for development results. Since late 2004, the Government and external development agencies have agreed on a set of joint monitoring indicators (JMIs) to regularly monitor progress in key reform areas and provide a basis for discussion by the Government and the agencies of development policies, strategies and the assistance needed. The Government has made progress in achieving the JMI targets, but there are areas in which more action is urgently needed, for example requirements for firm political commitments and partnership as embodied most recently in the Paris Declaration,<sup>5</sup> improving accountability of public institutions to communities, transparency in the use of public funds, overcoming corruption in rural areas and harmonization of government operational procedures in financial management, procurement, project administration and staff incentives.

20. Continued support will be required from external development agencies, including IFAD, to complement government engagement in the harmonization agenda, strengthen capacity and accountability of institutions and improve the public financial management system. As already applicable for the World Bank and the Asian Development Bank (AsDB), the understanding is that when IFAD cofinances with AsDB or the World Bank projects that do not fall within the Government D&D framework, the Government's Standard Operating Procedures, Financial Management Manual and Procurement Manual will apply. IFAD is a member of the Technical Working Group on Agriculture and Water (TWGAW) and a non-resident member of the United Nations Country Team (UNCT). Future IFAD assistance will be integrated within the United Nations Development Assistance Framework (UNDAF). All five projects financed by IFAD in Cambodia from 1996 to 2007 have involved partnerships with other development agencies: the Australian Agency for International Development (AusAID), the German Agency for Technical Cooperation (GTZ), the United Nations Development Programme (UNDP), the World Bank and the World Food Programme (WFP). This represents total mobilized cofinancing resources of about US\$52.25 million, which is more than the total amount of IFAD assistance. Since 1998, the Fund's assistance has been part of external assistance to the government framework for D&D and has followed harmonized systems, structures and procedures for project planning, financing and implementation.

### **III. Lessons from IFAD's experience in the country**

#### **A. Past results, impact and performance**

21. As of 1 September 2007, IFAD has provided the equivalent of US\$48.59 million for five projects in Cambodia, of which two have closed and three are ongoing. As of 30 September 2007, total disbursement of IFAD resources, loans and grants was US\$34.0 million (46 per cent of the total commitment). The main results and impact<sup>6</sup> of the country programme are summarized below.
22. Agriculture Productivity Improvement Project (closed in 2006): (i) a sustainable national system established for providing village animal health services through private village animal health workers (VAHWs); (ii) 2,800 VAHWs (14 per cent women) trained in four provinces, with the majority operating effectively; (iii) reported increases in the productive assets of smallholders in terms of pig and poultry production and cattle and buffalo productivity; (iv) national policy and regulatory frameworks and legislation developed for the livestock subsector; (v) an animal disease surveillance and diagnostic system established at the national level and in selected provinces; and (vi) the capacity of government institutions

<sup>5</sup> Organisation for Economic Co-operation and Development /Development Assistance Committee, *Paris Declaration on Aid Effectiveness* (Paris: 2005).

<sup>6</sup> See Appendix IV.

strengthened in policy and strategy formulation, planning, technical and administrative management and project implementation.

23. Agricultural Development Support to Seila (closed in 2006): (i) increased food and income security of 64,500 poor households in about 1,000 villages, 217 communes and 34 districts in four provinces; (ii) 1,884 poor farmers' groups established and trained, with the majority operating effectively; (iii) 640 revolving fund programmes established for poor farmers, with contributions from their own savings; and (iv) 903 village extension workers (VEWs) and 1,926 VAHWs trained, with the majority functioning. The project also introduced direct assistance to groups of poor farmers, piloting the use of a contract system between provincial authorities and public service providers for extension service delivery and also piloting the deconcentration of agency functions from the MAFF to the PDAs.
24. Community-Based Rural Development Project in Kompong Thom and Kampot (ongoing) as of the end of 2006: (i) 164,400 households assisted in 795 villages, 127 communes and 15 districts in two provinces; (ii) 1,327 poor farmers' groups and village networks established and trained; (iii) land registrations provided to 4,555 households; (iv) 383 VEWs and 875 VAHWs trained; (v) production increases reported by 12,800 households from improved crop and livestock technologies; (vi) 720 water supply schemes constructed, benefiting 10,800 households; and (vii) 200 km of rural access roads and eight irrigation schemes constructed, with a common area of 4,033 hectares, and another 428 small-scale rural infrastructure projects constructed, benefiting 56,000 people. The project also introduced the following innovations: using the 'most-vulnerable families' approach as a targeting tool to reach poor people; using beneficiary impact assessments as an instrument to enhance the quality of service delivery; and supporting commune councils and village-based organizations through capacity-building, empowerment and village networking to ensure the sustainability of development.
25. Rural Poverty Reduction Project in Prey Veng and Svay Rieng (ongoing) as of the end of 2006: (i) 54,900 people from 25,000 households assisted in 1,827 villages and 148 communes in two provinces, with 1,000 poor farmers' groups and community organizations established and trained; (ii) 148 commune and 232 VEWs and 343 VAHWs trained; (iii) 63 irrigation schemes improved, covering 22,300 ha, 643 km of rural access roads constructed and 57 maintenance groups established and trained. The project also introduced the following innovations: piloting the channelling of IFAD resources for rural infrastructure investment to the Commune/Sangkat Fund through the National Treasury; piloting a new service delivery approach by employing commune extension workers; and introducing an approach to gender mainstreaming in project planning, training and monitoring.
26. The recently approved Rural Livelihoods Improvement Project (RULIP) in Kratie, Preah Vihear and Ratanakiri will target 22,600 households in 16 project districts in three provinces, with an additional 11,300 households expected to be indirect beneficiaries.

## **B. Lessons learned**

27. The key lessons learned during the last COSOP period will be applied in order to improve the performance of the new country programme. Rural poverty reduction requires improved delivery of rural services, including agricultural and social services. Service provision by both public and private providers needs to be more decentralized and more responsive to the priorities of farmers, based on market demand. Private-sector providers of agricultural extension services, including VAHWs and VEWs and their associations, can play an effective role in technology transfer, information dissemination and in linking villagers and their products with markets.

28. In general, the formal banking sector in Cambodia does not provide the financial services that poor people need, but group revolving funds do. Thus there is a need for mechanisms to expand such funds and link them to the formal sector. Social mobilization and empowerment are the keys to effective participation of poor people in the economic development process. Empowerment of poor people, village-based organizations and farmers' associations are the basis for ensuring the impact and sustainability of rural poverty reduction initiatives.
29. Project designs should be flexible to adjust to changes during project implementation and to those resulting from the new "organic law", evolving policy and the institutional framework for D&D. The formulation and review process for the annual work programme and budget and mid-term reviews are simple and effective tools for making adjustments in project design. There is an urgent need for the Government and development agencies to elaborate a system for providing government staff with sufficient remuneration – linked to responsibility, performance and accountability (e.g. output-based contracts). It is also important that the government policy-making machinery learn lessons from field realities in order to formulate more-informed pro-poor policies.

## **IV. IFAD country strategic framework**

### **A. IFAD's comparative advantage at the country level**

30. IFAD's comparative advantage in Cambodia lies in its focus on rural poor people and improving agricultural productivity and service delivery, and in the relative weight of the Fund's contribution to agricultural and rural development compared with overall official development assistance and the investments of international financial institutions. IFAD's comparative advantage stems from its experience in:
- (i) targeting the poorer sections of the rural population, including a focus on women;
  - (ii) providing direct support to poor people to enable them to move out of poverty;
  - (iii) piloting innovative approaches to rural poverty reduction using community empowerment as the entry point, which enables Government to participate effectively in the social and economic development process and provides a basis for subsequent replication and/or expansion by Government and development agencies;
  - (iv) using non-traditional approaches to agricultural service provision at the village level (e.g. VAHWs and VEWs);
  - (v) developing strong partnerships with government agencies (MAFF, MRD, NCDD, CARD, MOWA), other external development agencies and NGOs to achieve poverty reduction through agricultural and rural development programmes;
  - (vi) linking the D&D framework with agricultural and rural development programmes;
  - (vii) using government systems, structures and procedures for decentralized planning, financing and implementation at national and subnational levels;
  - (viii) providing increasing support to MAFF and other government agencies for policy analysis; and
  - (ix) engaging in country-led processes through donor/government technical working groups.

### **B. Strategic objectives**

31. The new country programme will support the Government's poverty reduction initiatives and focuses on both rural poverty reduction and growth of the rural economy. The Government indicated that it would be willing to provide additional government resources to utilize IFAD's comparative advantage in improving agricultural productivity for targeted rural poverty reduction programmes. The COSOP will have two strategic objectives:<sup>7</sup> (i) sustainable improvement of the livelihoods of rural poor men and women; and (ii) promotion of D&D and local governance for pro-poor agricultural and rural development. The strategic objectives are consistent with government policies and strategies, including the Rectangular

<sup>7</sup> Appendix III provides a results management framework and shows the alignment of the strategic objectives with the NSDP, the key results and milestone indicators for the COSOP and institutional and policy objectives.

Strategy, the NSDP, which incorporates the CMDG targets and the SAW, the UNDAF and the IFAD Strategic Framework 2007-2010. IFAD assistance will be harmonized with the SAW, with a focus on investment in institutional capacity-building and reform, food security, agribusiness support, value chain development and agricultural extension.

32. **Strategic objective 1:** seeks sustainable improvement of the livelihoods of rural poor men and women in the project areas through community empowerment, productivity improvement and improved access to assets, productive resources, rural services, rural infrastructure and markets. This strategic objective will contribute to economic growth in the targeted rural areas through a focus on: (i) social mobilization and empowerment as the keys (as well as the entry point) to enabling Government to participate effectively in the economic development process; (ii) formation and capacity-building of groups of poor smallholders and development of farmer associations, assisting them in becoming viable rural organizations in terms of ownership, responsibility and sustainability; (iii) improvement of food and income security and agricultural productivity, with farmers intensifying and diversifying their agricultural production and income, adding value to farm production and acquiring employment skills; (iv) group revolving funds to help build members' financial assets for investment and as safeguards against emergencies; (v) provision of agricultural support services (private and public) to assist poor households in productivity improvement; (vi) linkages between smallholders and the private sector for production, processing, microenterprise development, marketing and value chain development; (vii) improvement of on-farm water management and land resources, including common property resources and, where necessary, assisting smallholders in obtaining secure individual or communal land titles; and (viii) investment in key small-scale rural infrastructures and possibly other public goods, through the Commune/Sangkat Fund, for the improvement of rural livelihoods and agricultural production in support of communal development plans.
33. IFAD will seek partnerships with other development agencies in natural resource management, investment in major rural infrastructure, land titling for secure access to land and provision of land through social land concessions in order to address the issue of landlessness. IFAD assistance will also support: (i) a focus on the needs of ethnic minority communities and advocacy on behalf of indigenous peoples; (ii) conservation of agricultural resources; (iii) adaptations to climate change, such as the improvement of community-managed irrigation and flood control systems and water storage facilities, and the promotion of household integrated farming; (iv) development at entry of clear exit strategies; (v) food and nutrition security;<sup>8</sup> and (vi) food safety aspects, especially the control of highly toxic agrochemicals.
34. IFAD will continue to support the mainstreaming of gender activities in the future country programme in order to enhance the role of women as agents of change and to bring about a gradual transformation of gender relations in the process of social and economic development. Both women and men must be involved in gender mainstreaming activities if a shared family value of improving women's well-being is to be achieved. The key challenge is promoting and empowering more women to become leaders and to take a more active part in decision-making bodies at all levels. It is also important to include gender analysis, so that the targeting of IFAD assistance to women can be improved, and to provide skills and vocational training so that rural poor women can move out of poverty and improve their economic status within their families and communities. Awareness-building regarding violence against women will be an important part of the gender mainstreaming programme.

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<sup>8</sup> Special attention will be given to food and nutrition security during the design of specific projects, taking into account the need for strengthening Cambodia's competitiveness in regional and global markets based on its potential comparative advantage in organic agriculture.



35. **Strategic objective 2:** will promote D&D and local governance for pro-poor agricultural and rural development through building linkages between the D&D framework and agricultural and rural development and institutional support for evidenced-based pro-poor policymaking. IFAD will support: (i) development of appropriate approaches to improving service provision at communal and village levels – including piloting of the deconcentration of agricultural extension service delivery through commune councils – in order to respond to the priorities of rural poor households; (ii) piloting of an expansion of the Commune/Sangkat Fund to include investment in improving livelihoods and agricultural productivity and allocation of funds for the operation and maintenance of rural infrastructure; (iii) participation in district initiatives to pilot service delivery models and build links between the Government's policy and strategic framework for D&D and sector programmes; (iv) promotion of good governance – participation, transparency and accountability at all levels in development planning, financing and implementation; (v) encouragement of more women to stand for election to commune councils and other local organizations; and (vi) capacity-building of commune councils, village organizations and national-level institutions.
36. In addition, IFAD will continue: (i) discussing with MAFF and other government agencies the mainstreaming of project management within the structure of the ministries; (ii) aligning its operational procedures with those of the Government and harmonizing its monitoring requirements with the government system; and (iii) strengthening the capacity of government agencies and local institutions for policy analysis and evidence-based policymaking. It will do this by incorporating the lessons learned from rural poverty reduction initiatives into the policymaking machinery of MAFF and other key government agencies. This in turn will enable public institutions to develop informed poverty reduction policies that will reflect the perspectives and priorities of rural poor people and marginalized groups. Policy mapping activities would be considered, as well as assessments of the feasibility of expanding or replicating the project-based policy gains supported by IFAD.

### C. Opportunities for innovation

37. There are two types of opportunities for innovation and replication in Cambodia. The first involves replicating initiatives that IFAD has successfully piloted in the design of the SAW programmes<sup>9</sup> and in new projects, including: (i) replicating the network of private-sector VAHWs and their associations; (ii) mainstreaming the use of volunteer VEWs to complement public extension-service provision; (iii) institutionalizing the most-vulnerable families approach as a targeting tool to reach the poorer section of the rural population; (iv) mainstreaming beneficiary impact assessments to assess and enhance the quality of service delivery; and (v) replicating the system of gender focal points, but incorporating an additional role in gender analysis and the economic empowerment of rural women.
38. The second type of opportunity involves developing other innovations in the country programme, including: (i) furthering the successful group revolving fund concept, so that groups can expand by either taking in new members or helping establish new groups and developing links between the groups and microfinance institutions; (ii) extending the role of VAHWs, for example undertaking routine animal vaccinations for the Government on a contract basis or animal husbandry activities; (iii) influencing commune councils to reorient the priorities of the Commune/Sangkat Fund to include investment to improve livelihoods and agricultural productivity; (iv) participating in district initiatives to pilot service delivery models; (v) further piloting the delegation of agency functions for agricultural extension to commune councils; and (vi) further piloting the approach to learning experience from local communities for policy development and dialogue.

<sup>9</sup> Five programmes of SAW: (i) institutional capacity-building and reform for MAFF and MOWRAM; (ii) food security; (iii) agriculture and agribusiness support; (iv) water resources, irrigation and land development and management; and (v) agricultural and water research, education and extension.

## D. Targeting strategy

39. IFAD assistance will target the provinces having high rates of poverty based on data from the 2004 CSES and the CMDG indices. Within the selected provinces, IFAD assistance will support the poorer section of the rural population in selected geographical target areas and the poor communes and districts, using the Government's commune database as a proxy for poverty. Participatory wealth-ranking procedures or the most-vulnerable families approach will be used to target poor villages directly within target communes – and poor households within villages.
40. IFAD's target group will include: (i) rural poor households, with access to only small areas of land, that lack other productive assets and that may very likely be food insecure and indebted, with little if any access to off-farm employment opportunities; (ii) agricultural landless people that are willing to learn skills for livestock-raising, off-farm income-generating activities or wage employment; (iii) women and woman-headed households with a large number of dependents; and (iv) other rural poor households, e.g. those in indigenous ethnic minority communities. IFAD will also target its investment to training those supporting the target group: VAHWs, VEWs and other private- and public-sector service providers.
41. As agreed with the Government, future IFAD assistance will target areas in which: (i) poverty rates are high and the CMDGs are most in need of improvement; (ii) there are opportunities to improve agricultural productivity and develop strategic partnerships with other agencies; and (iii) there are no major, ongoing, externally financed agricultural and rural development programmes.
42. Potential target areas in the next COSOP period will include, first, the more remote border provinces (Mountain/Plateau regions), e.g. Mondul Kiri, Stung Treng and Oddar Meanchey. With rich natural resources, especially land, forest and minerals, these areas have the potential for economic development and poverty reduction. IFAD assistance is expected to help the Government address land encroachment and manage voluntary settlement, enable those excluded from development to share in its benefits, including indigenous and ethnic minorities and women, and reduce the pressure on natural resources in lowland areas.
43. The planned development and regional cooperation involving Cambodia, Laos and Viet Nam, and development of trade with other Asian neighbours, are expected to provide further development opportunities for these border provinces as well as for Cambodia as a whole. However, it should be realized that, given the remoteness of most of these provinces and their low population densities, the investment costs per beneficiary for poverty reduction will be high when compared with similar investment in other, more accessible and densely populated provinces of the country.
44. Second, in anticipation of gaining adequate experience in working with indigenous and ethnic minority communities in remote provinces under RULIP, the Government has requested that IFAD assistance should also target those parts of Kompong Cham, Kompong Thom and Siem Reap Provinces having the same conditions as stated in paragraph 41.

## E. Policy linkages

45. First, as a member of TWGAW, IFAD will contribute to the design of selected subsector programmes<sup>10</sup> of SAW. It will apply lessons learned from the field operations of the country programmes of IFAD and its partners in order to promote: policy changes in the areas of improved rural service delivery; improved access of rural poor people to agricultural inputs, resources and markets; and reflection of the perspectives and priorities of rural poor people in development programmes. Second, IFAD will work closely with the Government and other development

<sup>10</sup> IFAD will participate in the design of the programmes of institutional capacity-building and reform, agriculture and agribusiness support, and agricultural extension.

agencies to formulate viable interventions for improvement in areas that have been shown as weak:<sup>11</sup> (i) access to water for agriculture; (ii) access to agricultural research and extension services; (iii) access to agricultural input and produce markets; and (iv) accountability, transparency and corruption in rural areas.

## V. Programme management

### A. COSOP management

46. Arrangements<sup>12</sup> for monitoring implementation of the COSOP will include the following:
- developing baseline data and quantitative targets for outcomes and milestones for each of the strategic objectives in the results management framework;
  - analysing data from regular project monitoring and evaluation (M&E) and the Results and Impact Management System (RIMS) reports of individual projects. Support will be provided to improve the reliability and timeliness of M&E data and the performance of the M&E systems of individual projects, including the RIMS indicators;
  - analysing data from country programme issue sheets, project status reports and the performance-based allocation system (PBAS) narrative summary and scores;
  - analysing data from mid-term and completion impact surveys of individual projects;
  - reviewing and analysing other internal and external reviews (e.g. JMI and NSDP progress reports) or evaluations of individual projects and the country programme.
47. COSOP implementation progress will be reviewed annually during a country programme review meeting with members of the country programme management team (CPMT)<sup>13</sup> and representatives of key government ministries, project management teams, project beneficiaries, the cooperating institution(s), selected external development agencies and civil society organizations. The conclusions of the in-country review will contribute to an annual COSOP implementation progress report based on the results management framework and its associated indicators. The mid-term review (MTR) of the COSOP will take place in 2010 and the completion review in 2012. During the MTR, IFAD will seek to align COSOP priorities with emerging government policies and priorities and with the UNDAF.

### B. Country programme management

48. The country programme will be managed by the country programme management team. Synergy will be built among ongoing and new investment projects, operations of supervision and implementation support and the IFAD global and regional technical assistance and policy grants programmes, in order to achieve the strategic objectives and improve the coherence and impact of the country programme as a whole. Existing IFAD-supported projects operating during the new COSOP period will be aligned with the strategic objectives. The process of retrofitting will involve government counterparts, project management teams and cofinanciers.
49. The practice of annual country portfolio reviews will continue, with the participation of key national and subnational government agencies, project directors and staff, and other development agencies. The Government has requested IFAD to join the

<sup>11</sup> Sector Policy and Institutional Assessment of the Rural Development Sector Framework, under the performance-based allocation system (PBAS), updated in March 2007.

<sup>12</sup> The results management framework will use the joint monitoring indicators, indicators of the NSDP and CMDGs and project-specific indicators to assess outcomes and progress in achieving the strategic objectives.

<sup>13</sup> Appendix I provides a list of members of the CPMT.

annual portfolio performance reviews with the government, AsDB and the World Bank. The reviews will identify constraints on implementation of the country programme, share experience and lessons among projects and make recommendations on policy and operational issues. The counsel of the country portfolio and policy adviser and the inclusion of a policy analysis component in RULIP will enable IFAD to contribute more effectively to: country programme management and implementation support; coordination and in-country policy dialogue with the Government and other development agencies (e.g. through TWGAW and UNCT); and other harmonization and alignment processes.

50. The United Nations Office for Project Services (UNOPS) is the cooperating institution for the ongoing projects. IFAD will gradually take over supervision and implementation support responsibilities in line with the IFAD Supervision Policy. Closer involvement of the Fund in country programme and project implementation should provide more opportunities for IFAD to work closely and more effectively with the Government, project management teams and cofinanciers. This in turn will help address operational and policy issues arising from project implementation in a more timely fashion, improve mutual learning and knowledge management, facilitate policy discussions with key stakeholders, strengthen partnerships with other agencies and civil society organizations, and improve impact on poverty reduction at the country programme level.
51. Overall, the performance of the country programme has been highly satisfactory. IFAD will continue to work closely with all stakeholders to improve its performance and to monitor and resolve any emerging risks faced by individual projects. More intensive implementation support will be provided to improve project performance in the following areas: (i) availability of counterpart funds for unexpected and unplanned emergency activities; (ii) responsiveness and quality of service provision; (iii) institutional building of local and grass-roots organizations; (iv) performance of the M&E system; (v) timely submission of progress reports and audit reports; (vi) reliability of financial statements; (vii) compliance with procurement procedures; (viii) participation of women in decision-making bodies; and (ix) technical capacity and facilitation skills of technical staff, VAHWs and VEWs.

### **C. Partnerships**

52. IFAD will continue its partnerships with government agencies, external development agencies, the private sector and civil society in order to ensure continuing improvement in the performance and impact of the country programme and achievement of the strategic objectives. As the representative of the borrower/recipient, MEF will remain a key institution in the areas of inter-agency coordination, support to country programme implementation, coordination on operational procedures and other responsibilities within its mandate.
53. IFAD will continue to work closely with CARD and NCDD, for policy guidance and coordination at the national level, and other key government agencies such as MAFF, MOWA, MOWRAM and MRD and their counterparts at subnational levels to implement the country programme. Policy analysis and dialogue on issues of rural poverty reduction, D&D, innovation and knowledge management will form a key part of these activities through: (i) regular interaction between the country programme manager and staff from government agencies and the project management teams; (ii) regular follow-up and feedback from the country portfolio and policy adviser; (iii) annual COSOP and country programme reviews; and (iv) visits of supervision and implementation support missions.
54. The potential external development partners in the new country programme will include the French Development Agency (AFD) in Kratie, Preah Vihear and Ratanakiri for smallholder rubber development; GTZ and the World Bank in Kratie for social land concessions; the Danish International Development Assistance/the Department for International Development (United Kingdom of Great Britain and

Northern Ireland) (DANIDA/DFID) in Kratie, Preah Vihear and Ratanakiri for natural resource management and rural livelihoods; the Asian Development Bank (AsDB) in Ratanakiri for ecotourism and possibly for cofinancing of the new project in Kompong Cham, Kompong Thom and Siem Reap; and NGOs working in IFAD project target areas. Other partnership and collaboration opportunities will be identified during the design of the new projects.

55. IFAD will continue to participate in the in-country harmonization and alignment process through the work of the technical working groups to ensure the sharing of experience and knowledge and IFAD's engagement in policy discussions important to rural poor people. In view of the importance of land-related issues, IFAD is a non-resident member of the Technical Working Group on Land. It will consider a request from MRD to join the Technical Working Group on Infrastructure, especially rural infrastructure improvement. The existing partnerships with international and local NGOs and farmers' organizations will continue, in support of implementation of the country programme. Areas of involvement include the provision of basic village animal health services, microfinance services, beneficiary training and the sharing of knowledge and lessons learned.

#### **D. Knowledge management and communication**

56. Knowledge management and communication will contribute to the realization of the strategic objectives, in line with the IFAD Strategy for Knowledge Management. The arrangements already in place will be improved during the next COSOP period, including, inter alia: (i) annual assessments of impact by the beneficiaries of each project for feedback into the annual project planning process; (ii) regular policy guidance meetings in which project staff identify constraints and recommend improvements in operational arrangements, procedures and policies; (iii) annual portfolio review meetings to review the performance of individual projects and the country programme and to share lessons learned and best practices among project staff, government counterpart agencies, cofinanciers and cooperating institution(s); (iv) the annual Sector Policy and Institutional Assessment of the Rural Development Sector Framework under the PBAS; and (v) specific studies to focus on key rural poverty reduction issues and their subsequent dissemination through TWGAW and UNCT.
57. Future project designs will include explicitly stated approaches to knowledge management and learning from innovation in order to support the pro-rural-poor policy dialogue and institutions that IFAD expects to promote during the COSOP period. At the regional level, country programme stakeholders will be supported by the regional programme for Knowledge Networking for Development in Asia/Pacific Region, as a means of accessing knowledge acquired by other IFAD programmes and of communicating country-level knowledge from Cambodia to others.

#### **E. PBAS financing framework**

58. The Fund's PBAS will determine the amount of IFAD funding available for Cambodia during the COSOP period. The annual country allocation for Cambodia is US\$5.40 million for 2008 (final) (see table 1) and US\$5.94 million for 2009 (indicative). The indicative total country allocation available for the COSOP period of 2008-2012 (allocations for 2009-2012 are indicative) is approximately US\$24.58 million. As of October 2007, Cambodia is classified as a country with medium debt sustainability based on the classifications of countries produced by the World Bank and the International Monetary Fund in their country debt sustainability analyses, and eligible to receive financial assistance from IFAD on the basis of 50 per cent grant and 50 per cent loan on highly concessional terms under the PBAS of IFAD. It is anticipated that, besides debt sustainability considerations, the availability of partial grant financing from IFAD in Cambodia will help encourage innovation, risk-taking, policy engagement and partnerships with NGOs and private-sector institutions.

59. Table 2 provides PBAS hypothetical financing scenarios based on country performance scores.

Table 1  
PBAS calculation for COSOP year 1

<i>Indicators</i>	<i>COSOP year 1</i>
<b>Rural sector scores</b>	
A. (i) Policy and legal framework for rural organizations	3.80
A. (ii) Dialogue between government and rural organizations	4.00
B. (i) Access to land	4.20
B. (ii) Access to water for agriculture	3.43
B. (iii) Access to agricultural research and extension services	3.50
C. (i) Enabling conditions for rural financial services development	4.25
C. (ii) Investment climate for rural businesses	4.50
C. (iii) Access to agricultural input and produce markets	3.75
D. (i) Access to education in rural areas	4.67
D. (ii) Representation	4.25
E. (i) Allocation and management of public resources for rural development	4.17
E. (ii) Accountability, transparency and corruption in rural areas	3.44
Sum of combined scores	47.96
<b>Average of combined scores</b>	<b>4.00</b>
Projects-at-risk (PAR) rating (2006)	4.00
IDA Resource Allocation Index (2006)	3.2
Country score (2007)	5 011
<b>Annual country allocation (millions of US\$)</b>	<b>5.4 (2008)</b>

IDA = International Development Association

Table 2  
Relationship between performance indicators and country score

<i>Financing scenario</i>	<i>PAR rating (+/- 1)</i>	<i>Rural sector performance score (+/- 0.3)</i>	<i>Percentage change in PBAS country score from base scenario</i>
Hypothetical low case	3	3.31	-25
Base case (2006)	4	3.61	0
Hypothetical high case	5	3.91	+28

60. During the COSOP period, two to three projects are envisaged. When appropriate, however – and in line with the IFAD Policy on Sector-wide Approaches for Agriculture and Rural Development – IFAD could use the resources available in the COSOP, in whole or in part, to support sector-wide or programme-based approaches in line with the programmes to be developed under the SAW and/or D&D.

## F. Risks and risk management

61. The following is a matrix of risks and risk management in achieving the strategic objectives.

Table 3  
Risks and risk management

<i>Risk</i>	<i>Risk management measure</i>	<i>Indicator</i>
Inadequate institutional capacity of smallholder organizations, service providers (public and private sector and NGOs) and government institutions managing and coordinating project activities.	<ul style="list-style-type: none"> <li>Continued provision of training and technical assistance to build the institutional capacity of these groups and organizations.</li> <li>Strengthened capacity of government institutions, with clearly mandated roles and functions for inter-agency coordination at national and subnational levels.</li> <li>Enactment of the new “organic law”, providing a stronger role and mandate for administrations at subnational levels to coordinate line departments and external development agencies.</li> <li>Improvements introduced in the remuneration received by government staff through the introduction of performance-based incentives.</li> <li>Initiatives to improve rural productive service delivery systems and modalities.</li> </ul>	<ul style="list-style-type: none"> <li>Adequate provision made in project design documents and successfully executed during project implementation.</li> <li>“Organic law” enacted in 2008 or 2009.</li> <li>Improved remuneration schemes implemented following the study on salary supplements to be undertaken by NCDD in 2007.</li> </ul>
Project designs rapidly become outdated and are then unable to contribute adequately and sustainably to achieving the strategic objectives.	<ul style="list-style-type: none"> <li>Flexible project designs.</li> <li>Participatory annual planning and budgetary process incorporates lessons learned and refines project approaches regularly.</li> <li>Exit strategy and sustainability arrangements in place at entry.</li> <li>Mid-term review of projects to adapt to changing operational procedures, policies and institutions.</li> </ul>	<ul style="list-style-type: none"> <li>Flexible project design documents.</li> <li>Simple mechanism in place to amend annual workplans and budgets.</li> <li>Exit strategy and sustainability arrangements in design documents.</li> <li>MTR report recommendations.</li> </ul>
Failure to improve weak areas of performance in the rural development sector framework (e.g. access to water for agriculture; access to agricultural research and extension services; access to agricultural input and produce markets; and accountability, transparency or corruption in rural areas).	<ul style="list-style-type: none"> <li>A more proactive policy dialogue agenda, supported by a results and impact monitoring system and working in partnership with like-minded development agencies.</li> <li>Promotion of transparency and good local governance in the country programme.</li> </ul>	<ul style="list-style-type: none"> <li>Policy output from policy dialogue with the Government and other development agencies.</li> <li>Enactment of anticorruption law.</li> </ul>
Failure to implement the appropriate policy/legal framework (e.g. draft policy on registration and use rights of indigenous communal land); failure to enforce the law related to domestic violence; and failure to enforce MAFF sub-decree no. 69 – Standards and Management of Agricultural Materials.	<ul style="list-style-type: none"> <li>Close monitoring of implementation of the results management framework policy dialogue agenda.</li> <li>Proactive engagement in follow-up consultations with the Government, in cooperation with other development agencies.</li> </ul>	<ul style="list-style-type: none"> <li>M&amp;E of the performance of the COSOP in the area of policy issues.</li> </ul>





## COSOP consultation process

### I. STEPS IN THE COSOP FORMULATION PROCESS

1. The COSOP formulation included the following steps:
  - **Planning and Approval of the COSOP Process:** An initial COSOP formulation plan was prepared in February 2007 with a timeline for the studies, activities and workshops and terms of reference and budget required.
  - **Establishment of a Country Programme Management Team (CPMT):** A CPMT was established in March 2007, with a group of key stakeholders both within IFAD and at country level to provide guidance and feedback when required during the entire cycle of COSOP design and implementation.
  - **Preparatory Studies and Consultations:** In March 2007, the Rural Sector Performance Assessment of the PBAS was updated and data requirements and availability for updating COSOP were mapped; and in April 2007 a gender sensitive Baseline Poverty Analysis was prepared.
  - **Preparation and Finalisation of Draft COSOP:** In April and May 2007, the CPM undertook in-country consultations with the focal points of the government, project staff and selected civil society organisations in area of lessons learned from past performance of IFAD assistance in the country, policy and institutional challenges facing IFAD ongoing and future country programmes, comparative advantages of IFAD in the country and future focus of the IFAD country programme. The draft COSOP was finalized and submitted on 31<sup>st</sup> May 2007 for review by the government, COSOP Focal Points and external development agencies.
  - **COSOP Design Mission:** The Mission held a series of consultations from 25<sup>th</sup> June to 4<sup>th</sup> July 2007 concerning the draft COSOP with the Government, UN Country Team, TWGAW, TWGD&D and civil society organisations; prepared project pipeline proposals (Appendix VIII); an aide-memoire was signed between the mission and the government; and the COSOP was revised in the light of the comments received.
  - **In-house Reviews and Approval:** The Draft COSOP was reviewed within IFAD by a peer review, a PDMT review and OSC review in September 2007.
  - **Endorsement of the COSOP by Government:** The revised COSOP will be submitted to Government for its endorsement in October/November 2007.
  - **Board Review.** The COSOP will be submitted to the Executive Board for Review in December 2007.

### II. COUNTRY PROGRAMME MANAGEMENT TEAM

#### Composition of the Country Programme Management Team (CPMT)

2. The in-house component of the CPMT consisted of the following staff members of IFAD:

Unit	Name	Position
Asia and the Pacific Division, the Programme Management Department	Youqiong Wang	Country Programme Manager
Loans and Grants Administration Unit, Finance and Administration Department	Perin Saint Ange	Loan Officer
Front Office of the Assistant President for the Programme Management Department	Cheikh Sourang	Senior Programme Manager
Office of the General Counsel	Liam Chicca	Legal Council

3. The in-country component of the CPMT consisted of representatives from MEF as the government focal point agency, other key government agencies involved in the IFAD country programme, project directors of IFAD supported projects in the country, cooperating institution of IFAD, key external development agencies, civil society organisations and resource persons.

No.	Organization	Name	Position
<b>Government Focal Point Ministry</b>			
1	Ministry of Economy and Finance (MEF)	H.E. Mr. Vongsey Vissoth	Deputy Secretary General
2	Ministry of Economy and Finance (MEF)	Mr. Chan Sothy	Director of Department of Investment and Cooperation
3	Ministry of Economy and Finance (MEF)	Vibol Keo	IFAD Liaison Officer, World Bank Division, Department of Investment and Cooperation
<b>Other Key Government Institutions</b>			
4	Ministry of Agriculture, Forestry and Fisheries (MAFF)	H. E. Mr. Teng Lao	Secretary of State
5	Council of Ministers	H. E. Sen Sovann	Agriculture Advisor to H. E. Tea Banh, Deputy Prime Minister
6	Ministry of Rural Development (MRD)	H.E. Chan Darong	Director General of Technical Affairs
7	Ministry of Women's Affairs (MOWA)	Mrs. Mok Sopheap Mr. San Vongvurak	Deputy Director of Economic Development Department Officer, MOWA
8	Council of Agriculture and Rural Development (CARD)	Mr. Sok Silo Mrs. Ny Skhim	Director of Admin. Department Director of Agriculture Department
9	Ministry of Water Resources and Meteorology (MOWRAM)	Mr. Chan Sinath	Deputy Director General
10	Ministry of Land Management, Urban Planning and Construction (MLMUPC)	Mr. Tot Chin Heng	Official of Cadastre of the General Directorate of Cadastre and Geography
11	National Committee for the Management of Decentralization and Deconcentration Reform (NCDD), Ministry of Interior	Mr. Uy Sakun	Official of General Directorate of Local Administration
12	Ministry of Planning (MOP)	Mr. Theng Pagnathun	Director of Planning Investment Department
<b>Project Directors of Ongoing IFAD Projects</b>			
13	Ministry of Rural Development (MRD)	Mr. Song Sophal	Deputy Director, Project Support Unit of Community Based Rural Development Project in Kampong Thom and Kampot (IFAD Loan No. 551-KH)
14	Ministry of Agriculture, Forestry and Fisheries (MAFF)	Mr. Ouk Vuthirith	Deputy National Project Coordinator, Project Support Unit of Rural Poverty Reduction Project in Prey Veng and Svay Rieng (IFAD Loan No. 623-KH)
15	Ministry of Agriculture, Forestry and Fisheries (MAFF)	Mr. Ngin Chhay	Deputy National Project Coordinator, Project Support Unit of Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri and Deputy Director of the Department of Agronomy and Agricultural Land Improvement
<b>Cooperating Institution</b>			
16	United Nations Office for Project Services (UNOPS)	Mr. Sanjay Mathur	Senior Portfolio Manager
<b>Development Partners</b>			
17	UNDP	Mr. Douglas Gardner	UN Resident Coordinator and UNDP Resident Representative
18	The World Bank	Mr. Steven N. Schonberger	Lead Operations Officer, Rural Development and Natural Resources Management Unit, East Asia and Pacific Region
19	GTZ	Ms. Angelika Fleddermann	Acting Director, GTZ Country Office.
20	Project to Support Democratic Development through Decentralization	Mr. Scott Leper	Senior Programme Adviser

No.	Organization	Name	Position
	and Deconcentration (PSDD)		
<b>Civil Society Organisations</b>			
21	Cambodian Centre for Study and Development in Agriculture (CEDAC)	Mr. Prak Sereyvath	Managing Director
22	Cooperation Committee for Cambodia (CCC)	Ms. Carole Strickler Mr. Khin Mengkheang Mr. Sim Samoeun	Project Manager Project Manager
23	Cambodia Farmers' Association for Agricultural Development (CAMFAD)	Mr. Sok Sotha	Chief Executive, General Coordinator
<b>Resource Persons</b>			
24		Ung Dara Rat Moni	UNDP/IFAD Adviser to MAFF PSU
25		Michael Rayner	Agricultural Economist
26		Srey Chanthly	Rural Development Specialist

### III. COSOP CONSULTATION PROCESS

4. After the draft COSOP was distributed to the Government on 31<sup>st</sup> May 2007 for review, the Ministry of Economy and Finance (MEF) organised individual meetings with the government COSOP focal points to review the draft country strategy from 8<sup>th</sup> to 11<sup>th</sup> June 2007. On 12<sup>th</sup> June 2007, the government through the Supreme National Economic Council (SNEC), under the chairmanship of H. E. Dr. Aun Porn Moniroth, reviewed the draft COSOP with all the concerned government agencies.

5. The draft COSOP was distributed to external development agencies and NGOs on 11<sup>th</sup> June 2007 for their comments.

6. The IFAD COSOP Design Mission<sup>1</sup> visited Cambodia from 25<sup>th</sup> June to 5<sup>th</sup> July 2007 and held the following consultations:

- On 25<sup>th</sup> June 2007, consultation with representatives of the following Ministries under the chairmanship of H. E. Mr. Vongsey Vissoth, Deputy Secretary General of MEF: MEF; Agriculture, Forestry and Fisheries (MAFF); Women's Affairs (MOWA); Rural Development (MRD); Water Resources and Meteorology (MOWRAM); Planning (MOP), the Council for Agriculture and Rural Development (CARD) and Land Management, Urban Planning and Construction (MLMUPC).
- On 26<sup>th</sup> June 2007 in the morning, consultation with members of the UN Country Team (UNDP, FAO, WFP) under the chairmanship of the UN Resident Co-ordinator.
- On 26<sup>th</sup> June 2007 in the afternoon, consultation with representatives of civil society organisations, including CWS, GRET, CEDAC, LWF, CCC, VSF-CICDA and CAMFAD.
- On 27<sup>th</sup> June 2007, consultation with members of the Technical Working Group on Agriculture and Water (TWGAW), at a meeting co-chaired by H.E. Mr. Chan Tong Yves, Secretary of State of MAFF and Mr. Pich Veasna, Deputy Director General of MOWRAM and attended by representatives from the two ministries and the external development agencies (AsDB, AusAID French Development Agency [AFD], EC, FAO and JICA).
- On 28<sup>th</sup> June 2007, consultation with representatives of external development agencies<sup>2</sup> from the Technical Working Group on Decentralisation and Deconcentration, including DANIDA, UNDP and UNICEF.

<sup>1</sup> Youqiong Wang (IFAD Country Programme Manager), Cheikh Sourang (IFAD Senior Programme Manager), Perin Saint Ange (IFAD Loan Officer 25<sup>th</sup> -26<sup>th</sup> June 2007), Ung Dara Rat Moni (UNDP/IFAD Policy and Portfolio Adviser), Srey Chanthly (Rural Development Specialist) and Michael Rayner (Agricultural Economist).

<sup>2</sup> Representatives of DfID, and SIDA who were unable to attend the meeting indicated that they would provide written comments on the draft COSOP.

7. The mission received written comments from the Government internal review meeting on 12<sup>th</sup> June 2007, additional written comments from the government COSOP focal points and from the MEF, MAFF, MRD, MOWA and MOP. The World Bank, GTZ and AusAID provided written comments on the draft COSOP. The mission also had separate meetings with representatives of UNCDF and Project to Support Democratic Development through Decentralization and Deconcentration (PSDD).

8. A draft Aide-Mémoire was discussed at a wrap-up meeting on 4<sup>th</sup> July 2007 under the chairmanship of H. E. Dr. Aun Porn Moniroth, Secretary of State of the Ministry of Economy and Finance and attended by representatives of MEF, CARD, Council of Ministers, MAFF, MRD, MOWA, MOWRAM and MLMUPC. An outline of project proposals for the next COSOP period was also distributed at the meeting. The draft Aide-Mémoire was revised after the wrap-up meeting to reflect the agreements reached at the meeting and signed.

## Country economic background

### CAMBODIA

<b>Land area (km<sup>2</sup> thousand) 2005 1/</b>	177	<b>GNI per capita (USD) 2005 1/</b>	430
<b>Total population (million) 2005 1/</b>	14.07	<b>GDP per capita growth (annual %) 2005 1/</b>	11
<b>Population density (people per km<sup>2</sup>) 2005 1/</b>	80	<b>Inflation, consumer prices (annual %) 2005 1/</b>	6
<b>Local currency</b> Riel (KHR)		<b>Exchange rate: USD 1 = KHR 4 165</b>	
<b>Social Indicators</b>		<b>Economic Indicators</b>	
Population (average annual population growth rate) 1999-2005 1/	2.0	GDP (USD million) 2005 1/	6 187
Crude birth rate (per thousand people) 2005 1/	30	GDP growth (annual %) 1/	
Crude death rate (per thousand people) 2005 1/	10	2000	8.4
Infant mortality rate (per thousand live births) 2005 1/	68	2005	13.4
Life expectancy at birth (years) 2005 1/	57	Sectoral distribution of GDP 2005 1/	
Number of rural poor (million) (estimate) 1/	n/a	% agriculture	34
Poor as % of total rural population 1/	n/a	% industry	27
Total labour force (million) 2005 1/	6.82	% manufacturing	19
Female labour force as % of total 2005 1/	51	% services	39
<b>Education</b>		Consumption 2005 1/	
School enrolment, primary (% gross) 2005 1/	134	General government final consumption expenditure (as % of GDP)	4
Adult illiteracy rate (% age 15 and above) 2005 1/	n/a	Household final consumption expenditure, etc. (as % of GDP)	85
<b>Nutrition</b>		Gross domestic savings (as % of GDP)	11
Daily calorie supply per capita	n/a	<b>Balance of Payments (USD million)</b>	
Malnutrition prevalence, height for age (% of children under 5) 2004 2/	45	Merchandise exports 2005 1/	3 100
Malnutrition prevalence, weight for age (% of children under 5) 2004 2/	45	Merchandise imports 2005 1/	3 700
<b>Health</b>		Balance of merchandise trade	-600
Health expenditure, total (as % of GDP) 2005 1/	7 a/	Current account balances (USD million)	
Physicians (per thousand people)	n/a	before official transfers 2005 1/	-817
Population using improved water sources (%) 2004 2/	41	after official transfers 2005 1/	-356
Population with access to essential drugs (%) 2/	n/a	Foreign direct investment, net 2005 1/	373
Population using adequate sanitation facilities (%) 2004 2/	17	<b>Government Finance</b>	
<b>Agriculture and Food</b>		Cash surplus/deficit (as % of GDP) 2005 1/	0
Food imports (% of merchandise imports) 2005 1/	8 a/	Total expenditure (% of GDP) 2005 1/	n/a
Fertilizer consumption (hundreds of grams per ha of arable land) 2005 1/	n/a	Total external debt (USD million) 2005 1/	3 515
Food production index (1999-01=100) 2005 1/	105 a/	Present value of debt (as % of GNI) 2005 1/	58
Cereal yield (kg per ha) 2005 1/	1 999	Total debt service (% of GNI) 2005 1/	1
<b>Land Use</b>		Lending interest rate (%) 2005 1/	17
Arable land as % of land area 2005 1/	21	Deposit interest rate (%) 2005 1/	2
Forest area as % of total land area 2005 1/	59		
Irrigated land as % of cropland 2005 1/	7 a/		

a/ Data are for years or periods other than those specified.

1/ World Bank, *World Development Indicators* database CD ROM 2007

2/ UNDP, *Human Development Report*, 2006

# COSOP results management framework

Country Strategy Alignment	Key Results for COSOP <sup>3</sup>			Institutional/Policy Objectives
Relevant CMDG Targets from the NSDP and other NSDP Targets <sup>b</sup>	Strategic Objectives (SO)	Outcome Indicators Related to the SOs	Milestone Indicators Showing Progress towards SOs	Policy Dialogue Agenda
<p><b>Eradicate Poverty and Hunger:</b></p> <ul style="list-style-type: none"> <li>Rural population living below the poverty line reduced from 39 per cent in 2004 to 28 per cent in 2010 and 22 per cent in 2015<sup>c</sup>.</li> <li>Rural population living below food poverty line reduced from 22 per cent in 2004 to 15 per cent in 2010 and 11 per cent in 2015.</li> <li>Incidence of underweight, stunted and wasted children &lt; 5 years reduced from 45 per cent: 45 per cent :15 per cent respectively in 2000 to 29 per cent: 28 per cent:10 per cent in 2010 and to 23 per cent: 22 per cent: 9 per cent in 2015.</li> </ul>	<p>SO 1. Sustainable improvement of the livelihoods of the rural poor men and women in the project areas through community empowerment, productivity improvement and improved access to assets, productive resources, rural services, rural infrastructure and markets.</p>	<p>In communes receiving IFAD assistance:</p> <ul style="list-style-type: none"> <li><b>Proportion of underweight, stunted and wasted children 26 per cent, 26 per cent and 10 per cent respectively, by 2012.</b></li> <li>137,000 smallholders (40 per cent) report at least a 25 per cent increase in crop and livestock production.</li> <li><b>By 2012 where IFAD financed rural infrastructure investment, 44 per cent of the rural population with safe drinking water; 24 per cent of the rural population with access to improved sanitation; and (iii) 50 per cent of communes invested in road improvements.</b></li> <li>Performance rating, with a target satisfaction rate of 80 per cent, of the: (i) service providers (private and public); and (ii) the commune council infrastructure investments.</li> <li><b>Women account for 50 per cent of the wage employment in agriculture.</b></li> <li>25 per cent of group management committees assisted by IFAD projects are women.</li> <li><b>70 per cent of the adult population is aware that violence against women is a crime.</b></li> </ul>	<ul style="list-style-type: none"> <li>No. interest groups formed by type.</li> <li>No. groups with functioning group revolving funds</li> <li>No. of smallholders (m/f) receiving project assistance.</li> <li>No. of commune councils receiving investment through their Commune/<i>Sangkat</i> Fund.</li> <li>No. storage, processing and marketing facilities constructed.</li> <li>No. of demonstrations held on farmers' fields (m/f).</li> <li>No. of extension field days held.</li> <li>No. men, women and youth trained by sub-sector.</li> <li>Private sector extension and animal health workers (m/f) trained and operating in all target villages.</li> <li>15 per cent of groups with women leaders.</li> <li>50 per cent of trainees are women.</li> <li>Gender training, analysis and impact monitoring in all project activities.</li> <li>Commune councillors and members of CC committees trained (m/f).</li> </ul>	<ul style="list-style-type: none"> <li>TWG for Agriculture and Water functioning.</li> <li>Draft Policy on Registration and Use Rights of Indigenous Communal Land adopted and the necessary sub-decrees issued and followed.</li> <li>The design of the five SAW programmes to include: (i) the use of volunteer village agricultural extension workers as part of government's agricultural extension system; (ii) improved access for the rural poor to agricultural inputs, markets and water for agriculture; (iii) agricultural research to focus, on the needs of poor smallholders; and (iv) provide for accountability and transparency.</li> <li>Staff salaries increased through the adoption of a performance based system of remuneration following the study on salary supplements to be undertaken by the NDCC in 2007.</li> <li>Enforce MAFF Sub-decree 69 - standards and management of agricultural materials.</li> <li>Partnerships with others to ensure access to land and water e.g. for social land concessions, land titling and advocacy and for major infrastructure investments e.g. irrigation and roads.</li> <li>Enforcement the law related to domestic violence.</li> </ul>
<p><b>Enhance Agricultural Production and Productivity:</b></p> <ul style="list-style-type: none"> <li>Paddy yield increased from 1.97 t/ha in 2005 to 2.4 t/ha in 2010.</li> <li>Proportion of rural land parcels with titles increased from 15 per cent in 2000 to 32 per cent in 2010 and 65 per cent in 2015.</li> <li>A strategy prepared for Agriculture and Water Sector.</li> </ul>				
<p><b>Rural Development:</b></p> <ul style="list-style-type: none"> <li>Rural population with access to safe drinking water increased from 24 per cent in 1998 to 40 per cent in 2010 and 50 per cent in 2015.</li> <li>Rural population with access to improved sanitation increased from 9 per cent in 1998 to 20 per cent in 2010 and 30 per cent in 2015.</li> <li>Rural roads (upgraded to laterite) increased from 5,230 km in 2005 to 7,730 in 2010 km.</li> </ul>				
<p><b>Promote Gender Equity and Empower Women:</b></p> <ul style="list-style-type: none"> <li>Mainstream gender in all spheres.</li> <li>Mainstream gender in all spheres.</li> <li>Proportion of female of wage employment in agriculture is 50 per cent in 2010 and 2015 (52.5 per cent in 2005).</li> <li>Level of awareness that violence against women is a crime increased from 4.5 per cent in 2005 to 25 per cent in 2010 and 100 per cent in 2015.</li> </ul>				
<p><b>Reforms:</b></p> <ul style="list-style-type: none"> <li>Accelerate governance reforms.</li> <li>Proportion of seats held by women in commune councils increased to 15 per cent in 2010 and 25 per cent in 2015.</li> </ul>	<p>SO 2. Promoting deconcentration, decentralisation and local governance for pro-poor agricultural and rural development through building linkages between the D&amp;D framework and</p>	<ul style="list-style-type: none"> <li><i>Government Strategic Framework for D&amp;D reforms developed.</i></li> <li>Enforcement of pro poor and gender sensitive operational policies and procedures for decentralised planning, financing and implementation increased.</li> <li>Enforcement of pro- poor sub-decrees issued in favour of targeting resources to the rural poor,</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of policies and procedures for decentralised planning, financing and implementation.</li> <li>Issuance of sub-decrees in favour of allocation of resources to the rural poor.</li> </ul>	<ul style="list-style-type: none"> <li>Organic Law enacted.</li> <li>Government Policy and Strategic Framework for D&amp;D in place.</li> <li>Channel for policy dialogue open between the government and development agencies.</li> </ul>

Country Strategy Alignment	Key Results for COSOP <sup>a</sup>			Institutional/Policy Objectives
Relevant CMDG Targets from the NSDP and other NSDP Targets <sup>b</sup>	Strategic Objectives (SO)	Outcome Indicators Related to the SOs	Milestone Indicators Showing Progress towards SOs	Policy Dialogue Agenda
	agricultural and rural development and institutional support for evidenced-based pro-poor policy making.	including women and members of the indigenous ethnic minority groups. <ul style="list-style-type: none"> <li>• <b>20 per cent of the commune councillors elected in 2012 are women.</b><sup>d</sup></li> <li>• per cent increase in the CC budget for agricultural and rural development and service delivery.</li> </ul>		<ul style="list-style-type: none"> <li>• Policy mapping before the COSOP period to establish a base line.</li> <li>• Improved rural service delivery systems based on experience and further analysis.</li> </ul>

<sup>a</sup> The results management framework will be revised when details of the project pipeline are known. Outcome indicators shown in bold are NSDP/CMDG indicators, those in italics are JMI indicators, while the others are project generated indicators.

<sup>b</sup> Where CMDG indicators have been used as outcome indicators, the targets have been adjusted *pro rata* for 2012 i.e. the end of the COSOP period: monitoring will be part of the CMDG monitoring process.

<sup>c</sup> Both rural poverty reduction targets have been derived from the national CMDG 1 target by assuming that rate of decline in rural poverty would be the same as that for the whole country: with 91 per cent of the poor living in rural areas this is a reasonable assumption.

<sup>d</sup> With Commune Council elections once every five years, the COSOP target for 2012 i.e. the date of the next commune council elections is the same as the CMDG target for 2015.

## Previous COSOP results management framework

	Status at Start	Status at Completion	Lessons Learned
<p><b>A. Country Strategic Goals:</b> First Socio-economic Development Plan (1996-2000):</p> <ul style="list-style-type: none"> <li>• Reduce poverty and develop human resources;</li> <li>• Develop the productive base;</li> <li>• Increase domestic self reliance; and</li> <li>• Strengthen absorptive capacity.</li> </ul> <p>There was a special focus on rural development emphasising decentralisation of services, the role of women and NGOs.</p> <p>The National Poverty Reduction Strategy (NPRS) priorities:</p> <ul style="list-style-type: none"> <li>• Promoting income earning and employment opportunities;</li> <li>• Improving capabilities, institutional strengthening and improved governance;</li> <li>• Reducing vulnerability; and</li> <li>• Promoting gender equity.</li> </ul>	<p><b>Economy – 1998</b></p> <ul style="list-style-type: none"> <li>• GDP per capita USD\$251.</li> <li>• Growth rate (1998): GDP 5 per cent and agricultural sector 5.1 per cent.</li> <li>• Inflation GDP deflator 10.2 per cent.</li> <li>• Contribution of agriculture to GDP 43 per cent.</li> <li>• Agricultural employment 72 per cent.</li> <li>• External debt 86.6 per cent GDP.</li> </ul> <p><b>Poverty - 1993/94<sup>a</sup></b></p> <ul style="list-style-type: none"> <li>• National 47 per cent<sup>b</sup>.</li> <li>• Rural areas 43 per cent.</li> <li>• Phnom Penh 11 per cent.</li> <li>• Other urban areas 37 per cent.</li> <li>• Extreme (food) poverty 20 per cent.</li> </ul> <p><b>Human Development - 1998</b></p> <ul style="list-style-type: none"> <li>• HDI index 0.512 ranked 136<sup>th</sup> out of 174.</li> <li>• GDI no data.</li> <li>• GEM no data.</li> </ul>	<p><b>Economy – 2004</b></p> <ul style="list-style-type: none"> <li>• GDP per capita USD\$328.</li> <li>• Growth rate (1998-2004): GDP 7.7 per cent p.a. and agricultural sector 2.0 per cent p.a.</li> <li>• Inflation GDP deflator 5.3 per cent.</li> <li>• Contribution of agriculture to GDP 31 per cent.</li> <li>• Agricultural employment 71 per cent.</li> <li>• Present value of debt 68 per cent of GNI.</li> </ul> <p><b>Poverty – 2004 (most recent data)<sup>c</sup></b></p> <ul style="list-style-type: none"> <li>• National 35 per cent.</li> <li>• Rural areas 39 per cent.</li> <li>• Phnom Penh 5 per cent.</li> <li>• Other urban areas 25 per cent.</li> <li>• Extreme (food ) poverty 20 per cent.</li> </ul> <p><b>Human Development – 2004</b></p> <ul style="list-style-type: none"> <li>• HDI index 0.583 ranked 129<sup>th</sup> out of 177.</li> <li>• GDI value 0.578 ranked 73<sup>rd</sup> out of 136.</li> <li>• GEM value 0.373 ranked 68<sup>th</sup> out of 75.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing high economic growth but a higher and sustained agricultural growth is necessary to achieve substantial reductions in the level of poverty in the more remote rural areas.</li> <li>• Need to remove constraints that are holding back the productivity and profitability of smallholder agriculture is needed, e.g. lack of secure land titles, inequitable access to common property resources, poor rural infrastructure and services, lack of skills and capacity, poor access to markets and excessive inappropriate regulation of the private sector and associated corruption.</li> </ul>
<p><b>B. COSOP Strategic Objectives</b></p>			
<p><b>Strategic Objective 1</b> Focus on food and income security of the poor, particularly of poor rural women.</p>	<ul style="list-style-type: none"> <li>• IFAD to build on the successful approaches and models of other like-minded donors who have been operating in Cambodia.</li> </ul>	<p><b>Animal Health and Production</b> component of APIP was very successful in its implementation and particularly in establishing a sustainable privately operated village animal health service. It has also contributed substantially to building the technical, administrative and planning capacity of DAHP. However, animal production activities were much less successful than the animal health activities. Marketing</p>	<ul style="list-style-type: none"> <li>• Project design should be flexible so as to be able to adjust to the new Organic Law and evolving framework for D&amp;D.</li> <li>• Directly targeting assistance to the rural poor can significantly improve their livelihoods and reduce poverty.</li> </ul>
<p><b>Strategic Objective 2</b></p>	<ul style="list-style-type: none"> <li>• IFAD to support and enhance</li> </ul>		



	Status at Start	Status at Completion	Lessons Learned
Promote economic growth at the target households and communities by empowering local communities to efficiently and sustainably manage the productive resources that they have been handling traditionally.	<p>local initiatives for increasing agricultural productivity and efficient management of local resources.</p> <ul style="list-style-type: none"> <li>IFAD assistance to involve two phases with a pilot phase with verifiable trigger indicators prior to any large-scale investment to ensure communities are empowered and have sufficient capacity.</li> <li>IFAD assistance to target female headed households, unemployed rural youth, returnee, internally displaced persons and mine victims, with beneficiary participation throughout the project cycle.</li> <li>IFAD financed investments not to be prescriptive with communities to select from a menu of possible options to address their identified problems.</li> </ul>	<p>remained a weak area.</p> <ul style="list-style-type: none"> <li>Results included: (i) a sustainable national system established for providing village animal health services through privately operated village animal health workers (VAHWs); (ii) 2 800 VAHWs (14 of being women) trained in 4 provinces with the majority operating effectively; (iii) reported increases in the productive assets of smallholders in terms of their pig and poultry production and cattle and buffalo productivity; (iv) national policy and regulatory frameworks and legislation developed for the livestock sub-sector; (v) an animal disease surveillance and diagnosis system established at the national level and in selected provinces; and (vi) the capacity of the government institutions strengthened in policy and strategy formulation, planning, technical and administrative management and project implementation; and (vi) establishing private sector veterinary pharmacies.</li> </ul> <p><b>ADESS</b> was remarkably successful in achieving its overall goal of increasing food and income security of the targeted households and its objective of assisting 64,500 poor households to have a sustained increase in farm incomes and a more diversified pattern of crop and livestock production.</p> <ul style="list-style-type: none"> <li>Results included: (i) increased food and income security of 64 500 poor households in about 1 000 villages, 217 communes, 34 districts in four provinces; (ii) 1 884 poor farmers' groups established and trained with the majority operating effectively; (iii) 640 revolving funds programmes established for the poor farmers with contribution from their own savings; (iv) 903 village extension workers and 1 926 VAHWs trained with the majority functioning. The project also developed innovations in providing direct assistance to groups of poor farmers, piloting the use of a contract system between the provincial authorities and public service providers for extension service delivery and piloting the de-concentration of agency functions from the MAFF to the PDAs.</li> </ul> <p><b>CBRDP</b> as a multi-sector rural development project:</p> <ul style="list-style-type: none"> <li>Results included: (i) assisting 164 400 households in 795 villages, 127 communes, 15 districts in two provinces; (ii) 1 327 poor farmers' groups and village networks established and trained; (ii) land registrations provided to 4 555 households; (iii) 383 village extension workers and 875 VAHWs trained; (iii) 12 800 households reporting production increases from improved crop and livestock technologies; (iv) 720 water supply schemes constructed benefiting 10 800 households; (v) 200 km of rural access roads and constructed, 8 irrigation schemes constructed with a common area of 4 033 ha and another 428 small scale rural infrastructure projects constructed, benefiting 56 000 people. The project also developed innovations in using the Most Vulnerable Family approach as a targeting tool to reach the poor, using Beneficiary Impact Assessments as an instrument to enhance quality of service delivery and supporting commune councils and village-based organisations through capacity building, empowerment and village networking to ensure the sustainability of development.</li> </ul> <p><b>RPRP</b> is on-going:</p> <ul style="list-style-type: none"> <li>Results so far have included: (i) 54,900 people from 25 000</li> </ul>	<ul style="list-style-type: none"> <li>Village volunteers can play an important role as village extension workers in technology transfer, information dissemination and linking villagers with markets and the commune and district administrations, but must receive appropriate initial and refresher training.</li> <li>Private village veterinary services are feasible, but their effectiveness requires improvement.</li> <li>Using local contract field staff to work intensively for a period of 2-3 years with the poor in the villages has been effective: these are temporary change agents whose continued presence is not required.</li> <li>It is beneficial to use the skills of NGOs for training, growing groups, assessing group maturity and undertaking training needs assessments for group leaders.</li> <li>When starting project activities, it is important to: (i) devote sufficient resources to ensuring that all project staff fully understand the project design; (ii) not rush the orientation and start-up process in villages to avoid confusion in the local communities; and (iii) ensure that technology transfer meet the farmers' needs and priorities.</li> <li>Social mobilisation and empowerment is the key for the poor to participate effectively in the economic development process.</li> <li>Poor farmers should be grouped on the basis of common interests to ensure social cohesion and sustainability of development activities.</li> <li>Important to support village-based organisations and farmers' associations and to link people with the Commune Councils and sub-national government institutions to ensure participation, ownership and responsibility, transparency and accountability and sustainability of development activity, leading to empowerment.</li> <li>Important to address food insecurity of the rural poor first, while designing an effective investment strategy to help them move beyond a subsistence existence with active engagement in market oriented production and value adding activities or to find wage employment.</li> <li>Agricultural extension services and technology transfer should be demand driven with close linkages and orientation with markets: a mix of public and private sector service provision is likely to be required in future.</li> <li>Effective mechanisms should be developed in both design and implementation to involve the private sector in both agricultural production and marketing.</li> </ul>
<b>Strategic Objective 3</b> Promote a consultative forum and develop a feedback mechanism so that development lessons learned and best practices emerge from local initiatives would be an important agenda at the provincial and national policy formulation level.			
<b>Strategic Objective 4</b> Develop an implementation support mechanism that would add value to the development approaches by drawing on IFAD's extensive experience in poverty alleviation in many parts of the world.			

	Status at Start	Status at Completion	Lessons Learned
		<p>households benefited from the project in 1 827 villages, 148 communes in 2 provinces, with 1 000 poor farmers' groups and community organisations established and trained; (ii) 148 commune and 232 village extension workers and 343 VAHWS trained; (iii) 63 irrigation schemes improved, covering 22 300 ha, 643 km of rural access roads constructed and 57 maintenance groups established and trained. The project also developed innovations in piloting the channelling of IFAD resources for rural infrastructure investment to the Commune/<i>Sangkat</i> Fund through the National Treasury, piloting a new service delivery approach by employing commune extension workers and introducing an approach for gender mainstreaming in project planning, training and monitoring.</p> <p><b>RULIP</b> is a new project:</p> <ul style="list-style-type: none"> <li>Expected results include: (i) targeting 22 600 households in 16 project districts in three provinces, with an additional 11 300 households expected to be indirect beneficiaries; (ii) initialling a policy analysis component to learn lessons from the field operations of rural poverty reduction projects and programmes and strengthen the capacity of the MAFF in pro-poor policy formulation; (iii) piloting an approach to learning lessons and experience from local communities for policy development and dialogue; and (iv) providing assistance to marginalised ethnic groups in the upland areas.</li> </ul>	<ul style="list-style-type: none"> <li>Technology transfer and farmers' training should be experience- and field-based with possible spill-over demonstration effect on other untargeted poor families. This informal demonstration effect should be formalised.</li> <li>Gender focal points have brought gender considerations into project planning, training and monitoring, but gender analysis and monitoring is also required. There is also a need to provide skills training and other measures to empower women economically.</li> <li>Gender mainstreaming should involve both men and women to achieve a shared family vision for improving livelihoods.</li> <li>In general the formal banking sector does not provide the financial services the poor need, but group revolving funds do and mechanisms for their expansion and linking them to the formal financial sector require consideration.</li> <li>Useful information could be gained by comparing the results anticipated by the ex-ante financial and economic analysis in the appraisal reports with a similar ex-post analysis undertaken at project completion.</li> </ul>
<b>C. IFAD Operations</b>	<ul style="list-style-type: none"> <li>Implementation of the livestock component of the APIP (co-financed with the World Bank) had just started (Effectiveness date 22<sup>nd</sup> Sept 1997).</li> <li>Implementation of activities financed by two grants (SOF and ECP) had been completed.</li> </ul>	<ul style="list-style-type: none"> <li>Closed: APIP and ADESS (see above).</li> <li>Ongoing: CBRDP and RPRP (see below under portfolio performance for status).</li> <li>Effective on 31<sup>st</sup> August 2007: RULIP.</li> </ul>	<ul style="list-style-type: none"> <li>Project implementation should be aligned with government systems and procedures rather than establishing parallel systems.</li> <li>Administrations at the sub-national levels should be delegated with greater authority and mandate to coordinate the development activities of all government and non-government agencies.</li> <li>Support should continue for decentralised service delivery at commune and community levels.</li> <li>Current staff remuneration is inadequate and a system linked to responsibility, performance, accountability etc. is required and that enables staff to work full-time without the need for outside employment or participation in rent seeking activities.</li> <li>Project staff are taking a proactive role in impact assessment and beneficiary monitoring, which needs to become part of the government system and procedures.</li> <li>Supervision and implementation support from the CI to the ongoing projects is far from adequate.</li> <li>A simple amendment procedure should be available within the government system to allow for timely amendments to a project's annual work programme and budget.</li> </ul>
<b>D. IFAD Performance</b>			

	Status at Start	Status at Completion	Lessons Learned
<b>Policy Dialogue</b>	<ul style="list-style-type: none"> <li>Annual consultations proposed between participating communities and relevant policy making institutions and officials at the provincial and national levels.</li> </ul>	<ul style="list-style-type: none"> <li>IFAD participation in policy dialogue is enabled through an IFAD/UNDP financed adviser based in the MAFF.</li> <li>IFAD is a member of the government/ donor TWG for Agriculture and Water which has prepared the Agriculture and Water Strategy.</li> <li>IFAD participates in the deliberations of the UNCT.</li> <li>RULIP includes a policy analysis component which includes policy dialogue at provincial and national levels.</li> </ul>	<ul style="list-style-type: none"> <li>IFAD needs local representation if it is to participate in the TWGs and in UN sponsored and policy dialogue <i>fora</i>.</li> <li>Successful participation requires an experienced and senior adviser.</li> </ul>
<b>Partnerships</b>	<ul style="list-style-type: none"> <li>Grant co-financing from other donors required to finance the technical assistance requirements and institutional support.</li> <li>Partnerships required with NGOs with proven development objectives to participate in the programmes.</li> <li>To simplify project implementation other donors should be found to finance the necessary health and education activities.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing partnerships with: (i) GTZ and WFP for co-financing CBRDP; and (ii) PLG for provision of TA and institutional support for CBRDP and RPRP.</li> <li>Agreed partnership with UNDP for co-financing (TA and Learning Communities) the recently approved RULIP.</li> <li>Completed partnership with AusAid for the provision of agricultural extension TA for ADESS, CBRDP and RPRP.</li> </ul>	<ul style="list-style-type: none"> <li>Grant financing from other donors is essential for the TA required for capacity building and implementation support.</li> <li>Co-financing/parallel financing arrangements increase the workload during project design and implementation.</li> <li>Such arrangements run counter the principal of having simple projects.</li> <li>IFAD should work with a relatively strong ministry as project finance cannot provide sufficient resources to strengthen adequately a weak ministry.</li> </ul>
<b>Portfolio Performance</b>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>	<p><b>CBRDP:</b></p> <ul style="list-style-type: none"> <li>MTR in 2004 made significant design changes to: (i) improve poverty focus; (ii) support the commune councils; and (iii) improve the agricultural component.</li> <li>Progress made with developing decentralised service delivery.</li> <li>Improvements in the agriculture component noted in 2006.</li> <li>Results and Impact Management System (RIMS) reports do not provide the data required.</li> <li>Some positive impact reported.</li> <li>Exit strategy under preparation.</li> </ul> <p><b>RPRP:</b></p> <ul style="list-style-type: none"> <li>Initial progress excellent, but problems recently due to the uncertainty over D&amp;D and the transfer of responsibilities for national level coordination.</li> <li>RIMS reports improving.</li> <li>MTR planned for mid-2007.</li> </ul> <p><b>RULIP:</b></p> <ul style="list-style-type: none"> <li>Field operations to be ready to start.</li> </ul>	<ul style="list-style-type: none"> <li>CBRDP design was too complex. Strong capacity of government institutions with clearly mandated role and functions in inter-agency coordination at the national and sub-national levels is the prerequisite for effective coordination and implementation of multi-sector interventions to tackle the causes of widespread rural poverty.</li> <li>Private sector involvement in marketing is necessary in relation to market access and justice.</li> <li>There is an urgent need to narrow the gaps between field reality and government policy formulation, by bringing lessons and experience learned from the field operations into the government policy making machinery in order to formulate informed pro-poor policies.</li> </ul>

<sup>a</sup> Data from the CSES surveys between 1993/94 and 2004 are unreliable (see Appendix V). The 1993/94 survey was unable to cover the more remote areas of the country for security reasons.

<sup>b</sup> National poverty level figure is for the whole country, including areas not surveyed, based on backward projections, whereas the other data is only for the areas surveyed in 1993/94 and underestimates the extent of rural poverty as the areas excluded have, and had, higher poverty rates than the areas surveyed.

<sup>c</sup> Data for 2004 refers to the whole country i.e. including those excluded from the 1993/94 survey.

# Key file 1: Rural poverty and agricultural/rural sector issues

Priority Areas	Affected Group	Major Issues	Actions Needed
Low productivity of agricultural and livestock activities	farmers	<ul style="list-style-type: none"> <li>High dependency on a single annual rice crop.</li> <li>Small land holdings and increasing landlessness in rice growing areas.</li> <li>Food insecurity.</li> <li>Households lack other assets needed for productive farming e.g. draught power, equipment, water control/irrigation facilities.</li> <li>Limited numbers of extension staff especially in the more remote areas.</li> <li>Extension staff lacks knowledge of crops other than rice.</li> <li>Lack of access to markets, marketing information, trading skills and input supplies.</li> <li>Floods and droughts: drought poses more of a problem to the poor compared with flooding.</li> </ul>	<ul style="list-style-type: none"> <li>Support dissemination of improved crop and livestock production technology for sustainable agricultural intensification and diversification.</li> <li>Provide inputs (in kind and cash) to groups of poor households, with repayments used to establish group revolving funds to finance investments and for emergencies.</li> <li>Build links with the private sector for marketing, input supply and other services.</li> <li>Where feasible and economic increase public investment in rural infrastructure (e.g. small-scale irrigation, rural access roads, markets).</li> <li>Social land concessions to reduce the landlessness and guidelines for implementing the sub-decree on social land concessions.</li> <li>Productive economic land concessions to provide rural employment and reduce rural poverty.</li> </ul>
Sub-optimal use and poor management of land and natural resources (e.g. forestry and fisheries)	Poor farmers, communities practising community-based natural resource management including indigenous ethnic minority groups	<ul style="list-style-type: none"> <li>Most smallholders lack secure title to their land.</li> <li>Land grabbing especially in the northeast with forests converted into cashew plantations.</li> <li>Communal land in the northeast and north subject to legal and illegal logging and granting of economic land concessions without consultation.</li> <li>Harmful commercial logging practices.</li> <li>Pressure on land resources (especially in flooded forests).</li> <li>Overlapping mandates within and between Ministries.</li> <li>Unclear definition of state resources.</li> </ul>	<ul style="list-style-type: none"> <li>Support systematic land titling with titles issued in the names of both the husband and wife.</li> <li>Draft Policy on Registration and Use Rights of Indigenous Communal Land adopted and the necessary sub-decrees issued and followed.</li> <li>Build capacity of local communities to engage in dialogue with government on land and natural resource management issues and to use laws to their advantage.</li> <li>Train provincial and district staff, commune councils (CCs) and villagers on status of the legal framework for land, agriculture, forestry and fisheries.</li> <li>Learn from successful community-based natural resource management approaches and replicate them.</li> </ul>
Limited growth in agribusiness value chains	All farmers and all commercial enterprises working in the agricultural sector	<ul style="list-style-type: none"> <li>Poor investment climate due to over and inappropriate regulation, bureaucracy and rent seeking officials.</li> <li>Poor integration with national and international markets.</li> <li>High cost economy (fuel, electricity and poor roads etc.).</li> </ul>	<ul style="list-style-type: none"> <li>Build links between projects/programmes and the private sector for marketing, processing, input supply and technical advice.</li> <li>Support the enforcement of MAFF Sub-decree 69 concerning the standards and management of agricultural materials.</li> </ul>
Limited off-farm income diversification	All groups among the target beneficiaries	<ul style="list-style-type: none"> <li>Little knowledge of potential opportunities for off-farm income generation.</li> <li>Lack of skills to engage in off-farm income generating activities.</li> <li>Lack of government and private sector services in rural areas for off-farm income generating activities.</li> </ul>	<ul style="list-style-type: none"> <li>Promote activities that add value to agricultural and non-timber forest products e.g. simple processing, grading etc.</li> <li>Provide appropriate skills training.</li> <li>Promote flow of information on off-farm income diversification opportunities.</li> <li>Build linkages with the private sector.</li> </ul>
Weak participatory sub-national governance structures	Provinces, Districts, CCs and local communities	<ul style="list-style-type: none"> <li>Staff at sub-national level lack capacity to engage communities in community planning processes and in matching line department programmes with the priorities of the CCs and their communities.</li> <li>CCs lack capacity to articulate local demand.</li> <li>CCs lack sources of locally generated revenue.</li> </ul>	<ul style="list-style-type: none"> <li>Develop and enact Organic Law on Decentralisation and Deconcentration (D&amp;D).</li> <li>Revise the structure of the sub-national administrations and their roles and responsibilities following the ongoing D&amp;D process.</li> <li>Establish clear and transparent guidelines for raising local sources of revenue e.g. fines, licences etc.</li> </ul>
High gender disparities	Women and women-headed households	<ul style="list-style-type: none"> <li>Widows with young children and women with many children identified as particularly vulnerable to poverty.</li> <li>Women headed households with young children lack labour for farming.</li> <li>Women lack education and employment skills.</li> <li>Low levels of participation by women in decision making at the community level.</li> <li>Women have a higher illiteracy rate.</li> <li>Poor maternal healthcare.</li> <li>Women vulnerable to domestic violence.</li> </ul>	<ul style="list-style-type: none"> <li>Develop approaches for reaching women-headed households.</li> <li>Maintain gains in securing paid employment for women (at present mostly in garment factories).</li> <li>Target women when providing skills training.</li> <li>Train women as village extension workers and livestock workers to help other women.</li> <li>Include gender awareness training, including HIV/AIDS awareness, in all staff and farmer training.</li> <li>Promote awareness that violence against women is a crime and enforce the law.</li> <li>Improve health care and education for women in the rural areas.</li> </ul>
Poor delivery of social services	All groups among the target beneficiaries	<ul style="list-style-type: none"> <li>Poor quality of the health and education services in rural areas.</li> <li>Rent seeking by some staff of government service providers.</li> </ul>	<ul style="list-style-type: none"> <li>Improve the quality (facilities, staff and budget) of health care and education in the rural areas.</li> <li>Empower local communities to demand action to improve the quality of health care and education.</li> </ul>

Sources: IFAD, 2006, Kingdom of Cambodia Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri, Design Document – Appraisal. World Bank Poverty Assessment, 2006, Halving Poverty by 2015?

## Key file 2: Organizations matrix (strengths, weaknesses, opportunities and threats [SWOT] analysis)

Organization	Strengths	Weaknesses	Opportunities/Threats	Remarks
<b>Enablers</b>				
<b>Ministry of Economy and Finance and National Treasury</b>	<ul style="list-style-type: none"> <li>• Knowledge and experience of IFAD procedures as the representative of the borrower.</li> <li>• Some experience with decentralised flow of IFAD funds under the on-going projects.</li> <li>• Standard Operating Procedures (SOP), Financial Management Manual (FMM), Procurement Manual (PM) and Handbook of Decentralised Projects developed.</li> </ul>	<ul style="list-style-type: none"> <li>• Centralised and bureaucratic procedures.</li> <li>• National Treasury and the Department of Local Finance, which handles the C/S Fund, lack capacity in handling flow of funds efficiently.</li> </ul>	<ul style="list-style-type: none"> <li>• The Organic Law and the new D&amp;D arrangements will require changes to the way MEF works and the funding arrangements at sub-national level.</li> <li>• Staff will require training in the appropriate financial management and fund transfer procedures.</li> <li>• Use of SOP, FMM, PM and Handbook of Decentralised Projects will simplify project management.</li> </ul>	<ul style="list-style-type: none"> <li>• Not an implementing agency and policy influence weak.</li> <li>• There is also a need for the government agencies to harmonise their own operational procedures, e.g. financial management, procurement and staff incentives.</li> </ul>
<b>Ministry of the Interior</b>	<ul style="list-style-type: none"> <li>• Mandate for D&amp;D.</li> <li>• Provides the secretariat for the National Committee for the Management of Decentralisation and Deconcentration (NCDD).</li> <li>• Some past experience of D&amp;D from developing the Commune Administration Law etc.</li> <li>• Provincial Governors and the Provincial Offices of Local Administration report to the Ministry of Interior (MOI).</li> <li>• Supports projects working with Commune Councils and village-based organisations e.g. with the DANIDA Natural Resources and Environment Focal Points.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited management capacity.</li> <li>• Lacks development experience and expertise to take over the role of coordinating and planning use of funds for multi-sector rural development at sub-national level.</li> <li>• Lacks experience with financial decentralisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Role will be further enhanced with the enactment of the Organic Law for D&amp;D, under the District Initiative and with financial decentralisation.</li> <li>• Key player in improving security and local governance.</li> </ul>	<ul style="list-style-type: none"> <li>• Executing agency for the AsDB Commune Council Development Project.</li> </ul>
<b>National Committee for the Management of Decentralisation and Deconcentration</b>	<ul style="list-style-type: none"> <li>• Established by Royal Decree.</li> <li>• Close link to MOI as the Secretariat is the Directorate of Local Administration in MOI.</li> <li>• Secretariat has a Programme Support Team to manage programmes of external agencies supporting D&amp;D, including IFAD projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Lacks experience as only established in 2006.</li> <li>• Does not include MAFF, a key Ministry for rural development and poverty reduction.</li> </ul>	<ul style="list-style-type: none"> <li>• Responsible for drafting organic law.</li> <li>• Phased out the <i>Seila</i> programme at the end of 2006.</li> <li>• Key role in: (i) arranging the delegation of functions, powers and resources from central to sub-national levels; (ii) mobilising resources to support D&amp;D reform and making appropriate arrangements with donors; and (iii) developing and implementing a national programme for democracy development at sub-national levels.</li> </ul>	<ul style="list-style-type: none"> <li>• Mandate ends when there is a mechanism in place for implementing the Organic Law in accordance with the Organic Law.</li> <li>• Programme Support Team will implement RPRP Local Development Component and the UNDP/SIDA/DfID support programme for D&amp;D.</li> </ul>

Organization	Strengths	Weaknesses	Opportunities/Threats	Remarks
<b>Council for Agriculture and Rural Development</b>	<ul style="list-style-type: none"> <li>Re-established in December 1998 by Royal Decree, followed by a sub-decree.</li> <li>Part of the Council of Ministers with the Prime Minister as the Chairman.</li> <li>Co-chairs with MOP the TWG on Food Security and Nutrition.</li> <li>Involved in the preparation of the Strategy on Agriculture and Water (SAW).</li> <li>Involved in co-ordinating the Tonle Sap Initiative.</li> </ul>	<ul style="list-style-type: none"> <li>Co-ordinating rather than an implementation agency.</li> </ul>	<ul style="list-style-type: none"> <li>Task is to enhance coordination and provide policy guidance in the area of agricultural and rural development.</li> <li>Will contribute to the preparation of the Food Security Support Programme of the A&amp;W strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Coordination, harmonisation and monitoring role during the COSOP period for food security and nutrition, particularly for policy and institutional support (information management, coordination and networking, capacity building and awareness raising).</li> </ul>
<b>Ministry of Agriculture, Forestry and Fisheries</b>	<ul style="list-style-type: none"> <li>Some technical expertise and facilities.</li> <li>Wide experience of, and support for D&amp;D and associated capacity building through the IFAD assisted projects (Agricultural Development Support to <i>Seila</i> and Poverty Reduction Project in Prea Veng and Svay Rieng (RPRP)).</li> <li>Support for D&amp;D approaches being adopted by the CIDA financed Agricultural Development in Mine Affected Areas project.</li> </ul>	<ul style="list-style-type: none"> <li>Command and control mindset still present among many senior staff.</li> <li>Bias towards plantation and large farm approach to agricultural growth.</li> <li>Limited management capacity and overstuffed.</li> <li>Project and incentive dependent.</li> <li>Balkanisation with Departments operating independently.</li> <li>Sub-decree on Economic Land Concessions, not yet implemented.</li> <li>Preference among some staff for centralised projects and associated contracting and rent seeking opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Deconcentration provides scope for a more effective entity and for better working and relationship with the provinces.</li> <li>Key policy player in terms of the policies that matter for rural livelihoods.</li> <li>Granting of economic land concessions that are productive can provide employment and reduce the incidence of rural poverty.</li> <li>MAFF considers that further technical and financial assistance from IFAD is crucial to allow MAFF to expand D&amp;D approaches to other provinces.</li> <li>A more appropriate structure is now needed with a stronger focus on accountability at national and sub-national levels.</li> </ul>	<ul style="list-style-type: none"> <li>IFAD previously co-financed livestock development at the national level through the Agricultural Productivity Improvement Project (World Bank).</li> <li>Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri will start later in 2007 and support D&amp;D approaches for agricultural development.</li> </ul>
<b>Ministry of Rural Development</b>	<ul style="list-style-type: none"> <li>Some technical expertise, facilities and experience in rural water supply, rural roads and food-for-work activities.</li> <li>Experience and knowledge of IFAD through the Community-Based Rural Development Project (CBRDP).</li> <li>Developed the Government's policy for the development of the indigenous ethnic minority groups.</li> </ul>	<ul style="list-style-type: none"> <li>A weak ministry with limited technical, community development and managerial expertise at all levels but especially at the provincial and district levels.</li> <li>Project and incentive dependent.</li> </ul>	<ul style="list-style-type: none"> <li>Possible role in developing methodology for participatory rural development, which involves the commune councils.</li> <li>Limited technical responsibilities.</li> <li>Implementation of CBRDP has been problematic.</li> </ul>	<ul style="list-style-type: none"> <li>Under RPRP IFAD is financing small-scale rural infrastructure investments, including rural access roads and drinking water supply schemes, included by the CCs in their development plans, rather than projects proposed by the Ministry.</li> </ul>
<b>Ministry of Planning</b>	<ul style="list-style-type: none"> <li>Responsible for planning, statistics, the CSES and the CMDGs.</li> <li>Prepared the National Socio-economic</li> </ul>	<ul style="list-style-type: none"> <li>Limited planning, survey, analytical, monitoring and management capacity and budget.</li> </ul>	<ul style="list-style-type: none"> <li>Immediate opportunity to develop capacity for monitoring progress in achieving the CMDGs and the implementation of the NSDP.</li> </ul>	<ul style="list-style-type: none"> <li>IFAD projects can use the most vulnerable family</li> </ul>

Organization	Strengths	Weaknesses	Opportunities/Threats	Remarks
	<p>Development Plan (2006-2010) which includes the Poverty Reduction Strategy Paper and CMDGs.</p> <ul style="list-style-type: none"> <li>Developed (with GTZ assistance) an approach to identify the most vulnerable families.</li> </ul>	<ul style="list-style-type: none"> <li>Reliant on TA to make up for the lack of capacity.</li> <li>Reliant on donor funds for major surveys, plan preparation etc.</li> </ul>		<p>approach to target future IFAD assistance at household level to the rural poor.</p>
<b>Ministry of Land Management, Urban Planning, and Construction</b>	<ul style="list-style-type: none"> <li>Systematic registration process for land developed and some experience with land titling.</li> <li>Implementing the Land Management and Administration Project and Land Law Implementation Project.</li> <li>Social land concessions are part of the Land Allocation for Social and Economic Development Project - World Bank and GTZ funding.</li> </ul>	<ul style="list-style-type: none"> <li>Limited technical capacity and staff.</li> <li>Reliant on TA support.</li> <li>Project and incentive dependent.</li> <li>Limited management capacity.</li> <li>No experience with communal land titling (the preference for some indigenous communities) as procedures not yet final.</li> </ul>	<ul style="list-style-type: none"> <li>Massive task to provide secure land titles to farmers.</li> <li>Publicise people's rights under the 2001 Land Law.</li> <li>Granting Social Land Concessions can help to reduce landlessness.</li> </ul>	<ul style="list-style-type: none"> <li>IFAD provided support for some land titling under CBRDP.</li> <li>Draft Policy on Registration and Use Rights of Indigenous Communal Land needs to be adopted and the sub-decrees needed for implementation issued and followed.</li> </ul>
<b>Ministry of Water Resources and Meteorology</b>	<ul style="list-style-type: none"> <li>Survey, design, contracting and construction supervision expertise.</li> <li>Good inventory of irrigation schemes.</li> <li>Policy for farmer participation in scheme O&amp;M in place.</li> <li>Strong political support.</li> </ul>	<ul style="list-style-type: none"> <li>Project and incentive dependent.</li> <li>Lacks budget for scheme O&amp;M.</li> <li>Lacks community development expertise to guide water users in scheme O&amp;M.</li> <li>Preference for large schemes and associated contracting and rent seeking opportunities.</li> <li>Implementation of small/medium scale irrigation schemes under CBRDP poor and much delayed.</li> <li>Command and control attitude still prevalent.</li> <li>Lacks knowledge of the economics and financial sustainability of irrigation development.</li> </ul>	<ul style="list-style-type: none"> <li>Topography provides few opportunities for storage schemes but some opportunities exist for wet season supplementary irrigation and for water control schemes.</li> <li>Major potential role in developing participation in scheme O&amp;M but possible conflict with the community development role of the Ministry of Rural Development.</li> </ul>	<ul style="list-style-type: none"> <li>Under RPRP IFAD is financing small-scale rural infrastructure investments, including small-scale water control structures, included by the CCs in their development plans, rather than projects proposed by the Ministry.</li> </ul>
<b>Ministry of Women's Affairs</b>	<ul style="list-style-type: none"> <li>Mandate to promote the status of Cambodian Women.</li> <li>Operates as a facilitating rather than implementing agency.</li> <li>Willing to support gender mainstreaming in all development programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Still lacks technical and management expertise and experience (although TA and financial assistance received from donor agencies, including UNDP and IFAD).</li> <li>Project, TA and incentive dependent.</li> </ul>	<ul style="list-style-type: none"> <li>Approach to gender mainstreaming in the IFAD assisted RPRP is assessed as working well and will be replicated and extended in RLIP.</li> </ul>	<ul style="list-style-type: none"> <li>Relatively new ministry.</li> </ul>
<b>Provincial Departments</b>	<ul style="list-style-type: none"> <li>Some local presence and knowledge.</li> <li>Provincial governors have a high level of autonomy.</li> </ul>	<ul style="list-style-type: none"> <li>Limited management capacity and technical skills.</li> <li>Lack equipment, transport, staff (sometimes) and budget.</li> <li>Do not reach more remote areas as few staff based in the districts.</li> </ul>	<ul style="list-style-type: none"> <li>Role likely to increase with the new framework for D&amp;D following the enactment of the Organic Law.</li> <li>Greater focus expected on developing district level operations.</li> </ul>	<ul style="list-style-type: none"> <li>At present departments implementing development activities work under annual contracts with</li> </ul>

Organization	Strengths	Weaknesses	Opportunities/Threats	Remarks
		<ul style="list-style-type: none"> <li>Staff operate in a non-sustainable project manner.</li> <li>Access to some departments governed by unofficial fees.</li> </ul>		the Provincial Rural Development Committee which coordinates all rural development activities in the province.
<b>Provincial Land Use and Allocation Committee</b>	<ul style="list-style-type: none"> <li>Established under the provisions of the Sub-Decree on Social Land Concession.</li> <li>Consists of representatives from all line agencies, the police and military and chaired by the Governor or his Deputy.</li> <li>Policy and decision making body, which deals with land use and allocation.</li> </ul>	<ul style="list-style-type: none"> <li>Not fully operational in all provinces.</li> </ul>	<ul style="list-style-type: none"> <li>Major role in identifying state public land and state private land in determining land use and classification and coordinating land use planning for development.</li> <li>Approves local social land concession plans.</li> </ul>	<ul style="list-style-type: none"> <li>Could handle social land concession programmes to benefit the poor, and similar tasks related to land use planning, allocation and management.</li> </ul>
<b>Provincial State Land Management Committee</b>	<ul style="list-style-type: none"> <li>Established by the Sub-Decree on State Land Management (2005).</li> <li>Consists of representatives from all line agencies, the police, military and chaired by the Governor or his Deputy.</li> <li>Responsible for provincial state land database and maps.</li> </ul>	<ul style="list-style-type: none"> <li>Not fully operational in all provinces.</li> </ul>	<ul style="list-style-type: none"> <li>Identifies and maps the status and use of state land.</li> <li>Advises Ministry of Land Management, Urban Planning and Construction on the classification of state land.</li> <li>Reviews and decides on participatory commune land use action plans.</li> <li>Organises public consultations on land concession projects.</li> </ul>	<ul style="list-style-type: none"> <li>Activities on land mapping and classification could help the process of community land titling.</li> </ul>
<b>Service Providers</b>				
<b>Private Sector Marketing and Input Supply Organisations</b>	<ul style="list-style-type: none"> <li>Presence in the rural areas.</li> <li>Experienced staff and management.</li> <li>Staff may have specialised technical knowledge.</li> <li>Can supply agricultural inputs required.</li> </ul>	<ul style="list-style-type: none"> <li>Poorly integrated in trade at national and international levels.</li> <li>Often lack access to finance at reasonable cost.</li> <li>May lack storage and associated facilities.</li> <li>Transactions with farmers often not transparent.</li> <li>High costs e.g. fuel, electricity and poor roads.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities to increase their scale of operation and profitability through contract arrangements with small-scale farmers.</li> <li>Could play a major role in providing technical advice for crop and livestock production together with the inputs required.</li> <li>Activities hindered by over-regulation bureaucracy and rent seeking officials.</li> </ul>	<ul style="list-style-type: none"> <li>Key organisations in the future for developing a more commercial agriculture.</li> </ul>
<b>Micro-Finance Institutions and Credit NGOs</b>	<ul style="list-style-type: none"> <li>Presence in the rural areas.</li> <li>Some experience of providing credit to members of the IFAD target group(s).</li> <li>Adequate funds currently available to NGOs at low or no cost from grant donors.</li> <li>Experienced staff and management.</li> <li>Strong poverty focus.</li> <li>Experience with multilateral projects e.g. PRASAC.</li> <li>Major MFIs well managed and professional organisations e.g. ACLEDA.</li> </ul>	<ul style="list-style-type: none"> <li>Little savings mobilisation as few licensed to take deposits.</li> <li>Ownership of some credit NGOs may be unclear.</li> <li>ADESS and RPRP farmers unable to access credit for inputs as loan terms and conditions often unsuitable for agriculture.</li> <li>Interest rates perceived as too high for agricultural lending.</li> <li>Major MFIs lack a presence at</li> </ul>	<ul style="list-style-type: none"> <li>Micro-finance Institutions/credit NGOs need to be able to provide rural financial services independently of donor grants.</li> <li>In the longer term groups with successful group revolving funds will need to link to Micro-finance Institutions as farmers will need access to loans in excess of those that their internally generated group resources can provide.</li> </ul>	<ul style="list-style-type: none"> <li>The Rural Development Bank can provide wholesale loans to licensed Micro-finance Institutions but the availability of grant funds from donor agencies has limited the scope for on-lending.</li> </ul>



Organization	Strengths	Weaknesses	Opportunities/Threats	Remarks
		<p>commune level and do not lend to the target group.</p> <ul style="list-style-type: none"> <li>• Credit NGOs unsustainable when dependent on donor grant funds with no cost.</li> </ul>		
<b>National NGOs and their International Parents</b>	<ul style="list-style-type: none"> <li>• Established at national level but often with local presence and knowledge.</li> <li>• Credibility with local communities.</li> <li>• Some good results.</li> <li>• Main source of innovations and new technology in agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Financially weak and donor dependent.</li> <li>• May focus on a single issue.</li> <li>• Some reluctant to work with Government.</li> <li>• Often do not reach the poorest households and concentrated in more accessible areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Possible sources of complementary nutrition, health and education support to project agricultural activities.</li> <li>• Possible contractors for IFAD financed training.</li> </ul>	<ul style="list-style-type: none"> <li>• NGOs working on legal issues related to land rights and titling can complement IFAD activities in the areas where indigenous ethnic minority communities live.</li> </ul>
<b>Local NGOs</b>	<ul style="list-style-type: none"> <li>• Local presence, knowledge and good credibility with local communities.</li> <li>• Some good results.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited numbers, coverage, size, experience and funds.</li> <li>• Some reluctant to work with Government.</li> <li>• May focus on a single issue.</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunity to become local associations and develop a strong community training and support capability.</li> <li>• Possible contractors for IFAD financed beneficiary training.</li> </ul>	<ul style="list-style-type: none"> <li>• NGOs working on legal issues related to land rights and titling can complement IFAD activities in the areas where indigenous ethnic minority communities live.</li> </ul>
<b>Client Organizations</b>				
<b>Commune Councils (CCs)</b>	<ul style="list-style-type: none"> <li>• Second CC elections held in 2007 with councillors elected for five years.</li> <li>• Wide mandate covering governance and development.</li> <li>• Local knowledge.</li> <li>• Own development plan and budget with funds from the C/S Fund transferred direct from the National Treasury.</li> </ul>	<ul style="list-style-type: none"> <li>• Councils lack technical and management capacity.</li> <li>• Few facilities and only one staff.</li> <li>• Limited funds and lack local sources of revenue.</li> <li>• Depend on government and/or external agencies for financial resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Major role in participatory rural development with the commune development planning and budgeting processes.</li> <li>• With the new Organic Law and the framework for D&amp;D could undertake some agency functions for government departments.</li> </ul>	<ul style="list-style-type: none"> <li>• Important for coordinating the implementation of all development activities within the commune.</li> <li>• Opportunities to pilot further the role of the CCs in providing agricultural extension services.</li> </ul>
<b>Village-based Organizations</b>	<ul style="list-style-type: none"> <li>• Each village has a chief.</li> <li>• There are a variety of village based and community organisations in the villages, including pagoda committees, rice banks, cattle banks, savings groups etc., farmer associations, water user groups etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack experience, technical and management capacity.</li> <li>• Lack funds and few facilities.</li> <li>• Depend on government and/or external agencies for financial resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Major role in participatory rural development, decentralisation.</li> <li>• Need community members able to interact with outside agencies and service providers.</li> </ul>	<ul style="list-style-type: none"> <li>• Important for project implementation.</li> </ul>

### Key file 3: Complementary donor initiative/partnership potential <sup>a</sup>

Donor/Agency	Priority Sectors and Areas of Focus	Period of Current Country Strategy	Where Complementary and Potential for Synergy
<b>World Bank</b>	<ul style="list-style-type: none"> <li>• Private sector development for poverty reduction.</li> <li>• Improve natural resource management.</li> <li>• Improve service delivery and public financial management.</li> <li>• Support decentralisation and promote citizens' partnerships for better governance.</li> <li>• Support formation and implementation of a government-led strategy and investment programme for achieving the CMDGs.</li> <li>• Support with analytical and investment services those under-funded sectors and sub-sectors critical for achieving the CMDGs.</li> </ul>	2005-2008	<ul style="list-style-type: none"> <li>• <b>Agriculture:</b> World Bank and IFAD are both members of the TWG for A&amp;W which developed the A&amp;W Strategy. IFAD support e.g. inputs, training and extension could target the beneficiaries of the social land concessions in Kratie and possibly elsewhere and so could complement the World Bank/Germany Land Allocation for Social and Economic Development (LASED) Project.</li> <li>• <b>Land Administration:</b> The Land Management and Administration Project (World Bank, with Germany and Finland) has been assisting the development of land policy and regulatory guidelines, the land-titling programme, improving the system for solving disputes and land management and capacity development. A successor project could complement the IFAD support for poor smallholders if it financed land titling in the IFAD project areas.</li> <li>• <b>Community Forestry:</b> The World Bank is supporting NGOs and Government to work together to help communities establish and manage community forestry areas. This activity could complement agriculture and land use planning activities in IFAD project areas.</li> <li>• <b>D&amp;D:</b> World Bank and IFAD have both been supporting the government's D&amp;D programme and channelling funds to the commune councils through the C/S Fund. World Bank is also promoting good local governance through support of D&amp;D participatory local governance systems at the commune and provincial levels.</li> <li>• <b>Rural Infrastructure:</b> World Bank investments in all weather roads in parts of the IFAD project areas (e.g. Preah Vihear) and establishing an effective system for managing road maintenance complements IFAD assistance for smallholders requiring access to markets and urban based services.</li> <li>• <b>Justice for the Poor and Community Empowerment:</b> Could be highly complementary if this assistance provides legal aid to the poor and vulnerable groups in the upland areas to help communities protect their rights to land.</li> <li>• <b>Cooperating Institution:</b> Recruitment of the World Bank as the cooperating institution for RULIP failed, due to the hiatus in the relations between the Government and the World Bank after the World Bank suspended disbursement for three projects when irregularities in procurement were discovered.</li> </ul>
<b>AsDB</b>	<ul style="list-style-type: none"> <li>• Broad-based economic growth through investments in physical infrastructure, development of the financial sector, support for greater regional integration, sustainable development of small and medium-sized enterprises, and investments in agriculture and irrigation.</li> </ul> <p>Inclusive social development through basic education, empowering vulnerable groups such as women and ethnic minorities, control of</p>	2005-2009	<ul style="list-style-type: none"> <li>• <b>Agriculture:</b> AsDB is a member of the TWG for A&amp;W which developed the A&amp;W strategy and has been involved extensively in the irrigation sub-sector.</li> <li>• <b>Agriculture Sector Development Program (ASDP-2):</b> The following conditions for the disbursement of the second tranche of PER CENT 10 million (June 2007) will support IFAD supported activities during the new COSOP period: (i) sub-decree on the reduction of unused or excessive economic land concessions; (ii) Seed Law; (iii) agrochemicals inspection system; (iv) removal of constraints to marketing processed and un-processed rubber; (v) divestment of state owned enterprises; (vi) rationalisation of the roles, responsibilities and operations of MAFF, including gender mainstreaming, market information services and extension.</li> </ul>

Donor/Agency	Priority Sectors and Areas of Focus	Period of Current Country Strategy	Where Complementary and Potential for Synergy
	<p>communicable diseases, provision</p> <ul style="list-style-type: none"> <li>of rural water supply and sanitation facilities, and community-based sustainable management and conservation of natural resources in the Tonle Sap basin.</li> <li>Good governance, through improvements in public financial management to enhance the development effectiveness of public expenditures, and decentralization and deconcentration initiatives to strengthen local participation in government, and improve public service delivery.</li> </ul>		<ul style="list-style-type: none"> <li><b>Tonle Sap:</b> AsDB's already extensive involvement in the Tonle Sap basin is one reason why the Government has requested future IFAD support to focus on the Plateau and Mountains Region, where poverty levels are high but population density is low, and which do not receive support for investment from external development agencies for agricultural and rural development.</li> <li><b>Infrastructure:</b> Continuing investments in major road infrastructure would complement IFAD support for improving the productivity of smallholder agriculture and value adding activities by improving access to national and international markets.</li> <li><b>Social Sectors:</b> Investments in health and education in IFAD project areas would be complementary to IFAD support for the rural poor.</li> <li>The <b>AsDB Greater Mekong Sub-region Program</b> could open up opportunities for the IFAD target groups in the north and north-east of the country and complement IFAD's focus on providing direct support to the rural poor (e.g. agricultural inputs, extension etc.).</li> <li><b>D&amp;D:</b> Support for the government's programme for D&amp;D could complement that provided by IFAD. The active TWG for D&amp;D should ensure that donor support is complementary and approaches harmonised.</li> <li><b>Ecotourism</b> activities in Mondolkiri, Stung Treng and Ratanakiri could complement IFAD assistance to smallholders.</li> </ul>
AusAID	<ul style="list-style-type: none"> <li>Rice value chain (including piloting diversification within rice farming systems) in two provinces, with may be a second value chain, livestock, added later.</li> <li>Pro-poor integrated rural development activities implemented under partnerships with Australian NGOs.</li> <li>Analysis and policy dialogue on issues in the rural sector, especially related to rice value chain.</li> </ul>	2006-2010	<ul style="list-style-type: none"> <li><b>Agriculture:</b> AusAID is a member of the TWG for A&amp;W which developed the A&amp;W strategy and has focussed on agricultural extension and research and co-financed three IFAD projects ADESS, CBRDP and RPRP.</li> <li>Results from the rice value chain support could assist the IFAD programme.</li> <li>NGO programme could complement IFAD project activities if their locations coincide.</li> <li>Analysis and policy dialogue, led by a TA agricultural adviser, could complement IFAD programme activities.</li> </ul>
Agence Française de Développement	<ul style="list-style-type: none"> <li>Irrigation development and smallholder rubber</li> </ul>	??	<ul style="list-style-type: none"> <li><b>Smallholder rubber.</b> Activities in Kratie Preah Vihear and Ratanakiri could complement IFAD's support for smallholder agricultural development by poor households.</li> </ul>
DANIDA and DfID	<p>A major element in the country programmes of these two agencies is a jointly funded NRM and Livelihoods Programme in 13 provinces in the north and northeast of the country includes support for:</p> <ul style="list-style-type: none"> <li>NRM in D&amp;D with grants for communes, districts and provinces for NRM activities;</li> <li>Civil Society and Pro-Market Development involving building social groups to promote voice and market development; and</li> </ul> <p>Sector support to improve access to rights and services including lands, fisheries and forestry and environment. DfID also has a Secure Livelihoods Programme which is improving effectiveness and responsiveness of Government, NGOs and CBOs in forestry and</p>	<p>Programme period 2006-2010</p> <p>Programme ongoing until 2009</p>	<ul style="list-style-type: none"> <li><b>D&amp;D:</b> DANIDA and DfID are members of the TWG for D&amp;D as is IFAD.</li> <li><b>NRM and Livelihoods Programme</b> is highly complementary to IFAD assistance for smallholder agriculture and rural development with a large potential for synergy: (i) both initiatives will contribute to improving rural livelihoods in the same communes; and (ii) the sector support component will include assistance for legal and regulatory reform related to land management to secure better access and use rights to land for poor people.</li> <li><b>Coordination.</b> The new sub-national government structure including the commune councils will have a key role in coordinating the activities financed by DANIDA/DFID and IFAD in the provinces in the Plateau and Mountains Region e.g. RULIP and possibly new IFAD projects.</li> <li>Some possible opportunities for complementarity as RULIP will operate in three</li> </ul>

Donor/Agency	Priority Sectors and Areas of Focus	Period of Current Country Strategy	Where Complementary and Potential for Synergy
	fisheries.		districts and 18 communes in Kratie. Important to not have overlapping activities or conflicting approaches.
<b>UNDAF</b>	<p>Key elements of the UNDAF are:</p> <ul style="list-style-type: none"> <li>• To achieve significant progress towards effective participation of citizens, accountability and integrity of government in public decision making and policy implementation for the full realisation of human rights and meeting the CMDGs.</li> <li>• To improve the livelihoods and food security as well as reinforcing the economic and social rights of the most vulnerable in targeted rural areas through agriculture and rural development activities.</li> <li>• To improve health, nutritional and education status and gender equity of rural poor and vulnerable groups.</li> <li>• Significantly to reduce all forms of violence against and trafficking of women and children.</li> <li>• The national development plan and its implementation to serve as an effective guide for sector plans and related budgets, as well as reflecting Cambodia's obligations in relation to human rights and the CMDGs.</li> </ul>	2006-2010	<ul style="list-style-type: none"> <li>• <b>UN Country Team:</b> IFAD is a non-county member of the UN Country Team and future IFAD assistance will be part of UNDAF.</li> <li>• <b>Co-financing.</b> UNDP co-financed ADESS and is co-financing the recently approved RULIP and in addition several activities financed through UN Agencies are complementary to the IFAD programme and are listed below.</li> <li>• <b>Establishing Conservation Areas Landscape Management in the Northern Plains</b> can: (i) complement IFAD's agricultural investments in Preah Vihear; and (ii) pilot the establishment of community land tenure for use elsewhere in IFAD Project areas, if successful.</li> <li>• <b>Various other UNDP programmes</b> e.g. small grants, regional programmes etc. can complement IFAD activities but care is needed to ensure that there is no duplication of activities, use of conflicting approaches etc.</li> <li>• <b>ILO Rights-Based Approach to Indigenous Peoples' Development Project</b> will help indigenous communities to obtain their legal entity status as a pre-requisite for obtaining collective land titles.</li> <li>• <b>UNHCHR</b> is supporting land rights advocacy and monitoring (including indigenous land rights). With other donors, it has played a significant role in persuading the Government to reconsider enforcing the terms and conditions of economic land concessions.</li> <li>• <b>UNDP with SIDA and Dfid</b> will continue to provide the core TA and financial support for the D&amp;D framework and help develop the new long-term institutional framework for sub-national government and local development. As in the past other agencies including the World Bank, AsDB and IFAD will provide support through the evolving D&amp;D framework</li> <li>• <b>WFP</b> has co-financed IFAD project activities e.g. CBRDP with food-for-work assistance and possible co-financing opportunities could exist in the new IFAD projects.</li> </ul>
<b>Various NGOs<sup>b</sup> with funding from various development agencies</b>	<p>Projects of these agencies relevant to IFAD activities in the Plateau and Mountains Region relate to:</p> <ul style="list-style-type: none"> <li>• Land rights advocacy.</li> <li>• Land rights legal aid.</li> <li>• Indigenous people's land rights.</li> <li>• Land rights-based development etc.</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Complementary to RULIP and possibly new IFAD projects as addressing land issues among indigenous ethnic minority communities.</li> </ul>

<sup>a</sup> This Key File will be updated during the COSOP Design Mission following discussions with the other external development agencies.

<sup>b</sup> Includes NGO Forum, Oxfam GB, Legal Aid of Cambodia, Community Legal Education Centre, Land Action Network for Development and Development Partners in Action.

## Key file 4: Target group identification, priority issues and potential response

Typology	Poverty Levels and Causes	Coping Actions	Priority Needs	Support from Other Initiatives	COSOP Response
<b>Poor rural households including the landless</b>	<ul style="list-style-type: none"> <li>• Under 2,100 Kcals/head/day</li> <li>• Food insecure</li> <li>• Lack adequate access to productive assets (land, draught power, water control/irrigation facilities)</li> <li>• High dependent to worker ratio</li> <li>• Few wage employment or off-farm income generating opportunities available locally</li> <li>• Indebtedness</li> <li>• Lack of access to micro-finance services with credit at an affordable cost</li> <li>• Poor education and illiteracy</li> <li>• Illness and expenditure on health</li> <li>• Drought and floods</li> </ul>	<ul style="list-style-type: none"> <li>• Local agricultural wage labour</li> <li>• Seasonal migration for work (urban areas and overseas)</li> <li>• Reduction in food intake</li> <li>• Dependence on wild resources</li> <li>• Homestead gardening</li> <li>• Selling off assets</li> <li>• Borrowing from money lenders</li> <li>• Participating in networks for labour exchange and share rearing of livestock</li> </ul>	<ul style="list-style-type: none"> <li>• Food security</li> <li>• Opportunities to intensify and diversify agricultural production</li> <li>• Additional productive assets (land, draught power, water control/irrigation facilities)</li> <li>• Secure land titles</li> <li>• Access to public and private sector agricultural support services (extension, input supply, marketing, micro-finance etc.)</li> <li>• Availability of off-farm income generating opportunities in the rural areas and provision of associated support services</li> <li>• Improved health and education services</li> <li>• Improved rural infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• AsDB Agricultural Sector Development Program (ASDP-2) supports some policy and institutional reform.</li> <li>• Land Titling - World Bank, Germany and Finland providing assistance</li> <li>• Social Land Concessions (LASED) – World Bank and Germany</li> <li>• AusAID Rice Value Chain Development</li> <li>• WFP Food-for-Work</li> <li>• DANIDA/DfID NRM and Livelihoods Programme</li> <li>• NGO micro-credit programmes</li> <li>• Health and education programmes</li> <li>• Rural infrastructure provision under various programmes</li> <li>• Economic concessions developed by the private sector</li> <li>• UNDP/DfID/SIDA Support for D&amp;D nationally</li> </ul>	<ul style="list-style-type: none"> <li>• IFAD will target future assistance to the Mountains and Plains Region where few other area-based agricultural programmes operate</li> <li>• IFAD field activities (new projects and RPRP) will: (i) mobilise and empower communities; (ii) improve on- and off-farm productivity and water and land management; (iii) provide better access to public and private sector support services for agriculture and off-farm income generating activities</li> <li>• IFAD will continue to support D&amp;D in agricultural and rural development</li> <li>• IFAD to influence government (MAFF etc.) to make pro-poor policies based on the experience and lessons learned from field operations of IFAD and other agencies</li> </ul>
<b>Poor women and women-headed households</b>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Lack of protection against theft</li> <li>• Domestic violence</li> <li>• Shortage of labour (women-headed households)</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Participating in migratory labour groups, and childcare networks</li> <li>• Taking children out of school</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Support for children</li> <li>• Improved personal and livestock security</li> <li>• Tackling domestic violence</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Civil authorities treat violence against women treated as a crime as required by Law</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• IFAD assistance will also help improve the status of rural women through gender mainstreaming, skills and vocational training and economic empowerment</li> </ul>
<b>Indigenous ethnic minority households</b>	<ul style="list-style-type: none"> <li>• As for poor, but not floods</li> <li>• Loss of land due to land grabbing by outsiders</li> <li>• Forest Administration restrictions on clearing land for cultivation</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Forest resources as well as agriculture important for subsistence</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor</li> <li>• Allocation of sufficient land for cultivation</li> <li>• Community rather than individual land titles for some communities</li> </ul>	<ul style="list-style-type: none"> <li>• Little if any support from the initiatives listed above</li> <li>• Some small-scale NGO projects focussing on community empowerment and advocacy re land rights, legal aid</li> </ul>	<ul style="list-style-type: none"> <li>• As for poor but IFAD assistance will target indigenous ethnic minority households (e.g. RLIP in Kratie, Preah Vihear and Ratanakiri)</li> </ul>