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تمكين السكان الريفيين الفقراء
من التغلب على الفقر

تقرير رئيس الصندوق

بشأن قرض ومنحة مقترح تقديمهما إلى

مملكة كمبوديا من أجل

مشروع تنمية أصحاب الحيازات الصغيرة والحد

من الفقر في تونليه ساب

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Negotiated financing agreement:

"Tonle Sap Poverty Reduction and Smallholder Development Project"

(Negotiations concluded on 21 October 2009)

Loan Number: _____

Grant Number: _____

Project Title: Tonle Sap Poverty Reduction and Smallholder Development Project (the "Project")

The International Fund for Agricultural Development (the "Fund" or "IFAD")

and

the Kingdom of Cambodia (the "Borrower/Recipient")

(each a "Party" and both of them collectively the "Parties")

WHEREAS:

A. The Borrower/Recipient has requested financing from the Fund for purposes of partially financing the Tonle Sap Poverty Reduction and Smallholder Development Project described in schedule 1 to this Financing Agreement;

B. the Asian Development Bank (herein referred to as the "ADB") has agreed to extend financing to the Borrower/Recipient of approximately thirty million seven hundred thousand United States dollars (USD 30 700 000) comprising a loan of three million four hundred thousand United States dollars (USD 3 400 000) and a grant in the amount of twenty seven million three hundred thousand United States dollars (USD 27 300 000) to assist in co-financing the Project on terms and conditions to be set forth in an Agreement (the "ADB Financing Agreement") between the Borrower/Recipient and the ADB;

C. the Government of Finland has agreed to provide a grant (the "Finnish Grant") to the Borrower/Recipient of approximately five million seven hundred and fifty thousand United States dollars (USD 5 750 000) to assist in co-financing the Project on terms and conditions to be set forth in an Agreement (the "Finnish Agreement") between the Borrower/Recipient and Finland.

NOW THEREFORE the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2), and the Special Covenants (Schedule 3).

2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, as may be amended from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement, except for the provisions identified in Section E paragraph 3 below. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein.

3. The Fund shall provide a Loan and a Grant to the Borrower/Recipient (the "Financing"), which the Borrower/Recipient shall use to implement the Project in accordance with the terms and conditions of this Agreement.

Section B

1 (a) The amount of the Loan is four million two hundred and fifty thousand special drawing rights (SDR 4 250 000).

(b) The amount of the Grant is four million two hundred and fifty thousand special drawing rights (SDR 4 250 000).

2 The Loan is granted on highly concessional terms.

3. The Loan Service Payment Currency shall be USD.

4. The first day of the applicable Fiscal Year shall be 1 January.

5. Principal and service charge shall be payable on each 15 June and 15 December.

6. The Borrower/Recipient shall provide counterpart financing for the Project in the amount of five million four hundred and seventy three thousand United States dollars (USD 5 473 000).

Section C

1. The Lead Project Agency shall be the Borrower/Recipient's Ministry of Agriculture, Forestry and Fisheries (MAFF), or any successor thereto.

2. The following are designated as additional Project Parties:

a) the National Committee for sub-National Democratic Development Secretariat (NCDDS), or any successor thereto;

b) the National Information Communications Technology Development Authority (NiDA), or any successor thereto;

c) the Council for Agricultural and Rural Development (CARD), or any successor thereto, functioning as the Project Steering Committee (PSC);

d) Provincial Councils and Administrations;

e) District Councils and Administrations; and

- f) Commune Councils and Administrations.

3. The Project Completion Date shall be 31 August 2017, or such other date as may from time to time be agreed between the Borrower/Recipient and the Fund.

Section D

The Loan and Grant shall be administered and the Project supervised by the ADB as the Cooperating Institution.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:

- a) The ADB Financing Agreement has failed to enter into full force and effect within 180 days of the date of this Agreement, and substitute funds are not available to the Borrower/Recipient on terms and conditions acceptable to the Fund; and
- b) the right of the Borrower/Recipient to withdraw the proceeds of the ADB Loan or Grant has been suspended, cancelled or terminated, in whole or in part, or the ADB Loan has become due and payable prior to the agreed maturity thereof; or any event has occurred which, with notice of the passage of time, could result in any of the foregoing.

2. The following are designated as additional general conditions precedent to withdrawal:

No withdrawals shall be made from the Loan and Grant Accounts until:

- a) one Project Manager shall have been appointed by MAFF;
- b) one Project Manager shall have been appointed by NCDDDS;
- c) one Project Manager shall have been appointed by NiDA;
- d) all Project staff at the DCU of MAFF, NCDDDS and NiDA shall have been duly appointed; and
- e) the Pooled Imprest Accounts shall have been opened on terms and conditions acceptable to the Fund.

3. The following provisions of the General Conditions shall not apply to this Agreement:

- a) Section 7.05 (Procurement); the procurement of goods, works and services to be financed out of the proceeds of the financing shall be subject to and governed by: (i) ADB's *Procurement Guidelines* (2007, as amended from time to time); (ii) ADB's *Guidelines on the Use of Consultants* (2007, as amended from time to time); and (iii) Schedule 4 to the ADB Financing Agreement;

b) Section 9.03 (Audit of Accounts); Project Accounts, financial statements and statements of expenditure shall be audited by independent auditors acceptable to the Fund and the ADB, in accordance with auditing standards acceptable to the ADB.

2. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Fund:

The President
International Fund for Agricultural Development
Via Paolo di Dono 44
00142 Rome, Italy

For the Borrower/Recipient:

Department of Investment
and Cooperation of the
Ministry of Economy and
Finance,
Phnom Penh, Cambodia

Facsimile Number
(855 23) 725-341
(855 23) 430-224

This agreement, dated _____, has been prepared in the English language in six (6) original copies, three (3) for the Fund and three (3) for the Borrower/Recipient.

For the Fund

For the Borrower/Recipient

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project shall contribute to improving the livelihoods of approximately 630 000 households in approximately twenty eight districts in the four participating provinces of Banteay Meanchey, Kampong Cham, Kampong Thom and Siem Reap (hereinafter “Participating Provinces”) of the Borrower/Recipient’s territory (the “Project Area”).
2. *Goal.* The expected goal of the Project is to improve the livelihood of the resource poor households within the Project Area by 2020.
3. *Objective.* The expected objective of the Project is to increase the agricultural productivity and improve access to markets within the Project Area.
4. *Components.* The Project shall consist of the following Components:
 - 4.1. Component I: Commune Development Component
 - a) Rural Infrastructure Supporting Agricultural Productivity. Under this sub-component, the Project shall support agricultural productivity through the development and upgrading of rural infrastructure based on the investments determined by the Commune Investment Plans (CIPs).
 - b) Improving Access to Rural Financial Services. Under this sub-component, the Project shall increase the availability of rural financial services through:
 - (i) the provision of technical assistance to the Livelihood Improvement Groups (LIGs) to establish and manage the group revolving funds;
 - (ii) the enhancement of the outreach and institutional capacity of rural financial institutions;
 - (iii) the provision of training of Project beneficiaries to become credit-worthy for financial services by micro-finance institutions; and
 - (iv) the facilitation of the participation of selected micro-finance institutions to provide rural financial services.
 - c) Increasing Agricultural Productivity and Diversification. Under this sub-component, the Project shall strengthen the capacities of the Commune, District and Provincial service delivery institutions and agencies for farm-based research and demonstrations through:
 - (i) the provision of training and extension services to enable resource poor farmers adopt integrated rice-based farming systems, generate off-farm income and improve access to markets;
 - (ii) the financing of agricultural and livelihood development activities identified in the CIPs;
 - (iii) the establishment and operation of the LIGs; and

- (iv) the promotion of the participation of LIG members in the agricultural value chain.

d) **Increasing Access to Agricultural Information and Market Data.** Under this sub-component, the Project shall increase access to agricultural information and market data through:

- (i) the development of relevant agricultural information and market data for dissemination through improved rural Information and Communication Technology (ICT) services;
- (ii) the establishment and operation of e-kiosks and support services in 80 District and/or Commune centres;
- (iii) the selection and training of e-development leaders; and
- (iv) the provision of ICT training for community representatives.

4.2. **Component II: Improved Agricultural Policy Environment.** Under this Component, the Project shall support the development of key policies and associated regulations to improve agricultural productivity by smallholder farmers through:

- a) the development of policies related to good agricultural practices, including the national production guidelines for smallholders and appropriate regulations for contract farming by smallholders;
- b) the preparation of the sub-decree on formation and operation of farmer associations and the related guidelines;
- c) the carrying out of policy-related studies on the use of crop seeds selection and hybrid seeds; and
- d) the carrying out of policy-related studies on the use and regulation of Genetically Modified Organisms (GMOs).

4.3. **Component III: Effective Project Management.** Under this Component, the Project shall support Project management by strengthening the capacities of the Lead Project Agency and Project Parties, as appropriate, through the provision of necessary resources.

II. Implementation Arrangements

Project Management

1. The Borrower/Recipient shall appoint:

- a) MAFF as: (i) the Lead Project Agency to assume overall responsibility over Project implementation; and (ii) one of the Project Parties to assume day-to-day responsibility for implementation of Components II and III;
- b) NCDDS as one of the Project Parties to assume day-to-day responsibility for the implementation of sub-components 1(a) (b) and (c); and
- c) NiDA as one of the Project Parties to assume responsibility for the implementation of sub-component 1(d).

2. The Lead Project Agency shall establish a Development Coordination Unit (DCU), which shall: (i) undertake consolidated planning, budgeting and reporting functions; (ii) open and maintain Project accounts; (iii) prepare, in a timely fashion, the necessary withdrawal applications for submission to the Borrower/Recipient's Ministry of Economy and Finance, and onward to the Fund, for reimbursement, based on the financial statements and requests from the Project Parties; (iv) procure goods, works and consulting services in cooperation with the Project Parties following procedures acceptable to the ADB; (v) appoint independent auditors, acceptable to the Fund and the ADB; (vi) establish within six months of the Effective Date of the ADB Financing Agreement a monitoring and evaluation system (including conducting the base line, midterm and project completion reviews); (vii) review and consolidate the Project annual work plans and budget and procurement plans prepared by the Project Parties; (viii) consolidate the progress and financial reports prepared by the Project Parties; (ix) disseminate Project reports to the ADB, the Fund and other stakeholders; (x) assist and advise the Project Parties and the Participating Provinces on Project implementation; and (xi) provide secretariat support to the Project Steering Committee. The DCU shall be chaired by a Project Director who shall be the deputy secretary general, MAFF. The Project Director shall be assisted by two (2) deputy Project directors who shall be responsible, respectively, for: (i) Project coordination, planning, monitoring and evaluation, and reporting; and (ii) financial and administrative matters. The Project directors shall be assisted by qualified staff.

3. MAFF, NCDDDS, NiDA shall each appoint a Project manager who shall report to the Project Director. The so appointed Project managers, to be assisted by qualified staff, shall be responsible for carrying out the activities of their respective area. The Borrower/Recipient shall ensure that the Project managers are appointed within one (1) month of the Effective Date of the ADB Financing Agreement.

4. The Borrower/Recipient shall, within one (1) month of the Effective Date of the ADB Financing Agreement, designate the Council for Agriculture and Rural Development (CARD) to assume the role of the Project Steering Committee, which shall meet on a quarterly basis to carry out the following: (i) provide policy guidance; (ii) review Project progress; and (iii) resolve policy issues related to the Project. The CARD may be supported by and receive inputs from the Borrower/Recipient's Supreme National Economic Council on policies and regulations that support smallholder farming communities.

5. The Borrower/Recipient shall ensure that NCDDDS and NiDA coordinate closely with other agencies and institutions, including allocating required Project resources thereto, to ensure successful implementation of their respective sub-components.

Sub-National Level Implementation

6. The Borrower/Recipient shall ensure that the implementation of the Project at sub-national level is in accordance with its decentralisation and deconcentration systems and procedures and that the associated fiduciary risks related to this are appropriately managed.

7. The Borrower/Recipient shall ensure that eligible Project activities at the sub-national level are: (i) included in the Commune Investment Plan (CIP); (ii) endorsed by the NCDDDS Project manager; and (iii) submitted by the NCDDDS Project manager to the DCU for incorporation into the Project AWPB.

8. The Borrower/Recipient shall ensure that in the implementation of Project activities at the sub-national level, the NCDDS Project manager shall utilize financial and administrative procedures, including reporting requirements, consistent with the provisions of the Borrower/Recipient's Organic Law of 2008, as amended from time to time, and the NCDDS Project Implementation Guidelines and Manuals.

9. The Borrower/Recipient shall ensure that the provincial units of NCDDS provide or facilitate the provision of administrative and technical support for the preparation and implementation of Project activities at the sub-national level.

The Selection of the Participating Communes

10. The Borrower/Recipient shall ensure that the selection of the Communes participating in the Project (hereinafter "Participating Communes") take into account the Commune database poverty score maintained by the Borrower/Recipient's Ministry of Interior with priority given to the poorer Communes and those that have the potential to increase agricultural production and productivity. The Borrower/Recipient shall further ensure that the urban and/or urbanizing Communes are excluded from being among the Participating Communes.

Flow of Funds

11. The Borrower/Recipient shall ensure that the Financing proceeds allocated to the Commune councils for the implementation of sub-components 1(a) (b) and (c) are duly made available: (i) as an addition to the funds allocated by the Borrower/Recipient to the Commune/Sangkat Fund (C/S Fund); (ii) using the same formula as the C/S Fund; and (iii) to each Participating Commune as a block grant for works, goods and technical services agreed with NCDDS.

Accounts and Audits

12. The Borrower/Recipient, through the Lead Project Agency, shall: (i) maintain, or cause to be maintained, separate accounts for the Project including separate accounts for the Loan and the Grant; (ii) have such accounts and related financial statements audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience and terms of reference are acceptable to the Fund and the ADB; (iii) furnish to the Fund, as soon as available but in any event not later than six (6) months after the end of each related Fiscal Year, certified audit reports and consolidated financial statements as well as the report of the auditors relating thereto (including the auditors' opinion on the use of the proceeds of the Financing as well as on the operations of the Pooled Imprest Accounts, counterpart funds, and statements of expenditures) in the English language; and (iv) provide the Fund such other information concerning such accounts and financial statements and the audit thereof as the Fund shall from time to time reasonably request.

13. The Borrower/Recipient shall permit the Fund to undertake: (i) a special audit which may involve independent financial and performance auditing and review to ensure transparency, financial integrity and objective performance assessment of the goods and works procured from the proceeds of the Financing; and (ii) financial and performance monitoring and review, including spot checks, from time to time during and after the Project

Implementation Period. Such audit(s) and review(s) shall be carried out by external auditors and/or the Fund.

Annual Work Plan and Budget

14. The Annual Work Plan and Budgets (AWPBs) and procurement plans shall be approved by the ADB on behalf of the Fund.

Project Performance Management System

15. The Lead Project Agency shall develop a Project performance management system on the basis of the Project design and monitoring framework to monitor and evaluate the Project's performance and impacts. The baseline data shall be collected and processed prior to the initial investment in each Commune, covering both target and control groups, and periodic surveys shall also be carried out.

Project Review

16. The Borrower/Recipient, the ADB and the Fund shall conduct semi-annual reviews throughout Project implementation to: (i) assess implementation performance and achievement of Project outputs; (ii) examine financial progress; (iii) identify issues and constraints affecting the Project, and work out time-bound action plan(s) for their resolution.

17. The Borrower/Recipient, the ADB and the Fund shall conduct a comprehensive mid-term review to assess implementation progress and to determine appropriate revisions to the Project implementation arrangements and resource allocations in order to ensure successful Project completion. The Borrower/Recipient shall submit to ADB and the Fund: (i) quarterly progress reports on the implementation progress of the Project; and (ii) within three (3) months of Project completion, a comprehensive Project completion report to evaluate Project design, costs, performance, social and economic impact, and other details as agreed with the ADB and the Fund. The Borrower/Recipient, the ADB and the Fund shall also conduct post-evaluation of the Project three (3) years after the Project Completion Date.

Schedule 2*Allocation Table*

1. *Allocation of the Loan and Grant Proceeds.* The Table below sets forth the Categories of Eligible Expenditures to be financed by the Loan and Grant and the allocation of the amounts of the Loan and Grant to each Category and the percentages of expenditures for items to be financed in each Category:

Category		Loan Amount Allocated (expressed in SDR)	Grant Amount Allocated (expressed in SDR)	Percentage
I.	Civil Works	972 000	972 000	28% of total expenditure
II.	Livelihood Improvement Groups	677 000	677 000	36% of total expenditure
III.	Extension Services	782 000	782 000	36% of total expenditure
IV.	Equipment and Furniture	0	0	0%
V.	Vehicles and Motorcycles	0	0	0%
VI.	Survey, Monitoring and Auditing	215 000	215 000	36% of total expenditure
VII.	Capacity Development and Training	0	0	0%
VIII.	Consulting Services	0	0	0%
IX.	Recurrent Costs			
	a) Incremental Staff	656 000	656 000	30% of total expenditure
	b) Operations and Maintenance	523 000	523 000	45% of total expenditure
X.	Unallocated	425 000	425 000	
TOTAL		4 250 000	4 250 000	

Schedule 3

Special Covenants

For the purposes of this Agreement the Borrower/Recipient shall ensure that the following provisions are complied with:

1. *Loan Disbursement.* the Borrower/Recipient shall ensure that all disbursements under the Financing shall be made in accordance with ADB's *Loan Disbursement Handbook* (January 2007, as amended from time to time).
2. *Ineligible Activities.* the Borrower/Recipient shall ensure that the Loan and Grant proceeds do not finance: (i) the construction of buildings or other structures to be used by the police, other security forces, religious organisations or political parties; (ii) the general administration and operating costs of the local government in the Participating Communes; (iii) any investment that has negative impacts on the environment, minority or disadvantaged people, or resettlement, and/or requiring land acquisition; (iv) any rural infrastructure investment that has an Economic Internal Rate of Return (EIRR) of less than twelve percent (12%); (v) any investment that is deemed by the Borrower/Recipient to be non viable from either the technical or financial points of view; (vi) LIG with less than fifteen (15) households; (vii) investments where the benefits would be restricted to less than fifty percent (50%) of the LIG member households; (viii) irrigation and drainage improvements that would benefit less than ten (10) households; and (ix) irrigation and drainage improvements that would benefit less than ten households. The Borrower/Recipient shall further ensure that the Loan and Grant proceeds do not finance the following, in the absence of the Fund's prior approval: (i) irrigation pumps and engines; (ii) incomplete investments resulting from design or construction flaws; and (iii) investments supported by the Fund or the ADB through other interventions.
3. *Rural Infrastructure.* the Borrower/Recipient shall ensure that Commune investment proposals for rural infrastructure to be financed under the Loan or Grant: (i) are processed through the existing procedures followed for preparation of CIP; and (ii) include approximately 10% of the budget for operations and maintenance of the infrastructure. The Borrower/Recipient shall also ensure that infrastructure financed under the Loan and Grant is technically and financially sustainable and that the design shall: (i) be based on sound engineering practice; (ii) be within the local implementation capacity, (iii) maximize potential local employment and income benefits, including the use of labour-based appropriate technology; and (iv) use whole life costs estimates to compare options. In addition, the Borrower/Recipient shall ensure that the maintenance requirements of the infrastructure are consistent with the local technical and financial capacity.
4. *Unexploded Ordnance.* The Borrower/Recipient shall ensure that all contracts contain a provision whereby in the event that should Unexploded Ordnance (UXO) clearance is required in a particular Project site, the services of a reputable and experienced mine security organisation acceptable to the Fund and the ADB are engaged by the contractor to certify that the area is clear of UXO.
5. *Agricultural Support.* the Borrower/Recipient shall ensure that: (i) the target population for membership of LIGs is selected in strict compliance with the selection criteria agreed upon between the Borrower/Recipient, the ADB and the Fund; and (ii) Project activities

related to agricultural support services are implemented in accordance with national agricultural policies and guidelines.

6. *Counterpart Funds.* the Borrower/Recipient shall ensure that: (i) adequate counterpart funds required during the Project implementation period are provided on timely basis to the relevant agencies; (ii) annual budgetary appropriation requests are submitted in a timely manner; and (iii) appropriated funds are disbursed promptly when needed for Project implementation purposes.

7. *Environment and Social Safeguards.* the Borrower/Recipient shall ensure that: (i) all Project activities are implemented in strict conformity with the Borrower/Recipient's relevant laws/regulations and the requirements of ADB's Environment Policy (2002); (ii) all Project activities give special consideration to the participation and practices of ethnic minority population in compliance with IFAD's *Policy on Indigenous Peoples* (2009), as appropriate; (iii) proposals for civil works include confirmation that no involuntary land acquisition or resettlement is required under the Project. In the event of unforeseen land acquisition or involuntary resettlement under the Project, the Borrower/Recipient shall immediately inform the ADB and the Fund and prepare the necessary planning documents in compliance with ADB's *Involuntary Resettlement Policy* (1995); (iv) women and men shall be paid equal remuneration for work of equal value under the Project; (v) recourse to child labour is not made under the Project; (vi) the measures included in the Gender Action Plan prepared for the Project are undertaken, and the resources needed for their implementation are made available, in a timely manner; and (vii) all necessary and appropriate measures to implement the Gender Action Plan to ensure that women can participate and benefit equitably under the Project are duly taken.

8. *Anticorruption Measures.* The Borrower/Recipient shall: (i) undertake necessary measures to create and sustain a corruption-free environment for activities under the Project; (ii) institute, maintain and ensure compliance with internal procedures and controls for activities under the Project, following international best practice standards for the purpose of preventing corruption, money laundering activities, and the financing of terrorists, and shall require all relevant ministries and agencies to refrain from engaging in any such activities; (iii) comply with requirements of IFAD's *Policy on Preventing Fraud and Corruption in Its Activities and Operations* (2005, as amended to date); and (iv) ensure that the Good Governance Framework is implemented in a timely manner. The Borrower/Recipient shall also ensure that: (i) each Accountability Working Group (AWG) within the Participating Provinces is actively engaged to allow potential Project beneficiaries and other stakeholders to channel and address any complaints they may have on the implementation of the Project; and (ii) after conducting any necessary investigation, the AWG shall immediately report to the Fund any malfeasance or maladministration occurred under the Project.

Key reference documents

Country reference documents

National Strategic Development Plan (NSDP) 2006-2010 and Rectangular Strategy II.

IFAD reference documents

Project design document (PDD) with all its appendices and supplementary appendices
COSOP 2008 - 2012

Logical framework

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
Impact Livelihoods of the resource poor households in four provinces in Tonle Sap basin improved by 2020.	<ul style="list-style-type: none"> Annual months of food shortage reduced to 1 month by 2020 in target communes. No. of households classified in class 2 poverty reduced by 50% in 196 project communes by 2020. 	<ul style="list-style-type: none"> Annual commune statistics Sample surveys 	Assumptions <ul style="list-style-type: none"> Continued political stability. D&D policy reforms continue to support commune development and investment plans. Risks <ul style="list-style-type: none"> Slow progress in implementation of complementary projects especially transport and power.
Outcome Agricultural productivity increased and access to markets improved in 196 communes in four provinces in Tonle Sap basin.	By 2017 <ul style="list-style-type: none"> Average rice yields increased to over 3.5t/ha (CLTV average 3.65 t/ha in 2007). Diversified farming systems reduce share of hh income from rice by 20%. Marketed production farm and off-farm products increased by 25%. Maintenance/repair costs of rural infrastructure reduced. Participation of the poor and poorest groups at least 10% higher than their % of the population in the target communes. More than 70% of the membership of livelihood improvement groups (LIGs) graduate to become eligible for formal credit services. 	<ul style="list-style-type: none"> Sample crop cuts using FAO methodology Provincial agricultural statistics Household and commune surveys LIG records in Project communes Traffic and origin/destination surveys 	Assumptions <ul style="list-style-type: none"> Government commitments to the Project remain firm. Cambodian food export is not discriminated against due to unfair application of SPS and other safety and quality control measures. Risks <ul style="list-style-type: none"> Assumed rates of technology uptake may not be achieved.
Outputs: 1. Agricultural Productivity Improvement - local planning, research, extension and information delivery services support improved to facilitate increased agricultural productivity by smallholder farmers.	<ul style="list-style-type: none"> 80% of farmers using improved technology two years after adoption, by sex and socio-economic category. 1,239 of LIGs operating with the membership disaggregated by sex and socio-economic category. Women represent 50% of project trainees and 30% of livelihood beneficiaries. 	<ul style="list-style-type: none"> Sample surveys Provincial agricultural statistics 	Assumptions <ul style="list-style-type: none"> Government priority to support the Tonle Sap Basin Initiative continues. Government remains firmly committed to decentralization and deconcentration policy. Risks <ul style="list-style-type: none"> Institutional and financial inadequacy continues to jeopardize operation and maintenance of assets. Underperforming commune councils will negatively impact project outcomes. Government's commitment to establish an enabling policy and institutional environment to support accelerated agricultural growth may wane.
2. Rural infrastructure improved.	<ul style="list-style-type: none"> In project communes 90 kms of rural roads. 2,500 Ha of irrigation and drainage improved 100 commune improved rice storage and dryers operational by 2017. 	<ul style="list-style-type: none"> Commune Council Reports 	
3. Rural financial services strengthened and extended to resource-poor smallholder farmers.	<ul style="list-style-type: none"> All project communes have access to formal rural credit by 2014. In project communes about 50% of rural loans are made to women by 2012. 	<ul style="list-style-type: none"> MFI records Commune level interviews 	
4. E-Kiosks established and operational in selected district and commune centers.	<ul style="list-style-type: none"> 20 Kiosks established and operational by 2013 Use of ICT for agricultural information increased 	<ul style="list-style-type: none"> ICT use records at village e-kiosks Interviews 	
5. Enabling environment created that supports smallholder farming communities.	<ul style="list-style-type: none"> Decree, sub decree and implementing guidelines for Good Agricultural Practices developed. Decree, sub decree and implementing guidelines for Farmer Associations developed. Decree, sub decree and implementing guidelines for Seed law developed. New policy decrees published and training systems implemented with 1,500 persons trained. Studies completed and recommended policy directions provided on use of GMO crops and hybrid seeds. 	<ul style="list-style-type: none"> Publication of relevant documents Training records Project progress reports 	
6. Effective project management enables completion on time and within agreed budget.	<ul style="list-style-type: none"> Project implementation is completed within 7 years and all accounts are closed with 7.5 years. 	<ul style="list-style-type: none"> EA Project completion report. 	

