

KINGDOM OF CAMBODIA

**RURAL LIVELIHOODS IMPROVEMENT PROJECT IN
KRATIE, PREAH VIHEAR AND RATANAKIRI (RULIP)**

SUPERVISION REPORT

NOVEMBER 2012

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CAMBODIA

Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)

Loan: 862-KH / Grant: DSF-8005-KH

Implementation Support and Supervision Mission: 3 – 17 October, 2012

Supervision Report

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A. Introduction¹

1. An IFAD Implementation Support and Supervision Mission was conducted jointly with the staff and managers of RULIP, including representatives from Ministry of Economy and Finance (MEF), Ministry of Agriculture, Forestry and Fisheries (MAFF) and Ministry of Women's Affairs (MoWA). Three livestock experts from the specialist NGO "Agronomes et Vétérinaires Sans Frontières" (AVSF) joined the mission during its field visits to all three provinces to share insights from their successful experience in Cambodia on animal production and health. The IFAD Country Programme Manager led the mission throughout. A kick-off meeting was held with the Project Support Unit (MAFF) and MoWA on 3 October and a wrap-up meeting was chaired by H.E Teng Lao, Secretary of State – MAFF, on 17 October with representatives from national and sub-national level agencies implementing the project. Field visits were completed in all three provinces with the joint mission and government team organized into four specialist teams each focused on a priority area: farmer training; livestock production and health; group revolving fund and nutrition, and; financial management and procurement. The mission benefited from four of the team members already having participated in previous mission with RULIP, providing significant continuity and focus on critical issues.
2. An IFAD Grant of SDR 6.4 million (equivalent to approximately USD 9.218 million) under the Debt Sustainability Framework (DSF) was approved by the Executive Board of IFAD on 18th April 2007 for financing the Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP, IFAD DSF Grant No. DSF-8005-KH). The Project Grant Agreement was signed on 28th May 2007 and became effective on 31st August 2007. The Project Completion Date is 30th September 2014 and the Grant Closing Date is 31st March 2015. In December 2007, the IFAD Executive Board approved the project as one of the projects to be directly supervised by IFAD. Based on the conclusions of the Mid-Term review carried out in July 2011, the Executive Board subsequently approved in December 2011 a supplementary financing in the order of SDR 1.7 million.
3. The goal of RULIP is to improve the livelihoods of the rural poor in the Project Area and the target communes of the three provinces. The purpose at Appraisal was to assist 22,600 poor households in the Project Area (84 poor communes in 16 districts in the three provinces) achieve positive and sustainable impact on agricultural development. This overall target was reduced by 35% to 14,800 households following the Mid Term Review due to significant cost overruns in the project and the need for substantially improve the impacts on households already reached at that stage rather than further expanding outreach without raising the quality and impact of project activities.
4. This Mission follows on from the Mid-Term Review (MTR) completed in July 2011 and the Implementation Support mission of February 2012. The MTR found that project performance was *moderately satisfactory* although with modest impacts on target household to date. The major issues identified through the MTR which remain the critical issues for the project are:

Management

- (a) *Impact focus*: Overall strengthening of focus on impacts and outcomes in project management and implementation.
- (b) *M&E*: The significant expansion and upgrading of the project M&E activities, including the regular use of the results chains, participatory impact assessment (PIA) and annual outcomes surveys among other monitoring tools, to provide timely and insightful management information to the project managers in order that they can manage the project for results.
- (c) *Implementation quality and management follow-up*: An overall strengthening of the capacity, role and orientation of the District Support Teams (DSTs) to provide effective support and quality assurance to all project activities in the villages.

Delivery

1/ Mission team members: Khalid El Harizi, IFAD Country Programme Manager; Nigel Smith – Technical Team Leader; Dely Pascual Gapasin – Agriculturalist; Amar Mishra – Financial Management Specialist; Meng Sakpouseth – IFAD Country Operations Officer, and; Yvonne Diethelm, IFAD Programme Assistant.

- (d) *Farmer training*: Effective implementation of good quality farmer field schools (FFS) training to farmers groups based on their own expressed needs and interests and using a facilitated learning approach.
 - (e) *Group revolving funds*: Effective set of activities to strengthen capacity of GRF groups as well as internal and external transparency mechanisms.
 - (f) *Animal health and production*: Implementation of well designed animal health and poultry vaccination campaigns, with corresponding progress on Village Animal Health Worker (VAHW) Association development in priority districts.
 - (g) *Nutrition*: Implementation of adapted child nutrition awareness training and follow-up
5. The mission would like to express their thanks to the entire PSU, MoWA, provincial and district teams for their efforts during the mission.

B. Overall Assessment of Project Implementation Progress

6. Overall project progress has fallen to *moderately unsatisfactory*² since MTR. While clear improvements have been made in several areas the rate of progress, especially in the achievement of impacts, is not yet enough to match the growing urgency for results as the project enters its final period with just one full agricultural training season remaining. This is of concern given that targets were already reduced by 35% at MTR and budgets increased by SDR 1.7 million. However, it is also recognized that the current time pressure to raise performance is in part due to significant shortcomings in the original design, especially related to the central activities around farmer training for which the approach was heavily revised during MTR.
7. There is significant variation between the three provinces: progress in Preah Vihear and Kratie is *moderately satisfactory* while in Ratanakiri progress is *highly unsatisfactory*. With continued improvements in Preah Vihear and Kratie the provinces are likely to meet many of their revised development targets from the project. However in Ratanakiri there are management issue which have undermined the quality and effectiveness of activities, little evidence of corrective measures having been taken by the time of the mission and little likelihood of meeting even the reduced development objectives of the project in the province without significant corrective actions being taken as a matter of urgency. As over 30% of beneficiaries and expected impacts are in Ratanakiri, significant underperformance there would undermine the performance of the entire project in meeting even its reduced targets.
8. Management focus on impacts has improved somewhat, in part supported by the February support mission. However, this is again inconsistent across the provinces and also the PSU and not yet sufficient to drive the required achievement of impacts. M&E within the project has also improved somewhat with the completion of the first annual outcome survey, although delays in implementing the agreed roll-out of participatory impact assessment within the farmer field schools has left project managers at provincial and national level with little firm evidence of the rate and scale of adoption and impacts and thus hampered the ability to manage the project for results.
9. In terms of activities at the village level in the priority impact areas:
- (a) Farmer training has improved somewhat with the re-training of around 4,750 households underway through extended farmer field school type approaches. There is a need for further improvements in the consistency and quality of this training if target levels of impacts are to be achieved, through widespread adoption of the improved production technology components and corresponding increases in incomes and assets.
 - (b) Group revolving fund sustainability has made little progress as critical actions from the MTR in this area have not been implemented, although Kratie have taken their own initiative to strengthen groups despite a lack of planned support. Despite this the capital of the groups has continued to grow, reaffirming the value attached to the GRFs from many group members and the importance of increasing GRF sustainability.

² IFAD's Supervision Policy requires various aspects of project performance to be rated according to the following six point scale which is the basis for the Project Status Report (PSR) in Appendix 1 of this Aide Memoire:

6 = "Highly satisfactory", 5 = "Satisfactory", 4 = "Moderately Satisfactory",

3 = "Moderately Unsatisfactory", 2 = "Unsatisfactory", 1 = "Highly Unsatisfactory"

- (c) Animal health and production: Progress has been made in initiating the planned vaccinations campaigns for poultry in Kratie and Preah Vihear and the approaches will be continued and further refined with the advice of the livestock specialist from the mission.
- (d) Nutrition awareness and technical training has been rolled-out in all provinces as part of the farmer training activities. This has been a valuable first step and provides a foundation for further expansion and intensification of project efforts on child nutrition.
10. Delays in approval of AWPB until April (due to the prior need to request and approve a re-allocation of the proceeds of the overall IFAD financing between categories of expenditure), changes in the RGC allowance scheme for staff, rotation of staff and the transition in management arrangement at the provincial level to the new “IP3” structure have all contributed to slower progress. Many of these factors have been outside the control of the project and have increased already difficult management challenges.
11. Critical agreed actions are summarized below:

Action Agreed	Responsibility	Agreed Date
Management: Strengthen field supervision, especially by DST, of <u>all</u> FFS to address any issues as they emerge and increase consistency and quality of training delivered. ToT training to be provided to DST / PST on effective supervision of FFS programme as needed.	PSU / PDAs	24 Oct 2012 – ongoing
Management: Provide intensive management support and supervision of all aspects of project activities in Ratanakiri until at least Dec 2013. PSU, on behalf of NPC, to have direct management authority to address any issues related to the project in Ratanakiri including but not limited to: roles/responsibilities, staffing, activities, budget/financial management, M&E.	NPC / PSU	24 Oct 2012 – ongoing
Management: IFAD to provide regular implementation support, ideally monthly through critical period until Jun 2013.	IFAD	Nov 2012 – Jun 2013
Farmer training: Continue with IPM-led FFS training for remaining groups but strengthen system, including: (a) focus on facilitated learning and adoption not just lecturing (b) strengthen DST / PST supervision of FFS training days (c) involve local “outstanding farmers” as resources people in the training	PDAs	Jan 2013
Farmer training: urgently introduce (before end of current FFS) simple participatory impact assessment by farmers within the FFS to facilitate self learning, including CEWs supporting farmers to keep simple household book of farmer records and farmer group discussions to compare results	PDAs	24 Oct 2012 – ongoing
Farmer training: National IPM programme to: a) conduct rapid review of ongoing FFS in 3 provinces and provide recommendations for improvement in terms of: i) capacity of IPM trainers, ii) pedagogical/learning approaches iii) relevance/appropriateness of technologies being promoted iv) quality of technical content of training. b) Provide refresher training to PST/DST and IPM trainers based on conclusion from review, including on supervision of FFS c) Follow-up support periodically through next training season	PSU responsible to coordinate with National IPM programme	Rapid review: Start: 25 Oct 2012 Feb 2013 Apr – Nov 2013
Farmer training: All farmers trained in 2012 and 2013 to receive regular follow-up <i>before</i> and <i>during</i> next production season following main FFS training to facilitate adoption of improved technologies on their own farms.	PDAs	Dec 2012 onwards
Farmer training: Pilot direct “farmer to farmer” training by “outstanding farmers” including incentive contracts linked to impacts	PDA – Kratie, Preah Vihear. TA from SNV	Mar – Nov 2013
Livestock: Strengthen livestock production training through increased delivery by experienced livestock staff/producers including involvement of VAHW in supporting livestock training under FFS	PDA with Livestock NGO	Dec 2012 onward
Livestock: Strengthen development of viable VAHW associations/co-operative in district where these are assessed to be feasible.	PSU via Livestock NGO	Dec 2012 onward
Livestock: Results-based contract to be put in place with specialist livestock NGO to support delivery of livestock activities in 3 provinces	PSU	30 Nov 2012
GRF: Implement the agreed process of support from VADDHANAK as per MTR to raise internal capacity of groups, but must now be accelerated	PSU	31 Oct 2012 onwards

Action Agreed (continued)	Responsibility	Agreed Date
GRF: Begin process of voluntary merger of groups in same villages, where at least one is strong and re-election of leaders in weaker but functioning groups	PDA with support from VADDHANAK	Jan 2013 onward
GRF: Establish process and conduct training and follow-up support to CC to conduct annual public meeting to increase transparency & oversight of groups	PDA with support from VADDHANAK	Jan 2013 onward
GRF: For strongest groups (individual or merged), support voluntary upgrading to become co-operatives (ADC) with initial focus on savings and credit activities including associated capacity building of Board of Director, Audit Committee and other critical aspect of co-operatives.	PDA	Jan 2013 onward
Nutrition: Design and implement an enhanced nutrition campaign including social marketing, technical training and also activities to make adoption easier (home garden, child friend recipes etc.)	MAFF-PSU / MoWA	Dec 2012 onwards
Nutrition: Appoint one experienced nutrition Technical Advisor at national level to coordinate activities on nutrition.	MAFF-PSU / MoWA	Nov 2012
Service delivery: Support upgrading of CEW and contract IPM trainers to become master farmers themselves, including grants to set-up high quality demonstration production	PDA	Jan 2013 onward
Service delivery: Support upgrading of VAHW to become master livestock farmers, including grants to set-up high quality demonstration production	PDA with livestock NGO	Jan 2013 onward

c. Outputs and Outcomes, by Component

Component 1: Livelihood Improvement

12. Overall progress on the component is *moderately unsatisfactory* despite significant ongoing activities primarily due to the growing gaps between achieved versus target results and the short period left in the project to address this.
13. Four major areas of activity were prioritized following the MTR in order to increase the likelihood and scale of lasting impacts from the project: 1) re-training all farmers from LIGs and MVFG with extended technical training; 2) strengthening capacity and sustainability of GRF groups; 3) intensive effort on animal health and production, especially poultry, and; 4) initiating child nutrition awareness and promotion activities with all groups. At the time of the MTR the project had 38 months left, but only 2 full wet season cropping seasons in which to complete major parts of the crop training, which is predominately rain-fed. With the need for follow-up with farmers in the second season after training and the long timescales required for group capacity building and behavioural change on nutrition, this created the need for a greatly accelerated programme of activity across the four intervention areas.
14. At the time of the current mission significant efforts have been made on several areas, notably nutrition and in the re-training of around half of LIG and MVFG farmers with 190 FFS-style training courses ongoing at the time of the mission covering an estimated 4,750 households. Each FFS has included at least 1 day's training on child nutrition. Far less progress has been made in the capacity building of the GRF groups despite clearly agreed actions during the MTR and subsequent implementation support mission. This is primarily due to the contract with the main service provider, VADDHANAK, not having been put in place by the time of the mission – 14 months after it was agreed at MTR.
15. As the farmer training and animal health activities are part way through implementation, it is too early to point to conclusive evidence of their impacts or adoptions rate for the technologies. A qualitative assessment has therefore been completed by the mission based on discussion with participating farmers, service providers and project staff which is summarized below.
16. **Farmer training.** The main target for the project is that "10,350 households (70% of the total of 14,800 group members) report an increase of more than 10% productivity for key crops of household and/or increase in flock/herd size". This is to be achieved by "10,350 farmer households (70% of total group members) adopting 3 or more improved technology components for improved technologies for crops or livestock promoted by the project for at least 2 production seasons after training is completed." It is noted by the mission that these targets were already reduced by 35% at MTR from the original appraisal target of 15,800 households due to cost overruns.
17. Against these targets, the *quantity* of farmer training currently ongoing appears to be broadly on track in terms of outreach, especially given all FSI groups earlier received similar FFS-style training. However, discussions with farmers currently receiving training suggest

that during this training season adoption of technologies is predominately limited to those households acting as demonstrators within the FFS or where direct input support has been provided (e.g. improved rice seed). This may be a natural part of the technology transfer process in which farmers participate in and observe a demonstration season to build confidence in the technology before applying it on their own farms. However, from an impact perspective it is therefore difficult to confirm how far the current efforts on FFS will achieve the targeted rates of 70% of farmers adopting technologies and achieving the defined production gains.

18. Observations and discussion during the mission indicate the quality of the FFS is still very variable. There are example of very good practice but equally example of very poor practice, for example in Ratanakiri where the mission visited one LIG for whom the IPM trainer had only turned up for 3 of the 15 training days already nominally completed and the farmers could not recall the training topic from the previous week. It is also noted that quality of the livestock demonstrations within the FFS observed by the mission were general of moderate to poor quality – such as with animals not having been vaccinated or based on introduction of improved breeds where insufficient feed or other conditions were unsuitable for effective adoption. There is therefore specific need to improve the delivery of livestock aspects of the FFS.
19. The mission also notes that the teaching style, while now including more practical elements, is still not geared to helping farmers begin to learn for themselves. No actions have yet been taken in the field for trainers/CEW to support farmers to keep basic records of their production, changes as a result of new technologies nor to facilitate comparison between farmers to support learning from within the groups themselves.
20. There are also critical difference in the management of the FFS between the provinces. The vital system for close supervision and quality assurance of training is most evident in Kratie but largely missing in the other provinces – in Preah Vihear due to the use of DST as IPM trainers (therefore having less time to supervision) and in Ratanakiri due to management weaknesses. This lack of close supervision is of particular concern given the short time left in the project and the need for consistent, high quality delivery of farmer training and follow-up to generate good adoption rates,
21. There is therefore a need for further substantial improvement in the quality and effectiveness of the farmer training if the project targets are to be met as the project has no time left to make mistakes. For the FFS there is a need for a greater focus on supporting farmers to learn for themselves and develop the confidence to apply improved technologies relevant to their conditions rather than only training farmers on what the topics that were learnt in ToT. This will require a change in approach to the learning style used by the IPM trainer. It will also require the project team to deliver focused refresher/review sessions before and during the following production season targeted to those farmers already trained in 2012 and interested in applying the technologies in 2013. Specific action is required to address the situation in Ratanakiri where there are major issues of quality and consistency which threaten to undermine the overall project performance on farmer training.
22. **Group Revolving Funds:** The main targets for the GRF are that the *"total value of lending capital within the GRF has increased by more than 25% above initial grant/in-kind contribution from the project"* and that *"70 % of LIGs/MVFs formed with GRF are evaluated as "mature" (i.e. likely to be sustainable) by end of project."* It is encouraging that the first of these targets appears to have already been met with total lending capital across all groups having increased by 38% as at June 2012, based on unverified data reported by the provinces. However, the major issue for the GRF is the sustainability of the groups after the project with the end of the close support that is being provided by the CEW who are in many cases acting as the de facto bookkeepers for the groups. At the time of the mission the internal assessment by Kratie and Preah Vihear suggested that around 40-45% of groups were rated as mature. No such assessment was completed in Ratanakiri, although the missions own discussions this year and during the MTR suggest the groups are notably weaker on average in Ratanakiri than in the other two provinces. Clear actions were agreed at MTR to begin to address this across all provinces including targeted capacity building of groups with support from VADDHANAK and the establishment of a more clearly defined role and process for the Commune Council to provide oversight and transparency around the groups. Neither of these activities has been started which now leaves only 22 months to effectively double the number of mature/sustainable groups which will be extremely challenging.

23. The mission recognizes the initiatives taken in Kratie to establish a task force to identify the weaker groups and their specific problems and begin to implement a process of renewal of leadership and other targeted capacity building. Kratie was also able by end 2011 to have VADDHANAK to conduct an initial assessment of around 50% of the GRF groups in the province, which has informed their subsequent interventions. These initiatives should help increase the effectiveness of the subsequent capacity building support via VADDHANAK.
24. **Animal Health and Production:** It is welcome that the planned poultry vaccination campaigns have been started and are ongoing in Preah Vihear and Kratie. However no such action has been taken in Ratanakiri. For the current campaigns it is still too early to see results and impacts on behaviours but it is recognized that this will be a slow and difficult task. Somewhat different approaches have been taken in Kratie and Preah Vihear, reflecting the differences in the local context for livestock. Arguably Kratie has the greatest comparative advantage for livestock of the three provinces and has therefore adopted a differentiated approach to the vaccination and animal health promotion activities. In this case they have identified those communes with potential for growth in livestock production and where there are current problems with disease and provided more intensive efforts in these location where there can reasonably be expected to be greater economic benefit from improved animal health. The impacts of these different approaches should be monitored closely and an evolving strategy applied over the next 22 months.
25. In addition to the vaccination campaigns themselves, the PSU and PDA with the Support Mission in February identified the need to strengthen AHW Associations to achieve greater sustainability within the animal health system. In response, Kratie have initiated more intensive support the VAHW Association in Sombo District, which was met by the mission and AVSF team and considered to have good potential for further development. The mission also identified the potential to build on an existing cooperative in Preah Vihear with several VAHW members to provide a similar function. However, it is recognized that due to the differing status of livestock production, there is limited current scope for developing viable VAHW Associations in Ratanakiri within the project timeframe.
26. **Nutrition:** The introduction of new child nutrition awareness activities, based on FAO technical materials, within the FSS is very encouraging and addresses a gap in the original project design. This provides a good foundation on which to build, but adoption rates appear to be low following this first round of activity despite good understanding. The main reasons cited by women for not adopting are that children do not like the new food (with less salt and sugar) and the time factor/convenience of finding/preparing the ingredients. It is recognized that such behavioural changes will take time to become widespread, which argues for more intensive and sustained effort.
27. Opportunities exist to strengthen the approach towards more “social marketing” to facilitate behavioural change to compliment the technical training. This may be further enhanced by targeted support to home gardens with a focus on convenient year round nutrition, the distribution and/or promotion of selected perennial fruit and trees (that require little maintenance once established) as well as such things as looking at tasty child friendly recipes and suggested advice on how to gradually introduce these changes within the family. In addition, the potential to set-up mother-to-mother promotion activities, cooking competitions, specific training to food sellers in the village should also be investigated.

Component 2: Support to Decentralization and De-concentration in Agriculture

28. Overall progress on the component remains *moderately unsatisfactory*. The MTR recommended that the project focus on the area of studies and reviews in support of project implementation through four priority activities: development of project results chains, implementation of annual outcome survey, introduction of participatory impact assessment (PIA) with farmer training and completion of the RIMS end-line in 2014.
29. The project has successfully developed results chains for the four main project impact mechanisms and has disseminated this through to project teams down to the district level. However, it was not evident during the mission that these were being used to help maintain the focus on impacts within project implementation. These will need to be reviewed and updated regularly by the project as part of the routine monitoring of progress towards impacts.
30. The annual outcome survey was conducted for the first time in 2012 and provided several useful qualitative insights although there is scope to further improve the usefulness of these surveys, especially related to technology adoption and impacts on household incomes (see

M&E section below). At present the PIA has not been introduced within the FSS and this needs to be urgently addressed as discussed above.

Agreed actions

31. Major agreed actions are included in Section B above. Further detailed action are provided in the Technical Report attached as an Annex to this Aide Memoire.

d. Project Implementation Performance

32. Overall project implementation performance is *moderately unsatisfactory*, as despite a satisfactory focus on gender and poverty and gradual improvements in other aspects, project management performance and M&E have not improved sufficiently for the project to be managed effectively for results. Given the very limited time remaining and the growing gap between actual results and required impacts, continuing on the same path would almost certainly mean that the project would substantially miss its main performance targets and not realize its development objectives. However, the project leadership have proposed several practical solutions during the mission which, if implemented effectively, will go some way to addressing the growing performance gap.
33. **Project management performance** is *moderately unsatisfactory*. The PSU and provincial teams in Kratie and Preah Vihear have made significant efforts to strengthen the project in line with the recommendations from MTR. There has been more active support and monitoring of activities by the PSU, including through quarterly follow-up visits to the provinces by managers and the communication of the results chains out through the PST and DST. However, the main focus of project management is still on activities rather than the impacts of the activities. This has meant that some critical activities necessary to achieve impacts have been given low priority and not yet been implemented despite specific agreements and milestones set at MTR. Of particular concern have been: 1) the lack of progress on the participatory impact assessment/farmer record keeping within the FFS, and 2) the failure to initiate the main work of VADDHANAK to support the strengthening of the GRF groups. These are critical to the impact and sustainability of the two main impact mechanisms of the project and the lack of progress suggests that the management team have not yet sufficiently taken ownership of the need to deliver the full project results and impacts.
34. At the provincial level, the capacity of the provinces to monitor, evaluate and then improve their own performance is also critical. The DSTs, with backstopping by the PST, are the critical element in this process in order to actively monitor field activities, genuinely understand what is working, what is not and why, and then to adapt future activities based on these insights. Kratie appears to have made the most progress in establishing this systematic management capacity for self learning and improvement whereas in Preah Vihear the DST are heavily engaged as IPM trainers and so have much less time to do effective monitoring and follow-up while in Ratanakiri there has been little sustained attempt to review and improve performance. Evidence for this difference in management learning capacity can be seen in the rate of capital growth achieved within the GRF in the three provinces and how this has changed for groups formed at different stages of the project as the provincial teams have learned how to better implement group formation and mobilization. The average annual capital growth for LIGs that were formed in 2008 has been similar across all three province and relatively low (KRT 10% per year; PVH 13%; RTK 11%). However, looking at the most recently formed groups, established in 2011, there is a significant difference in the annual capital growth between the provinces: Kratie 41%, PVH 29%, RTK 20%. Kratie started with the weakest growth in its groups formed in 2008 but since then has achieved the strongest growth of groups formed in all subsequent year. On this measure of annual capital growth, Kratie has improved its performance by 3.9 times in the last 4 years, Preah Vihear by 2.2 times and Ratanakiri by just 1.7 times. Such capacity for self-learning and improvement within the PSTs and DSTs will also be vital in the delivery of other critical activities such as the farmer training and nutrition promotion. Thus, while it is not possible to judge an entire management system on just one measure, this suggests important lessons for management of projects within the provinces, both for RULIP as well as other IFAD supported projects such as PADEE.
35. In addition to the challenges in the overall programme, the persistent weaknesses in management in Ratanakiri now risks undermining the performance of the entire project as Ratanakiri represent around 31% of the target beneficiaries and expected impacts. While

there have been various delays in completing activities, of greater concern is the highly variable quality of activities. For example, during the most recent mission the team met some very strong IPM trainers and saw good FFS that were benefiting groups while in nearby communes the IPM trainer had turned-up for only 3 of the 15 weeks of FFS training completed so far and farmers could not remember what the training had been on just the week before. Most worrying in this latter case was the lack of concern shown to this situation by members of the PST and DST who were accompanying the mission. On other aspects, the PST has not yet conducted a recent assessment of the maturity of the GRF groups and so there is no reliable data on the current situation despite clear evidence of weaknesses in many groups from face to face meetings with groups. Unlike Kratie and Preah Vihear, where the project managers have taken active steps to address recognized weaknesses, there has been no similar initiative shown in Ratanakiri. Significant changes are now required in the management of the project in the province if the project is to be brought back on track in the short remaining time.

36. **Planning, monitoring and evaluation** is *moderately satisfactory* and has improved since MTR but quick action is needed on the critical area of establishing participatory impact assessment as routine within the farmer training activities, both for M&E purposes and to support self-learning and reflection among farmers. This should include, as a minimum, i) CEW's supporting farmers to maintain family record books of basic production practices, input, outputs, costs and incomes, and ii) facilitated farmer group discussions to compare experiences, results and reasons between farmers themselves.
37. More generally on M&E, since MTR the completion of the first annual outcome survey, establishment of gender process monitoring (with support from APMAS- AIT/VBNK) and articulation by the PSU and provincial teams of results chains for the four main impact mechanisms have helped strengthen the focus on impacts but further improvements are needed for this to be effective in driving the project. For example, while the annual outcomes survey and gender monitoring processes have begun to provide useful qualitative insights into the project, weaknesses in the design of some critical aspects of the AOS questionnaire have limited its usefulness in providing reliable quantitative insights on the rate of progress towards outcomes and impacts and in fact have provided somewhat misleading information on adoption rates and production gains for which little evidence has been found in conversations with farmers during the MTR and current mission. There is also a need to further strengthen the DST and PST's real-time monitoring and resolution of quality problems in the delivery of farmer training and other activities, as have been discussed under Section C above.
38. **Gender focus** remains *satisfactory* and has arguably improved further over the last year. The project continues to provide gender awareness training to new staff and CEWs as well as maintaining its approach of 1 of the 2 CEWs in most communes being a women. The gender awareness training provided to households through the groups was recognized by the MTR as one of the important achievements of the project to date. The gender focus has been further strengthened since MTR with the introduction of a gender process monitoring process with support from the APMAS programme and importantly through the commencement of more systematic efforts on early childhood nutrition. Nutrition training, based on the established FAO infant and early childhood training materials, has been introduced into all farmer field schools completed to date. While adoption rates appear, anecdotally, to still be low in this first round of activity, it provides a good foundation on which to expand and enhance a set of child nutrition activities within the project in 2013 and 2014. Future enhance approaches will need to apply more social marketing and other enabling approaches with a clear understanding of the constraints to adoption, such as children's acceptance of different foods/recipes and time constraints of mothers and grandmothers in obtaining and preparing the necessary balance of food stuff. This will require a strong coordinated effort by the project between MAF and MoWA as well as with other leading agencies working on nutrition in Cambodia (e.g. WHO) and in the project provinces in particular (e.g. Care International in Ratanakiri).
39. **Poverty focus** remains *satisfactory*. As was noted at MTR, the project has a strong poverty in its design and delivery. There is an effective targeting mechanisms for directly reaching poor households and its choice of interventions through farmer training, GRF, nutrition and selected support on inputs remain relevant.
40. **Effectiveness of targeting approach** remains *satisfactory*. As noted in the MTR, RULIP adopted a targeting approach that comprises geographical targeting (selection of poor

communes and villages) and participatory selection of poor households at the village level (through wealth ranking). This method has proven effective, resulting in a strong performance in reaching out to the intended targets, who are 'poor households who have little, or even no land, few livestock or other assets and often many dependents'. The project operates in largely ethnic minority areas in Ratanakiri, and inclusion of female-headed households is high. In addition to effectively selecting the poor households, the wealth ranking exercise successfully differentiated them into three groups (two where there is no MVF), representing different income strata and with largely common livelihood constraints and opportunities within each strata but differences between strata. Selection of activities of particular relevance to the poor, e.g. poultry and vegetable production, has also further strengthened effective project targeting although there is scope for further improvement here by making specific selection of production training topics more responsive to farmer demand from within these different groups.

41. **Knowledge management** is *moderately satisfactory* within the project. The focus is predominantly to share experiences between the provinces, principally through the periodic technical meetings. These have helped the project capture good experiences and ideas from within the project to address specific issues. However, the use of this knowledge and insights is largely limited to *within* the project, and to a lesser extent to inform the design of other IFAD support projects such as PADEE. Communication of knowledge beyond the IFAD "family" into government policies or the wider development community is limited. Planned further improvements in the M&E system should facilitate the generation of more evidence-based knowledge which may then be more credible and influential in the wider community.
42. **Partnerships.** Since MTR the partnership with CIAT on the cassava production and utilization pilot in Snoul district (Kratie) has produced valuable results. It has clearly demonstrated effective cassava production and utilization technologies for smallholders that deliver economic benefits as well as establishing some capacity among local CEWs and technical consultants to replicate such farmer training and demonstration. RULIP should therefore act quickly to replicate this into its mainstream farmer training offering, especially in Ratanakiri and other communes in Kratie where cassava is increasingly prevalent. This illustrates the value of partnerships with specialist technical partners that have proven success in tackling specific issues of importance to RULIP, such as on livestock. Additional partnerships are also likely to be beneficial on child nutrition to accelerate progress and also in the area of design and knowledge management relating to the proposed "farmer to farmer" training pilot in Kratie with links to PADEE for which SNV is already a partner.
43. **Agreed actions:** Major agreed actions are included in Section B above. Further detailed action are summarised below.

Agreed action	Responsibility	Agreed date
M&E: Annual outcome survey to be revised to address methodological issues on some questions, including technology adoption and changes in income	PSU	Mar 2013

E. Fiduciary Aspects

44. **Financial management** remains *moderately satisfactory*. The overall system of financial management and controls is in place and generally functions to an acceptable standard with some minor areas for improvements. The project ordinarily has in place sufficient number of suitably quality staff to manage the financial systems of the project, although some staff turnover in the last 12 months has caused temporary delays and disruption. An important change at the sub-national level has been the transition of project administration to the new "IP3" government system. This has entailed changes in process and procedure which have created inefficiencies and delays in various aspects from fund flow to procurement - with knock on effects on project activities, many of which are time sensitive as they are linked to the farming calendar. Furthermore, the transition to IP3 has meant significant turnover of staff within the sub-national level, and not always sufficient human resource to meet the requirements of running the new system efficiently to support RULIP implementation. More detailed review of financial management is provided in the Annex and the main issues are highlighted below.
 - (a) The efficiency of fund flow, procurement and related processes from national to sub-national level and within the province under IP3 needs to be improved to avoid negative impacts on project performance. For example in Ratanakiri it is taking 7-15

days for payment approval under IP3 due to the increased number of controls and checks required under the new system. This is a challenge not only for RULIP but also other projects in the provinces. However, careful review by the Mission of the system and financial management processes within the project suggests that a large part of the current inefficiencies and delays are the result of process management issues *within* RULIP rather than only being due to the new IP3 system, such as in delays in clearing advances and the chosen process for replenishment from national to sub-national level.

- (b) There is a lack of coordination and follow-up in term of fund flow or fund management. It is the responsibility of the MAFF-PSU to make fund available to the implementation agencies. The funds management at the MAFF-PSU and the provinces is consider one of the major problems for drying the Grant Bank Account in May and June 2012. For this purpose the Finance Officer of the MAFF-PSU should have to track the expenditures of the provinces and amount of outstanding advances. For example in 2012, the amount of funds and timing of release by MAFF-PSU to the provinces do not match the fund requests from the provinces.
 - (c) Project Financial Statement does not includes schedule of withdrawal applications and list of fixed assets. The MAFF-PSU is not maintaining consolidated assets register of the project fixed assets.
 - (d) There is a need of increasing the number and frequency of WA in coming months to meet the fund requirement of the project.
45. **Internal Audit:** The project does not have Internal Auditor to carry out the internal audit of its operation in national and provincial level. Since the starting of the project no internal audit exercises was carried out. The MAFF has separate department for internal audit. The Mission has meeting with the Director of Internal Audit Department at MAFF and was informed that the present staffing, recourses allocation and capacity of the internal auditors is not sufficient to expand the scope of internal audit to donor funded projects. But are interested to be involved. The mission has noted different types of weakness on fund management, procurement, and stock management. To minimise fiduciary risk and support to management in internal control and timely correction of the problem, there is a need of internal audit in the project.
46. **Assets Management.** The Assets Register maintained in two Provinces namely Ratanakiri and Preah Vihear were viewed. Both the provinces are using National Inventory Database of NCDD to record the fixed assets, which is web based. The MAFF-PSU has report of Physical count of fixed assets of national level but the assets register was not available to cross check the assets written in the physical count report. It is difficult to ascertain that the physical count of the assets includes all assets of national level (MAFF-PSU, MEF, MOWA etc.). Rest two provinces Preach Vihear and Ratanakiri have not conducted physical count of their assets. The MAFF-PSU does not have consolidated assets records of project.
47. The sample check of fixed assets with the assets register (NIC records of IP3, MAFF-PSU from physical count report) and payment vouchers were conducted in MAFF-PSU and Ratanakiri. MAFF-PSU found in order but Ratanakiri has problem on documentation, the distribution of 30 motorcycles was supported by contract agreement with user. It is maintain in loose sheets individually. But the receipt of 6 generators was not traced, were released to 6 district offices of Agriculture. If the assets are maintain in loose sheet there is high risk of losing or misplacing the receipts. The assets used by IP3 RULIP Finance Officer in Preah Vihear have no tag (identification number).
48. The mission noted some weakness on in NID system, correction is difficult and the process is lengthy. The system does not allow the provincial level data entry operator to make any correction once it is recorded. Correction will be made only by the authorised person in NCDD, Phnom Penh and on the request of the Provincial Administration. Due to this reason all fixed assets entry was done after payment. All asset recording is totally depended on document available to operator. If, the Finance Officer forgets to forward the procurement document to the operator, there is no other way to trace this missing entry. Therefore physical count of assets is important in these offices even to trace the missing. The PDA of Ratanakiri has two pick-ups but wrongly 3 pick-ups were recorded in NID. This double entry of one pick-up was traced last year but no correction is took place, still in progress.
49. **Disbursement** remains *satisfactory*. The status of disbursement from the IFAD Grant 8005 KH as at 3rd October 2012 is SDR 5,097,190.89 which is 79.64 % of the total grant financing

of SDR 6,400,000. The above amount excludes the unrealised advance of SDR 763,094.39. Based on programme disbursement as at 31st August 2012 the actual disbursement from the IFAD grant funds is about SDR 5.32 million (including outstanding WA claim for the period & excluding initial advance). This is 83.07% of the total grant financing (Appendix 3 –Table 3 c & F-A, F-B). No disbursements have been made from IFAD Loan DSF 8005 A/KH and IFAD Grant DSF 8005 A/KH (Appendix 3-Table 3 D and Table 3 E). At the end of December 2012 the total projected expenditures will be about SDR 6.15 million. The rest of the balance will be plan in 2013 & 2014 AWPBs. (Appendix 3 – Table C).

50. The actual overall achievement on expenditure by financier is 86.8%, the UNDP is the highest at 100% and the Government is the lowest at 55.05% (Appendix 3 – Table 3 A). Similarly, the actual overall achievement by financier by component is 86.8%, the expenditure against component B is the highest at 94.61% and the expenditure against component A is the lowest at 84.10% (Appendix 3 – Table 3 B). The 2011 sources and applications as shown in Appendix 3 – Table 3G provides details of the budget vs. actual expenditures by financier and by Category of Expenditures.
51. **Counterpart funds** is *moderately satisfactory* although there have been some issues with the mechanism and internal management of fund requests within the project to obtain release of counterpart funds. Specifically, the project had a counterpart fund shortage in the last quarter of 2011. The PDA of Preah Vihear made a payment of USD13,980 to the supplier of 29 motorcycles from IFAD account in lieu of RGC contribution, this amount was reimbursed on the IFAD account in 2nd quarter of 2012. In 2012 MEF released USD7,900 equivalent to 1st quarterly request against approved AWPB allocation of USD29,288, this is 27% of the 2012 allocation.
52. **Compliance with loan covenants** is *satisfactory*. A majority of loan covenants are being complied. The AWPB was submitted on 19th January 2012, a delay by about two months. Procurement activities in the provincial level are following the NCDD Financial Manual. Compliance with loan covenants. Details are in Appendix 4.
53. **Procurement** is *moderately unsatisfactory*. The procurement activities in the MAFF-PSU followed the PIM and in Provincial level NCDD Financial Manual. The mission had reviewed the procurement plan of FY 2011 and 2012, and also procurement activities undertaken by the MAFF-PSU, PDA, and PDOWA in Preach Vihear & Ratanakiri. The review covered 9 procurement activities, 2 in MAFF-PSU, 4 in Preach Vihear & 3 in Ratanakiri. Among the reviewed activities, the contract amount of Construction of building for PDA in Preach Vihear was USD 68,411, rest were below USD 18,000. The key weaknesses noted by the mission are as follows;
 - (a) The procurement activities were partially completed with delay of about 2 to 12 months compared to approve procurement plan. Civil works contract was delayed by 12 months. Out of 26 activities 15 activities were completed or partially completed.
 - (b) The role of MAFF-PSU on monitoring of procurement activities at provincial level is noted weak.
 - (c) The Procurement activities were started only after the fund received or ensuring the sufficient balance in the account of IP3s.
 - (d) There is inconsistency on formation of procurement committee between the provinces as all provincial Administration is following the NCDD Manual. Preah Vihear has only one Procurement Committee chaired by the Governor and represented by Director of Line Departments. The number of committee members is 11 and 3 are Observer. This new committee was effective from April 2012. Under the previous system there was two type of procurement committee; one is chaired by the Director of Department of Agriculture for procurement of goods, another in Provincial level chaired by Governor. Ratanakiri still has the procurement committee chaired by PDA Director for procurement of goods.
 - (e) PDA Ratanakiri has no practice of registering the quotations, and has no record of quotation received date. Lack of this information it not possible to establish that the quotations were received before the expiring deadline.
 - (f) PDA Ratanakiri invited quotations on 21 August 2012 for 3 different procurements activities namely vaccination programme, demonstration and signboards. Closing date

was 3 November 2012, these quotations were opened on 26 September, the award of contract yet to be decided.

(g) The Mission reviewed the Register of Contracts in PDA, Ratanakiri and MAFF-PSU and found updated. But IP3 and MAFF-PSU have no consolidated Register of Contracts.

54. **Audit** is *moderately satisfactory*. The audit of the project was conducted by the External Auditor appointed by the MAFF PSU, and in accordance to the Cambodian International Standards on Auditing. The audit report for the financial year 2011 has been sent to IFAD on 31 May 2012. The auditor made 25 recommendations under 5 broad headings (i) finance and record keeping, (ii) assets management, (iii) human resources, (iv) information technologies and management, and (v) monitoring and evaluation. The mission reviewed the recommendations made by the auditor in the 2011 Audit Report and noted that majority of the recommendations either fully or partially implemented (details of recommendation is in Appendix 8). Delay on clearance of outstanding advances still exists in all offices. The audit report does not include the opinion on the use of Grant Bank Account and Statement of Expenditures (SOE). Among others, these two are also the audit requirement of the IFAD financed projects.
55. The recommendation of auditor includes (i) no written approval was obtained for transfers of funds between IFAD and RGG, (ii) timely clearance of advances should be ensured, (iii) cheques should be entered into Peachtree only when approved, (iv) assets are not insured, (v) physical assets count had not been completed at the date of the financial statements, (vi) salaries should be paid by bank account where possible, and (vii) integration of Peachtree accounts between provinces and MAFF PSU. An Audit Log and Detailed Audit Table are in Appendix 8.

56. **Agreed actions** are summarised below.

Agreed action	Responsibility	Agreed date
Provide training to Kratie IP3 Finance Officer on Peachtree and IFAD fiduciary requirement.	MAFF-PSU, Finance Advisor of IP3, Kratie	Immediately
(i) Hire a consultant to modify Accounting software (a) to generate consolidated financial statement (b) allow MAFF-PSU to transfer data by internet (c) should exclude unapproved/unauthorised entries in the expenditures reporting. (d) allow users to change password	MAFF-PSU	November, 2012
(ii) Backup accounting data at least once a week in external Hard drive	MAFF-PSU, All IP3	Immediately
MAFF-PSU, MEF and IFAD to jointly meet with NCDD / IP3 to identify practical measure that can be introduced to improve efficiency of project processes under IP3 within the province, not only for RULIP but also concerning other IFAD supported projects.	MEF, MAFF-PSU, IFAD	November 2012
(i) Prepare fund requirement request for the year with quarterly breakdown and send to MAFF-PSU no later than 7 days after the date of contract signed between PA and PDA/PDOWA,	All IP3s	Effective from 2013, Ongoing
(ii) Release full amount of 1 quarter as a revolving fund, after that replenish based on monthly expenditures report and up to the maximum amount equivalent to the total contract value. The fund transfer should not take more than 7 days from the received date of monthly expenditures report by PA to MAFF PSU..	MAFF-PSU	Immediately, Ongoing
(iii) Introduce Payment Progress Monitoring sheet, each official should write the forwarding date to the next officer	MAFF-PSU, All IP3	Immediately, Ongoing
(iv) MAFF-PSU to set-up end-to-end process tracking system for payments, fund flow, advances and procurement processes within the province to ensure all documents are prepared, submitted and processed on time and support PDA/PDOWA to implement same system.	MAFF-PSU, All IP3	November 2013
(v) Maintain advance monitoring register, before expiry of the deadline the Finance Officer should send a reminder letter for settlement.	MAFF-PSU, All IP3	Immediately, Ongoing
(vi) Auditor ToR to include spot-check of petty cash and reconciliation of books of accounts.	MAFF PSU	Dec 2012
Maintain Grant Bank Account Cash Book and do reconcile of bank account with cash book balance once a month.	MAFF-PSU	Immediately, Ongoing
Send WA for replenishment in Grant Bank Account each month for the expenditure of previous month not later than 3 rd week of following month.	MAFF-PSU, MAFF, MEF	Immediately, Ongoing
Contract an experienced auditing firm /individual to conduct internal audit of the project. In parallel support to Internal Audit Department of MAFF on capacity development for their possible involvement in IFAD projects in	MAFF-PSU	November 2012. Ongoing

future. The scope and TOR for Internal Audit should be shared with IFAD.		
(i) Print the tag number in the assets following the NID code, conduct physical count of the assets at least once a year by IP3, RULIP IP3 Financer Offices should ensure that all fixed assets are recorded in NID,	All IP3	November 2012, Ongoing
(ii) Maintained register for assets issue/distribution, with specification of assets, NID code number and signature of recipient on the register,	MAFF-PSU, All IP3	Immediately, Ongoing
(iii) Maintain Consolidated records of assets	MAFF-PSU	November 2012
Request to MEF to release the balance AWPB allocation of RGC fund (for 2 nd , 3 rd & 4 th quarters of 2012). Made effort to get RGC fund release at the beginning of each quarter in FY 2013.	MAFF-PSU	October 2012
(i) Establish permanent Procurement committee at provincial level (line department) for entire period of project implementation.	Provincial Administration (IP3)	December 2012, Ongoing
(ii) Procurement process should follow the schedule of approved procurement plan without waiting fund release.	IP3, PDA, PDOWA	Immediately
(iii) The MAFF-PSU Procurement Officer should coordinate the procurement activities of the provinces. He should maintain procurement calendar for follow-up & monitoring.	MAFF-PSU	Immediately
(iv) Quotation issue and receive register should be maintain, after the expiry of submission date and time these registers should be closed and signed by the authorized officer. The quotation should be open just after the expiry of deadline and in the same day.	All IP3, PDA, PDOWA	Immediately
(v) Maintain consolidated Register of Contract in Province level by IP3 and National level by PSU, update it in each month and send to IFAD CPM.	IP3, MAFF-PSU	November 2012, Ongoing
(vi) Provide basic procedural training on procurement to Administrative Officer of line department in the provinces and contract management training to the staff involve on procurement.	MAFF-PSU	November 2012
Include opinion on use of Grant Bank Account and Statement of Expenditures (SOE) in 2012 Audit Report	MAFF-PSU, External Auditor	30 June 2013

F. Sustainability

57. Overall assessment of sustainability is *unsatisfactory* at present, principally due to the current low levels of maturity of the GRF groups (with less than 45% of groups assessed as mature) and the low adoption rates so far of improved production technologies. However, the recent roll-out of extended FFS training to all farmer groups should start to improve this situation and if other agreed actions on GRF are implemented as planned then there is a good likelihood of the project achieving a *satisfactory* level of sustainability around its major impacts. However at the time of the mission the first round of FFS with the LIG/MVF were in week 15 of 20 and so had not yet been completed. As such it is not yet possible to confirm if this is indeed working. For the GRF groups, severe delays in taking action on GRF capacity strengthening, notably through the delay in implementing the support via VADDHANAK have meant that the sustainability of the groups has not notably improved across the project since MTR, although efforts in Kratie have begun to address this. There is still time to address these issues but prompt action is needed.
58. **Institutional sustainability:** in RULIP is primarily concerned with how to sustain the improved delivery of extension services at the commune/village level and of the farmer groups (see below) created through the project. For service delivery, at present the greatest likelihood of sustaining this delivery after the project is through the VAHWs and CEWs via the emerging strategy to help them develop into master farmers in producing one or more crops/livestock and becoming a local resource person in their community. While this is a new approach within RULIP it has been widely used previously by AVSF and others which should allow its quick adoption in RULIP. For VAHW, the institutional sustainability will also depend to some extent on the success of establishing sustainable support institutions to help them link to reliable supplies of medicines and vaccinations as well as technical backstopping. Specific recommendation have been developed during the mission however it is recognized that due to the relatively low level of market-oriented livestock production in some project areas it may not be feasible to address this wider AVHW institutional issue in all locations.
59. **Social sustainability (Empowerment).** The sustainability of the GRF groups is critical. At present in Preah Vihear and Kratie around 40-45% of groups have been assessed as mature by the internal assessment of the PST/DST teams. A similar assessment has not been

completed recently Ratanakiri but meetings with groups by the mission suggest they are weaker than in the other provinces. As such, the overall likely sustainability of groups is currently a long way below the target of 70% for the project. This reinforces the importance of the additional support needed from VADDHANAK and the threat to overall project performance that the failure to implement this in the 14 months since MTR has now created.

60. **Economic and financial sustainability** of the GRF groups appears to be quite high, given the continued growth of group capital. However, the bigger impacts on household incomes are envisaged to come through the adoption of improved production practices by farmers. The economic and financial sustainability of these on-farm impacts will therefore fully depend on the success of the project in helping farmers adopt improved, and more profitable, farming practice. The first round of the FFS with the LIGS/MVF is still ongoing and so it is not yet possible to assess if this improved training approach is leading to improved adoption of technologies and ultimately to sustained increases in income.
61. **Technical sustainability** will be driven by the quality of adoption of improved production technologies at the farm level. At MTR this was judged to be low. The improved FFS training now being implemented is intended to address this but a clearer picture will emerge in 2013 when it is possible to more accurately judge the real rates of adoption of the technologies (in the production season following the training).
62. **Environmental sustainability.** As noted in the MTR, the prospect for environmental sustainability are relatively strong. Farmer training already includes useful aspects such as compost making, use of botanical pesticides instead of chemical pesticide and technique for improving yield while reducing input usage. In addition the Project's partnership with CIAT on sustainable cassava production is likely to be increasingly important in achieving sustainable production in the face a dramatic increases in cassava production in Kratie and increasingly also in Ratanakiri. The Project should build on its good progress in this regard, in particular by mainstreaming sustainable cassava production technologies into its FFS.
63. **Exit strategy.** Further consideration has been given to the exit strategy by the PSU and provinces since MTR and some promising ideas are emerging, especially related to how to strengthen the GRF groups (through voluntary mergers, replacement of leaders, upgrading some to savings and credit cooperatives, greater oversight by Commune councils etc.) and also the VAHW and CEWs by supporting them to become master farmers at specific crops/livestock enabling them to earn a living from being local agricultural resource persons in their community, as has been the experience of AVSF as well as the PDAs. For the GRF groups, it is likely that a combination of these ideas will be necessary, although the shortage of time to the end of the project means that the most promising ideas will have to be rolled out straight away as there is not enough time for piloting first. Given the necessary time to make these changes, actions on this need to begin immediately and be fully resourced within the 2013 and 2014 AWPBs.
64. **Agreed actions:** Relevant agreed actions are included in Sections B and C above.

g. Impact

65. Despite notable efforts by the PSU and provinces to improve the situation since MTR, there still remains no reliable data on which to judge the scale of impacts achieved to date. This is unfortunately due to the previously noted problems with the original RIMS baseline sample (see MTR report for further details), methodological problems on critical aspects of the recently introduced Annual Outcome Survey questionnaire and that the project has not yet implemented the PIA within farmer fields schools. The following assessment therefore relies on field observations and direct discussions with farmers during the current mission and MTR.
66. **Physical and financial assets.** At the group level, capital within the GRFs has increased in aggregate by 38% at an average rate of 16% per year at the group level (based on unverified data reported by the provinces). However, beyond the direct transfer of grants (cash or in-kind) via the GRF and selected input as part of the farmer training, there is insufficient data at present from the project to point to significant impacts of the projects on households financial and physical assets. The low adoption rates of production technologies seen so far in the project would imply that there may be only modest impacts to date on households physical and financial assets via the accumulation of increased production surpluses and farming income.

67. **Food security.** The data available give a confusing picture of the status of food security among beneficiary communities, with conflicting information coming from different surveys conducted by the project. For example, taking the simple measure of the proportion of households reporting that they had sufficient food for twelve months, the RIMS baseline survey gave a figure of 82% (2007), which increased in the MTR RIMS survey to 92% (2011) while the 2012 annual outcome survey (AOS) produced a figure of just 75%. It is not clear if these changes are real or due to issues in the data. Firstly, each of the 3 surveys was collected using a different sampling frame, making direct comparison unreliable. Secondly, while the two RIMS surveys asked the same questions, the AOS appears to have focused on self-produced food. Thirdly, there may indeed be some external factors which explain some of these changes: it is known that 2011 was a bumper rice harvest in Cambodia which would both increase households' own food stocks and lower the cost of buying additional rice for those households still in need; 2007 was not an exceptional harvest and was in the midst of the first food price crisis which would have reduced the ability of households to buy supplementary food; 2012 has seen relatively high food prices but it is not clear that this is sufficient to explain the reported difference. Beyond the issues of the data, the fact that adoption of improved production technologies has been mostly limited to those farmers acting as demonstration farmers and where direct inputs have been provided (e.g. chicken houses, improved rice seed) suggests that there is a relatively low likelihood of the project having contributed significantly to any change (good or bad) in food security. However, it is hoped that the planned expansion of the nutrition activities and recent strengthening of the farmer production training may begin to have positive impacts over the next 2 years.
68. **Increase in incomes.** As noted above, the relatively low adoption rates of improved technologies so far, beyond those acting as demonstrators or where inputs are directly provided, combined with the relatively small loans sizes available via the GRF suggest that the projects impacts on income to date may be modest. However, the project sites are in a region experiencing significant economic growth and so background levels of income would be expected to be rising, with or without the project.
69. **Policy impact** has been mostly centred around the IFAD / PSU family of projects – including the recent design of PADEE and the ongoing IFAD COSOP process. The project has held 3 policy guidance workshops, most recently in May 2011. It has also documented lessons learned on project aspects including targeting, group formation and service delivery. The recent COSOP process has provided a much needed opportunity to share these experiences within the wider development community and policy debate.
70. **Agreed actions:** Relevant agreed actions are included in Sections B and C above.

H. Conclusion

71. The project has made significant efforts to implement several of the critical actions agreed during MTR, especially in Kratie and Preah Vihear. The large scale activities now underway on farmer training, completion of nutrition awareness training as well as the launch of the animal health vaccination campaigns in Preah Vihear and Kratie are notable achievements. However, slow progress in Ratanakiri and limited progress to improve the sustainability of GRF groups are of concern. There is also a need to maintain the focus on impacts in all these activities.
72. However, despite these efforts there is still relatively little evidence on the ground of the scale of progress needed to reach the projects main impact targets. The project still has a great deal to do if it is to come close to achieving its development objectives and meet these already reduced performance targets. With just 22 months and one full wet season remaining, the next 8 months are a critical period for the project in which a range of actions and improvements need to be put in place for a successful farmer training season in 2013 across the 3 provinces as well as the other critical areas of GRF sustainability, animal health and production and child nutrition. Specific corrective measures are required in Ratanakiri if it is not to undermine the wider project performance.
73. While there are significant challenges ahead, with successful delivery of a focussed and effective action plan over the coming year, the project may still achieve many of its development objectives though it will not be easy. This intensive period of activity will require strong leadership from the national and provincial level and IFAD should support this processes where possible through ongoing close support and follow-up.

74. The Royal Government of Cambodia and IFAD endorse the recommendations of the mission.

Khalid El Harizi
Country Programme Manager, IFAD

Teng Lao
Secretary of State, MAFF and
National Project Coordinator

Date

Date

APPENDICES

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Appendix 1: Summary of Project status and ratings

Project 1350 [862] Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri - 2012-10

Basic Facts

Country	Cambodia	Project ID	1350	Loan/DSF Grant No.	862
Project	Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri			Supp. Loan/DSF Grant	8005 8005A
Date of Update	24-Oct--2012			Financing terms	D
Supervising Inst.	IFAD/IFAD				
No. of Supervisions	3	No. of Implementation Support/Follow-up missions	5		
Last Supervision	05-Oct-2010	Last Implementation Support/Follow-up mission	14-Mar-2012		
USD million Disb. rate %					
Approval	18-Apr-2007			Total costs	14.01 71
Agreement	28-May-2007	Effectiveness lag	4.5	IFAD Total	12.01 69

Cambodia – Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)
Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Effectiveness	31-Aug-2007	PAR value	Actual Problem	IFAD loan: DSF 862- KH	1.25	0
MTR	21-Jul-2011			IFAD grant: DSF 8005 KH	9.51	87
Current completion	30-Sep-2014	Last Amendment	08-Jun-2012	IFAD grant: DSF 8005/A KH	1.25	0
Current closing	31-Mar-2015	Last Audit	30-Apr-2012	Domestic Total	0.71	55
No. of extensions	0			Government (National)	0.71	55
				Cofinancing Total	1.29	100
				UNDP	1.29	100

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of project management	3	3
2. Acceptable disbursement rate	4	4	2. Performance of M&E	3	4
3. Counterpart funds	5	4	3. Coherence between AWPB & implementation	5	4
4. Compliance with loan covenants	5	5	4. Gender focus	5	5
5. Compliance with procurement	2	3	5. Poverty focus	5	5
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	4	4

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. 2. Actual outputs/component 2 (D&D Support in Ag)	3	3	1. Institution building (organizations, etc.)	4	4
2. 1. Actual outputs/component 1 (Livelihoods)	4	3	2. Empowerment	5	4
			3. Quality of beneficiary participation	5	5
			4. Responsiveness of service providers	4	4
			5. Exit strategy (readiness and quality)	2	3
			6. Potential for scaling up and replication	4	3

B.5 Justification of ratings

Management focus on impacts has improved somewhat, in part supported by the February support mission. However, this is inconsistent across the provinces and PSU and not yet sufficient to drive the required achievement of impacts. M&E within the project has also improved somewhat with the completion of the first annual outcome survey, although delays in implementing the agreed roll-out of participatory impact assessment within the farmer field schools has left project managers at provincial and national level with little firm evidence of the rate and scale of adoption and impacts and thus hampered the ability to manage the project for results. Delays in approval of AWPB until April (due to the prior need to request and approve a re-allocation of the proceeds of the overall IFAD financing between categories of expenditure), changes in the RGC allowance scheme for staff, rotation of staff and the transition in management arrangement at the provincial level to the new "IP3" structure have all contributed to slower progress. But internal management inefficiencies have made these challenges even more difficult. In terms of activities at the village level in the priority impact areas:

- (a) Farmer training has improved somewhat with the re-training of around 4,750 households underway through extended farmer field school type approaches. There is a need for further improvements in the consistency and quality of this training if target levels of impacts are to be achieved, through widespread adoption of the improved production technology components and corresponding increases in incomes and assets.
- (b) Group revolving fund sustainability has made little progress as critical actions from the MTR in this area have not been implemented, although Kratie have taken their own initiative to strengthen groups despite a lack of planned support. Despite this the capital of the groups has continued to grow, reaffirming the value attached to the GRFs from many group members and the importance of increasing GRF sustainability.
- (c) Animal health and production: Progress has been made in initiating the planned vaccinations campaigns for poultry in Kratie and Preah Vihear (but not Ratanakiri) and the approaches will be continued and further refined with the advice of the livestock specialist from the mission.
- (d) Nutrition awareness and technical training has been rolled-out in all provinces as part of the farmer training activities. This has been a valuable step and provides a foundation for further expansion and intensification of project efforts on child nutrition.

Overall Assessment and Risk Profile

	Last	Current
C.1 Physical/financial assets	3	3

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C.2	Food security	5	4
C.3	Overall implementation progress (Sections B1 and B2)	4	3
Rationale for implementation progress rating			
C.4	Likelihood of achieving the development objectives (section B3 and B4)	4	3
Rationale for development objectives rating			
<p>Overall project progress has fallen to moderately unsatisfactory since MTR. While clear improvements have been made in several areas the rate of progress, especially in the achievement of impacts, is not yet enough to match the growing urgency for results as the project enters its final period with just one full agricultural training season remaining. This is of concern given that targets were already reduced by 35% at MTR and budgets increased by SDR 1.7 million. However, it is also recognized that the current time pressure to raise performance is in part due to significant shortcomings in the original design, especially related to the central activities around farmer training for which the approach was heavily revised during MTR.</p> <p>There is significant variation between the three provinces: progress in Preah Vihear and Kratie is moderately satisfactory while in Ratanakiri progress is highly unsatisfactory. With continued improvements in Preah Vihear and Kratie the provinces are likely to meet many of their revised development targets from the project. However in Ratanakiri there are management issue which have undermined the quality and effectiveness of activities, little evidence of corrective measures having been taken by the time of the mission and little likelihood of meeting even the reduced development objectives of the project in the province without significant corrective actions being taken as a matter of urgency. As over 30% of beneficiaries and expected impacts are in Ratanakiri, significant underperformance there would undermine the performance of the entire project in meeting even its reduced targets.</p>			
C. Risks Short description of major risks for each section and their impact on achievement of development objectives and sustainability			
	Fiduciary aspects	Delays in procurement may seriously impact on delivery of quality farmer training (as this is seasonal) and inefficient and disorganised internal financial process management create wider delays in the project activities. Limited capacity of provincial IP3 staff and systems to efficiently support RULIP implementation also slows financial processes (although this is less significant and issue compared to internal inefficiencies).	
	Project implementation progress	<p>Three main risks are:</p> <ol style="list-style-type: none"> 1. Insufficient focus on delivery of impacts (rather than activities) across all project areas leads to inconsistent implementation in terms of quality and scale of critical activities and thus overall low achievement of impacts 2. Highly variable quality of field activities largely due to weak supervision and follow-up by DSTs results in low impacts despite large investments of time and money 3. Ratanakiri has severe project management weaknesses that mean, despite some good staff, almost all project activities are non-performing and impacts a negligible. Significant changes in management and delivery are needed to get project back on track in the province. 	
	Outputs and outcomes	<p>Four main impact mechanisms are progressing but all need to improve quality and consistency to realize the potential impacts, if not there are significant risks of not achieving many project development objectives :</p> <ol style="list-style-type: none"> 1. Farmer training: further enhancement of quality of FFS delivery needed across all provinces in order to achieve desired uptake of technologies 2. Livestock: continuation of animal health activities needed as well as raising of quality of technical training on livestock within FFS if desired impacts are to be achieved as so far there is little impact on livestock. 3. Nutrition: enhanced child nutrition campaign possible within project but needs good quality technical and management leadership to implement effectively in remaining period 4. GRF: Key risk is in the sustainability of the groups after the project. Specific action plans have been defined to increase the sustainability of many groups but this plan needs to be implemented and not further delayed (as was the case since MTR – reflecting a lack of focus on impacts) 	
	Sustainability	<p>Project has developed clearer exit strategies for two key elements of sustainability but these need to be implemented well:</p> <ol style="list-style-type: none"> 1. GRF groups: several complimentary strategies have been identified but need to be implemented and the risk is that these changes will take time to be effective but that the project has only 22 months left and so may not be fully effective 2. CEWs and VAHW: risk is that these useful resource persons may not be able to be sufficiently active after the project to continue to provide support within their community. PDAs have identified credible strategies of upgrading CEWs and VAHWs to become master farmers to achieve greater sustainability of their function in the community. In addition, specific actions are needed to strengthen functioning Associations/Cooperatives for VAHW where these are viable to provide reliable access to medicine/vaccination and technical backstopping – without which the risk is that they cannot provide reliable services to farmers and so will not continue. 	

Proposed Follow up

Issue / Problem	Recommended Action	Timing	Status
Management: supervision and	Strengthen field supervision, especially by DST, of all FFS to	24 Oct 2012	

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quality control of field activities	address any issues as they emerge and increase consistency and quality of training delivered. ToT training to be provided to DST / PST on effective supervision of FFS programme as needed. (PSU / PDAs)	– ongoing	
Management: under-performance in Ratanakiri	Provide intensive management support and supervision of all aspects of project activities in Ratanakiri until at least Dec 2013. PSU, on behalf of NPC, to have direct management authority to address any issues related to the project in Ratanakiri including but not limited to: staffing, roles/ responsibilities, activities, financial management, M&E. (NPC PSU)	24 Oct 2012 – ongoing	
Management: close support and follow-up required by IFAD	IFAD to provide regular implementation support, ideally monthly through critical period until Jun 2013. (IFAD)	Nov 2012 – June 2013	
Farmer training: further improvements in farmer field school delivery to increase technology adoption rates by farmers	Continue with IPM-led FFS training for remaining groups but strengthen system, including: (a) focus on facilitated learning and adoption not just lecturing (b) strengthen DST / PST supervision of FFS training days (c) involve local “outstanding farmers” as resources people in the training	Jan 2013	
	Urgently introduce (before end of current FFS) simple participatory impact assessment by farmers within the FFS to facilitate self learning, including CEWs supporting farmers to keep simple household book of farmer records and farmer group discussions to compare results (PDAs)	24 Oct 2012 – ongoing	
	PSU responsible to coordinate with National IPM programme to: d) conduct rapid review of ongoing FFS in 3 provinces and provide recommendations for improvement in terms of: i) capacity of IPM trainers, ii) pedagogical/learning approaches iii) relevance/appropriateness of technologies being promoted iv) quality of technical content of training. e) Provide refresher training to PST/DST and IPM trainers based on conclusion from review, including on supervision of FFS f) Follow-up support periodically through next training season	Rapid review: Start: 25 Oct 2012 Feb 2013 Apr – Nov 2013	
	All farmers trained in 2012 and 2013 to receive regular follow-up before and during next production season following main FFS training to facilitate adoption of improved technologies on their own farms. (PDAs)	Dec 2012 onwards	
Farmer training: opportunities may exist for increased farmer to farmer technology transfer	Pilot direct “farmer to farmer” training by “outstanding farmers” including incentive contracts linked to impacts (PDA – Kratie, Preah Vihear. TA from SNV)	Mar – Nov 2013	
Livestock: quality and consistency of livestock activities needs to be improved	Strengthen livestock production training through increased delivery by experienced livestock staff/producers including involvement of VAHW in supporting livestock training under FFS (PDA with Livestock NGO)	Dec 2012 onward	
	Strengthen development of viable VAHW associations/co-operative in district where these are assessed to be feasible. (PSU via Livestock NGO) Results-based contract to be put in place with specialist livestock NGO to support delivery of livestock activities in 3 provinces (PSU)	Dec 2012 onward 30 Nov 2012	
GRF: Group sustainability needs to be raised	Implement the agreed process of support from VADDHANAK as per MTR to raise internal capacity of groups, but must now be accelerated (PSU)	31 Oct 2012 on	
	Begin process of voluntary merger of groups in same villages, where at least one is strong and re-election of leaders in weaker but functioning groups (PDA with support from VADDHANAK)	Jan 2013 onward	
	Establish process and conduct training and follow-up support to CC to conduct annual public meeting to increase transparency & oversight of groups (PDA with support from VADDHANAK)	Jan 2013 onward	
	For strongest groups (individual or merged), support voluntary upgrading to become co-operatives (ADC) with initial focus on savings and credit activities including associated capacity building of Board of Director, Audit Committee and other critical aspect of co-operatives. (PDA)	Jan 2013 onward	
Nutrition: Opportunities exist to implement an enhanced child nutrition campaign	Design and implement an enhanced nutrition campaign including social marketing, technical training and also activities to make adoption easier (home garden, child friend recipes etc.) (MAFF-PSU / MoWA)	Dec 2012 onwards	
	Appoint one experienced nutrition Technical Advisor at national	Nov 2012	

	level to coordinate activities on nutrition. (MAFF-PSU / MoWA)		
Service delivery exit strategy: opportunities exist to increase sustainability of agricultural service delivery at village level	Support upgrading of CEW and contract IPM trainers to become master farmers themselves, including grants to set-up high quality demonstration production (PDA)	Jan 2013 onward	
	Support upgrading of VAHW to become master livestock farmers, including grants to set-up high quality demonstration production (PDA with livestock NGO)	Jan 2013 onward	

Appendix 2: Progress against previous mission recommendations

Updated Progress on MTR actions (Jul 2011)

Agreed action	Responsibility	Agreed date at MTR	Status in September 2011
Farmer technical training: Provide all existing LIGs and MVFs with improved FFS-style training (approx. 20 days) based on participatory learning and impact monitoring and then follow-up for at least 1 full production season. Training to be delivered by FFS Trainers, CEWs and with involvement of outstanding FSI demonstrators where these exist. CEWs to carry out follow-up through the following season. FFS trainers and CEWs to receive refresher training in facilitation and participatory learning techniques and training topics to be determined by farmers. Where farmers request training on cassava this should be based on the approaches and material promoted under the 4FGF pilot in Kratie.	PDAs	Refresher ToT completed by January 2012 Farmer training In 2012-2013 Follow-up 2013-14	Partially complete quality and likely completing activities <ul style="list-style-type: none"> 190 FFS ongoing from LIGs & MVF mission were on are planned for In some case t discussion with Little evidence farmers despite Refresher training CEWs have been However, actual to be improved lecturing. PVH has a short high number of No action taken No action taken training/demon Participatory im set of FFS Only Kratie has support of IPM
GRF sustainability – Direct contracting of VADDHANAK with MAFF-PSU through Sole Source Selection Procedure with contract to cover remaining period of the Project. Activities to be completed: assess capacity of group leaders and bookkeepers in all existing LIGs/MVF; provide direct basic training to bookkeepers/leader and their supporting CEWs for all group judged to not yet be self sustaining; strengthen accountability and internal controls within all groups; facilitate direct linkages between groups and MFIs in their local area	MAFF PSU PDAs, DAOs	Contract with NGO by Dec 2011 Group training in 2012 onwards	Serious delay with Only partially im Main contract with the 14 months after Only activity has b Kratie as the PDA this, the preliminary approx.: 15%-20% after RULIP, 70% are already failing The original action as a matter of urg <ul style="list-style-type: none"> urgently compl and review cap improve sustain Build capacity o supervising CEW issue and recor GRF by using P Deliver tailored to raise technic Establish more mechanisms fo audit/annual pu

Updated Progress on MTR actions (Jul 2011)

Agreed action	Responsibility	Agreed date at MTR	Status in September 2011
Animal health campaigns: Improve the vaccination campaigns to target villages for poultry and pigs by; (1) procuring vaccines from reliable and registered suppliers only; (2) providing appropriate cold chain; (3) agreeing with farmers on a vaccination schedule; (4) following the protocol like dilution of vaccines and means of delivery (injection, drops); (5) providing refresher training for VAHWs; and (6) farmer awareness raising activities. Data collection and monitoring should be carried out.	PSTs, DSTs, VAHWs	Remainder of 2011 for minimum of 24 months, multiple vaccination rounds	Partially complete <ul style="list-style-type: none"> Some initial steps have been demonstrated to round in each village keeping by farmers changes in behavior. Kratie and Preah Vihear campaigns, with potential for disease hot-spots results. Household vaccinations, some evidence of cost changes is being seen. No activity started in Ratanakiri.
CEW performance: Assess the performance of CEW working with weak LIGs/MVFs and either replaces those judged to be unsatisfactory by start 2012 or implement alternative remedial measures to be approved by MAFF-PSU.	PDA	December 2011	Partially complete <p>All three provinces have had meetings with CEW across the 3 provinces.</p> <ul style="list-style-type: none"> Kratie: Reviewed 40% are quite satisfied with support with strong by DST as they are practical as possible use same strong regular follow-up. Preah Vihear – weak CEW. No review of CEW performance so have less time. Ratanakiri – class did not have complete system of strong weakest 20% of meetings with CEW system and also working with village that this activity.
Nutrition awareness – provide 3 day ToT training to CEWs and PDoWA staff and incorporate nutrition awareness into FFS curriculum	MAFF-PSU in consultation with MoWA to arrange external Master trainers	December 2012	Partially complete <ul style="list-style-type: none"> 0.5 – 1 day nutrition training. Adoption rates discussed during discussion during understanding. Regular follow-up meeting and follow-up. Introduction of nutrition focused training.
Agricultural cooperatives: Provide support only to those existing registered cooperatives/associations or strong informal groups wanting to formalize that have credible potential to become viable enterprises. Support should be primarily provided as specialist capacity building in essential business skills and not as grants for capital investment. Where there is a credible business plan and capacity the Project should consider partial matching grant of not more than 30% of total cash investment cost only after business training is completed.	MAFF PSU / PDA	2012 onwards	Ongoing – no major progress <ul style="list-style-type: none"> Being done in-lieu of other activities. Process and criteria and capacity to be discussed and agreed. Cooperative development demand from strong.

Updated Progress on MTR actions (Jul 2011)

Agreed action	Responsibility	Agreed date at MTR	Status in September
Discontinue the following activities: <ul style="list-style-type: none"> X Creation of new MVFs or LIGs X Support to new or existing FSIG X Support to new or existing YFC and Women's Groups X Law awareness X Support to rice banks X Agricultural MIS X Ethnic Minority Fund 	MAFF PSU / MoWA	Immediate	Completed, no m <ul style="list-style-type: none"> • Being implemen discontinued. • Rice Banks were already been st support from Ja
Strengthen the role of the AWPB consolidation workshop to check the budget proposals against available resources (funds and staffing requirements in particular) and recommend the consolidated AWPB to the NPC.	MAFF PSU	Beginning 2012 planning cycle and onwards	Ongoing, no maj <ul style="list-style-type: none"> • AWPB for 2012 with budget all budget lines ha • For the 2013 A the mission and PDA
RULIP implementation will remain under the support of D&D structure and system as indicated in the Financing Agreement. MAFF PSU to coordinate with NCDDDS on arrangements at sub-national level during and after the transition to IP3.	MAFF PSU	Immediately	Completed, no m <ul style="list-style-type: none"> • The transition t is working part there were som Continuing cha provide reliable required by RU
A Results Chain for the project will be developed through a facilitated process with the project managers from the PDAs and MAFF-PSU leading to a revised log frame to reduce and simplify target indicators and provide a focus on impacts and outcomes.	PSU / IFAD	October 2011	Completed, no m <ul style="list-style-type: none"> • Results chains now been prep government.
RIMS end-line survey should be carried out as a panel survey, using either the baseline or the mid-term survey as reference household group.	MAFF PSU	At project completion	No action requir <ul style="list-style-type: none"> • To be dealt with
Participatory impact assessment system will be established for all technical training to be delivered to LIGs/ MVFs to measure adoption and impact of new technologies.	PSU M&E, PDA, CEW, DST	October 2011	Not implemented <ul style="list-style-type: none"> • PSU has develop PDA but these • Very little evidence being support t etc. related to t • As a result, this effectiveness of evidence of imp

Updated Progress on MTR actions (Jul 2011)

Agreed action	Responsibility	Agreed date at MTR	Status in September
Annual Outcome Survey will be set up in line with current IFAD guidelines (Technical Guide 2) based on an annual survey by project staff covering approximately 200 households.	PSU M&E	December 2012	Completed by August questionnaire <ul style="list-style-type: none"> The staff capacity for report writing improved The survey has been completed Report on the results is being prepared Some adjustments to the outcome survey have been made for adoption, change in focus, and not provide reliable data was provided by PSU followed the need to be strengthened mean data on survey
Financial Management: Improve the cash flow situation: <ul style="list-style-type: none"> Setting a standard responding time, Setting a standard time for approval/processing of documents Shorten standard duration of completing actions 	MAFF PSU	31 October 2011	Not implemented <ul style="list-style-type: none"> End-to-end process are urgently needed to address inefficiencies No credible results
Re-establish a fiscally sustainable balance between investment and recurrent costs to be financed by IFAD for the remaining 3 year period (indicative target 30% recurrent)	MAFF PSU	1 December 2011	Completed, no more <ul style="list-style-type: none"> Project has adopted in line with MTR Actual recurrent costs Reduction in recurrent reduction but in
Financing Agreement: Send a request to IFAD to amend the Financing Agreement to include: changes to targets, top-up funds, budget reallocations and other agreed changes.	MAFF PSU	December 2011	Completed financing
Procurement: Review the contracts of Technical Advisors and contract staff at the sub-national level, and amend the contracts to harmonise their salary level with those under IP3.	MAFF PSU	2012 plan	Completed, with <ul style="list-style-type: none"> IP3 have not been TA/contract staff As such RULIP approximate level
CEW Exit strategy pilots: <ol style="list-style-type: none"> 1) Establish a business competition for CEWs to identify promising business ideas that will sustain active roles for the CEW in their community. 2) Identify measures to support CEWs after the project completion and pilot them in approximately 10 communes. Pilot measures have to be endorsed by the group members. 	PSU	Pilots completed by December 2012	Ongoing <ul style="list-style-type: none"> In Kratie and Preah Vihear join LIG where reviewed in early Major proposal and VAHWs with master farmers farming and agriculture idea should be monitored closely

Updated Progress on Action Plan of IFAD Support Mission (Feb 2012)

	Responsibility	Deadline	Status in September 2012
Final logframe / results chains	PST, MAFF PSU, MoWA	20 Mar	Completed
Recommendation to IFAD	Nigel Smith/ Ouk Vuthirith / Chhean	23 Mar	Completed Final logframe have been approved by IFAD on 6 April 2012
Annual outcomes survey & PIA training detailed	VBNK / GADC / PSU	April	Partially completed. Annual outcomes survey implemented but relevant PIA still not done into FFS in 2012
Annual outcomes survey & PIA training	VBNK / GADC / PSU / PST / DST	April	Partially completed. <ul style="list-style-type: none"> The annual outcome survey has been carried out on 215 households. In-depth interview and focus group discussion done to support the quantitative aspect. The report on the results of the outcome survey has been prepared.

	Responsibility	Deadline	Status in September 2012
3 based on MTR and results chain: with all 3 provinces and 10 in each province	PSU and PSTs	Early - 6 April – finalized	<ul style="list-style-type: none"> PIA within FSS still not implemented by time of mission Partially completed. 8 th and 9 th technical meetings between PSU and PDA have been reviewing and discussing this. While most recommendations have been introduced into the AWPB, it is evident from observations elsewhere that not all recommendations have then been implemented despite non-implementation of AWPB
Trade workshops to PST -> 10 trainers – to communicate on strategies and build buy-in	PSU, MoWA, PST, DST, CEW, IPM trainer	Start in May finish by mid June	Partially completed. MAFF PSU has introduced the project result chain to relevant provincial and district levels 2 times already and recommended to introduce to PST, DST, CEW and IPM trainers at every quarter. However, the implementation at sub-national levels is limited. In Kratie is there evidence of a close understanding and use of logics/results chains to drive management for results. Ongoing support needed.
Progress meetings in each province, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100	PSU, MoWA and each PDA Seth and/or Moni to also attend.	Q3	Completed and ongoing The quarterly meeting have been implemented by the 3 provinces. At National level, MAFF PSU and MOWA have carried out quarterly meetings 2 times already. Finding relating to management issues, financial and technical issue have been brought up for discussion. The improvement have been recommended.
Formats	PSU Seth/Nigel to provide comment	May – Jun	Being implemented. The report format just discussed during 9 th technical meeting
Visits by PSU technical management	PSU	June onward	Being implemented but more intensive action is needed, Ratanakiri
Annual outcome, PIA, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100	PSU MoWA – support from Moni (+Seth/Nigel), VBNK/GADC?	Draft M&E plan – 6 April Final M&E plan – 30 April	Completed. Clear and good quality M&E Plan has been developed. The M&E plan defines the data to be collected (and the methods to be used); persons responsible for primary data collection; frequency of collection; and persons responsible for data analysis. The plan also defines data gathering tools, record templates and survey questionnaires.
Design and testing. Input to 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95, 100	PSU to lead. Ung Moni to support	Pilot PIA for FFS for May-November production season. (16 FFS pilot with PIA in each province = 48 total) Full roll-out: 2013 May-Nov production season	Not completed Some PIA tools have been developed for general assessment on critical aspects of farmer record keeping for self-learning. No PIA has yet been introduced into any FFS despite only a pilot of current FFS. No piloting now possible as no time left to pilot as this needs to be immediately introduced to all FFS from now on

Appendix 3: Financial: actual financial performance by financier; by component and disbursement by category

Table 3A:	Financial performance by financier as at 31.08.2012		
Financier	Approval (Appraisal)	Disbursements	Per cent disbursed
	(USD)	(USD '000)	
IFAD Grant	9 513 770	8 315 108	87.40%
Co-financier (UNDP)	1 289 910	1 289 910	100.00%
Government	706 300	388 805	55.05%
Total	11 509 980	9 993 823	86.83%

Note: Allocations under IFAD Loan DSF 8005A/KH and IFAD Grant DSF 8005A/KH not included in the table and have zero disbursement.

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Table 3B: Financial performance by financier by component (USD) as at 31.08.2012												
Component	IFAD Grant			Co-financier (UNDP)			Government			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
A. Livelihoods Improvement												
1. Livelihood Improvement Group	2 606 280	2 061 597.75	79.10%							2 606 280	2 061 597.75	79.10%
2. Farming System Improvement	1 003 370	800 164.28	79.75%							1 003 370	800 164.28	79.75%
3. Complementary Support	6 694 000	630 955.60	10.27%	12 000	12 000	100%	5 070		0.00%	634 020	642 955.60	101.41%
4. Law Awareness	266 440	92 722.30	34.80%	257 400	257 400	100%				523 840	350 122.30	66.84%
5. Agriculture Support Services	3 338 840	3 447 242.65	103.25%				485 660	336 474.88	69.28%	3 824 500	3 783 717.53	98.93%
6. Gender Mainstreaming	717 430	365 438.02	50.94%				108 760	10 730.61	9.87%	826 190	376 168.63	45.53%
Sub total	8 549 300	7 398 120.60	86.53%	269 400	269 400	100%	599 490	347 205.49	57.92%	9 418 190	8 014 726.09	85.10%
B. Support for D & D												
1. Support for Provincial Agriculture Investment Program	505 330	517 507.58	102.41%	660 000	660 000	100%	81320	36 638.29	45.05%	1246 650	1214 145.87	97.39%
2. Support for Policy Analysis	287 400	275 716.66	95.93%	360 510	360 510	100%	10 500	2 100.00	20.00%	658 410	638 325.66	96.95%
3. Support for Gender Mainstreaming in Agriculture	171 740	123 764.61	72.07%				14 990	2 860.74	19.08%	186 730	126 625.35	67.81%
Sub total	964 470	916 987.85	95.08%	1 020 510	1 020 510	100%	106 810	41 599.03	38.95%	2 091 790	1 979 096.88	94.61%
Total	9 513 770	8 315 108.45	87.40%	1 289 910	1 289 910	100%	706 300	388 804.52	55.05%	11 509 980	9 993 822.97	86.83%

IFAD loan & grant disbursement, comparisons between original /revised allocations and actual disbursement

Table 3C: IFAD Grant DSF 8005 KH disbursements (SDR)

Category	Category description	Original Allocation	Revised allocation	Disbursements as at 3 Oct 2012	Available balance (4-5)	% disbursed	W/A pending for disbursement from IFAD (WA 45,46,47,55)	Outstanding WA claim of August 2012	Actual disbursements as at 31/8/2012 (5+8+9)	Actual balance as at 31/8/2012 (4-9)	% after disbursement of pending WAs	Project disbursement for 2012 ongoing activities Aug-Dec 2012
1	2	3	4	5	6	7	8	9	10	11	12	
1	Vehicles	345 000	405 000	404 503.28	496.72	99.88%	-		404 503.28	496.72	99.88	1366
2	Civil Works	150 000	254 000	218 970.60	35 029.40	86.21%	12996.75		231967.35	22 032.65	91.33	42 446
3	Materials	1650 000	1303 000	1304 665.87	-1665.87	100.13%	280.49		1304 946.36	-1946.36	100.15	73 147
4	Equipment	100 000	125 000	122 341.30	2 658.70	97.87%	1979.69		124 320.99	679.01	99.46	12
5	Training	1410 000	1410 000	1326 425.46	83 574.54	94.07%	56430.31	733175	1390 187.52	19 812.48	98.59	365 195
6	Contracts & Studies	320 000	320 000	106 238.01	213 761.99	33.20%	42299.65	7947.18	156 484.84	163 515.16	48.90	225 712
7	Staff Allowances	1050 000	1553 000	1 127 487.09	425 512.91	72.60%	28296.31	34447.81	1190 231.21	362 768.79	76.64	58 732
8	Incremental Operating Costs	745 000	780 000	486 559.28	293 440.72	62.38%	21253.72	5 810.82	513 623.82	266 376.18	65.85	64 078
	Unallocated	630 000.00	250 000	0.00	250 000.00	0.00%			0.00	250 000.00	0.00	
	Sub total	6 400 000.00	6 400 000	5 097 190.89	1 302 809.11	79.64%	163 536.92	55 537.56	5 316 265.37	1083 734.63	83.07	830 692
	Initial Advance in Special Account			763 094.39	-763 094.39							
	Total	6 400 000.00	6 400 000	#####	539 714.72	91.57%						

Table 3D: Loan IFAD DSF 8005A/ KH disbursements (SDR) as at 3 October 2012

Category	Category description	Allocation	Revised allocation	Disbursements as at 3 Oct 2012	Available balance (4-5)	% disbursed
1	2	3	4	5	6	7
5	Training	410 000			410 000.00	0.00%
6	Contracts & Studies	440 000			440 000.00	0.00%
	Total	850 000.00	0.00	0.00	850 000.00	0.00

Table 3E: Grant IFAD DSF 8005 A/KH disbursements (SDR) as at 3 October 2012

Category	Category description	Allocation	Revised allocation	Disbursements as at 3 Oct 2012	Available balance (4-5)	% disbursed
1	2	3	4	5	6	7
5	Training	410 000			410 000.00	0.00%
6	Contracts & Studies	440 000			440 000.00	0.00%
	Total	850 000.00	0.00	0.00	850 000.00	0.00%

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Table 3F-A: IFAD Grant DSF -8005-KH Pending for Disbursement (WA prepared and sent to IFAD but not disbursed)										
WAs	Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	Category 7	Category 8	Total	Remarks
WA No	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Based on expenditures as at 31 July 2012										
WA 55	-		430.90	3 041.28	86 690.50	64 982.42	43 469.92	32 603.39	231 218.41	
WA 45		16 160.92							16 160.92	
WA46		3 805.20							3 805.20	
WA47								47.42	47.42	
Total	-	19 966.12	430.90	3 041.28	86 690.50	64 982.42	43 469.92	32 650.81	251 231.95	

Note: Prepare this table accounting the expenditures up to July 2012

Table 3F-B: IFAD Grant DSF -8005-KH Pending amount for WA claim (as at 30-6-2012)										
WAs	Category 1	Category 2	Category 3	Category 4	Category 5	Category 6	Category 7	Category 8	Total	Remarks
WA No	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	Eqv SDR	
Based on expenditures as at 31 July 2012										
WA 55	-		280.49	1 979.69	56 430.31	42 299.65	28 296.31	21 222.85	150 509.30	
WA 45		10 519.79							10 519.79	
WA46		2 476.96							2 476.96	
WA47								30.87	30.87	
Total	-	12 996.75	280.49	1 979.69	56 430.31	42 299.65	28 296.31	21 253.72	163 536.91	

Note: Prepare this table accounting the expenditures up to July 2012, IMF Exchange Rate as at 10 October 2012, 1 SDR=USD 1.53624

Grant No. DSF -8005-KH										
SUMMARY OF SOURCES AND APPLICATION OF FUNDS										
Reporting Period: January-Jun 2012										
										in USD.
FINANCING			Actual			Budget			Variance	
			Cumulative up to 2011	as of 30June 2012	Cumulativeas at 31.6.2012	Cumulative up to 2011	2012	Cumulativeas at Dec.2012	1st half of 2012 with annual budget	Cumulative up to 2012
	IFAD Grant									
	Initial Deposit		900 000	-	900 000					
	Replenishment		6 242 000	1 204 600	7 446 600					
	Direct Payments		713 800		713 800					
	Total financing IFAD Grant (i)		7 855 800	1 204 600	8 160 400					
	Government Funds (ii)		382 291	35 692	417 983					
	Co-financer (iii)				-					
	Total Financing (i+ii+iii) (A)		8 238 091	1 240 292	9 478 383					
	PROJECT EXPENDITURES :									
Category	IFAD Grant									
I	Vehicles		636 263	-	636 263	1 159 225	2 100	1 161 325	2 100	525 063
II	Civil Works		364 604	2 289	366 893	1 695 253	67 496	1 762 750		1 395 857
III	Materials		2 006 717	6 842	2 013 559	2 390 841	116 351	2 507 192	109 509	493 633
IV	Equipment		188 349	3 041	191 390	322 578	3 060	325 638	19	134 247
V	Training		2 026 710	170 070	2 196 780	3 487 264	723 135	4 210 399	553 065	2 013 619
VI	Contracts & Studies		130 540	141 579	272 119	398 050	357 251	755 301	215 672	483 182
VII	Staff Allow ances		1 582 302	261 971	1 844 274	2 060 613	500 381	2 560 994	238 410	716 721
VIII	Incremental Operating Costs		699 998	93 833	793 831	843 432	172 621	1 016 053	78 788	222 222
	Total - IFAD & GoN	(B)	7 635 483	679 625	8 315 108	12 357 256	1 942 396	14 299 652	1 197 563	5 984 544
	Government Counterpart Fund									
I	Vehicles		144 057	-	144 057	494 800	900	495 700	900	351 643
II	Civil Works		61 463	254	61 717	221 093	1 500	222 593	1 245	160 875
III	Materials		-	-	-	-	-	-	-	-
IV	Equipment		20 896	338	21 234	35 600	340	35 940	2	14 706
V	Training		-	-	-	-	-	-	-	-
VI	Contracts & Studies		2 100	3 883	5 983	6 000	16 116	22 116	12 233	16 133
VII	Staff Allow ances		-	-	-	600	-	600	-	600
VIII	Incremental Operating Cost		139 459	16 354	155 813	216 415	39 187	255 602	22 833	99 789
	Total - Government (c)		367 976	20 829	388 805	974 509	58 042	1 032 551	37 214	643 747
	Total - Co-financers (D)		-	-	-	-	-	-	-	-
TOTAL PROJECT EXPENDITURE (B)+(C)+(D)=(E)			8 003 459	700 454	8 703 913	13 331 765	2 000 439	15 332 204	1 299 985	6 628 291
	Financing less disbursements (A) - (E)				774 470					

Appendix 4: Status of compliance with Grant Covenants

Covenant	Status
<i>Grant Agreement of the Recipient and the Project Parties.</i> The Recipient shall be fully responsible to the Fund for the due and timely performance of all obligations ascribed to it, the Lead Project Agency and all other Project Parties under this Agreement. To the extent any Project Party enjoys legal personality separate from the Recipient, any reference to an obligation of such Project Party in this Agreement shall be deemed an obligation of the Recipient to ensure that such Project Party performs such obligation. The acceptance by any Project Party of any obligation ascribed to it in this Agreement shall not affect the responsibilities and obligations of the Recipient hereunder.	Being complied with
<i>Appointment of the Cooperating Institution.</i> The United Nations Office for Project Services (UNOPS) shall be appointed as the Cooperating Institution, with the responsibilities set forth in Article III of the General Conditions, to administer the Loan and supervise the Project in accordance with the Cooperation Agreement. The Recipient hereby agrees to such appointment.	Not applicable since 2008
<i>Grant.</i> The Fund agrees to extend a Grant to the Recipient in the principal amount of six million four hundred thousand Special Drawing Rights (SDR 6,400,000) for the purpose of financing the Project.	Being complied with
<i>Grant Account and Withdrawals.</i> The Fund shall open a Grant Account in the name of the Recipient and credit the principal amount of the Grant thereto. The Recipient may request withdrawals from the Grant Account from time to time between the Effective Date and the Grant Closing Date in various currencies in respect of Eligible Expenditures and otherwise in accordance with Schedule 2 (Allocation and Withdrawal of Grant Proceeds) hereof.	Being complied with
<i>Grant Bank Account.</i> As soon as practicable after the date hereof, the Recipient shall open and thereafter maintain in the National Bank of Cambodia, or another bank proposed by the Recipient and accepted by the Fund, a Grant Bank Account denominated in US Dollars for the purpose of receiving Grant proceeds to finance the Project. The Grant Bank Account shall be protected against set-off, seizure or attachment on term and conditions proposed by the Recipient and accepted by the Fund. For the purposes of this Agreement, the Grant Bank Account shall be regarded, mutatis mutandis, as a special account, as referred to in Section 4.08 of the General Conditions.	Being complied with Account approved on 14, 2007 from NE
From the Effective Date, upon the Recipient's request and in accordance with the approved AWPB for the first Programme Year, the Fund shall make one or more withdrawals of up to USD 900,000 in the aggregate from the Grant Account on behalf of the Recipient, and deposit such amount in the Grant Bank Account. The Fund shall replenish the Grant Bank Account from time to time in accordance with the eligible expenditures of the approved AWPBs, as may be adjusted in accordance with the provisions of Section 3.02 (f) hereof, and following the Recipient's submission to the Fund of withdrawal applications or certified statements of expenditure. At the Project Completion Date and in any event no later than the Grant Closing Date, the Recipient shall submit to the Fund withdrawal applications or certified statements of expenditure with respect to the use of the totality of the withdrawals from the Grant Bank Account. The Recipient shall make payments out of or use the proceeds of the Grant Bank Account exclusively for Eligible Expenditures under the Project.	Being complied with
MEF shall operate the Grant Bank Account.	Partially complied with more advance to Account is approved disbursement from Account is managed
<i>Use of Proceeds.</i> The Recipient and each Project Party shall use the proceeds of the Grant exclusively to finance Eligible Expenditures in accordance with this Agreement and the General Conditions.	Being complied with support travel allow as project focal po contract with PDA
<i>Project Implementation.</i> The Recipient declares its commitment to the goals and purposes of the Project as stated in Schedule 1 and, in furtherance of such goals and purposes, the Project shall be carried out in accordance with this Agreement, in particular in accordance with Section 7.01 of the General Conditions, and substantially in accordance with the AWPB and the Procurement Plans.	Being complied with
<i>Annual Work Plans and Budgets.</i> (a) The PDAs and the PDoWAs shall each prepare, and the Provincial Authorities through the PAs shall approve, draft consolidated annual work plans and budgets in respect of planned project activities in their respective provinces for each Project Year, based on participatory planning process. The draft provincial AWPBs shall include, among other things, a detailed description of Project activities, expected outputs and the estimated cost of financing such activities.	Being complied with
MAFF PSU and MoWA shall each prepare a draft annual work plan and budget in respect of their planned Project activities for each Project Year. The draft AWPBs shall include, among other things, a detailed description of Project activities during the Project Year, expected outputs and the estimated cost of financing such activities, the sources and uses of funds thereof, and a procurement plan for at least eighteen months.	Being complied with
MAFF PSU shall prepare consolidated draft annual work plans and budgets (AWPBs) in respect of the entire Project for each Project Year. The draft AWPBs shall include, among other things, a detailed description of planned Project activities during the Project Year, and the sources and uses of funds therefore, based on the work plans and budgets referred to in paragraphs (a) and (b) above submitted by the Provincial Authorities, and a consolidated Procurement Plan of the Project for at least eighteen months.	Being complied with
Not later than the 15 November prior to the beginning of the relevant Project Year, the MAFF PSU shall submit each consolidated AWPB and consolidated Procurement Plan of the Project to the Fund, the Cooperating Institutions and UNDP for their respective comments and the no-objection of the Fund and the Cooperating Institution. When so endorsed, the MAFF PSU shall submit the draft AWPB to the MEF for its approval.	The MAFF-PSU submitted on 19 January 2012 about 2 months

Covenant	Status
MAFF PSU shall adopt the AWPBs and Procurement Plans substantially in the form endorsed by the Fund, the Cooperating Institution, and UNDP and ensure its inclusion in the annual national Public Investment Programme and budget. The MAFF PSU shall provide copies thereof to the Fund and the Cooperating Institution, prior to the commencement of the relevant Project Year.	Being complied with
Where required, the MAFF PSU on behalf of any Project Party may propose adjustments to the AWPB during the relevant Project Year, which shall become effective upon approval by the MEF, and no objection from UNDP, the Fund and the Cooperating Institution.	Being complied with
Project Accounts. As soon as practicable after the date hereof, MEF, at the request of each ExCom on behalf of the relevant Provincial Authorities through the MAFF PSU, shall open and thereafter maintain in a bank proposed by the Recipient and accepted by the Fund two current accounts for each of the provinces comprising the Project Area, each denominated in USD, for Project operations. One such account shall receive the proceeds of the Grant (respectively, "Project Account KRT.1", "Project Account PVH.1", and "Project Account RAT.1") and the other account shall receive counterpart funds in accordance with Section 3.04 d) (respectively, "Project Account KRT.2", "Project Account PVH.2", and "Project Account, RAT.2"). The Governor, on behalf of the respective Provincial Authorities, or his delegate, shall be fully authorized to operate Project Accounts KRT.1, KRT2, PVH.1, KRT.2, RAT.1 and RAT.2.	Being complied with approved on July 2012 approved on August 2012 RAT approved on August 2012 from ACLEDA Bank Plc.
As soon as practicable after the date hereof, MEF, at the request of the MAFF PSU on behalf of the MAFF, shall open and thereafter maintain in a bank proposed by the Recipient and accepted by the Fund, two current accounts denominated in US dollars for Project operations. One account shall receive the proceeds of the Grant through the Grant Bank Account (the "Project Account MAFF PSU.1") and the other account shall receive counterpart funds in accordance with Section 3.04 d) ("Project Account MAFF PSU.2"). The National Project Coordinator or the Deputy National Project Coordinator of the MAFF PSU shall be authorized to operate the Project Account MAFF PSU.1 and MAFF PSU.2.	Being complied with approved on August 2012 ACLEDA Bank Plc.
Availability and Channelling of Grant Proceeds and Counterpart Funds. The Recipient shall make the proceeds of the Grant available to the Project Parties to carry out the Project in accordance with the AWPBs as follows: (a) to the relevant ExComs, as a grant, by disbursement from the Grant Bank Account into the Project Accounts KRT.1, PVH.1 and RAT.1, respectively quarterly in advance, upon request by MAFF PSU. (b) to the MAFF PSU, as a grant, by disbursement from Grant Bank Account into the Project Account MAFF PSU.1, quarterly in advance, upon request by MAFF PSU. c) as soon as practicable after the date hereof, the Recipient shall open and thereafter maintain in the National Bank of Cambodia, or another bank proposed by the Recipient and accepted by the Fund, a Counterpart Funds Account denominated in USD, for the purpose of channelling its cash counterpart contribution to the Project Accounts referred to respectively in Section 3.03 a) and b) above, (d) Without limiting the generality of paragraph a) above, the Recipient shall make available to MAFF PSU, MoWA, the Provincial Authorities, PDAs, PDoWAs and other Project Parties during the Project Implementation Period counterpart contributions from its own resources in an approximate aggregate amount of USD 706,000 equivalent in accordance with its customary national procedures, through i) USD contributions into the Counterpart Funds Accounts for subsequent transfer, as a grant, into Project Accounts KRT.2, PVH.2, RAT.2 and MAFF PSU.2, respectively, and ii) tax exemptions in accordance with paragraph 8 of Schedule 3 II (Additional Exemptions, e) For such purpose, as soon as practicable but in no event later than 90 days after the Effective Date, the Recipient shall make available counterpart funds in an amount of USD 128,000 equivalent to the Project Parties, quarterly in advance, to assist in financing Project implementation in the first Project Year in accordance with the AWPB, f) Thereafter, the Recipient shall replenish Project Accounts KRT.2, PVH.2, RAT.2 and MAFF PSU.2, respectively, by disbursement from the Counterpart Funds Account of the counterpart funds called for in the AWPB for the relevant Project Year in accordance with the AWPB, quarterly in advance, upon request by the person or persons authorized to operate the relevant project account. g) Without limiting the generality of paragraphs a) and b) above, the Recipient shall finance, following its customary national procedures, salaries of its staff working for the Project throughout the Project Implementation Period.	Being complied with
Additional Resources. (a) In addition to the proceeds of the Grant, the Recipient shall make available to the Project Parties, promptly as needed, such funds, facilities, services and other resources as may be required from time to time to carry out the Project in accordance with this Agreement and in accordance with Section 7.03 of the General Conditions.	Being complied with
Without limiting the generality of paragraph a) above, the Recipient shall exercise its best efforts to ensure that the UNDP assistance is made available to the Project Parties in accordance with the AWPBs agreed by the Recipient and UNDP.	Being complied with
Procurement. All procurement financed from the proceeds of the Grant shall be undertaken in accordance with Schedule 4 of this Agreement.	Being complied with
Monitoring. The MAFF PSU, in collaboration with each relevant Project Party, shall establish, as soon as practicable but in no event later than six months after the Effective Date, and thereafter maintain an appropriate participatory information management system, acceptable to the Fund, to enable it to continuously monitor the Project in accordance with Section 8.02 (Monitoring of Project Implementation) of the General Conditions based on indicators agreed by the Recipient and the Fund.	Being complied with
Progress Reports. The MAFF PSU shall submit to the Fund and the Cooperating Institution annual and semi-annual progress reports on Project implementation, as required by Section 8.03 (Progress Reports) of the General Conditions, no later than three months after the end of each reporting period during the Project Implementation Period.	Being complied with
Term Review. The Fund, jointly with UNDP and in cooperation with the Recipient and the Cooperating Institution, shall carry out a review of Project implementation no later than the third Project Year (the "Mid-Term Review"), or such other date as the Recipient and the Fund may agree based on terms of reference approved by the Recipient, UNDP, the Fund and the Cooperating Institution.	Partially complied with not join the MTR

Covenant	Statement
Other things, the Mid-Term Review shall consider the achievement of Project objectives and the constraints thereon, and recommend such reorientation as may be required to achieve such objectives and remove such constraints. In addition, the Mid-Term Review shall address i) the performance of the agricultural activities in the indigenous ethnic minority communities, ii) the performance of the LIGs, FSI groups, other community and village based groups and marketing studies and pilots, iii) the performance of the Technical Assistance (TA), future TA requirements and financing arrangements, iv) the performance of the commune extension workers (CEWs) and the role of the commune councils in the supervision, v) the performance of the provincial line departments and their staff, vi) the usefulness of the learning communities, vii) the beneficiary assessment of project impact and the independent assessment of the poverty reduction impact, viii) the output of the policy analysis unit and its inputs into policy formulation. Based on such review, the Recipient, UNDP and the Cooperating Institution and the Fund shall develop an action plan for the remainder of the Project Implementation Period.	Being complied with
Recipient shall ensure that the action plan resulting from the Mid Term Review is implemented within the specified time frame and to the satisfaction of the Fund and the other Financiers. It is agreed and understood that such recommendations shall result in modifications to the Grant Documents or cancellation of the Grant.	Being complied with
Completion Report. The MAFF PSU with support from the Cooperating Institutions and together with the other Project Parties shall prepare a draft of the completion report on the Project required by Section 8.04 (Completion Report) of the General Conditions and submit such draft to the Recipient, UNDP, the Fund and the Cooperating Institutions for comments. The MAFF PSU shall submit the final version of the Completion Report to the Fund no later than the Project Completion Date.	Not yet applicable
Evaluations. The Recipient and each Project Party shall facilitate all evaluations and reviews of the Project that the Fund may carry out during the Project Implementing Period and for ten years thereafter, as required by Section 10.05 (Evaluations of the Project) of the General Conditions.	Not yet applicable
Financial Statements. The MAFF PSU shall prepare the financial statements of the operations, resources and expenditures related to the Project required by Section 9.02 (Financial Statements) of the General Conditions in respect of each Fiscal Year and deliver such financial statements to the Fund and the Cooperating Institution within three months after the end of such Fiscal Year.	Being complied with
Audit Reports. Within 90 days after effectiveness, the MAFF PSU shall appoint, with the prior approval of the Fund, independent auditors selected by the MAFF PSU in accordance with the procedures and criteria set forth in the Fund's Guidelines on Project Audits (Recipient's use) (2003, as may be amended from time to time) to audit the accounts relating to the Project for an initial period not exceeding 18 months ending at the end of a Fiscal Year designated by the Fund by notice to the Recipient. Thereafter, as soon as practicable but in event later than 90 days after the beginning of each succeeding Fiscal Year, the MAFF PSU, with the prior approval of the Fund, shall confirm such auditors' appointment or so appoint new independent auditors for such Fiscal Year in accordance with this Subsection 5.02 (a).	Being complied with
MAFF PSU shall have the financial statements relating to the Project audited each Fiscal Year by such auditors in accordance with the International Standards on Auditing, as may be amended from time to time. In accordance with Section 9.03 of the General Conditions, in addition to the audit report on the financial statements, the auditors shall provide: (i) an opinion on the audited statements of expenditure and the operation of the Grant Bank Account, the Counterpart Funds Account and the Project Fund and (ii) a separate management letter, addressing the adequacy of the accounting and internal control systems. The MAFF PSU shall deliver the above-mentioned items to the Fund and the Cooperating Institution within six months after the end of each Fiscal Year. The MAFF PSU shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof.	Being complied with
Maximum Withdrawal Amounts. Withdrawals from the Grant Account shall be made in amounts no less than USD 20 000 or its equivalent, or such other amount as the Fund may designate from time to time	Being complied with
Statements of Expenditure. Withdrawals from the Grant Account may be made against certified statements of expenditure in respect of Eligible Expenditures in such amount as the Fund may designate from time to time by notice to the Recipient. The documents evidencing such expenditures need not be submitted to the Fund, but shall be retained by the Recipient for inspection by a representative of the Fund and the Cooperating Institution, in accordance with Sections 4.07 (Statements of Expenditures) and 10.03 (Visits, Inspections and Enquiries) of the General Conditions.	Being complied with
Proactive Financing. Withdrawals not exceeding the equivalent of USD 220,000 in the aggregate may be made from the Grant Account under Categories V (Training) of the Allocation on Table set forth in Table I of paragraph 1 hereof in respect of expenditures incurred before the date of this Agreement but after 5 December 2006. Such expenditures shall be considered Eligible Expenditures for all purposes of this Agreement, of otherwise eligible	Being complied with
Organisation and Management	
Lead Project Agency.	
Designation and Composition. The Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Recipient, in its capacity as Lead Project Agency, shall be responsible for the coordination of the Project.	Being complied with
Responsibilities. The Lead Project Agency shall be responsible for the coordination of the successful implementation of the Project as well as for provision of i) policy guidance to the Project Parties ii) inter-agency coordination on any policy and major operational issue iii) endorsement of the AWPBs and iv) oversight of the progress of the Project. The Lead Project Agency shall also be responsible for the provision of technical support to the PDAs in the Project Area for implementation of the Livelihoods Improvement Component (Schedule 1, paragraph 6A).	Being complied with
Lead Project Agency shall ensure that the Project is implemented within the framework of the goals, purposes, approaches and strategy set forth in this Agreement and as otherwise agreed by the Recipient and the Fund. It shall ensure that selection criteria, eligibility criteria and targeting criteria for Project activities set forth in this Agreement or otherwise agreed by the Recipient and the Fund shall be strictly observed in Project implementation.	Being complied with
Project Support Unit (MAFF PSU) of MAFF	

Covenant	Status
Establishment and Composition. The Recipient shall establish and maintain throughout the Project Implementation Period a Project Support Unit (MAFF PSU) within the Lead Project Agency composed of such competent staff in such adequate numbers as the Recipient and the Fund may agree. The MAFF PSU staff shall include a National Project Coordinator (NPC) and staff working full-time for the Project including i) one Deputy National Project Coordinator (DNPC), ii) one Policy Analyst, iii) two Finance Officers, iv) two planning and Monitoring and Evaluation (M&E) Officers and v) two support staff.	Being complied with
Responsibilities. The MAFF PSU shall be responsible for: a) Inter-agency coordination and coordination with UNDP, the Fund, the Cooperating Institution, and other dev. agency, b) national and inter-provincial coordination and co-ordination with other projects and programmes, c) co-ordination with UNDP for the implementation of the Learning Communities sub-component and with IDA/DFID supported National Resources Management (NRM) and Livelihood Programme to ensure that Project implementation is co-ordinated with the activities supported by other development agencies in the Project area d) processing and procurement of goods and services financed under the Project in cooperation with other Project Parties e) Operating the Project accounts MAFF PSU.1 and MAFF PSU.2 in accordance with Section 3.03 of this Agreement f) arranging for supervision, review and evaluation of Project (Supervision, Mid-Term and Completion) g) Preparation and review of the consolidated AWPBs of the Project for submission to the Fund and the Cooperating Institution for comments and no-objection and to MEF for approval h) consolidating and processing, on a timely basis, eligible expenditures incurred at national level and in the Project Area and preparing withdrawal applications for submission to the MEF and the Cooperating Institution i) Preparing, maintaining and consolidating accounts and records relating to the Project in accordance with generally accepted accounting standards and on 9.01 of the General Conditions, including inter alia, the Grant Bank Account, the Project Accounts, the Counterpart Funds Account and all other Project-related accounts j) Preparing consolidated financial statements of the Project in accordance with Section 5.01 of this Agreement k) Appointing an independent external auditor, acceptable to the Fund, within 90 days after Effective Date, and responding to the management letter in accordance with Section 5.02 (b) of this Agreement l) establishing in six months of the Effective Date and managing the Monitoring and Evaluation and Results for Impact Management System (E/RIMS) and beneficiary impact assessment for the Project in accordance with Section 4.01 of this Agreement, analysing information and reporting to the Fund and the Cooperating Institution m) Overall compliance with implementation, reporting and information requirements (Article IV hereof and Article VIII of the General Conditions) and financial reporting and information requirements (Article V hereof and Article IX of the General Conditions).	Being complied with
The MAFF PSU shall also discharge the following responsibilities i) assist the Provincial Authorities, PDAs and other Project parties in the selection of Project target communes, ii) assist the PDAs PDoWAs and other Project Parties set up and operate the financial reporting and monitoring systems required by this Agreement and provide necessary staff training, iii) provide management and technical support to PDAs, PDoWAs and other Project Parties to implement the Project activities in an efficient and effective manner, iv) facilitate the provision of specific technical expertise and support required by the PDAs from MAFF and other institutions, v) coordinate with the MOI in respect of policy issues related to the Organic Law and decentralisation and deconcentration and with the MoWA for gender mainstreaming in the agricultural sector, vi) ensure that the activities of the Learning Communities are synchronized and integrated with the Project, vii) assess the implications for the development of pro-agricultural policies and engage in dialogue with government policy makers under the Policy Analysis sub-Component (Schedule 1, para. BII) and viii) act as secretariat to the Committee for Decentralization and Deconcentration established within the Fund.	Being complied with
National Project Coordinator (NPC) and Deputy National Project Coordinator (DNPC).	Being complied with
Appointment and Tenure. The Lead Project Agency shall appoint a National Project Coordinator (NPC) and Deputy NPC (DNPC) who shall not be removed until the completion of the Mid-Term Review except in the case of unsatisfactory performance, with justifications and experience satisfactory to the Fund. The NPC and the DNPC shall be responsible for the day-to-day operations of the MAFF PSU, the coordination of, and support to, all Project Parties in the implementation of the Project and for ensuring that the responsibilities of MAFF as the Lead Project Agency set forth in para. 1.2 above are satisfactorily carried out.	Being complied with The RPRP and RuLIP. The MAFF PSU is responsible for Financial Management, Procurement and M&E. One DNPC is responsible for Planning and M&E.
Ministry of Women's Affairs (MoWA)	
Responsibilities. The Ministry of Women's Affairs of the Recipient shall contribute to gender mainstreaming in the agricultural sector, through an annual contract with the MAFF, and to support gender mainstreaming in Project implementation in the three provinces. Qualified, experienced senior staff and gender specialists engaged full-time for the Project shall provide the required support, inter alia for: i) designing and implementing gender mainstreaming and women empowerment programmes ii) training trainers, technical advice and on-the-job training in gender analysis iii) providing technical support to the staff of the PDoWAs in the Project Area in implementation of the Gender Mainstreaming in Agriculture sub-component (schedule 1, para B III), iv) preparing training materials for the Gender mainstreaming in Agriculture sub-component (Schedule I, para B III), iv) preparing training materials for the Gender Mainstreaming in Agriculture sub-component (Schedule I, para. B III) for use of PDoWAs and designing implementation arrangements for impact monitoring, gender problem-solving, confidence building, mentoring, data analysis and policy guidance	Being complied with
Ministry of Economy and Finance	
Responsibilities. The MEF of the Recipient shall be responsible for, inter alia: a) Providing guidance and systematic training to the Project staff on the implementation of Standard Operating Procedures (SOP), Financial Management Manual (FMM), Procurement Manual (PM) and handbook of decentralized Projects of the Recipient, b) approval of the AWPBs of the Project on behalf of the Recipient, c) ensuring that the AWPBs of the Project are included in the national budget to be submitted to the National Assembly for approval, d) Operation of the Grant Bank Account in accordance with Section 2.03 of the Counterpart Funds Account in accordance with Section 3.04 (c) e) disbursement of the proceeds of the Grant, through the Project Accounts, to the Project Parties in the three provinces in the Project Area and the MAFF PSU to finance the Project activities in accordance with Section 3.05 (a) and (b) respectively f) disbursement of the Recipient's counterpart contribution in accordance with Section 3.05, g) processing and submission of withdrawal applications to the Fund and the Cooperating Institution and h) other responsibilities relevant to the MEF as provided in this Agreement.	Being complied with The Fund and Administration applied to RULIP at the national level.

Covenant	Status
<i>Liaison Officer and Assistant.</i> The MEF shall appoint a Liaison Officer and an Assistant to the Liaison Officer, with qualifications and experience satisfactory to the Fund, to serve in the World Bank Division of the Department of Investment and Cooperation of the MEF. The Liaison Officer and Assistant thereof shall take care of all matters related to Project implementation as provided in paragraph 5.1 hereof.	Being complied with
<i>Provincial Level.-Provincial Authorities</i>	
<i>Organization.</i> Under the coordination of the Lead Project Agency, the Provincial Authorities of each province in the Project Area shall be responsible for the successful implementation of Project activities and coordination of the social and economic development programmes in their respective Provinces.	Being complied with
<i>Composition.</i> The provincial Authorities shall encompass the provincial administration of the Recipient in each of the province in the Project Area, including the Governor, his/her deputies, the Provincial Rural Development Committee (PRDCs) and such other agencies as the Recipient may deem necessary. The Recipient shall maintain the Provincial Authorities and ensure effective functioning in each of the provinces in the Project Area throughout the Project Implementation Period. The Recipient shall promptly inform the Fund of any change in the mandates, functions, responsibilities, composition and institutional structure of the Provincial Authorities.	Being complied with
<i>Responsibilities.</i> The Provincial Authorities shall be responsible for, inter alia i) policy guidance for social and economic development in the respective provinces of the Project Area, ii) coordination of all rural poverty reduction programmes in the respective provinces, iii) inter-agency coordination on any policy and major operational issue, iv) endorsement of the selection of project target communes, v) approval of the provincial Project AWPBs, vi) award of Project Contract to the Provincial Implementing Agencies, NGOs and other organisations for implementation of the Project, vii) coordination of policy, planning, budgeting, management and operational issues related to Project implementation, viii) review and endorsement of quarterly and annual Project progress reports, and ix) supervision of the Project implementation in their respective provinces.	Being complied with
<i>Executive Committee (ExCom) of the Provincial Rural Development Committee</i>	The Provincial Authority was replaced by Implementation Years Plan (IP3) for 2012.
<i>Organization and Composition.</i> The Recipient shall maintain an executive committee (ExCom) for the relevant Provincial Authorities throughout the Project Implementation Period. Each ExCom shall be composed of representatives of the relevant line agencies of the Recipient at the provincial level and such other agencies as the Recipient may deem necessary. The Recipient shall promptly inform the Fund of any change in the mandates, functions, responsibilities, composition and management structure of the ExComs.	Being complied with
<i>Responsibilities.</i> Each ExCom shall include four management units of Local Administration, Contract Administration, Technical Support and Finance, which shall manage and support the day-to-day implementation and operation of Project activities in its respective province. The ExCom shall include such other competent staff in such adequate numbers as the Recipient and the Fund may agree, each with qualifications and experience satisfactory to the Fund.	Being complied with
<i>Responsibilities.</i> Each ExCom shall be responsible for: (i) the execution of policy decisions taken by the relevant Provincial Authorities, ii) implementation of the social and economic development and rural poverty reduction programmes/projects in the respective province through concerned provincial line agencies, NGOs and other qualified service providers, iii) supervision of Project Contracts, and iv) inter-agency coordination, supervision and monitoring of Project implementation in its respective province. Each ExCom shall also be responsible for, inter alia: a) provision of overall co-ordination of Project activities at provincial, district and commune levels; b) selection and appointment of qualified technical and management staff in adequate numbers in each of the four management units of the ExCom, with the approval of the provincial staff selection committee; c) ensuring that the four management units of the ExCom are properly staffed, managed and financed and effectively perform their duties in accordance with their assigned roles and responsibilities, d) validating the targeting of the Project activities in the respective Province, e) supervising and monitoring Project implementation in the respective province, f) review and consolidation of the provincial AWPBs of the Project for submission to the Provincial Authorities for approval as part of the provincial Public Investment Programme and onward transmission to the MAFF PSU for consolidation by 15 October of each Project Year; g) ensuring that the Project Contracts with the relevant Provincial Implementing Agencies, NGOs or other Project Parties are awarded in accordance with the approved AWPBs; h) the administration and supervision of the execution of the Project Contracts on behalf of the relevant Provincial Authorities, i) operation of the relevant Project Accounts as described in Section 9.01 (a). j) ensuring that the finance system and payments against approved Project Contracts are efficiently managed, monitored, accounted for and periodically audited; k) establishing and maintaining the Monitoring and Evaluation and Results for Management System (M&E/RIMS) and analysing information and reporting to the MAFF PSU, l) organisation and execution of regular Project impact assessments and beneficiary monitoring workshops m) consolidating and processing, on a monthly basis, Eligible Expenditures and withdrawal applications for submission to the MAFF PSU n) preparation and maintenance of financial account and records required by Section 9.01 of the General Conditions in respect of the Project activities in the relevant province o) compliance with implementation reporting and information requirements (Article IV hereof and Article VIII of the General Conditions) and financial reporting and information requirements (Article V hereof and Article IX of the General Conditions) in respect of Project activities in the relevant Province.	Being complied with
<i>Provincial Implementing Agencies</i>	
<i>Organization.</i> The provincial implementing agencies in each province shall include Provincial Department of Agriculture, Provincial Department of Women's Affairs, and such other agencies as the Recipient may deem necessary for the successful implementation of the Project.	Being complied with

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<p>Responsibilities. Each provincial implementing agency shall implement the Project activities under a Project Contract with the relevant Provincial Authorities. Each provincial implementing agency shall appoint staff with qualifications and experience satisfactory to the Fund, and shall be responsible for implementing the Project components and sub-components under its responsibility, including planning, management, staff supervision and reporting. Each provincial implementing agency shall be responsible for the following: (i) selection of provincial and district Project staff for the implementation of respective Project components and activities under its responsibility, with the approval of the provincial staff selection committee; (ii) preparation and consolidation of AWPBs based on commune planning processes and district integration workshops for the implementation of respective Project components and activities under its responsibility for submission to the Provincial Authorities through the ExCom for approval and inclusion in the provincial and national Public Investment Plan; (iii) preparation of detailed proposals for Project Contracts (iv) execution of the Project Contracts to provide required services to the members of the Target Group for implementation of respective Project components and activities under its responsibility in accordance with the targeting and eligibility criteria of the Project and terms and conditions of the Project Contracts; (v) provision of adequate numbers of qualified provincial and district staff and provision of adequate technical backstopping to the district staff; (vi) organisation and provision of adequate technical and management training to selected provincial and district staff, farmers and community leaders in their specific fields of expertise (vii) management and execution of the services and activities in all aspects of the Project Contracts (viii) Provincial Authorities to ensure accountability and transparency, including provision of high quality services to the members of the Target Group, purchase of equipment, materials and inputs for the implementation of the Project Contracts, execution of training programmes, payment of staff allowances and operating expenses, settlement of the Project Contract payments with the ExCom and keeping records and accounts for eligible Project expenditures; (viii) maintenance of close coordination and collaboration with the other provincial implementing agencies and the ExCom in the other province of the Project Area and with counterpart line ministries in respect of national policy and regulations in the respective sector or sub-sectors and any other matters as necessary; and (ix) preparation and consolidation of monthly and quarterly physical and financial progress reports for concerned Project activities for submission to the Provincial Authorities through the relevant ExCom and to the MAFF PSU.</p>	Being complied with
<p>Provincial Department of Agriculture (PDA)</p> <p>Responsibilities. The Director of each PDA shall be responsible for the successful implementation of the Livelihood Improvement Component of the Project under contracts with the Provincial authorities, in close coordination with the relevant PDoWA and selected NGOs.</p>	Being complied with
<p>Provincial Support Teams (PST)</p> <p>Establishment and Composition. Each PDA shall establish and maintain a Provincial Support Team (PST) in its province throughout the Project implementation period, headed by the Director or a Deputy Director of the PDA as the Provincial Project Coordinator (PPC) and a Deputy Provincial Project Coordinator (DPPC) with qualifications and experience satisfactory to the Fund. The PST shall include two sections: i) the management group responsible for administration, finance, planning, reporting and monitoring and ii) the technical group responsible for providing training and technical support to District staff and CEW in crop and livestock extension, marketing linkages and other relevant activities under the Livelihood Improvement Component of the Project. The technical group shall include one staff selected from PDoWA to assist with gender mainstreaming, analysis, monitoring and implementation of specific activities that involve women. The PST staff shall include such other competent staff in adequate numbers as the Recipient and the Fund may agree, each with qualifications and experience satisfactory to the Fund. The PST shall work full time on Project implementation and management.</p>	Being complied with
<p>Responsibilities. The PST shall be responsible for, inter alia: i) organising the District Support Team (DST) staff to participate in commune development planning processes, including undertaking the Agro-ecosystem Analysis and effective participation in district integration workshops, ii) preparing and consolidating the AWPBs for the Project's agricultural activities to be submitted through the ExCom to the Provincial Authorities for approval and inclusion in the provincial and national Public Investment Plan, iii) preparing detailed proposals and contract documents for the implementation of the Project's agricultural activities, iv) executing Project Contracts with the Provincial Authorities, v) providing technical support and qualified technical staff in adequate number at the provincial district and commune levels (PST, DSTs and CEWs) to implement the agricultural development activities under contracts, vi) organising technical and management training at provincial, district and commune levels for agricultural staff, CEWs, farmers and group leaders, vii) arranging the timely purchase and delivery of equipment, materials and agricultural inputs, viii) recruiting the CEWs to work in each commune in cooperation with the commune councils, village elders and DSTs, ix) supervising and evaluating the performance of the provincial and district agricultural Project staff and CEWs, x) coordinating with selected Micro-finance Intermediaries and credit NGOs to enable target group farmers have access to credit, xi) maintaining financial accounts and records for Project Eligible Expenditures, xii) preparing and consolidating monthly, quarterly, six-monthly and annual physical and financial progress reports for all Project agricultural development activities for submission to the MAFF PSU for consolidation, xiii) undertaking regular participatory impact assessment and beneficiary monitoring.</p>	Being complied with
<p>Provincial Department of Women's Affairs (PDoWA)</p> <p>Responsibilities. The Director of each PDoWA shall be responsible for the successful implementation of the Project's gender mainstreaming activities under contracts with the Provincial Authorities, in close coordination with the relevant PDA and selected NGOs.</p>	Partially complied with The director of PDoWA have been designated responsible for project mainstreaming activities.

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<p><i>Responsibilities.</i> Each PDoWA shall be responsible for, inter alia: i) preparing and consolidating the AWPB for the Project's gender analysis, training and monitoring for submission through the ExCom to the Provincial Authorities for approval and inclusion in the provincial and national Public Investment Programmes, ii) preparing detailed proposals and contract documents for the implementation of the Project's gender mainstreaming activities, iii) executing Project Contracts with the Provincial Authorities, iv) providing technical support and qualified technical staff at the provincial, district and commune levels to implement the gender mainstreaming activities v) organising gender awareness training for provincial, and district agricultural staff, CEWs, farmers group leaders, vi) the implementation of gender mainstreaming and women empowerment programmes, vii) participating in impact assessment and beneficiary monitoring and viii) ensuring that all monitoring is gender sensitive.</p>	Being complied with
<p>District Support Teams (DST)</p> <p><i>Establishment and Composition.</i> Each PDA shall establish a District Support Team (DST) in the District Office of Agriculture (DOA) of each Project target district throughout the Project Implementation Period to support implementation of Project activities. Each DST shall comprise of approximately five staff members, including one selected from PDoWA, responsible for managing all project-related activities in the District. The DST staff shall include such other competent staff in such adequate numbers as the Recipient and the Fund may agree, each with qualifications and experience satisfactory to the Fund.</p>	Being complied with
<p><i>Responsibilities.</i> Each DST shall be responsible for, inter alia: i) assisting with the management and maintenance of district data including information from villages in which each team member is assigned to work. ii) delivering agricultural extension services, training and demonstrations to target village groups and ensuring gender considerations are mainstreamed in all activities iii) organise village meetings to publicise the objectives and proposed activities of the project, discuss farmers' cultural development priorities and hold elections to select lead farmers from candidates chosen by the beneficiaries; iv) carrying out adaptive research, as requested, under the guidance of the PST, v) the procurement of inputs to provide materials inputs from the LIGs and FSI groups and implement demonstration activities in the target communes, vi) ensuring the availability of publicity materials and notices, vii) organising village demonstrations using lead farmers groups, viii) organising large field days, training and agricultural development meetings associated with ongoing demonstrations on a regular basis, ix) ensuring that VAHWs adequately plan and implement their contracted responsibilities to the LIGs and FSI groups, x) providing training and technical support for CEWs, VEWs, and VAHWs, xi) assisting in planning, organising and running the annual District meeting, xii) organising and conducting beneficiary monitoring, participatory impact assessment and economic analysis exercise, xiii) reporting to the PST on a monthly basis on progress in training, implementation, results and impact achieved and farmers' contributions and xiv) assisting the PDA and commune councils in the evaluation of the performance of the CEWs.</p>	Being complied with
<p>Commune Councils, their Committees and Administrations.</p> <p><i>Engagement.</i> The Commune councils shall: i) include the Project activities as demanded by the Target Group members in the commune's development plans based on the commune planning process, ii) consolidate the commune's development plans and approve amendments thereof, iii) approve the three year rolling investment programme, iv) approve the draft annual budget to be submitted to the Provincial Governor, v) appoint an agricultural focal point to provide a link with the DST, CEWs, VAHWs, and FSI groups, vi) monitor and evaluate the results and impact of the implementation of the commune development plans, including Project financed activities and those of other agencies, and vii) monitor and evaluate the results and impact of the implementation of the commune development plans, including Project financed activities and those of other agencies, and vii) monitor and evaluate the performance of the CEWs in cooperation with beneficiaries, village elders and relevant PDA.</p>	Being complied with the project commune focal point.
<p>Local Communities</p>	
<p><i>Participations.</i> Organisations within the local communities and villages involved in the Project implementation shall include: i) community elders, ii) Village agriculture/land development committees, iii) Livelihood Improvement groups, iv) Farming systems improvement groups, v) Women's groups, vi) Water User groups, vii) other self-help groups and Farmer associations, and viii) VAHWs associations.</p>	Being complied with
<p><i>Responsibilities.</i> The organisations and their members in the local communities and villages, shall: i) participate in the commune planning process through their membership to the Planning and Budget Committees of the commune councils, ii) participate in agro-ecosystem analysis (AEA), iii) identify poor and vulnerable households during the participatory wealth ranking exercise undertaken by the communities and facilitated by the CEWs and DST, iv) participate in the LIGs and FSI groups training and demonstrations conducted by the communities and facilitated by the CEWs and DST, v) take initiatives, inter alia, in the adoption of tested and proven agricultural technology, natural resource management activities, marketing initiatives, vi) participate in the participatory impact assessment and beneficiary monitoring, and vii) monitor and evaluate the performance of the CEWs in cooperation with the village elders, commune councils and relevant PDA.</p>	Being complied with

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<p>Commune Extension Workers (CEWs)</p> <p>Responsibilities. The key responsibilities of CEWs shall be: i) Holding village orientation meetings, facilitating participatory wealth ranking organised by the communities, problem analysis, facilitating farmer selection criteria, ii) facilitating farmer selection for LIG and FSI groups based on participatory wealth ranking, iii) group formation, including registration and finalisation of elements to join LIG and FSI groups, develop group vision, goal, objectives, selection criteria for committee members and initiate elections for committees, iv) training of group leaders in roles and responsibilities, management, facilitation skills, rural livelihoods, improvement activities, data collection, record keeping, bookkeeping, conflict resolution, gender mainstreaming, democracy, human rights, v) facilitating group empowerment, including the establishment of group principles, rules/regulations, and responsibilities of group members, group strategy, data collection and record keeping, vi) assisting in LIG revolving fund management, FSI group members' access to credit as a group, preparing the activity work plan and schedule for group meetings, vii) organising monthly group meetings agenda, drafting minutes, identifying problems and solutions, and assessing progress reports from bookkeepers, viii) conducting LIG farmer training according to the training plan, ix) organising weekly meetings with LIG committee, x) undertaking LIG household visits to follow up on problems identified in weekly training sessions, assisting the farmer field school master trainer with the provision of training, xii) assisting the DST with the setting up of on-farm demonstrations for the FSI groups, xiii) arranging the LIG and FSI group field days and cross visits, xiv) assisting the LIG committee establish Young Farmers Clubs, xv) assisting the LIG and FSI group carry out self-evaluations, including participatory impact assessment every six months to evaluate farmer selection, training, implementation, adoption of technologies, inclusiveness of activities to farmer's needs/problems, strengths, weaknesses, opportunities and threats, effectiveness of support from VEWs, VAHWs, CEWs, DST and other service providers, xvi) assisting with planning of agriculture and small water supply projects for incorporation in the commune development plan, xvii) ensuring Project activities are incorporated in commune council planning processes, xix) attending monthly meetings at the District Agriculture Office, xx) preparing monthly reports and monthly work plans and xxi) providing full reports and receipts for training events, demonstration and field days.</p>	Being complied with
<p>Implementation of Project Components</p> <p>Livelihood Improvement Component. The Component, including LIGs, FSI groups and the complementary programmes of support to commune level planning and monitoring, support for VEWs and VAHWs, awareness raising in laws and regulations, gender mainstreaming, support for market initiatives, integrated farming system demonstrations, private sector development, district fairs and establishment of Young Farmers Clubs, shall be implemented by the PDA in each province of the Project Area through its district offices under Project Contracts with the relevant Project Authorities, under the supervision of the relevant ExCom MAFF PSU and in collaboration with PDoWA, NGOs and other Project Parties.</p>	Being complied with
<p>Project shall work closely, and coordinate all activities, with the commune council-appointed Focal Points for agriculture, NRM women and children in the local communities and villages. Project activities in the commune and villages shall be facilitated by the CEWs and implemented through community structures. All Project activities shall be built into the Commune Development Plan (CDP). Technical aspects shall be supported by trained VEWs, VAHWs, and CEWs with backstopping from the DST and PST. Project shall also assist communities to access funds available from NRM activities through the commune councils.</p>	Being complied with
<p>Support for Decentralisation and Deconcentration in Agriculture Component. The component shall fall under the overall responsibility of the MAFF PSU, including its management, coordination and implementation, in close cooperation with the MoWA, Provincial Authorities, the PDAs, PDoWAs, NGOs and other Project Parties.</p>	Being complied with
<p>MAFF PSU shall provide technical support and coordination for the implementation of the Support for Provincial Agriculture Extension Programme sub-Components (schedule 1, paragraph BI) including provision of training, capacity building, policy advice and coordination for the PDAs for the implementation of the sub-Component.</p>	Being complied with
<p>MAFF PSU shall be responsible for implementation of the Policy Analysis sub-Component (Schedule 1, para B II) including recruitment of an international policy adviser and a national policy analyst to assist the MAFF PSU staff to prepare case studies and policy papers, hold workshops and seminars and also disseminate its findings via a website. As relevant, the MAFF PSU shall facilitate the inclusion of local practices and innovations in the AWPBs of the ongoing Fund-financed and other programmes for replication. The MAFF PSU shall also organise regular cross-project workshops to address issues and share experiences and lessons learned for wider replication.</p>	Being complied with international policy analysis provided by UNDP and policy analysis required working on part time IFAD provide an input support MAFF-PSU learnt from the previous implementation.
<p>MoWA and the PDoWAs in the Project Area shall be responsible for the implementation of the Support for Gender Mainstreaming in Agriculture sub-Component (Schedule 1, para. BIII) under contract with the MAFF and PDAs, respectively, and in close cooperation with the MAFF PSU, the PDAs, NGOs, and other Project Parties. Qualified, experienced senior staff and other specialists engaged full time shall provide the required support for, inter alia: training of trainers, technical advice and on-the-job training in gender analysis, design and implementation arrangements for impact monitoring, gender problem solving, evidence building, mentoring, data analysis and policy guidance. The Project shall train selected provincial level staff from the MoWA, and PDA/PST as trainers in gender awareness, gender sensitivity and gender analysis. Provincial and district staff shall receive training in Project orientation, planning, management, monitoring and evaluation and extension methodology with gender awareness and gender sensitivity integrated in the training to ensure gender constraints are analysed and interventions designed to meet priorities and overcome constraints faced by women for improving gender equity.</p>	Being complied with
<p>MAFF PSU, in consultation and coordination with MAFF PSU and other Project Parties, shall be responsible for arranging the implementation of the Learning Communities sub-Component (Schedule 1, para BIV).</p>	Being complied with
<p>Project Documents – Project Contracts</p>	

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rding. The Project activities in the Project Area shall be implemented under Project Contracts between the Provincial Authorities and the provincial implementing agencies, selected NGOs or other Project Parties. The Project Contracts shall be awarded by the relevant Provincial Authorities to concerned provincial implementing agencies for implementation of the Project components or sub-components under their functional responsibilities on an annual basis and to NGOs, national and provincial agencies or other Project Parties for implementation of specific Project activities selected in accordance with such competitive transparent procedures and criteria as the Recipient may propose and the Fund and the Cooperating Institution may agree. Project Contracts shall provide, <i>inter alia</i> , for specific type, location, timeframe, quality and quantity of activities or services to be undertaken, roles and responsibilities of each party, expected outputs, estimated inputs and budgets, payment schedule and procurement and reporting requirements.	Being complied w
ns. The Project Contracts shall be substantially in the standard forms agreed by the Recipient and the Fund.	Being complied w
roval. All Project contracts shall be awarded on the basis of competitive and transparent selection and review procedures approved by the Cooperating Institutions and the Fund as part of the review of AWPBs.	Being complied w
ditional Covenants	
aration of Commitment. The Provincial Authorities, the ExCom, and the PDA, and PDOWA of each province in the Project Area, the Lead Agency, MEF and other Project Parties undertaking the Project activities shall declare their commitment to the goals and purposes of the project as stated in Schedule 1 hereof and, in furtherance of such goals and purposes, they shall undertake to carry out the Project in accordance with this Agreement.	Being complied w
der. The Recipient shall ensure that gender concerns are mainstreamed in all Project activities throughout the Project Implementation Period. The Recipient shall ensure that: (i) the Project shall promote the role of women as agents of change in social and economic development; (ii) priority shall be given to women farmers to be trained (iii) the Project shall encourage women farmers to take on leadership roles and participate in decision-making both within the family and at the community level; (iv) priority shall be given to qualified women to work as Project staff.	Being complied w
igenous People's (IPs) Concern. The Recipient shall ensure that the concerns of IPs are given due consideration in implementing the Project and, to this end, shall ensure that: a) The Project is carried out in accordance with the applicable provisions of the relevant IP national legislation, b) IPs are adequately and fairly represented in all local planning for Project activities, c) IP rights are duly respected, d) IP communities participate in policy dialogue and local governance, e) the terms of declarations, Covenants and/or Conventions ratified by the Recipient on the subject are respected, and f) the Project shall not involve encroachment on traditional territories used or occupied by indigenous communities.	Being complied w
onal Budget. The Recipient shall ensure that adequate provisions for financing the Project shall be included in the national budget each Financial Year during the Project Implementation Period, based on the projected AWPBs for each such year.	Being complied w
operation and Maintenance. The Recipient shall ensure that adequate human and financial resources shall be provided to support operation and maintenance of Project financed investments and the recurrent costs of the Project operations both during and after the Project Implementation Period, at least for the useful life of such investments.	Being complied w
cultural Extension Programme. The Recipient shall ensure that adequate human and financial resources are provided to maintain the crop and livestock extension programmes in the Project Area until at least three years after the Project Completion.	Being complied w
Management Practices. As part of maintaining sound environmental practices as required by Section 7.15 of the General Conditions, the Recipient shall maintain appropriate pest management practices under the Project and, to that end, shall ensure that pesticides procured under the Distribution and Use of Pesticides of the Food and Agriculture Organisation of the United Nations (FAO), as amended from time to time, and ensure that pesticides procured under the Project do not include any pesticide formulation which would be classified as Extremely Hazardous (Class 1a) or Highly Hazardous (Class 1b) according to the WHO Recommended Classification of Pesticides by Hazard and Classification 1996-97, as amended from time to time.	Being complied w
Exemption. The Recipient shall exempt from Taxes the importation, procurement and supply of all goods, civil works and services financed by the Grant. The value of such exemptions shall be credited against the obligation of the Recipient to provide counterpart funds for the Project under Section 3.05 of this Agreement.	Being complied w
urance. The Recipient shall insure Project personnel against health and accident risks in accordance with its customary practice in respect of its national civil service. The Recipient shall insure all vehicles and equipment used in connection with the Project against such risks and in such amounts as may be consistent with sound practice. The Recipient may, in either case, finance such insurance from the proceeds of the loan.	Partially complied equipment not ins
authorisations. The Recipient shall provide any Project Party with such delegations of authority or other authorisations as may be required under its national procedures to implement the Project in accordance with this Agreement.	Being complied w
ordination. The Recipient shall make effective arrangements to co-ordinate with other international agencies operating in the Project Area to ensure that: (i) uniform policies are adopted for the same sector or activity, such as extension methodology and incentives; (ii) activities financed by different donors in the same province or district are carefully phased to avoid constraints on the available human and financial resources; (iii) the policy of decentralised development planning and financing continue throughout the Project Implementation Period without any change which would have a material adverse effect on Project implementation; (iv) the Project financing from all Financiers shall be in accordance with the agreed financing plan; and the lessons learned from the implementation of the decentralised planning and development under the Project and feedback from the beneficiary impact assessments are given due consideration in future policy formulation at the provincial and national levels.	Being complied w
ural Resources. The Recipient shall ensure that effective policies and measures shall be enforced to safeguard forest and other natural resources and endangered species in the Project Area.	Being complied w

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Legal Framework for Lands and Forests. The Recipient shall ensure to undertake the following actions in respect of the legal framework for lands and forests, implement and enforce: i) Article 18 and articles 23-28 of the Land Law 2001, ii) the sub-decree on State Land Management (2005), iii) the sub-decree on Economic Land Concessions (2005), iv) the inter-ministerial Prakas of the Ministry of Land Management, Urban Planning and Construction (No 219) concerning the roles and responsibilities of the Khum-Sangkat administration in land matters, and v) Prime Minister's Order No 1 preventing the clearance of State Forestland for all types of ownership, with safeguard measures for the poor and vulnerable population.	Being complied with
Project Staff. The Recipient shall recruit and appoint key project staff with such qualifications and experience, and in accordance with such competitive and transparent procedures and criteria, as the Recipient may propose and the Fund and the Cooperating Institution may agree. The Recipient shall provide qualified Project staff in adequate numbers with experience and qualifications satisfactory to the Fund, including, inter alia, staff of the MAFF PSU, PDAs and PDoWAs and ExComs, working full time for the project at national, provincial, and district levels in the Project Area. The Recipient shall not remove any key project staff, until at least the completion of the Mid-Term Review, except on grounds of unsatisfactory job performance. The Recipient shall not remove any Key Project Staff, without prior consultation with the Fund at least three months in advance. For purposes of this paragraph, the term "key project staff" includes, inter alia, the National Project Coordinator, the Deputy National Project Coordinator, the finance and planning/monitoring and evaluation officers of the MAFF PSU, gender mainstreaming officers of the MAFF, the focal points of the PDoWAs, the permanent Secretaries of ExComs, the chiefs of the ExCom units and the heads of the districts and DSTs.	Being complied with working part time
Financing of the Operating Costs of the Provincial Decentralisation Structure. The Recipient shall be responsible for the financing of the costs of operations of the Provincial deconcentration structure and the ExCom management units, throughout the Project Implementation Period, including the support to the commune planning process and technical support for investments planned by commune councils, either from its own resources or from other sources of financing.	Being complied with support from PSD
Use of Project Vehicles and Other Equipment. The Recipient shall ensure that: a) the types of vehicles and other equipment acquired under the Project are appropriate to the needs of the Project, b) all vehicles and other equipment transferred to or acquired under the Project are dedicated solely to Project use.	Partially complied with vehicle use for other purposes.
Redress and Corruption. The Recipient shall promptly bring to the attention of the Fund any allegations or concerns of fraud and/or corruption in relation to the implementation of the Project of which it has knowledge or becomes aware.	Being complied with
Procurement	
General	
Procurement of goods and civil works financed by the Grant shall be subject to the provisions of the IFAD "Procurement Guidelines" approved by the Executive Board in December 2004 (the "Procurement Guidelines") as such guidelines may be amended from time to time by the Fund. If any provision of the Procurement Guidelines is inconsistent with a provision of this Agreement, then the latter shall govern.	Procurement at National level follows PIM, and at Provincial level follows NCDD Financial Administration Manual
Plan for the preparation and implementation of the Procurement Plan is provided in the Recipient's Externally Assisted Project Procurement Manual: Goods, Works and Services, issued under Prakas No. 495 dated August 23, 2005 on Promulgation of the Standard Procedures for Implementing the World Bank and the Asian Development Bank Assisted Projects. To the extent possible, the goods, works and consulting services shall be bulked into sizeable bid packages in such a manner as to permit the maximum use of competitive bidding.	Being complied with
From the commencement of the procurement and annually thereafter, the Recipient shall furnish to the Fund for approval, a Procurement Plan as described in Appendix I, paragraph 1 of the IFAD Procurement Guidelines. The Procurement Plan shall specify, inter alia, the method of procurement for each contract to be financed from, and thresholds, ceilings and preferences to be utilized in the implementation of procurement under the Project. The Procurement Plan shall also specify any additional requirements as may be set out in the IFAD Procurement Guidelines with respect to certain methods of procurement. The Procurement plan shall be updated from time to time in accordance with Section 3.02 (a) of this Agreement to cover succeeding seven month periods.	Being complied with
Procurement shall be undertaken only during the Project Implementation Period.	Being complied with
Procurement shall be undertaken if it entails a payment to persons or entities, or an import of goods, prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. The Fund shall inform the Recipient of any such persons, entities or import.	Being complied with
Procurement of Goods and Works	
Methods which are permitted for the procurement of goods and works are the following: i) Limited International Bidding, ii) National Competitive Bidding, iii) International or National Shopping, iv) Direct Contracting, v) Procurement from UN IAPSO (local suppliers only).	Being complied with
Procurement of Consulting Services	
Methods which are permitted for the procurement of consulting services are the following: i) Quality and Cost-Based Selection, ii) Single-Source Selection, iii) Selection of Individual Consultants.	Being complied with
Preference Requirements	
For the procurement of goods and works from the proceeds of the Grant, the country of the Recipient may be granted a margin of preference as provided in Paragraph 55-59 (Domestic Preference) of the Procurement Guidelines. The Procurement Plan and all tendering documents shall clearly indicate the permitted preference to be granted, the manner in which the preference shall be applied in bid comparison and the information required to establish the eligibility of a bidder for such preference. The nationality of the manufacturer or supplier shall not be a condition for such eligibility.	Being complied with
Review of Procurement Decisions	
Award of any contract for goods and works referred to in para 6 above, estimated to cost USD 60 000 equivalent or more shall be subject to prior review by the Cooperating Institution. The aforementioned threshold may be modified from time to time as notified by the Fund to the Recipient.	Being complied with

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award of any contract for consulting services referred to in para 7 above, estimated to cost USD 60,000 equivalent or more, be subject to prior review by the Fund. The aforementioned threshold may be modified from time to time by the Fund to Recipient	Being complied with
in respect to any other contract for goods, civil works or consulting services (Except where para. 4 of Schedule 2 applies to), the Recipient shall furnish two certified or conformed copies of such contract to the Fund, together with the analysis of respective bids and the recommendations for award, promptly after its signature and before the submission to the Fund of first application for withdrawal of funds from the Grant Account in respect of such contract.	Being complied with
in agreeing to any material modification or waiver of the terms and conditions of any contract referred to in para. 9 and 10 above, or granting an extension of the stipulated time for performance of such contract, or issuing any change order under such contract (except in cases of extreme urgency) that would increase the cost of the contract by more than 15% of the original cost, the Recipient shall inform the Fund of the proposed modifications, waiver, extensions or change order and the reasons therefor. The Fund, if it determines, that the proposal would be inconsistent with the provision of this Agreement, shall promptly inform the Recipient and state the reasons for this determination.	Being complied with

Appendix 5: Physical progress measured against AWP&B and appraisal targets

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Planned Output and Activities	%	Description of actual completed activities	%	Description of actual completed activities	%	Description of actual completed activities
		Kratie		Preah Vihear		Ratanakiri
A1. Livelihoods Improvement Component	57%		54%		45%	
A1.03 Training of LIGs :	52%		58%		48%	
A1.03.1 Retraining LIGs (KRT = 34, (850 beneficiaries) PVH = 90 (2250 beneficiaries) and RAT = 72, 1800 beneficiaries) through FFS	60%	Under process of training 33 LIGs and 6 MVF through FFS with total of 859 farmers participated (116 women) . Average completed 13rd week. Training materials have been procured.	65%	Under process of training 90 LIGs with 2243 participants (1682 women) through FFS. The FFS arrived weed 13rd.	40%	Under process of training 46 LIGs through with total 1097 farmers participated. The FFS process arrived week 13rd.
A1.03.2 Retraining MVFGs (KRT= 8, 120 beneficiaries; PVH 10 150 beneficiaries; and RAT = 10, 150 beneficiaries MVFGs) through FFS.	60%	Under process of training 8 LIGs through FFS. Farmers Participated included in above.	65%	Under process of training 10 MVFGs with 150 farmers participated (112 women) through 20 week FFS. FFS process arrived weed 13rd.	40%	Under process of training MVFGs through FFS approach with 66 farmers participated (23 women).
A1.03.3 IPM Trainers Allowance (KRT = 19, PVH=13, RAT = 12)	35%	10 IPM trainers has been contracted and allowances were paid.	40%	11 IPM trainers and 18 DST acting as IPM trainers has implemented FFS.	40%	11 IPM trainers contracted and 1 PST acting as IPM trainer have implemented FFS.
A1.03.4 Training materials for 42 Groups in KRT, 100 Groups in PVH, and 72 Groups in RAT.	100%	Completed	100%	Completed.	100%	Completed
A1.03.5 Conduct Adoptive Field Demonstration: KRT = 102, PVH = 270 and RAT = 216 Demonstrations.	60%	Start Organizing Demonstrations	65%	Organized Demonstrations	50%	Start Organizing Demonstrations
		- SRI 32 demonstration		- SRI 90 demonstration		- SRI 19 demonstration
		- Chicken 31 demonstration		- Chicken 90 demonstration		- Chicken 41 demonstration
		- Vegetable 28 Demo.		- Pig 45 Demonstrations		- Pig 46 Demonstrations
				- Vegetable 59 Demo.		- Vegetable 18 Demo.
						- Duck 32 demonstration
						- Fish 3 demonstration
A1.03.6 42 Farmer Field day: KRT = 42, PVH = 100 and RAT = 72 Field days.	0%	Not yet implemented. Will be implemented at the end of FFS.	0%	Not yet implemented. Will be implemented at the end of FFS.	0%	Not yet implemented. Will be implemented at the end of FFS.
A1.03.7 Technical Backstopping to FFS trainer and assistant. KRT 2, PVH 2 and RAT 1 times).	100%	Strengthening IPM trainer and CEW to facilitate FFS (implemented 2 times)	100%	Organized feedback meeting with IPM trainers for 2 times already.	100%	Technical backstopping to 36 CEWs and IPM trainers (18 women).
A1.03.8 Inputs to support CEWs to be LIG membership (KRT=6, PVH = 7 and RAT = 6 CEWs).	10%	Started.	0%	Not yet implemented.	0%	Not yet implemented
A1.03.9 Provide refresher training to IPM trainers and CEWs. FFS. KRT= 72 (IPM 19 & CEW 53) PVH = 108 (IPM =36 and CEW = 72) and RAT =72 (IPM 12 & CEW = 60)	46%	Total 10 IPM trainers and 23 CEWs (13 women) Received refresher training.	85%	29 IPM trainers and 63 CEWs (32 women) received refresher training to become assistant to FFS.	58%	Provided refresher training to 30 CEWs (15 women) and 12 IPM trainers (5 women).
A3 : Complementary Support Program	65%		50%		31%	
A1.06 : Agriculture Cooperative	28%		38%	Under process of introducing agriculture development cooperative concept.	0%	
A1.06.1 Inputs for supporting Agriculture Cooperative (1 in KRT, 1 in PVH and 1 in RAT)	0%	Not yet implemented	50%	Start integrating volunteer LIGs into the existing agriculture cooperatives	0%	Not yet implemented
A1.06.2 Training on farm business for Agriculture Cooperative. (1 in Kratie, 1 in PVH and 1 in RAT)	0%	Not yet implemented	0%	Not yet implemented	0%	Not yet implemented
A1.06.3 Training LIGs on concept of Agriculture Development Cooperative (1 in KRT, 1 in PVH and 1 in RAT).	10%	Organize large conference of Agriculture Cooperative for production of non organic rice, Neang Am variety with total of 82 participants (32 women).	100%	Organized public awareness on the concept of agriculture development cooperative.	0%	Not yet implemented
A1.06.4 Study tour of LIG and Agriculture Cooperative leaders. (1 time in KRT, 2 in PVH and 1 in RAT)	100%	24 Leaders (12 women) of 3 agriculture cooperatives have carried out study tour to Takeo and Kampong chhang provinces for exchanging experiences	0%	Not yet implemented.	0%	Not yet implemented.
A1.07 :Farmer Exchange Visit	100%		0%		0%	
A1.07.1 Cross visit of farmer groups to exchange experiences. (49 groups in KRT, 89 in PVH and 65 in KRT).	100%	3 districts organized study tour of weak groups to see the 49 strong groups for exchanging experiences. With total of 833 participants (478 women). These groups included : - Chitborey district consists of 16 groups with 258 members (134 women) - Sambo district consists of 16 groups with 265 participants (134 women). - Snuol district consists of 17 groups with 314 participants (171 women).	0%	Not yet implemented	0%	Not yet implemented

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A3.2 VAHW association	90%		94%		74%	
A3.02.1 Refresher training for village animal health workers. (KRT 24 persons, PVH 133 persons and RAT 102 persons)	100%	Provided refresher training to 24 village animal health workers (3 women) from the 3 target districts for 4 days.	100%	- Provided TOT training 12 VAHW (1 women). - Provided Refresher training to 132 VAHW (34 women) for 5 days.	0%	Not yet implemented
A3.02.2 Continue contract with village animal health workers (85 VAHWs in KRT, 120 in PVH and 102 in RAT).	100%	Signed contract with 81 VAHWs from 81 villages of the 3 target districts.	100%	Signed contract with 132 VAHWs.	100%	Signed contract with 102 VAHWs.
A3.02.3 Vaccination Campaign for 85 villages in KRT, 120 villages in PVH and 102 village in RAT.	80%	According to the agreement during 9 technical meeting vaccination campaign cover only 30% of the total planned village in order to vaccinate chicken every month.	100%	PVH have implemented ahead of 9th technical meeting so the vaccination campaign covered 117 villages.	100%	Implemented vaccination campaign on 34 village of the total planned 120 villages due to change of approach to vaccinate every month and cover next generation of chicken.
A3.02.4. Cool box for Vaccine maintenance.	70%	Completed providing small cool box to VAHW but the install of 1 set cooling system piloting one district per province has not yet implemented.	70%	Completed providing small cool box to VAHW but the install of 1 set cooling system piloting one district per province has not yet implemented.	70%	Completed providing small cool box to VAHW but the install of 1 set cooling system piloting one district per province has not yet implemented.
A3.02.5 Village meeting for discussion on campaign, market review and chicken disease.	100%	implemented	100%	implemented	100%	Organized village meeting to study about animal disease.
A3.04 Extension and Mentoring	43%		68%		50%	
A3.04.1 Renew contract with CEWs (36 CEWs in KRT 72 in PVH and 60 in RAT).	100%	Renewed contract with 36 CEWs and paid salary for them in the first semester.	100%	Renewed contract with 71 (35 women) CEWs and paid salary for them in the first semester.	100%	complete renew contract with 60 CEWs (30 women) and paid salary from January to April
A3.04.2 Organize training 12 CEWs RAT for 6 days and Technical training for PVH for PST and DST.	0%	Not yet implemented	100%	2 PST, 8 DST and 7 CEWs received additional training on rice seed production at CARDI.	0%	Not yet implemented
A3.04.3 DSA for council focal points to monitor project activities (18 in KRT 36 in PVH and 30 in RAT).	70%	Paid DSA for 18 commune council focal point in charge for monitoring of project activities in the commune for 6 month period.	70%	Paid DSA for 36 commune council focal point in charge for monitoring of project activities in the commune for 6 month period.	70%	30 commune council focal point have signed contract with the project. They received DSA.
A3.04.4 Exit strategies for CEWs. Piloting 1 AESA.	0%	Not yet implemented	0%	Not yet implemented	30%	PST led study tour team to visit agriculture extension service association in Svay rieng province to learn on process and good practices with 22 participants (4 women).
A3.07 District Fairs.	0%		0%		0%	
A3.07.1 Organize district fairs (3 in Kratie, 7 in PVH and 6 in RAT).	0%	Not yet implemented	0%	Not yet implemented	0%	Not yet implemented
A5 : Agriculture Support Services	52%		56%		57%	
A5.02 Office buildings	N.A	N.A	30%	Bid Opening and Evaluation.	N.A	
A5.03 Staff training	35%					
A5.03.4 Technical Support	0%					
A5.03.4.1 Strengthen technical capacity of new CEWs in KRT.	0%	Not yet implemented	N.A		N.A	
A5.03.6 Workshop and Meeting	100%		100%		100%	
A5.03.6.1 Annual outcome survey	100%	6 PSTs (2 women) Participated in training on annual outcome survey. Then they carried out the survey on 66 households from LIG, FSI and MVF and Non target farmers. 5 case study have been written.	100%	Completed annual outcome survey of 79 households.	100%	Completed Annual outcome survey on 70 household.
A5.05. Support to commune planning monitoring and evaluation	57%		23%		57%	
A5.05.1. Provincial Reflection workshop.	0%	Not yet implemented	0%	Not yet implemented	100%	Preparation of document.
A5.05.2 Reflection workshop at district and startup workshop (3 workshop in KRT 7 workshops in PVH and 6 in RAT)	100%	Organized reflection and startup workshop at 3 districts with total of 169 participants (41 women). - Chitborey district had 89 participants (24 women) - Sambo district had 52 participants (9 women). - Snuoo district had 28 participants (8 women).	0%	Not yet implemented.	0%	Not yet implemented.
A5.05.3. Monthly meeting of project staff.	70%	Organized 4 monthly meetings of the project staff with 39 participants (9 women).	70%	Organized monthly meeting every month.	70%	Organized monthly meetings of the project staff with 108 participants (45 women). Organized monthly meetings with DSTs and CEWs with 116 participants (35 women).

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A5.07. Support to Project Staff for Daily work	70%		70%		70%	
1-Salary/POC for provincial staff	70%	Paid POC/salary to provincial project staff for 6 month period.	70%	Paid POC/salary to provincial project staff for 6 month period.	70%	Paid POC/salary to provincial project staff for 6 month period.
2- Salary/POC of distict staff.	70%	Paid / salary to district project staff for 6 month period.	70%	Paid POC/salary to provincial project staff for 6 month period.	70%	Paid POC/salary to provincial project staff for 6 month period.
□- DAS for project staff.	70%	Paid DSA for project staff who had mission to other province and field follow-up mission.	70%	Paid DSA for project staff who had mission to other province and field follow-up mission.	70%	Paid DSA for project staff who had mission to other province and field follow-up mission.
6- Vehicle operation and maintenance	70%		70%		70%	
1- Operation maintenance of vehicle	70%	clear expenditure for vehicle O&E for 6 month.	70%	clear expenditure for vehicle O&E for 6 month.	70%	clear expenditure for vehicle O&E for 6 month.
2- Office supplies and operation	70%	clear expenditure for office supplies and operation for 6 month.	70%	clear expenditure for office supplies and operation for 6 month.	70%	clear expenditure for office supplies and operation for 6 month.
A6. Gender in agriculture	84%		84%		58%	
Refresher training on gender mainstreaming in agriculture to CEWs, DSTs,PSTs.	75%		75%		25%	
Refresher training on gender mainstreaming in agriculture to CEWs, DSTs,PSTs. KRT = 15, PVH = 43 and RAT =35 participants.	100%	Completed training on gender analysis, concept of gender mainstreaming to new CEW and DST	100%	2 refresher training on concept of gender mainstreaming, gender analysis have been provided to CEWs, WCFP with total of 62 participants	0%	Not yet implemented
Meeting on impact monitoring	50%	Organized meeting for gender process monitoring	50%	Organized meeting for gender process monitoring	50%	Organized meeting for gender process monitoring
Support nutrition awareness	93%		93%		90%	
Training on Trainers(CEWs and IPM Trainers) (KRT = 54, PVH = 72 and RAT =29 participants)	100%	48 CEWs DST and PST (33 women) participated in training on nutrition awarness	100%	70 CEWs, DST and PST (36 women) participated in training on nutrition awarness	100%	77 CEWs, IPM trainers, WCFPs (22 women) participated in training on nutrition awarness
Reproduction of visual materials development under the FAO/EU Food Facility Project	100%	Printed Poster on nutrition	100%	Printed Poster on nutrition	100%	Printed Poster on nutrition
Community Nutrition Education training 98 FFS in KRT, PVH 100 and RAT 84 FFS.	80%	Training on nutrition has included in FFS	80%	Training on nutrition has included in FFS	70%	Training on nutrition has included in FFS

Summary Progress 2012								
Activities	Kratie		Preah Vihear		Ratanakiri		Total Average	
A. Livelihood Improvement Component	Physical Progress	Financial Prgress	Physical Progress	Financial Prgress	Physical Progress	Financial Prgress	Physical Progress	Financial Prgress
1. Livelihood Improvement Group	32%	6.00%	35%	22%	30%	5%	32%	11%
2. Complementary Support Program	49%	18.00%	31%	17%	19%	4%	33%	13%
3. Agriculture Support Services	47%	29%	49%	28%	43%	35%	46%	31%
4. Gender In Agriculture	37%	14%	37%	27%	30%	16%	35%	19%
Average	41%	17%	38%	24%	31%	15%	37%	18%
B. Support for D & D In Agricultur.	MAFF PSU		MOWA					
1. Policy Analysis	35%	15%						
2. Study and Review	50%	19%						
3. Gender Mainstreaming (MOWA)			45%	33%				
Average	43%	17%	45%	33%			44%	25%
							40%	22%

Appendix 6: RIMS table

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FIRST LEVEL RESULTS									
Results		Unit	Period end:	31-Dec			Cumulative		
			AWP&B	Actual	% of AWP&B		Appraisal	Actual	% of Appraisal
Total Outreach		People receiving project services	Number	9 539	7 717	0%	119 780	72 128	60%
		Households receiving project services	Number	3 250	3 250	100%	22 600	13 609	60%
		Groups receiving project services	Number	130	130	100%	904	634	70%
Component	Sub Component								
Livelihoods Improvement	Livelihood Improvement Group, Most Vulnerable Group and Farming System Improvement Group, and Agriculture Support Service								
		Staff of service providers trained	Number	309	309	100%	277	313	113%
			Male	190	190	100%	163	193	118%
			Female	119	119	100%	114	120	105%
		People trained in crop production and technologies	Number	3 250	3 211	99%	22 600	13 609	60%
			Male	2 010	2 163	108%	12 430	8 335	67%
			Female	1 240	1 048	85%	10 170	5 274	52%
		People trained in livestock production and technologies	Number	3 250	3 211	99%	22 600	13 609	60%
			Male	2 010	2 163	108%	12 430	8 335	67%
			Female	1 240	1 048	85%	10 170	5 274	52%
		People trained in fish production and technologies	Male	0	0	0%	0	0	0%
			Female	0	0	0%	0	0	0%
		People accessing advisory services facilitated by project	Number	3 250	3 211	99%	11 309	13 609	120%
			Male	2 010	2 163	108%	6 220	8 335	134%
			Female	1 240	1 048	85%	5 090	5 274	104%
		Households receiving animal health services	Number	3 250	3 211	99%	11 309	13 609	120%
			Male	2 010	2 163	108%	6 220	8 335	134%
			Female	1 240	1 048	85%	5 090	5 274	104%
		Saving and credit groups formed/strengthened	Number	130	130	100%	452	405	90%
		People in saving and credit groups formed/strengthened	Number	3 250	3 211	99%	11 300	9 450	84%
			Male	2 010	2 163	108%	6 215	7 312	118%
			Female	1 240	1 048	85%	5 085	2 138	42%
		Saving and credit groups with women in leadership positions	Number	130	142	109%	456	385	84%
		People trained in post-production, processing and marketing	Male	0	0	0%	0	0	0%
			Female	0	0	0%	0	0	0%
		People trained in income generating activities	Number	3 250	3 211	99%	11 300	9 450	84%
			Male	2 010	2 163	108%	6 215	7 312	118%
			Female	1 240	1 048	85%	5 085	2 138	42%
		People receiving vocational training	Number	n.a	n.a	0%	0	0	0%
			Male	n.a	n.a	0%	0	0	0%
			Female	n.a	n.a	0%	0	293	#DIV/0!
		Village/Community plans formulated	Number	72	72	100%	84	84	100%

2nd level results

Indicator	Unit	Benchmark	Mid-term	Completion
Actual				
Rural financial services				
Likelihood of sustainability of the credit/saving groups formed/strengthened				
Number of groups operational/functional	Number	NA	324	
Effectiveness: Improved access of the poor to financial services				
Number of poor house hold with improved access to financial service (Group revolving fund/self help group)	Number	NA	7544	
Agriculture technologies and production				
Effectiveness: Improved agricultural and livestock production	Number	NA		
Number of farmers reporting production/yield increase	Number	NA	No data yet available	
Number of farmers adopting recommended technologies	Number	NA	No data yet available	
Number of small farmers reporting increased herd size*	Number	NA	No data yet available	

Note: As noted in MTR the change in sampling frame from baseline to pre-MTR survey invalidates the baseline RIMS survey entirely

THIRD LEVEL RESULTS					
Indicator	Unit	Benchmark	Mid-term	Completion	Target
Households with improvement in household assets ownership index	% total	n/a	29		
Underweight children - weight for age	% boys	n/a	36		
	% girls	n/a	34		
Chronic malnourished children - height for age	% boys	n/a	43		
	% girls	n/a	40		
Acute malnourished children - weight for height	% boys	n/a	13		
	% girls	n/a	8		
Households with access to improved water sources	%	n/a	46		
Households with access to improved sanitation	%	n/a	10		
Female household members that can read	%	n/a	59		
Male household members that can read	%	n/a	72		
Households experiencing one hungry season	%	n/a	3		
Households experiencing two hungry seasons	%	n/a	0		

Note: As noted in MTR the change in sampling frame from baseline to pre-MTR survey invalidates the baseline RIMS survey entirely

Appendix 7: Learning and Innovation

Learning: What has worked particularly well in this project during this period? What have been the reasons for this?

There is growing evidence of the vital role played by District teams in the supervision, continuous improvement and learning within project implementation, in particular in acting in the role of quality assurance of service delivery rather than in direct provision of services.

For historic reasons a natural experiment has emerged within RULIP to illustrate this – comparing project delivery in Preah Vihear, Kratie and Ratanakiri.

In Preah Vihear and Kratie, both provinces have capable and committed project teams at both the provincial and district levels. However, each province decided on a slightly different delivery arrangement at the start of the project in terms of the roles of the District Support Team – the consequences of which are only now becoming evident. Note that in Ratanakiri the project management has been persistently weak across all areas.

In Preah Vihear as well as their normal supervision role of CEWs, the DST have been trained to form the majority (18 of 29 trainers) of the FFS/IPM trainers responsible for actual training delivery with farmers. A large part of their time and focus is therefore in direct delivery of services. In contrast in Kratie, the DST primarily act in a supervision and quality assurance function while the IPM trainers were all external contract staff.

The consequence of this slight difference in role is that in Kratie the DST have more time (and no conflict of interest) in performing a key role of close support and follow-up of CEWs and the IPM trainers, whereas in Preah Vihear many of the DST are more overloaded and also unable to independently supervise the FFS (as they are the trainers themselves).

Consequently the management system in Kratie is likely to have facilitated a more active process of monitoring, learning and continuous improvement primarily enabled by the DST.

Preliminary evidence may now be emerging of the impact of this difference in management system and continuous improvement by examining the performance of the Group Revolving Fund groups and how this has changed for groups formed at different stages of the project as the provincial teams have learned how to better implement group formation and mobilization. Anecdotal experience from the project and also many local development initiatives, indicate that a critical factor in group performance happens right at the start during initial group mobilization and how the members of the group come together around a common bond and build trust within the group.

The quality of the group mobilization process is hard to measure directly but one proxy measure for it is the rate of capital growth within the GRF, which in turn is driven by the extent to which group members use and repay the loans available as well as the savings they make. Both of which are an indication of the value members perceive in the group, a key factor of which is the quality of the initial group mobilization process.

Data from RULIP clearly shows that groups formed earlier in the project have achieved substantially lower average rates of capital growth than those groups formed later in the project. This pattern is seen across all three provinces but the rate of improvement is very different between the provinces. The average annual capital growth for LIGs that were formed in 2008 has been similar across all three provinces and relatively low (KRT 10% per year; PVH 13%; RTK 11%). However, looking at the most recently formed groups, established in 2011, there is a significant difference in the annual capital growth between the provinces: Kratie 41%, PVH 29%, RTK 20%. Kratie started with the weakest growth in its groups formed in 2008 but since then has achieved the strongest growth of groups formed in all subsequent years. On this measure of annual capital growth, Kratie has improved its performance by 3.9 times in the last 4 years, Preah Vihear by 2.2 times and Ratanakiri by just 1.7 times.

Other factors may also influence this rate of capital growth – from the income level of member households to the availability of alternative sources of credit. But it is not clear that these would explain such difference, especially in terms of the different rate of improvement between the provinces. For example, group membership was based on participatory wealth ranking which was previously found by the MTR to have been effectively implemented, providing good targeting and

clearly stratifying households in terms of wealth with members of the different types of groups being of similar wealth (e.g. FSIV, LIG and MVF). The wealth ranking exercise was conducted at the start of the project in each commune and so the selection of member was done at the same time even if group mobilization happened later. Thus there is unlikely to be a significant difference in the relative wealth of members of LIGs formed in 2008 versus later year, even if all members are general slightly wealthier now due to wider economic growth in the area. Also, it is arguable that with greater availability of credit from MFIs there may be less demand for GRFs. However between 2006 and 2011 the number of active borrowers from MFI in Cambodia has soared from around 600,000 to almost 1.4 million. Thus, if this were the case, it may be expected that the value in the GRF would go down with the more recently formed groups rather than increasing, while the opposite appear to be happening.

A critical factor is therefore likely to be the quality of the group mobilization and capacity building process implemented by the project itself, with the system proving most effective in Kratie (with its clear supervision and quality role for its DST), next most effective in Preah Vihear (with a capable and committed team but with more direct delivery by the DST) and the smallest improvement in Ratanakiri with general weak management and processes.

Such capacity for self-learning and improvement within the PSTs and DSTs will also be vital in the delivery of other critical activities such as the farmer training and nutrition promotion. Further evidence should become available in 2013 and 2014 from the rates of technology adoption and changes in farmer income resulting from the FFS, as the three provinces continue to implement the FFS and farmer follow-up using their existing management systems.

Thus, while it is not possible to judge an entire management system on just one measure, this suggests important lessons for management of projects within the provinces, both for RULIP as well as other IFAD supported projects such as PADEE.

Learning: What has not worked so well? What have been the reasons?

The system of the logframe and AWPB continue to acts as an inhibitor rather than an enabler of effective project management for results. Both instruments fail to clearly show the inter-dependence of key activities. Thus, in the period since MTR, while project managers believe they are making good progress at the activity level, several key aspects that affect quality and effectiveness of the activities (and ultimately impacts) have not been implemented or critical activities not start thus undermining efforts elsewhere in the project. Recent examples include the lack of effective supervision of the farmer field schools (except in Kratie), failure to implement the farmer-led PIA within the FFS which is central to the required self-learning approach and no action being taken to mobilize the agreed additional support on GRF sustainability from the specialist service provider (VADDHANAK).

Other these three example, the first two have little or no direct budget associated with them and so do not appear in the AWPB and are also more operational issues without specific outputs so do not appear at a high level in the logframe. However they are fundamental to the projects performance.

The combination of the logframe and AWPB, while useful from a donor's perspective, clearly fail to provide a basis for "joined-up" thinking and action and are inadequate as management tools for project managers to be able to manage the project for results rather than just in the mechanical completion of activities.

Innovation: Describe any interesting innovation noted during supervision

No specific innovations were noted during the mission as the focus of the project is getting the basics right.

Innovation: How might this be replicated by others, or upscaled here?

See above.

Appendix 8: Updated progress vs. Project Logframe (using officially approved logframe revised Post MTR)

Narrative Summary	Verifiable Indicators	Actual cumul ative perfor mance	Means of Verification (main methods shown in bold)	Assump tions

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
<p>Project Goal: Livelihoods of the rural poor in the targeted communes of the three provinces improved.</p>	<ol style="list-style-type: none"> Percentage of households that have increased the value of their “basket” of household assets by at least 25%* for participating households (disaggregated by gender and ethnicity of household head) Percentage decrease in chronic malnutrition rates (height for age) for children under 5 years for participating households, (disaggregated by gender and ethnicity of child) 14,800 rural poor, ethnic minority, and female-headed households in targeted villages of Ratanakiri, Preah Vihear, and Kratie provinces directly benefit from the project (disaggregated by gender and ethnicity of household head) <p>Note: Other malnutrition measures (weight for age and height for age) will also be collected and determined from the RIMS survey data. However, to avoid ambiguity and focus on long term malnutrition the “height for age” measure has been chosen as the primary indicators for measuring child malnutrition</p>	<ol style="list-style-type: none"> See notes below. See notes. 14,898 households benefited from the project. 	<ul style="list-style-type: none"> RIMS Plus household impact assessment surveys (MTR and Project Completion) PIA for FFS (for income changes) (not yet implemented) <p>Semi-annual report from the 3 provinces</p>	<p>Overall socio-economic conditions remain stable, with no major shocks, disruptions or natural disasters</p>
<p>Project Purpose: Sustainable impact on agricultural development achieved in the targeted communes in the three provinces.</p>	<ol style="list-style-type: none"> 10,350 households* (1500 women-headed) reporting an increase of more than 10% productivity (yield per unit input of [land/labour/money]) for key crops of household and/or increase in flock/herd size** Average increase in crop productivity for key crops for participating farmers (FSI/LIG/MVF members) Average increase in household flock/herd size of livestock for participating farmers (FSI/LIG/MVF members) (above indicators to be disaggregated by gender and ethnicity of household head) <p>* Assumes 70% of group members. ** The measure of flock/herd size to be based on a livestock index (e.g. FAO Livestock index) to allow approximate comparison of poultry/pigs/cattle.</p>	<ol style="list-style-type: none"> n.a n.a n.a 	<ul style="list-style-type: none"> PIA for FFS Annual Outcome Survey RIMS Plus household impact assessment surveys (MTR and Project Completion). 	<p>No large scale disruption to crop/live stock from major disease / drought / flooding etc.</p>

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
Objective and indicators by Component				
Component A. Livelihoods Improvement: The objective is to use newly-established Self Help Groups (SHG) and strengthened, more efficient service providers to improve the food security of the poor and promote agricultural diversification and market-oriented agricultural development.	7. Increase in farming profit from sales of crops/livestock (revenue-cost) for participating HH: <ul style="list-style-type: none"> No. of HH reporting >10% increase in farming profits Average change in HH farming profit (disaggregated by gender and ethnicity of household head) Note: Other relevant indicators on production and food security are included above.	7. n.a	<ul style="list-style-type: none"> PIA for FFS Annual Outcome Survey 	Local/regional agricultural markets do not suffer major collapse in commodity prices
Sub-Component A1.: Livelihood Improvement Group (LIG) & Most Vulnerable Family Groups (MVF) The objective is to promote the formation of sustainable Livelihood Improvement Groups (LIG) and MVF Groups with the objective that farmers and communities adopt improved and sustainable farming and agricultural land management systems.	8. 6,500 farmer households (70% of total LIG members) adopting 3 or more improved technology components** for improved technologies for crops or livestock promoted by the project for at least 2 production seasons after training is completed (disaggregated by gender and ethnicity of household head) 9. 70 % of LIGs/MVFs formed with GRF are evaluated as "mature" (i.e. likely to be sustainable) by end of project*** 10. Total value of lending capital within the GRF has increased by more than 25% above initial grant/in-kind contribution from the project Note: increased lending capital may be from savings, interest, other group income or external loan funds ** Examples of improved technology components include: adoption of new varieties/crops; regular purchases of fresh commercial seed; better seed selection & storage; improved soil preparation; erosion control measures; improved harvesting practices; improved post-harvest handling and storage. *** using improved criteria assessing likelihood of sustainability of group after project support. Note: changes in productivity, flock/herd size and profitability are already covered above.	8. n.a 9. 35 % 10. 42 %	<ul style="list-style-type: none"> PIA for FFS Annual Outcome Survey Progress report 	Regulatory environment for savings and credit groups remains benign Reasonably stable inflation and exchange rates for Riel so that savings do not lose significant % of their value

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
Sub-Component A2: Farming system improvement group (FSI) The objective is to promote the formation of sustainable Farming System Improvement Groups (FSI) with the objective that farmers and communities adopt improved and sustainable farming and agricultural land management systems.	11. 3800 farmer households (70% of total FSI members) adopting 3 or more improved technology components** for improved technologies for crops or livestock promoted by the project for at least 2 production seasons after training is completed (disaggregated by gender and ethnicity of household head)	11. n.a	<ul style="list-style-type: none"> • PIA for FFS • Annual Outcome Survey • RIMS Plus household impact assessment surveys (MTR and Project Completion). 	As above
Sub-Component A3: Complementary Support Programmes: The objective is to support and strengthen the capacities of Commune Planning staff and various service providers (including Village Animal Health Workers and Village Extension Workers) that help farmers increase their agricultural expertise and outputs.	<p><u>Agricultural extension services:</u></p> <p>12. Number of farmers accessing agriculture extension services, by gender (LIG,MVF, FSI) (disaggregated by gender and ethnicity of individual respondent)</p> <p>13. 85% farmers reporting satisfaction with the agriculture extension services provided (disaggregated by gender and ethnicity of individual respondent)</p> <p><u>Animal health services:</u></p> <p>14. Number of farmers regularly using animal health services, (LIG,FSI,CSP,LAW) (disaggregated by gender and ethnicity of individual respondent)</p> <p>15. 85% farmers reporting satisfaction with the animal health services provided (disaggregated by gender and ethnicity of individual respondent)</p> <p>16. District VAHW Associations in 50% of project Districts assessed as "mature" and financially sustainable.</p> <p>17. Number of households regularly paying for fee based vaccination of poultry (disaggregated by gender and ethnicity of household head)</p> <p><u>Commune councils:</u></p> <p>18. Commune councils carry out annual social audit/public hearing on group revolving fund activities, farmer training and other support activities to farmers</p>	<p>12. 14,898 hh (1910 women)</p> <p>13. 93 %</p> <p>14. 62 %</p> <p>15. 50 %</p> <p>16. n.a</p> <p>17. n.a</p> <p>18. not yet</p>	<p><u>Ag extension services:</u></p> <ul style="list-style-type: none"> • Annual Outcome Survey • PIA for FFS • RIMS Plus household impact assessment surveys (MTR and Project Completion). <p><u>Animal health services:</u></p> <ul style="list-style-type: none"> • PIA for FFS • Annual Outcome Survey • Six-monthly capacity assessment report on VAHW Associations • VAHW records • RIMS Plus household impact assessment surveys (MTR and Project Completion). <p><u>Commune councils:</u></p> <ul style="list-style-type: none"> • DST Annual Report on each commune • DST short report on each social audit 	A majority of commune councils are supportive of conducting annual social audits of project activities and other public investments in the villages.

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
Sub-Component A4: Law Awareness Raising : The objective is to conduct provincial and district workshop on law awareness related to agricultural materials , forestry and fishery for community members and government official .	19. 90% of participants are aware the laws relating to land, forestry , fisheries and agriculture.(during the workshop , pre-test , post test) (disaggregated by gender and ethnicity of individual respondent)	19.96 %	<ul style="list-style-type: none"> • RIMS Plus household impact assessment surveys 	
Sub-Component A5: Agriculture Support Service : To enable PDA, DOA staff, and CEWs in the project area assist farmers in an effective and participatory manner.	<p><u>"Effective and participatory" services</u></p> 20. A majority of households from at least 80% of LIG/MVG groups confirm that FFS topic selection was farmer-driven and reflects their own demands and are appropriate to their resources and skill level.. (disaggregated by gender and ethnicity of individual respondent) 21. 85% of participants are satisfied / highly satisfied with quality/focus of FFS training (disaggregated by gender and ethnicity of individual respondent) <u>Quality assurance processes</u> 22. DSTs conduct quality assurance visits to agreed schedule for <u>all</u> FFS and hold farmer group discussions to review all FFS at end of course. 23. DSTs conduct quarterly follow-up discussions with all LIG/MVF groups at GRF monthly meetings to gain feedback and address issues in GRF.	20. Met 80 % 21. Met 85 % 22. will implement 23. under process	<p><u>Effective & participatory</u></p> <ul style="list-style-type: none"> • PIA for FFS and Farmer Group Discussion with DST at end of FFS • Annual Outcome Survey • RIMS Plus household impact surveys <p><u>Quality assurance</u></p> <ul style="list-style-type: none"> • DST short report on each social visit and FFS attended. • DST short report on each GRF meeting attended. 	D&D agenda continues to be the basis for policy on decentralised service delivery

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
<p>Sub-Component A6 Gender in Agriculture: The objective is to mainstream gender in planning , training, implementation and monitoring at provincial , district, communes and village levels.</p>	<p><u>Leadership</u> 24. 30 % women leaders of LIG/MVF/FSI groups</p> <p><u>Domestic violence</u> 25. 80% of individual respondent report improved awareness of women's rights, issues of domestic violence and laws relating to these issues (disaggregated by gender and ethnicity of individual respondent)</p> <p><u>Technology transfer</u> 26. 75% of women from LIG/MVF households reporting that their priorities were equitably reflected in the final topics chosen for the FFS (disaggregated ethnicity of individual respondent)</p> <p>27. 70% of women-headed HH adopting 3 or more improved technology components for improved technologies for crops or livestock promoted by the project for at least 2 production seasons after training is completed (disaggregated by gender and ethnicity of household head)</p> <p>28. 25% of women headed HH from ethnic indigenous minorities reporting an increase in profit from farming. (disaggregated by gender and ethnicity of household head)</p> <p><u>Nutrition</u> 29. 70% of LIG/MVF /FSI group households had both men and women from the same household participating in 2 or more discussion/training session on nutrition – e.g. during FFS or monthly GRF meetings (disaggregated by gender and ethnicity of individual respondent)</p> <p>30. 60% of women report adopting improved nutrition practices (disaggregated by gender and ethnicity of individual respondent)</p>	<p>24. among 3 leaders on the women – all groups</p> <p>25. 93 %</p> <p>26. 85 %</p> <p>27. n.a</p> <p>28. n.a</p> <p>29. n.a</p> <p>30. n.a</p>	<p><u>Leadership</u></p> <ul style="list-style-type: none"> • Group records <p><u>Domestic violence</u></p> <ul style="list-style-type: none"> • RIMS Plus household impact assessment surveys <p><u>Technology transfer</u></p> <ul style="list-style-type: none"> • Annual outcome survey • PIA for FFS and Farmer Group Discussion with DST at end of FFS • RIMS Plus survey <p><u>Nutrition</u></p> <ul style="list-style-type: none"> • Annual outcome survey • PIA for FFS and Farmer Group Discussion with DST at end of FFS • DST short report on each GRF meeting attended. 	

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
<p>Component B: Support for Decentralisation and De-concentration (D&D) in Agriculture. The objective is to increase the national capacity for pro-poor policy analysis and pro-poor policy formulation for the agricultural sector, and for mainstreaming gender within the sector, while improving the capacities of community members to influence this process.</p>	See below		See below	
<p>Sub-Component B1: Policy Analysis: Support stock-taking, discussions and dissemination of salient operational experiences and lessons learned in areas such as targeting of beneficiaries, group formation, training, service delivery and the GRF</p>	<p>31. No. of meetings and attendance of Policy Guidance and Technical Meetings</p> <p>32. No. of practices/lessons from RuLIP incorporated in future project designs/policies by those attending Policy Guidance and Technical meetings at which RuLIP experiences are shared.</p> <p>33. Number,, quality and distribution of Knowledge management documents, presentations and dissemination materials prepared on lessons and experiences</p>	<p>31. 12 meetings</p> <p>32. 6 lessons learnt</p> <p>33. sharing through technical meetings and IFA DA sia RU LIP website</p>	<ul style="list-style-type: none"> Minutes of meetings Knowledge products Feedback surveys from those participating in Policy Guidance or Technical Meetings and/or receiving knowledge products PCR 	<p>MAFF and other government agencies are open to sharing experience and lesson learning from projects</p>

Narrative Summary	Verifiable Indicators	Actual cumulative performance	Means of Verification (main methods shown in bold)	Assumptions
Sub-Component B2: Studies and Reviews: establish M&E system within the Project to clearly refocus on managing the Project to achieve its target outcomes and impacts.	34. Project Results Chains regularly updated and used by PSU, PST and DSTs in all three province as a key management tool to guide project activities 35. Annual Outcome surveys implemented from 2012 onward and results used to guide subsequent project activities and management decisions 36. Farmer-led Participatory impact assessment implemented for all technical training to be delivered to LIGs/MVFs to measure the adoption rate and impacts of new technologies and good production practices	34. met 35. met 36. n.a	<ul style="list-style-type: none"> Annual reports Project Results Chains documentation and evidence of linkages to AWPBs Databases and reports for <ul style="list-style-type: none"> Annual Outcome Surveys and FFS PIA reports and database 	

Notes:

- HH = household
- Profit = Revenue – Costs
- “Farming” includes crops and livestock, both for s
- All changes in financial values (e.g. profit, income

Note:

As noted during MTR,

- RIMS: the sampling frame for the baseline (representative for entire project districts) was materially different from the sampling frame use for the pre-MTR RIMS survey (member households of FSIG/LIGMVFG in target villages only). As such there a major changes in the demographics and profile of the sample which invalidate any comparison of changes between the two surveys.
- PIA within FFS: This has not yet been implemented, as such no data is yet available on technology adoption rates or changes in production/income etc.
- Annual Outcome Survey was implemented for the first time in 2012. It has provided some useful qualitative as well as quantitative data on some aspects of the project. But crucially there were methodological weaknesses in some aspect of the questionnaire which mean that it cannot provide reliable data on technology adoption or changes in income.

Further improvement will be made in the M&E in 2013.

Appendix 9: Mission schedule and people met

Date	Mission Schedule	Location
2 Oct - Tue	Mission assemble in Phnom Penh Mission Team internal briefing meeting (afternoon/evening)	MAFF PSU Phnom Penh
3 Oct - Wed	Kick-off meeting with MEF, MAFF PSU, NCDDS and MoWA Briefing by MAFF PSU to Mission team of progress and issues since MTR Mission members begin detailed review of assigned topics with project counterpart staff and main non-governmental implementing partners	MAFF PSU Phnom Penh
4 Oct – Thu	Preah Vihear - Travel to province. Depart early from PP. Short brief by PST late afternoon in PVH.	Preah Vihear
5 Oct – Fri	Preah Vihear - Field visits	Preah Vihear
6 Oct – Sat	Preah Vihear - Field visits and additional briefing by PST	Preah Vihear

Date	Mission Schedule	Location
7 Oct – Sun	Ratanakiri - Travel from PVH. Depart early from PVH	Ratanakiri
8 Oct – Mon	Ratanakiri - Field visits and short briefing by PST	Ratanakiri
9 Oct – Tue	Ratanakiri - Field visits and short briefing by PST	Ratanakiri
10 Oct – Wed	Sombo District field visits: <ul style="list-style-type: none"> • Meeting with DST and IPM Trainers • Meeting with VAHW Association Briefing by PST in Kratie – 11:00-14 Return to Phnom Penh arriving in evening	Kratie
11 Oct - Thu	Mission team internal debriefings Follow-up meetings/discussion with project stakeholders and management	MAFF PSU Phnom Penh
12 Oct - Fri	Briefing with NPC H.E. Teng Lao Follow-up meetings/discussion with project stakeholders and management Aide Memoire preparation and report writing	Phnom Penh
13 Oct - Sat	Draft Aide Memoire Circulation to MAFF PSU MEF, NCDDDS and MoWA Pre-wrap up meeting with MAFF PSU, MEF and MoWA (afternoon)	MAFF PSU Phnom Penh
14 Oct - Sun	Aide Memoire preparation	Phnom Penh
15 Oct - Mon	Aide Memoire preparation	Phnom Penh
16 Oct - Tue	Pre-wrap up meeting with PSU, PDAs MOWA.	Phnom Penh
17 Oct - Wed	Wrap-up meeting	MAFF PSU Phnom Penh
18 Oct - Thu	Mission team depart from Phnom Penh	Phnom Penh

People Met

Kick-off meeting at MAFF PSU

No.	Names	Sex	Position	Agency
1	Ouk Vuthirith	M	DNPC	MAFF PSU
2	Nam Peou	M	M&E Officer	MAFF PSU
3	Chea Sareth	M	Technical Officer	MAFF PSU
4	Min Sophoan	M	Country Coordinator	AVSF
5	Sok Vanna	F	NAPA	MAFF PSU
6	Phanna Remy	M	Gender Focal Point	MoWA
7	Tes Srey Touch	F	Gender Focal Point	MoWA
8	Dely P. Gapasin	F	Mission Member	IFAD
9	Yvonne Diethelm	F	Mission Member	IFAD
10	Meng Sakphouseh	M	CPO	IFAD
11	Nigel Smith	M	Mission Leader	IFAD
12	Duong Kimchheam	M	M&E	MAFF PSU
13	Amar Raj Mishra	M	Mission Member	IFAD
14	Nak Ratha	M	Procurement Officer	MAFF PSU
15	Sao Somantha	F	Finance Officer	MAFF PSU
16	Kim Sovandara	F	Finance Officer	MAFF PSU

Preah Vihear Province

No.	Names	Sex	Position	Agency
1	Suy Serith	M	Deputy Governor	Preah Vihear
2	Ouk Vuthirith	M	DNPC	MAFF PSU
3	Amar Raj Mishra	M	Mission Member	IFAD
4	Yvonne Diethelm	F	Mission Member	IFAD
5	Nam Peou	M	M&E Officer	MAFF PSU
6	Chea Sareth	M	Technical Officer	MAFF PSU
7	Nil Hengky	M	M&E Officer	IP3 PVH
8	Ngeth Sophy	M	M&E Officer	PDA
9	Phanna Remy	M	Gender Focal Point	MoWA
10	Sok Vanna	F	NAPA	MAFF PSU
11	Dely P. Gapasin	F	Mission Member	IFAD
12	Duong Kimchheam	M	M&E	MAFF PSU
13	Nigel Smith	M	Mission Leader	IFAD
14	K. EL Harizi	M	CPM	IFAD
15	Meng Sakphouseh	M	CPO	IFAD
16	Tes Srey Touch	F	Gender Focal Point	MoWA
17	Kong Yong	F	Gender Officer	PDoWA
18	Oy Touch	F	Gender Focal Point	PDA
19	Kim Pong Vireak	M	PST Livestock	PDA
20	Chan Ly	M	Finance Officer	IP3
21	Suong Sokha	F	Finance Officer	PDA
22	Kov Ponna	M	PST Agronomy	PDA
23	Diep Piseth	M	PST Extension	PDA
24	Orn Vireak Chun	M	PST Indigenous FP	PDA
25	Tep Phalkun	M	PST Admin.	PDA
26	Thon Sorita	M	M&E Officer	PDA
27	Yv Chanthol	F	PST	PDA
28	Srey Sam An	M	PST	PDA

Ratanakiri Province

No.	Names	Sex	Position	Agency
1	Nao Tou	M	PGST	PDoWA
2	Sem Reoun	M	PST/Agro	PDA
3	Bun Leang Hak	M	PST	PDA
4	Yim Sarom	M	Chief	URC
5	Min Sophoan	M	Coordinator	AVSF
6	Cedric Martin	M	Coordination Assistant	AVSF
7	Phanna Remy	M	Gender Focal Point	MoWA
8	Chea Sareth	M	Technical Officer	PDA
9	Nam Peou	M	M&E Officer	MAFF PSU
10	Meng Sakphouseth	M	CPO	IFAD
11	Nigel Smith	F	Mission Leader	IFAD
12	Duong Kimchheam	M	M&E	MAFF PSU
13	Dely P. Gapasin	F	Mission Member	IFAD
14	Hang Sophath	M	Officer	NCDDS
15	Key An	M	PPMA IP3	NCDDS
16	Sea Sopy	M	PPMA	PDA-RAT
17	Amar Raj Mishra	M	Mission Member	IFAD
18	Ouk Som Ol	M	IP3. PM	PA
19	Sek Hay	M	Admin Province IP3	PA
20	Tes Srey Touch	F	Gender Focal Point	MoWA
21	Ouk Vuthirith	M	DNPC	MAFF PSU
22	Soy Sona	M	Provincial Coordinator	PDA
23	Sreang Chaheang	M	Deputy Provincial Coordinator	PDA
24	K. EL Harizi	M	CPM	IFAD
25	Yvonne Diethelm	F	Project Assistant	IFAD
26	Kangng Nea	F	PDoWA	PDoWA
27	San Sokun	F	PDoWA	PDoWA
28	Meas Penh	M	DST	District
29	Nhek Neon	M	DST	PDA
30	Phath Puthty	M	M&E	IP3
31	Krean Sokhom	M	M&E	PDA
32	Chheang Nora	M	PST	PDA
33	Nheb Kim Cheng	M	PST	PDA
34	San Ratana	M	PST	PDA
35	Doul Vuth	M	DST	District
36	R. Chom Klak	M	DST	District
37	Lin Ly	M	DST	District
38	Ky My	M	DST	District
39	Meong Man	M	PST	PDA
40	Moa Bunnna	F	FU (IP3)	Province
41	Phan Sophea	M	IP3	Province

Kratie Province

No.	Names	Sex	Position	Agency
1	Mao Vichet	M	PST Extension	PDA
2	Mey Kosal	M	PFA	NCDD
3	Sim Sodalais	F	Accountant	PA
4	He Sophana	F	Gender Focal Point	PDoWA
5	Ly Malay	F	Accountant	PDA
6	Sim Thol	M	DST Chief	Chet Borey
7	Hear Saroang	F	DST M&E	Chet Borey
8	Phork Sopheaktra	M	PST Planning	PDA
9	Kong Sobandit	M	DST M&E	Snuol
10	Sa Kunthea	F	Gender Focal Point	PDoWA
11	Horn Dara	M	M&E Officer	PA
12	Or Leng	M	DST Extension	Snuol
13	Yng Youty	M	PST M&E	PDA
14	Sam Kimlun	M	PST Ethnic Minority	PDA
15	Seang Sok Lim	M	PST Livestock	PDA
16	Phay Anh Cha Ly	F	PST Cashier	PDA
17	Heng Sophay	M	DST Chief	RULIP
18	Ouk Vuthirith	M	DNPC	MAFF PSU
19	Nam Poeu	M	M&E Officer	MAFF PSU
20	Chea Sareth	M	Technical Officer	MAFF PSU
21	Phanna Remy	M	Gender Focal Point	MoWA
22	Tes Srey Touch	F	Gender Focal Point	MoWA
23	Duong Kimchheam	M	M&E Officer	MAFF PSU
24	Amar Mishra	M	Mission Member	IFAD
25	Nigel Smith	M	Mission Leader	IFAD
26	Meng Sakphouseth	M	CPO	IFAD
27	K. EL Harizi	M	CPM	IFAD
28	Dely P. Gapasin	F	Mission Member	IFAD
29	Sok Vanna	F	NAPA	MAFF PSU
30	Yvonne Diethelm	F	Mission Member	IFAD
31	Cheam Sa Em Polin	M	Admin. Officer	PDA
32	Heng Sophath	M	RULIP Focal Point	NCDD
33	Sa Bun Seang	M	PST Agronomy	PDA
34	Sib Sareth	M	PAAA	PDA
35	Tea Rythivong	M	PPMA	PDA
36	Kuy Huot	M	Director	PDA

Wrap-up meeting, Phnom Penh, 17 October 2012

No	Names	Sex	Position	Agency
1	H.E Teng Lao	M	NPC	MAFF PSU
2	Ouk Vuthirith	M	DNPC	MAFF PSU
3	Yvonne Diethelm	F	Mission Member	IFAD
4	Nam Peou	M	M&E Officer	MAFF PSU
5	Chea Sareth	M	Technical Officer	MAFF PSU
6	Nil Hengky	M	M&E Officer	IP3 PVH
7	Phanna Remy	M	Gender Focal Point	MoWA
8	Sok Vanna	F	NAPA	MAFF PSU
9	Dely P. Gapasin	F	Mission Member	IFAD
10	Duong Kimchheam	M	M&E	MAFF PSU
11	Nigel Smith	M	Mission Leader	IFAD
12	K. EL Harizi	M	CPM	IFAD
13	Meng Sakphouseth	M	CPO	IFAD
14	Tes Srey Touch	F	Gender Focal Point	MoWA
15	Chan Ly	M	Finance Officer	IP3
16	Kov Ponna	M	PST Agronomy	PDA

17	Orn Vireak Chun	M	PST Indigenous FP	PDA
18	Srey Sam An	M	PST	PDA
19	Sim Moeun	M	Administrative	MAFF-PSU
20	Nak Rotha	M	Procurement officer	MAFF-PSU
21	Soy Sona	M	Director of PDA	PDA-RAT
22	Leang Seng	M	Deputy Director of PDA	KRT
23	Keo Vibol	M	IFAD Liaison officer	MEF
24	Ping Tryda	M	Director of PDA	PVH
25	Hok Kimthourn	M	DNPC	MAFF-PSU
26	Ung Dara Rat Moni	M	Advisor	UNDP
27	Mey Kosal	M	PPA	NCDD-IP3
28	Heng Sophay	M	DST- Snoul District	PDA-KRT
29	Sear Bunseang	M	Agronomist	PDA-KRT
30	Som Kimlun	M	PST	PDA-KRT
31	Koam Mao	M	DST- Sombo District	PDA-KRT
32	Seang Sok Lim	M	PST	PDA-KRT
33	Cheam Sa Em Polin	M	PST. Admin	PDA-KRT
34	Hak Chanthavy	F	Finance officer	MAFF-PSU
35	Sim Sodalís	F	Finance	KRT
36	Phork Sokpheaktra	M	Planning officer	PDA-KRT
37	Chim Heng	F	PST. Gender	PDA-KRT
38	Yng Youty	M	M&E officer	PDA-KRT
39	Horn Dara	M	M&E officer	PA-KRT
40	He Sophanna	F	PST	PDoWA-KRT
41	Sa Sokun	F	PST	PDoWA-KRT
42	Se Sophy	M	PPMA	RAT
43	Chheang Nora	M	PST	PDA-RAT
44	Sem Reoun	M	PST	PDA-RAT
45	Or Sokhom	F	PDoWA-Director	PVH
46	Sib Sareth	M	Advisor	PDA-KRT
47	Tea Rithivong	M	Advisor	PDA-KRT
48	Min Sophorn	M	Country Director	AVSF
49	Ly Malay	F	Finance	PDA-KRT
50	Mong Mann	M	PST	PDA-RAT
51	Veng Hong Lim	M	PST	PDA-PVH
52	San Ratana	M	PST-Finance	PDA-RAT
53	Korng Nea	F	Deputy Director	PDoWA-RAT
54	San Sokun	F	Gender	PDA-RAT
55	Phat Puty	M	M&E IP3	PA-RAT
56	Cedric Martin	M	Assistant Coordination South East Asia	AVSF
57	Seng Sithath	F	Admin.	MAFF-PSU
58	Mam Piseth	M	Admin	MAFF-PSU
59	Krean Sokhom	M	M&E	PDA-RAT
60	Sreng Chea Heng	M	Deputy Director	PDA-RAT

Financial management specialist: Additional people met

No	Name	Position	Office
1.	Mrs. Sao Somanthe	Finance Officer	MAFF
2.	Mrs. Kim Sovandara	Finance Officer	MAFF
3.	Mr. Nak Rotha	Procurement Officer	MAFF
4.	Mr. Mom Peseth	Administration Officer	MAFF
5.	Mr. Nhep Chanthet	Director	Internal Audit Department, MAFF
6.	Mr. Chan Ly	Finance Officer	PA, Preach Vhier
7.	Mrs. IV Chan Thol	Finance Officer	PDA
8.	Mrs. Soung Sokha	Ex-Finance Officer	PDA
9.	Mrs. Phim Sophalla	Office Assistance	PA
10.	Mr. Tep Phalkun	Admin	PDA
11.	Mr. Kong Saphon	FM Advisor	IP3
12.	Mr. Se Sophy	PPMA	PDA, Ratnakiri
13.	Mr. Chae Sikiang	TST-Admin Officer	PDA, Ratnakiri
14.	Mr. Tin Sarom	Accountant	RULIP IP3
15.	Mr. San Rattana	Finance Officer	PDA
17	Mr. Heng Sophat	National Programme Management Officer	NCDDS

Appendix 10: Summary of implementation support provided by IFAD

- 1 In December 2007, the IFAD Executive Board approved that RULIP will be one of the projects to be directly supervised by IFAD. Since the Project became effective on 31 August 2007, IFAD had carried out three annual supervision missions (2008, 2009 and 2010) and the mid term review (2011) as well as the current implementation support and supervision mission (2012). In addition, several implementation support missions were also carried out by consultants, mainly to assess specific topics that are of common concerns in ongoing IFAD-funded projects in Cambodia, including the Rural Livelihoods Improvement Project (RULIP), the Rural Poverty Reduction Project (RPRP) and the Community-based Rural Development Project (CBRDP). RULIP benefited from these assessments since it was still on its first half implementation period.

Mission 1: First Annual Supervision Mission (2008)

75. The first annual supervision was carried out on 28 October to 24 November 2008. Overall, the Project had shown satisfactory progress. The cumulative expenditure from the beginning of the start-up to 30 September 2008 was USD 1.23 million and the disbursement of the government counterpart funds was USD 103,050.
76. The main constraints facing the Project included: (i) lack of clear guidelines and procedures for project implementation and management; (ii) difficulties in interventions in ethnic minority populated areas; (iii) staff at sub-national level are not familiar with their roles and responsibilities; (iv) weak capacity of the local institutions; (v) need for improvement of coordination between the national and sub-national levels; and (vi) impact of rising prices on procurement of office buildings and on the cost of living and morale of the project staff. Concerted effort by all Project Parties was needed to remedy the current constraints in order to improve the performance of the Project.
77. The Mission consisted of Youqiong Wang (Country Programme Manager), Don Bishop (Agriculturist), Ung Dara Rat Moni (IFAD/UNDP Policy and Portfolio Advisor), Meng Sakphouseth (IFAD Country Operations Officer), and Anicia Calcari (Audit Coordinator, IFAD-FCL, partly).

Mission 2: Rapid Assessment of Impact of Rising Food and Commodity Prices in Cambodia (2008)

78. On 16 to 30 June 2008, an IFAD mission worked with MAFF PSU staff to assess the impact of rising food and commodity prices on the rural poor and vulnerable families in IFAD-supported project areas. They also assessed the impact of rising commodity prices on service delivery, work planning, budgeting and procurement of goods and civil works.
79. The Mission carried out field surveys in four project provinces (Svay Rieng, Preah Vihear, Kampong Thom and Ratanakiri). The report included the mission findings in RPRP and RULIP project areas, such as the impact and food security status of vulnerable groups, the recommended operational response strategy, including intervention measures for vulnerable groups and action plan for implementation under RPRP (Svay Rieng and Prey Veng) and RULIP (Kratie, Preah Vihear and Ratanakiri) and re-activation of part of CBRDP (Kampong Thom and Kampot) project areas.
80. The IFAD Mission consisted of Don Bishop (Agriculturist), Srey Chanthay and Chea Sophon (Rural Development Specialists), Ung Dara Rat Moni (IFAD/UNDP Policy and Portfolio Advisor) and Meng Sakphouseth (IFAD Country Operations Officer).

Mission 3: Second Annual Supervision Mission (2009)

81. The second annual supervision mission was carried out on 29 September to 28 October 2009 with two other IFAD projects: the RPRP and the CBRDP. The supervision mission was focused on the actions taken on the recommendations of the 2008 mission and key issues related to technical and project management aspects.
82. Overall, RULIP implementation in the first eight months of 2008 has shown satisfactory progress, achieving about 50% of its planned physical outputs based on the 2009 AWPB. Many activities have been initiated but not yet completed. However, the financial achievement was only 26% which was much lower than the physical achievements. Some activities that cannot be initiated because of late release of funds are planned to be rolled over to 2010. With the payment of outstanding procurement packages and higher rates of

supplemental salary allowances, it is expected that by the end of 2009, about 84% would be achieved.

83. Some key issues and/or risks noted by the Mission that could affect the overall project implementation include: (1) difficult access to remote project locations would affect the provision of support services to beneficiary groups and could increase the cost; (2) limited capacity of some service providers and beneficiary groups, especially indigenous peoples, who do not understand the Khmer language; and (3) the suitability of the group revolving fund approach, especially for indigenous peoples.
84. The IFAD Mission consisted of Michael Rayner (Mission Leader), Dely Pascual Gapasin (Agriculturist), Ung Dara Rat Moni (IFAD/UNDP Policy and Portfolio Advisor), Meng Sakphouseth (IFAD Country Operations Officer partly) and Youqioung Wang (IFAD Country Programme Manager, partly).

Mission 4: Implementation Support: Technical and Project Management (2009)

85. An implementation support mission was carried out on 15 to 29 June 2009 to assist the MAFF PSU and other project implementers to implement the recommendations of the 2009 SM on both technical and project management aspects of the Project. The Mission consisted of Dely Pascual Gapasin (Agriculturist) and Meng Sakphouseth (IFAD Country Operations Officer).
86. The Mission visited project sites in the three provinces to meet with farmer groups and to discuss with sub-national level implementers the status of key project activities, constraints and issues that need to be addressed especially at the village level. The remaining agreed actions have to be implemented to ensure that significant increase in project achievements occur in 2009 and 2010.

Mission 5: Implementation Support: Assessment of Cambodia's Revolving Credit (2009)

87. In November to December 2009, an IFAD consultant (Tony Ryan) carried out an assessment of the Cambodia Revolving Credit approach using group revolving fund (GRF) managed by farmer groups in ongoing IFAD projects in Cambodia (RULIP and RPRP). The assessment included: (1) overall efficacy and appropriateness of the GRF approach, (2) graduation of farmer groups to cooperatives; (3) importance of savings, cohesion and self-help initiatives in GRF; (4) design issues of GRFs for MTR assessment; (5) performance and operations of existing GRFs; (6) effectiveness of support and training by PDAs, CEWs, NGO and VEWs; (7) key factors for GRFs to reach maturity and access to MFI/bank loans; (8) graduation process of GRF members to MFI/bank loans; (9) post-project sustainability – ADESS and MPP and sustainability potential for RPRP groups; and (10) impact of GRF on poverty and livelihoods of the poor.
88. Specific recommendations for improvement of the various aspects of GRF management were made and emerging best practices and innovations were identified for future applications. The assessment concluded that similar GRFs could be replicated in future poverty reduction projects where similar conditions exist.

Mission 6: Implementation Support: Assessment of Sustainability of Rural Institutions (2009)

89. An IFAD Mission (Monica Romero) was in Cambodia on 24 November to 10 December 2009, to assess the Sustainability of Rural Institutions Supported by Ongoing IFAD Projects. The focus of the assessment was on sustainability, capacity building and empowerment of rural institutions including the approaches and interventions adopted by three projects (RULIP, RPRP and CBRDP).
90. The sustainability assessment included: (i) pro-poor targeting, (ii) sustainability of groups and engagement in commune-level planning processes; (iii) evolution of groups in associations/cooperatives; (iv) group management issues requiring improvements; (v) maturity assessment, (vi) various groups involved in RPRP and RULIP; (vii) groups' livelihoods and income generating activities; (viii) Young Farmers Clubs; (vii) women's groups engaging in off-farm income generating activities; (ix) group saving and linkages to MFIs; (x) training and input provision; (xi) provision of extension services; (xii) evaluation of staff and service providers; and (xiii) gender mainstreaming. Recommendations for both RULIP and RPRP were given for each of the above aspects.

Mission 6: Third Annual Supervision Mission (2010)

91. The third annual supervision mission of the Project was carried out on 2 September to 5 October 2010 with another IFAD-funded project (RPRP). The focus of the mission was to review the progress and achievements of the project up to 2010 in preparation for the mid-term review planned for mid-2011 and identify the important constraints in project implementation and agree on solutions. The mission visited project sites in Kratie, Preah Vihear and Ratanakiri provinces and held discussions with stakeholders and project implementers at the national and provincial levels.
92. As of 31 August 2010, in the three provinces, a total of 16 districts (100% of Appraisal target), 59 communes (70% of Appraisal target), and 218 villages (48% of Appraisal target) are participating in the Project. Overall, RULIP implementation in the first eight months of 2010 shown satisfactory progress, achieving about 46% of the planned physical outputs, based on the 2010 AWPB, although some activities have been initiated. The financial achievements was only 26% which was much lower than the physical achievements because some expenditures were currently being cleared in the system and many activities have yet to be completed due to late release of funds. Some activities are proposed to be rolled over to 2011 and with the payment of outstanding procurement packages (e.g., works and services) and other expenditures, an overall financial achievement of 70% is expected up to 31 December 2010.
93. Some key issues and/or risks noted by the Mission that have affected and could further affect the overall project implementation include: (1) late release of funds adversely affected the implementation of project activities at all levels; (2) discontinuance of supplemental allowances for project staff and change in daily subsistence allowance was a disincentive that affected the commitment of staff; and (3) continuing procurement delays affected the training of farmers especially on the group revolving fund by an NGO.
94. The IFAD Mission consisted of Michael Rayner (Mission Leader), Ung Dara Rat Moni (IFAD/UNDP Policy and Portfolio Advisor), Dely Pascual Gapasin (Agriculturist, for RULIP only) and Youqiong Wang (IFAD Country Programme Manager, partly for RPRP).

Mission 7: Implementation Support: Pro-poor Market Development (2010)

95. An IFAD Mission (Nigel Smith) assisted the RULIP and RPRP project implementers, especially at the provincial level, on key aspects of pro-poor market development including preparation of: (1) action plans for pro-poor value chains and market development; (2) capacity building plans; and (3) a proposal for overall strategy for pro-poor value chain and market development.
96. The following areas were assessed: (i) current status of smallholders and rural markets, (ii) comparative advantages and market development processes, (iii) business enabling environment; and (iv) access to key services and infrastructure. The mission's key recommendation were focused on an overall strategy for strengthening pro-poor market development with three aspects: (1) strengthening institutional development, (2) farming as a business; and (3) access to key services and inputs.

Mission 8: Mid-term review (July 2011)

97. Overall Project progress by MTR was assessed to *moderately satisfactory* primarily based on physical progress of activities. The Mission concluded that in order for RULIP to achieve its objective during the remaining period, some changes in focus were necessary especially in view of the cost overruns. Consequently, difficult choices had to be made to secure the strongest overall performance within the limits of the remaining time and available funds. The principal trade-off is between further investment in new farmer groups (with GRFs) or reinvestment in improved training for those farmers that are members of existing groups. In consultation with the MAFF PSU and PDAs, the Mission concluded that the greatest impact can be achieved through reinvestment in longer and more in-depth training of farmers within existing groups which will enable the Project to more fully harness the investments already made in the existing GRFs and capacity building of these groups. Targets for the overall number of groups and households to be reached were therefore capped at currently achieved levels at the time of MTR with no new groups created. More specifically, the Project's efforts were recommended to concentrate on the following aspects post-MTR, with corresponding, rationalized support structures:
 - (a) Impact and outcome driven project management and M&E systems are urgently needed to successfully lead the Project to achieving its objectives by completion. This

should begin with the project management of the PSU and PDAs developing a Result Chain for the project which clearly relates activities to impacts and outcomes and highlights gaps in project activities leading to a simplified set of log frame indicators. The shift in management focus must be supported by a coordinated set of improvements to strength the M&E system towards Impacts and Outcomes, including implementing an Annual Outcome Survey from now on, establishing participatory impact assessment systems as an integral part of all farmer training and, finally, conducting the RIMS end-line survey as a household panel survey to provide reliable measures of changes in key indicators.

- (b) Farmer technical training: The Project must deliver longer duration FFS-type training to all existing LIG and MVF groups which responds to the specific local food and income opportunities for farmers. This should use participatory learning approaches and impact monitoring by farmers themselves and incorporate on-farm demonstration. FFS trainers and CEWs should receive refresher training on these techniques and approaches.
- (c) Training of existing GRF group leaders and bookkeepers and their supporting CEWs on basic bookkeeping, management and internal controls should be provided to ensure a majority of groups have the capacity to be self-sustaining by the end of the project.
- (d) Animal health: A systematic and coordinated vaccination campaign should be implemented in project villages covering all poultry in the village (not only those of group members). Effective and appropriate cold chains (equipment and management processes) should be established for vaccines and medicine out to the village level as well as ensuring VAHWs have the required skills for properly administer vaccines. Data on vaccinations rates, disease outbreak and poultry mortality should be routinely collected and analysed.
- (e) District fair: should be implemented at low cost if it effectively serves to disseminate project achievements. The proposal from MAFF-PSU on the objective and organization of the district fair will be part of the AWPB to be submitted to IFAD for approval.
- (f) Nutrition: More direct actions are needed to combat the prevailing malnutrition among the beneficiary households. Nutrition education, targeting primarily female members of LIGs and MVFs, is proposed to be included in the FFS training. This nutrition education training will utilise proven methodologies, especially those adopted by FAO/EU Food Facility Project, and draw on expertise of the nationally accredited nutrition Master Trainers. In addition to the above there is a need to: establish an appropriate balance within total costs by reducing recurrent cost to no more than 30% by rationalising staffing at all levels; ensure effective coordination with NCDDs between at sub-National level to avoid disruption during the transition to IP3, and; pilot and assess potential exits strategies for CEWs.
- (g) Budget Reallocation: Additional resource would be required to complete the AWPBs for the next three years. IFAD can mobilize additional resources of the order of USD 2.5 million. Based on the available remaining fund and additional top up from IFAD, MAFF-PSU will discuss with the provincial parties a revised budget for the project for the remaining period to submit to IFAD by 1 August 2011.

98. The MTR Mission consisted of Dely Pascual Gapasin (Mission Leader), Theodoros Boditsis (FAO/Economist), Yoshiko Ishihara (FAO/Rural Sociologist), Nigel Smith (Marketing and Value Chain Specialist) and Meng Sakphouseth (IFAD Country Operations Officer). Khalid El Harizi (IFAD Country Programme Manager for Cambodia) and Ung Dara Rat Moni (IFAD Policy Officer) joined the mission during the visit to Kratie province and the meetings in Phnom Penh. During the provincial visits, the mission was accompanied by MAFF PSU staff and representatives of MEF and MoWA.

Mission 9: Implementation support (Feb 2012)

99. A mission was mobilized from 29 Feb – 14 Mar 2012 to support implementation of the agreed actions from the MTR, with three specific areas of focus to be carried out jointly with the project management team: a) Key actions from MTR: b) Project management, M&E and logical framework to strengthen focus on impacts and outcomes: c) maximizing value of IFAD supervision and support in 2012. The mission will consisted of a Mission Leader, Mr Nigel Smith, and Mr Meng Sakphouseth and Mr Ung Moni of the IFAD country programme team who performed the role of Project management and M&E experts.

Together with the PSU, MoWA and PST teams, the mission reviewed progress on MTR recommendations and facilitated the development of results chains/impact logics for each of the four main impact mechanisms within the project and the updating of the project logical framework to reflect these priorities and the priorities of the MTR. The mission also worked with the project team to identify specific actions to further strengthen the focus on impacts within project management..

Appendix 11: Audit log

1. Status of Audit Report

Audit report for fiscal year ending	Due date to send IFAD (dd/mm/yy)	Audit report prepared (dd/mm/yy)	Date sent to IFAD (dd/mm/yy)	Name of the Auditor	Remark
31 December 2007	30 June 2008	26 November 2009	27 November 2009	Grant Thornton	
31 December 2008	30 June 2009	26 November 2009	27 November 2009	Grant Thornton	
31 December 2009	30 June 2010	21 May 2010	11 June 2010	Grant Thornton	
31 December 2010	30 June 2011	15 April 2011	17 June 2011	Ernst & Young	
31 December 2011	30 June 2012	17 May 2012	31 May 2012	PricewaterhouseCoopers Cambodia Ltd.	

2. Summary Audit Table

Financial Year	Audit Observations as per Audit Report		Audit Observations Settled		Audit Observations Outstanding	
	Numbers	Value (USD)	Numbers	Value (USD)	Numbers	Value (USD)
2007-2008	8	125.00	6	125.00	2	0
2009	12	67,972.41	11	67,972.41	1	0
2010	5	0	3	0	2	0
2011	54	21,618.00	0	0	54	21,618.00
Total :	80	89,715.41	20	68,097.41	69	21,618.00

3. Detailed Audit Table

Sl. No.	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project / MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks	
1	2007_2008	General	Part A	During our observation of non-expendable equipment count, we noted that the Project has	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	PRDC/Excom agrees with the audit s' findings. The tagged on motorbikes accidentally lost	Not implemented	0		
2	2007_2008	General	Part A	The Seila Finance and Administration Manual stipulated that original invoices and bills	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Excom management will follow up this issue with Finance unit and improve	Implement	0		
3	2007_2008	General	Part A	We noted that fixed assets physical count was not conducted for all the assets under the control of the	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Followed the Supervision Mission Report 2008, management of fixed assets will	Partly implement.	0		
4	2007_2008	General	Part A	During our audit, we noted that the list of non-expendable equipment was not properly updated for items purchased during the year. We also noted that costs and date of that equipment on the list differed	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Equipment under RULIP project was purchased by Ministry of Agriculture Forestry and Fisheries/ Project Support Unit. The purchase orders were not given, CAU tried to get information from	Not implement.	0		
5	2007_2008	General	rManagement	We noted certain invoices were not paid promptly. For example: Invoice dated 5-Jan-08 US\$125	125	Discuss during field follow up mission and policy guidance meeting/technical meeting.	The MAFF will ensure proper routing of vendors' invoices and prompt clearance in future.	Implement.	0		

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Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Sl. No	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
6	2007_2008	General	LetterManagement	We noted that certain assets of the project didn't have proper asset tagging and the Fixed Asset	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	The project will have proper asset tagging to facilitate identification	Partly implement.	0	
7	2007_2008	General	LetterManagement	The financial date of the project are maintained using the "Peachtree" accounting software. However, we were not able to review the electronic financial	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Data will properly back-up to prevent similar loss of electronic data.	Improved.	0	
8	2007_2008	General	LetterManagement	We noted that cash counts were performed regularly at month end. However, no surprise cash count was conducted during the period	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Surprise cash counts will be conducted.	Implemented.	0	
1	2009	General	Management	Timely clearance of advances: According to Section 2.1.3 (Advance Clearance) of the	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: Agree with auditor's finding. Due to this issue	Implemented.		
2	2009	General	Management	Control over fixed assets: During our audit and observation of physical count of project assets, we	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: Agree with auditor's finding. All the above	Implemented.		
3	2009	General	Management	Source documents not properly filed for cross-referencing to accounting records:	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We agree with the finding and recommendation.	Partially implement.		

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Sl. No	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
4	2009	General	Management	Indication of date of activities on work: We have reviewed the document for advance. We noted	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We agree with finding and recommendation.	Implemented.		
5	2009	General	Management	Fixed assets management: We performed physical sighting of the fixed assets of RULIP. We noted	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We agree with the finding and recommendation	Implemented.		
6	2009	General	Management	No audits conducted by	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We agree with the finding and the recommendation	Implemented.		
7	2009	General	Management	Payment made to subcontractor: The contract of the Dissemination Forestry Law Legislation. Fishery	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the findings and we would like to	Implemented.		
8	2009	General	Management	Control over fixed assets: During our audit, we noted that the list of fixed assets was not properly	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the findings and we would like to	Implemented.		
9	2009	General	Management	Internal Auditor's role: Section 2.1 B (Internal Auditor) of NCDD Administrative and Finance Manual	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the findings and PRDC/ExCom will	Implemented.		
10	2009	General	Management	Advances to/from other projects: During our review of financial statements of	\$45,000.00	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the findings but we would like to	Implemented.		

Cambodia – Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)
Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Sl. No	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
11	2009	General	Management	Outstanding checks and deposits in transit: During our review of cash and bank balance of	\$22,972.41	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the finding but these issues will not be	Implemented.		
12	2009	General		Monthly allowance for Provincial Support Team ("PST"): During our review of	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management response: We accept the finding and the reason is that the	Implemented.		
1	2010	General		Strengthen control in terms of signature on vouchers: During our visit to Kulean Thouna commune.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management's response: Provincial management accepts the	Implemented.		
2	2010	General		Improve the filing system: We note that both cash receipt and payment vouchers are kept in the	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management's response: Provincial management agrees with the	Implemented.		
3	2010	General		Identify employment contract by indicating a contract Number: Based on our	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management's response: We agree with the auditor's finding and we will try to	Not yet implemented.		
4	2010	General		Ensure timely clearance of advances: Section 2.1.3 (advance clearance) of the	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management's response: Excom accepts this finding as these matters	Not yet implemented.		

Cambodia – Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)
Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Sl. No.	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
5	2010	General	Management	Strengthen control over cash: The bank reconciliation was prepared on monthly basis but	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management's response: Excom agrees with the point raised by the auditor and	Implemented.		
1	2011	General	Management	Timely clearance of advances should be ensured: In accordance with the RULIP	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management explained that the advance that was not cleared within ten days was for			
2	2011	General	Management	Some payment vouchers do not have copies of cheques attached: From our audit, we	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management agreed with our recommendation and will work to implement this in			
3	2011	General	Management	Quotations cannot be differentiated from invoices: Under the procurement	300.00	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management agreed with our position and will try to ensure this happens in the			
4	2011	General	Management	Assets are not insured: Fixed assets are not insured, including the computer software, buildings.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	National management comments: Management agreed with our recommendation.			
5	2011	General	Management	Asset management is not consistent between provinces: There is a misalignment	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	National management comments: Management agreed that all provinces should			

Cambodia – Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)
Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Sl. No .	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
6	2011	General	FMManagement	Salaries should be paid by bank account where possible.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: POC is currently paid through bank accounts. Management agreed with our			
7	2011	General	FMManagement	Salary information should be treated as highly confidential: The Project	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management agreed with our recommendation.			
8	2011	General	FMManagement	User access to the RULIP Peachtree accounts should be expanded: There is only one	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management explained that as the licence for Peachtree is not a full licence, only			
9	2011	General	FMManagement	Offsite backups of financial information should be maintained: There are no regular off	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management explained that they currently complete monthly backups but the			
10	2011	General	FMManagement	Passwords should be changed periodically and should be strong: There is no system	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management explained that as the licence for Peachtree is from another project.			
11	2011	General	FMManagement	Integration of Peachtree accounts between provinces and MAFF-PSU: There	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU management comments: Management agreed with our recommendation			

Cambodia – Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri (RULIP)
Implementation Support and Supervision Mission: 3-17 October 2012 – Supervision Report

Sl. No	Financial year	Class: Serious / general	Audit Ref.	Audit observation	Amount (USD)	MAFF PSU Action	Action taken by the project /MAFF PSU	Present status (Auditors Validation Result)	Total amount not settled/ outstanding (USD)	Remarks
12	2011	General	Management	No written approval was obtained for transfers of funds between IFAD and RGC: During	7,500	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management agreed with our recommendation and will work to achieve this on			
13	2011	General	Management	Timely clearance of advances should be ensured: In accordance with the RULIP	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management explained that the issue was a result of the implementation			
14	2011	General	Management	Reversed cheques not marked "Void": During our fieldwork, we found one entry where	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri management comments: Management agreed with our position and will			
15	2011	General	Management	Invoices not stamped "Paid": During our fieldwork we found that several paid invoices had not	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management explained that they do not have a stamp to use. The stamp that they			
16	2011	General	Management	Procurement documents not maintained: During our fieldwork we found that some of the	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri management comments: Management said that they completed the			
17	2011	General	Management	Physical asset count had not been completed at the date of the financial statements: There	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management explained that they do not have sufficient resources to			

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18	2011	General	Management	Asset management procedures breach the Project Implementation	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management agreed with our recommendation and will work to achieve this in the			
19	2011	General	Management	Sufficient funds should be obtained to pay outstanding salaries: At some points during 2011.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management is aware of our concern. The situation has continued as			
20	2011	General	Management	Salaries should be paid by bank account where possible: Salaries and DSA payments are currently paid	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Steps have been taken to make some staff salary payments through bank accounts in			
21	2011	General	Management	Salary information should be treated as highly confidential: The Project	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management explained that as there are 157 and 128 employees, respectively, this			
22	2011	General	Management	Provincial facilitation team members are paid by DSA, not POC: In 2011, the salary for personnel	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management comments: The POC was approved by the national level as a			
23	2011	General	Management	Offsite backups of financial information: should be maintained: There are no regular off	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	MAFF-PSU: Management explained that they currently complete monthly backups but the			
24				Passwords should be changed periodically and should be strong:	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management explained that they try to change their passwords on			

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				There is no system prompt for regular password changes in the Peachtree system. There is also no system requirement for the strength of passwords.			al meeting. a regular basis, but sometimes forget. They accept our comments and will work to implement this change.			
25	2011	General	Management	Communication lines and information dissemination could be improved: During	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Ratanakiri: Management would appreciate a forum to be established where they are included			
26	2011	General		No written approval was obtained for transfers of funds between IFAD and RGC: Preah	13,398	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management agreed with our recommendation and will work to achieve this on			
27	2011	General		Timely clearance of advances should be ensured: In accordance with the RULIP	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management explained that the issue was a result of the implementation			
28	2011	General		Review of payroll should be more thorough to detect mistakes: During our fieldwork we noted	120	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear management comments: Management explained that this was a one-off			
29	2011	General		Invoices not stamped "Paid": During our fieldwork we found that several paid invoices had not	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management agreed with our recommendation and will work to implement this.			

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30	2011	General	Management	Some payment vouchers do not have copies of cheques attached: We found that there	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management stated that these instances occurred when the accountant was on			
31	2011	General	Management	Special advance documentation could be improved: Special advances can incorporate many	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear management comments: Management agrees with our recommendation.			
32	2011	General	Management	Cheques should be entered into Peachtree only when approved: The finance team has entered	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear management comments: Management explained that this is a system			
33	2011	General	Management	Physical asset count had not been completed at the date of the financial statements: Preah	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management explained that they completed a partial count, but due to new staff.			
34	2011	General	Management	Asset management procedures breach the Project Implementation	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management agreed with our recommendation and will work to achieve this in the			
35	2011	General	Management	Some original contracts could not be found: The employment contracts for two staff (drivers) could	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear management comments: Management agreed with our recommendation			

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36	2011	General	hManagement	Sufficient funds should be obtained to pay outstanding salaries: At some points during 2011.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management understood our concern and agreed to act on our			
37	2011	General	hManagement	Salaries should be paid by bank account where possible: Salaries and DSA payments are currently paid	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management agreed with our recommendation, but explained that it may be more			

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38	2011	General		Salary information should be treated as highly confidential: The Project Implementation Manual states that salaries and allowances, including incentives, should be treated as highly confidential. However, during our fieldwork we noted that the Salary Receipt Schedule (signed by staff when they receive their salary in cash each month) lists all employees and the amount of their monthly salary. Further, at Kratie and Preah Vihear, we noted that employee contracts are not kept in a confidential location, such as a locked cabinet.	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management explained that as there are 157 and 128 employees, respectively, this would cause administrative problems. However, they stated that by moving salary payments to bank accounts, the problem will be resolved.			
39	2011	General	nManagement	Provincial facilitation team members are paid by DSA, not POC: In 2011, the salary for personnel	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Provincial management comments: The POC was approved by the national level as a			

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40	2011	General	Management	User access to the RULIP Peachtree accounts should be expanded: There is only one	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management accepted our comments and will work to implement this change.			
41	2011	General		Offsite backups of financial information should be maintained: There are no regular off	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management accepted our comments and will work to implement this change.			
42	2011	General		Passwords should be changed periodically and should be strong: There is no	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management accepted our comments and will work to implement this change.			
43	2011	General		Review procedures for financial reporting could be improved: Through conversations with the RULIP finance team, we noted that there is no thorough review completed of Mr. Chan Ly's work (finance officer). The official process of review is carried out by the PDA who is not adequately skilled in finance to complete this review. Therefore, My Chan Ly has	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear management comments: Management expressed the concern that they are unsure who would be capable of assuming this role. We confirmed that this review would be appropriate for a financial advisor. They confirmed that they will seek to make this an official procedure once the appropriate reviewer is determined.			

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				arranged for an IP3 Monitoring and Evaluation team member to review his work. However, this is not an official requirement.						
44	2011	General	gMagMagMahManagement	Communication lines and information dissemination could be improved:	0	Discuss during field follow up mission and policy guidance meeting/technical meeting.	Preah Vihear: Management did not comment on this matter.			
45	2011	General	gMagMagMahManagement	Timely clearance of advances	0	Discuss during field follow up	Kratie: Management			
46	2011	General	gMagMagMahManagement	Invoices not stamped "Paid".	0	Discuss during field follow up	Kratie: Management			
47	2011	General	gMagMagMahManagement	Quotations cannot be	300	Discuss during field follow up	Kratie: Management			
48	2011	General	gMagMagMahManagement	Physical asset count had not	0	Discuss during field follow up	Kratie: Management			
49	2011	General	gMagMagMahManagement	Asset management procedures breach	0	Discuss during field follow up	Kratie: Management			
50	2011	General	gMagMagMahManagement	Salaries should be paid by bank	0	Discuss during field follow up	Kratie: Management			
51	2011	General	gMagMagMahManagement	Salary information	0	Discuss during field follow up	Kratie: Management			
52	2011	General	gMagMagMahManagement	Provincial facilitation team	0	Discuss during field follow up	Provincial management			
53	2011	General	gMagMagMahManagement	Passwords should be	0	Discuss during field follow up	Kratie: Management			
54	2011	General	gMagMagMahManagement	Communication lines and	0	Discuss during field follow up	Kratie: Management			