

Country: CAMBODIA

UNDAF Outcome(s)/Indicator(s):

Effective implementation of the national development plan through appropriate resource disbursement (national and international), good coordination and inclusive participation, applied research at the national and local levels.

Expected Outcome(s)/Indicator(s):


Public sharing of information on the implementation and results


Expected Output(s)/Annual Targets:

(CP outputs linked to the above CP outcome)

Implementing partner/Responsible Parties: **United Nations Development Programme**

Programme Period: <u>2005-2010</u>	Budget	US\$623,600 (2005)
Programme Component: <u>2 components</u>	General Management Support Fee	_____
Project Title: <u>Insights for Action</u>	Total budget:	US\$4,811,600
Project ID: <u>0000042787</u>	Allocated resources:	_____
Project Duration: <u>6 years</u>	• Government	_____
Management Arrangement: <u>DEX</u>	• Regular	US\$623,600
	• Other:	_____
	○ Donor	TBC
	○ Donor	TBC
	○ Donor	TBC
	• In kind contributions	_____
	Unfunded budget:	US\$4,188,000

Agreed by (Government):  Date: 08 FEB' 05
H.E. Keat Chhon, Senior Minister, Minister of Economy and Finance, and Chairman of CDC

Agreed by (UNDP):  Date: 31 Jan 2005
Mr. Douglas Gardner, UNDP Resident Representative
UN Resident Coordinator

Project Document

Execution Modality:	Direct Execution (DEX)
Project Number and Title:	00042787 Insights for Action: <i>Catalyzing Policies and Actions for Achieving Cambodia's Millennium Development Goals (CMDGs)</i>

Brief Description:

This project is aimed at generating innovative ideas, creative approaches and practical knowledge as well as catalyzing the related decisions and actions for the rapid and effective implementation of the new Rectangular Strategy of the Royal Government of Cambodia (RGC). Special focus will be given to those aspects of the Rectangular Strategy with greatest scope for rapidly advancing progress towards Cambodia's Millennium Development Goals (CMDGs).

To generate such innovative ideas and catalyze the related actions, the project has two mutually-reinforcing components: a Knowledge Generation component and a Knowledge Sharing component.

The Knowledge Generation component will in practice focus on pointed and practical research in priority areas of the Rectangular Strategy and CMDGs. The specific issues and questions to be researched will be determined by the needs and requests of the Royal Government of Cambodia and other development partners and stakeholders.

The Knowledge Sharing component will be aimed at both facilitating the work of the Knowledge Generation component and disseminating the innovative ideas and practical knowledge generated. Equally important, the Knowledge Sharing component will also focus on developing common understandings among government and non-government stakeholders on priority development issues, and developing the broad support needed for the related actions.

I. Brief Background and Situation Analysis

On 16 July 2004 His Excellency Prime Minister Hun Sen unveiled the Government's new Rectangular Strategy at the First Cabinet Meeting of the Third Legislature of the National Assembly. The Rectangular Strategy aims to achieve a substantial increase in Growth, Employment, Equity and Efficiency. Strengthening governance lies at the core of the new strategy

At an earlier meeting on 28 May 2004, His Excellency Prime Minister Hun Sen outlined and discussed the Rectangular Strategy with Dr. Hafiz Pasha, UN Assistant Secretary General and UNDP Regional Director for Asia and the Pacific. The Prime Minister requested that UNDP provide innovative ideas to help implement the strategy, particularly for achieving further substantial progress towards the Millennium Development Goals (MDGs) and improved human well-being in Cambodia.

In a follow-up meeting with the UNDP Resident Representative on 9 December 2004, the Prime Minister emphasized that knowledge sharing will also be essential for raising public awareness and developing common understandings and support among the people for the needed actions.

Therefore, this project is aimed at responding to the Prime Minister's request by providing a facility that will more systematically generate innovative cutting edge ideas and policy options to help effectively implement key aspects of the Rectangular Strategy to achieve greater growth, employment, equity and efficiency. Special attention will be focused on those aspects of the Strategy with greatest scope for rapidly advancing progress towards the CMDGs and substantially improving human development in Cambodia. The generation of innovative ideas and knowledge will be supported by systematic knowledge sharing aimed at developing common understandings among government and non-government stakeholders on priority development issues, and developing the broad based support needed for the related actions.

1.1 Progress and Challenges in Achieving Cambodia's MDGs

After more than 25 years of instability and conflict, which led to the near collapse of the governance institutions and systems in the country, Cambodia is now at peace and open to the rest of the world. Since the signing of the Paris Peace Accord in 1991, the Royal Government of Cambodia (RGC) has made important strides in stabilizing the economy, in restoring economic growth, and in implementing policy reforms to transform the economy to a market-oriented one. As a result, some important economic fundamentals are in place. Moreover, during the past decade the country experienced relatively steady economic growth, with national income growing at a rate of some 5-6% annually.

Despite the steady economic growth, however, there is little evidence of a significant reduction in income poverty, human deprivation and inequality. The Cambodia 2003 MDG Report estimates that 36% of the population live on less than US\$ 0.46-0.63 per day, the majority of whom are concentrated in the rural areas.¹ The GDP per capita in the rural areas is estimated at US\$ 119, compared to the national average of US\$ 280. About 11 percent of the population live below the minimum level of dietary energy consumption. While significant progress has been achieved in primary and secondary school net enrollment rates, there are significant gender gaps at all levels, particularly in secondary and tertiary education. The overall quality of schooling remains a major concern and illiteracy remains high with 50.4% of men and 70.8% of women being functionally illiterate. There are indications of rising infant mortality and child mortality rates, with 50.3% of children under age five underweight. The maternal mortality ratio is estimated at 437 per 100,000 live births, amongst the highest in Asia. The prevalence of HIV/AIDS among the adult population has decreased from 3.3% in 1997 to 2.6 % in 2002. However, parent- to-child and husband-to-wife transmission is increasing.

In response to this still impoverished level of human development,

*"The Rectangular Strategy selects key elements from the Millennium Development Goals, the Cambodia Socio-economic Development Program 2001-2005 (SEDP2), the Cambodia National Poverty Reduction Strategy 2003-2005 (NPRS), and the various policies, strategies, plans and other important reform programs...."*²

¹ Royal Government of Cambodia, *Cambodia Millennium Development Goals Report*, November 2003

² His Excellency Prime Minister Samdech Hun Sen, Address on the Rectangular Strategy; 16 July 2004, page 6;

1.2 Economic Challenges

Major underlying reasons for the slow progress in poverty reduction and slow improvements in human development more generally are low productivity and the narrow base of Cambodia's economic growth. The country's private business sector is especially narrowly-based, heavily concentrated in the garment industry which represents 80 percent of Cambodia's exports and employs more than 220,000 workers.³ Yet the majority of people live in rural areas and earn their livelihoods in the agriculture sector which exports little and has a labor productivity less than half that in the garment sector. The garment industry has no significant backward linkages with the other sectors of the domestic economy since almost all its inputs are imported.

The rapid expansion of this sector is likely to slow down in the near future and may even risk serious contraction in line with increased global competition in textiles resulting from the phasing out of quotas under the Agreement on Textiles and Clothing in January 2005. In the worst case scenario, many of the more than 220,000 workers in the garment sector may face unemployment, mainly young women who send much of their earnings home to their otherwise more impoverished families in rural areas. A number of large international buyers of garments have reportedly indicated plans to maintain or even increase garment purchases from Cambodia in the coming year. Nevertheless, already in October/November 2004, two garment firms have "suspended" production due to a "lack of orders" resulting in the layoff of nearly 10,000 workers, and boding ill for the year to come. Hence, the risk of serious economic and social dislocations cannot be ruled out during 2005-2006.

In general, competition will also be intensified by Cambodia's recent accession to WTO and the country's deepening integration into the ASEAN Free Trade Agreement; China's earlier accession to WTO; and the deepening implementation of the bilateral trade agreement between Vietnam and the US.⁴

In response to such imminent economic challenges, the Rectangular Strategy is aimed foremost at:

*"(a) promotion of economic growth; (b) generation of employment for all Cambodian workers; (c) implementation of the Governance Action Plan; and (d) enhancing efficiency and effectiveness of the Royal Government in implementing the reform programs in all sectors to reduce poverty and achieve sustainable development"*⁵

Moreover,

*"The four strategic growth rectangles are: (1) enhancement of the agricultural sector; (2) private sector development and employment generation; (3) continued rehabilitation and construction of physical infrastructure; and (4) capacity building and human resource development."*⁶

³ World Bank Group, *Cambodia Seizing the Global Opportunity: Investment Climate Assessment and Reform Strategy for Cambodia*. Report No. 27925-KH, August 12, 2004

⁴ The National Assembly passed the Law that ratified Cambodia's accession to the WTO on August 31, 2004

⁵ His Excellency Prime Minister Samdech Hun Sen, Address on the Rectangular Strategy; 16 July 2004, page 5;

⁶ Ibid, page 9.

1.3 Governance Challenges

Especially notable, His Excellency Prime Minister Hun Sen and other senior officials of the RGC have on many occasions publicly emphasized that a substantial improvement in governance, including a substantial reduction in corruption, will be essential to Cambodia's sustainable development including the sustainable achievement of the CMDGs. A substantial reduction in corruption will be especially important to overcoming the aforementioned economic challenges. According to a recent survey, the investment climate in Cambodia is heavily characterized by weak rule of law, bureaucratic costs and pervasive corruption.⁷ An average of some 5% to 6% of sales revenues are reportedly siphoned off in rent seeking payments. The corruption problem is reportedly so acute that it severely constrains the functioning of basic factor markets for land, capital and skilled labor, holds up basic infrastructure development and, in general, severely constrains private sector development and badly needed job creation.

In this regard, the Rectangular Strategy is unambiguous:

“Good governance is the most important pre-condition to economic development with sustainability, equity and social justice. Good governance requires wide participation, enhanced sharing of information, accountability, transparency, equality, inclusiveness and the rule of law. In this regard, good governance will ensure that: corruption be reduced to the minimum, the views of minorities and the voices of the most vulnerable in society be fully heard and considered in the decision making processes. Indeed, the attainment of good governance is crucial to the proper functioning of society both in the present and the future.”⁸

The governance challenges in Cambodia are a legacy of the country's recent history. Cambodia's transformation to a post conflict society that has lived the most brutal revolution of the 20th century has been daunting. It is a country where the reality of a State, with a functioning modern public administration, is just over 10 years old. The country's public sector suffers from serious shortages of capacity and inefficiency. There is an acute shortage of people with the requisite level of technical and professional skills. Because of the low level of civil service salaries – between \$20 – \$30 per month – it is extremely difficult to attract and retain qualified civil servants. Decision-making in the public sector is further complicated by the complex web of government agencies, institutions and competing inter-ministerial committees with overlapping mandates.

To help meet the difficult governance challenge

“The core of the Rectangular Strategy is good governance focused at four reform areas: (1) anti-corruption; (2) legal and judicial reform; (3) public administration reform including decentralization and deconcentration, and (4) reform of the armed forces, especially demobilization;”⁹

⁷ World Bank Group, *Cambodia Seizing the Global Opportunity: Investment Climate Assessment and Reform Strategy for Cambodia*. Report No. 27925-KH, August 12, 2004

⁸ His Excellency Prime Minister Samdech Hun Sen, Address on the Rectangular Strategy; 16 July 2004, page 12;

⁹ Ibid, page 8;

1.4 The Need to Strengthen Partnerships

To help meet the internal and external challenges ahead, the Rectangular Strategy also calls for building and deepening partnerships with all development partners, including international donors, the private sector and civil society:

“The Royal Government considers as a top priority the strengthening of partnerships with all development partners, including the donor community, the private sector and civil society. The mechanisms of partnership with the donor community shall be established consistent with the Resolutions of the General Assembly of the United Nations, the principles of the Organization for Economic Cooperation and Development – Development Assistance Committee, as well as the initiatives of the World Bank and the United Nations Development Programme (UNDP)... Civil society shall become an effective partner of the Government in nation building. To this end, the Royal Government will encourage the activities of the Non-Government Organizations and other duly registered associations working to serve and benefit the people and the nation. The Royal Government welcomes the participation of the NGOs in the process of socio-economic rehabilitation and development...”¹⁰

1.5 The Need to Enrich the Policy Process

For historical reasons already mentioned, modern institutional capacities are still in the early stages of development in Cambodia. As a consequence, the policy making and policy implementation processes still suffer from a significant number of weaknesses and gaps including a still underdeveloped institutional capacity to enable effective broad based participation of all development stakeholders. Such gaps also imply that the policy making process fails to capture some of the most innovative high value added ideas and policy possibilities. Moreover, overlapping mandates and competing interests may impede the advancement of the most creative ideas.

Given the imminent challenges ahead, there is an urgent need for creative ways to fill such gaps in order to maximize the generation and sharing of creative solutions and related actions. Similarly, there is an urgent need to raise awareness and develop the broad based public support for implementing the needed actions. RGC is making great efforts to address the related human resource and institutional capacity gaps and weaknesses, but capacity development is a gradual process at best.¹¹ Meanwhile, the challenges facing the country are much more immediate.

Given the possibility of more imminent job losses in the garment industry, reduced remittances to impoverished rural areas, already stark inequalities and, in general, slow progress towards reaching the CMDGs, there is an urgent need for creative and practical policy ideas, contingency planning for potentially needed emergency social relief, and concrete actions to help rapidly and

¹⁰ His Excellency Prime Minister Samdech Hun Sen, Address on the Rectangular Strategy; 16 July 2004, pages 18-19;

¹¹ A significant number of donors are currently supporting the government develop the capacity of the public sector to implement aspects of the reform agenda. Such assistance is usually in the form of projects that provide a combination of technical assistance through various types of training, technical advisory, operational support, and investment. These include donors supporting the formulation of the RGC Decentralization and De-concentration (D & D) Strategy, the Public Financial Management Reform (PFM), Legal and Judicial Reform, among others.

effectively implement the Rectangular Strategy. Special efforts, breakthrough policy ideas and related actions are urgently needed to help further develop and diversify the private business sector, broaden economic growth to rural areas, and generate the badly needed jobs and incomes in rural areas where unemployment and underemployment are already approaching unsustainable levels. Specific help is also needed in the planning related to the implementation of the Rectangular Strategy and progress toward the CMDGs.

Given the imminent challenges facing the country and people, His Excellency Prime Minister Hun Sen has called for the full participation and engagement of all Cambodians and development partners to help implement the Rectangular Strategy as quickly and effectively as possible:

“The Royal Government appeals to all development partners including the donor community, the private sector, non-governmental organizations, civil society, and officials, civil servants in all ministries/institutions, members of the legislative, executive and juridical branches, members of the armed forces, the authorities at all levels and each and every citizen to provide all necessary support.....”¹²

Moreover, given the imminent challenges and limited time available, His Excellency the Prime Minister also emphasizes that:

‘we really cannot take the normal track’¹³.

2. UNDP Response and Support

In response to the request by the Prime Minister for innovative ideas, full participation and urgent actions, this project will provide a rapid response Knowledge Generation facility to help meet requests for innovative ideas, advisory services and practical applied policy research aimed at helping the RGC and other development partners successfully implement the Rectangular Strategy and help achieve the CMDGs. When needed, follow-up programmes/projects will also be formulated to help RGC implement the related actions. Similarly, attention will be paid to the more effective implementation of existing sound policies and laws that could contribute significantly to the advancement of the Rectangular Strategy and progress towards the CMDGs. The Knowledge Generation component will be supported by a Knowledge Sharing window aimed primarily at facilitating the transparent sharing of valuable information, ideas and knowledge, and helping RGC build support for the needed actions.

This tandem of knowledge generation and knowledge sharing is also consistent with the United Nations Development Assistance Framework (UNDAF) for the period 2006-2010. This input from UNDP will be a part of the wider UN effort in Cambodia and is directly related to UNDAF outcomes in: governance/human rights, agriculture/rural poverty reduction, and human resource development. Additionally, the knowledge sharing platform of the project will be available for use by other UN agencies to spotlight their input and studies related to the Rectangular Strategy and the CMDGs. Cam Info will both support and benefit from this initiative.

Furthermore, and in line with the OECD/DAC principles of simplification and harmonization that are the subject of a Cambodia Action Plan, UNDP’s contribution in the broad area of policy based research and development will complement and build upon the valuable work of the

¹² Ibid, page 48;

¹³ His Excellency Prime Minister Samdech Hun Sen, Address on the Rectangular Strategy; 16 July 2004, page 2;

Cambodian Development Research Institute (CDRI), academic research bodies and policy support mechanisms of other bilateral and multilateral donors. Much valuable research has already been completed, but such research has also raised a widening range of new issues and questions requiring urgent answers through additional well targeted, pointed and practical research. Mutual support and a sector wide approach among all such players will be essential.

2.1 Knowledge Generation

The Knowledge Generation component will be demand driven and respond to specific high priority requests from the Prime Minister and other senior government officials seeking alternative perspectives, innovative ideas and policy options for rapidly and effectively implementing the Rectangular Strategy. Special focus will be given to those aspects of the Rectangular Strategy essential to the sustainable achievement of the CMDGs and a substantial improvement in overall human development in Cambodia. Ideas and requests from other development partners and stakeholders aimed at effectively implementing the Rectangular Strategy will also be given serious consideration for follow-up response. In addition, the facility itself will develop an inventory of important issues and questions needing exploration and answers to advance the implementation of the Rectangular Strategy and progress toward the CMDG's.

The Knowledge Generation component will respond both to requests for punctual advisory services needing quick turn around time, as well as requests requiring longer, more in-depth consideration through well targeted applied policy research. The time invested in such applied policy research will depend upon the complexity of the issue and the time frame for which possible answers and solutions would be needed.

Depending upon the subject matter, special targeted efforts would be made to ensure that the most concerned policy makers and institutions are involved in the knowledge generation and knowledge transfer process.

The types of advisory services and outputs of the facility will depend upon the nature of the requests. Knowledge generated would be delivered and shared in a multitude of ways: face-to-face consultations with senior officials; policy advisory notes and applied policy research papers; round tables and workshops; and other such means.

The Knowledge Generation component would also support the development of any needed proposals for follow-up program interventions by UNDP or other interested development partners to help the RGC implement the needed actions, advance the Rectangular Strategy and make progress towards the CMDGs. As indicated, attention would also be paid to the more effective implementation of existing sound policies and laws that could contribute significantly to the advancement of the Rectangular Strategy and progress towards the MDGs. In addition, the Knowledge Generation component would harvest the tremendous knowledge emanating from other parts of the UNDP programme as well as throughout the entire UN system.

A small and efficient team of professionals including a knowledgeable Senior National Project Manager (SNPM) and Senior Technical Advisor (STA) will be recruited to help manage the day-to-day activities of the Knowledge Generation and Knowledge Sharing services. The work of the Knowledge Generation Facility will be guided by an efficient and flexible Advisory Board of Cambodia based professionals that will meet when needed to help prioritize requests. The Advisory Board will meet physically and electronically when needed to facilitate rapid responses.

Regular communication and collaboration with other development partners and stakeholders will be an important feature to simplify and harmonize applied research efforts.

2.2 Knowledge Sharing

The Knowledge Generation component will be supported by the development of an active Knowledge Sharing component aimed at quickly connecting those in urgent need of innovative ideas, information and knowledge for advancing the Rectangular Strategy with those who can provide such innovative ideas, information and knowledge. Knowledge Sharing will also be aimed at facilitating the transparent sharing of valuable information, ideas and knowledge, and helping RGC build support for the needed actions.

The Knowledge Sharing platform will share such ideas, information and knowledge in a variety of ways including: through physical and electronic means; through practical policy based publications; through workshops and round table consultations; via media and internet outreach; "road shows" and related consultations in rural areas; and other such means depending upon the nature of the knowledge to be shared.

Whereas the Knowledge Generation facility will be aimed primarily at generating new practical knowledge and creative ideas in high priority targeted areas, the Knowledge Sharing platform will be largely aimed at better mobilizing and sharing existing information and knowledge to facilitate the work of the Knowledge Generation facility, as well as the sharing of any new ideas and knowledge generated. The Knowledge Sharing component will also provide a neutral platform for both government and non-government stakeholders to share useful information, practical knowledge and innovative ideas.

The substantive core of the Knowledge Sharing facility will be developed step-by-step to eventually include: national and international development experts resident in Cambodia; the policy wings of Government Ministries; the emerging national academic think tanks; Cambodian universities; Cambodia based NGO's; the media and others as needs evolve. The focus will be on people and institutions at both the national and local levels. The more technical substantive network would typically meet electronically via electronic forums, with specialized sub-groups meeting physically when needed to focus on more specialized issues and questions.

An important contribution of the overall project will be the further development of national capacities including a further improvement of the policy and institutional environment that will better enable existing human resource capacities to be more productive and enjoy better livelihoods. In addition, the capacities of policy makers and researchers will gain from both "learning by doing" during the applied research processes, as well as by the transfer of any valuable information and knowledge generated by this initiative.

Resident substantive capacity would be supplemented when needed by valuable perspectives from especially knowledgeable and talented short-term visiting experts from outside the country as well as relevant global knowledge networks, including those from within and outside UNDP. Particularly relevant within UNDP are UNDP's Global Management Knowledge Networks as well as Technical Advisors and Experts from UNDP's new Regional Service Centres (Bangkok and Colombo) and UNDP's Bureau for Development Policy (BDP) as well as the resident Advisors from other UNDP supported-projects.

Government officials, donor agencies, NGOs academia and others would participate in the Knowledge Sharing window as both clients and contributors of innovative ideas, and valuable information and knowledge. On one occasion an individual could be a contributor -- and on the

next, a recipient of knowledge. Another important purpose of such knowledge sharing will be to reinforce an emerging Cambodian dynamic of generating and sharing useful information following the principle that knowledge takes on greater value as it is shared more widely.

The Knowledge Sharing network will be supported by an effectively designed website to facilitate communication, awareness raising and electronic dissemination of valuable information, ideas, knowledge and publications generated by the Knowledge Generation Facility. Likewise, UNDP's flagship National Human Development Reports (NHDR) would be a further knowledge sharing channel of this initiative. The NHDR would be one of the explicit outputs of the project and would attempt to capture and synthesize much of the knowledge generated by the project.

Sub-groups of the Knowledge Sharing network would also meet physically when needed to enable a more focused exchange of relevant information, ideas and knowledge on specific issues and research findings when useful or needed. Such a Knowledge Sharing Forum could be convened regularly, or on an as needed basis, to share and discuss the latest findings. When needed, larger conference facilities could be arranged/rented for more broad based round table consultations. This convening function of the UN (as seen for example in the UN General Assembly, ECOSOC, or such related UN fora) would provide the platform in Cambodia for open and transparent dialogue on development issues with participants from across the spectrum of Cambodian society.

To facilitate electronic Knowledge Sharing an e-forum facilitator/web master with a strong communications background would also be recruited as part of the small team of professionals to support the effort.

3. The Project Objectives, Outputs and Activities

The ultimate objective of this project is advancing progress towards achieving the CMDGs, including a substantial further reduction in poverty, and a substantial further improvement in overall human development in Cambodia.

The more immediate objective is to generate innovative policy ideas, creative approaches and practical knowledge for the rapid and successful implementation of the Rectangular Strategy, especially those aspects of the Strategy with greatest scope for rapidly advancing progress towards the CMDGs. The focus would be not only on ideas but also on catalyzing concrete actions to ensure progress.

A second immediate objective will be the further development and enrichment of the policy formulation process through the sharing of innovative ideas, creative approaches, valuable information and practical knowledge.

Component 1: Knowledge Generation

Objective 1: To generate innovative policy ideas, creative approaches and practical knowledge for the rapid and successful implementation of the Rectangular Strategy, especially those aspects of the Strategy with greatest scope for rapidly advancing progress towards the CMDGs and substantially improving human development in Cambodia.

Output 1.1 Knowledge Generation component set up and operational.

- 1.1.1 Set up an efficient Advisory Board of knowledgeable individuals;
- 1.1.2 Recruit efficient and knowledgeable professional staff for key project tasks;
- 1.1.3 Carefully review Rectangular Strategy and develop an initial list of innovative ideas, issues and questions for possible follow-up response by the Facility;
 - .4 Solicit views on priority issues from key RGC officials (Office of the PM, SNEC, MoP, etc);
 - .5 Develop a regular and efficient system for receiving high priority requests from senior government officials, agencies, NGOs and other development partners, ensuring a good balance between national and regional and local demands;
 - .6 Once priority issues/questions are agreed, seek advice via the evolving Knowledge Sharing network on available existing information and knowledge, relevant past research, optimal methodologies, etc.
 - .7 If needed, design and implement new applied policy research in agreed high priority targeted areas of Rectangular Strategy (eg. map out research work plans, prepare TORs, recruit needed expertise, launch any needed targeted surveys and relevant case studies, integrate any useful quantitative techniques, undertake related analyses, derive policy implications and options, etc.);
- 1.8 Develop an effective system for efficiently delivering innovative ideas, new findings, and policy options to relevant senior officials and agencies of the RGC (eg. series of meetings, round table briefings, policy advisory notes and papers, etc.);
- 1.1.9 Synthesize relevant ideas and research findings of Knowledge Generation Facility into a series of practical policy-based research papers and policy briefs which will also serve as inputs to NHDRs and MDGRs;
1. 10 Prepare other practical policy-based publications synthesizing findings of Knowledge Generation Facility to facilitate broader dissemination and awareness in support of the implementation of the Rectangular Strategy;
 - 11 When needed, develop proposals for follow-up programme/project interventions by UNDP and other development partners to help the RGC implement valuable policy ideas for the advancement of the Rectangular Strategy.

Component 2: Knowledge Sharing

Objective 2: Further development and enrichment of the policy formulation and implementation process through the mobilization and sharing of innovative ideas, creative approaches, valuable information and practical knowledge across a wide spectrum of Cambodian society.

Output 2.1 Development of a multi-faceted Knowledge Sharing platform.

2. Based on the initial set of agreed priority issues of focus for the Knowledge Generation component, begin developing the knowledge sharing network step-by-step initially with a core of knowledgeable resident professionals in agreed focal areas of applied research (including resident national and international development experts, policy wings of Government Ministries, national academic think tanks, knowledgeable NGOs, etc.). Participation in this core network would be broadened and deepened in a step-by-step manner over time in line with the broadening range of issues and questions to be addressed, and as interests and needs evolve;
Regularly, initiate/catalyze substantive exchanges through this network aimed at facilitating work of Knowledge Generation component (including soliciting ideas and perspectives on critical issues and questions that need answering; seeking needed information or potential sources of such needed information; developing a roster of

resident and non-resident experts and researchers for needed applied policy research, etc.);

Once the substantive core of this Knowledge Sharing group is functioning effectively in the sharing of innovative ideas, valuable information and practical knowledge, then begin soliciting broader participation in the network from other development partners and stakeholders (the National Assembly, the media, other national and international development partners, and the broader public including at the provincial and sub-provincial levels);

Consider the possibility of developing more focused and specialized e-forums and sub-groups to focus on more specialized areas and issues;

Develop an effective website to further facilitate the sharing of valuable information, innovative ideas and practical knowledge, including policy based publications generated by the Knowledge Generation Facility;

- 2.1.6 Develop a Knowledge Sharing Forum where representatives of various development partners and stakeholders can physically meet on a regular or as needed basis to be briefed on and discuss the latest findings of the Knowledge Generation facility and other valuable ideas and practical knowledge;
- 2.1.7 Provide lead support for the publication and broad based sharing of quality knowledge pieces especially CMDG related policy papers and NHDRs;
- 2.1.8 Recruit part time e-forum facilitator and webmaster;
- 2.1.9 Set up an electronic forum capability;

3. Management Arrangements

3.1. Execution Modality. To ensure the widest possible inclusion and participation of RGC Ministries and other stakeholders in such a multi-sector undertaking, the optimal execution modality is Direct Execution (DEX) by the UNDP Cambodia office with specific guidance from a representative national constituency on the Advisory Board. This would be complemented with some participation of some international development partners on the Advisory Board. This modality will better ensure maximum contributions from all spectra of Cambodian society and international development partners, and in so doing help to better ensure broad based participation as well as balanced consideration of all valuable ideas for the successful implementation of the Rectangular Strategy. Moreover, given the urgent and imminent challenges facing Cambodia, DEX will also help quickly and creatively fill some of the institutional gaps and weaknesses outlined in section 1.5 while awaiting the longer term benefits of ongoing institution building efforts in this area. DEX will also better enable flexible and rapid responses to urgent needs as they arise.

3.2 Advisory Board. An Advisory Board of four to six individuals will be set up to oversee the project and to help prioritize and guide the work in both knowledge generation and knowledge sharing. Participants on the Advisory Board will be invited to join by the UNDP RR for a period of one year and may be extended annually. They will serve in their individual capacity and will be selected based on their substantive knowledge of development issues in Cambodia and willingness to provide balanced consideration of a variety of interests and views of different development partners and stakeholders. At least half the members will be from the RGC. Meetings of the Advisory Board would be co-chaired by the most senior Cambodian official and the UNDP RR. Meetings will be held at a minimum once every six months and may be more frequent as needs arise. Electronic communications will ensure regular communications between Board members and quick decision making when needed.

3.3 Project Implementation. To facilitate project implementation a small and efficient project team with solid broad based knowledge of the development challenges facing Cambodia will be recruited. The team will comprise a knowledgeable Senior National Project Manager (ideally with strong advocacy skills and ability to organize national fora), a knowledgeable international Senior Technical Advisor (STA) with strong knowledge of applied research techniques, a network facilitator/webmaster with a strong background in communications and an administrative assistant/secretary. The small project team will work closely with key government agencies (e.g SNEC, Ministry of Commerce, Ministry of Planning, etc), and Cambodia's other development partners.

4. Monitoring and Evaluation

The project will adopt an ongoing monitoring system based on regular consultations with the Advisory Board to discuss outputs and performance. The performance criteria established will evaluate the extent to which the intended results are achieved and their value added for facilitating the advancement of the Rectangular Strategy and CMDGs. The project would be subject to an outcome evaluation at the mid-point and end of project.

5. Legal Context

5.1. This project document shall be the instrument referred to as such in Agreement between the Government of Cambodia and the United Nations Development Programme signed by both parties on 19 December 1994, which will remain in effect until such time that a new Standard Basic Assistance Agreement will have been signed between the RGC and UNDP. The host-country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that Agreement.

5.2. The following types of revisions may be made to this project document with the signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories of the project document have no objections to the proposed changes:

Revisions in, or addition to, any annexes of the project document,
Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangements of inputs agreed to or by cost increases due to inflation; and,
Mandatory annual revisions, which rephrase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility.

6. Budget

The project will be implemented over a period of five years. The total project budget is estimated at \$2.4Million from TRAC with an equivalent sum to be mobilized in non-core resources.

Terms of Reference **Senior National Project Manager**

The Senior National Project Manager will be responsible for managing the overall resources and day-to-day activities of the project towards the successful achievement of the project's outputs and objectives.

Supervisory Relationships

The Senior National Project Manager will report to the UNDP Deputy Resident Representative (DRR) who in turn will provide guidance based on the advice of the Advisory Board comprising the UNDP Resident Representative, several senior government officials and several non-governmental stakeholders.

Responsibilities and Duties

1. Effectively manage the project's resources towards the successful achievement of the Project's outputs and objectives.
2. Develop annual work plans in consultation with project staff, relevant UNDP programme staff and the DRR.
3. Contribute regularly to the ongoing development and enrichment of the inventory of priority issues and questions needing urgent applied research; contribute both directly based on personal knowledge and indirectly through consultations with other development partners and stakeholders.
4. Facilitate the role and activities of the Advisory Board and participate as needed in relevant meetings;
5. Effectively manage the development and activities of the knowledge generation facility including the various processes for completion of the needed quality applied research papers that add value, quality NHDRs, inputs to the next CMDG reports, etc.
6. Contribute substantively to the development of relevant research initiatives and related papers, particularly CMDG research papers and the preparation of future NHDRs.
7. Effectively manage the development and activities of the knowledge sharing network and knowledge sharing forum;
8. Help lead UNDP's outreach campaign and related consultations on the Cambodian Millennium Development Goals (CMDGs) at the national, provincial and sub-provincial levels.
9. Effectively manage the formulation of any needed follow-up projects/programmes to help implement the policy or program implications generated by the knowledge generation facility or knowledge sharing network;
10. Help develop and maintain strategic partnerships including substantive partnerships and funding partnerships.

Terms of Reference Senior Advisory Board

A Senior Advisory Board of four to six individuals will be set up to help prioritize and guide the work of the project in both knowledge generation and knowledge sharing. The Board will meet on a six monthly basis or as needed. The Board will include knowledgeable senior officials from the Royal Government of Cambodia acting in their individual capacities as well as knowledgeable individuals from the non-government sectors. The Board will be co-chaired by the most senior Cambodian official and the UNDP Resident Representative. Meetings of the Board will take place both physically as well as electronically when needed to facilitate quick decisions and related actions.

Role and Activities

1. Meet periodically to provide advice and guidance on priority issues needing urgent applied research, especially in areas that have the greatest scope for breakthroughs and advancing progress towards the Cambodian Millennium Development Goals (CMDGs).
2. Provide guidance and advice to help facilitate the achievement of the project's applied research objectives.
3. Provide guidance and advice on the most effective delivery of new research findings and related policy implications to relevant senior government officials in order to maximize the likelihood of needed decisions and actions.
4. Provide guidance and advice on the most effective ways for sharing new knowledge generated with other development partners and stakeholders.
5. Provide any other advice and guidance to help ensure the effective and successful functioning of the knowledge generation and knowledge sharing functions of the project.

Selection Criteria

Participants on the Advisory Board will be invited to join by the UNDP Resident Representative for a period of one year and may be extended annually. Half the members of the Advisory Board will be from the Royal Government of Cambodia, with others from the non-government sectors. Participants will serve in their individual capacity and will be selected based on their knowledge of development issues in Cambodia and willingness to provide balanced consideration of a variety of interests and views of different development partners and stakeholders. Strong knowledge of the Rectangular Strategy and Cambodia's Millennium Development Goals (CMDGs) will be essential.

11. Consult regularly with other development partners, academic and research institutes, and other stakeholders when needed to help achieve the project's outputs and objectives.
12. Help mobilize any needed additional funding and cost sharing for the project's activities;
13. Proactively offer any innovative ideas and proposed actions to the DRR and RR to further improve the effectiveness of the knowledge generation and knowledge sharing functions of the project.
14. Manage and help advance any other project related activities towards the successful achievement of the project's objectives;

Qualifications

A Cambodian national with broad-based knowledge of Cambodia's socio-economic development situation, especially issues and challenges that are most relevant to further poverty reduction, achieving the CMDGs and improving the overall well-being of the Cambodian people.

Strong proven project management skills, and process management skills; Strong inter-personal skills; Strong communication skills both oral and written, including in the English language. Fluent in standard PC soft wares.

Mature and sound judgment; Strong networking skills; Proven fund mobilization skills; Pro-active with ability to work effectively under minimal supervision to achieve project's objectives.

Good knowledge of government and donor organizations, as well as NGO/civil society networks, especially in rural areas where most Cambodian people live;

A graduate degree in a relevant discipline. Qualified women are especially encouraged to apply.

Terms of Reference
Senior Technical Advisor (STA)

The Senior Technical Advisor (STA) will be responsible for helping initiate, design and manage the project's various research processes towards the successful achievement of high quality value added research results with practical implications for follow-up actions.

Supervisory Relationship

The STA will work under the overall guidance of the Senior National Project Manager.

Responsibilities and Duties

1. Contribute regularly to the ongoing development and enrichment of the inventory of priority issues and questions needing urgent applied research; contribute both directly based on personal knowledge and indirectly through consultations with other development partners and stakeholders.
2. Based on the agreed targeted areas of applied research, lead the design and manage the successful achievement of the practical research objectives as quickly and efficiently as possible, whether punctual and very short term in nature, or of a longer term nature;
3. Undertake quick and efficient reviews of available information and relevant research already completed in targeted research areas as a basis for designing needed new or follow-up research.
4. Consult regularly on available relevant research and information sources with other relevant national and international researchers, government bodies, national research institutes, national academic institutes, relevant donors, and other stakeholders.
5. Develop the needed research work plans and related TORs; assist in the design of any needed targeted surveys and/or case studies; integrate quantitative techniques and analysis when useful; determine the optimal balance of national expertise and international expertise; estimate needed resources and cost effective budgets; etc..
6. Help mobilize/recruit the needed expertise.
7. Participate directly in related research initiatives when needed or useful.
8. Manage the various stages of the research and drafting processes including: reviewing the quality of various drafts to ensure value added practical results; providing guidance and direction for further developing and enriching various research drafts; and ensuring that the final research drafts are of polished quality and presentation with easily discernible practical implications for follow-up actions.
9. Effectively manage the synthesis and integration of the project's relevant research findings into publications that add practical value including quality NHDRs, and publishable papers as inputs for future CMDG reports, etc.
10. Contribute to the development of substantive partnerships and the development of an effective knowledge sharing network aimed at facilitating the project's research and knowledge sharing objectives.

11. When needed or useful, participate in the meetings of the Advisory Board and meetings of the knowledge sharing forum.
12. Contribute to the mobilization of any needed additional funding and cost sharing for the project's activities;
13. Proactively offer any innovative ideas and proposed actions to further improve the effectiveness of the knowledge generation and knowledge sharing functions of the project.
14. Help advance any other substantive activities aimed at the successful achievement of the project's outputs and objectives;

Qualifications

At least ten years experience as a professional economist, including at least five years in practical/applied socio-economic research in developing country contexts. Field research experience in rural areas of developing countries a definite asset. Ability to design practical research methodologies, including targeted surveys, case studies, and the application of useful quantitative techniques. Strong English writing and presentation skills. Mature judgment. Strong inter-personal skills. Strong process management skills. Pro-active with ability to work effectively under minimal supervision to achieve project's substantive objectives. Broad knowledge of Cambodia's socio-economic development situation a definite asset. PhD preferred or a Masters degree with proven relevant track record.

Some Initial Sample Questions Needing Urgent Answers

The following is an initial list of sample questions needing practical answers to help implement the Rectangular Strategy and advance progress towards the CMDGs:

Given that most Cambodian people are still dependent on agriculture for their livelihoods, a significant improvement in farm incomes will likely be essential to more rapid poverty reduction and the achievement of CMDG #1. As a result, there are several pressing questions that need urgent answers: Why are farm gate prices some 30% lower than in neighboring countries and farm input costs so much higher? For example, why is the cost of diesel fuel some 50% higher for farmers in Cambodia than in neighboring countries? Why are yields close to 50% lower in Cambodia despite much lower differentials in soil quality vis-a-vis neighboring countries?

2. How did land become so unequally distributed so fast over the past decade? What information asymmetries induced the related sales and resulting concentrations of land ownership? As a result, average farm size is uneconomically small, and the share of landless people is growing. Some 75% of Cambodian land is apparently still under state management, implying significant scope to redress land inequality. What might realistically be done to redress the land imbalance so that Cambodia's future development is more equitable, stable and sustainable?
3. More rapid poverty reduction and the sustainable achievement of CMDG #1 will also require more rapid employment generation in off farm activities. This raises several critical questions in the garment sector given the disbanding of the garment quota system at the end of 2004. Despite assurances from some large international garment buyers that they will maintain or even raise garment purchases in 2005, why have two garment firms employing nearly 10,000 workers already "suspended" production in October/November 2004. The official reason given to the media for suspending production was "lack of orders", but where have these orders gone, why, and what are some of the actions needed by RGC to maintain Cambodia's attractiveness as a garment producer? What competitive factors in the business environment might be quickly adjusted to avoid further closures and job losses? The findings of such quick and pointed research might also have important implications for the development of other manufacturing sectors and Cambodian competitiveness more generally.
4. Given the need for more rapid employment and income generation to further reduce poverty and improve human development more generally, would a Vietnamese style Enterprise Law and one stop shops for investors help reduce the substantial degree of rent seeking facing potential entrepreneurs in Cambodia? Reportedly some 5% to 6% of sales revenue is siphoned off in such rent seeking payments. Is a more fundamental overhaul of incentives (positive and negative) facing officials needed at the central and local levels to motivate the needed actions?
5. Dramatically improving literacy rates will be essential to achieving a number of the poverty, health and education related CMDGs (CMDG #1, #2, #4, #5 and #6), as well as gender equity (CMDG #3). In this context, why is the illiteracy rate so high, especially among women (71%), but also among men (50%), given available resources to quickly redress this problem? The illiteracy rate among mothers probably goes a long way in explaining high infant and maternal mortality rates, high rates of preventable illnesses and the poor health and low life expectancies of rural families.

6. Given the very poor health indicators, especially in rural areas of Cambodia, improving health services in rural areas will be critical to achieving CMDGs #4, #5, and #6. In this context, why are newly graduating medical doctors paying up to \$20,000 to be able to practice in the major urban areas, thereby creating a huge imbalance of qualified medical practitioners in rural areas? What incentives are needed to reverse this growing imbalance?
- 7 Why does electricity cost 2 to 3 times higher per kilowatt in Cambodia compared with neighboring countries?
8. What balance between organic farming and GMOs would be best for the various regions of Cambodia?
9. Genuine consultations and participation of local communities will be essential to equitable and sustainable development, and the achievement of several CMDGs. In this context, why have hundreds of villagers protested the clearing of large swaths of forests by Pheapimex Co. for a pulp and paper factory in Pursat Province? Will the villagers not benefit from new job creation? Will most of the benefits accrue to outsiders? How was the land concession gained by Pheapimex? How can local governance systems be improved to avoid such unrest and ensure genuine consultations and more equitable development in rural areas?
10. Why are so many Cambodians moving from Prey Veng province where there is good arable land, to Samkos Wildlife Sanctuary in the Cardamom Mountains to grow vegetables in sand? Answering this question may have policy implications for achieving CMDGs #1, #7 and others.

This initially small inventory of issues and questions will be more systematically developed both quantitatively and qualitatively in the coming months, and subsequently prioritized under the guidance of the Advisory Board.