



ANNUAL PROJECT REPORT 2010

**United Nations Development Programme
Cambodia
Creative Industries Support Programme
[January – December 2010]**

Project Title: Creative Industry Support Program (CISP)

Duration: 10 September 2008- 9 September 2011

Total Budget Overall: 3,300,000 USD

Participating UN Agencies: UNESCO, UNDP, ILO, FAO

Target Provinces: Kompong Thom, Preah Vihear, Mondulhiri, Ratanakiri

Project ID & Title: 00062746 – Creative Industry Support Program (CISP)

Duration: 10 September 2008- 9 September 2011

Total Allocated Budget for UNDP: 818,826 USD

2010 budget: 522,025.59 USD

Implementing Partners/Responsible parties: MoC/UNDP Direct Execution

Country Programme Outcome: National and local authorities are able to promote pro-poor investment and expand economic opportunities

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I. Executive summary

Key Results:

2010 has been a successful year for CISP/UNDP where most of key results have been delivered despite some delay during inception phase in 2009 when time was taken to adjust the project's strategic direction and work plan as well as a delay in project starting up phase.

Summary Key Results delivered:

- 1- Sub national public private consultation: guidelines established and piloted in two targeted provinces, enabling sustainable establishment of the consultation in CISP's targeted provinces
- 2- Areas of improvement of trade related laws/procedures and implementation identified for better production/ commercialisation of CISP's selected cultural products at grass root level
- 3- Capacity building:
 - Completion of Trade Practice training to representatives of handicraft producers/ resin collectors, local NGO partners, and local authorities
 - Completion of Trade Practice training to Provincial counterparts and relevant provincial departments in CISP's targeted provinces
 - Training on Project Proposal Writing and Project M&E: LoA is finalized and the training will start in January 2011
- 4- Customised marketing strategies for 8 local NGO partners developed through coaching sessions with respective NGOs in the targeted provinces
- 5- Implementation of marketing support activities for CISP's selected products under progress (through grant award to NGOs)
- 6- Design Competition programme concept note finalized, detailed work plan developed and will implement from January to bring synergy of CISP activities among all UN Agencies and to bring sustainable commercialisation of the selected handicraft upon programme closure
- 7- Commercialisation of CISP's selected products and capacity of producers/NGOs/and provincial department of Commerce supported through CISP/UNDP participation in relevant trade fairs at national and provincial level

Operationally, UNDP has also brought synergy to and promoted corporate communication of the Joint Programme by initiating and supporting:

- 1- Monitoring tool/ plan and M&E capacity building to Joint programme team
- 2- Communication strategy formulation and implementation supports

Key challenges & issues:

- 1- Unavailability of qualified experts, leading to some delay in having full team to supports to CISP's outputs in time
- 2- High numbers of recruitment that had to be dealt with in a very short amount of time, and all associated procurement related issues
- 3- The joint programme mid-term evaluation report came very judgmental and negative toward UNDP role and programme delivery, and strongly criticized the organization, without taking into consideration the response that the team provided
- 4- UNDP internal procurement procedure through the NGO selection committee hindered a swift implementation and caused delays to implement activities associated with 5 planned grants for eligible NGOs (action taken within the same quarter)

Lessons Learnt:

“One UN” concept has been consistently supported by the participating UN Agencies. The collaboration did not start smoothly, however, the team have learnt over the past two years to work together in achieving one goal. UNDP has come to create a better synergy with the rest of the team after it shifted its level of intervention in quarter 1 of 2010. Though efforts have been put through, more coordination is needed to bring the Agencies to “one family”.

II. Implementation progress

Reflecting back to a concern on delivery rate at the beginning of the year shared during the UNDP Project board in March, overall delivery 2010 is more than expected, both in terms of budget and activity. As of the end of the year, the project has committed 100% of its latest 2010 budget (originally 515,708 USD, and later on increased to 522,025 USD by incorporating with final saving from 2009). It's also to note that planned activities for 2010 have all been committed and mostly completed.

1- Sub national public private consultation:

Planned activities:

- Develop a concept note reflecting local needs and demand
- Develop a guideline and mechanism
- Pilot the SNPPC concept in 2 targeted provinces

Progress:

The SNPPC concept note was developed under consultation with national and provincial stakeholders as well as the Joint Programme team. Building upon the concept note developed, a guideline and mechanism was also drafted for piloting purposes before finalising the implementation plan in which sustainability will be a key focus.

The piloting of SNPPC started in late December, two workshops with local producers/traders in Preah Vihear completed to raise awareness about local planning process (SNA planning process), identify their product-related issues and build their capacity in carrying out dialogues with sub-national administrations (SNA). A PPC dialogue with two respective communes conducted in Preah Vihear. The SNPPC dialogue with district and provincial administrations are planned in January 2011.

For Ratanakiri, NSPPC piloting will start in the second week of January 2011. The finalization of SNPPC guideline will be completed in the last week of January 2011.

2- Recommendation on Trade Related laws/procedures and implementation:

Planned activities:

- Complete a report on analysis and recommendation on trade related laws/procedures and implementation
- Complete “Trade practice” training to targeted communities, NGOs, local authorities, and provincial counterparts
- Kick off training on “Project Writing proposal and Project M&E”

Progress:

- The legal report has been completed with an endorsement from the Programme Management Committee. It's agreed among the Joint Programme team that legal recommendations would be taken into consideration and action by relevant UN Agencies and no Legal Advisor shall be recruited to follow up the recommendations.

- Trade Practice trainings have been successfully rolled out to more than 200 participants including targeted communities, NGOs, local authorities, and provincial counterparts in all CISP's targeted provinces. It's to note that the trainings were opened by respective provincial governors/deputy governors.

- The training to build national capacity of provincial department of commerce, relevant departments on project proposal writing and project Monitoring and Evaluation (M&E) planned and will be conducting in January once the LoA is signed by the Royal School of Administration (RSA) and UNDP.

3- Marketing support activities

Planned activities:

- Conduct scoping study to identify linkage of promotion of selected handicraft with tourism
- Develop marketing strategy for handicraft through coaching session with partner local NGOs
- Develop concept note on design competition based on needs and demand of targeted beneficiaries
- Support marketing activities of selected handicraft through NGO grant
- Support resin commercialisation activities through NGO grant
- Support promotion of selected cultural products and trade fair related knowledge building to producers, NGOs, local authorities, and provincial counterpart through trade fair exposure

Progress:

A scoping study has been completed as planned where linkages of promotion of handicraft and tourism were identified. The linkages were then introduced to marketing strategy of handicraft later on support to local NGO partners. With that, customised marketing strategies for local NGO partners were developed through coaching sessions with respective NGOs in the targeted provinces. Throughout the session of 1 and half day, NGO partners were taken through critical thinking process and how a strategy could be developed. As a result, 8 NGOs received marketing strategy for handicraft, and they include: CANDO, CEDAC, FLD, Ponlok Khmer, MODE, COWS, MVI, and VFC. Part of the recommended activities within the strategy have also been taken for implementation support through handicraft grants awarded to local NGOs at national and provincial level.

In support to selected handicraft, the project also initiated a design Competition programme where a concept note and an implementation plan were developed in consultation with stakeholders at national and provincial level.

As an addition to the above activities, in line with plan, there has been a support of promotion of selected cultural products and trade fair related knowledge building to producers, NGOs, local authorities, and provincial counterpart through trade fair exposure to 4 trade fair events at national and provincial level.

As for resin, the project has awarded resin grant to an NGO to implement resin commercialisation support activities for Mondulkiri and Preah Vihear province.

PROGRESS TOWARDS PROJECT OUTPUTS

OUTPUT #1/ JP Output 3.1: Recommendations for trade related legislation and implementation procedures presented to MoC to support the commercialization of selected cultural products of the target group

Output Indicators	<i>Target (month/year)</i>
1. Analysis of trade legislation and implementation completed and	Q2 & Q3

recommendations submitted	
2. Trade related training completed to both local authorities and relevant civil society	Q3 & Q4
3. Capacity of provincial department of commerce in relevant trade areas to CISP has been promoted	Q4
Cumulative expenditure:	
<p>As an overall, progress toward output1 is on track. Analysis of trade legislation and implementation has been completed and validated by relevant stakeholders and experts. The report has also been endorsed by the Programme Management Committee.</p> <p>So far as the second indicator is concern, trade related training has been finalized and rolled out to all the targeted provinces in November and December 2010 starting in Preah Vihear. The trainings were opened under the courtesy of respective Provincial governors/ deputy governors. There were more than 200 participants attended the training, and those included provincial counterparts and relevant provincial departments, CISP's targeted producer representatives, local NGO partners, and local authorities.</p> <p>There is a slight delay in conducting the capacity building training for the officials of the provincial departments on project proposal writing and project M&E. The agreement with the Royal School of Administration is made on the new revised plan and the training will be conducted in January 2011.</p>	
<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery <i>in line with</i> plan
<input type="checkbox"/> delivery below plan	

OUTPUT #2/ JP Output 3.2: Guidelines established and piloted to enable provincial public-private sector consultation to improve commercialization of cultural products	
Output Indicators	Target (month/year)
1. Provincial public - private consultation guidelines developed reflecting local needs	Q3 & Q4 2010
2. Consultation guidelines piloted	Q3 & Q4 2010
3. Dissemination workshop of the PPPC establishment conducted	Q1 2011
Cumulative expenditure:	
<p>In overall, with a delay of output 2 delivery, the progress is catching up with the targeted period, and output 2 has now been back on track. A consultation has been conducted at national and provincial levels. The CISP's international PPC consultant has conducted feasibility study through series of consultation and discussion with stakeholders in all targeted provinces. As a result, sustainable entry point has been identified and discussed and a concept note on establishment of the PPC has been produced.</p> <p>SNPPC is being piloting in the provinces of Preah and Ratanakiri. 2 workshops conducted at the commune level in Preah Vihear to raise awareness on the SNPPC process and build local capacity on working collectively to consolidate issues and bringing up the concerns in a coordinated manner to the commune level, district and provincial levels and seek possible solution where appropriate. The SNPPC at the district and provincial levels will be conducting in January 2011 as planned.</p> <p>The preparation workshops at the commune level in Ratanakiri (producers, local traders, and CBO)</p>	

are planned to conduct in January 2011 and the NSPPC with the district and provincial administration will be carrying out in the following weeks of January 2011. The conclusion of the NSPPC guideline is expected to complete in late January 2011 and ready for the dissemination workshop.

<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery <i>in line with plan</i>	<input type="checkbox"/> delivery below plan
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OUTPUT #3/ JP Output 3.3: Sales and promotion/ market access activities implemented for selected cultural products and services

Output Indicators	Target (month/year)
1. Sales and promotion strategies developed and embedded into partner NGOs' marketing plan	Q2 & Q3
2. Linkage of promotion of cultural products and tourism identified	Q2
3. Design competition concept identified based on needs and demand targeted beneficiaries	Q3& Q4
4. Selected products have been promoted in relevant trade fairs at national and provincial level (target for 2010 support: at least 2 trade fairs support)	Q1- Q4
5. Resin commercialization and value added plan implemented through grant initiative	Q3 2010- Q1 2011
6. Local marketing initiatives have been implemented through local NGOs to promote market linkages and sales of selected handicraft products	Q3 & Q4
Cumulative expenditure:	

Output 3 is totally in line with plan.

- Scoping study to identify linkage of promotion of CISP's selected products and tourism was completed.
- Marketing strategies for handicraft have been developed by customizing to the context of business environment and the NGOs in respective provinces. It's done through coaching exercise which allow a hands on handicraft marketing strategy development experiences among local NGOs
- Design competition programme concept note and an implementation plan have been finalized and discussed among JP colleagues. Implementation preparation activities have been kicked off from December 2010 and expected to complete by end of February 2011 in order to proceed to a full blown programme implementation starting from March 2011.
- Grant awardees have been identified and awarded to local NGOs (AAC, CANDU, FLD) for 6 months in support to local marketing initiatives for handicraft (handicraft to link to handicraft strategy developed). Another grant was also awarded to NTFP EP for 9 months in support to resin commercialization in Mondulkiri and Preah Vihear province.

<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery <i>in line with plan</i>	<input type="checkbox"/> delivery below plan
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PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTPUT

OUTPUT: (state the Country Programme output in full)

Output Indicators	<i>Baseline (month/year)</i>	<i>Target (month/year)</i>	<i>Current status (month/year)</i>
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PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTCOME

OUTCOME: (state the Country Programme outcome in full)

Outcome Indicators	<i>Baseline (month/year)</i>	<i>Target (month/year)</i>	<i>Current status (month/year)</i>
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Capacity Development

Counterpart capacity building has been one of CISP/UNDP’s key activities. The project has provided a training on relevant Trade Practices to Creative Industries to Provincial department of Commerce (5 representatives from each province) as well as other relevant provincial departments. There were in total 64 representatives (including directors and deputy directors) from 9 relevant provincial departments within the targeted provinces attended the training. The training has been designed based on need and demand of provincial department of commerce, when a training proposal was submitted by PDoC in all the targeted provinces.

Aside from the above training, UNDP has established an LoA with the Royal School of Administration to conduct a training on “project proposal writing and project M&E” to Provincial department of Commerce from all the targeted provinces as well as other departments relevant to CISP. The training on “Project Proposal Writing” will be followed up with a regular coaching session so that actual project proposal will be produced to apply for internal and/or external fund.

Gender

Based on the nature of the selected cultural products, most traditional skills and techniques are possessed by indigenous women which is positively responded to the need of the Creative Industries Support Programme to call for gender equity and women empowerment within all activities at both national and grass root levels.

The project ensures 60% involvement of women in all key activities (where applicable) e.g. in previous trade fairs, the project supported 17 out of 25 women participants.

Joint Programme Gender Consultant, contracted by ILO, supported development of Gender assessment and matrix. The matrix has been used as a log frame to measure target of gender equity.

Lessons learned

“One UN” concept has been consistently supported by the participating UN Agencies. The collaboration did not start smoothly, however, the team have learnt over the past two years to better work together despite different administrative and financial systems which have hindered the collaboration operationally at a great extent. Moreover, despite a lack of synergy, UNDP has come to create a better synergy with the rest of the team after it shifted its level of intervention in quarter 1 of 2010. Though efforts have been put through, more coordination is needed to bring the Agencies to “one family”.

III. Project implementation challenges

Challenge #1: high numbers of recruitment that had to be dealt with in a very short amount of time, and all associated procurement related issues

As a solution, the Programme Assurance role directly supported some of the recruitment process phases, and the team actively strengthened its procurement rules and procedures knowledge.

a. Updated project risks and actions

Project Risk 1: High volume of technical consultancies requirements that needs to be managed placing a lot of workload pressure on the team might impact quality of provided recommendations and expected outputs delivery would be delayed

Actions taken: Trade Development Advisor was recruited; he joint the team in early May

Project risk 2: identified related to the exit strategy and the feasibility of sourcing funds to carry on CISP follow up activities

Action taken: has been thought through as part of the exit strategy formulation (at draft stage); additional funding sources and alternative approaches are being explored.

b. Updated project issues and actions

Project issue 1: The joint programme mid-term evaluation report came very judgemental and negative toward UNDP role and programme delivery, and strongly criticised the organisation, without taking into consideration the response that the team provided

Action taken:

UNDP leaded the elaboration of a joint response, creating a consensus among all UN agencies, identifying all critical/unjustified feedback, and providing a solid and rational response to all the points presented by the evaluator. Liaison with the UNRC office to ensure that the MDG secretariat would consider carefully the issue has been as well completed revised report looks very positive.

Project issue 2: UNDP internal procurement procedure through the NGO selection committee hindered a swift implementation and caused delays to implement activities associated with 5 planned grants for eligible NGOs.

Actions taken:

Proactive and pre-emptive response from the UNDP CISP team in getting guidance from and sharing information with NGO selection committee

IV. Financial status and utilization

Table 1: Contribution overview [September 2008- December 2010]

DONOR NAME	CONTRIBUTIONS		CONTRIBUTION BALANCE
	Committed	Received	
Spain/MDGF Achievement Fund	818,826	616,596	202,230
TOTAL	818,826	616,596	202,230

Table 2: Annual expenditure by Activity during reporting period [January- December 2010]

Activity	2010 APPROVED BUDGET	2010 EXPENDITURE	BALANCE	DELIVERY (%)
Activity 1: Identify promising cultural products/services with high participation of women for improved commercialization in domestic.	-	-	-	
Activity 2: Establish Provincial Public Private Consultation guidelines.	38,217.24	45,125.31	(6,908.07)	118.08%
Activity3: Identify and recommend improvement in relevant trade related laws and implementation in support to commercialization of selected cultural products at grassroots level.	30,350.16	12,816.89	17,533.27	42.23%
Activity4: Support Producer groups and associations to address bottlenecks and inefficiencies	26,600.00	40,911.48	(14,311.48)	153.80%
Activity5: Programme Support Service (MSU support cost is included in this activity)	174,281.97	153,936.98	20,344.99	88.33%
Activity6: Develop and support implementation of value chain analysis on identified cultural products.	119,284.77	82,463.17	36,821.60	69.13%
Activity7: Support promotion of cultural products in domestic markets.	101,189.04	67,340.06	33,848.98	66.55%
GMS 7%	32,102.41	28,181.56	3,920.85	87.79%
Total	522,025.59	430,775.45	91,250.14	82.52%

The total expenditures at the end of year 2010 added up to **USD 430,775.45** equalling to **82.52%**. The percentage appears to be a bit low comparing with the UNDP standard rate. Given the low delivery percentage due to the total expenditure in year 2010 had not included the commitment amount USD 42,655.00 (Grant to AAC, CANDO, NTFP-EP, FLD Organisation) which has been carried forward to year 2011.

Table 3: Cumulative expenditure by Activity from starting date of CISP [September 2008-December 2010)

Activity	TOTAL PROJECT BUDGET	CUMULATIVE EXPENDITURE	BALANCE	DELIVERY (%)
Activity 1: Identify promising cultural products/services with high participation of women for improved commercialization in domestic.	90,791.52	84,143.26	6,648.26	92.68%
Activity 2: Establish Provincial Public Private Consultation guidelines.	38,217.24	45,125.31	(6,908.07)	118.08%
Activity3: Identify and recommend improvement in relevant trade related laws and implementation in support to commercialisation of selected cultural products at grassroots level.	33,846.16	17,117.17	16,728.99	50.57%
Activity4: Support Producer groups and associations to address bottlenecks and inefficiencies.	26,600.00	40,911.48	(14,311.48)	153.80%
Activity5: Programme Support Service (MSU support cost is included in this activity)	174,281.97	153,936.98	20,344.99	88.33%
Activity6: Develop and support implementation of value chain analysis on identified cultural products.	119,284.77	82,463.17	36,821.60	69.13%
Activity7: Support promotion of cultural products in domestic markets.	101,189.04	67,340.06	33,848.98	66.55%
GMS 7%	38,702.54	34,372.62	4,329.92	88.81%
Total	622,913.24	525,410.05	97,503.19	84.35%