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United Nations Development Program

Project title: Developing a Comprehensive Framework for Practical Implementation of the Nagoya Protocol	
Country: Cambodia	Implementing Partner: General Secretariat of National Council for Sustainable Development (GSSD)
Management Arrangements: National Implementation Modality (NIM)	
UNDAF/Country Program Outcome: By 2023, women and men in Cambodia, in particular the marginalized and vulnerable, live in a safer, healthier, more secure and ecologically balanced environment with improved livelihoods, and are resilient to natural and climate change related trends and shocks	
UNDP Strategic Plan Output: IRRF Output 1.4.1: Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains IRRF Output 2.4.1: Gender-responsive legal and regulatory frameworks, policies and institutions strengthened, and solutions adopted, to address conservation, sustainable use and equitable benefit sharing of natural resources ¹ , in line with international conventions and national legislation.	
UNDP Social and Environmental Screening Category: Moderate	UNDP Gender Marker: 2
Atlas Project ID (formerly Award ID): 00088935	Atlas Output ID (formerly Project ID): 00095389
UNDP-GEF PIMS ID number: 5769	GEF ID number: 9741
Planned start date: July 04, 2019	Planned end date: July 13, 2022
PAC meeting date: January 08, 2019	
<p>Brief project description: Cambodia's specific geographical location and long history and complicated topographical, ecological and social features has resulted in it becoming a prosperous, rich and diverse plant genetic resource country. While diverse climatic conditions diversified the country's flora with both tropical and temperate plants, thousands of years of agricultural practice by ethnic groups enriched its crop genetic resources with great numbers of local cultivars and land races. In terms of medicinal plants, the high level of genetic diversity makes Cambodia an attractive country for bio-prospecting, especially given that there are approximately 800 known medicinal plants, many of which have associated traditional knowledge.</p> <p>However, Cambodia faces a wide range of issues that threaten its biological diversity and ecological security. These threats emanate from the transition from a subsistence-based agrarian economy to a consumption-based cash economy, competing land-use from urbanization and infrastructure development, poaching of wild plants and animals, localized overharvesting of timber, fuel wood and non-wood forest products, human-wildlife conflicts, and</p>	

¹ Includes oceans and marine and freshwater ecosystems, forests, biodiversity and ecosystems, land rights, and management of chemicals and waste.

climate change. Because of the threat to biological resources, the traditional knowledge of local communities that is associated with genetic resources is disappearing rapidly, due to the change of traditional lifestyles. A large volume of traditional knowledge, such as medicinal use of biological resources, is being replaced by modern technology.

To counter the various threats to biodiversity, the country has planned various strategies for the conservation and sustainable use of biological resources for socio-economic development. However, making use of its biodiversity and traditional knowledge for the promotion of bio-prospecting and of an access and benefit-sharing (ABS) national regime that is constrained by several factors. The country currently does not have a fully functional regulatory and institutional framework for ABS, and the institutional and personnel capacity to carry out bio-prospecting beyond basic level and develop and manage ABS schemes that are compliant with Nagoya Protocol. The project is intended to strengthen national capacities on access and benefit sharing of genetic resources to facilitate the implementation of the Nagoya Protocol on Access and Benefit Sharing. The above objective would be achieved through two components, namely: (i) Creating an enabling national policy, legal and institutional framework for ABS consistent with the CBD and its Nagoya Protocol; and (ii) Developing capacity and administrative measures for implementation of national ABS legal framework.

FINANCING PLAN (only cash transferred to UNDP bank account and budgeted under the same GEF project should be included under this section (1), all others should be included under section (2)).

GEF Trust Fund	USD 843,242
UNDP TRAC resources	USD 0
Cash co-financing to be administered by UNDP	USD 0
(1) Total Budget administered by UNDP	USD 843,242
PARALLEL CO-FINANCING (all other co-financing that is not cash co-financing administered by UNDP)	
UNDP	USD 0
Government	USD 1,961,062
(2) Total co-financing	USD 1,961,062
(3) Grand-Total Project Financing (1)+(2)	USD 2,804,304

SIGNATURES



Signature:  Nick Beresford Resident Representative UNDP Cambodia	Agreed by UNDP	Date/Month/Year: 4.4.19
Signature:  Say Samal Chair of National Council for Sustainable Development and Minister of Environment	Agreed by Implementing Partner	Date/Month/Year: 18.04.19

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ABBREVIATIONS AND ACRONYMS

ABS	Access and Benefit Sharing
CA	Competent Authority
CBD	Convention on Biological Diversity
CEPA	Communication, Education and Public Awareness
CHM	Clearing House Mechanism
COP	Conference of Parties
CP	Cooperation Partner
CSO	Civil Society Organization
DBD	Department of Biodiversity
EIA	Environmental Impact Assessment
ESMP	Environmental and Social Management Plan
FA	Forest Administration
FAO	Food and Agriculture Organization
FIA	Fishery Administration
FP	Focal Point
FSP	Full Sized Project
GDANCP	General Department of Administration for Nature Conservation and Protection
GDP	Gross Domestic Production
GEF	Global Environment Facility
GEFSEC	Global Environment Facility Secretariat
GIZ	German Technical Cooperation
GSSD	General Secretary of the National Council for Sustainable Development
ILS	Indigenous Local Committees
ITK	Indigenous Traditional Knowledge
ITPGRFA	International Treaty on Plant Genetic Resources for Food and Agriculture
IUCN	International Union for the Conservation of Nature
KAP	Knowledge, Attitudes and Practices
MAFF	Ministry of Agriculture, Forestry and Fisheries
MAT	Mutually Agreed Terms
MEF	Ministry of Economy and Finance
MI	Ministry of Interior
MIH	Ministry of Industry and Handicrafts
MOC	Ministry of Commerce
MOE	Ministry of Environment
MOH	Ministry of Health
MOP	Ministry of Planning
MOP	Meeting of Parties
MOWRAM	Ministry of Water Resources and Meteorology
MRD	Ministry of Rural Development
MSP	Medium Sized Project
MTR	Mid Term Review
MWA	Ministry of Women's Affairs

M&E	Monitoring and Evaluation
NBSAP	National Biodiversity Strategy and Action Plan
NCSD	National Council for Sustainable Development
NESAP	National Environment Strategy and Action Plan
NFP	National Focal Point
NFP	National Forest Program
NIM	National Implementation Modality
NP	Nagoya Protocol
NPASMP	National Protected Area Strategic Management Plan
PB	Project Board
PC	Project Coordinator
PD	Project Director
PIC	Prior Informed Consent
PMU	Project Management Unit
PIF	Project Identification Form
PIMS	Project Information Management System
PIR	GEF Project Implementation Report
POPP	Program and Operations Policies and Procedures
PPG	Project Preparation Grant
RGC	Royal Government of Cambodia
RTA	Regional Technical Advisor
R&D	Research and Development
SDG	Sustainable Development Goal
STAP	GEF Scientific Technical Advisory Panel
STWA	Sub-Technical Working Group
TK	Traditional Knowledge
TOR	Terms of Reference
TWG	Technical Working Group
UNDP	United National Development Program
UNDP -CO	UNDP Country Office
UNDP-GEF	UNDP Global Environmental Finance Unit
UNEP	United Nations Environment Program
WWF	World Wildlife Fund

I. DEVELOPMENT CHALLENGE

1. Cambodia, a tropical country in mainland Southeast Asia, adjacent to the Gulf of Thailand has a land area of 181,035 km². Cambodia's coastline of 435 km, and its land border of 2,438 km runs along Thailand to the west, Viet Nam to the east and Lao PDR to the north. Biogeographically, Cambodia is dominated by lowland along the Mekong River and Tonle Sap (Great Lake) where the majority of the population resides and where agriculture is the main activity. The three mountainous regions in the Southwest, North and Northeast are less populated and rich in forest resources. Cambodia is located within the Indo-Burmese Global Biodiversity hotspot and has one of the highest rates of forest cover in Southeast Asia, estimated at 48.14% in 2016. The country is covered by an intricate mosaic of tropical ecosystems that include 6 of the Global Eco-regions defined by World Wildlife Fund (WWF) and hosts an exceptionally high species variety of species, with 135 mammal species, 173 reptile species, 599 bird species, 72 species of amphibians, 850 freshwater fish species, 435 marine fish species and more than 4,500 vascular plant species,² the majority of which have not yet been taxonomically identified.
2. Because of the country's specific geographical location and due to its long history and complicated topographical, ecological and social features, Cambodia is recognized as an important rich and diverse country in regards to plant genetic resources. While diverse climatic conditions diversified the country's flora with both tropical and temperate plants, thousands of years of agricultural practice by 24 ethnic groups³ enriched its crop genetic resources with great numbers of local cultivars and land races. They have traditionally managed nearly 4 million hectares of remote evergreen and dry deciduous forests.⁴ The long-term wellbeing of indigenous cultures is strongly linked to their land use systems and access to forest resources. They practice rotational (shifting) cultivation and animal husbandry, and in forests harvest rattan and vine, resin, cardamom, and honey. Weaving is another key source of income. The country's location is in the center of origin of various crops, such as rice, taro, banana, jackfruit, mango, coconut, tea, and some citrus trees, resulting in richness and diversity in its crops relatives and wild plants of agricultural and social values.
3. Like in so many developing countries in the region, Cambodia faces a wide range of issues that threaten its biological diversity and ecological security. These threats emanate from the transition from a subsistence-based agrarian economy to a consumption-based cash economy, competing land-use from urbanization and infrastructure development. Other threats include poaching of wild plants and animals, localized overharvesting of timber, fuel wood and non-wood forest products, human-wildlife conflicts, and climate change. In addition, rapid socio-economic development in the past few decades have led to changes in the landscape. Major drivers of the economy are economic reforms, industrialisation and growth in service industries. Aligned to the economic growth is a sharp declining poverty rate. However, much of the economic growth has been fueled by the exploitation of natural resources. Changes in land use and mass development of infrastructure have reduced natural areas, caused ecological fragmentation, and damaged wildlife habitats. The extent of primary forests is now very limited and continue to be further degraded. Excessive exploitation and utilization of wild species and genetic resources for subsistence and commercial use has resulted in the decreased abundance of many medicinal plants and wildlife. Habitat loss, fragmentation and degradation due to commercial logging, urbanization and development of aquaculture and farmland has posed severe pressure on wild flora and fauna. Climate change is likely to worsen the state of the natural environment in years to come, with sea level rise, is likely to contribute to biodiversity loss in Cambodia. In addition, traditional knowledge of local communities that is associated with genetic resources is disappearing rapidly, due to the change of traditional lifestyles. A large volume of traditional knowledge, such as medicinal use of biological resources, is being replaced by modern technology.
4. As a consequence of the rapid economic growth, the globally significant genetic diversity of Cambodia is under increasing threat. According to International Union for Conservation of Nature (IUCN) Red List, 37 mammal species, 26 bird species, 19 reptiles, 3 amphibian, 40 fish species and 32 plant species are threatened.⁵ In addition, Cambodia's forests have decreased significantly in terms of both area and quality over the last few decades. The 2005 Food and Agriculture (FAO) Forest Resource Assessment indicates that Cambodia has lost more than a quarter of its remaining primary forests since

² Fifth National report to CBD (2014)

³ Moul Phath, Seng Sovathana. Country technical note on indigenous peoples issues: Kingdom of Cambodia. IFAD/AIPP, November 2012.

⁴ NGO Forum on Cambodia. "Indigenous People Rights Project." <https://www.ngoforum.org.kh/indigenous-people-rights-project/>

⁵ IUCN Red data list (2013)

2000. The trend in forest losses accelerated during the period from 2002 to 2010 (at an annual rate of around 1%).⁶ In recent times, between 2014-2016, around 250,000 ha of forests were lost (1.34%).⁷ The species composition of freshwater ecosystems is changing and the abundance of larger slower growing species is declining due to a high rate of exploitation.

5. The high level of genetic diversity of its medicinal plant resources makes Cambodia an attractive country for bio-prospecting, especially given that there are approximately 1,000 species of medicinal plants (native and introduced).⁸ This figure represents over 35% of Cambodia's native flora known medicinal and aromatic plants. However, the general trend toward biodiversity degradation and loss of these medicinal plants, and a decline in biodiversity is observable in all ecosystems. According to the report on Cambodia's biodiversity⁹, it has lost many precious genetic resources. Every year livestock breeds and crop varieties are put at a high risk of erosion, many of which are indigenous and rare. Natural forests have been severely reduced and currently only about 2.86 million hectares of primary forests (Evergreen Forest) exist scattered in the country.¹⁰
6. In terms of the loss of medicinal plant resources, a total of 324 species of medicinal plants that are native to Cambodia are considered as "Vulnerable" and of high priority for conservation due to limited abundance, habitat threat, narrow ecological range and high demand and these species, 65 species are rare and 9 species of plants are extremely vulnerable.¹¹ There are many well-known species of medicinal plants such as Moem Thnam Chin (perennial herb), Romdeng Prey (*Alpinia conchigera*), Romeit Prey (*Curcuma* sp.), and others that are dwindling fast. At present a number of native medicinal plants are facing extinction and they are no longer available in sufficient quantity for use by local people, such as Mreah Prov Phnom (*Dysoxylum lourieri*), Dey Khla (*Gardenia angkorensis*), Tepiru (*Cinnamomum cambodianum*) and Vohr Romiet (*Coscinium usitatum*). Voer Romiet (*Coscinium* sp.) is found throughout Asia but is heavily exploited for medicinal use throughout its range. Well-known for its anti-diarrhea and astringent properties, this species has been extracted to the point of extinction from South-western Cambodia, particularly from the Cardamom Mountain and Bokor areas. One more example is that of the Critically Endangered *Aquilaria crassna* found in the Cardamom Mountains of South-western Cambodia. This puts Cambodia's genetic resources at serious risk. Causes for the decline and loss of medicinal plants species can be traced back to uncontrolled harvest, particularly on a commercial scale for processing and export by the pharmaceutical industry, along with habitat loss and degradation. Therefore, the conservation and sustainable use of genetic resources of Cambodia through the ABS regime can be very useful in supporting the rehabilitation and protection of species of global environmental significance.
7. The loss of genetic resources has had a great impact on the users and keepers of these medicinal plant species. A country of multiple ethnic minorities, Cambodia's ethnic groups mostly live in the upland mountain areas. The mountainous upland area of Cambodia hosts approximately 1.7 million people (11.68 percent of total population or 14.68 million persons in 2013) of which more than 0.2 million are from ethnic minorities. These ethnic minorities have lived for many centuries adapting to their environment, in many cases in isolation or little contact with other groups, developing complex cultural norms and rules that have successfully regulated human activities to integrate their continual co-existence with the natural environment. The minority groups' knowledge and practices have developed to adapt to natural conditions for their survival. This Traditional Knowledge (TK) in upland Cambodia is rich and greatly varied – and includes knowledge on conserving nature, health protection, farming systems and plant and animal species uses and management. It is a reflection of the varied geographic areas they live in as the different needs associated with the individual groups. The use of plants for medicinal treatment of illness/diseases are especially well developed among some of the minority groups and some research institutions, private pharmaceutical companies and NGOs have in recent years recognized the importance of conserving this knowledge, but also using it to create benefits, of which it has not always equitable been shared with the minority groups¹². The absence of a system for protection of traditional knowledge

⁶ Cambodia's Forest Cover (2018), red.unfccc.int

⁷ ibid

⁸ Ashwell, D and Walston, N (2008) An overview of the use and trade in traditional medicine system in Cambodia

⁹ Ministry of Natural Resources and Environment, the overall report on Vietnam's biodiversity, compiled from the documents prepared by local and international experts for development of the draft of the Biodiversity Law, Hanoi, 2008, p 2

¹⁰ Cambodia's Forest Cover (2018), red.unfccc.int

¹¹ Ashwell, D and Walston, N (2008) An overview of the use and trade in traditional medicine system in Cambodia

¹²Trung, T. C.; Quynh, L. X. and Hieu, V. *The Role of Indigenous Knowledge in Sustainable Development: A Case Study of the Vietnam Mountain Region.*

in the country can easily result in the further erosion of this valuable knowledge and a permanent loss to local communities, the country and the global community, at large.

8. The lack of generation of actual and potential economic benefits from commercial exploitation and biological and genetic resources, and the lack of information on the value and quantity of genetic resources that can be utilized through Access and Benefit Sharing (ABS) processes to derive monetary and non-monetary benefits is a key constraint for the effective conservation of biodiversity. This is further constrained by the lack of a functioning ABS national legal, institutional and administrative framework, of institutional capacity and awareness raising among different stakeholders (private sector, academia, research institutions, indigenous and local communities, etc.) that will enable the equitable sharing of benefits from the exploration and utilization of genetic resources and associated traditional knowledge between the state, private and research sector, and the owners and custodians of these resources and traditional knowledge. So far despite the existence of the provisions on access and benefit sharing in the many laws and related decrees no permits have been issued nor has an ABS contract has been approved by the national competent authority. No public-private partnerships have been developed following the provisions of the ABS regime in force in the country. This can be explained by number of factors including - inappropriate capacity of the institutions; lack of coordinating mechanisms and administrative measures to make the provisions of the Biodiversity Law operational in practice; and of lack of awareness of the ABS principles and legal dimension of users and providers of genetic resources and associated traditional knowledge.

Root Causes, Threat and Impacts

9. The main threats to biodiversity in Cambodia are due to human activities, economic development and population growth and result in deforestation, habitat transformation and over-exploitation of resources. The causes of forest decline and degradation include commercial logging, slash and burn cultivation, land encroachment for human settlements, farming and infrastructure development and cutting wood for fuel. Recent research suggests that Cambodia may have lost nearly 7% of its forests from 2002 – 2010.¹³ The loss in forest quality is significantly higher than the loss in forest cover area, as logging has concentrated on commercially valuable species and larger-size trees. Habitat is further impacted by other drivers of changes in land use such as the conversions of state land to agriculture by large corporations through economic land concessions and the actions of landless people. Road developments are considered to be a significant driving factor for habitat loss, increasing accessibility and thus, contributing to other threats - including agricultural expansion and intensification, illegal logging (for fuel wood and timber), mining, residential and tourism development, and dam construction. Increased access to previously isolated areas has resulted in an expanding number of new land claims, increased wildlife hunting, and a flourishing of wildlife trade networks both within and at international levels. Climate change is also considered the one of the main threat to Cambodia's biodiversity and is consistently ranked as one of the top ten most vulnerable countries to climate change by various studies¹⁴. Climate change is likely to worsen the state of the country's biodiversity in years to come. In addition, traditional knowledge of local communities associated with genetic resources is disappearing rapidly due to the change in traditional lifestyles that has taken place during the civil strife where people moved from one area to another for safety. A large volume of traditional knowledge associated with medicinal usage of biological resources has been replaced by modern technology.
10. The laws and policies most relevant to ABS relate to the environment, forests, protected areas and intellectual property rights. The Law on Environmental Protection and Natural Resource Management (1996) is a framework law that established general principles relating to the environment, including biodiversity. Together with the Sub-decree on Environmental Impact Assessment Process (1999), it determines the need for an Environmental Impact Assessment (EIA) of every private and public project or activity, which will be reviewed by the Ministry of Environment prior to submission for a decision by the Royal Government. Cambodia approved the Law on Crop Management and Rights of Seed Breeder in 2008 with the aim to manage control breeding, release, modification, listing distribution, seed export, and protection of new seeds. The Protected Area Law (2008) established the protected area categories in Cambodia and described the four zones that authorities should use to manage protected areas. For the core zones, the Law determines "Access to the zone is prohibited except for the Nature Conservation and Protection Administration's officials and researchers, who with prior permission from the Ministry of Environment conduct nature and scientific studies for the purpose of

¹³ Cambodia's Forest Cover (2018), red.unfccc.int

¹⁴ (Standard and Poor's, 2014; Maplecroft, 2015, et al.)

preservation and protection of biological resources and natural environment with the exception of national security and defense sectors.” Article 44 states “To minimize adverse impacts on the environment and to ensure that management objectives of protected areas are satisfied, an Environmental and Social Impact Assessment shall be required on all proposals and investment for development within or adjacent to protected area boundary by the Ministry of Environment with collaboration from relevant ministries and institutions.” The Law on Forestry, 2002, defines Protection Forests that are primarily maintained for protection of forests ecosystems and natural resources therein. The Forest Administration (FA) under the Ministry of Agriculture, Forestry and Fisheries (MAFF) has to develop management plans for Protection of Forests.

11. However, none of these laws include specific provisions on commercialization of genetic resources; traditional knowledge of local/indigenous communities on genetic resources and its utilization; and benefit sharing mechanisms in case of commercialization of genetic resources. There are few legislations dealing with intellectual property rights that has some relevance to ABS implementation, in particular on the traditional knowledge and use of genetic resources. The 1993 “Constitution of the Kingdom of Cambodia” marked the establishment of a liberal democratic state and a market economy as the foundation of Cambodia’s social, political and economic structure. The Constitution does not specifically refer to intellectual property rights, however there are provisions relating to the promotion of economic development in agriculture, handicrafts, industry and modern technology, as well as the promotion of production and protection of products. The Constitution also specifies the protection of traditional cultural expressions guaranteed by the State. The main Intellectual Property Laws in Cambodia are: (i) Law on Patents, Utility Models and Industrial Designs (2003); (ii) Law on Copyright and Related Rights (2003); (iii) Law concerning Marks, Trade Names and Acts of Unfair Competition of the Kingdom of Cambodia (2002); and (iv) the Law on the Protection of Cultural Heritage (1996). The Law on Patents provides a set of exclusive rights to an inventor or his/her assignee for a fixed period of time in exchange for disclosure of an invention, utility model or industrial design. The Law on Copyright as well as the trademark law ensures intellectual property right enforcement mechanism that follows the principles of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)¹⁵.
12. **Project conceptual model:** The complex web of interacting factors that threaten the globally significant biodiversity and genetic resources of Cambodia is illustrated in a conceptual model in **Figure 1**. This indicates the key indirect and direct factors and the points where project intervention can reduce the level of threats and contribute towards the conservation of genetic resources and associated traditional knowledge, including globally threatened species and ecological integrity. The main project intervention strategies are shown as yellow hexagons in Figure 1, and the main elements of these strategies are summarized in the Theory of Change diagram in the following section (**Figure 2**).

The baseline projects

13. Although Cambodia has no existing policy or legislation on ABS, the government recognizes the importance of establishing innovative schemes to derive equitable benefits through economic activities that are linked to sustainable utilization of natural resources. Twelve years after the first adoption of its National Biodiversity Strategy and Action Plan (NBSAP) in 2002, Cambodia undertook revision of its NBSAP to align with the adoption of the Global Strategic Plan for Biodiversity 2011-2020 and its Aichi Biodiversity Targets in response to a request of the Conference of the Parties to the Convention in decision X/23. In the updated NBSAP approved in early 2016, ABS was identified among 24 themes focusing on: (i) Strengthen communication, education and public awareness (CEPA) on ABS; (ii) Develop and implement national ABS policy and legislation; and (iii) Enhance the enabling environment for the development of ABS legislation and implementation of the Nagoya Protocol on ABS and related legislation. The updated NBSAP does not specify financing required for implementing the priorities; however, it spells out resources mobilization strategies by focusing on aligning the NBSAP implementation with the national poverty alleviation policies (on agriculture, infrastructure, urban development, employment and the development of human resources), resource mobilization from bilateral and multi-

¹⁵ The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is an international agreement administered by the World Trade Organization (WTO) that sets down minimum standards for many forms of intellectual property (IP) regulation as applied to nationals of other WTO Members”.

lateral donors as well as NGOs actively working in the biodiversity conservation, fee collection from tourism activities in the key Protected Areas, and tax collection from forest and fishery concessions.

14. In January 2018, the government established a Biodiversity Technical Working Group (TWG) to coordinate and provide technical support to the National Council for Sustainable Development (NCSA) for the management and conservation biodiversity in the Kingdom of Cambodia. Headed by the Secretary General of NCSA, the TWG comprises representatives of key government agencies with the task specifically relating to ABS of (i) providing technical support for managing, amending and updating strategic policy, action plan, legal instrument, guidance and biodiversity framework, access and benefit sharing of genetic resources, biosafety, ecosystem trade-off, ex-situ conservation and creating strategies or ways to speed up implementation and (ii) promoting and upgrading biodiversity knowledge within respective ministry, institution, NGO and INGO, development partner, academic institution, private sectors, ethnic minority and inspiring the worth of research study and morality of ecosystem, biodiversity services trade-off and ex-situ conservation. Representative from local NGOs, INGOs and other stakeholders are eligible to participate in the meeting as observers. Sub-technical working groups (STWG) can be established as needed to assure the effectiveness of Nagoya Protocol implementation in the use of ABS on genetic resources and other similar protocols. As part of the effort to promote ABS, the government has formulated a roadmap and implementation plan, developed educational materials and on a case-by-case basis, provided temporary permissions through the Ministry of Environment to issue temporary process for accessing genetic resources.
15. The policies and measures on environment and natural resources that will be achieved by the Royal Government of Cambodia by fully implementing the Rectangular Strategy Phase IV, which entails the promotion of agricultural and rural development; strengthening sustainable management of natural and cultural resources; strengthening management of urbanization; and ensuring environment sustainability and readiness for climate change. On this basis, the Royal Government will focus on promoting the development and implementation of “Master Plan for Agriculture Sector Development towards 2030” and “Agriculture Sector Strategic Development Plan 2019-2023”, further promoting the preparation, enactment and enforcement of “Law on Plants Protection and Sanitary and Phytosanitary” and “Law on Contract Farming”. In terms of Sustainable Management of Natural Resources and Culture in the Rectangular Strategy Phase IV the emphasis is on strengthening the resource and business management by minimizing the social and environmental costs, maintaining the forest cover at more than 60% of the country land area, promoting the forest and wildlife preservation, preventing the forest encroachment and clearing for private ownership purpose, promoting forest restoration as well as combatting the forest crime and wildlife trafficking. It is also intended protecting ecosystems and natural areas by emphasizing on the protection of biodiversity, wetland and coastal areas in order to ensure the land quality and sustainable water resource as well as preserving and developing the cultural heritage by encouraging their additional inscription, strengthening the management, research, studies, and compilation as well as generating value from the cultural heritage.
16. The Strategic Planning Framework for Fisheries (2010-2019) supports the achievement of Cambodia's Millennium Development Goal, National Strategic Plans and Rectangular Strategy of the Government to protect and conserve critically endangered and vulnerable species of genetic resource and prevent the introduction of invasive alien species into Cambodia. The National Environmental Strategy and Action Plan (NESAP) 2016-2023: provides a roadmap for ensuring effective environmental protection and sustainable use of genetic resources through an inclusive and participatory process. The NESAP will guide government ministries at both national and sub-national administration, private sector, civil society and development organizations to mainstream environmental considerations into development policies, plans, and investments. The National Protected Area Strategic Management Plan (NPASMP) 2017-2031 is the first comprehensive strategy document for protected areas in Cambodia and represents an important milestone in moving towards a climate-resilient future for our country. This National Protected Area Strategic Management Plan (NPASMP) reflects Cambodia political will and commitment to safeguard a network of protected areas that contributes to the country's economy and sustainable development, including poverty reduction, through the conservation and sustainable use of its biological, genetic resources, natural and cultural resources and other ecosystem services.
17. Future investments on ABS in Cambodia are described below:

- The National Environment Strategy and Action Plan 2016-2023 (NESAP). The proposed project is timely for Cambodia to support capacity building of competent authorities, local communities, and facilitate the preparation of legal framework to support fair and equitable sharing of benefits arising from the utilization of genetic resources, which is an important component identified in the NESAP.
- Starting 2015, the Royal Government of Cambodia (RGC) has drafted the Environment Code as part of its environment governance reform which is expected to integrate environmental impact assessment in environment planning as well as provide a guidance in terms of biodiversity management, access to genetic resources, endangered species protection, and genetically modified organisms. The development of Environmental Code has still to be approved and when completed will cost around US\$ 2.5 million.
- The National Forest Program (NFP) 2010-2029. The NFP aims to sustainably manage and develop forest resources to contribute to: poverty alleviation, enhance livelihoods, economic growth and environmental protection including conservation of biological diversity. The NFP underscores the importance of conservation and development of genetic resources and seed sources to sustainably manage country's valuable forest resources as well as recognize its contribution to climate change responses and potential uses of forest genetic resources under the future ABS framework. The government has budgeted around USD 1 million for activities related to genetic conservation.
- Although RGC has signed the Nagoya Protocol, the challenge in implementation of policies related to ABS continued because of limited understanding of the ABS issues coupled with inadequate financial and institutional capacity. One of the immediate actions going forward is to strengthen awareness and capacity of competent authority, the national focal points, and relevant stakeholders on ABS. The government will put in place a well-functioning competent authority, the national focal points and the ABS Technical Working Group through training program, which required financing resources of about US\$ 1,000,000 from 2018-2021.
- The government will also support fora for indigenous communities, private sector, academia, key government agencies and Civil Society Organizations (CSOs) to interact on issues regarding decision-making and policy implementation of the ABS. This will include strengthening a dedicated Clearing House Mechanism (CHM) for ABS to make information on ABS readily and widely accessible. This coordination mechanism for decision-making and policy implementation of the ABS is being planned to achieve by 2020 with the total budget of US\$ 5,000,000.
- For short and medium term priority, the government plans to develop tools and guidelines for decision-making to enable implementation of the ABS regulation. It is estimated the resources required for these actions will be approximately US\$ 2,000,000 for the next 4 years (2018-2021).
- DBD has been working on strengthening awareness of stakeholders on the ABS related matter through communication and public awareness raising activities. Annually, DBD receives a budget of around US\$ 50,000 to implement these activities.
- Research and development is also one of the priorities being invested. With support from the German Technical Cooperation (GIZ), the Department of Biodiversity (DBD) is carrying a research to identify three plant species with economic and commercial value in the northern landscape with a total budget of US\$ 150,000. In addition, the DBD is initiating a research activity focusing on traditional knowledge associated with genetic resource utilization. The ABS TK research is estimated to cost around US\$ 1,000,000. In close collaboration with the Royal University of Phnom Penh, the Ministry of Environment (MOE) is undertaking species taxonomic studies with a budget of around US\$ 40,000.
- In addition to the above investments, the government has a dedicated annual budget of US\$ 30,000 for capacity building of three staff working in the ABS Office. The ABS office also received around US\$ 25,000 annually to cover its staff salary and operational cost. The DBD staff including director, deputy director and five other staff also contribute to ABS activities. The recurring cost of the DBD is around US\$ 50,000 per year. Furthermore, the government has an

approved budget of US\$ 15,000 per year for the laboratory in MoE and an approved budget of US\$20,000 per year for the laboratory of Ministry of Health (MOH) for promoting bio-prospecting activities.

- Under the leadership of NCSO, MOE will establish a center from 2018 for ex situ collection for conservation and research on biological resources. The center will have significant impact in terms of monitoring of the use of genetic resources for commercial and non-commercial purposes. It is estimated that the establishment of the center will cost around US\$ 1,500,000. The government is currently mobilizing public financing and external support to start the project.
- Under cooperation between DBD and General Department of Administration for Nature Conservation and protection (GDANCP), the future investment in developing and applying genetic resources seed zones and seed transfer guidelines to ensure adaptability and resiliency for successful reforestation and restoration projects. This work is taking on a new and expanded emphasis in light of concerns over impacts of climate change on forest and range ecosystems. This cooperation mechanism will also help develop and implement genetic conservation strategies for at-risk species, providing training in seed procurement and genetic resource management and managing seed orchards, breeding orchards, genetic test sites and gene banks through establishment of conservation and research facilities support in biological resources centers.
- DBD/NCSO will continue its work in combating invasive species through development of genetically resistant planting stock for high priority species and populations.
- DBD/NCSO is developing a proposed for recommending appropriate species and seed sources for out planting, forecasting seed needs and directing seed procurement and production activities.

Long-term Solution and Barriers to be addressed

18. Although the programs and projects described in the last section are supporting the conservation of biodiversity and genetic resources in Cambodia, the baseline is characterised by a number of key deficiencies and barriers to the commercial utilization of genetic resources and equitable benefit-sharing from the utilization of such resources. There are two barriers to enhancing the full potential of establishing a comprehensive national legal, regulatory and institutional framework for Access and Benefit Sharing (ABS) of Cambodia's diverse genetic resources and traditional knowledge so as to generate economic benefits to the nation, people, business firms and local/indigenous communities. The key barriers are the following:

Barrier 1: Lack of a comprehensive legal and regulatory framework

19. Currently, there is no effective national legal and regulatory framework on ABS in place. As explained in the section on ABS legislation, there is a mosaic of sectoral laws including laws on intellectual property that touches on certain aspects of ABS, but this creates an environment of uncertainty and most importantly it does not sufficiently reflect the provisions of the Nagoya Protocol. The lack of legislation and institutional mechanisms has prevented the full control of illegal trade in genetic resources. Loopholes in the current regime include the undefined scope of ABS activities and genetic resource use related to ABS and the lack of clear objectives and definitions. While the General Secretariat of the National Council for Sustainable Development (GSSD) currently houses the ABS focal point and competent authority, the relationship and roles between GSSD, Ministry of Environment, Ministry of Agriculture, Fisheries and Forestry, the Ministry of Commerce, the Traditional Medicine Department under the Ministry of Health, and the Ministry of Industry and Handicraft remains unclear. In order to ensure the implementation, compliance and enforcement of ABS in Cambodia, there is a need to clarify and specify the roles and responsibilities of the different players. An ABS legal framework is needed to ensure that provisions of the Nagoya Protocol can be adequately implemented within the national legal system.

20. Additionally, the national administrative processes for issuing ABS license, negotiating and enforcing agreements have not been fully clarified and key stakeholders remain unaware of their roles in promoting ABS. A consistent regime on ABS for Cambodia that needs to tackle issues related to traditional knowledge and copyrights are poorly considered in the current framework leading to weak management and enforcement. Regulations are necessary to clarify and define the scope of utilization of genetic resources and the purpose of fair and equitable sharing of genetic resources. Specific procedures for access to genetic resources should be considered with the issuance of specific document forms, certificates, contract samples, guidance for trade centers and the regime for dispute resolution. Further, safeguards need to be emplaced should ABS agreements be developed to ensure that the commercialization of genetic resource do not have a negative impact on biodiversity. Collection for genetic material will probably not threaten the conservation status of an organism because small amounts of biological materials are needed, and genetic material is easily replicated, but if the target organism is already threatened or endangered, it poses a greater risk. Environmental impact assessments will help identify the possible impacts of a particular activity before it occurs. The MOE has identified effective implementation of the EIA process as being one of its six strategic priorities for the next several years. A new EIA Law is in draft form. EIA is a preventive mechanism, forcing the consideration of effects on the environment prior to development actions taking place. There is a need to properly enshrine the requirements of the Nagoya Protocol in the EIA law to ensure that the impact is minimized and benefits are properly managed.

Barrier 2: Weak institutional capacity and awareness for ABS

21. Access and benefit sharing and the Nagoya Protocol is a new and emerging topic to the public as well as to the government. Government institutions have limited capacity to develop and implement national and local ABS norms. Although DBD under the NCSDD has been designated as the National Focal Point (NFP) as well as the GDANCP of MOE and General Secretariat of National Council for Sustainable Development (GSSD) have been designated as the Competent National Authorities (CNA) in accordance with the Nagoya Protocol, the operational capacities of these national competent agencies need to be strengthened significantly to be able to operationalize the ABS framework and legislation. Further there is an overlap in institutional responsibilities over permission to utilization and harvesting of natural resources and biodiversity that is a major challenge to its effective conservation and management. Many staff from the department are not specialized in biodiversity, and capacity remains limited, even more so in a new field such as genetic resources. Researchers often collect data and collaborate with local communities and protected areas on genetic resources. However, they are insufficiently aware of the ABS framework, legislation and their responsibilities under such mechanisms, and lack information on genetic resources and biodiversity to make informed decisions on the use of these resources. Research training programs and curriculum also seldom focus on benefit sharing and traditional knowledge in compliance with the Nagoya Protocol. The management capacity of the ethnic minorities and local communities who hold traditional knowledge and are the custodians of genetic resources is still weak. Communities are not sufficiently aware of the value of the resources and their benefits and insufficiently empowered to secure their rights over such genetic resources under the ABS regime and the Nagoya Protocol. In addition, a major barrier to stakeholder capacity development is insufficient awareness on the issues of ABS. It is necessary to build up awareness within governmental agencies and competent authorities in charge, as well as stakeholder groups, such as local residents and communities that hold genetic resources and traditional knowledge.
22. The GEF investment will help develop policy, legislation and institutional frameworks for access and benefit sharing in the country and ensure the fair and equitable sharing of benefits from its genetic resources and associated traditional knowledge. The long-term outcome is to provide adequate incentives for local communities and custodians of these genetic resources to conserve its globally important species and biodiversity. This will be achieved by new policy, legislation an institutional system that increases inter-sector collaboration and multi-stakeholder buy-in and increased public support for the sustainable use of its natural resources.
23. The direct threats affecting the project target (Cambodia's biodiversity) and their relationships with a range of indirect factors (root causes) are illustrated in **Figure 1**, with entry points for project intervention strategies indicated. The relationship between the barriers and the project intervention logic is further illustrated in the theory of change diagram in **Figure 2**.

Alignment with national and global priorities

24. The National Biodiversity Strategy and Action Plan (2016-2023), Theme 15 recognizes the following strategic objectives relating to access and benefit sharing, namely: **Strategic objective 1:** Strengthen Communication, Education and Public Awareness (CEPA) on access and benefits-sharing (ABS); **Strategic objective 2:** Develop and implement a national ABS policy and legislation; and **Strategic objective 3:** Enhance the enabling environment for the development of ABS legislation and the implementation of the Nagoya Protocol on ABS and related legislation. The project will contribute to development on ABS legislation and implementation mechanisms as well as promote communication, education and awareness of the benefits of access and benefit sharing.
25. National Forestry Program (2010-2029): The project will further contribute to the implementation of National Forestry Program in ensuring conservation of genetic resources of forests through sustainable management and use. The project objective also aligns with the Law on seed management and plant breeder's right - which mandates the management, encouragement and sustainable development of seeds for the social, economic, and environmental benefits.
26. National Environment Strategy and Action Plan 2016-2023 (NESAP). The project is in line with the priorities identified by the National Environment Strategy and Action Plan, in particular strategic objective 3: which calls for the development and implementation of financing mechanisms and benefit-sharing schemes, and fund mobilization plans, to modernize environmental conservation and natural resource management. The project will contribute to the long-term financial incentives for conserving biological diversity, and sustainable use of biological diversity for development. As reflected in the NESAP, the proposed project will provide investment to support the implementation of the NESAP once it is approved.
27. Sustainable Development Goals: The project remains highly relevant to the current Sustainable Development Goals (SDGs), which the Royal Government of Cambodia has committed to achieving by 2030. The project will specifically contribute to the following SDGs and relevant targets for Cambodia:

SDG Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
Target 2.5: By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed.

SDG Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Target 15.6: Promote fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources, as internationally agreed.
28. Aichi Targets: The proposed project will contribute to the following Aichi Targets: Strategic Goal D: Enhance the benefits to all from biodiversity and ecosystem services, Target 18: By 2020, the traditional knowledge, innovations and practices of indigenous and local communities relevant for the conservation and sustainable use of biodiversity, and their customary use of biological resources, are respected, subject to national legislation and relevant international obligations, and fully integrated and reflected in the implementation of the Convention with the full and effective participation of indigenous and local communities, at all relevant levels.

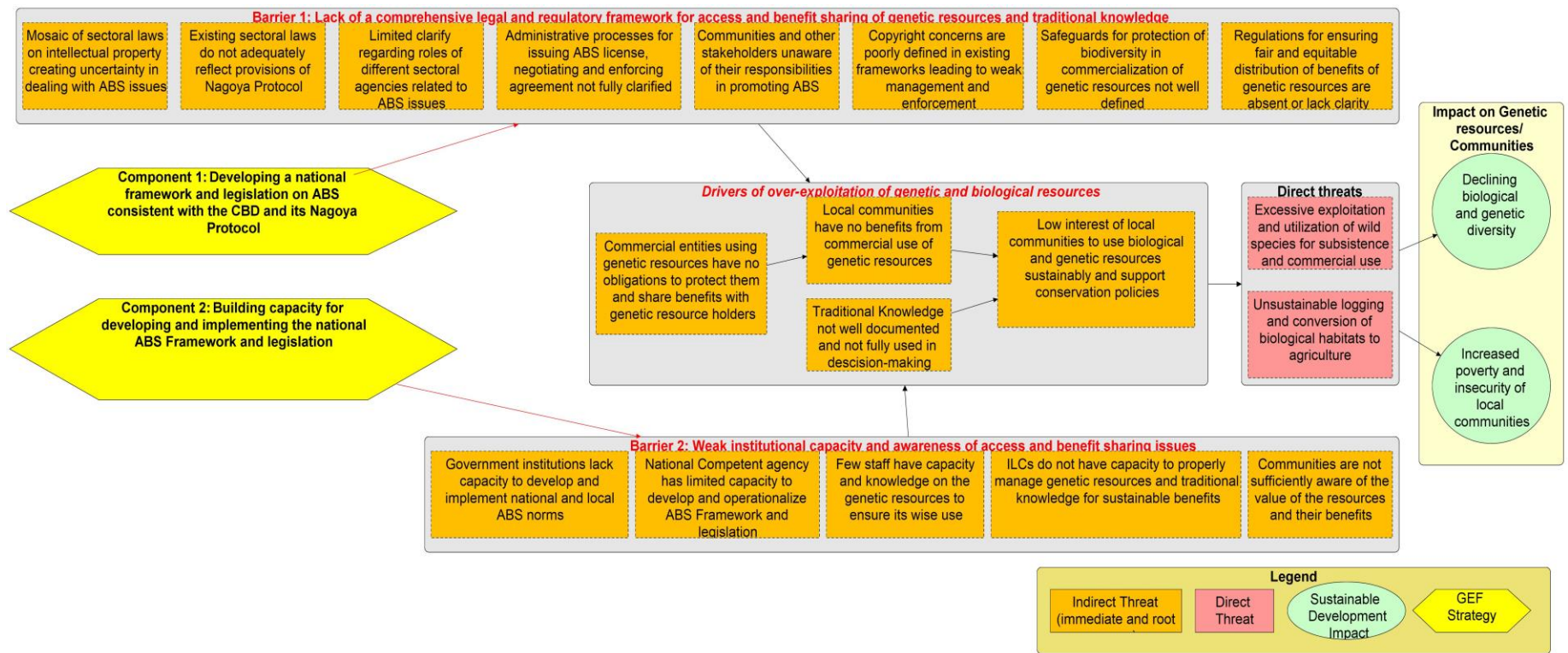


Figure 1: Threats, root causes and barriers to the long-term solution and GEF strategies to address them

II. STRATEGY

29. The project is consistent with the criteria of the Nagoya Protocol and will support the Government of Cambodia to revise and develop national regulations and institutional framework for ABS and improve the capacity and skills of key agencies that will facilitate the promotion of bio-prospecting, bio-products discovery and technology transfer with prior informed consents and mutually agreed terms as long-term goal. Additionally, on the long-term, the development of legislation and regulatory systems through the project would help facilitate private sector engagement and target investments in in-situ conservation and sustainable use of genetic resources. The initial development of legislative and institutional capacity under the project could be used to update and improve the capacities in Cambodia to facilitate ABS agreements and handling of issues under the Nagoya Protocol. It would also help move towards helping the country to jointly promote access and benefit sharing activities and facilitate, on the longer-term, the identification and development of nature-based products through appropriate ABS agreements.
30. This project addresses the GEF Biodiversity Focal Area objective – *Build capacity on access to genetic resources and benefit sharing*, contributing directly towards Outcome 4.1 *Legal and regulatory frameworks, and administrative procedure established that enable access to genetic resources and benefit sharing in accordance with the CBD provisions* and Output 4.1 *Access and benefit-sharing agreements (number) that recognise the core ABS principles of Prior Informed Consent (PIC) and Mutually Agreed Terms (MAT) including the fair and equitable sharing of benefits*. The project will establish the national legal and regulatory framework for ABS and build capacity for its implementation through a range of training, awareness and supportive information management and guidance outputs, The project will also directly implement Aichi Target 16 to operationalize the Nagoya Protocol and ensure consistency with national legislation.
31. In the baseline scenario, the Government of Cambodia has identified the need for the development of new legislation and institutional framework for ABS in the country that is consistent with the Nagoya Protocol's provisions as a priority and has begun efforts to recognize the future need to develop its national biotechnology industry beyond existing traditional medicine production for domestic use, as well as the systematic documentation and protection of traditional knowledge. There are a limited number of on-going investments in capacity development from the Department of Biodiversity (DBD) on exploitation and development of genetic resources. However, there is great potential for the productive use of Cambodia's exceptional genetic resources associated with its mountain landscapes and diversity of forest types that currently remains largely undeveloped that can provide potential incomes to both the government and poor rural communities.
32. The proposed project aims to address the barriers described by focusing on: (i) improvement and development of an enabling policy and legislative environment by the issuance of a legal measure in line with the Nagoya Protocol; (ii) design and implement the necessary permitting and administrative systems (through manuals, circulars, instructive, coordinating and information exchange mechanisms, etc.) to provide greater, clarity and transparency for enhancing access, permitting, negotiating and licensing and monitoring of the utilization of genetic resources, and (iii) to build capacity and awareness for effective implementation of the national Access and Benefit Sharing Framework and Nagoya Protocol among different stakeholders, as well the documentation of traditional knowledge and of model bio-community Protocols to guide and influence the future implementation of the National Access and Benefit Sharing Framework and Nagoya Protocol and prove (and ideally develop good practices to be followed and replicated in the future) the value of these partnerships for biodiversity conservation and for the improvement of the livelihoods of local communities involved on ABS.
33. Intensive awareness raising and capacity building efforts will ensure that all concerned stakeholders understand the principles behind the ABS regime, the requirements for its implementation, and the potential benefits that can be realized to different parties. The project will also help develop mechanisms that facilitate the reinvestment of benefits from ABS agreements back into biodiversity conservation and supporting local and indigenous communities through official mechanisms. The competent authorities, checkpoint authorities and other stakeholders will be brought rapidly to implementation readiness, and through the project, the recognition of need for appropriate PIC, MAT and ABS agreements in bio-prospecting and product development processes. The results and lessons learned from the project will also be shared, contributing to global best practices on ABS. Overall, the intent of the project is to ensure that the national economy, business community and local communities all stand to gain from the further development of Cambodia's biotechnology industry, including its participation in international partnerships and foreign investment.

34. As described above, the project is aligned with the national priorities and based on the NBSAP. The project was designed through thorough consultation with relevant stakeholders and has full ownership as well as has led by the national circumstances and needs. Actions laid out in the project strategies are resulted from multi-stakeholder engagement process. The project objective will be achieved via two inter-related and complementary strategies (Project Components comprising Outcomes and Outputs) that focus on removing the two key barriers to accomplishing the long-term solution (**Figure 1**), using the intervention pathways shown in the theory of change diagram (**Figure 2**). Indicators and assumptions for expected Outcomes under the Components are given in the Project Results Framework.

The two Components are:

Component 1: Developing a national framework and legislation on ABS consistent with the CBD and its Nagoya Protocol

Component 2: Building capacity for developing and implementing the national ABS Framework and legislation

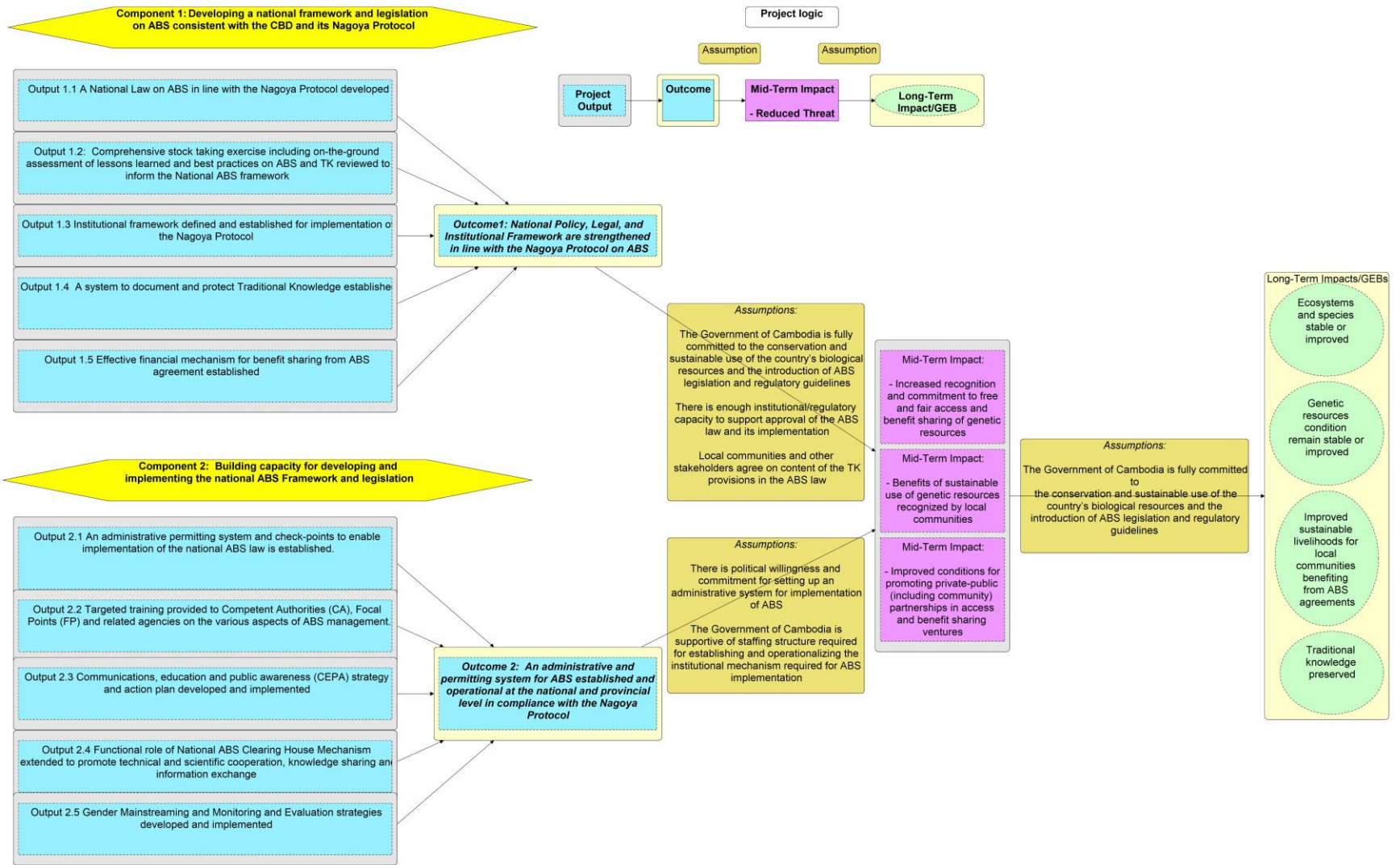


Figure 2: Theory of Change

Innovation

35. The project is innovative in the national context as ABS is a new and emerging area of work in the country. The project will enable the Royal Government to establish mechanisms and strengthen institutions to sustainably utilize and manage Cambodia's rich biological resources by connecting community and Indigenous Traditional Knowledge (ITK) with biotechnology research and private collaborators. The government is currently making a strong effort to lay a foundation for the establishment of ABS framework, and this strong commitment from the government is a clear indication of the importance accorded to ABS work in the country that is essential to ensuring sustainability of the project. The project will complement the ongoing initiatives, particularly the development of the Environmental Code and an on-going GEF project on generating, accessing and using information and knowledge related to the three Rio Conventions. Strong communication through the CEPA strategy and action plan of the project will facilitate establishment and implementation of the ABS framework. With a strong legislation and institutional framework on ABS in place by the end of the project, there is immense potential for new opportunities in research and bio-discovery including potentials for new partnership involving government, private partners and local/indigenous communities in compliance with the ABS regime and Nagoya Protocol. Effective communication strategy to disseminate project results, lessons learned and experiences to wider audiences through the Clearing House Mechanism and various CEPA events will further support scaling-up of the project interventions.

Socio-economic benefits

36. Local socio-economic benefits will accrue to the over 200,000 indigenous people belonging to 24 ethnic groups that reside in the country. Through the support for policy, legislation and institutional structures for ABS in the country, the project will institute legal and administrative mechanisms that will enable indigenous groups and other communities who are custodians of genetic resources and associated traditional knowledge to directly benefit from conservation efforts. Such benefits would accrue on the longer-term through partnership arrangements between private sector and local communities for bio-prospecting and commercialization of genetic resources. The project will develop an ABS framework for access and benefit sharing of the country's genetic resources to generate economic benefit to the nation, its people, business firms and local and indigenous communities, in the form of business, employment, technology transfer and capacity development.

37. There are many direct project beneficiaries. First, DBD, sector and provincial staff and community members will improve their knowledge and skills in access and benefit sharing and the wise and profitable use of its genetic resources. This will be achieved through the project's capacity-building program for about 500 trainees (of whom 30% would likely benefit women) and through participation the development of policy and legislation for access and benefit sharing. Gender mainstreaming will be an important consideration for the successful implementation of the project. While some gender disparities still exist in areas of training opportunities, participation and decision making, in the project, special measures have been included in the project to incentivise and prioritise women's engagement, as well as ensuring that gender is mainstreamed in policies, regulations and practices relating to ABS in the country.

III. RESULTS AND PARTNERSHIPS

38. The project's goal is to contribute to the conservation and sustainable use of globally significant biodiversity in Cambodia. The project's development objective is to *strengthen the conservation and sustainable use of genetic resources and associated traditional knowledge in Cambodia by developing a national Access and Benefit Sharing (ABS) framework, policy and legislation consistent with the Convention on Biological Diversity (CBD) and its Nagoya Protocol.*
39. While, the Government of Cambodia is supporting activities towards the rational and wise use of genetic resources as part of its baseline efforts, the absence of comprehensive legislation and a fully-developed and functional ABS framework and limited institutional and personnel capacity for implementation of a national ABS regime is a constraint to ensure full compliance with Nagoya Protocol. Consequently, this inhibits the realization of the global objective of ensuring equitable access and benefit sharing and realization of the contributions from the sustainable use of its biological resources. Consequently, the Government of Cambodia has requested support from the GEF to embark on a project to alleviate the aforesaid barriers and create enabling policy and institutional conditions for implementation of ABS program and activities in compliance with the Nagoya Protocol.
40. The project objective will be achieved through the implementation of two inter-connected and mutually complementary components. Component 1 - addresses the need for a strengthened national regulatory and institutional framework on ABS. The operationalization of this framework will be supported by the issuance of a government legislation on ABS that is in line with the CBD and its Nagoya Protocol. The development of administrative measures to support and enable the implementation of the national ABS framework will be covered under Component 2, which will support measures to institutionalize permits, access, benefit sharing and compliance and the strengthening of institutional and personnel capacity for the implementation of the ABS programs and activities and enhancing the awareness of stakeholders including the private sector, local governments and communities, academia, parliamentarians and law-enforcement agencies.
41. Some of the new instruments incorporated in the Nagoya Protocol are: (a) the use of simplified measures of access for non-commercial research; (b) the expeditious access of genetic resources in cases of emergencies that threaten or damage human, animal or plant health; (c) establishing of a functional Clearing-House Mechanism for access and benefit-sharing; (d) the designation of national checkpoints at all stages of the value-chain, including research, development, innovation, and pre-commercialization ; (e) the issuance of an "*internationally recognized certificate of compliance*"; (f) the support of the development of sectorial and cross-sectorial benefit-sharing codes of conducts and contractual models clauses; and (g) support and recognition of bio-cultural Protocols and the recognition of customary law of indigenous local communities (ILCs); etc. Therefore, it is critical to develop the legal framework in the light of the current international developments. The improved legal framework can increase the trust and confidence of the different users and providers of genetic resources and provide for legal certainty. The current national legislation that addresses the ABS framework for Cambodia is also not in line with the Nagoya Protocol in many areas, including: definition of utilization and the inclusion of derivatives; some of the "access standards" stipulated in the treaty; special considerations- including simplified procedures, in the case of commercial and non-commercial research; access to pathogens and consideration of the role of plant genetic resources for food and agriculture, roles, mandates and functions of the National Competent Authorities; issuance of certificate of compliance; promotion of the conservation of biological diversity; legal provisions for the protection of traditional knowledge associated to genetic resources (bio-community protocols and the consideration of the role of customary law); establishment of measures to promote compliance of the users located in national jurisdiction of the ABS regulatory framework of the providing countries; establishment of check points; measures to facilitate access to justice; etc. Annex 11 provides a comparative analysis of the legal framework in Cambodia in relation to the NP provisions

Component 1: Developing a national framework and legislation on ABS consistent with the CBD and its Nagoya Protocol

Total Cost: US\$ 1,348,084; GEF project grant requested: US\$397,084; Co-financing: US\$ 951,000

Outcome 1: National Policy, Legal, and Institutional Framework in line with the Nagoya Protocol on ABS strengthened

Baseline conditions for this outcome (without GEF project):

42. At systematic level, Cambodia's Law on Environmental protection and natural resource management, Law on Protected Areas, Law on Forest Management and others provide some guidance on management of genetic resources. However, there remain significant gaps in the current legal and regulatory framework that do not allow full implementation of the provisions of the CBD and the Nagoya Protocol for PIC processes and ABS agreements involving MAT and mechanisms for the equitable sharing of benefits. Without the project, it is likely that Cambodia would still work towards the implementation of its obligation under the Nagoya Protocol, but the process would take considerably longer time and it would be more difficult to achieve the ABS objectives of the CBD and Nagoya Protocol. Investment by national and international biotechnology companies would be less likely in the absence of a clear legal framework and national capacity for effective governance of the sector. In addition, indigenous and local communities may not gain from bio-prospecting activities, although their surrounding biological resources and traditional knowledge may be utilized. Efforts to date have been inadequate to remove the existing barriers to the introduction of an effective national ABS regime that will contribute towards biodiversity conservation and encourage sustainable use of biological resources, therefore the threat of ecosystem degradation remain, which may reduce future bio-discovery prospects.
43. Without the GEF, there will continue to be an incomplete legislative framework on access and benefit sharing for its genetic resources and traditional knowledge associated with it. As a consequence, private and public sector development in terms of the use of genetic resources would continue without a clear policy or regulations on biological and natural resources use. Currently most relationships between resource owners and resource users are weak, informal or temporary, despite the fact that there are numerous groups and processes in place to facilitate use of its biological resources. Sub-national and local institutions, including local communities will continue to act independently and with limited or little consideration of all the requirements of the Nagoya Protocol. The implementation of laws and regulations will remain uncoordinated in terms of the individual sector and interpretations. These legislation and policies may not fully integrate the entire requirements for fair and equitable sharing of the benefits of the country's rich genetic resources and local communities will likely not benefit significantly from their traditional knowledge associated with the use of genetic resources.

Alternative for this outcome (with GEF project):

44. This Outcome would be achieved through **5** Outputs aimed at establishing a national framework for access and benefit sharing in Cambodia to conserve genetic resources and traditional knowledge and in establishing capacity for planning, implementation and monitoring of benefit sharing arrangements. It will support the full stocktaking of all relevant national legal and administrative measures related to ABS and support the establishment of a sound regulatory and institutional framework necessary to support the successful implementation of the Nagoya Protocol in Cambodia. In particular, this outcome would support the development of a national ABS law and supporting guidelines for access and benefit sharing in the country. The national ABS law would include specific provisions for protection of traditional knowledge, including provisions for traditional knowledge registries, PIC/MAT procedures and community protocols, and procedures for establishment of financial mechanisms to channel revenues from ABS agreements for conservation of biodiversity and sustainable use of its components. The specific outputs and activities proposed to achieve this outcome are described below.

Output 1.1: A National Law on ABS in line with the Nagoya Protocol developed

43. Under Output 1.1, the project's incremental value lies in the issuance of a Government Law on ABS that is in line with the CBD and the Nagoya Protocol, addresses intellectual property rights (IPR) and other measures needed to have a fully functional ABS system in place and is adapted and integrated into national legislation. To achieve this, the component will undertake the analysis of the implications and requirements of the accession of the Protocol, including a full stocktaking exercise of all relevant legal and administrative decisions and measures relating to ABS.

44. The new ABS law which will address the gaps and barriers (refer Annex 11 for preliminary assessment of gaps) identified in the national legal framework (or most of them) and simultaneously will update the legal regime to be in line with the NP, including provisions for the protection of traditional knowledge. The development of the new ABS law will be achieved through the following series of activities:
- 1.1.1. Conduct of a stocktaking exercise of existing legal documents, institutional setting and administrative measures for ABS in Cambodia building on the initial work done through the UNEP GEF regional project and through a consultancy contract. This contract would include international and national expertise and will include extensive consultations. Part of the stocktaking exercise would also include review of international experiences in developing of ABS legislation to better understand issues and constraints in implementation. Workshops and consultation meetings will also support this process to identify and assess gaps and weaknesses in the existing legal documents and institutional framework for ABS in the country.
 - 1.1.2. Drafting of a preliminary ABS legislation by the Department of Biodiversity of NCS D with the technical assistance of an international ABS expert (to provide intermittent support) and national consultant(s). A national inception workshop (different from the project inception workshop) will be organized to introduce the context and rationale, skeletal structure and elements of the biodiversity rules and regulations and process action plan for formulation, and elicit preliminary inputs. This workshop will involve officials dealing with policy, planning and legal matters in relevant ministries and their line agencies, private and public entities as well as representatives from the judiciary, parliament, academia and private sector companies and local communities.
 - 1.1.3. Conduct additional consultative workshops, nationally and regionally, if necessary to progressively build the rules and regulations whilst also capturing regional perspectives and insights. Target participants will include agriculture, forestry, environment, judiciary, researchers, academia, private sector and local business community involved with genetic resource use. The results of the national inception workshop and the subsequent consultative workshops will be analyzed and consolidated into draft ABS Law and its Rules and Regulations.
 - 1.1.4. The draft ABS Law and associated Rules and Regulations would be sent out to key agencies and institutions and the members of the relevant legislative bodies for final review before the final draft ABS Law would be formalized and submitted to the Government for approval.
 - 1.1.5. Development of guiding documents, manuals and other legal instruments to implement the ABS law. Guidelines and protocols for access, benefit-sharing and compliance and monitoring as well as guidance for cooperation on issues of compliance and monitoring and information-sharing mechanism; checkpoints, research and development, protection and registration of traditional knowledge, innovation, and pre-commercialization, as well as financial mechanisms to channel and reinvest proceeds from ABS agreements towards the conservation of biological diversity and sustainable use of its components
 - 1.1.6. Submission of ABS Law and regulations to Government of Cambodia for approval
45. The project's incremental value is also in supporting establishment of systems for the protection of traditional knowledge to be included as part of the ABS law (a sui generis system for traditional knowledge protection), as well as provision for preparation of traditional knowledge registries, PIC/MAT procedures and Bio-Community Protocols. The provisions to be incorporated in the ABS law will provide safeguards to ensure that the register does not affect the rights of the local communities over their genetic resources and associated traditional knowledge (including for granting PIC and negotiating MAT and benefit-sharing provisions) as well as provision for financial mechanisms (e.g. trust fund) to channel and reinvest proceeds from ABS agreements towards conservation of biological diversity.
46. Following the submission of the ABS Law, the project will support the preparation of guiding documents, guidelines, manuals and other legal instruments to help implement the ABS Law. The result would be knowledge and guidance on the institutional framework for handling the ABS process that would facilitate improved coordination between Department of Biodiversity of NCS D, Ministry of Commerce, Ministry of Agriculture, Forestry and Fisheries (and their respective departments), Ministry of Environment and Ministry of Health on ABS-related issues. Guidelines and protocols would help institutionalize and facilitate access, benefit-sharing and compliance and monitoring as well as guidance for cooperation on issues of compliance and monitoring and information-sharing mechanism; checkpoints, research and development, protection and registration of traditional knowledge, innovation, and pre-commercialization. It would provide guidance on financial mechanisms to channel and reinvest proceeds from ABS agreements towards the

conservation of biological diversity and sustainable use of its components¹⁶. The development of the enabling legislative and supporting mechanisms will be achieved through support for consultations and workshops, and training, the latter would also include effort to promote coordination among the national focal point and national competent authorities and formalize their respective roles and responsibilities.

47. The dissemination and promulgation of the ABS law and guiding documents is envisaged to ensure that national and provincial entities, sector entities, private sector entities, local communities and other stakeholders are aware and informed of the provisions and obligations under the proposed ABS law. This is likely to be initiated in the second year of the project. To facilitate this process, a national consultant is to be recruited to prepare and edit legal documents and other dissemination materials for publication and promulgation of the ABS Law and associated guiding documents and a contract agreement to facilitate the development of publicity materials, including audio-visuals for creating awareness of the legal and institutional framework for ABS in the country.

Output 1.2: Comprehensive stock taking exercise including on-the-ground assessment of lessons learned and best practices on ABS and TK reviewed to inform National ABS framework

48. In an effort to promote a longer-term and more comprehensive approach to conservation, access and benefit sharing of genetic resources, the project will facilitate the identification and documentation of lessons learned in ABS and traditional knowledge to guide and support the development of ABS policy in the country. An assessment of the lessons from existing ABS agreements, although limited in number, will be useful to understand current legal and institutional constraints that currently operate in the country. Current ABS agreements have been promoted by private sector and NGOs and there is no clear understanding of how these have been negotiated and how the benefits have been distributed. The documentation of these current practices will be the first step to define a more comprehensive policy and practices that will ensure conformity with the Nagoya Protocol and to put in place policies that enable a fair and transparent negotiation process between the provider and user, and ultimately ensure that benefits are shared equitably with local communities.
49. Once the stock taking exercise is complete, the core challenge in updating the GEF-UNEP draft National ABS Framework (which is currently in very rudimentary form) is to ensure regulatory clarity—the need to ensure that all parties and officials or agencies involved in any aspect of an ABS transaction know with certainty: (i) what they need to do in order to enter into a valid ABS arrangement, (ii) what they are required to do (duties) and what they are entitled to (rights) under that arrangement, (iii) how to maximise their compliance with all requirements, and (iv) what enforcement measures exist and how to maximise their effectiveness, while minimising the need to rely on them. In order to provide such a framework, a combination of various types of instruments must be developed that operate synergistically to create a complete picture of what the national ABS framework will require.
50. Even if some (or many) components of this framework will be implemented through non-binding instruments, it is necessary for policy and regulatory instruments to authorise and mandate the design and development of this system. To do this, they must address the full range of ABS functionality issues, including in particular, the development or strengthening of regulations on (i) disclosure of the origins of any genetic resources utilised by the applicant, in patent applications, (ii) establishing procedures of mutually agreed terms and prior informed consent for access to and benefit sharing of genetic resources and related traditional knowledge, and (iii) ensuring that inspection of the import and export of biological resources will be operated effectively—so that they coordinate effectively with the national policies and regulatory provisions developed under this output. In addition, at present, there are no policies (and laws) in Cambodia that establish procedures for seeking and granting PIC and MAT, or for the oversight of those processes. Nor are there any guidelines or regulations that fully govern the negotiation of ABS contracts, or controlling or monitoring access to and utilisation of GR and TK. Guidance is needed that specify these processes in detail, so that all participants know exactly what each must do and can objectively confirm that each part of the process has been completed.
51. In order to develop the national ABS policy and framework, this would entail the following actions:

¹⁶A provision in the Law on ABS will mention a financial mechanism for benefit sharing, based on the review of international experiences.

- 1.2.1. Undertaking a stocktaking exercise to determine existing practices related to extracting genetic resources and associated TK and understand the key policy, regulatory and institutional gaps to address the range of ABS functionality issues in relation to the provisions of the Nagoya Protocol;
- 1.2.2. Based on the stocktaking exercise identify key policy gaps within any existing policies, including within the GEF-UNEP draft National ABS Framework to determine key issues that need to be addressed to meet the requirements of the Nagoya Protocol;
- 1.2.3. The drafting of preliminary ABS policy framework by the Department of Biodiversity of NCSD with the technical assistance of an international ABS expert (to provide intermittent support) building on the work done in Output 1.1. A national inception workshop will be organized to introduce the context and rationale, and elements of the ABS policy and elicit preliminary inputs. This workshop will involve officials dealing with policy, planning and legal matters in relevant ministries and their line agencies as well as representatives from the judiciary, parliament, academia and private sector companies and local communities.
- 1.2.4. Conduct consultative workshops, regionally, as relevant to build the elements of the policy. Target participants will include agriculture, forestry, environment, judiciary, researchers, academia, private sector and local business community involved with genetic resource use. The results of the national inception workshop and the subsequent consultative workshops will be analyzed and consolidated into draft ABS policy;
- 1.2.5. The draft ABS Policy would be reviewed by key agencies and institutions before the final draft ABS Policy would be formalized and submitted to the Government for approval;
- 1.2.6. Government approval of the ABS policy, including roadmap for its effective implementation.

Output 1.3: Institutional framework defined and established for implementation of the Nagoya Protocol

52. Incorporated into the ABS law and the manuals, guidelines and related instruments described in the output 1.1, this output will support the establishment of sound institutional framework to support the successful implementation of the Nagoya Protocol in Cambodia, including competent national authorities, supporting measures, and improved coordination between authorities that will oversee access and benefit-sharing. The result will comprise an institutional framework that provides legal certainty, clarity and transparency for commercial and research purposes. Mechanisms will be defined to facilitate access, benefit-sharing and compliance include national competent authorities to serve as contact points for information, to grant access, or to cooperate on issues of compliance. It will also support the development of an operational ABS monitoring and information-sharing mechanism. Additionally, this output will support the development of a Research and Development (R&D) management platform, a payment and benefit-sharing system and defining checkpoints (1-2) at all stages of the value-chain, including for research, development, innovation, and pre-commercialization. This output will also seek to provide concrete mechanisms to increase coordination and exchange of information among the different national competent authorities, by creating (through different mechanisms such as the ABS-CHM) a space to interact and facilitate the exchange of information and coordination (including on applications received, experiences with users and providers, etc.).
53. In terms of monitoring and tracking, the National Competent Authorities (NCA) and other institutions (potential checkpoints) require training to ensure compliance by users of the proposed national ABS law and ABS agreements. Mechanisms to support compliance (including national level databases on traditional knowledge, access permits and ABS agreements), and to track and monitor genetic resources in the patent system will also be assessed to assist the regulators. Guidelines on MAT and benefit sharing, based on a review of international best practices will be developed to assist regulators in negotiating ABS agreements and to understand and apply requirements for the fair and equitable sharing of benefits. Mechanisms to facilitate access to information will be strengthened for national users, including the development of an information gateway in the form of a dedicated section on ABS on the national clearing house mechanism website hosted by Department of Biodiversity. Development of a “Users’ Guide” of rules and procedures for users and providers will further clarify the access requirements.
54. To facilitate this process, the project will support the following:

- 1.3.1. Stock-taking exercise to understand how the system in the country is organized to make decisions on access and benefit sharing and compliance monitoring to assess gaps and opportunities for improving the system;
- 1.3.2. Organize workshops and seminars between the different national competent authorities and potential check-points in order to exchange information, experiences and create a future community using CHM to facilitate coordination and cooperation in the use of genetic resources for commercial and research purposes. Training of 100 staff on processing access applications, negotiating ABS agreements and monitoring and tracking to ensure compliance.
- 1.3.3. To organize workshops and seminars between particular communities of practice of ABS (researchers, academia and private sector interests group) to facilitate the establishment of a network of communities of practices for exchanging information and experiences in the sustainable use of genetic resources for commercial and research purposes, including establishing;
- 1.3.4. To develop models on bio-prospecting and research procedures and available to national and provincial research institutions and identification of research priorities to demonstrate opportunities for improving economic value of biodiversity and ecosystems ;
- 1.3.5. Development of appropriate information and communication mechanisms to support coordination and networking, as well as supporting compliance under the proposed national law and the Nagoya Protocol;
- 1.3.6. Development of a framework for monitoring and tracking genetic resources applications, use and commercialization processes; and
- 1.3.7. Development of an User Guide of rules and procedures for users and providers.

Output 1.4: A system to document and protect Traditional Knowledge established

55. The proposed ABS law will include measures and mechanisms to protect traditional knowledge associated with genetic resources including: (i) regulations on the operation of traditional knowledge registration, which will integrate definitions, process and steps, legal implications (rights assigned to the traditional knowledge holders) conditions and restrictions for access (and confidentiality). It will also provide guidelines for registration and safeguards to ensure the respect of the prior informed consent of the traditional knowledge holders and to prevent and avoid potential cases for misappropriation; (ii) clear rules and procedures in relation to the establishment of PIC and MAT for the utilization of traditional knowledge and/or genetic resources located in local communities lands in conformity with the national legal framework; (iii) consideration for the role of customary law in the decision making process of the local communities in providing access for traditional knowledge associated with genetic resources; and (iv) promotion of the development of community protocols and legal recognition of them as the basis for clarifying PIC processes and MAT with external actors. Community protocols would require that the procedures and rules, based on customary laws and values are developed through a participatory process by local community holders of genetic resources and/or associated traditional knowledge. It would detail at the minimum a clear process for acquiring their free and prior informed consent and establishing mutually agreed terms and benefit sharing agreements with respect to any utilization of their genetic resources and associated traditional knowledge. The development of community protocols will be fully in line with Article 12 of the Nagoya Protocol which requires Parties to the Protocol, to support the development of community protocols in relation to access to traditional knowledge and the fair and equitable sharing of benefits. The experiences and lessons learned from existing ABS activities (Output 1.2) will be used to inform preparation of a model national process for the development and use of community protocols.
56. A series of training, communication education and public awareness activities and products (under Component 2) will increase the capacity and confidence among communities to provide greater clarity to external stakeholders about their core values, challenges, priorities, and plans relating to the protection and promotion of their traditional knowledge, greater awareness of how traditional knowledge can be accessed and used, how they can retain control over the process and considerations such as ownership of knowledge and sharing of benefits arising from its utilisation.
57. This Output will result in the following:

- 1.4.1. Assess current system for documentation of traditional knowledge and methods for consultation with indigenous people and other holders of traditional knowledge to ascertain safeguard measures that are current in place, and determine gaps that need to be addressed;
- 1.4.2. Based on 1.4.1, the development of regulatory measures and safeguards to strengthen the documentation and protection of traditional knowledge;
- 1.4.3. Defining clear rules and procedures for establishment of PIC and MAT for utilization of traditional knowledge and genetic resources, that takes into consideration customary laws;
- 1.4.4. Develop guidelines for community protocols; and
- 1.4.5. Initiation of dialogue on necessary legislative or regulatory measures for recognition of the community protocols.

Output 1.5: Effective financial mechanism for benefit sharing from ABS agreement established

58 A framework, with rules, procedures and responsibilities will be defined for establishment of a dedicated financial mechanism(s) to channel monetary benefits arising from ABS agreements to be reinvested in biodiversity conservation. The project will support expert inputs for the design and establishment of financial mechanism(s), taking into account the specific legal and administrative requirements established under the ABS law, including in particular, measures for the reinvestment of the funds in the conservation of biological diversity and sustainable use of its components. This provision therefore will be included in the new ABS regime both to address conservation and to look at fixed percentage established.

59 Given that the Government of Cambodia has set-aside around 7 million ha of its land area for conservation of biodiversity and attendant genetic resources, it sees ABS as one potential mechanism to generate financial resources to further support its conservation efforts. However, a centrally supported financial mechanism may not always be in the best interests of the providers of genetic resources and TK. Consequently, the proposed financial study will seek define how best to meet both the interest of the government and the providers. Once agreement has been reached on suitable financial mechanism(s), the ABS law will provide legal basis and orientation (objectives, purposes, basis and principles for its use) for creation and operation of the financial mechanism(s). The mechanism(s) will be also constituted in conformity with the commercial and financial laws and regulations of the country and with the legal and financial assistance if and when necessary. In order to establish an operational financial mechanism(s), a national expert on commercial law will be hired. The expert will undertake an analysis of options (including review of international experiences) for the establishment of financial mechanism(s) to determine which option is the best suited for the producer and the country's conservation effort. The consultant would provide legal advice, prepare the legal instruments, including all the relevant environmental and ABS provisions, conduct any legal analysis of the laws applicable for the design and drafting of such instrument(s). The national expert will closely consult with DBD of NCS and the other consultants hired to draft the ABS law in preparing the legal instruments for the selected financial option(s). The Output will be implemented through the following means:

- 1.5.1. Recruitment of a short-term national consultant and undertake a legal analysis of options for establishment of the financial mechanism for Cambodia;
- 1.5.2. Based on the analysis, developing a proposal based on best options for creation of the desired financial instrument(s), seeking an operational modality that is in the best interest of the producers as well;
- 1.5.3. National workshop to review and advise on the applicability of the proposed financial instruments; and
- 1.5.4. Preparation of the draft legal instruments, including the provisions and procedures for establishment of the financial instrument(s), fund flow arrangements, guidelines for use and application of these funds, financial reporting procedures, etc.

Component 2: Building capacity for developing and implementing the national ABS Framework and legislation

Total Cost: US\$ 1,269,562; GEF project grant requested: US\$ 369,500; Co-financing: US\$ 900,062

Outcome 2: An administrative and permitting system for ABS established and operational at the national and provincial level in compliance with the Nagoya Protocol

Baseline conditions for this outcome (without GEF project):

60. In the baseline situation, while the approval of the national ABS policy and development of the national ABS legislation would take considerably longer, the lack of technical expertise input towards the development of implementing administrative and permitting procedures and supporting information sharing mechanisms and guidance materials may not be available. Inter-agency coordination for biotechnology development will remain weak, resulting in potential conflicts and confusion, which may adversely affect investor confidence. Further, in a business-as-usual scenario, resources will not be adequate to support the level of capacity building needed to bring the NCA, checkpoint authorities and other stakeholders to implementation readiness in the short term, and local experience and information-sharing on the development of PIC, MAT and benefit-sharing will remain inadequate. Bio-prospecting and use of traditional knowledge resources will continue to be weakly regulated, therefore indigenous local communities across the country would remain at risk of losing out on the benefits associated with bio-prospecting and there will be little incentive for improving the security of biological resources at local level.
61. Similarly, the levels of awareness among decision makers, sectoral agencies, the commercial sector and local communities concerning the potential benefits of an effective ABS regime will continue to remain low. At the national level, there will be inadequate understanding of ABS issues among sectors other than those directly involved in the conservation and development of biological resources, and even then there is a need to ensure consistency in the vision and rationale behind ABS. Without the support of the project, local communities may not be able to understand the importance of their genetic resources and TK and hence be unable to realize the full economic potential of their resources given the uncertainty of the permitting and benefit sharing procedures. The communities would therefore likely continue to lose resources, which in turn would increase ecosystem deterioration. Lack of appropriate benefit sharing arrangements would lead to financial, social and environmental losses. Private sector and the government investment in accessing this genetic resource and sharing of the benefits, will continue to be limited.

Alternative for this outcome (with GEF project):

62. As ABS agreements and contracts do not currently exist in accordance to the Nagoya Protocol, the GEF alternative will help establish an administrative and permitting system and institutional framework for access and benefit sharing in the country. Equally, custodians of genetic resources will be informed of their rights and responsibilities for benefit-sharing, so that they are adequately informed of the ABS rules and guidelines for negotiation of ABS contracts. Further, the alternative GEF investment would facilitate the increase of national and local capacity for negotiating and monitoring benefit-sharing agreements. It will make ABS training materials available to national and provincial officials, and allow evaluation and reporting on the project products, as well as ABS agreements. The GEF alternative will also strengthen the knowledge and awareness of the commercialization of a genetic resource and the generation of benefit-sharing and distribution of benefits to local communities. It will set administrative procedures, permitting systems and information regarding rules for access to genetic resources and ABS agreements. This Outcome will be achieved through five Outputs.

Output 2.1: An administrative permitting system and check-points to enable implementation of the national ABS law is established.

63. Output 2.1 will be implemented in Year 2 after the completion of the preceding outputs in Component 1. This output will support incremental activities aimed at institutionalizing permitting systems, contract negotiation and compliance and monitoring of ABS-related agreements. Authorized agencies, national competent authorities and other institutional roles and functions will be assigned in keeping with the institutional requirements specified in the proposed ABS legal documents. The permitting and decision making process will be facilitated by using new technologies, disseminating relevant information and drafting ABS manuals, tool-kits, circulars, guidelines, models, formularies etc. A network of checkpoints (or at least 1-2) will be designated and mandated to monitor and regulate the movement of genetic materials

in compliance with the proposed ABS law and regulations. Mechanisms for protection of traditional knowledge and channelling of revenues from ABS agreements for conservation will be developed. This output would also entail establishment of a technical advisory committee (or equivalent body) to oversee and guide ABS monitoring and tracking. To achieve this output, the following activities are planned:

- 2.1.1 Review and clarify existing legislative measures for permitting and administrative procedures for ABS in the country, to identify gaps and opportunities for enhancing such measures;
- 2.1.2 Development of draft proposals by DBD of NCS D, with support of local consultant(s) for (i) strengthening permitting and administrative measures to promote access and use of genetic resources and associated traditional knowledge; (ii) establishment of ABS monitoring and tracking system and oversight responsibilities through a technical advisory committee or similar body. This will be facilitated by national level workshops and consultation to define the oversight responsibilities of the technical advisory committee and its membership, as well as definition of the scope, structure, rules and institutional responsibilities of the ABS monitoring and tracking system.
- 2.1.3 A final national workshop would be constituted to reach agreement on the ABS administrative and permitting system and monitoring and tracking system.
- 2.1.4 Concurrent with the development of the ABS monitoring and tracking system, BDB will contract local and international consultants to develop tool-kits, manuals circulars, guidelines and other instruments for facilitating the establishment of the ABS permitting system. The tool-kits would be developed following national workshops and consultations (including field visits) to lay out the framework of international recommended standards and practices for an ABS permitting system in Cambodia. The toolkits will among other things outline the ABS concept and its relevance, basic pre-conditions for ABS, fundamental structure of ABS and requisite standards, consultation, negotiation and decision-making processes, Nagoya Protocol compliant templates for community contracts, and implementation modalities including monitoring and evaluation. This will clarify the rules and procedures for DBD of NCS D and genetic resource providers and users and elaborate the mechanisms and methodologies for ABS operationalization in line with the ABS Law and related rules and regulations.
- 2.1.5 Following the development of the tool-kits, manuals, circulars, guidelines, etc. for the ABS permitting system, the project will facilitate the establishment of these systems through sharing of international experiences and best practice.

Output 2.2: Targeted training provided to National Competent Authority (NCA), Focal Point (FP) and related agencies on the various aspects of ABS management.

64 A National Action Plan on Capacity-building for access to genetic resources and benefit-sharing will be developed and implemented. Capacity improvement will be gauged using the UNDP ABS Capacity Development Scorecard that has been developed specifically for ABS projects. The training and training materials will address issues such as ABS procedures for users and providers of genetic resources and business models for industries such as the pharmaceutical, biotechnology, agriculture, crop protection, cosmetics and food/beverage that use genetic resources. Since ABS is a new concept for Cambodia, DBD feels that it is of paramount importance that staff of (i) National Competent Authority, Focal Point and related agencies, including agency staff at provincial and protected area level; and (ii) National research institutions – such as those working on research and development (R&D) of traditional medicine and genetic resources get trained at improving their capacity to process ABS access applications, negotiating ABS agreements, applying PIC and MAT procedures, facilitating access to genetic resources, compliance monitoring and monitoring bio-prospecting projects, development of certificate of origin and PIC certificate. This component will also facilitate the development of guidelines and procedures for addressing the above-referenced issues related to ABS agreements. Once trained, these staff will have the capacity, skills and tools to train and help improve community understanding of the ABS regime and the value of traditional knowledge associated with genetic and biological resources as well as negotiation and monitoring of ABS agreements. In parallel, under Output 2.3, the project will raise awareness through a CEPA strategy and action plan, involving educational materials and a public awareness campaign focused on informing researchers, local communities

and industries of the adoption of a national law on ABS, as well as provisions including PIC requirements, the use of model ABS agreements, and relevant provisions of the Nagoya Protocol.

65 Indicative activities under this output include the following:

- 2.2.1 A national consultant contracted to prepare an action plan for capacity building of key agencies in ABS administrative and permitting systems and monitoring and enforcement of ABS agreements;
- 2.2.2. Development of tools and conduct of training workshops for NCA, FP and key agencies; and
- 2.2.3 Evaluation of the effectiveness of the training programs and recommendations for further improvement and expansion.

Output 2.3: Communications, education and public awareness (CEPA) strategy and action plan developed and implemented

66 Output 2.3 will support to enhance understanding of the ABS regime and the value of traditional knowledge associated with genetic and biological resources. This output will raise awareness in targeted groups, including in particular women, local communities and policy makers through a communication strategy, educational materials and a public awareness campaign. At the community level, there is lack of awareness among indigenous, local communities and in particular women about the potential and availability of biological resources and associated traditional knowledge. The absence of such understanding contributes towards the loss and degradation of genetic resources and of the associated traditional knowledge. The absence of useful and user-friendly promotional materials and guidelines on ABS and NP is a barrier to improve conservation efforts relating to genetic resources and protecting traditional knowledge. Translation of such materials into local languages is, therefore, important for the wide use of these tools by the stakeholders, plus support from appropriate training programs is needed for the holistic success of the Project. Users in particular must be informed of their obligation to share benefits equitably with the resource providers, including possible technology transfer (non-monetary benefits).

67 This output will support the increment of enhancing understanding of the ABS regime and the value of traditional knowledge associated with genetic and biological resources. Awareness-raising will be pursued through mass media (TV, radio and press, knowledge cafes, bilateral meetings, etc.) and participation in public events (fairs and exhibitions). Communication and awareness-raising materials (brochures, briefs, factsheets, manuals, etc.) will be designed and produced for use in mass media and at public events. There may also include documentary video, radio jingles, print advertisement, poster, sticker, etc. Subcontracted awareness surveys will be conducted as part of the program. Under this Output, the project will support the following activities:

- 2.3.1 Development of a comprehensive communication, education and public awareness strategy (CEPA) and action plan for promoting awareness and political support for ABS application. This strategy will entail communication systems for policy makers, general public, women, indigenous and local communities that are specifically custodians of genetic resources and traditional knowledge;
- 2.3.2 Design and implementation of CEPA activities, in particular to policy makers, key decision-makers, industry, researchers through audio and visual publicity programs, public events, workshops, etc. to create awareness of the proposed national ABS law, policy and permitting systems as well as the provisions of the Nagoya Protocol. Special activities will be focused on women; and
- 2.3.3 A modest public awareness program (in English and local languages) to introduce the concept of ABS and its related applications; and
- 2.3.4 Knowledge, attitudes and practices (KAP) assessment surveys targeting specific groups (e.g., researchers, women, indigenous and local communities, and relevant industry) that may use or benefit from ABS transactions are carried out to assess enhanced awareness about national ABS law, the CBD and Nagoya Protocol.

The ABS CH is a mechanism to support countries to comply with ABS procedure (i.e. international checkpoints, IPC, etc.). Cambodia has not established ABS CH. Thus, rather than establishing a new CH for ABS, Cambodia would like to expand the CHM for CBD to include the ABS function to enable sharing of information related to ABS within and outside the country.

Output 2.4: Functional role of National ABS Clearing House Mechanism extended to promote technical and scientific cooperation, knowledge sharing and information exchange

68 While, the government will use the global CHM of the Nagoya Protocol, the Cambodian Government needs a national-level CHM to raise awareness amongst national ABS practitioners, local communities and the Cambodian population on ABS applications, best models of ABS contracts, national checkpoints, national intellectual property right requirements and national/global ABS examples of successful biodiscovery examples. To facilitate this requirement of a national-level CHM, the project will support the extension of the existing central port of Clearing House Mechanism (CHM) for CBD at DBD to include ABS functions and provide a single window to facilitate technical and scientific cooperation. The current portal at DBD is set up for management of biodiversity information. The project will provide technical expertise to help integrate ABS CHM into the existing port, and in particular to understand what the specific information needs are for customizing an ABS CHM. This will require technical support to define what information is needed, standardized formats for information collection and input, what form the information needs to be made available, mechanisms for communication with the central port at CBD, etc. This extended national CHM will serve as a source of information and a platform for interested individuals and organizations to share information and experiences of the results of their own work. The extended CHM will also serve as a repository of national and local ABS information, as a source of exchange between different stakeholders (researchers etc.). Once developed, it will serve also as an information-sharing platform of ABS experiences in Cambodia to be accessible to all stakeholders and be in line with the information requirements set forth by the NP and relevant Conference of Parties/Meeting of Parties (COP/MOP) decisions of the NP. The project also aims to connect with existing networks on biodiversity and natural resources such as the REDD network. Based on the national CHM, the project will participate in the building of a community of practice for researchers and genetic resources suppliers to share experience and best practices. The information will be shared through newsletters, websites and thematic guidance. To support the development of the database and CHM, the project would support contractual services and training, including on information technologies. This and other relevant information will be presented in English and local languages. The building of an expanded CHM (with ABS functions) will require the services of experts on the re-design and development of this kind of technological platform as well as training for the national authorities in charge of the handling of the platform. Under this Output, the project will support the following:

- 2.4.1 National consultant to access requirements for expansion of central port of CHM for CBD to include ABS functions;
- 2.4.2 Support for updating central portal to include formats and protocols for incorporating ABS related information;
- 2.4.3 Identifying institutions and agencies (research, university, practitioners, etc.) that will contribute to information flow to CHM (nationally and regionally) for development a viable ABS related information sharing system, establishing communication with national and international programs, etc.; and
- 2.4.4 Training and capacity development for use of the expanded CHM.

Output 2.5: Gender Mainstreaming and Monitoring and Evaluation strategies developed and implemented

69 The intent of the Gender Analysis and Mainstreaming Action Plan (Annex 5) is to enhance the role of women in defining policies, regulations and administrative systems for access and benefit sharing in the country. It will also provide voice for women in the local decision-making process related to conservation, sustainable resource use and distribution of benefits and other local level activities. The indicative activities for the output include:

- 2.5.1 Implementation of a gender assessment and mainstreaming action plan so that: (i) a gender and socially inclusive perspective is applied to every set of activities; (ii) awareness on gender and social roles in ABS informs resulting policies, legislation and practices and ensures equitable distribution of benefits; and (iii) information is collected and shared across gender and social divides.
- 2.5.2 Training of staff on application of gender mainstreaming in project communication and project activities and the conduct of awareness and outreach activities will enhance the role of women in local decision-making processes, particularly in relation to use of genetic resources and associated traditional knowledge activities;
- 2.5.3 Participation in national workshops and meetings (via events organized by the national and provincial networks) to establish and facilitate administrative and permitting procedures for ABS in the country;

- 2.5.4 Review and regular update of Monitoring and Evaluation (M&E) plan, including results framework baselines, Theory of Change to subsequently adopt these findings to implement all aspects of the project; and
- 2.5.5 Conduct mid-term (if necessary) and terminal evaluation in line with UNDP/GEF requirements and incorporate and adapt recommendations of MTR to revised project plans and monitor their implementation, and terminal evaluation to assess progress in meeting planned project objectives.

Partnerships

70 The project has been designed to complement a number of on-going national initiatives and avoid duplication of efforts. The coordination at the institutional level will be maintained through regular communication between MOE and UNDP. Of the many initiatives, this project will closely liaise with the recently approved Global ABS project “Strengthening human resources, legal frameworks, and institutional capacities to implement the Nagoya Protocol” implemented by UNDP. In addition, the project will work with the GEF funded project on - generating, accessing and using information and knowledge related to the Three Rio Conventions that is implemented by the Ministry of Environment. One of the outputs of this project that is standardization and open access to environmental information will provide a baseline of knowledge and resources, which will be useful for the ministry and other stakeholders in the development of appropriate ABS framework for the country. In October 2018, the Community of Practice Workshop held in Siem Reap in Cambodia was supported by the Korean Ministry of Environment as part of its effort to support capacity building of countries in the Asia-Pacific Region to implement the provisions of the Nagoya Protocol. Given the Korean (and Japanese) governments interest in supporting access and benefit programs in the Region, this provides an opportunity for establishing partnerships with these two entities to provide capacity building and piloting private-public partnership in business development for use and conservation of genetic resources in the country.

71 In addition, partnership arrangements would be forged to build on the initial work undertaken through the following actions:

- The government has translated the Nagoya Protocol into Khmer language including preparation of the awareness materials related to ABS and dissemination to general public. These materials will be useful to obtain public support for the development of policy and legislation relating to ABS;
- DBD under the NCS has recently prepared an initial draft of national ABS framework, established the national Clearing House Mechanism (CHM), and formed an ABS Technical Working Group consisting of representatives from 18 different agencies, on which the project was capitalize on, and enhance; and
- A dedicated ABS Office housed under the DBD could play an important role to support policy formulation, carry out research on the utilization of genetic resources and its impact on ecosystem, prepare and develop guidelines/principles for granting licenses and access permission to genetic resources, establish genetic bank, etc.

72 The project will also ensure complementarities with the past GEF-UNEP project on **“Building Capacity for Regionally Harmonized National Processes for Implementing CBD Provisions on ABS”**. Table 1 below explains how the new proposed project will complement and build on the results achieved under the GEF-UNEP project.

Table 1: Complementarity with GEF-UNEP Project

Results Delivered under GEF-UNEP project	Complementarities with the new proposed project
A rapid assessment of national ABS legislative and institutional capacities	The proposed project will conduct comprehensive review and update information collected from the rapid assessment under GEF-UNEP project, as well as take stock of best practices on ABS and TK that was not covered under GEF-UNEP rapid assessment. Activities will include desk review of national legislative and policies related to ABS and on-the-ground assessment of best practices on ABS and TK. Institutional capacity assessment will consider the level of capacities that are available in different organizations including capacity assets and gaps related to the implementation of responsibilities agreed in the Nagoya Protocol. The assessment will also take into account

	the capacity development initiatives facilitated by the earlier project. Accordingly, capacity development responses will be developed under component 2 of the proposed project.
Awareness raising activities to promote understanding of stakeholders on ABS	The new project design will take stock of the knowledge products and the awareness raising material produced under the GEF-UNEP project. If the materials are still relevant to the current context, these will be included in CEPA strategy and action plan developed under this new project.

Risks and Assumptions

73 The following are the key assumptions in relation to the management of potential risks from the GEF increment:

- That lessons learned and experiences from the project are successfully captured and disseminated so as to influence change and replication elsewhere in the country;
- That increased awareness and improved capacity in key institutions and local indigenous communities will result in the change of behavior with respect to the value and potential for use and conservation of biodiversity in the country, and
- With the creation of a new law on ABS and the supporting institutional and administrative framework through the project, access and benefit sharing of biological resources will eventually become a national priority of the country and a means to derive economic benefit to the national, provincial and local governments, and in particular to the indigenous community who are caretakers of the traditional knowledge and its genetic resources.

74 The risk matrix assigns the level of impact and means for management of these impacts. These risks and mitigation measures would be further assessed and monitored through project implementation. The project is focused on development of legislation, policy and administrative and permitting system, that themselves may not have significant environmental or social impacts. However, specific efforts and need during the formulation of these laws, regulations and systems that they adequately take into account measures to safeguard biodiversity, ensure sustainable resource exploitation and equitable benefit sharing procedures and practices. In such as case, the establishment of legislation and policy on ABS can be overwhelmingly positive from an environmental and social perspective, in that it provides safeguards to ensure that genetic resources and traditional knowledge is protected and benefits are derived by custodians of these resources. It can also ensure that traditional knowledge effectively contributes to the conservation of biodiversity and maintenance of ecological stability by providing financial incentives for local communities and assurances that they will receive a fair and equitable distribution of revenues from genetic resource development ventures. The improved legal framework for ABS will enable indigenous and local communities have increased potential to benefit from bio-prospecting activities, including improved prospects for preservation of their traditional knowledge. The PIC and MAT processes are also expected to provide opportunities for alleviating potential environmental and social risks that may be associated with the ABS agreements. To manage these social and environmental risks in particular the legislation, policy and administrative and permitting systems to be developed under the project will defined through extensive consultations, ensure the review of international best practices, conformity with the Nagoya Protocol, recognize customary rights and cultural norms, etc. The legislation, policy, institutional systems that will be developed through the project will include the following provisions:

- Use of FPIC as the basis for negotiation of ABS agreements, development of community protocols and documentation of traditional knowledge
- Specific regulations and procedures for ensuring fair and equitable distribution of benefits through ABS agreements
- Specific arrangements for monitoring of ABS contacts and the condition of the resource
- Use of enhanced guidelines (that include specific measures to assess biological and social impacts) in EIAs for all ABS projects
- Capacity building actions to enhance community (including IP) awareness on their rights and benefits from ABS agreements as well as to enhance their capacity and skills in contract negotiations of ABS agreements and management of such agreements
- Establishment of appropriate grievance redressal mechanisms for ABS contract conflict resolution
- Regulations for bio-prospecting and wild germplasm collection
- Ensure gender sensitive and inclusive approaches to use of genetic resources and traditional knowledge and associated benefit sharing

Table 2: Risk Matrix and Risk Management Plan

Risks				
Description	Probability and risk level	Risk Mitigation Measures	Owner	Status
General Risks				
Risk 1: Government and other stakeholder's commitment to the ABS process are weak.	Moderate P=2, I=3	The project will strengthen capacity of government and stakeholders in the process of developing and implementing a national ABS framework and legislation. The project will focus on providing targeted training to CA, research institutions and agency staff to enhance their capacity on R & D in bio-prospecting; process ABS access application; negotiate ABS agreements; compliance monitoring; and development of certificate of origin and PIC certificate. At the community level and for wider stakeholders, the project will create awareness on the adoption of a national law on ABS, and provisions on including PIC requirements, the use of model ABS agreements, and relevant provisions of the Nagoya Protocol. By doing so, the project stakeholders will have better understanding of the benefit of ABS framework and increasingly adopt and commit to the process.	Project Director	Implementation
Risk 2: Lengthy legislative process	Moderate P=2, I=4	Drafting and passing legislation tends to take significant time. The project will ensure that all proposed legislation is at least submitted for approval during the 3 years that it will remain active. The project will implement capacity-building and awareness-raising activities for decision-makers and other key stakeholders at the beginning of the project so that the skills and knowledge are in place early to facilitate the drafting of all related legislation.	Project Director	Implementation
Risk 3: Technical complications make implementation of ABS impractical	Moderate P=2, I=3	Technical aspects of ABS – including proper valuation and cost sharing techniques for biodiversity resources – are somewhat new methods in Cambodia. However, there are enough lessons and good practices globally established to develop ABS framework. The project will draw lessons and practices globally and from the countries in the Asia-Pacific region that have advanced implementation of similar ABS projects. The project will strongly focus on strengthening technical capacity of key government implementers and stakeholders including local and indigenous communities while developing the legislation and the national ABS framework.	Project Director	Implementation
Social and environmental risks from SESP screening				
Risk 4: The Project could lead to adverse impacts on human rights of the local communities that are custodians of genetic resources and indigenous knowledge,	Moderate P=3, I=3	The national framework (policy, legislation and institutional systems) for access and benefit sharing to be supported through the project will be developed following principles of FPIC with Indigenous People and other custodians of genetic resources and associated TK. The model Mutually Agreed Terms (MAT) and community bio-protocols would similarly will be defined following FPIC procedures	Project Director	Implementation

and in particular indigenous groups		<p>The project will also support documentation of traditional practices of genetic resources to inform policy. Policy and practices to be defined under the project will ensure that FPIC principles are integrated into such practices and guidelines.</p> <p>To ensure that human rights concerns as described above, are factored into the national ABS framework and model community protocols to be developed, the project will facilitate consultations at national, regional and local level to obtain the views of all stakeholders (including IPs) in the development of these ABS frameworks.</p>		
Risk 5: The promotion of use of tangible and/or intangible forms of cultural heritage for commercial or other purposes could result in erosion of cultural features	Moderate P=2, I=3	The ABS legislation to be developed under the project will ensure that cultural heritage is only used with the consent of the affected communities, including ethnic minority communities (through FPIC). It will also include specific measures in the negotiation of MAT agreements to ensure tangible and substantial local benefits to communities (and IPs) when commercialization takes place. The procedures for finalization of such agreements will be defined and agreed with GR/TK owners following FPIC procedures, and training and capacity building. Internationally recognized	Project Director	Implementation
Risk 6: There is potential for impacts on the ability of women and indigenous communities and local communities ability to use, develop, and protect natural resources and natural resources capital assets	Moderate P=2, I=3	The project will develop rules and guidelines for ensuring that ABS agreements include fair and equitable sharing of benefits conditions for both men and women on access to natural use, access and development of natural resources. It would also include specific guidelines for ensuring Free, Prior Informed Consent that to be undertaken during the development of commercial agreements and such agreements will include specific requirements to ensure fair and equitable sharing of benefits on Mutually Agreed Terms, so that women and indigenous communities are proactively involved in decisions on ABS agreements	Project Director	Implementation
Risk 7: There might be that indigenous community that do not have the capacity to claim their rights and ownership to genetic resources and associated traditional knowledge	Moderate P=2, I=3	ABS framework and MAT guidelines will include requirements for FPIC before any ABS agreements are signed. The guidelines will include capacity building for IPs and other stakeholders on user obligations as part of requirement for negotiation of any ABS agreements so as to moderate the risk of duty-bearers not having the capacity to meet their obligations once a fully functional ABS framework is effect.	Project Director	Implementation
Risk 8: The ABS approach promotes the use of genetic resources for commercial purposes that might result in over-exploitation	Moderate P=2, I=3	The ABS framework (and related tools to be developed such as MAT, ABS agreements, PICs, permitting systems etc.) will establish regulations of bio-prospecting and wild collection of germplasm and other genetic resources. The goal of these efforts will be to mitigate or eliminate any new risks arising as a result of increased incentives to illegally find and utilize wild genetic resources. Guidelines for ABS agreements will require that the status of the genetic resource to be used before signing of agreements and harvest methods be assessed and monitoring arrangements established to	Project Director	Implementation

		<p>evaluate any change in the status of species being harvested during the implementation of the ABS agreement</p> <p>In addition, the project will develop guidelines for including biodiversity and social assessment into the existing EIA process for all ABS projects</p>		
<p>Risk 9: There are indigenous people in areas that have extensive genetic resources and where traditional knowledge that could be negative impacted if ABS policies and practices developed through the project do not have adequate safeguards</p>	<p>Moderate P=2, I=3</p>	<p>The ABS framework and associated legislation and systems will be developed following extensive consultations and FPIC procedures with key stakeholders, including indigenous communities as well as to ensure that it meets the full requirements of the Nagoya Protocol of free and fair benefit sharing.</p> <p>In addition, the project will develop guidelines for including biodiversity and social assessment in the existing EIA process for all ABS projects that would be applied before ABS agreements are negotiated and signed</p>	<p>Project Director</p>	<p>Implementation</p>

Stakeholder engagement plan

- 75 The project included a wide range of consultations during the PPG stage. Initial stakeholder analysis during the PIF stage was followed up with consultation during the PPG stage in terms of the design of the project. During the PPG stage, the stakeholder analysis was updated and elaborated following consultations undertaken by international and national consultants addressing both institutional stakeholders in the context of their statutory involvement in the project, and more broadly for non-governmental stakeholders. Inception and validation workshops were undertaken in Phnom Penh in September 6, 2018 and January 8, 2019 respectively to discuss the project design and reach general consensus on project outcomes, outputs, activities and institutional arrangements for the project. Refer Annex 12 for details of consultations.
- 76 The purpose of Stakeholder Involvement Plan (SIP) for the project is the long-term sustainability of the project achievements, based on transparency and the effective participation of the key stakeholders. The objectives include the following: (a) to identify the main stakeholders of the project and their basic roles and responsibilities in relation to the project; and (b) to take advantage of the experience and skills of the main stakeholders and safeguard their active participation in different activities of the project to reduce obstacles in its implementation and sustainability after completion of the project. The approach is based on the principles of fairness and transparency in selection of stakeholders, ensuring consultation, engagement and empowerment of relevant stakeholders comprehensively for better coordination between them from planning to monitoring and assessment of project interventions; access of information and results to relevant persons; accountability of stakeholders; implementing grievances redress mechanism and ensuring sustainability of project interventions after its completion.
- 77 Stakeholder involvement is guided by the objective of the enhancement of opportunities for improving access and benefit sharing to caretakers of genetic resources and associated traditional knowledge to secure conservation of globally and national important biodiversity within Cambodia, by improving incentives for local communities, including indigenous people to benefit from the wise use of these resources. The Department of Biodiversity (DoB) will be instrumental in establishing collaborative links with national and provincial entities, CSOs and local communities during the implementation of the project. Provincial governments will coordinate with provincial and local level stakeholders, may solicit the services of NGOs/Civil Society Organizations (CSOs) to support project activities.

Role and responsibilities of key stakeholders and their Involvement Mechanisms and Strategies

- 78 Mechanisms and strategies for stakeholder involvement will ensure that the relevant shareholders receive and share information and provide their inputs in the planning, design, implementation, monitoring and evaluation of project

initiatives and play a role in sustaining the initiatives during and after the closure of the project. Roles and responsibilities of main stakeholders of the project are summarized in Table 3 below. Early in project implementation, DBD will develop a more detailed Stakeholder Engagement plan that would detailed to ensure (i) specific ways to involve stakeholders in project planning, implementation and monitoring; (ii) engagement of stakeholders in social and environmental screening and risk monitoring; (iii) ensuring free, fair and transparent methods of information sharing and accessibility; (iv) implementation of gender mainstreaming strategy and action plan; (v) measures to empower stakeholders and potential project beneficiaries; and (vi) information disclosure. Annex 6 provides further details on Stakeholder Involvement mechanisms.

Table 3: Stakeholder Involvement Plan

Stakeholders/Partners	Roles and Responsibilities	Mode of Involvement
<p>1. National Council for Sustainable Development (NCSD)/Department of Biodiversity (DBD)</p>	<p>⇒ Environmental policy formulation and provision of direction with regards to national priorities.</p> <p>⇒ This is one of the highest policy making bodies. They will be the penultimate authority for the DBD and therefore the progress of all components of the project. They especially will oversee and endorse the eventual ABS policy and draft legislative frameworks prior to submission to relevant ministries for executive action.</p> <p>⇒ The Department of Biodiversity (DBD) of the General Secretariat for the NCSD will focus on community engagement, oversight of technology transfers and will coordinate ABS policy and institutional strengthening. It will also act as the coordination agency for the national ABS Technical Working Group.</p>	<ul style="list-style-type: none"> • Chair of ABS-TWG • Executing agency and lead inter-ministerial body for this project as well and will be the key responsible party for overall project management of this project • Primary beneficiary • Co-financer • Coordinate ABS policy and legal framework development and institutional strengthening • DBD/NCSD will be part of drafting committee for preparation of ABS Law Policy, Sub-Decree and other legal instrument documents. • DBD will be involved in supporting the registration of TK; in terms of enforcement of ABS agreements and call for assistance from other line ministries for the broadening of technical advisory support for National Competent Authorities and ABS-TWG • NCSD will also support capacity building and awareness raising activities for national, sub national, communities and indigenous people.
<p>2. Project Board</p>	<p>⇒ Project Board is responsible for making management decisions for a project in particular when guidance is required by National Project Director. The Project Board plays a critical role in project monitoring and evaluations by quality assuring these processes and products, and using evaluations for performance improvement, accountability and learning. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems with external bodies. In addition, it approves the appointment and responsibilities of National Project Director and any delegation of its Project Assurance responsibilities.</p>	<ul style="list-style-type: none"> • One per year at minimum. One meeting to focus on the work plan for the following year and to focus on project progress performance. • Participation in the ABS TWG; Leading role to engage stakeholders in implement plan and mechanisms, such as workshops, meetings, etc.
<p>3. ABS Technical Working Group (TWG)</p>	<p>⇒ The ABS TWG currently provides technical support and advice on conservation activities with linkages to ABS. This TWG includes several government agencies, non-governmental agencies, the private sector and the academia. This TWG provides multi-stakeholder input into ABS policy development and can provide advice on strengthening actions under Component 3 specifically, and can also guide overall policy</p>	<ul style="list-style-type: none"> • Technical Supporter on ABS related issues. • Call for the meeting as needed basis but at least once a quarter. It is expected that these group will meet more frequently in the early phase of project implementation when decisions will be needed to guide project implementation.

	work that will guide the implementation of Components 1 and 2 of this project.	
4. Ministry of Environment (NCSD)	<p>⇒ Provide guidance in accessing genetic resources in the protected areas, sanctuaries and wildlife under its mandate and support developing guidelines requiring all ABS projects to include an EIA analysis. This will assist in continuously monitoring during the lifetime of the project and establishing effective mechanism for receiving and sharing benefits from ABS agreements for the conservation of biodiversity and the sustainable use of its components.</p> <p>⇒ This will be the lead national partner and will coordinate the input of other line ministries and partners in Outcome1. They will provide assistance with technology transfer and know-how on collection and screening for the ABS project implementation and monitoring and provide technical support on development of EIA guideline to apply for ABS projects and will be applied for ABS agreement with appropriate mechanism for sustainable use of potential end products for conservation the biodiversity and suitable with ABS agreement process.</p>	<ul style="list-style-type: none"> • Primary beneficiary • Co-financer • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
5. Ministry of Planning (MOP)	<p>⇒ Ministry of Planning (MOP) is responsible for guiding and managing national socio-economic development planning (GDP) and managing the statistical functions of the Royal Government (NIS). It works in close cooperation with other ministries and institutions in Cambodia, (www.mop.gov.kh).</p>	<ul style="list-style-type: none"> • Cooperation Partner (CP) • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
6. Ministry of Commerce (MOC)	<p>⇒ Provide advice on the establishment of administrative ABS application process, industry business models, intellectual property rights, and compliance mechanism, etc.</p>	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
7. Ministry of Agriculture, Forestry and Fishery (MAFF's)	<p>⇒ Make sure that the ABS framework is implemented in a supportive manner with the other international instruments like the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA).</p>	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
8. Forestry Administration (FA)	<p>⇒ Forestry Administration (FA) is a governmental organization under the MAFF, which has the authority to manage the forest and forestry resources in the Kingdom of Cambodia. According to the National Forestry Sector Policy and the Forestry Law, the main objective of FA is to ensure the sustainable management of forests in the country. To this end, FA is to perform the following duties based on the Forestry Law, (www.forest.gov.kh).</p> <p>⇒ Forest Administration is responsible for forest conservation, thereby contributing to conserving country's rich biodiversity and providing access to genetic resources in the forest.</p>	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
9. Fishery Administration (FiA)	<p>⇒ Fisheries Administration (FiA) is a government organization under the MAFF, which has the</p>	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.

	authority to manage fisheries and fisheries resources in the Kingdom of Cambodia.	
10. Ministry of Economic and Finance (MEF)	⇒ Ministry of Economy and Finance (MEF) is delegated by the Royal Government to perform mission of guidance and administration of the Economy and Finance of the Kingdom of Cambodia in order to support economic development and to improve the living standards of Cambodian people based on the principles of a free market economy and social equality, (Sub-decree No 04/ANK/BK, dated 20th January 2000 of the Royal Government of Cambodia).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
11. Ministry of Health (MOH)	⇒ The Cambodian Ministry of Health (MOH) is the government ministry having responsibility for governing health care, the healthcare industry, public health, and health-related NGOs within the country. The Ministry governs and regulates the activities of medical professionals, hospitals and clinics in the country (www.mop.gov.kh).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
12. Ministry of Culture and Fine Art	<p>⇒ The Ministry of Culture and Fine Arts (1997) is charged with overall responsibility for the development of culture and fine arts in Cambodia, for nurturing creativity and innovation and for promoting the diverse Cambodian cultural heritage.</p> <p>⇒ It does this by implementing policies for protecting, preserving and heightening the values of the national cultural heritage and other cultural properties of the Kingdom of Cambodia by (1) controlling tourist sites, archaeology, urbanism and history; (2) researching and promoting the values of national culture and traditional customs; (3) encouraging creating virtues and the communication and development of cultural activities; (4) funding the Royal University of Fine Arts with a view to training artists, musicians, architects, archaeologists and other culturally related experts in co-operation with the Ministry of Education, Youth and Sport (http://culture360.org/organisation/ministry-ofculture-and-fine-arts), (http://www.mcfa.gov.kh).</p>	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
13. Ministry of Industry and Handicraft (MIH)	⇒ The Ministry of Industry, Mines and Energy (MIME) is a governmental body which is responsible for governing and nurturing industry, the mining industry and the energy industry of Cambodia, (www.mop.gov.kh)	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
14. Ministry of Mine and Energy (MME)	⇒ The Ministry of Mines and Energy is responsible for promoting development of mineral exploration and exploitation activities, and hydropower development and electricity supply. Most importantly, the Ministry has the obligation to create the development of legislation, policy, and planning related to mineral management and energy development.	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.

15. Ministry of Education, Youth and Sport (MCSDYS)	⇒ Ministry of Education, Youth and Sport of Cambodia (MCSDYS) is functioned to ensure the quality and effectiveness of work on education sector and as well as youth and sport in Cambodia. Moreover, MCSDYS's mission is to lead, manage and develop education, youth and sport sector of Cambodia in order to respond to Cambodia development economic, social, and cultural and progress to the regional and global, (www.NCSDys.gov.kh).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
16. Ministry of Water Resource and Meteorology (MOWRAM)	⇒ Ministry of Water Resources and Meteorology (MOWRAM) is mandated to manage, lead and supervise the implementation of the present laws. The MOWRAM shall conduct consultation with other concerned ministries. Where required, the Royal Government of Cambodia shall set up a joint commission to address and coordinate works and activities among the Ministries concerned.	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
17. Ministry of Rural Development (MRD)	⇒ The Royal Cambodian Government (MRD) has given the Ministry of Rural Development complete responsibility within Cambodia Rural Development initiatives such as: (1) coordinating, cooperating, implementing, monitoring and evaluating rural development projects and programs in order to rehabilitate and help develop the country's rural areas by assisting the Rural population, (2) coordinating the operational efforts of the various line ministries and assistance programs; and (3) actively undertaking independent Research Initiatives to practically develop the rural areas of Cambodia by liaising as widely as possible in order to assess likely needs and investigate possible solutions that would maximize identified opportunities, etc. (www.mop.gov.kh).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
18. Ministry of Interior (MI)	⇒ Ministry of Interior (MI) is under the Royal Government of Cambodia. MI is responsible for managing the administration of provinces and cities, controlling national police, ensuring national security and public order and providing safety to the citizens, (www.interior.gov.kh).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
19. Ministry of Tourism	⇒ The Royal Government would promote the development of tourism and make it to become tourism of culture and nature. It would heighten the private and public investments targeting at building up tourist infrastructure. It would ensure security and political stability. Tourist work has to be linked by the preservation of natural and cultural heritage and natural environment, (www.tourismcambodia.org).	<ul style="list-style-type: none"> • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
20. Ministry of Women's Affairs (MWA)	⇒ The Ministry of Women's Affairs (MWA) acts as a catalyst and advocate to encourage public institutions, civil society and the private sector to integrate gender equality into their policies and programs, and as a coordinator and	<ul style="list-style-type: none"> • MWA will participate in all discussion relating to development of policy, legislation, plans and practices. It will monitor and guide the integration of gender equality into plans, policies and other ABS instruments

	<p>facilitator for gender mainstreaming across government. It is responsible for monitoring and evaluating policies and programs to assess their contribution to achieving the Government's goals in promoting gender equality and the empowerment of women.</p>	
21. Indigenous People and Local Communities	<p>⇒ Play a key role in the project as holders of traditional knowledge and beneficiaries of ABS agreements. Their capacities will be strengthened, and awareness raised on ABS.</p> <p>⇒ Indigenous people and local community are the local players who are key person but not fully supervised/controlled by the legal framework, such as farmers, local collectors, dealer of micro-level trading of traditional products and knowledge, etc. The roles and responsibilities of local community are to promote understanding on ABS to the people in their community and learn about ABS process at community level and build capacity of local community in self-monitoring on improper practices of ABS agreement.</p>	<ul style="list-style-type: none"> • TK Practitioner • Local Trainer • Community Monitor • Participate in workshops, meetings, participation in consultation activities, etc. • The proposed ABS contract will set additional participation and involvement responsibilities on the commune and community, in targeted area of ethnic minority people.
22. Private Companies and Research Institutions	<p>⇒ Play an important role in building national capacities in bio- prospecting, and as collaborators on research and commercialization of products from Cambodia's genetic resources.</p> <p>⇒ As a member of the TWG. They will guide technology transfer under Outcome 1. They with the other research partners will advise on the technical side of negotiations with resource owner communities, will advise on sample collection and study, database of samples, advice on ABS, and will oversee technology transfer to the Cambodia national level.</p>	<ul style="list-style-type: none"> • Support to research • Technical assistance teams in each province and in each community • Capacity development on ABS related issue such as: research planning, database of samples, advice on ABS, and will oversee technology transfer etc. • Participate in workshops, meetings, consultation activities, and field research etc. • The proposed ABS contract will set additional participation and involvement responsibilities on private sector and research institutes.
23. Local and international NGOs	<p>⇒ Provide an effective consultation on forest, agriculture and biodiversity throughout the process of ABS.</p> <p>⇒ They work directly with communities in the process of ABS while others work with communities through the local authorities. They are involved in advocacy and coordinate the activities among the members in TWG on ABS. They act as a link between NGOs and government institutions involved in the provision of ABS.</p>	<ul style="list-style-type: none"> • Additional support action to the project field implementation on ABS • Membership of the ABS TWG. Participate in workshops, meetings, participation in consultation activities, etc.
24. UNDP as the GEF Implementing Agency for the project	<p>⇒ Ensure project execution on time and draw on technical expertise from its regional offices and headquarter for project quality assurance.</p> <p>⇒ The GEF's Agency and international organizations, development partners including ADB, DFID, WHO, JICA, World Bank, other bilateral funding governments and UNDP also intervene either directly or through NGOs and/or other agencies in the service delivery process related ABS.</p>	<ul style="list-style-type: none"> • Facilitation and observer • Fund flow implementer and controller • Joint monitoring • Ensure achievement of GEF operational objectives; link to other UNDP projects, • Take part in project management through the Project Management Unit • Participate in workshops, meetings, consultation activities, etc.

Gender equality and empowering women

- 79 This project recognizes that women play a critical role in managing natural resources and are also partners with men in being keepers of traditional knowledge in Cambodia. While, women and men possess different knowledge(s) and transmit it in various ways due to their respective roles and responsibilities in the private and public spheres, women both historically and currently are primarily responsible for food preparation and distribution and for ensuring the short and long-term health of the family and community. Women have a greater knowledge of the flora and fauna surrounding them and play very important roles in biodiversity conservation sectors, for example, for daily livelihood, women play significant role in preserving and maintaining the generic diversity of plant species as result of selection preference based on food habits, food culture, taste, nutrition, and the health benefits of different species. However, it has frequently been considered a sector dominated by men, making it difficult for women's participation on access to genetic resources and the fair and equitable of benefits arising.
- 80 Indigenous women are, highly knowledgeable about biodiversity as it relates to plants, wildlife and other natural resources that may have nutritional or medicinal value. In Mountainous and Eastern Plain Landscape regions, women and forest are strongly connected with one another because women, especially those residing in forest have a deep connection with the forest ecology since they're in charge of collection water, as well as food, fuel, fodder leaves for their family. Thus, women immediately perform a significant part in the protection of the forest that will be quite critical to the achievement of the preservation plan in addition to it using forest resources. The cultural and culinary practices of indigenous and smallholder farmers play a significant role in preserving and maintaining the generic diversity of plant species as result of selection preferences based on food habits, food culture, taste, nutrition, and the health benefits of different species
- 81 In general, most people in the communities, especially women and elderly women, do not have a solid understanding of ABS and the issues it presents, they do, however, have a sense that business patterns are changing, affecting their genetic resource collection/harvesting yields and resulting in more difficult living conditions for their families. Almost all of women in Cambodia as well as in each community have no conceptual understanding of how to deal with fair or equity benefit sharing, particularly with respects to their livelihoods and development. The government has observed that women and men do not a good understanding on the sustainable utilization of a genetic resource, Consequently, within their communities, there is lack of understanding of sustainable harvesting techniques and its use. This is further aggravated by the lack of proper capacity development programs and the absence of ABS policy and a legal framework and permitting system. Consequently, this has resulted in inappropriate agreements among and between providers and users of genetic resources as these are not governed by the provisions of the Nagoya Protocol regarding PIC and MATs mechanism.
- 82 The government recognizes that the main considerations for ensuring gender equality are the following:
- Ensuring women's representation and participation in natural resources management sectors;
 - Creating enabling conditions for women's participation;
 - Enhancing women's capacity to participate in decision-making processes; and
 - Maintaining gender disaggregated records to enable monitoring of policies and projects to ensure women's inclusion;
- 83 In order to address these constraints, the project will ensure that key policy, legal and regulatory mechanisms for ABS to be established will include specific considerations of gender and indigenous peoples priorities and needs. The project will actively seek the support of the Ministry of Women's Affairs (MWA) to ensure that gender equality is central to the definition of policies, legislation, guidelines and practices relating to ABS in the country. All documents produced through the project will be reviewed by MWA to ensure that gender aspects are well integrated and that such new policies and plans will adequately benefit women. At addition, at the national level the project will provide equal opportunity to both male and female policy makers, decision makers, and managers of the central institutions to participate in matters relating to ABS. At provincial level, the women will be encouraged to participate in discussions relating to ABS matters and in participating in training, awareness raising and education activities. A gender-balanced involvement of participants in relevant activities including advocacy, capacity building and consultation will be promoted. During project implementation, consultation and capacity building activity planning will be specifically focused on ensuring that women

are actively engaged in all aspects of policy, legislative, and skills development. Specific efforts would be made to seek the advise and guidance of the Ministry of Women’s Affairs to help integrate gender equality into policies and programs, including enhancing education and awareness of gender concerns. During implementation, MWA will be actively engaged to support gender mainstreaming in project related activities. Annex 5 provides a gender analysis and mainstreaming action plan.

South-South and Triangular Cooperation

- 84 The GEF project will coordinate closely, through information sharing and access to learning and best practices emanating from the on-going UNDP multi-country program for Strengthening human resources, legal frameworks, and institutional capacities to implement the Nagoya Protocol. Following the October 2018 Community of Practice Workshop held in Siem Reap in Cambodia, participating countries from Asia and Pacific agreed to share experiences, knowledge and learning from implementation of their respective ABS projects to provide solutions that can be trialed and test. Countries agreed that opportunities for research and private sector could be shared across the region. This cooperation would be further strengthened by the participation of project staff in regional learning programs that would help to actively solicit experiences from member countries under this program.

Sustainability and Scaling Up

- 85 The promulgation and enforcement of the new legal framework on ABS will greatly contribute to change the way access and sharing benefit of genetic resources is managed in Cambodian society, leading to a more equitable, fair and sustainable use of genetic resources. After the completion of the project, awareness and capacity of all stakeholders on implementation, compliance, monitoring and tracking of the national ABS framework would have been significantly enhanced. Providers would better understand the value of genetic resources they own, and become more capable of negotiating with the user on benefit sharing in accordance with the ABS principles. Users would be more aware of their responsibility to share benefits of genetic resources with the providers, thus creating a legal MAT for clarification and transparency related to use of genetic resources for commercial and research purposes, as well as ensuring benefits from utilization of genetic resources are shared equitably and fairly between the state and communities. This would provide the basis for ensuring the sustainability of the public-private community partnerships in genetic resource use and management of ABS related concerns that would overall contribute to biodiversity conservation and social security at the household and community levels.
- 86 The most important output of the project is the development of a functional legal system on ABS and an effective permitting system and coordinating mechanism among stakeholders for ABS in the country. As the lead agency for matters relating to ABS in Cambodia, the Department of Biodiversity (DBD) of NCS, will establish an institutional structure that facilitates cooperation between national and provincial institutions to apply proper administrative and permitting procedures to enable the free and fair access to the country’s genetic resources. It will work closely with research institutions to identify existing and new genetic products that have potential for development, identify prospective suppliers and users of such genetic resources and facilitate resource agreements that can benefit local communities. The DoB will promote joint public/private initiatives that will provide increased opportunities for income from activities such as collecting, cultivating, harvesting and transporting the medicinal plants for commercialization products, thereby ensuring increased financial and economic sustainability. The creation of value chains will generate revenues that can lead to stable financial resources for local communities that would provide an essential incentive for the conservation of genetic resources of medicinal plants and other genetic resources, and its wider replication in the country.

IV. PROJECT MANAGEMENT

Cost efficiency and effectiveness

- 87 The lack of a comprehensive national ABS framework and adequate capacity for its effective implementation are significant barriers impeding the development of an operational ABS regime in Cambodia. As a consequence, this constrains the regulation of the country's genetic resources and associated traditional knowledge and the fair and equitable sharing of benefits from bio-prospecting development. These barriers act negatively on conservation efforts as the full value of the country's natural resources cannot be realized. As a consequence, other infrastructure, agricultural and urban developments compete for priority over the maintenance of biodiversity and ecosystem services, foregoing future opportunities for bio-prospecting. The project aims to remove such barriers through development of policy, legal and institutional systems that would help recognize the economic values of use of the country's genetic resources and associated traditional knowledge. Through such developments, it is anticipated that private-public partnerships for bio-prospecting will be promoted, proving economic benefits to the state, commercial sector and Indigenous people and strengthen public support and rationale for biodiversity conservation.
- 88 The development of the ABS framework and institutional systems that promote the application of PIC and MAT ABS agreements will likely encourage international investors, increasing opportunity for research and development on genetic resources and associated biotechnology. The project will support a study to identify potential financial mechanisms to channel and reinvest proceeds from ABS agreements in conservation that when implemented will support Cambodia's long-term efforts towards conservation of its globally significant biodiversity. Through all of these mechanisms, it is expected that the local custodians will have adequate incentives for conservation and effective use of their genetic resources and associated traditional knowledge.

Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information

- 89 To accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy¹⁷ and the GEF policy on public involvement¹⁸.

¹⁷ See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

¹⁸ See https://www.thegef.org/gef/policies_guidelines

V. PROJECT RESULTS FRAMEWORK

<p>This project will contribute to the following Sustainable Development Goal (s):</p> <ul style="list-style-type: none"> • Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture • Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 					
<p>This project will contribute to the following country outcome included in the UNDAF/Country Program Document By 2023, women and men in Cambodia, in particular the marginalized and vulnerable, live in a safer, healthier, more secure and ecologically balanced environment with improved livelihoods, and are resilient to natural and climate change related trends and shocks</p>					
<p>This project will be linked to the following output of the UNDP Strategic Plan:</p> <ul style="list-style-type: none"> • IRRF 1.4.1 Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains • IRRF Output 2.4.1: Gender-responsive legal and regulatory frameworks, policies and institutions strengthened, and solutions adopted, to address conservation, sustainable use and equitable benefit sharing of natural resources¹⁹, in line with international conventions and national legislation. 					
	Objective and Outcome Indicators (no more than a total of 15 -16 indicators)	Baseline²⁰	Mid-term Target²¹	End of Project Target	Data Collection Methods and Risks/Assumptions²²
<p>Project Objective:</p> <p>To strengthen the conservation and sustainable use of genetic resources and associated traditional knowledge in Cambodia by developing a National Access and Benefit Sharing framework, policy and legislation with the Convention on Biological Diversity and its Nagoya Protocol</p>	<p><i>Indicator 1:</i> National law on ABS strengthens the conservation and sustainable use of genetic resources and associated traditional knowledge.</p>	<p><i>Legal and regulatory framework for ABS partially exists, but not all provisions of Nagoya Protocol are incorporated in the current framework</i></p>	<p><i>Gap analysis complete for defining needs for ABS legal and regulatory frameworks and draft ABS policy under discussion</i></p>	<p>Draft national law on ABS developed and presented to cabinet for approval</p>	<p><u>Data collection methods:</u> Official gazette</p> <p><u>Risks:</u> There has been no specific decision on ABS at the Parliament level. Controversy or lengthy procedures for consultation in these forums might delay or prevent accession.</p> <p><u>Assumption:</u> The Government of Cambodia is fully committed to the conservation and sustainable use of the country's genetic resources and the introduction of ABS legislation and regulatory</p>

¹⁹ Includes oceans and marine and freshwater ecosystems, forests, biodiversity and ecosystems, land rights, and management of chemicals and waste.

²⁰ Baseline, mid-term and end of project target levels must be expressed in the same neutral unit of analysis as the corresponding indicator. Baseline is the current/original status or condition and need to be quantified. The baseline must be established before the project document is submitted to the GEF for final approval. The baseline values will be used to measure the success of the project through implementation monitoring and evaluation.

²¹ Target is the change in the baseline value that will be achieved by the mid-term review and then again by the terminal evaluation.

²² Data collection methods should outline specific tools used to collect data and additional information as necessary to support monitoring. The PIR cannot be used as a source of verification.

					guidelines
Component/Outcome²³ 1 Developing a national framework and legislation on Access and Benefit Sharing consistent with the Convention on Biological Diversity and its Nagoya Protocol	<i>Indicator 2:</i> National ABS Policy that complies with the CBD and its Nagoya Protocol	<i>While elements of ABS provisions exist in a multitude of national policies, there are no rules and regulations and institutional mechanisms for its implementation</i>	<i>Gap analysis complete and draft ABS policy under discussion</i>	National ABS policy approved by the Executive Government	<u>Data collection methods:</u> Official notification of policy Websites of NCSO Periodic progress reports <u>Risks:</u> Potential delays in approval of draft policy would delay the development and operationalization of the regulatory and institutional framework; Lack of consensus among the stakeholders during the development of detailed rules and regulations <u>Assumption:</u> The Government of Cambodia is fully committed to the conservation and sustainable use of the country's genetic resources and the introduction of national framework for ABS
	<i>Indicator 3:</i> Change in capacities of national competent authority (Department of Biodiversity of the National Council for Sustainable Development) for ABS implementation as shown by an increase in UNDP ABS capacity development scorecard	<i>Limited national capacity for ABS implementation as shown by UNDP ABS capacity development score of 21</i>	<i>Increase in capacity as measured by ABS capacity assessment scorecard by 8 points</i>	At least 20 point increase in national capacity for ABS implementation as measured by UNDP ABS capacity development scorecard from baseline of 21	<u>Data collection methods:</u> ABS Capacity Development scorecard Training Progress Reports <u>Risk:</u> Government staff turn-over, especially trained technical staff, may affect the project negatively <u>Assumptions:</u> More staff will be added to the

²³Outcomes are short to medium term results that the project makes a contribution towards, and that are designed to help achieve the longer-term objective. Achievement of outcomes will be influenced both by project outputs and additional factors that may be outside the direct control of the project.

					<p>bio-prospecting program as projected in and there will be little or no turnover of trained staff</p> <p>Target audiences for training and awareness raising and other capacity building activities are committed to participate in project activities</p>
<p><u>Outputs for Component/Outcome 1</u></p> <p>Output 1.1: A National Law on ABS in line with the Nagoya Protocol developed</p> <p>Output 1.2: Comprehensive stock taking exercise including on-the-ground assessment of lessons learned and best practices on ABS and TK reviewed to inform National ABS framework</p> <p>Output 1.3: Institutional framework defined and established for implementation of the Nagoya Protocol</p> <p>Output 1.4: A system to document and protect Traditional Knowledge established</p> <p>Output 1.5: Guidelines developed to include an Environmental Impact Assessment (EIA) analysis in ABS projects</p> <p>Output 1.6: Effective financial mechanism for benefit sharing from ABS agreements established</p>					
<p>Component/ Outcome 2</p> <p>Building capacity for developing and implementing the national Access and Benefit sharing framework and legislation</p>	<p><u>Indicator 4:</u> Extent to which administrative and permitting system for ABS developed and implemented</p>	<p>No guidance, circulars or manual exists for the ABS permitting and monitoring system</p>	<p>Draft administrative and permitting system under discussion and check points identified</p>	<p>Administrative and permitting systems for ABS developed and approved as measured by availability of:</p> <p>(a) Guidance document on obtaining PIC for access to genetic resources and for TK associated to genetic resources</p> <p>(b) Guidance document for negotiation of agreements/contracts on use of genetic resources and associated TK and for the fair and equitable sharing of benefits;</p> <p>(c) Dossier for application of access permit</p>	<p><u>Data collection methods:</u></p> <p>Project reporting and supported publications</p> <p>Government reports</p> <p><u>Risks:</u></p> <p>Institutional rivalries preventing the coordinating mechanism being effective;</p> <p>Lack of capacity and involvement and commitment of different institutions can prevent the establishment and functioning of the technical advisory body (or a similar mechanisms)</p> <p><u>Assumptions:</u></p> <p>Political willingness and commitment for setting up an administrative system for implementation of ABS</p> <p>The Government of Cambodia is supportive of staffing structure</p>

				<ul style="list-style-type: none"> (d) Designation of 1-2 check points; (e) Guidance document on procedures for use of the ABS Clearing-House Mechanism; (f) Guidance document for ensuring transparency on compliance and monitoring the utilization of genetic resources and associated TK. 	required for establishing and operationalizing the institutional mechanism required for ABS implementation
	<p><i>Indicator 5: Extent of coordination for the operationalization of the ABS permitting system among the different national authorities involved on ABS</i></p>	<p><i>No coordinating system exists currently</i></p>	<p><i>NCA's identified and protocols for information sharing in draft form</i></p>	<p>Effectiveness of coordination and operationalization of ABS permitting system as measured by:</p> <ul style="list-style-type: none"> (a) Guidelines for coordination and information sharing between FP and NCA's, and amongst the NCA's (b) Network of NCA with the involvement of the NFP fully functional using, inter alia, electronic communication mechanisms 	

	<i>Indicator 6:</i> Number of staff of national and provincial competent authorities trained in ABS to facilitate the implementation of the national ABS framework	<i>Limited number of staff trained in ABS</i>	<i>Three training modules developed, communication and KM plan under implementation and around 50 staff trained (at least 30% women)</i>	(a) At least 100 officials at the national level trained on ABS related topics (including at least 30% are women) (b) At least 50 provincial level staff trained on ABS (including at least 30% of women)	<u>Data collection methods:</u> Project reporting and supported publications Training reports KAP surveys <u>Risks:</u> Lack of willingness of national and provincial entities to release staff for training Lack of adequate in-country capacity for provision of training on ABS <u>Assumptions</u> Government willingness to access international expertise for provision of training
	<i>Indicator 7:</i> Percentage of the population of researchers, local communities and relevant private sector targeted by the awareness campaign of the legal framework	<i>Perception survey in year 1 to establish the baseline</i>		At least 60 percent of targeted population of researchers local communities, and relevant private sector staff, of which at least 30% would be women aware of key provisions of ABS legal framework	

Outputs for Component/Outcome 2

Output 2.1: An administrative permitting system and checkpoints to enable implementation of the national ABS law is established.

Output 2.2: Targeted training provided to National Competent Authorities (NCAs), Focal Points (FP) and related agencies on the various aspects of ABS management.

Output 2.3: Communications, education and public awareness (CEPA) strategy and action plan developed and implemented

Output 2.4: Functional role National ABS Clearing House Mechanism extended to promote technical and scientific cooperation, knowledge sharing and information exchange

Output 2.5: Gender Mainstreaming and Monitoring and Evaluation strategies developed and implemented

VI. MONITORING AND EVALUATION (M&E) PLAN

- 90 The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. *Supported by Component/Outcome Four: Knowledge Management and M&E, the project monitoring and evaluation plan will also facilitate learning and ensure knowledge is shared and widely disseminated to support the scaling up and replication of project results.*
- 91 Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). The UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies²⁴.
- 92 In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.²⁵

M&E Oversight and monitoring responsibilities:

- 93 Project Coordinator: The Project Coordinator is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The PC will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The PC will inform the Project Board, the UNDP Country Office and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.
- 94 The PC will develop annual work plans based on the multi-year work plan included in Annex 1, including annual output targets to support the efficient implementation of the project. The Project PC will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. ESMP, gender action plan, stakeholder engagement plan etc.) occur on a regular basis.
- 95 Project Board: The Project Board will take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.
- 96 Project Implementing Partner: The Implementing Partner is responsible for providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and

²⁴ See https://www.thegef.org/gef/policies_guidelines

²⁵ See https://www.thegef.org/gef/gef_agencies

financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.

- 97 **UNDP Country Office:** The UNDP Country Office will support the Project Director as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Project Board within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the annual GEF PIR, the *independent mid-term review* and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.
- 98 The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the [UNDP POPP](#). This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Director.
- 99 The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).
- 100 **UNDP-GEF Unit:** Additional M&E and implementation-GEF quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.
- 101 **Audit:** The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.²⁶

Additional GEF monitoring and reporting requirements:

- 102 **Inception Workshop and Report:** A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:
- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
 - b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
 - c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
 - d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
 - e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; SESP, Environmental and Social Management Plan and other safeguard requirements; project grievance mechanisms; the gender strategy; the knowledge management strategy, and other relevant strategies;

²⁶ See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule Project Board meetings and finalize the first-year annual work plan.

103 The PC will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser and will be approved by the Project Board.

104 GEF Project Implementation Report (PIR): The PC, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The PC will ensure that the indicators included in the project results framework are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

105 The PIR submitted to the GEF will be shared with the Project Board. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

106 Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

107 GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefits: ABS Institutional Capacity Scorecard. The baseline ABS institutional Capacity scorecard submitted as Annex to this project document – will be updated by the PC and shared with terminal evaluation consultants before the required *review/evaluation* missions take place. The updated GEF National ABS Institutional Capacity Scorecard will be submitted to the GEF along with the completed Terminal Evaluation report.

108 Independent Mid-term Review (MTR): An independent mid-term review process will be initiated depending on the status of project implementation for this MSP. If undertaken, the MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report (if undertaken) will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser and approved by the Project Board.

109 Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The PC will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard

templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser and will be approved by the Project Board. The TE report will be publicly available in English on the UNDP ERC.

110 The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

111 Final Report: The project’s terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

Table 3: Mandatory GEF M&E Requirements and M&E Budget:

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ²⁷ (US\$)		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	3,000	3,000	Within two months of project document signature
Inception Report	Project Coordinator	None	None	Within two weeks of inception workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	None	None	Quarterly, annually
Risk management	Project Coordinator Country Office	None	None	Quarterly, annually
Monitoring of indicators in project results framework	Project Coordinator	None	3,000	Annually before PIR
GEF Project Implementation Report (PIR)	Project Coordinator and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	3,000	2,000	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Coordinator and national consultant	6,000	3,000	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Coordinator UNDP Country Office	None	2,000	On-going
Stakeholder Engagement Plan	Project Coordinator UNDP Country Office	None	None	On-going

²⁷ Excluding project team staff time and UNDP staff time and travel expenses.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ²⁷ (US\$)		Time frame
		GEF grant	Co-financing	
Gender Action Plan	Project Coordinator UNDP Country Office UNDP GEF team	None ²⁸	None	On-going
Addressing environmental and social grievances	Project Coordinator UNDP Country Office	None	None	On-going
Project Board meetings	Project Board UNDP Country Office Project Coordinator	None	5,000	At minimum annually
Supervision missions	UNDP Country Office	None ²⁹	None	Annually
Oversight missions	UNDP-GEF team	None ²⁹	None	Troubleshooting as needed
GEF Secretariat learning missions/site visits	UNDP Country Office, Project Coordinator and UNDP-GEF team	None	None	To be determined.
<i>Mid-term GEF Tracking Tool to be updated by</i>	Project Coordinator	None	None	<i>Before mid-term review mission takes place.</i>
Terminal GEF Tracking Tool to be updated by	Project Coordinator	None	None	Before terminal evaluation mission takes place
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	UNDP Country Office and Project team and UNDP-GEF team	30,000	10,000	At least three months before operational closure
<i>Translation of TE reports into English</i>	Project Coordinator UNDP Country Office	None	None	.
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		42,000	28,000	

²⁸ Gender mainstreaming will be integrated into development of policy, legislation and guidelines and in all training and awareness events

²⁹ The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

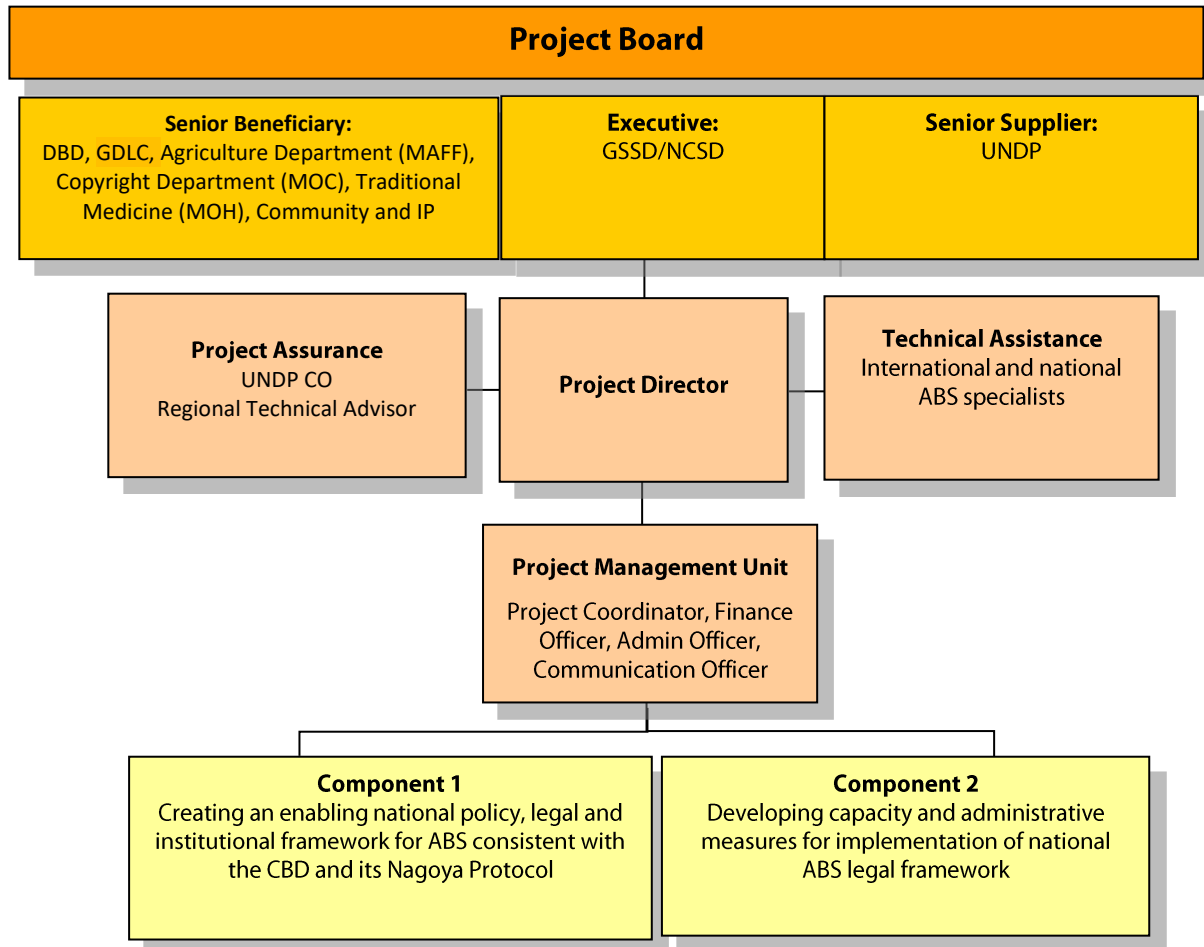
VII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

113 Roles and responsibilities of the project's governance mechanism: The project will be implemented following UNDP's national implementation modality, according to the Standard Basic Assistance Agreement between UNDP and the Government of Cambodia, and the Country Program.

114 The **Implementing Partner** for this project is the General Secretariat of National Council for Sustainable Development (GSSD). The Implementing Partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources. The Implementing Partner is responsible for:

- Approving and signing the multiyear workplan;
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

115 The project organisation structure is as follows:



116 **Project Board:** The Project Board (also called Project Steering Committee) is responsible for making by consensus, management decisions when guidance is required by the Project Coordinator, including recommendations for UNDP/Implementing Partner approval of project plans and revisions, and addressing any project level grievances. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Program Manager.

117 Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the Project Director;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project coordinator's tolerances as required;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;
- Provide ad hoc direction and advice for exceptional situations when the project director's tolerances are exceeded; and
- Assess and decide to proceed on project changes through appropriate revisions.

118 The composition of the Project Board must include the following: NCS D, DBD, MEFF, MOH, MOC and UNDP. The Project Board will be chaired by the Secretary General of NCS D. The composition of the Project Board will be subject to confirmation during the project inception period. Observers may be included upon agreement of Board members.

119 **Executive:** The Executive is the General Secretariat GSSD/NCS D. The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The executive must ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

120 Specific Responsibilities: (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organization structure and logical set of plans;
- Set tolerances in the AWP and other plans as required for the Project Director;
- Monitor and control the progress of the project at a strategic level;
- Ensure that risks are being tracked and mitigated as effectively as possible;
- Brief relevant stakeholders about project progress;
- Organize and chair Project Board meetings.

121 **Senior Supplier:** The Senior Supplier is UNDP. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Specific Responsibilities (as part of the above responsibilities for the Project Board):

- Make sure that progress towards the outputs remains consistent from the supplier perspective;

- Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
- Ensure that the supplier resources required for the project are made available;
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

122 **Senior Beneficiary:** The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. The Senior Beneficiary will be DBD, Ethnic Department (MOE), Agriculture Department (MAFF), Copyright Department MOC, Traditional Medicine (MOH), Community and IPs.

123 The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people. Specific Responsibilities (as part of the above responsibilities for the Project Board):

- Prioritize and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

124 **Project Director:** The project director (PD) will be the Deputy Secretary General of NCSO, who will be accountable to the NCSO and UNDP for the achievement of objectives and results in the assigned Project. The PD will be part of the Project Board and answer to it. The PD will be financed through national government funds (co-financing), whose appointment will be made by the Secretary General of NCSO in consultation with the UNDP CO. Overall, the PD will supervise compliance with objectives, activities, results, and all fundamental aspects of project execution as specified in the project document and other responsibilities as discussed in Annex 3.

125 The Project Director will be responsible for the overall management of the Project, including the mobilisation of all project inputs, supervision over project staff, consultants and sub-contractors. The PD will work close consultation with the assigned UNDP Program Manager for all of the Project's substantive and administrative issues. From the strategic point of view of the Project, the PD will report on a periodic basis to the Project Board, based on the PB's instruction. Generally, the PD who will be responsible for meeting government obligations under the Project, under the NIM execution modality. The PD will perform a liaison role with the government, UNDP and other UN agencies, CSOs and project partners, and maintain close collaboration with other donor agencies providing co-financing. The PD will work closely with the Project Implementation Unit Coordinators. Details TORs for PD are provided in Annex 3.

126 **Project Coordinator:** The Project Coordinator (PC), will be locally recruited following the implementing partners procedure, with input to the selection process from the UNDP. The position will be appointed by the project implementing agencies and funded entirely from the Project. The PC will run the day-to-day activities of the project on behalf of the Project Board within the constraints laid down by the Board. The Project Coordinator is responsible for day-to-day management and decision-making for the project. The Project Coordinator's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. Specific responsibilities of the PC are provided in Annex 3.

- 127 **Project Communications Officer:** The Project Communications Officer will be locally recruited following the Implementing Partner’s procedure, with input to the selection process from the UNDP. Under the overall supervision and guidance of the Project Director, the Communications Officer will have the responsibility for leading the communication and knowledge management outputs of the project and developing the project communications strategy at the project outset and coordinating its implementation across all project components. The Communications Officer will work closely with the PC Officer on knowledge management aspects of the project. Specific responsibilities of the Project Communications Officer are provided in Annex 3.
- 128 **Project Assurance:** UNDP provides a three – tier supervision, oversight and quality assurance role – funded by the GEF agency fee – involving UNDP staff in Country Offices and at regional and headquarters levels. Project Assurance must be totally independent of the Project Management function. The quality assurance role supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Director. This project oversight and quality assurance role is covered by the GEF Agency.
- 129 **Governance role for project target groups:** The Project Board provides the highest level to engage the project beneficiaries in decision-making, as described above. During implementation, a number of other important governance mechanisms will be established (or strengthened or used) for engaging target groups. These include: (i) Project Management Unit (PMU) that will manage the daily activities of the project, ensure engagement of relevant stakeholders, communities, researchers and the private sector, the latter to the extent relevant; (ii) the Technical Working Group that comprising representatives for key agencies relating to ABS in the country, that will provide technical and policy level guidance and oversight to the implementation of the project; and (iii) various sub-committees (comprising relevant stakeholders) that will be involvement in guiding and supporting key deliverables of the project, including ABS policy, regulations, administrative and permitting systems for ABS etc.

VIII. FINANCIAL PLANNING AND MANAGEMENT

130 The total cost of the project is USD 2,804,304. This is financed through a GEF grant of USD 843,242, to be administered by UNDP and USD 1,961,062 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.

131 **Parallel co-financing:** The actual realization of project co-financing will be monitored during the *mid-term review* and terminal evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Table 4: Co-financing

Co-financing source	Co-financing amount			Planned Activities/Outputs	Risks	Risk Mitigation Measures
	Grant	In-kind Total	Total			
National Council for Sustainable Development	1,961,062		1,961,062	Capacity building, research to assess plant species of economic and commercial value and opportunities for development of biodiversity-based products and staff costs related to ABS work and use of existing facilities	Shifting government priorities	Risks are limited because these commitments have already been made and projected in government budgets
TOTAL	1,961,062		1,961,062			

132 **UNDP Direct Project Services as requested by Government** (if any): The UNDP, as GEF Agency for this project, will provide project management cycle services for the project as defined by the GEF Council. In addition, the Government of Cambodia may request UNDP direct services for specific projects according to its policies and convenience. The UNDP and the Government of Cambodia acknowledge and agree that those services are not mandatory and will be provided only upon request. If requested, the services would follow the UNDP policies on the recovery of direct costs. As is determined by the GEF Council requirements, these service costs will be assigned as Project Management Cost, duly identified in the project budget as Direct Project Costs. Eligible Direct Project Costs should not be charged as a flat percentage. They should be calculated on the basis of estimated actual or transaction-based costs and should be charged to the direct project costs account codes: “64397- Services to Project– Staff” and “74596- Services to Project – General Operating Expenses (GOE)”.

133 **Budget Revision and Tolerance:** As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project director to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board. Should the following deviations occur, the Project Director and UNDP Country Office will seek the approval of the UNDP-GEF team to ensure accurate reporting to the GEF: a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more; b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

134 Any over expenditure incurred beyond the available GEF grant amount will be absorbed by available non-GEF resources, subject to prior agreement of the use of such fund (e.g. UNDP TRAC or cash co-financing).

135 **Refund to GEF:** Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

- 136 **Project Closure:** Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.³⁰ On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.
- 137 **Operational completion:** The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.
- 138 **Transfer or disposal:** The Program Manager (UNDP Resident Representative) is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations. Assets may be transferred to the government for project activities managed by a national institution at any time during the life of a project. In all cases of transfer, a transfer document must be prepared and kept on file³¹.
- 139 **Financial completion:** The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).
- 140 The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

³⁰ see <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

³¹ See https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default.

IX. TOTAL BUDGET AND WORK PLAN

Award ID:	00088935	Project ID(s):	00095389
Award Title:	Developing a Comprehensive Framework for Practical Implementation of the Nagoya Protocol		
Business Unit:	KHM10		
Project Title:	Developing a Comprehensive Framework for Practical Implementation of the Nagoya Protocol		
PIMS no.	5769		
Implementing Partner (Executing Agency)	Cambodia Department of Biodiversity of the National Council for Sustainable Development		

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Year 1 Amount (USD)	Year 2 Amount (USD)	Year 3 Amount (USD)	Total (USD)	See Budget Note:	
COMPONENT 1	UNDP	62000	GEF	71200	International Consultants	50,000	25,600	-	75,600	1	
Developing a national framework and legislation on ABS consistent with the CBD and its Nagoya Protocol	GSSD			71300	Local Consultants	60,000	95,100	32,800	187,900	2	
	GSSD			75700	Training workshops and meetings	15,000	20,000	8,000	43,000	3	
	GSSD			71600	Travel	20,000	30,000	13,584	63,584	4	
	GSSD			74200	Audio Visual&Print Prod Costs	15,000	10,000	-	25,000	5	
	GSSD			74500	Miscellaneous	500	1,000	500	2,000	6	
						Sub-total GEF (Comp 1)	160,500	181,700	54,884	397,084	
	COMPONENT 2			UNDP	62000	GEF	71200	International Consultants	-	10,600	11,000
Building capacity for developing and implementing the national	GSSD	71300	Local Consultants	51,900			73,750	53,750	179,400	8	
	GSSD	72100	Contractual Services-Companies	10,000			20,000	-	30,000	9	

ABS framework and legislation	UNDP			71200	International Consultant (TE)	-	-	30,000	30,000	10
	GSSD			75700	Training workshops and meetings	5,000	20,000	20,000	45,000	11
	GSSD			71600	Travel	7,500	19,000	19,000	45,500	12
	GSSD			72200	Equipment and Furniture	8,000	8,000	-	16,000	13
	UNDP			74500	Miscellaneous	500	1,000	500	2,000	14
					Sub-total GEF (Comp 2)	82,900	152,350	134,250	369,500	
Project Management	GSSD	62000	GEF	71300	Local Consultant	9,000	9,000	9,000	27,000	15
	GSSD			72500	Supplies	1,000	1,000	1,000	3,000	16
	UNDP			74100	Professional Services	-	1,500	1,500	3,000	17
	UNDP			64397/74596	Services to Project	9,000	12,000	7,342	28,342	18
	GSSD			71600	Travel and DSA	4,000	5,000	4,316	13,316	19
	UNDP			74500	Miscellaneous	500	1,000	500	2,000	20
	Sub-total GEF (PM)					23,500	29,500	23,658	76,658	
	PROJECT TOTAL (GEF)					266,900	363,550	212,792	843,242	

Summary of Funds:³²

	Amount Year 1	Amount Year 2	Amount Year 3	Total (US\$)
GEF	266,900	363,550	212,792	843,242
Co-financing (RGC)	700,000	750,000	511,062	1,961,062
TOTAL (USD)	966,900	1,113,550	723,854	2,804,304

Budget notes

Note	ATLAS budget description	ATLAS code	Notes to budget	Amount (\$)
Component 1				
1	International Consultants	71200	(1) ABS Legal Specialist No 1 to guide development of ABS law (90 days X \$600) (Output 1.1) = \$54,000; (ii) Legal Specialist to develop model national process for developing and use of community protocols and model genetic resources and TK registers (20 days X \$600) (Output 1.4) = \$12,000; (iii) ABS Policy expert to facilitate development of national ABS policy and framework (16 days X \$600) (Output 1.2) = \$9,600: TOTAL \$75,600	75,600
2	National Consultants	71300	(i) National ABS consultant to work with DBD to assist international consultant to develop ABS law and guidelines for implementation (100 days X \$350) (Output 1.1) = \$35,000; (ii) National consultant to prepare and edit legal documents for publication and promulgation of the new ABS Law on ABS and related supporting legal documents (60 days X \$350) (Output 1.1) = \$21,000; (iii) National consultant to document ABS best practices (40 days X \$300) (Output 1.2) = \$12,000; (iv) National consultant to assist in the development of model national process for ABS including bio-community protocols and TK (50 days X \$300) (Output 1.4) = \$15,000; (v) national consultant to work with DBD and TWG to ABS monitoring and tracking protocols and guidelines (40 days X \$300) (Output 1.3)= \$12,000; (vi) Finance officer (36 months X \$1,900) = \$68,400; (vii) National ABS legal consultant/expert(s) (legislation, organizational structure, IT) to work with international consultants to provide guidance and supportive analysis and assessments for development of ABS decree, technical regulations, guidelines and permitting systems (70 days X \$350) (Outputs 1.1, 1.2 and 1.3)= 24,500: TOTAL = \$187,900	187,900
3	Training (workshops, meeting, study visits, etc.)	75700	A range of consultation workshops and consultation related to: (i) developing the new ABS Law (Output 1.1); (ii) preparation of technical guidelines for implementation of ABS Law (Output 1.1);	43,000

³² Summary table should include all financing of all kinds: GEF financing, co-financing, cash, in-kind, etc...

Note	ATLAS budget description	ATLAS code	Notes to budget	Amount (\$)
			(iii) preparation of supporting policy documents (Output 1.2); and (iv) dissemination and extension of new ABS law (Output 1.1) and Launch workshop: TOTAL = \$43,000	
4	Travel	71600	Relating to visits of DBD and other agency staff and national (travel and per-diem) and international consultants (air travel and per-diem) to field in relation to undertaking assessment and analysis of legal, procedural and administrative responsibilities for ABS as well as dialogue on provisions of ABS Law and requirements for guidelines, circulars and other information: TOTAL = \$63,584	63,584
5	Audio Visual & Print Prod Costs	74200	Audio-visual and material and printing costs for dissemination of new law on ABS and related legal documents and guidelines: TOTAL = \$25,000	25,000
6	Miscellaneous	74500	Cost of photocopying, advertisements, communications, etc.: TOTAL = 2,000	2,000
Component 2				
7	International Consultant	71200	(i) Consultant to facilitate the preparation of manuals, tools and protocols for supporting partnership building and establishing a functional permitting and administration system for ABS (16 days X \$600) (Output 2.1) = \$9,600; (ii) Training consultant to prepare training materials on aspects of ABS permitting and monitoring, including contract negotiations and agreements, cultural community protocols, benefit sharing, regulation of ABS and TK, financial instruments for channeling revenues to conservation (20 days X \$600) (Outputs 2.1 and 2.2) = \$12,000; TOTAL = \$51,600: TOTAL = \$21,600	21,600
8	Local Consultants	71300	(i) National consultant to support the International Consultant to develop protocols, guidelines and manuals for facilitating the permitting system (30 days X \$350) (Output 2.1) = \$10,500; (ii) National consultant to develop ABS clearing house mechanism (30 days X \$300) (Output 2.4) = \$9,000; (iii) national consultant to prepare communication, education and awareness strategy for ABS (20 days X \$300) (Output 2.3) = \$6,000; (iv) national project coordinator to support technical coordination of activities and support implementation = (36 months X \$2,600) = \$93,600; (v) national consultant to prepare action plan for training CA, NCA and other key entities (15 days X \$300) (Output 2.2) = \$4,500 (vi) communication officer = (24 months X \$1,200) = 28,800; (vii) Project Administrative officer to support the project management ½ X (36 months X \$1,500) = \$54,000/2 = \$27,000 TOTAL = \$179,400	179,400
9	Contractual Services-Companies	72100	(i) National firm/institute to undertake production of public awareness materials and organize CEPA events (Lump sum = \$30,000) (Output 2.3): TOTAL = \$30,000	30,000
10	International Consultant	71200	International consultant for terminal evaluation: TOTAL = \$30,000	30,000
11	Training, Workshops and Confer	75700	Workshops, trainings, meetings and consultations and consultations with key agencies and local stakeholders on issues related to permit agreement, protocols, guidelines and manuals for NCA and Focal Point on their duties relating to the ABS legislation development and implementation: TOTAL = \$45,000	45,000

Note	ATLAS budget description	ATLAS code	Notes to budget	Amount (\$)
12	Travel	71600	Travel costs for DBD and key agency and international (air travel and per diem) and national consultant (travel and per diem) visits to provinces and local communities during the process of preparation of permitting systems and developing guidelines for its operation and monitoring and tracking of its functioning. TOTAL = \$45,500	45,500
13	Equipment and Furniture	72200	Communication, information technology and software to be purchased for DBD, national Focal Points and NCAs identified as partners in the partnership panel for ABS management and monitoring: TOTAL = \$16,000	16,000
14	Miscellaneous	74500	Communications, photocopy, postage and related costs: TOTAL = \$2,000	2,000
Project Management				
15	Local Consultants	71300	Project Administrative officer to support the project management $\frac{1}{2} \times (36 \text{ months} \times \$1,500) = \$54,000/2 = \$27,000$: TOTAL = \$27,000	27,000
16	Supplies	72500	Stationary, etc.: TOTAL = \$3,000	3,000
17	Professional Services	74100	Audits: TOTAL = \$3,000	3,000
18	Services to Project	64397/74596	Estimated UNDP Direct Project Service/Cost recovery charges. The costs that are related to operational and administrative support activities carried out by UNDP offices such as a) HR activities b) Procurement activities, and c) finance transactions.: TOTAL = \$28,342	28,342
19	Travel	71600	Travel cost for Project Management team: TOTAL = \$13,316	13,316
20	Miscellaneous	74500	Bank transfer fees, telephone and communication costs, postage, insurance and security, etc.: TOTAL = \$2,000	2,000

X. LEGAL CONTEXT**Option a. Where the country has signed the [Standard Basic Assistance Agreement \(SBAA\)](#)**

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Cambodia and UNDP, signed on 19 December 1994. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by the General Secretariat of National Council for Sustainable Development (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

XI. RISK MANAGEMENT

Option a. Government Entity (NIM)

Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.

Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

The Implementing Partner shall: (a) conduct project and program-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or program to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any program or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programs. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

XII. ANNEXES

(In Separate Folder)