



## ANNUAL PROJECT REPORT

United Nations Development Programme Cambodia

**Strengthening Sustainable Forest Management and Bio-Energy Markets  
to Promote Environmental Sustainability and to Reduce Greenhouse Gas  
Emissions in Cambodia**

[01 January 2012 to 31 December 2012]



**Project ID \$ Title:** 00060049

**Duration:** 4 Years (01 March, 2011 to February 28, 2015)

**Total Budget:** US\$ 3,863,635

**Implementing Partner/Responsible parties:** FA/MAFF

**Country Programme Outcome:** By 2015 national and local authorities, communities and private sectors are better able to sustainably manage ecosystem goods and services and respond to climate change

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## I. Executive Summary

The project will assist community to develop business plans as part of management plans for 30 mature community forests (CF) and 10 community protected area (CPA), piloting 6 new CF alternative modalities (Partnership Forestry (PF), Community-Based Production Forestry (CBPF), and Community Conservation Forestry (CCF)), woodlot management plans in 5 CF sites as well as supporting the development 4 commune land use planning with integration of sustainable forest management through CF/CPA. In addition, the project will seeks to develop an increased production and marketing of improved cook stoves, palm sugar stoves and the use of energy efficient charcoal kilns that all contribute to cutting down CO2 emissions.

The year 2012 is focused mainly on the initial /preparatory stage of implementation and part of the continuum of activities (spanning over 33 months) that is necessary before the main deliverables (CF Management and Business Plan development, development of alternative CF modalities, ICS productions, and establishment of improved charcoal kilns, Woodlot management plans establishment) can be achieved. The progresses made during this preparatory stage have established a solid foundation without which the full scale project activities implementation will not be possible in 2013. These important foundation activities include the following:

- **Project Scoping.** The project was able to complete the scoping study where the different sites for 30 CFs, 10 CPAs, 2 Partnership Forestry (PF), 1 Community Conservation Forestry (CCF), 1 Community-Based Production Forest (CBPF), 5 woodlot management CF sites including the distribution of the 16 efficient charcoal kilns, 6 ICS production centers and the 20 ICS-aware village communities were selected and nested across the 4 target provinces. The result of the scoping exercise was presented to Inter - ministries/department in the SFM quarterly technical and subsequence meetings for comments and endorsement. All the proposed sites have been endorsed, except the CPA sites which need further follow-up with MoE/GDANCP.
- **Comprehensive Baseline Study.** Comprehensive baseline study has been conducted against the specific sites selected in order to collect more details information on the condition of resources for specific CFs, CPAs, ACFMs, CLUPs woodlots and ISC target sites. The baseline study will be served as a basis of future project progress and impact monitoring. Initial gathering of data (business ideas and other secondary data) needed for the CF management planning and enterprise development was conducted in the 30 CF sites. Base maps for 30 CFs, 10 CPAs and ACFMs were prepared that will be used for the Participatory Resource Mapping by the field staff. The project was also able to determine the canopy cover of the Northern Cardamom Mountain Landscape using the downloadable satellite images. The project now maintains a database that will serve as a basis in monitoring the progress of the project indicators (e.g. community income, canopy cover, the gender segregated data on women's labor and income, etc.) as well as the forest conditions of the different CF modalities and CPAs.
- **Piloting Alternative Community Forestry Modalities (ACFM).** The 4 sites for piloting ACFM has been identified and are now being finalized and endorsed by FA. Concept note for piloting these modalities has been developed for consultation workshop with relevance stakeholders in January 2013.
- **Drafting of the Project Implementation Agreements with the Line Ministries.** A draft project implementation agreement (PIA) was developed and submitted to FA/MAFF, GDLMUP/MLMUPC and GDANCP for review/signing. However, the PIA was not presented to MOE due to unresolved management structure with the Management Board.
- **Orientation of the Different Departments at the Sub-National Level.** The project started at the provincial level through an orientation on SFM project implementation to the provincial, district Governors together with the sector departments and related NGOs/IOs held during 5-8 November 2012 for all target provinces. The orientation serves as a forum to inform and discuss some of the issues in each province, the SFM project, the specific project target sites, consultation of the draft PIA among the Development Partners and the establishment of the District Land Use Facilitation Team (DLUP) for commune land use planning (CLUP) activities. The same orientation is very significant since the project was able to secure the commitment of support from the Governors.
- **Training on Facilitation.** 41 (7 females) new staff and the staff at the FACs (19 Forestry Administration Division (FAD) & Forestry Administration Triage (FAT), 14 Mlup Baitang field staff and 8 RECOFTC provincial staff) were trained on facilitation and conflict management skills (equaling to 1,640 hours person day). The training is part of the preparation for the field activities and team building between the Service Provider and FA the Partner Agency of the project. Follow up training on the same topic have also been conducted to Community Forestry Management Committee (CFMC) and communities in the respective sites covering the 30 CFs.
- **Training on Improved cook stove (ICS).** 30 (25 females) new ICS stove producers selected among the 78 Traditional Stove Producers (TSP) found in the 4 target provinces were trained on ICS technical production skills (equaling to 1,980 hour person day). Each of the new ICS producer trained will be train (through peer exchanges) and employ an average of 3 to 5 skilled craftsmen which will eventually reaching the floor target of 100 ICS producers. The trained ICS producers will be engaged in the

Cambodian Stove Association called ICOPRODAC (Improved Cook stove Producers and Distributors Association of Cambodia). ICOPRODAC is aimed to support ICS production at longer terms and rural people livelihoods improvement especially stove producers.

- **ICS-Awareness Communities:** 20 village-communities identified within four communes, of four districts located closest to pilot woodlots and efficient charcoal kilns in the four SFM target provinces for ICS awareness raising has been selected in order to engage the village-communities to maximize the likelihood of the concerned households to utilize ICS instead of their traditional three-stone stove as well as woodlot-sourced or efficient charcoal kiln-source wood biomass. It is expect that these 20 communities/villagers will give up their traditional stoves and continue to use ICS; and may also become the future extension of ICS awareness raising teams in other communities.
- **Training on Landscape Functions and People.** 4 SFM project team consisting of 2 FAC, 1 GDE/MIME and 1 GDMUP/MLMUPC trained in an international training course on Landscape Functions and People in RECOFTC-BBK. In country follow up training on this topic will be provided to the broader SFM team who will apply the concept in the field in 2013.
- **Consultation Workshop on Wood and Biomass Energy Strategy.** With support from UNDP/GEF SFM project, GDE/MIME as an SFM Project Collaborating Ministry has organized a two day consultative workshop on Cambodia Wood and Biomass Energy strategy in order to present and discuss a draft of Cambodia wood and biomass energy strategy prepared by Ministry of Industry, Mines and Energy (MIME), scope the concerns and benefits from wood and biomass energy development for all participants, notably FA, MAFF, MOE, GERES and to kick off the reactivation of the Wood Energy Working Group
- **Training Workshop on CLUP Experiences.** As part of the start-up CLUP activities, 4 District Land Use Planning Team have been established in the four target districts. The teams were introduced to the SFM project and trained on the CLUP legal framework, CLUP preparation steps plus visited the commune who has completed CLUP activities through the training workshop on CLUP experience from 13-14 December 2012. 35 participants from FA/FAC, MLMUPC/DLMUPC, DoE/MoE and MIME/DIME from the 4 target provinces attended. The training workshop was also served as a plate form for the teams to discuss and agree on implementation mechanism for CLUP activities as well as to develop CLUP action plans at sub-national levels particularly at the district. It is part of the preparation for them for field activities and team building between RECOFTC, FA/FAC, MoE/DoE and MIME/DIME of the project.
- **Study Tour on Sustainable Forest Management.** SFM/FA have organized and conducted a study tour for 15 (2 females) SFM project counterparts to learn on SFM practice to Lao PDR. The study tour look at the experiences of Lao PDR in community management of the commercial production of the CF, community forest enterprise, sustainable forest management planning, and community benefit sharing from forest enterprise and the forest certification at the community levels. The experience of production forestry in Lao PDR is essential and will contribute to piloting SFM project initiative on CBPF. The study tour is also aim to strengthening future collaboration between FA Cambodia and Lao in the future.
- **On the job learning.** Two on the job learning exchange visits to GERES to learn and exchange experience and challenges in the development of wood and biomass energy particularly the demand and supply chain for energy efficient cook stoves and charcoal production and marketing and to WCS conservation and community livelihoods in the northern plains of Cambodia, Preah Vihea province in the development of land use planning (LUP)/community zoning in protected forest (PF) and protected area (PA) and alternative livelihoods intervention adapted by local community organized for 14 (3 GDE/MIME (2 females), 4 FAC, 2 GDMUP/MLMUPC, 1 GDANCP/MoE and 4 FA) Inter-Ministerial Technical Team of Focal Person equaling to 448 hours person day.
- **Training on UNDP NIM Guideline.** Training for action on both the concepts and a step-by-step procedure on procurement processes covering the definition of procurement, general principles, procurement life cycle, procurement plan, procurement methods, procurement process, types of competition, evaluation of bids and request for proposal, procurement accountability and procurement ethics in accordance to UNDP NIM guidelines provided to 10 FA staff (6 females and 4 males) equaling to 240 hours person day.

## II. Progress of Implementation

### A. PROGRESS TOWARDS PROJECT OUTPUTS

**Outcome 1:** National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood

Output Indicators	Baseline	Target	Current status (December 2012)
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**Outcome 1:** National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood

Output Indicators	Baseline	Target	Current status (December 2012)
1.1 Improvement in institutional capacities in FA and GDANCP, as combined rating measured by UNDP capacity development scorecard	<ul style="list-style-type: none"> <li>▪ 12.5/33 (See Project Document Annex 14)</li> </ul>	<ul style="list-style-type: none"> <li>▪ 31/42 (See Project Document Annex 14)</li> </ul>	<ul style="list-style-type: none"> <li>▪ The assessment of the national capacities will be conducted in time of the UNDP's scheduled activities.</li> </ul>
1.2 A supportive legal framework exists for all models of community-based forest management and conservation mentioned in the NFP	<ul style="list-style-type: none"> <li>▪ Legal framework for CF defined in 2006 exists but framework for Production-based Community Forestry, Partnership Forestry and Community-based Conservation forestry still lacking</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regulatory framework amended to include the additional modalities of CF</li> </ul>	<ul style="list-style-type: none"> <li>▪ The 4 ACFM sites were already recommended and reviewed by the Technical Working Group and will be submitted to the Board for confirmation.</li> <li>▪ The development of concept note for the alternative CF modalities is still underway.</li> </ul>
1.2.1 Sites Developed Under Alternative CF Modalities (Implementation of ACFM) <ul style="list-style-type: none"> <li>▪ No. of forest areas developed for management under ACFM submitted for approval</li> </ul>	<ul style="list-style-type: none"> <li>▪ Testing of the alternative CF modalities does not exist in the target sites. There are some experiences that were conducted in some parts of the country, CCF in Mondul Kiri, PF in Kratie and CBPF in Seima. These experiences still need to be strengthened to come up with a regulatory framework for the ACFMs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 sites developed for Partnership Forestry (PF)</li> <li>▪ 1 site developed for Community-based Production Forestry (CBPF)</li> <li>▪ 1 site developed for Conservation Community Forestry (CCF)</li> </ul>	<ul style="list-style-type: none"> <li>▪ The project focuses on resolving the issues with the concessionaires. A Team was organized by the Project Manager to visit to the site on January 2013 to facilitate in the negotiation of the conflict site with the concessionaires.</li> </ul>
1.2.2 Lessons Learned Provided to FA for Expansion of CF Guidelines on ACFM <ul style="list-style-type: none"> <li>▪ Documentation of Lessons Learned</li> <li>▪ National Workshop on Lessons Learned and Best Practices</li> <li>▪ Guidelines on ACFM</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are few documents that can be referred on ACFMs (PF in Kratie; CBPF in Seima; and CCF by WWF).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documentation of Lessons Learned</li> <li>▪ National Workshop on Lessons Learned and Best Practices</li> <li>▪ Guidelines on ACFM</li> </ul>	<ul style="list-style-type: none"> <li>▪ The documentation will start on the first quarter of 2013.</li> <li>▪ A multi stakeholder workshop to present the lessons learned will be conducted on the first quarter of 2014.</li> <li>▪ Draft guideline on ACFM will be submitted on the first quarter of 2014.</li> </ul>
1.2.2 Consolidated Guidelines and Models for Enterprise Development Integrated Into Management Plan Preparation and Lessons Learned Established from Enterprise Development <ul style="list-style-type: none"> <li>▪ National Workshop on Experience and Lessons Learned on enterprise development</li> <li>▪ Case studies and or Policy Notes Drafted</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are few models on enterprise development for CFs. Documents from WWF on enterprise development can be referred to.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 national workshop on experience and lessons learned</li> <li>▪ 1 policy note drafted</li> </ul>	<ul style="list-style-type: none"> <li>▪ These will be conducted on 4<sup>th</sup> quarter of 2014/end of project</li> </ul>

**Outcome 1:** National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood

Output Indicators	Baseline	Target	Current status (December 2012)
<p>1.2.3 A Basis established for replication of models and good practices which will be effectuated by a regular close coordination with NCFPCC and the Secretariat of the TWG-F&amp;E with which the project will define the mechanisms for continuation and sustainability of results</p> <ul style="list-style-type: none"> <li>▪ Recommendations on replicating models and good practices (in coordination with NCFP CC and TWG F&amp;E)</li> <li>▪ Uptake and replication in other projects/provinces</li> </ul>	<p>Not covered by the baseline</p>	<ul style="list-style-type: none"> <li>▪ Recommendations on replicating models and good practices (in coordination with NCFP CC and TWG F&amp;E)</li> <li>▪ Uptake and replication in other projects/ provinces</li> </ul>	<ul style="list-style-type: none"> <li>▪ The recommendations will be made mid of 2014. By then, there will be adequate information on the lessons learned and experience of the SFM project.</li> </ul>
<p>1.2.4 Exit Strategy based on interagency coordination and replication action Plan</p> <ul style="list-style-type: none"> <li>▪ No. of Joint consultation Meetings on Exit Strategy</li> <li>▪ Exit Strategy Document</li> </ul>	<p>Not covered by the baseline</p>	<ul style="list-style-type: none"> <li>▪ Joint consultation Meetings on Exit Strategy</li> <li>▪ Exit Strategy Document</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be conducted at the end of the project</li> </ul>
<p>1.3 Enhanced national capacities and political will in FA and GDANCP to coordinate &amp; integrate development of CFs and CPAs in a decentralized landscape-based approach, integrating commune land use planning</p> <ul style="list-style-type: none"> <li>▪ Number of national level FA and GDANCP staff participating in the CLUP Orientation</li> <li>▪ Number of National Level FA and CPAs in a decentralized landscape-based approach working with provincial departments of Land Management in development of at least 4 CLUPs</li> </ul>	<ul style="list-style-type: none"> <li>▪ Land Use planning by local authorities does not include attention to SFM</li> <li>▪ There are no CLUPs in the target Communes</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4 CLUPs (1 per province: Kampong Speu, Kampong Chhnang, Battambang and Pursat)</li> <li>▪ 1 Orientation conducted on CLUP participated by FA and GDANCP staff</li> <li>▪ Number of National Level FA and CPAs in a decentralized landscape-based approach working with provincial departments of Land Management in development of at least 4 CLUPs</li> </ul>	<ul style="list-style-type: none"> <li>▪ The CLUPs is expected to be finished by 2014. Preparation commenced on the middle of 4<sup>th</sup> Qtr of 2012.</li> <li>▪ An orientation was conducted with the different Departments in the four provinces. The said orientation also serves as the launching of the project at the different provinces.</li> <li>▪ The DLUP Team was organized in each province. The recognition of the DLUP team by the Provincial Governor is now being secured.</li> <li>▪ The involvement of MOE/GDANCP however remains uncertain. This still has to be acted upon by the Board.</li> </ul>
<p>1.4 No. of local budgeted development plans (CLUP) that integrates SFM through CF/CPA designed and approved by consensus among the local government institutions by Year 4</p> <ul style="list-style-type: none"> <li>▪ No. of CLUPs with CF/CPA areas delineated and</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are no CLUPs in the 4 identified communes.</li> </ul>	<p>4 CLUPs</p>	<ul style="list-style-type: none"> <li>▪ The initial dissemination about CLUP was conducted last November 2012.</li> </ul>

**Outcome 1:** National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood

Output Indicators	Baseline	Target	Current status (December 2012)
described			
1.5 No. of CF and CPA management plans that incorporates SFM by Year 4 <ul style="list-style-type: none"> <li>▪ No. of forest inventories conducted</li> <li>▪ No. of Management Plans Developed</li> <li>▪ No. of Business Plans Developed</li> <li>▪ No. of CFs Have Reached Step 9-11</li> <li>▪ No. of CPAs Have Reached Step 7-8</li> </ul>	<ul style="list-style-type: none"> <li>▪ No CF and CPA Management Plans in place yet in the target sites</li> <li>▪ No Business Management Plans in Place for the Target CF and CPAs</li> </ul>	<ul style="list-style-type: none"> <li>▪ 30 CF Management Plans</li> <li>▪ 10 CPA Management Plans</li> <li>▪ 30 CF Business Plans</li> <li>▪ 10 CPA BMPs</li> <li>▪ Conducted Resource Inventory in 30 CFs</li> <li>▪ Conducted Resource Inventory in 10 CPAs</li> <li>▪ 30 CFs have Reached Step 9-11</li> <li>▪ 10 CPAs have reached Step 7-8</li> </ul>	<ul style="list-style-type: none"> <li>▪ Preliminary data for CF Management Planning was conducted. A TOT was conducted for the SFM staff and field facilitators (FA Subnational Staff) on facilitation and conflict management. The field implementation will start in 2013.</li> </ul>
National Wood Energy Implementation Strategy exists, incorporating private sector modalities	<ul style="list-style-type: none"> <li>▪ Draft Strategy developed by MIME</li> </ul>	<ul style="list-style-type: none"> <li>▪ Draft strategy is being consulted with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultation workshop conducted. Follow up action plans developed in order to finalize the strategy.</li> </ul>
Annual volume of sustainable wood produced from the wood lots starting from Year 2	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ Target woodlot sites identified &amp; preliminary data collected</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completed.</li> <li>▪ Fuel wood supply and demand study at commune level will be conducted early 2013</li> </ul>
1.6 Financial strategies in MAFF and MOE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry by Year 4	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>
1.7 Financing generated from forest/wood energy related carbon credits by EOP	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>
1.8 Financing generated from other funding sources (banks, green funds, etc.) by EOP <ul style="list-style-type: none"> <li>▪ Business Plan to Support Future SFM activities (including analysis of PES/REDD Options)</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ This will be undertaken in coordination with UN REDD.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Financing mechanism will be incorporated in the business management plans.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Site information from the different target sites (socioeconomic data, progress of development and other information) were continuously updated and compiled.</li> <li>▪ Drafting of Project Agreements for the national and sub-national. The Project Agreement was submitted and is currently being reviewed.</li> <li>▪ Hiring and orientation of the field staff (Provincial Coordinators and Project Officers) has been completed. The newly hired staff was orientated on the project and was deployed in the field. The field offices however were not yet completed. Two FA Cantonments required the Project Agreements to be signed at the national level before allowing the renovation to take place.</li> <li>▪ Except in Kampong Speu, all field staff will hold office at the FACs. The latter will be located at the Kampong Speu Division. The renovation of the offices will be done as soon as the Project Agreements will be signed.</li> </ul> <p>□ <b>Improvement in institutional capacities in FA and GDANCP, as combined rating measured by UNDP capacity development scorecard:</b> The assessment of the national capacities will be conducted in time of the UNDP's scheduled activities. UNDP is planning to conduct an orientation to RECOFTC on the use of the tool that will assess the capacity of the line agencies.</p> <p>□ <b>A supportive legal framework exists for all models of community-based forest management and conservation mentioned in the NFP</b> – This will be conducted at the later part of project implementation</p>			

**Outcome 1:** National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood

Output Indicators	Baseline	Target	Current status (December 2012)
<p><input type="checkbox"/> <b>Sites Developed Under Alternative CF Modalities (Implementation of ACFM):</b></p> <ul style="list-style-type: none"> <li>▪ The sites for the alternative CF modalities were recommended to reduce from 6 to 4 considering the technical constraints in the selection of the site.</li> <li>▪ The justification on the need to reduce the ACFM sites to 4 (1 CBPF, 1 CCF and 2 PFs) was presented in the TWG in the Sihanoukville Workshop last August 20, 2012. The technical justification of the recommended sites was considered by the Technical Working Group and will be submitted to the Board for confirmation. The concept notes of the ACFMs are still underway and will be presented to the other key players.</li> </ul> <p><input type="checkbox"/> <b>Lessons Learned Provided to FA for Expansion of CF Guidelines on ACFM:</b> This will be conducted on the later part of the project.</p> <p><input type="checkbox"/> <b>Consolidated Guidelines and Models for Enterprise Development Integrated into Management Plan Preparation and Lessons Learned Established from Enterprise Development:</b> Some of the initial CFs that was identified was replaced by CFs that has greater business potential. However, these are located in the concessions. A Team was organized to visit to the site to resolve the conflict site with the concessionaires.</p> <p><input type="checkbox"/> <b>A Basis established for replication of models and good practices:</b> This will be conducted on the later part of the project.</p> <p><input type="checkbox"/> <b>Exit Strategy based on interagency coordination and replication action Plan:</b> This will be conducted on the later part of the project.</p> <p><input type="checkbox"/> <b>Enhanced national capacities and political will in FA and GDANCP:</b> The orientation that was conducted at the provincial level serves as the launching of the SFM project in the four provinces.</p> <p><input type="checkbox"/> <b>No. of local budgeted development plans (CLUP) that integrates SFM through CF/CPA:</b> the development of CLUP will start middle of 2013</p> <p><input type="checkbox"/> <b>Financial strategies in MAFF and MOE:</b></p> <ul style="list-style-type: none"> <li>▪ This indicator still needs to be revisited. This has to be linked with the UN-REDD project.</li> <li>▪ Outcome indicators such as “Financial strategies in MAFF and MOE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry by Year 4; Financing generated from forest/wood energy related carbon credits by EOP; Financing generated from other funding sources (banks, green funds, etc.) by EOP” need to be revisited. This activity is a duplication of the UN-REDD program. Furthermore, the target amount of US\$1,500,000 is deemed too high. Securing the alternative financing for the CF is contingent on the donors’ funds and proposal which is not within the ambit of the SFM project.</li> <li>▪ RECOFTC should only play a supportive role to UN REDD program to secure carbon financing mechanism. The access to innovative financing can only be considered in the development of the Management Plans</li> </ul> <p><input type="checkbox"/> <b>No. of CF and CPA management plans that incorporate SFM:</b> The involvement of MOE/GDANCP remains uncertain pending the decision with the Board. The Management Board was not yet convened to address the issues raised by MOE.</p>			
[ ] delivery exceeds plan	[ ✓ ] delivery in line with plan	[ ] delivery below plan	

**Outcome 2:** Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities

Output Indicators	Baseline	Target	Current status (as of December 2012)
<p>2.1 No. of FA Cantonment and MOE PA Offices that have community-based forest management development plans by EOP</p> <ul style="list-style-type: none"> <li>▪ No. of Trainers Trained in Facilitation of Community Management Plans and Enterprise Development</li> <li>▪ No. of visits by</li> </ul>	<ul style="list-style-type: none"> <li>▪ There are no existing FMP in the target sites</li> </ul>	<ul style="list-style-type: none"> <li>▪ Four (4) FA Cantonments have community-based forest management plans</li> <li>▪ No. of Trainers Trained in Facilitation of Community Management Plans and Enterprise Development</li> <li>▪ No. of visits by government staff to communities to assist</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community-based forest management plans will be undertaken at the end of the project.</li> <li>▪ Training was conducted on facilitation and conflict resolution to the SFM staff and FA sub-national staff</li> <li>▪ The FA Focal persons started visiting the target CFs</li> </ul>



<b>Outcome 2:</b> Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities			
<b>Output Indicators</b>	<b>Baseline</b>	<b>Target</b>	<b>Current status (as of December 2012)</b>
government staff to communities to assist in management planning and enterprise development ▪ Satisfaction of communities with FA and MoE support		in management planning and enterprise development ▪ Satisfaction of communities with FA and MoE support	
2.2 No. of Management Plans for CPAs in Aural and Samkos Wildlife Sanctuaries by EOP	No Data	▪ 10 sites <sup>1</sup>	▪ This will be undertaken early 2013
2.3 Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income. ▪ Training Needs Assessment is Conducted for All Key Government Staff ▪ Forest Cover Assessment Data for All Target Sites ▪ Disaggregated Community Income Data (linked to forests) for all target sites	No Data	▪ Indicators linked to baseline monitored regularly ▪ Gender sensitive targets established in AWP ▪ Training Needs Assessment is Conducted for All Key Government Staff ▪ Forest Cover Assessment Data for All Target Sites ▪ Disaggregated Community Income Data (linked to forests) for all target sites	▪ A comprehensive baseline study was conducted and submitted. The comprehensive baseline study was conducted in addition to the Project Scoping and Preliminary Baseline Study conducted in early July. It already captures the forest cover condition of the target sites <sup>2</sup>
2.4 No. of community forests (CFs and CPAs) are managed in accordance with management plans that provide for environmental and financial sustainability and opportunities for business development by EOP	None	▪ 30 CF Management Plans ▪ 10 CPA Management Plans ▪ 30 CF Business Plans ▪ 10 CPA BMPs <sup>3</sup>	▪ The development of Management Plans will be undertaken in 2013.
2.5 No. of locally commune-based land use plans/ CLUP for SFM based on CF/CPA development	▪ There are no CLUPs in the 4 identified communes.	▪ 4 CLUPs	▪ CLUP started by orienting the DLUP Team. The full implementation of CLUP will start in the later part of 1 <sup>st</sup> Quarter in 2013.
2.6 No. of households in target forest communities that earns income from profitable enterprises based on the sustainable	▪ The average income of HHs from forest-based livelihood is US\$106/mo./HH <sup>4</sup>	▪ At least half of 30 CFs and 10 CPAs will have HHs that experience increased income from forest enterprises	

<sup>1</sup> Management plans of 10 CPAs in Aural and Samkos Wildlife Sanctuaries reflect regional considerations and provisions of overall PA management plans

<sup>2</sup> Source: *Comprehensive Baseline Study, Annex 1.*

<sup>3</sup> In Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, covering 6,000 has. CFs and 7,500 has. CPAs

<sup>4</sup> Source: *Comprehensive Baseline Study*

<b>Outcome 2: Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities</b>			
<b>Output Indicators</b>	<b>Baseline</b>	<b>Target</b>	<b>Current status (as of December 2012)</b>
management of forest resources by EOP ▪ No. of HHs with increased income from the forest enterprise developed			
2.7 Increase in income of targeted women 20% ▪ No. of HHs with increased Income from Forests	▪ The average forest-based income of women is US\$5/mo. and US\$16/mo. for non-HH Head and HH Heads respectively <sup>5</sup>	▪ +20% in relation to baseline ▪ One-fifth of households with increased income are women-headed	▪
2.8 Average annual income of households in target forest communities from profitable enterprises based on the sustainable management of forest resources by EOP, US\$	▪ The CFs has not gone into operating any business enterprises. ▪ Most of the HHs generates income from the forests clandestinely. The average income of HHs from forest-based livelihood is US\$106/mo./HH <sup>6</sup>	▪ Gender sensitive targets established in AWP	▪ The level of income of HHs will be determined in the middle of 2013
<ul style="list-style-type: none"> <li>❑ Project Scoping was completed for the 30 CFs, 10 CPAs, 1 CBPF, 1 CCF, 2 PFs and 4 CLUPs. The identified sites were consulted with the sub-national agencies. Verification was made to the selected ACFM sites.</li> <li>❑ Comprehensive Baseline Study was completed for the target site. Additional information was gathered to complete the information of the baseline study for the target sites.</li> <li>❑ The 11 CFs and the CBPF site in Pursat are located in the forest and economic concessions. A Team was organized by the Project Manager to visit the status of the CFs that have no CF Agreements or are in conflict with the concessionaire.</li> <li>❑ The development of the Management Plans for CPAs needs to be deferred pending the commitment of the MoE to engage with the project.</li> <li>❑ A database is currently being maintained following the baseline study that will be used in monitoring the progress of the project indicators. This includes community income, canopy cover, the gender segregated data on women's labor and income.</li> <li>❑ The forest cover assessment data was conducted using the downloadable satellite images. The data has disaggregated those areas that are being managed by the SFM and those that are outside the SFM areas. The project has very limited control of the surrounding areas from land encroachment.</li> <li>❑ The full implementation of the development of the CF and CPA management plans and business plans will be done at the early part of 2013.</li> <li>❑ The change in the household incomes will be reported at the end of the project. The HH income is based on the sampled sites. The information on the changes of the socioeconomic data will be conducted during the course of project implementation and will be stored in the database that is currently being maintained.</li> <li>❑ On the overall, the project is within the work plan.</li> </ul>			
[ ] delivery exceeds plan	[ ✓ ] delivery in line with plan	[ ] delivery below plan	

<b>OUTPUT 3: Small and Medium Enterprises ensure long term increase in adaptation of efficient technology that reduce fuel demand</b>			
<b>Output Indicators</b>	<b>Baseline</b>	<b>Target</b>	<b>Current status (as of December 2012)</b>
Increased market share of improved technologies			• 30 new ICS producers were successfully trained

<sup>5</sup> Source: Comprehensive Baseline Study

<sup>6</sup> Source: Comprehensive Baseline Study

No. of units sold - NKS - Palm Sugar Stove - Efficient charcoal kilns	30,000 20	<ul style="list-style-type: none"> <li>90,000 in year 3 and 180,000 in year 4 (Additional)</li> <li>800 in year 3 (Additional)</li> <li>16 in year 3 (Additional)</li> </ul>	on ISC production skills and techniques. With additional Quality Control of ICS production, all new ICS producers should be able to produce and marketing their products by the beginning of 2013.
% market share by EOP, % - NKS - Palm Sugar Stove	1.7 0.1	17 4	Will be implemented. Project has just finished conducting the project scoping and comprehensive baseline study and identify where to nest the 5 woodlot CF management plans, 16 charcoal kilns and 6 new ICS production centers
Annual CO2 emission reduction year 4, tons - NKS - Palm Sugar Stove - Efficient charcoal kiln	<ul style="list-style-type: none"> <li>reduction from 30,000 stoves</li> <li>1-5</li> <li>1-5</li> </ul>	<ul style="list-style-type: none"> <li>79,200 tons reduction created by 360,00 stoves</li> <li>1,520 t reduction created by 800 stoves</li> <li>123 from 16 efficient charcoal kilns</li> </ul>	Same as above BAU (Business As Usual) scenario for domestic cooking emission The reduction in CO2 emission from domestic cooking will be measured through monitoring increased dissemination of the amount of ICS
Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income	0	Indicators linked to baseline monitored regularly Gender sensitive targets established in AWP	Project scoping exercise and preliminary baseline study has been completed and identified where to nest the 5 woodlot CF management plans, 16 charcoal kilns and 6 new ICS production centers. Comprehensive baseline study is being conducted and draft report completed. Project strategic result framework including baseline and indicators for M&E updated
No. of fully functioning improved cook stove production centers by EOP	1	6 additional cook stove production centers with proper business plans	Proposed target site for 6 new improve cook stove production centers has been identified. Training on ICS production skills and techniques provided to 30 new ICS producers. Construction of ICS production centers will be implemented in early 2013.
% increase in income of stove producers by EOP, %	\$40/month	\$60/month	Project scoping of target sites and comprehensive baseline study completed. The change in the level of income will be generated by the EOP evaluation.
Area of woodlots managed by local communities/farmers in Kampong Chhnang for wood energy by EOP	0	617 ha	Baseline level for area of woodlots will be established follow the outcome of comprehensive baseline study at end of September
Total number of woodlots based on CF management plans in	1 (Tram Kak CF) 1 (Kirirom CPA)	5	Proposed target site for 5 woodlots based on CF management plans have been

provinces with business oriented management plans for fuel wood supply and green charcoal - with involvement of private sector		identified through project scoping and preliminary baseline study.
<ul style="list-style-type: none"> <li>The proposed target sites for the 6 new ICS production centers including 3 ICS centers located in Kampong Chhnang, 1 center each in Kampong Spue, Pursat and Battambang.</li> <li>30 new ICS producers identified among the 78 existing traditional producers in the four target provinces has been selected and trained on ICS production skills and techniques. Each producer will employ an average of 5 staff which will be trained on ICS craftsmen skills</li> <li>3 woodlot CF sites among the proposed 5 sites was officially endorsed by FA. Though including 1 CF site (Damrey Chakthlork in Kampong Spue), 1 CF site (Toul Samraong in Kampong Chhnang), 1 CF site (Prey Tralach in Battambang). The two woodlot sites proposed in Pursat has been identified as overlapping with the current GERES/EC supported project. FA/SFM has suggested GERES to work with FAC Pursat to select 2 new CF sites for SFM project.</li> <li>20 village-communities were identified throughout the SFM project target provinces. The village-communities were endorsed by commune or CF heads of the local villages for conducting awareness raising on ICS utilization and benefit in order to increase demand for ICS in the pilot areas to gradually give up the use of their traditional "three-stone stove".</li> </ul>		
<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan

## B. PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTPUT AND OUTCOME

### PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTPUT

OUTPUT 3.1: Pro-poor sustainable forest/protected area management and bio-energy productions accelerated			
Output Indicators	Baseline (Dec. 2011)	Target (Dec. 2012)	Current status (December 2012)
1. No. of new units of efficient cook stoves and stove production centers installed		6 Business Plans developed with good baseline information in order to create 6 stove production centers.	<ul style="list-style-type: none"> <li>30 (25 females) stove producers has been selected out of 78 traditional stove producers found in the 4 provinces</li> <li>Training on master ISC production for 30 stove producers has been completed.</li> <li>20 ICS-awareness village communities have also been identified.</li> </ul>
2. No. of new jobs created for rural women for manufacturing and market distribution of efficient cook stoves	N/A	Assessment for women business enterprise development related to improved cook stove (ICS) production conducted	<ul style="list-style-type: none"> <li>Baseline study for the creation of 6 ICS production centers completed.</li> <li>30 (25 females) ISC producers selected and trained on master ISC production skills. Each producer will employ an average of 5 staff which will be trained on ICS craftsmen skills</li> <li>The 30 ISC producers will eventually be engaged with the existing ICOPRODAC Association to ensure quality standard control, retailers and distributors in Cambodia.</li> </ul>

**PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTCOME**

<b>OUTCOME:</b> By 2015, national and local authorities, communities and private sector and better able to conserve biodiversity and respond to climate change			
<b>Output Indicators</b>	<b>Baseline (Dec. 2011)</b>	<b>Target (Dec. 2012)</b>	<b>Current status (December 2012)</b>
1. Stability of indices of ecosystem health, diversity and condition in target community-managed forests	N/A	Baseline information conducted in 25% of the total number of CBNRM (40 sites)	<p>The average canopy cover is divided into various categories: (1) average by province; (2) average of the cardamom protected forests; (3) average by the wildlife sanctuaries; (4) average by CPAs; (5) Average of Production Areas; and (6) average of CF areas<sup>7</sup>.</p> <p><b>Province:</b>                      Battambang: 19.6%                      K Chhnang : 33.3%                      K Speu : 37.6%                      Pursat : 42.0%</p> <p><b>Cardamom Protected Forests:</b> 50.3%</p> <p><b>Wildlife Sanctuaries</b>                      ▪ Aural WS 46.9%                      ▪ Samkos WS 44.4%</p> <p><b>CPA Areas:</b> 39.8%</p> <p><b>Production/ Buffer Zone Area :</b> 28.3%</p> <p><b>CF Area:</b> 38.4%</p>
1.1 Reduction in the deforestation rates in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, due to increases in the effectiveness of combating of threats due to strengthened community-based management, and reductions in demand for wood energy	▪ N/A	Baseline in the target area established	<ul style="list-style-type: none"> <li>▪ The analysis of the deforestation rate will be measured as the difference of the canopy cover between measurements in 2013 and 2014 with 2012 as the base year.</li> <li>▪ The baseline canopy cover will use the information above.</li> </ul>
1.2 Improvement in the canopy density and structure of forests in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, due to improved management and protection by forest communities and reductions in the levels of demand for wood	N/A	Baseline in the target area established	<ul style="list-style-type: none"> <li>▪ The current extent and status of degraded forest covers areas with 10-50% canopy cover. The area with 10-50% canopy cover are classified as follows:                             <ul style="list-style-type: none"> <li>▪ Total SFM Area Covered : 2,171,282</li> <li>▪ Cardamom Protected Forests: 90,088</li> <li>▪ Wildlife Sanctuaries: 396,711</li> </ul> </li> </ul>

<sup>7</sup> Source: Comprehensive Baseline Study

<b>OUTCOME:</b> By 2015, national and local authorities, communities and private sector and better able to conserve biodiversity and respond to climate change			
<b>Output Indicators</b>	<b>Baseline (Dec. 2011)</b>	<b>Target (Dec. 2012)</b>	<b>Current status (December 2012)</b>
energy			<ul style="list-style-type: none"> <li>▪ CPA Areas: 10,197</li> <li>▪ Production / Buffer Zone Area: 1,644,570</li> <li>▪ CF Area: 9,317</li> </ul>
2.No. of communities acquired tenure rights over the management of their forest resources strengthened through CF/CPA management plan and business and enterprise development	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	Baseline in the target area established	<ul style="list-style-type: none"> <li>▪ There are now 72 CFs that have CF Agreements with the FA.</li> <li>▪ 20 have developed a number of steps under CPA guidelines</li> </ul>
<p><input type="checkbox"/> The degradation considered in this report are those areas that have canopy cover between 10-50%. There is still no definition on what is a degraded forest. In this report, we just classify two conditions that may represent the condition of the forests: (1) areas that have less than 10% canopy cover; and (2) areas having 10-50% canopy cover.</p> <p><input type="checkbox"/> A detailed inventory of the status of legalization of the CFs and CPAs around the Cardamoms will be conducted on the 1<sup>st</sup> quarter of 2013.</p>			

## **A. Capacity Development**

### **1. Progress in Institution Building**

There are already some initiatives in building the capacity of the FACs/MoE staff and CFMCs. In some sites, these need enhancing as indicated in the capacity needs assessment conducted by RECOFTC and CBNRMLI. The result of the comprehensive baseline study also indicated that among the areas needing enhancement include the integration of the SFM in the land use planning, forest management planning, the development of business plans, sustainable wood biomass supply and demand (SWBSD) and several others.

### **2. Advances in Legislative Environment and Policy Tools**

- While some policies do exist related to CFs and CPAs, these need further enhancement and review. In CF Management Planning, there is a need to simplify the procedure in resource inventory as provided in the CF Management manual. There is also a need to strengthen or incorporate in the legal framework provisions for the alternative CF modalities.
- With support from SFM project, General Department of Energy (GDE), MIME, kick-off consultation workshop on “wood and biomass strategy” was held during 12 – 13 November 2012 in Siem Reap provincial town. The workshop served as a starting to discuss and finalize the strategy which have been long standoff since it development in 2011. Follow up actions plan to finalize the strategy has been agreed. It is generally planned to finalize the strategy in March 2013.

### **3. Equipment**

- The SFM Staff were provided with Laptops, GPS, Camera and Motorbikes to increase their work efficiency. The equipment has to be shared with the Development Partners in their respective place of assignments.

### **4. Training of National Counterparts**

- Training needs assessment was conducted. The training needs that were conducted by RECOFTC and CBNRMLI were validated in the Scoping exercises. The training curricula is already existing
- Training of Trainers conducted to the FA Sub nationals on facilitation skills and report writing. After the training, the SFM Staff and the focal persons from the FAC conducted training in the respective sites covering the 30 CFs. Training in the CPAs has to be deferred considering that the engagement of the MOE has not been resolved yet. The training curricula for the ACFM will also be developed.

## 5. Mentoring

- Continuous mentoring to the Field Staff and Development Partners was conducted. This includes orientation of the project, coordination meetings/consultations and trainings/capacity building. The Partner Organization (Mlup Baitung) was also backstopped technically with techniques on GIS and mapping. The RECOFTC in Bangkok also send a Staff to provide support to the Cambodia Country Program in implementing WISDOM analysis.
- With supported provided by SFM/FA, monitoring and oversight work plans have also been developed by SFM collaborating ministries (GDLMUP/MLMUPC, GDE/MIME & CFO/FA) to provide technical oversights on their technical mandates.

## 6. Other Milestones (*Collaboration and Support*)

- The Project has linked with the other key players in the field by participating in CF network meetings.

### B. Gender Action Plan

- Indicators were identified and are used as a basis in designing the SFM database and in monitoring. The indicators include:
  - No. of Families Who are Member of the CF or CPA
  - % Families Who are Member of the CF or CPA
  - Total Women
  - Women Members of CF or CPA
  - % of Total Population Women Members of the CF or CPA
  - Ave. Total Income of Women (\$/Mo.)
  - Ave. Income of Women from Forest
  - Proportionate Income of Women from Forest-based Enterprises (%)
  - No. of Women Collecting forest products
  - No. of Women Engaged in Forest-based Livelihoods
- Gender disaggregated data and new identified indicators and information on women involvement were collected and stored in the SFM database. More information will be collected in the course of implementing the project. Women involvement in forest-based enterprises is still limited considering that the enterprise development intervention of the project is still to be implemented in the middle of 2013. More information are expected to be collected after the CF Resource Assessment and business scoping is completed. Analysis of the opportunities and capacities of women are partly incorporated in the quarterly report.
- Gender mainstreaming is taken into account in the in the early part of the project (i.e. starting from baseline data gathering and the enterprises development planning). The baseline Study report includes analysis of women participation and their socioeconomic information (e.g. income). During field consultation and meetings or training sessions, the Field Staff ensure that women will actively participate. In selecting the CFs and CPAs, SFM project consider the potential of the CF/CPA enterprises that will have significant impact on women.
- In terms of ICS production, the project has given the first priority of selection women as new ICS producers and encouraged them to participate in the ICS training sessions. As a result 30 new ICS producers (25 females) out of the 78 traditional cook stove producers found in the 4 target provinces have been selected. All 30 new ISC producers have been trained on technical ICS production skills and will receive other related capacity building supports to become ICS producers as well as entrepreneur. The result of baseline study also illustrates the important role of woman in charcoal production business. The project will give priority support for the establishment of women group charcoal business operations.
- The results of the baseline study indicated that there is still disparity of women in livelihoods and participation in SFM activities (e.g. meetings and training)<sup>8</sup>. The data would indicate that the women have provided significant contribution to the HH income. The income largely comes from the other sources. The study indicates that the forests provide limited contribution of income to women.

### C. Lessons Learned

#### 1. Planning

- "Nesting" of the suitable sites in the NCML is a challenging task when the project undertakes the scoping exercise. It was complicated by the land conflicts and the diverging interests of the communities over the forest lands. The situation in the field is also very dynamic. Land conversions are very rampant recently and the spatial information was not readily captured in the GIS and even in satellite images that were used as references in the planning. The only areas that are stable in terms of forest cover are the existing CFs that has CF agreements with the FA. The forest areas that remain open access are subject to encroachments

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<sup>8</sup> Source: *Comprehensive Baseline Study, 2012*

and land conversions.

## 2. Implementing

- ❑ Participatory planning with the stakeholders is very crucial and important in the project implementation. The stakeholders provided the necessary information needed in planning. For example, the local FAs who were involved in the planning has assumed active role in providing the necessary support in resolving issues in the field (selecting the CF sites with business potential). However, consultations and participatory decision making is a long process and may require preparations and facilitation skills.

## 3. Monitoring and Evaluating Outputs

- ❑ Monitoring the progress of the project will depend on the standardized Milestone Key Indicators. Some of the activities have no milestone indicators where to gauge the accomplishments of the project.

## 4. Activities and Partnerships

- ❑ Joint undertakings of a project by different ministries have some complications. Despite exerting effort in observing coordination protocols in project implementation, jurisdictional oversights still happen. A very rigid organizational structures that offer no room for inter-ministerial linkages creates decision-making bottlenecks that hamper project implementation.

## 5. Incorporating the Lessons Learned in Project implementation and Future Work Plan

- ❑ Based on the experience, future project implementations should consider a simplified organizational structure (i.e. avoiding different ministries implementing the same projects). The project design should be sensitive on the administrative jurisdiction of each ministry of the projects. While the multidisciplinary approach of designing a project is very ideal, the actual implementation is complicated by some inter-ministerial policies and structures. A weak inter-ministerial link in terms of decision making has kept the project from moving forward.
- ❑ For a joint/inter-ministerial projects, a common vision should be laid down with a well-defined project management structure in place. It would be helpful if a project operations manual (if there's any) will feature the protocol of resolving issues. Both parties should commit to recognize the Board to be the final arbiter of the issues that may arise during project implementation. It is also important to note that aside from the formal structure, there is a need to get those who participated in the project design to be included in the implementation phase. Any change in the structure and the composition of the project has to be clarified. A periodic update of the possible impact of the changes in composition on the commitments of the institution must be verified and analyzed and verified.

### III. Project implementation challenges

#### A. Updated project risks and actions

<i>Project Risk</i>	<i>Action Taken</i>
1.The continued threats from encroachment in the newly identified sites	<ul style="list-style-type: none"> <li>▪ We submitted to the Project Manager the risks and seek help from FA for securing the sites from further land conversion</li> </ul>
2.Some of the CFs that are under the ELCs and Forest Concessions has not yet given a clearance from the ELCs and Forest Concession Owners to establish the CFs	<ul style="list-style-type: none"> <li>▪ The CFs that has conflicts was submitted to the FA. A team will visit to the site to meet with the ELC holders and lead in the negotiations.</li> </ul>

#### B. Updated project issues and actions

<i>Project Issue</i>	<i>Action Taken</i>
The project has not secured the commitment from MoE. The CPA sites were not yet confirmed	<ul style="list-style-type: none"> <li>▪ The issue was presented to the Technical Working Group. The said issue will be discussed with the Project Management Board.</li> </ul>
Difficulty in site selection	<ul style="list-style-type: none"> <li>▪ In site selection, “nesting” of the suitable sites in the NCML is considered to be a challenging task. Finding the suitable CFs and CPAs (CFs/CPAs that have good potential for business) in the Northern Cardamom Mountain Landscape was constrained by the restrictions due to legal classifications (i.e.</li> </ul>



	<p>restrictions from using the Protected Areas for other uses, the conflicts of the existing ELCs and Forest Concessions). Land conversions are very rampant recently that threatens the remaining forests and potential CFs that have no CF Agreement with the FA. In the case of CBPF in You Rysaco, the forests are under threat and the community could hardly protect the forests as it is technically still under the jurisdiction of the forest concessionaire. Some recommendations were made to the Technical Working Group (and will be discussed with the Project Management Board) on the number of sites for the alternative CF modalities. A recommendation was made during the Technical Working Group meeting to reduce the ACFM sites from 6 to 4 considering the technical constraints in the selection of the site.</p>
<p>Difficulty in securing project agreements/MoUs</p>	<ul style="list-style-type: none"> <li>▪ The complexity in securing the signing of Project Agreements from the line agencies was not anticipated in the design of the project. The process of evaluating the Project Agreement is long and tedious as it passes thru several Departments.</li> </ul>
<p>Complexity in dealing with inter-ministerial projects</p>	<ul style="list-style-type: none"> <li>▪ Implementing an inter-ministerial project requires a great deal of coordination and concessions as a precondition in joining the project by the line agencies. The same is experienced in the sub-national level. There are some activities that need to be deferred pending the resolution of some issues. The project was not able to generate much support from the DOE in the field since they are still awaiting the resolution of the of the MOE's involvement with the project. The role of MoE will be raised to the Project Management Board by the Technical Working Group.</li> </ul>
<p>Need to revisit some of the outcomes/indicators of the project Strategic Result Framework</p>	<ul style="list-style-type: none"> <li>▪ Some outcome indicators need to be revisited (e.g. "Financial strategies in MAFF and MOE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry by Year 4; Financing generated from forest/wood energy related carbon credits by EOP; Financing generated from other funding sources (banks, green funds, etc.) by EOP" need to be revisited. This activity is considered to be the concern of UN-REDD program. Furthermore, the target amount of US\$1,500,000 is deemed too high. Securing the alternative financing for the CF is contingent on the donors' funds and proposal which is not within the ambit of the SFM project.</li> </ul>

#### IV. Financial status and utilization

**Table 1: Contribution Overview** [Project started: 2011 – Project end: 2015]

Donor Name	Contributions		Actual Expense	Balance
	Committed	Received		
UNDP (04000 - TRAC)	1,500,000.00	494,735.27	478,889.33	1,021,110.67
GEF (62000 - GEF)	2,363,635.00	932,868.10	850,231.55	1,513,403.45
<b>Total</b>	<b>3,863,635.00</b>	<b>1,427,603.37</b>	<b>1,329,120.88</b>	<b>2,534,514.12</b>

**Table 2: 4<sup>th</sup> Quarter 2012 Cumulative Expenditure by Activities** [01 October – 31 December 2012]

Activities – Description	Budget [1QT, 2012]	1st Quarter 2012 Cumulative Expenditure			Balance	Delivery (%)
		Govt/SFM (Disbursed)	UNDP (Disbursed)	Total		
<b>Activity 1:</b> National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood	28,740.00	21,504.50	-	21,504.50	7,235.50	75%
<b>Activity 2:</b> Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities	150,936.00	119,323.00	-	119,323.00	31,613.00	79%
<b>Activity 3:</b> Small and Medium Enterprises ensure long term increases in adoption of efficient technologies that reduce fuel wood demand.	92,955.00	86,307.80	1,284.36	87,592.16	5,362.84	94%
<b>Activity 4:</b> Monitoring and, Learning, Adaptive Feedback & Evaluation	61,330.82	29,093.24	3,768.15	32,861.39	28,469.43	54%
<b>Activity 5:</b> Project Management	71,143.26	27,832.14	16,323.74	44,155.88	26,987.38	62%
<b>Total</b>	<b>405,105.08</b>	<b>284,060.68</b>	<b>21,376.25</b>	<b>305,436.93</b>	<b>99,668.15</b>	<b>75%</b>
<b>Remarks:</b> TRAC =	33,361.08	-	17,655.21	17,655.21	15,705.87	53%
GEF =	371,744.00	284,060.68	3,721.04	287,781.72	83,962.28	77%
<b>TOTAL =</b>	<b>405,105.08</b>	<b>284,060.68</b>	<b>21,376.25</b>	<b>305,436.93</b>	<b>99,668.15</b>	<b>75%</b>

**Table 3: Quarterly Cumulative Expenditure by Activities** [01 January – 31 December 2012]

Activities – Description	Budget [2012]	2011 Cumulative Quarterly Expenditure			Balance	Delivery (%)
		Govt/SFM (Disbursed)	UNDP (Disbursed)	Total		
<b>Activity 1:</b> National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood	211,102.00	228,760.92	14,141.86	242,902.78	(31,800.78)	115%
<b>Activity 2:</b> Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities	560,101.00	458,395.44	598.60	458,994.04	101,106.96	82%
<b>Activity 3:</b> Small and Medium Enterprises ensure long term increases in adoption of efficient technologies that reduce fuel wood demand.	347,000.00	346,445.63	25,984.91	372,430.54	(25,430.54)	107%
<b>Activity 4:</b> Monitoring and, Learning, Adaptive Feedback & Evaluation	63,000.00	30,700.61	9,089.96	39,790.57	23,209.43	63%
<b>Activity 5:</b> Project Management	133,288.00	37,025.16	64,865.42	101,890.58	31,397.42	76%
<b>Total</b>	<b>1,314,491.00</b>	<b>1,101,327.76</b>	<b>114,680.75</b>	<b>1,216,008.51</b>	<b>98,482.49</b>	<b>93%</b>
<b>Remarks: TRAC =</b>	400,000.00	300,947.00	83,207.06	384,154.06	15,845.94	<b>96%</b>
<b>GEF =</b>	914,491.00	800,380.76	31,473.69	831,854.45	82,636.55	<b>91%</b>
<b>TOTAL =</b>	<b>1,314,491.00</b>	<b>1,101,327.76</b>	<b>114,680.75</b>	<b>1,216,008.51</b>	<b>98,482.49</b>	<b>93%</b>

**Table 4: Cumulative Expenditure by Activities** [Project started: 2011 – Project end: 2015]

Activities – Description	Total Budget [2011-2015]	Cumulative Expenditure			Balance	Delivery (%)
		Govt/SFM (Disbursed)	UNDP (Disbursed)	Total		
<b>Activity 1:</b> National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood	621,390.79	229,048.92	74,142.65	303,191.57	318,199.22	49%
<b>Activity 2:</b> Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities	1,543,408.00	458,395.44	834.60	459,230.04	1,084,177.96	30%
<b>Activity 3:</b> Small and Medium Enterprises ensure long term increases in adoption of efficient technologies that reduce fuel wood demand.	1,043,564.73	349,505.17	27,490.47	376,995.64	666,569.09	36%
<b>Activity 4:</b> Monitoring and, Learning, Adaptive Feedback & Evaluation	308,583.03	30,710.61	19,482.99	50,193.60	258,389.43	16%
<b>Activity 5:</b> Project Management	346,688.45	45,477.96	94,032.07	139,510.03	207,178.42	40%
<b>Total</b>	<b>3,863,635.00</b>	<b>1,113,138.10</b>	<b>215,982.78</b>	<b>1,329,120.88</b>	<b>2,534,514.12</b>	<b>34%</b>

<b>Remarks:</b> TRAC =	1,500,000.00	300,947.00	177,942.33	478,889.33	1,021,110.67	32%
GEF =	2,363,635.00	812,191.10	38,040.45	850,231.55	1,513,403.45	36%
<b>TOTAL =</b>	<b>3,863,635.00</b>	<b>1,113,138.10</b>	<b>215,982.78</b>	<b>1,329,120.88</b>	<b>2,534,514.12</b>	<b>34%</b>