



QUARTERLY PROGRESS REPORT [QUARTER 1, 2014]

United Nations Development Programme

Cambodia

Promoting Climate Resilient Water Management and Agricultural Practices in Rural Cambodia (NAPA Follow Up Phase II)

[01-01-2014 – 31-03-2014]



Ms. Kuy Samoeun, farmer in Teuk Krahom, producing organic fertilizer

Project ID: 00086715

Duration: 2 years

Total Budget: US\$2,428,618.22

Implementing Partners/Responsible parties: Ministry of Agriculture, Forestry and Fisheries (MAFF) Project Support Unit (PSU)

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

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I. Executive summary

- Built on experiences from phase 1, the project phase 2 is expanding its target communes and villages from 16 to 32 and 38 to 66 respectively in the two provinces. As a follow-on project, it focuses on cementing good practices generated in the last 3 years and takes into account the MRT's recommendations while addressing immediate and urgent adaptation actions identified in the Cambodia NAPA and the VRA findings.
- For 2014, the project board approved US\$1,417,858.62 to provide follow up support to old target villages and replicate one village approach to 28 new target villages. In total, the project is working in 66 target villages.
- During the reporting period, the project teams have identified new target villages and beneficiaries. As a result, 1,839 households have been selected in 26 villages. In addition, the teams have also conducted household need assessment to be addressed and site assessment for appropriate adaptation options. To complete the beneficiary selection process, the team will select additional beneficiaries in the old target villages. The final list of project beneficiaries will be consolidated, verified and made available in quarter 2.
- As token of her outstanding achievement under NAPA FU, Ms. Kuy Samoeun, a farmer from Toek Krohorm commune in Preah Vihear had won the first price of the Annual National Farmer Assembly organized by MAFF under the category of intergrated farming system and climate change adaptation. She won a price of 1,200,000 Riel and a Kubota hand tractor.
- With support from MAFF/PSU, the provincial project teams conducted site observations and feasibility study for the development and rehabilitation of water supply systems for both domestic and irrigation purposes. The project will develop and rehabilitate two irrigation systems, one in Choam Ksan and the other in Dar communes, two community ponds in Kulen and 16 solar pump systems will be established in the new target communes of both provinces. The PDoWRAM and PDA of the two provinces are working on technical designs and preparing tender documents for bidding processes that is scheduled in the second quarter.
- With support from UNDP office, the project has recruited SBK, a consulting firm to undertake and administer the impact assessment of the project. SBK has started this assignment from April 2014. This assignment has been designed to assist the project team to gain additional insights into developmental and adaptive impact of the interventions that will be carried out in the project. For this purpose, SBK will carry out a robust baseline survey in April 2014. It is expected that follow-up mid-term surveys will be carried out in late 2014 and the final one at the end of the project (2015).
- In contribution to policy development and sector planning, the project supports financially and works closely with MAFF CC Technical Working Group to draft and undertake consultation meeting to collect stakeholders' inputs and feedbacks to improve the Climate Change Action Plan for Agriculture Sector 2014-2018. In addition, the project provides also funding support and works with the Royal University of Agriculture (RUA) to carry our an agriculture data collection to support the regional capacity building program on the Economics of Climate Change Adaption and Planning that will benefit MAFF and other relevant line ministries in Cambodia.

- At community level, the provincial and district teams are facilitating community mobilization, farmer group formation, farmer's exchange visits and village-based trainings. The detail results are reported in the implementation progress below.
- The progress is on track and generally the project achieved its planned outputs. During the report period, the implementation was focused on planning and community mobilization. Together with some difficulties and challenges as reported in section IV, the delivery is a bit low, as indicated in the financial expenditure, the project could deliver **US\$ 58,930.82** representing **15.47%** against the total planned budget in the first quarter of 2014.

II. IMPLEMENTATION PROGRESS

PROGRESS TOWARDS PROJECT OUTPUTS

OUTPUT 1.1: Improved understanding among local communities and planners about gender-differentiated impacts and risks of climate change.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
 A gender assessment is carried out in 32 communes and gender-disaggregated sources of climate risks and vulnerability.	A rapid gender assessment was undertaken in 16 communes.	By the end of the project, a gender assessment is completed in 32 communes A report summarizing the results of the gender assessment is available.	In Preah Vihear VRA/RGA was carried out in 4 new target communes, while in Kracheh it is scheduled in quarter 2.
Cumulative expenditure:	USD0.00		
The project team, in Preah Vihear, conducted VRA/RGA in 4 new target communes in Kulen district. There were 202 villagers of which 121 were women participated in the exercises.			
<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan		<input type="checkbox"/> delivery below plan
OUTPUT 1.2: A community-based climate information system to facilitate resilient-agriculture is strengthened.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
 Availability of tailored climate information targeting male and female farmers.	General seasonal forecasts are available but they are not tailored or easily understandable to facilitate resilient farming	Tailor-made climatic information is made available in at least 60 villages. The utilization of such information is	MAFF/PSU is engaging the Soil Department of MAFF to undertake soil assessment and to recommend appropriate resilient options based on soil types and the forecasted climatic information. In the meantime, PDoWRAM

	practices.	assessed for male and female farmers.	continues to follow up the dissemination and utilization of weather information they receive from DOM to target communes. In the reporting period, it was estimated that 75% of population in 10 old target communes received weather information.
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Cumulative expenditure: **USD 6,281.39**

In Preah Vihear, the project team selected 24 EWS agents (9 are women) from 12 new target villages. They were selected from newly identified beneficiaries and village chiefs. Their role is to assist in the dissemination of weather information to farmer groups as well as to villagers in the villages.

<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan
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OUTPUT 2.1: Community-level water supply infrastructure for both domestic and livestock use constructed and managed in 60 villages.

Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Number of households harvesting and/or conserving rain water in target villages for household.	1,020 households in 23 villages (24%) are actively involved in rainwater harvesting.	By the end of the project, at least 2,500 households in 60 villages are actively harvesting rainwater to conserve and safeguard water resources for household use.	In 2014, there will be 16 solar pump systems (10 in Kracheh and 6 in Preah Vihear) and 15 pump wells (in Preah Vihear) built. Each unit could supply water for domestic uses for about 10-20 households. The provincial teams are facilitating the procurement processes for solar pumps and pump wells. The construction works will start in quarter 2.
● Numbers of women receive technical/ leadership trainings on effective use of water.	990 women have received training on effective use of water.	2,200 women received technical/ leadership trainings on effective use of water.	The activities are to be scheduled in quarter 2 and 4.

Cumulative expenditure: **USD0.00**

<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan
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OUTPUT 2.2: Resilient livelihood methods (i.e. resilient or early/medium maturing seed varieties, SRI and diversified livestock production) expanded to 60 villages.

Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Area of Agricultural Land on which climate resilient farming practices and/or crops	Resilient rice varieties have been used on 325 hectares.	By the end of the project, at least 1,000 hectares of agriculture land	This activity has not started yet. However, beneficiary selection and group formations are being carried out in the target villages.

are actively adopted.		are under resilience farming (resilient or early/medium maturing seed varieties, and SRI).	PDA is facilitating the procurement of farm inputs such as rice seed, vegetable seed, planting materials, farm tools and animal breeds to support farmers in implementing resilient farming practices.
● Number of the landless or land-poor benefiting from diversified livestock production.	441 households in target areas practice climate-resilient, diversified livestock production.	By the end of the project, at least 1,375 landless or land-poor households practice climate-resilient, diversified livestock production.	Based on draft records, the project teams have selected 1,389 households in 26 new target villages for phase 2 in which 497 households have land less than 0.5 hectares. In addition, the teams have selected also additional beneficiaries in old target villages. Data entry and consolidation of these beneficiaries to be finalized in quarter 2.
Cumulative expenditure:	USD2,771.66		
<p>In Preah Vihear, vegetable seeds and rice seed (13,600kg) are being procured and will be distributed in April-May to 1,360 households (old and new project beneficiaries).</p> <p>The project teams continue to monitor the existing groups supported under phase 1. Specifically back-stopping support to group revolving funds, water user groups and seed purification groups. 18 revolving fund groups in Kratie and 13 in Preah Vihear were monitored. Each group has the initial capital of 8 million riels. The money is lent to members for adaptation and livelihood purposes. In return, they could make an average of 1 million riels per year per group from the interest.</p> <p>In Preah Vihear, ten solar pump systems are working well. So far, each system could generate user fees of 280,000 riels. Furthermore, seventy two pump wells also continue to supply water for domestic uses. There were no user fees introduced. However, for maintenance purpose, members of water user group are required contribute a small amount of 500-1000 riels per month as saving fund. So far, they could collect 150,000 riels per group.</p>			
<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan	

OUTPUT 2.3: Agricultural areas under irrigation expanded and managed.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Land hectarage under irrigation.	848 hectares are currently covered by irrigation in Kratie province with LDCF financing.	By the end of the project, at least 1,500 hectares (i.e. additional 652 hectares) benefited from the irrigation systems.	PDoWRAMs have identified two ruined irrigation sites (one in Choam Ksan commune and the other in Dar commune). With project fund, these two schemes will be rehabilitated and improved. If fully developed, they may potentially irrigate paddy field of around 500-700 hectares.

			Feasibility study and technical design have been completed and they are now under review. It is expected that the bidding process will be done in quarter 2.
Cumulative expenditure:			USD0.00
<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan	

OUTPUT 2.4: Women's management capacity for community-water infrastructure strengthened.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Number of women in water management groups who receive trainings on management, maintenance, user fees collection, etc.	1,192 women representing 55.4% out of 2,152 of FWUC, WUGs and FSI members have received training on Participatory Irrigation Management and Development (PIMD), roles and responsibilities of FWUC and basic concepts of early warning system.	3,200 of women benefit from training and exchange visits to FWUCs/WUGs that are successful in water management.	The activity has not started yet. It is scheduled in quarter 2 and 4.
Cumulative expenditure:			USD16,547.71
<input type="checkbox"/> Delivery exceeds plan	<input type="checkbox"/> delivery in line with plan	<input checked="" type="checkbox"/> delivery below plan	

OUTPUT 3.1: Increased public awareness and environmental education programmes on climate risk reduction designed and implemented.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Number of workshops at the national and regional levels on lessons learned.	One national workshop has been organized with 140 participants and practitioners from the national and	By the end of the project, at least one additional national workshop is organized to present lessons learned, leveraging the enhanced M&E	One national workshop will be done in 2015. However, a joint workshop on policy guidance (NAPA FU, RULIP and PADEE projects) is scheduled in quarter 4, 2014. The purpose of the workshop is to discuss and follow up on the progress and challenges of project implementation for policy

	sub-national levels to exchange and discuss experiences concerning climate change impacts and adaptation in Cambodia.	framework established.	guidance and advices.
Cumulative expenditure:			USD0.00
<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan	

OUTPUT 3.2: Improved knowledge among government planners about ongoing adaptation investments and gaps in the area of climate resilient farming.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Sectoral assessments of adaptation gaps in the context of resilient rural agriculture.	Climate change public expenditure review was undertaken by UNDP but no assessments of adaptation gaps have been undertaken.	By the end of the project, at least one national level assessment on water and/or agriculture sectors is undertaken.	<p>The project supports financially and works closely with MAFF CC Technical Working Group to draft and undertake consultation meeting to collect stakeholders' inputs and feedbacks to improve the Climate Change Action Plan for Agriculture Sector 2014-2018.</p> <p>In addition, the project provides also funding support and works with the Royal University of Agriculture (RUA) to carry out an agriculture data collection to support the regional capacity building program on the Economics of Climate Change Adaption and Planning that will benefit MAFF and other relevant line ministries in Cambodia.</p>
Cumulative expenditure:			USD24,293.41
<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan	

OUTPUT 3.3: An impact assessment study conducted capturing gender-disaggregated benefits of adaptation investments promoted under the project.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
● Availability of evidence-based case studies from	Capturing of lessons learned	By the end of the project, at least	With support from UNDP CO, the project has recruited SBK, a

the project.	is predominantly anecdote-based.	one systematic study is undertaken on the gender-disaggregated impact of project carried out in 9 selected villages (3 integrated target, 3 scatter target and 3 non-target villages).	<p>consulting firm to undertake and administer the impact assessment of the project.</p> <p>Research methodology and work-plan is being developed. SBK will submit the draft to UNDP and MAFF/PSU for further feedback in mid April 2014.</p> <p>The baseline survey is scheduled in early May 2014.</p>
Cumulative expenditures:			USD7,579.43
<input type="checkbox"/> Delivery exceeds plan	<input checked="" type="checkbox"/> delivery <i>in line with</i> plan	<input type="checkbox"/> delivery <i>below</i> plan	

PROGRESS TOWARDS COUNTRY PROGRAMME (CPAP) OUTPUT

OUTPUT 2.3: A national strategy, programme, and financing mechanism established for cohesive climate change response at national, sub-national, and community levels.			
Output Indicators	<i>Baseline (September 2013)</i>	<i>Target (December 2015)</i>	<i>Current status (31 March 2014)</i>
<p>● No. of climate sensitive sectors with strengthened adaptive capacity</p>	<p>16 communes have developed a gender sensitive sub-national development plans.</p>	<p>By the end of the project, 32 commune-level development plans integrate gender-sensitive climate risks and concerns into the plans.</p>	<p>Currently VRA/GRA has been carried out in 4 new target communes in Kulen district, Preah Vihear. The remaining 12 communes in both target provinces will be done in quarter 2.</p>
<p>● No. of flood and/or drought prone communes applying climate resilient farming methods</p>	<p>3,679 households (56% of the original target households) have implemented at least one additional measure to reduce livelihood exposure to climate change.</p>	<p>5,500 households in 60 villages have implemented at least two/three additional measure to reduce livelihood exposure to climate change.</p>	<p>66 villages have been identified as target villages for the project, phase II. 1,389 households in 24 new villages were selected as project beneficiaries. The selection of additional beneficiaries in old target villages will be completed in quarter 2.</p>
	<p>848 hectares are currently covered by irrigation in Kratie province with LDCE financing.</p>	<p>By the end of the project, at least 1,500 hectares (i.e. additional 652 hectares) benefited from the irrigation systems.</p>	<p>Two new irrigation schemes were identified (one in Choam Ksan commune and the other in Dar commune) will be rehabilitated by the project. They may potentially irrigate paddy field of around 500-700 hectares.</p>

III. Follow-up actions:

a. Terminal Evaluation's Recommendations:

Evaluation Recommendation	Key Action(s)	Responsible Unit(s)	Time Frame	Tracking*	
				Status**	Comments
<p>Recommendation 1: User groups' sustainability. Making the users groups sustainable is a must. For example a transparent and accountable management needs to be followed up and supported strictly by formalizing group accounting systems. Those measures suppose that everybody has a clear vision of the stakes of a group management. Therefore, efforts have to be continued in the same direction to raise awareness and enable these groups to become autonomous and no more dependent from the project.</p>	<p>-Plan more frequent technical backstopping from the MoWRAM Focal Point in charge of Farmer Water User Committee (FWUC) or any concerned parties from MoWRAM and -Prepare an Exit Strategy in particular on division of labour between MoWRAM and the Sub-National Administrations including PDoWRAM during and after the project termination.</p>	MAFF Project Support Unit	2014-2015	Initiated	
<p>Recommendation 2: Set-up fee collection mechanisms. Making the users groups sustainable is a must. For example a transparent and accountable management needs to be followed up and supported strictly by formalizing group accounting systems. Those measures suppose that everybody has a clear vision of the stakes of a group management. Therefore, efforts have to be continued in the same direction to raise awareness and enable these groups to become autonomous and no more dependent from the project.</p>	- Same as above	MAFF Project Support Unit	2014-2015	Initiated	
<p>Recommendation 3: Market linkages. The link between farmers, local</p>	- A cross learning with PADEE, an IFAD supported project. The	MAFF Project Support Unit		Initiated	

<p>traders, suppliers, technicians, etc. should be further promoted. It seems that communication between the different stakeholders of the rice sector can be improved. A better knowledge of the impacts of climate variability on rice sector by the local traders or suppliers would indeed be beneficial.</p> <p>The sector needs also to improve the level of coordination between different stakeholders in order to be more efficient and more organized. With the development of measures to forecast and disseminate data about weather and climate, it should be easier to organize the supply chain for food products taking into account climatic events (drought, flood). Not only farmers, but also food commodities traders do take into account weather forecasts to optimize food storage capacities and uses.</p>	<p>first theme was on the delivery of rural micro finance services where payment of services will be progressively taken up by the farmers.</p> <p>The second theme will be on the use on mobile phone for technical activities.</p> <p>-Setting up an approach for Climatic information and resilient agricultural activities for dissemination and decision-making.</p> <p>-Networking of the service providers (public, private and CBOs) and subject matter specialists.</p>	<p>and Sub-National project parties</p>			
<p>Recommendation 4:</p> <p>Continue to indirectly enforce the communes.</p> <p>The project is enforcing the communes by supporting them in having responsibilities, when some investments are handed over to them for example. This is especially important in the context of the D&D and the NCDD (National Committee for Democratic Development). This goes together with further networking with communities to share best practices, building partnerships and finally scale up the project activities to the</p>	<p>-Partnership with "Scaling up project" implemented by NCDDDS will put more institutional weight on formalizing the enforcement on institutional building in a sustainable manner at every layer of the sub national administrative layer. See recommendation 6 for more details.</p> <p>-It is expected that collaboration NCDDDS will be an entry point to formalize a knowledge-based forum where best practices will be shared and disseminated for scaling-up purpose.</p>	<p>UNDP CO, MAFF Project Support Unit, NCDDDS</p>		<p>Initiated</p> <p>Initiated</p>	

<p>whole country. It is therefore highly recommended to continue such cooperation with the commune councils in the future, in line with the D&D reform.</p>					
<p>Recommendation 5:</p> <p>Improve the monitoring and evaluation process. There is a low amount of quantitative data from the M&E, and while the positive results are visible qualitatively speaking. The quarterly reports are very relevant and this should be continued. Still, it is difficult to assess them and impact assessment should be more emphasized. The PSU is currently working on this topic, in order to benefit from a technical assistance on impacts assessment. It is expected that an operational M&E system is expected to be implemented in the second phase of the project starting with this Impact assessment study. The next phase of the project will foster the M&E system, starting with the impacts assessment study. It is recommended to focus on a result-based and impact-based M&E system.</p>	<p>-Recruitment of a company to undertake impact assessment is being finalized.</p> <p>-The project is designing a web-M&E system to track and record the quantitative data and benefits from project interventions.</p> <p>-In addition, the project will make a video documentary on project impacts to beneficiaries starting from the beginning to the end of the project phase 2.</p>	<p>Environment and Energy Unit/UNDP</p> <p>-MAFF/PSU</p>	<p>Quarter 1</p> <p>2014</p> <p>2014-2015</p>	<p>Completed</p> <p>Initiated</p> <p>Not yet initiated</p>	
<p>Recommendation 6:</p> <p>Prepare linkages with new climate adaptation and resilience projects. At least three new projects on climate change adaptation and resilience are expected in the coming months. The first one is the second phase of the CCCA, and given the existing strong</p>	<p>Three steps</p> <p>-Strengthening and broadening linkages with existing projects. Expand the learning forum with SGP, LGCCC to the "Scaling up project" implemented by NCDDES moving from Knowledge for sharing to Knowledge for lobbying and scaling up.</p> <p>-Build linkages with upcoming projects as suggested by the Terminal</p>			<p>Initiated</p> <p>Initiated</p>	

<p>interactions between both the first phase of the CCCA and NAPA FU, there is a high level of confidence that the second phase of CCCA will rely on the outputs of the NAFA FU.</p> <p>The two other projects to be started are the PPCR and the UNDP/GEF project "Strengthening the resilience of Cambodian rural livelihoods and sub-national government system to climate risks and variability" at the identification stage. The PSU should work on strengthening the linkages with the key institutions involved in the PPCR, especially the Asian Development Bank, and be kept informed about the formulation of the new UNDP/GEF project on resilience</p>	<p>Evaluation plus the "Strengthening climate information and Early Warning System in Cambodia", and GEF/UNDP supported project and ASPIRE an upcoming IFAD supported Programme. - Build linkage with MAFF CCCSP and Action Plan.</p>			<p>Initiated</p>	
<p>Recommendation 7:</p> <p>Tackle the problem of arsenic. Measurement of arsenic concentration has to be done to determine the level of contamination over time, using various labs. The level and the trend should then be compared with national and international guidelines on the matter. Before those compulsory measurements, it is necessary to communicate to the villagers near the affected tanks and adapt water management to the presence of arsenic (orient the water demand towards non drinking uses when possible).</p>	<p>-The project work closely with UNICEF and PDoRD to raise the awareness of arsenic issues and advise villagers on do's and don'ts.</p> <p>-PDoWRAM continues to monitor arsenic concentration by conducting water testing bi-monthly using a lab in Phnom Penh. The trend of arsenic concentration will be analyses and regularly communicate with farmer user groups.</p>	<p>PA/PDoWRAM</p>	<p>2013-2015</p>	<p>Initiated</p>	

* The implementation status is tracked in the ERC.

** Status: (Not Initiated, Initiated, Completed, and No Longer Applicable)

b. Sixth Board's decisions/recommendations:

Recommendation: In principle, the board approved the AWPB 2014 and 2015, however, to avoid budget deficit, the project team needs to revise the budget. The revision should be aligned with elements in the Project Document (ProDoc).

Action taken:

- MAFF/PSU and its advisors reviewed and trimmed the budget following the project document. As a result some of the budget for irrigation and water management have been partly cut and add to the 2015 budget.

Recommendation: UNDP Country Office will check with Regional colleague on the budget planned for equipment procurement such as motorbikes, laptops...etc.

Action taken:

- MAFF/PSU has proposed additional budget to UNDT TRAC. US\$50,000 was approved to cover the budget shortfall.

Recommendation: To ensure sustainability of the project's supported communities, the national team should set up a mechanism to ensure viable infrastructure, technical expertise, and community participation.

Action taken:

- A joint team (the national, provincial, district, communes and communities) formed to carry out the village and beneficiary's selection processes. This would ensure the agreed criteria and stakeholders participation at the start are followed. In addition, the national team joint also in the assessment and selection of potential sites for irrigation development and other domestic water supply systems in both target provinces.

Recommendation: The project team should consider testing sustainability of the project's interventions in the next two years by treating communities as if the project had ended.

Action taken:

- The project focuses its financial support to new target villages, while old ones receive mainly the technical follow up and monitoring support only.

Spot Check's recommendations:

Recommendation 1: Improving control over Charge of Account

In spot check, it was observed that a few CoA were incorrectly used as stipulated in the UNDP accounting principle. It is recommended that Finance Officer carefully checks the CoA as well as approved AWP before proceeding with the payment, otherwise seeks advice from MAFF/PSU.

Action taken:

- Done

Recommendation 2: Improving payment over to cell-card’s suppliers.

It was noted that monthly cell-cards were procured few times per month from different suppliers. It is recommended that cell-card allowances be made in a monthly basis from a supplier through an annual agreement or LTA.

Action taken:

- Done

Recommendation 3: Improving control over advance liquidation

According to the 2008 NCDD Finance and Administrative Manual, advances should be cleared within 10 working days after the completion of activities. It was noted that some clearances were not made on time and delayed from 11 to 45 days. It is recommended that advances are liquidated on a timely basis as set in the rules. Any outstanding advances should be promptly followed up.

Action taken:

- Partially Done

Recommendation 4: Improving control over stamp “PAID”, accuracy of calculation and appropriate supporting document

It was noted that there are some payment vouchers were not stamped “PAID”, inconsistency DSA calculation and supporting documents. It is recommended that the finance officer should pay close attention and make sure that all invoices are properly calculated and stamped and correct supporting documents are attached.

Action taken:

- Done

IV. Project implementation challenges

a. New Identified Risks and Issues:

b. Risks and actions

Project Risk 1: Low pay and suspension of project salary supplements of government civil servants demotivate their participation and commitment to the project implementation.

Actions taken:

- Provide incentive to government officials involved in the project through training and workshop opportunities which are intended to enhance their professional capacity. For the project phase 2, an exchange visit to Lao PDR for 35 government counterparts and project staff is scheduled in April 2014.

Project Risk 2: Project counterparts share many tasks within the government and other projects, which limits their focus on project management.

Actions taken:

- Conduct the regular monthly meeting at sub-national level to jointly discuss and agree on a harmonized work-plan with clearly assigned responsibilities.
- The project recruited additional contract staff (2 persons per district for the new target districts) to assist government counterparts to carry out the annual work-plan and budget.

Project Risk 3: Market drivers motivate farmers to move away from resilient practices to options that are less-resilient but have short-term gains.

Actions taken:

- For any resilient techniques introduced, the project takes into account the marketing (economic), socio-cultural and environmental aspects by balancing short and long-term benefits. Project beneficiaries are encouraged to apply an integrated approach by providing them water facility (infrastructure), forming them into farmer groups and providing them farm inputs as well technical skills.

Project Risk 4: Local hierarchical dynamics prevent effective targeting of most vulnerable beneficiaries (i.e. women, women-headed households, and the landless)

Actions taken:

- Developed guideline for village and beneficiary selections with inclusion of selection criteria and quota of the poor and women headed households.
- Undertake participatory beneficiary selection through village meeting and householder interviewed.

Project Risk 5: Extreme weather events such as storms and floods may delay project implementation.

Actions taken:

- The project team monitor closely the weather forecast and make sure that the relay of information is timely done.
- The project continues to strengthen its community-based early warning system for effective dissemination of weather information in order to mitigate risk and reduce damage caused by any extreme event.

c. Updated project issues and actions**Project Issue 1:**

End of IP3 at sub-national level. Provincial administration takes over all IP3's responsibilities including stand-alone projects previously managed by IP3 managers. This might slow down the business processes as they need time and experiences to fully operationalize.

Actions taken:

- Work closely with the provincial management advisor and administration director to speed up the implementation, specifically project procurement.

IV. Financial status and utilization

**Table 1: Contribution Overview [start date of the project – end date of project]
[01/10/2013 - 31/12/2015]**

DONOR NAME	CONTRIBUTIONS COMMITTED	RECEIVED	CONTRIBUTIO N BALANCE
UNDP	187,000.00	131,200.00	55,800.00
CIDA	2,242,425.90	1,286,658.62	955,767.28
TOTAL	2,429,425.90	1,417,858.62	1,011,567.28

**Table 2: Quarterly expenditure by project output or Activity
[01/01/2014 – 31/03/2014]**

OUTPUT	BUDGET PLAN [Q1]	EXPENDITURE [Q1]	BALANCE	DELIVE RY (%)
Output 1: Improved capacity within local institutions to manage agricultural water resources in a changing climate	37,398.54	6,281.39	31,117.15	16.80%
Output 2: Locally appropriate adaptation options demonstrated to reduce exposure to climate -induced risks	171,555.64	19,319.37	152,236.27	11.26%
Output 3: Lessons learned in project sites replicated in other vulnerable areas of Cambodia	131,587.29	25,750.63	105,836.66	19.57%
Project Management	40,429.59	7,579.43	32,850.16	18.75%
TOTAL	380,971.05	58,930.82	322,040.23	15.47%

Table 3: Annual Expenditure by Project Output or Activity

[1/01/2014 – 31/12/2014]

OUTPUT	BUDGET PLAN 2014	CUMULATIVE EXPENDITURE 2014	BALANCE	DELIVERY (%)
Output 1: Improved capacity within local institutions to manage agricultural water resources in a changing climate	142,409.14	6,281.39	136,127.75	4.41%
Output 2: Locally appropriate adaptation options demonstrated to reduce exposure to climate-induced risks	864,656.76	19,319.37	845,337.39	2.23%
Output 3: Lessons learned in project sites replicated in other vulnerable areas of Cambodia	303,227.36	25,750.63	277,476.73	8.49%
Project Management	107,565.35	7,579.43	99,985.92	7.05%
TOTAL	1,417,858.62	58,930.82	1,358,927.80	4.16%

Table 4: Cumulative Expenditure by Project Output or Activity
[1/10/2013 – 31/12/2015]

OUTPUT	TOTAL BUDGET	CUMULATIVE EXPENDITURE	BALANCE	DELIVERY (%)
Output 1: Improved capacity within local institutions to manage agricultural water resources in a changing climate	239,452.83	48,071.08	191,381.75	20.08%
Output 2: Locally appropriate adaptation options demonstrated to reduce exposure to climate-induced risks	1,458,823.28	127,184.68	1,331,638.60	8.72%

Output 3: Lessons learned in project sites replicated in other vulnerable areas of Cambodia	509,965.24	58,677.69	451,287.55	11.51%
Project Management	220,376.87	22,082.38	198,294.49	10.02%
TOTAL	2,428,618.22	256,015.83	2,172,602.39	10.54%