



**Ministry of Public Works and Transport
Kingdom of Cambodia**

**GMS: Southern Economic
Corridor Towns Development
Project**

**Loan 2983-CAM(SF), Loan 8265-CAM(SCF)
Grant 0334-CAM (UEIF), Grant 0335-CAM (SCF)**

**Quarterly Report
3rd Quarter 2017**

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ABBREVIATIONS AND ACRONYMS

ADB	- Asian Development Bank
CS	- Construction Supervision
CTDP	- Corridor Towns Development Project
DED	- Detailed Engineering Design
DMF	- Design and Monitoring Framework
EA	- Executive Agency
EM	- External Monitoring
EMP	- Environmental Management Plan
GAP	- Gender Action Plan
GMS	- Greater Mekong Sub-region
ICB	- International Competitive Bidding
IEE	- Initial Environmental Examination
IOL	- Inventory of Loss
IRC	- Inter-Ministerial Resettlement Committee
M&E	- Monitoring and Evaluation
MEF	- Ministry of Economy and Finance
MPWT	- Ministry of Public Works and Transport
MRF	- Material Recovery Facility
NCB	- National Competitive Bidding
PAP	- Project-affected People
PISCD	- Project Implementation Support and Capacity Development
PIU	- Project Implementation Unit
PMU	- Project Management Unit
PPMS	- Project Performance Management System
PPP	- Public-Private Partnership
PRC	- Procurement Review Committee
Q	- Quarter
RGC	- Royal Government of Cambodia
RP	- Resettlement Plan
SDR	- Special Drawing Rights
SEC	- Southern Economic Corridor
SLEDP	- Strategic Local Economic Development Plan
WWT	- Wastewater Treatment

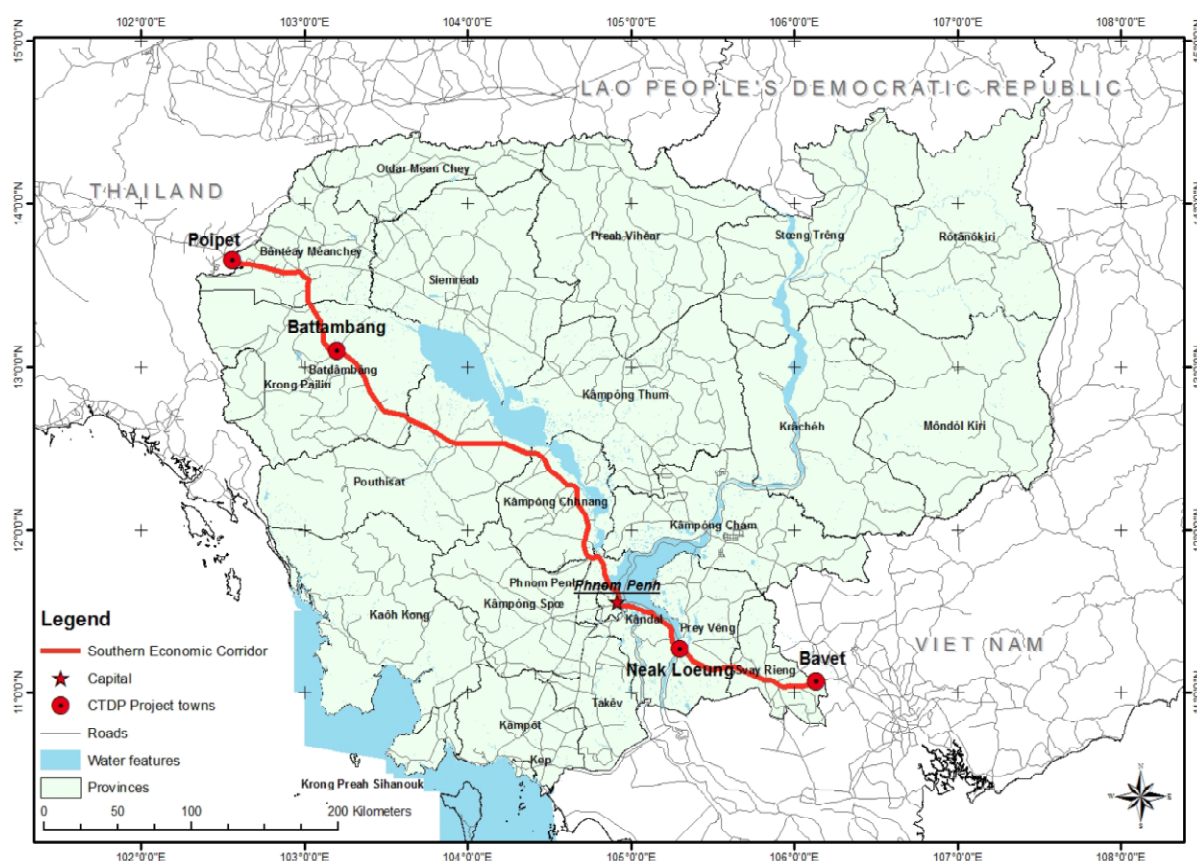
SECTION 1 INTRODUCTION AND BASIC DATA

1.1 PROJECT OVERVIEW

The Royal Government of Cambodia (RGC) has received loans and grants from the Asian Development Bank (ADB) towards the cost of the Greater Mekong Sub-region (GMS) Southern Economic Corridor Towns Development Project (the Project).

The Project will enhance the competitiveness of towns along the Southern Economic Corridor (SEC). The Project will transform the Cambodian corridor towns of Battambang, Bavet, Neak Loeung, and Poipet (see **Figure 1.1**) into economic hubs by improving urban-environmental infrastructure and strengthening institutional capacities of provincial and local authorities.

Figure 1.1
Location of Four Corridor Towns of CTDTP in Cambodia



The Project's expected outcome is improved urban infrastructure and enhanced climate resilience in Battambang, Bavet, Neak Loeung and Poipet. The Project will cover ten subprojects comprising: (a) three subprojects in Battambang, i.e. flood protection, wastewater treatment (WWT), and materials recovery facilities (MRF); (b) three in Bavet, i.e. urban roads, WWT, and MRF; (c) one in Neak Loeung, i.e. flood control; and (d) three in Poipet, i.e. WWT, solid waste management, and MRF.



1.2 BASIC DATA

Presented below are the basic Project data.

Project Title:	Greater Mekong Sub-region Southern Economic Corridor Towns Development Project		
Project Number:	43319-033		
Borrower:	Kingdom of Cambodia		
Executing Agency (EA) and Implementing Agencies (IA)	The EA of the Project is the Ministry of Public Works and Transport (MPWT). The EA assumes overall responsibility for the project implementation through the Project Management Unit (PMU). The Provincial Town Governor in each of the four Towns, in cooperation with PMU, has set up the PIUs for the implementation of subproject activities. The key members of the PMU and PIUs are presented in Appendix A .		
Total Project Cost and Financing Plan			
Loan/Grant No.	Source of Funding	Amount (US\$ million)	Share of Total (%)
Loan 2983-CAM (SF)	Asia Development Fund	33.44 ^a	65.3
Loan 8265-CAM (SCF)	Strategic Climate Fund ^b	5.00	9.8
Grant 0335-CAM (SCF)	Strategic Climate Fund ^b	4.40	8.6
Grant 0334-CAM (UEIF)	Urban Environmental Infrastructure Fund Grant under the Urban Financing Partnership Facility ^c	1.50	2.9
	Government of Cambodia	6.87	13.4
	Total Project Cost	51.21	100.0

^a Revised due to the depreciation of the SDR against the US\$.

^b Under the Pilot Program for Climate Resilience financed by the Strategic Climate Fund. The ADB Strategic Climate Fund is administered by the Asian Development Bank.

^c Contributor: the Government of Sweden.

Date of Loan/Grant Approval	10 December 2012
Date of Signing of Agreement	17 January 2013
Date of Effectiveness	08 April 2013
Loan/Grant Closing Date	
Revised	30 June 2021 (loan period is 8.23 years from date of effectiveness)
Original	30 June 2019 (loan period is 6.23 years from date of effectiveness)
Elapsed Loan Period	4.48 years from date of effectiveness (as of 30 September 2017) 54% of revised loan period 72% of original loan period
Dates of ADB Review Missions	08 September – 01 October 2014; 01 – 11 December 2015; 09 – 22 August 2016 and 18 – 30 October 2017



Compared to the original plan, the implementation of the Project has been delayed by about 24 months. This is mainly due to delays in the procurement of detailed engineering design (DED) consultant and the actual preparation of DED and bid documents. Based on this, a proposal for the extension of the loan/grant closing date by 24 months, from 30 June 2019 to 30 June 2021, will be prepared by the EA/MEF for approval by ADB. Shown in **Appendix B** is the updated Overall Project Implementation Plan that takes into consideration the 24-month extension of the loan/grant closing date, and the prioritization of subprojects.

1.3 REPORTING PERIOD

This Quarterly Report is for the 3rd Quarter of 2017 – July-September 2017 reporting period. It provides a summary of accomplishments during the reporting period, compliance with safeguards and covenants, identifies major issues and concerns and recommends the action required, and lists activities to be carried out in the next quarter.



SECTION 2 UTILIZATION OF FUNDS

2.1 REVISED PROJECT COST ESTIMATE

The Project cost estimate was amended to take into consideration: (i) the reallocation of loan/grant proceeds due to contract awards under some loan categories that already exceeded their allocation, and the prioritization of subprojects such that total cost will be within the available budget; (ii) budget shortfalls arising from the depreciation of the SDR against the US\$; and (iii) extension of loan/grant closing date. **Table 2.1** presents the revised Detailed Cost Estimate by Financier prepared by MEF, and approved by ADB.

Table 2.1
Revised Detailed Cost Estimate by Financier (US\$ million)

Reallocation of Loan and Grant Proceeds as Approved by ADB on 26 January 2017
(Greater Mekong Subregion Southern Economic Corridor Towns Development Project)

No.	Item	ADB Loan *		SCF Loan		SCF Grant		UFPF Grant		RGC				Total
		Amount	%	Amount	%	Amount	%	Amount	%	Nontax	Taxes	Amount	%	
1	Works	25.684	67.2	3.780	9.9	3.270	8.6	1.390	3.6	-	4.097	4.097	10.7	38.221
1A	CW: Wastewater Treatment and Flood Control	16.022	62.2	3.780	14.7	3.270	12.7	-	-	-	2.697	2.697	10.5	25.769
1B	CW: Road and Solid Waste Management	9.662	88.5	-	-	-	-	-	-	-	1.260	1.260	11.5	10.922
	Material Recovery Facilities	-	-	-	-	-	-	1.390	90.8	-	0.140	0.140	9.2	1.530
2	Consulting Services	3.317	69.7	0.739	15.5	0.702	14.8	-	-	-	-	-	-	4.758
2A	Project Implementation Support & CD	1.816	71.1	0.368	14.4	0.371	14.5	-	-	-	-	-	-	2.555
2B	Detailed Engineering Design	0.659	78.0	0.100	11.9	0.085	10.1	-	-	-	-	-	-	0.845
2C	Construction Supervision	0.730	58.6	0.270	21.7	0.246	19.7	-	-	-	-	-	-	1.246
2D	External Monitoring	0.113	100.0	-	-	-	-	-	-	-	-	-	-	0.113
3	Equipment	0.416	100.0	-	-	-	-	-	-	-	-	-	-	0.416
4	Training	0.136	100.0	-	-	-	-	-	-	-	-	-	-	0.136
5	Incremental Administration	0.651	50.7	0.001	0.1	0.001	0.1	-	-	0.630	-	0.630	49.1	1.283
5A	Project Management Unit	0.325	99.2	0.001	0.4	0.001	0.4	-	-	-	-	-	-	0.328
5B	Project Implementation Unit	0.325	100.0	-	-	-	-	-	-	-	-	-	-	0.325
5C	Salary Supplements	-	-	-	-	-	-	-	-	0.630	-	0.630	100.0	0.630
	Land Acquisition and Resettlement	-	-	-	-	-	-	-	-	1.650	-	1.650	100.0	1.650
6	Unallocated	2.427	62.1	0.467	11.9	0.427	10.9	0.110	2.8	0.096	0.385	0.481	12.3	3.910
7	Interest During Construction	0.810	98.4	0.013	1.6	-	-	-	-	-	-	-	-	0.823
	Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	33.440	65.3	5.000	9.8	4.400	8.6	1.500	2.9	2.376	4.482	6.858	13.4	51.198

* 1 SDR = 1.392 US\$

2.2 LOAN AND GRANT PROCEEDS

Loans and grants utilization by category, as of 30 September 2017 are indicated in **Appendix C**, and consolidated in **Table 2.2** below.



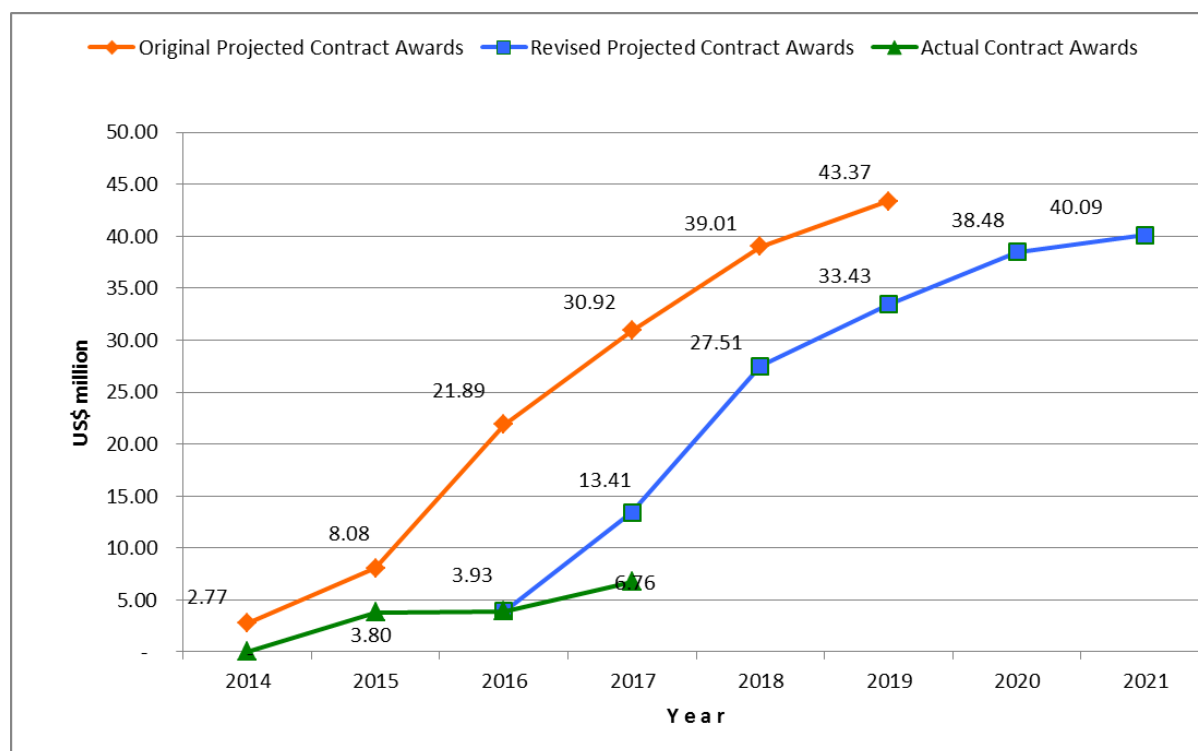
Table 2.2
Consolidated Status of Loan and Grant Proceeds

Table __: Consolidated Status of Loan and Grant Proceeds						
as of 30 September 2017						
Loan/Grant No.	US Dollars					
	Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
	A	B	C = A - B	D	E = A - D	F = B - D
Loan 2983	33,771,135	4,031,247	29,739,888	2,789,869	30,981,265	1,241,378
Loan 8265	5,000,000	786,196	4,213,804	389,195	4,610,805	397,001
Grant 0334	1,500,000	1,174,390	325,610	176,158	1,323,842	998,231
Grant 0335	4,400,000	763,734	3,636,266	374,181	4,025,819	389,553
Total	44,671,135	6,755,566	37,915,568	3,729,403	40,941,731	3,026,163

2.3 CONTRACT AWARDS

In Q3 2017, contract awards works were undertaken. As of 30 September 2017, the contracts awarded by PMU amounted to US\$6.76 million, or 15.12% of total loan and grant amount. **Figure 2.1** shows the S-curves of the cumulative actual contract awards and original and revised projections/targets. The revision of the targets was made based on the approved reallocation of loan/grant proceeds, and updated procurement plan.

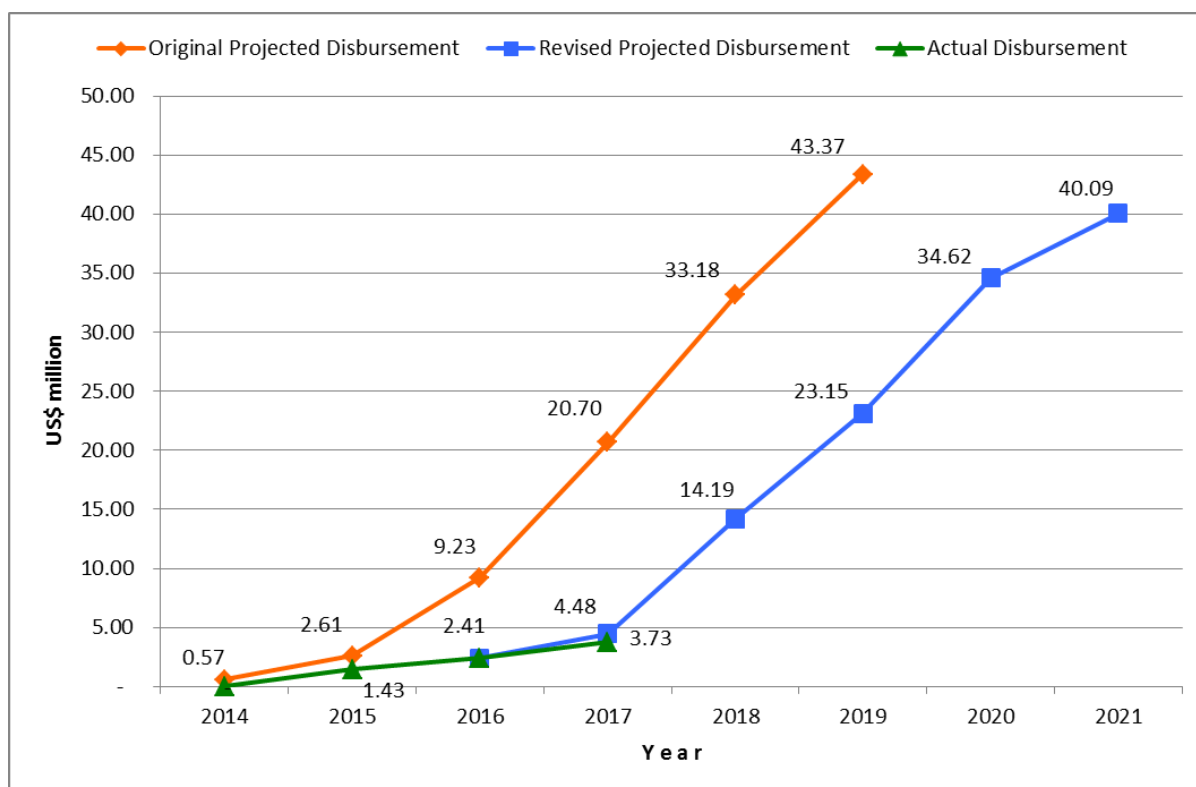
Figure 2.1
Cumulative Actual Versus Projected Contract Awards



2.4 DISBURSEMENT

Disbursements during Q3 2017 were made through direct payment of PISCD consulting services, incremental admin- PMU and PIU and Material Recovery Facility. So far, a total of US\$3.73 million, or 55.20% of total contract awards, has been disbursed. This is equivalent to 8.35% of total loan and grant amount. The S-curves of the cumulative actual disbursements and original and revised projections/targets are shown in **Figure 2.2**. The revision of the targets was made based on the revised projected contract awards, and the revised overall project implementation plan.

Figure 2.2
Cumulative Actual Versus Projected Disbursements



2.5 COUNTERPART FUNDS

The replenishment of RGC counterpart imprest account was made during the reporting period is US\$24,182.92. PMU and PIU staff allowances were paid from the account's balance of the previous quarter. As of 30 September 2017, the total counterpart funds released to the Project was US\$170,823.50 or 2.5% of total government contribution.



SECTION 3 IMPLEMENTATION PROGRESS

3.1 OVERALL PROGRESS

As of 30 September 2017, the estimated physical completion of the Project was about 7.23%; while the time elapsed from effectiveness date was 54% of the revised loan period (72% of the original loan period). The physical completion is indicated as a percentage derived from the estimate of the weight contributed by each activity as a percentage of the total project, consistent with the S-curve concept.

The PISCD Consultant during the reporting period is review and revises Bidding Documents for Battambang and Poipet WWT Subproject, Bavet Urban Road and contractor's working schedule of subprojects as following:

Battambang

- a) Wastewater Treatment:
 - Revise BOQ and design drawing for Battambang Drainage and Sewerage subprojects
 - Revise BOQ for Battambang Drainage Subproject in according to the ADB comments
- b) Materials Recovery Facility (MRF):
 - Assist PMU for supervision of construction works of MRF Battambang, as of Q3 2017 the progress of MRF construction is about 15%
 - Review contractor's working schedule, materials testing and shop drawings of MRF construction
- c) Storm Drainage: Prepare drawing of Corridor of Impact for Battambang Storm Drainages subproject.

Bavet

- a) Urban Road:
 - Review and comment on BOQ and cross section drawing of Bavet Urban Road Subproject
- b) Materials Recovery Facility (MRF):
 - Assist PMU for supervision of construction works of MRF Bavet, as of Q3 2017 the progress of MRF construction is about 5%
 - Review contractor's working schedule, materials testing and shop drawings of MRF construction



Poipet

a) Wastewater Treatment:

- Revise BOQ and design drawing for Poipet WWT subproject in according to the PMU recommendation

b) Materials Recovery Facility (MRF):

- Review contractor's working schedule, materials testing and shop drawings of MRF construction
- Assist PMU for supervision of construction works of MRF Poipet Towns, as of Q3 2017 the progress of MRF construction is about 18%.

c) Storm Drainages: Prepare drawing of Corridor of Impact for Poipet Storm Drainages subproject.

3.2 PROCUREMENT

The Project involves the procurement of: (i) civil works with an estimated amount of \$38.22 million; (ii) consulting services, \$4.76 million; (iii) goods and equipment, \$0.42 million; and (iv) training, \$0.14 million.

3.2.1 Awarded and Ongoing, and Completed Contracts

In Q3 2017, some activities were undertaken, as of end of Q3 2017, the status of procurement was as follows:

- Consulting services - 6 contracts awarded: (i) PISCD Consultant (ongoing), (ii) DED Consultant (contract expired), (iii) Procurement Specialist (ongoing), (iv) Financial Specialist (ongoing), (v) Construction Supervision (ongoing) and (vi) Environmental Specialist (ongoing). The recruitment of all consulting services has been completed
- Goods and Works - all 6 contracts awarded and completed.
- Civil works
 1. MRF: all 10 packages of civil works, 3 out of 10 contract awarded and signed for Battambang, Bavet & Poipet Material Recovery Facility (MRF)
 2. WWTP:
 - 1 out of 3 WWTP was finalized draft bidding document and will advertise on October 2017(WWTP in Battambang)
 - 1 out of 3 WWTP not yet procure because is in DED state (WWTP in Poi Pet)
 - 1 out of 3 WWTP the budget not enough (WWTP in Bavet)
 3. Urban Road: Urban Road in Bavet was finalized draft bidding document and will advertise on October 2017



4. Flood Control: 2 out of 10 (Flood control in Battambang and Neak Loeung) not enough budget
5. Solid Waste: Solid waste in Poipet not enough budget, but will available soon for subproject implementation

3.2.2 Updated Procurement Plan

Due to budget shortfalls resulting from the depreciation of SDR, and underestimated scope of civil works and cost of construction materials in the feasibility study, the EA and ADB foresees that not all of the subprojects could be covered under the current budget situation. The subprojects were therefore prioritized and an updated procurement plan (**Appendix D**) was prepared and agreed upon by the EA and ADB.

3.3 CONSULTING SERVICES

To provide support during Project implementation, the following consultants are engaged: (i) Project Implementation Support and Capacity Development (PISCD), (ii) Detailed Engineering (DED) Consultant, (iii) Construction Supervision (CS) Consultant, (iv) External Monitoring (EM) Consultant, (v) Procurement Specialist, and (vi) Financial Specialist.

3.3.1 Project Implementation Support and Capacity Development (PISCD)

Contract No. ICB/MPWT/PMU/CTDP1/001 between the Ministry of Public Works and Transport and NJS Consultants Co., Ltd. in Joint Venture with Key Consultants (Cambodia) Ltd. was signed on August 4, 2014. The consultant began mobilizing the consulting team by August 15, 2014.

Activities of the PISCD Consultant included assisting the PMU with Procurement (see Subsection 3.2), Detailed Engineering Design (see Subsection 3.3.2), Strengthening of Institutional Capacity (see Subsection 3.6) Environmental Safeguards (see Subsection 5.1), Resettlement (see Subsection 5.2), Implementation of Gender Action Plan (see Subsection 5.3) and Assessment of Project Performance through PPMS (see Section 4).

The PISCD Consultants have also assisted PMU in the preparation of this Quarterly Report.

3.3.2 Detailed Engineering Design (DED)

During the reporting period, DED documents were completed and will prepare bid document for this subprojects.

3.3.3 Construction Supervision (CS)

Contract negotiation with the winning CS Consultant was successfully completed during the reporting period. The scope of work has changed to cover DED of the urban road subproject in Bavet, and CS services for the construction of civil works in the six priority subprojects. Contract signing take place in 16 January, 2017.

3.3.4 External Monitoring (EM)

External Monitoring is part of the Safeguards Monitoring for the Project. Environmental and Social Safeguards are to be monitored during the pre-construction, construction and post-construction periods. The MEF has engaged an external monitoring consultant to provide EM for resettlement activities and implementation of the Resettlement Plan (RP). The MPWT has engaged one National Environmental Specialist to provide EM of the implementation of the Environmental Management Plan (EMP).

These two specialists/consultants was not mobilized as of Q3 2017.



3.3.5 Financial and Procurement Specialists

The Financial and Procurement Specialists who are directly contracted by the PMU (since 10 June 2016) are responsible for the preparation of quarterly financial management report, and procurement report, respectively.

3.4 ADOPTION AND IMPLEMENTATION OF THE SLEDP (OUTPUT 1)

The SLEDPs for Battambang, Bavet, Neak Loeung and Poipet, which were all prepared in 2011, were reviewed by relevant Government agencies and provincial authorities, and are expected to be adopted by these agencies/authorities by December 2016.

There were no activities related to Public-Private Partnership (PPP) Initiatives during the 3rd Quarter 2017. The proposed PPP projects include: (i) Dry Port and Logistics Facility in Poipet; (ii) Dry Port and Logistic Facility in Bavet; and (iii) Trade and Transport Complex in Neak Loeung. The PMU indicated that these proposed PPP projects will be further examined under other studies and there is a need to prepare these documents in more detail in order to attract potential private investors.

3.5 IMPLEMENTATION OF PRIORITY URBAN INFRASTRUCTURE INVESTMENTS (OUTPUT 2)

Considering that the priority urban infrastructures was completed in the DED, three priority subprojects was constructed of civil works and other subprojects is bid document preparation phase, it is expected that the procurement for the construction of civil works will commence in the 4th quarter of 2017.

It was agreed by the EA and ADB that the criteria for the prioritization of subprojects be based on the importance and urgency of works to be done, and readiness in terms of safeguards requirements and detailed engineering designs. The agreed ranking of subprojects, in order of priority, is shown in **Table 3.1**:

Table 3.1
Ranking of Subprojects, in Order of Priority

Rank	Package	Subproject	Readiness
1	CW03	Battambang Material Recovery Facility	No potential safeguards issues as MRF will be located adjacent to the existing dumpsite (which has no potential safeguards issue).
2	CW10	Poipet Material Recovery Facility	The proposed MRF site is located on a public land proposed for the landfill. This land is currently utilized as source of borrow materials and has recently been almost completely excavated. The MRF site therefore was relocated south of the proposed landfill. The PIU has already acquired lands for new site of the MRF.
3	CW06	Bavet Material Recovery Facility	Has a potential safeguards issue as proposed MRF site is a private land. The PIU is now in the process of acquiring a land south of National Road no. 1 for the new site of the MRF.
4	CW02	Battambang Wastewater Treatment	The IRC has already acquired lands for WWTP (east), and the two main pumping stations.
5	CW08	Poipet Wastewater Treatment	The IRC has already acquired lands for WWTP and the main pumping station.



Rank	Package	Subproject	Readiness
6	CW05	Bavet Urban Roads	No potential safeguards issue as improvement is confined within the existing road right-of-way.
7	CW04	Bavet Wastewater Treatment	The PIU is in the process of acquiring a 22-ha land south of National Road no. 1 for the new site for WWTP. The IRC has already acquired land for the main pumping station.
8	CW09	Poipet Solid Waste Management	The proposed site of the landfill is public lands currently utilized as source of borrow materials and has recently been almost completely excavated.
9	CW07	Neak Loeung Flood Control	Site for the pumping station, water gate and protection dike not acquired yet. There is a need to determine the suitability of the site along with possible impacts to landowners with properties that will be traversed by the dikes and pumping stations. The subproject has extended by the lack of budget.
10		Rehabilitation of existing Battambang Wastewater Treatment Plant	No potential safeguards issue on the existing WWTP (west).
11	CW01	Battambang Flood Control	Have no potential safeguards issues as its proposed location is in public right-of-way.

3.6 STRENGTHENING OF INSTITUTIONAL CAPACITY

The capacity development program is intended to ensure smooth implementation of urban infrastructure and to provide sustainable capacity development. During Q3 2017, the PISCD Consultant conducted one training, namely:

Module 7.2: Resettlement – 19 attendees (5 females, 14 males);

So far, a total of 16 training were conducted by the PISCD Consultant, a complete list of which is presented in **Appendix E**.

The PISCD National Training Specialist was remobilized and undertook the following activities:

- Observation of Training Module 7.2 (Resettlement) at Svay Rieng province.
- Reschedule of the training session and mobilize participants (PMU/PIU) for training
- Evaluation of training course and prepared training evaluation report



SECTION 4 PROJECT PERFORMANCE

4.1 GENERAL

Project performance M&E includes tracking progress from the baseline situation against the targets and the indicators identified in the DMF, and assessing progress toward achieving the respective result level outputs, outcome and impact.

In this Project, although outputs, outcome and impacts will be achieved only as subprojects are completed (some of the subprojects sooner, others later; some fully, others partly), it is necessary to assess the likelihood or degree of the achievement of outputs, outcome and impact already during implementation. The subjectivity of the judgments involved can be reduced by taking into account the implementation progress and, equally important, by realistically reassessing the assumptions and risks that affect outputs and development objectives.

4.2 ASSESSMENT OF ASSUMPTIONS AND RISKS

Assumptions and risks are the external factors which cannot be controlled by the project manager or the executing agencies, but which influences the success of project implementation. These are identified in the DMF. Assumptions explain important conditions that affect project implementation, while risks are the probability or likelihood that key assumptions may not materialize. The assessment of assumptions and risks is presented in **Appendix G**. The main concern at present is the low level of female participation in the training conducted so far, as compared to GAP target percentage of women participants in capacity development.

4.3 PROJECT PERFORMANCE AGAINST THE TARGETS SET OUT IN THE DMF

M&E of performance indicators involves the tracking and assessment of the degree of attainment and sustainability of Project outputs, outcome and impact by comparing actual performance, as measured by its corresponding indicator, to the baseline and performance target.

The Project's performance against the targets set out in the DMF is reported in **Appendix H**. As of 30 September 2017, assessments of progress toward achieving Outputs 1 and 3 are being carried out since the activities toward attaining these outputs have commenced and are ongoing. Progress toward achieving Output 2, Outcome and Impact, however, can only be assessed upon completion of subprojects and during their operation.

4.4 BASELINE VALUES, PERFORMANCE TARGETS FOR INDICATORS, AND PROJECTED ACHIEVEMENTS

The projected achievements of performance target values for the indicators in the project DMF should be updated based on the results of the detailed engineering design to be conducted in the 1st, 2nd and 3rd quarters of 2017. The baseline values and performance targets, and projected achievements that need to be updated, are discussed in **Appendix I**.



SECTION 5

COMPLIANCE WITH SAFEGUARDS AND COVENANTS

5.1 ENVIRONMENTAL SAFEGUARDS

During the reporting period no environmental works were undertaken. Previous quarter the PISCD Environmental Specialists were undertaken the following activities:

- Reviewed and Assessed Detailed Engineering Design, Batambang, Bavet and Poipet subprojects
- Site visit to new location of facilities (MRF and WWTP) in Poipet and Bavet
- Finalize Updated EMPs and Climate Resilience Framework for Batambang, Bavet and Poipet;
- Conduct of Environmental Safeguards and Due Diligence Assessments;
- Ensuring that EMPs and Climate Change Adaptation and Resiliency Measures are addressed in detailed engineering designs;
- Providing guidance regarding consultations with project-affected people (PAP);
- Other activities such as:
 - Ensuring that environment safeguards and climate resiliency measures are adequately considered in the bidding documents and in the evaluation criteria for civil works, goods and services.
 - Assistance in preparation of public awareness programs on environmental and climate change adaptation and resiliency issues.

5.2 RESETTLEMENT

During the reporting period no resettlement works were undertaken. Previous quarter the PISCD Resettlement Specialists were undertaken the following activities:

- Conduct ocular survey of sites of infrastructure facilities in Battambang, Bavet, Neak Loeung and Poipet that may have some resettlement impacts;
- Conduct Public Consultation and IOL in Battambang and Poipet with the assumption that the Resettlement Specialist has already prepared and translated into Khmer the public consultation materials and the IOL tables;
- Prepare and conduct the PIU staff training on RP preparation in Battambang and Poipet.

5.3 IMPLEMENTATION OF GENDER ACTION PLAN

During the reporting period no Gender works were undertaken. The PISCD Gender Specialists will remobilize in the 4th quarter to undertake the following activities:

Activities of the PISCD Consultant during the reporting period are as follow:



- Prepare activity design, submit and have this approved by TL and Project Director Meeting with PIU and village chiefs for boundary and coordinates for MPS1 and MPS2 of Battambang Town
- Scout and finalize venue jointly with PIUs
- Tap services of resource persons using as reference the approved activity design; agree on deliverables e.g. session plan and training materials/teaching aids, logistics etc.
- Coordinate with PIU re: notice of invite to project beneficiaries through the sangkat/village leaders
- Reproduce training materials/training kits e.g. sex-disaggregated participants' profile and attendance sheet; training materials from resource persons; flip charts etc.
- Role delineation/tasking meeting of training management and support staffs. (Training team building)
- Send notice of invites to participants and Conduct gender sensitization seminar
- Include seminar results in project's progress reports and in ADB' gender performance report.

GAP Implementation Progress is presented in **Appendix F**

5.4 STATUS OF COMPLIANCE WITH LOAN COVENANTS, AND RISK ASSESSMENT AND RISK MANAGEMENT PLAN

There are 21 key loan covenants, out of which twelve (12) are complied with, five (5) are compliance ongoing, and four (4) are not yet due for compliance. The list of covenants under relevant categories and their status of compliance as of September 30, 2017 is provided in **Appendix J**.

The status of compliance with the Risk Assessment and Risk Management Plan is presented in **Appendix K**.



SECTION 6

MAJOR PROJECT ISSUES AND PROBLEMS, AND ACTIONS TAKEN

The major project issues and problems encountered, and actions taken during Q2 2017 were:

Issues/Problems	Action Taken
1. Budget shortfall due to the depreciation of the SDR against the US\$, and underestimated scope of civil works and cost of construction materials in the feasibility study.	• EA and ADB agreed to the prioritization of subprojects such that total cost will be within the available budget. • EA & ADB agreed to the reallocation of loan/grant proceeds.
2. Compared to the original plan, the implementation of the Project has been delayed by about 24 months. The likelihood is high that civil works may not be completed within the remaining loan period.	• A proposal for the extension of the loan/grant closing date by 24 months, from 30 June 2019 to 30 June 2021, will be prepared by the EA/MEF for approval by ADB.
3. Poipet WWTP site surrounded by Poipet City's water supply source	• MEF and PMU will purchase more land adjacent to the MPS for construction of WWTP (Package WWTP).
4. MRF site for Bavet town is flooded by rain water	• Additional Works are needed



SECTION 7 ACTIVITIES FOR THE NEXT STEPS

The work plan for the next steps is presented in **Table 7.1**.

Table 7.1
WORK PLAN FOR NEXT STEPS (4th Quarter 2017)

Main Task	Activities to be Carried out	Responsible	Agreed Due Date
PISCD	Assist PMU for revision of BOQ and drawings for BB and PP WWT subprojects and BV UR	PISCD	Q4 2017
Civil Work	Assist PMU for supervision of construction works of MRF	PISCD & CS Consultant	Q4 2017
Procurement	- Finalized drafted bidding document and advertise for Battambang Waste Water Treatment Plant and Bavet urban roads - Prepare bid document for Poipet Waste Water Treatment Plant	Procurement Specialist	Q4 2017
Capacity Development and Training	- Review Training Materials and Conduct Training for Module 4.3: Project Administrative Management - Review Training Materials and Conduct Training for Module 4.4: Human Resource Development - Review Training Materials and Conduct Training for Module 10.1: PPMS Training, Physical and Financial Progress Reporting - Review Training Materials and Conduct Training for Module 10.2: Monitoring Compliance of Social and Environmental Safeguards - Review Training Materials and Conduct Training for Module 1.4: Consultation and Participation Approaches for Safeguards - Review Training Materials and Conduct Training for Module 4.1: Best Practices in Project Management of ODA funded Project	PISCD Training Specialists	13-15 November 2017 16-17 November 2017 27-28 November 2017 29-30 November 2017 18-19 December 2017 20-22 December 2017
Implementation of Gender	Gender Sensitization Seminar and Awareness Building for Project	PISCD Social	November, 2017-



Main Task	Activities to be Carried out	Responsible	Agreed Due Date
Action Plan	Beneficiaries at village/sangkat levels	Safeguards & Gender Specialists	December, 2017
PPMS	• Updating of projected accomplishments of performance, baseline and target values. • Data collection/information for prepare draft of 4th quarterly report 2017	PPMS Specialist	Q4 2017



APPENDICES



APPENDIX A

KEY MEMBERS OF PROJECT MANAGEMENT UNIT AND PROJECT IMPLEMENTATION UNITS

A.1 Key Members of Project Management Unit

PMU Member	Project Responsibility
1. H.E. Vong Pisith	- Project Director
2. Mr. Pou Manith	- Procurement Officer
3. Ms. Thap Solini	- Financial Officer
4. Mr. Vong Rada	- Technical Officer
5. Mr. Vong Litet	- Social & Environmental Affairs
6. Mr. Chay Vila	- Municipal Development Planning
7. Mr. Sros Sitharith	- Impact Assessment
8. Mr. Pal Piseth	- General Administrator
9. Mr. Nuon Sikheng	- Liaison Officer
10. Mr. Ung Sa Em	- Driver
11. Mr. Nget Chan Ggoeun	- Driver
12. Mr. Mao Chansok	- Driver
13. Mrs. Srey Chea	- Office Support

A.2 Key Members of Project Implementation Units

PIU Member	Project Responsibility
Battambang	
1. Mr. Chan Sambo	- Chief of PIU
2. Mr. Dy Pao	- Deputy Chief of PIU
3. Mr. Kem Sokuntheary	- Administrative & Financial Officer
4. Mr. Prounh Rith Tha	- Technical Officer
5. Mr. Song Soeun	- Technical Officer
6. Mr. Nou Chamroeun	- Urban Development Plan
7. Ms. Sok Kinna	- Social & Environmental Officer
8. Mrs. Toun Bopha	- Impact Assessment
9. Mr. Nou Chhorvivann	- Coordinator
Poipet	
1. Mr. Chea Sovanthoun	- Chief of PIU
2. Mr. Touch Mony	- Deputy Chief of PIU
3. Mr. Chheang Monin	- Technical Officer



PIU Member	Project Responsibility
4. Mr. Orn Siphea	- Technical Officer
5. Mr. Sok Pengnorn	- Urban Development Plan
6. Ms. Chhay Vannin	- Administrative & Financial Officer
7. Mr. Sang Sony	- Social & Environmental Officer
8. Ms. Sophal Lear Phear	- Impact Assessment
9. Mr. Rinh Bunchhuoy	- Coordinator

Neak Loeung

1. Mr. Kry Rathat	- Chief of PIU
2. Mr. Phun Somphors	- Deputy Chief of PIU
3. Mr. Nhem Sokheoun	- Technical Officer
4. Mr. Chheung Choeun	- Urban Development Plan
5. Mr. Khorn Phy	- Social & Environmental Officer
6. Mrs. Phat Sreysross	- Gender & Public Campaign Officer
7. Mr. Prak Sareth	- Impact Assessment

Bavet

1. Mr. Noun Lihoun	- Chief of PIU
2. Mr. Ung Sa	- Deputy Chief of PIU
3. Mr. Youn Raksmei	- Technical Officer
4. Mr. Sok Sophal	- Administrative & Financial Officer
5. Mr. Keo Sarong	- Social & Environmental Officer
6. Mr. Kham Rithy	- Urban Development Plan



APPENDIX B

REVISED OVERALL PROJECT IMPLEMENTATION PLAN

Year	2013				2014				2015				2016				2017				2018				2019				2020				2021			
Month	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Loan Agreements																																				
RFP for PIS/CD Consulting Services																																				
Proposal Due for PIS/CD Consulting services																																				
Consultant Selection for PIS/CD Consulting Services																																				
Consultant Selection for Detailed Engineering Design Services																																				
Consultant Selection for Construction Supervision Services																																				
A. Bavet																																				
Urban Roads																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
Wastewater Treatment Plant																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
Materials Recovery Facility																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
B. Battambang																																				
Wastewater Treatment Plant																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				



Year	2013				2014				2015				2016				2017				2018				2019				2020				2021			
Month	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Flood Control																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
Materials Recovery Facility																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
C. Neak Loeung																																				
Flood Protection																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
D. Poipet																																				
Wastewater Treatment Plant																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				



Year	2013				2014				2015				2016				2017				2018				2019				2020				2021			
Month	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
Solid Waste Management																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
Materials Recovery Facility																																				
Preliminary Design Review																																				
Detailed engineering design																																				
Land acquisition and resettlement																																				
Prequalification and bidding																																				
Construction of civil works																																				
Procurement of equipment																																				
Construction Supervision																																				
E. Project Implementation Support/ Capacity Development Consultant																																				
Implementation support and benefit monitoring																																				
F. Capacity Development and Training																																				
Implementation support and benefit monitoring																																				
G. Independent Monitoring																																				
Prequalification, selection & awarding of consultants																																				
Mobilization																																				
Implementation support and benefit monitoring																																				

- Ministry of Public Works and Transport
- Detailed Engineering Design (DED) Consultant
- Construction Contractor
- Construction Supervision (CS) Consultant
- Project Implementation Support and Capacity Development Consultant
- To be determined (PISCD Consultant or other)
- External Monitoring Organization



APPENDIX C LOANS AND GRANTS UTILIZATION

Status of Loan Utilization (Loan 2983)

as of 30 September 2017							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01	Works		-	-	-	-	-
1A	CW- WWT and Flood Control	16,181,564	-	16,181,564	-	16,181,564	-
1B	CW- Road and Solid Waste M	9,758,144	-	9,758,144	-	9,758,144	-
02A	CS - PISCD	1,843,610	1,853,773	(10,164)	1,296,975	546,635	556,799
02B	CS - DED	659,582	882,448	(222,866)	629,004	30,578	253,444
02C	CS - Construction Supervision	733,832	713,065	20,767	71,858	661,974	641,207
02D	CS - External Monitoring	113,875	-	113,875	-	113,875	-
03	Equipment	418,717	367,305	51,412	367,281	51,436	24
04	Training	136,936	-	136,936	-	136,936	-
05A	Incremental Admin - PMU	333,741	154,656	179,085	142,616	191,125	12,040
05B	Incremental Admin - PIUs	330,048	60,000	270,048	62,333	267,714	(2,333)
06	Unallocated	2,450,767	-	2,450,767	-	2,450,767	-
07	Interest During Construction	817,725	-	817,725	31,039	786,687	(31,039)
99	Imprest Account	(7,406)	-	(7,406)	188,764	(196,170)	(188,764)
	Total	33,771,135	4,031,247	29,739,888	2,789,869	30,981,265	1,241,378

Status of Loan Utilization (Loan 8265)

as of 30 September 2017							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01	Works						
1A	CW -WWT & Flood Control	3,780,000	-	3,780,000	-	3,780,000	-
2A	CS - PISCD	368,163	368,163	-	258,971	109,192	109,192
2B	CS - DED	100,430	137,598	(37,168)	98,079	2,351	39,519
2C	CS - Construction Sup.	270,435	270,435	-	27,256	243,179	243,179
03	Incremental Administration	1,291	10,000	(8,709)	1,295	(4)	8,705
04	Interest during Construction	13,000	-	13,000	434	12,566	(434)
05	Unallocated	466,681	-	466,681		466,681	-
	Imprest Account			-	3,159	(3,159)	(3,159)
	Total	5,000,000	786,196	4,213,804	389,195	4,610,805	397,001



Status of Grant Utilization (Grant 0334)

as of 30 September 2017

Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01	Works						
01	Material Recovery Facility	1,390,000	1,174,390	215,610	176,158	1,213,842	998,231
03	Unallocated	110,000	-	110,000	-	110,000	-
	Total	1,500,000	1,174,390	325,610	176,158	1,323,842	998,231

Status of Grant Utilization (Grant 0335)

as of 30 September 2017

Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01	Works						
1A	CW- WWT & Flood Control	3,270,000	-	3,270,000	-	3,270,000	-
02A	CS - PISCD	370,756	370,755	1	260,795	109,961	109,960
02B	CS - DED	85,490	117,129	(31,639)	83,489	2,001	33,640
02C	CS - Construction Sup.	245,850	245,850	-	24,779	221,072	221,072
03	Incremental Administration	1,391	30,000	(28,609)	1,396	(5)	28,604
04	Unallocated	426,513	-	426,513	-	426,513	-
	Imprest Account		-	-	3,723	(3,723)	(3,723)
	Total	4,400,000	763,734	3,636,266	374,181	4,025,819	389,553



APPENDIX D

UPDATED PROCUREMENT PLAN

(Updated as of 31 December 2016, pending ADB approval)

Civil Works Contracts Estimated to Cost \$1 Million or More

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
CW01	Battambang Flood Control Subproject	2,090,000.00	ICB	Prior	1S2E		Not enough budget
CW02	Battambang Wastewater Treatment Subproject	14,280,000.00	ICB	Prior	1S2E	October / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works
CW04	Bavet Wastewater Treatment Subproject	3,220,000.00	ICB	Prior	1S2E		Not enough budget
CW05	Bavet Urban Roads Subproject	8,570,000.00	ICB	Prior	1S1E	October / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works
CW07	Neak Loeung Flood Control Subproject	3,980,000.00	ICB	Prior	1S2E		Not enough budget
CW08	Poipet Wastewater Treatment Subproject	3,970,000.00	ICB	Prior	1S2E		Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Large Works
CW09	Poipet Solid Waste Management Subproject	3,310,000.00	ICB	Prior	1S2E		



Good and Civil Works Contracts Estimated to Cost Less than \$1 Million

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
CW03	Battambang Materials Recovery Facility Construction Subproject	480,000.00	NCB	Prior	1S2E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: Based on SOP/PM
CW06	Bavet Materials Recovery Facility Construction Subproject	420,000.00	NCB	Prior	1S2E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: Based on SOP/PM
CW10	Poipet Materials Recovery Facility Construction Subproject	490,000.00	NCB	Prior	1S2E	Q2 / 2017	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Others Comments: Based on SOP/PM

Consultant Services Contracts

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior/ Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
CS03	Construction Supervision Consultants for 6 priority subprojects	1,750,000.00	QCBS	Prior	Q2 / 2016	FTP	EOI shortlisted on 25 February 2016 Assignment: International Quality-Cost Ratio: 90:10 Comments: International and National
CS06	External Monitoring Consultant – Environment Specialist	60,000.00	Selection of Individual Consultant	Prior	Q4 / 2015	EOI	Assignment: National



APPENDIX E

LIST OF CAPACITY DEVELOPMENT AND TRAINING CONDUCTED

Module	Title	Date	Venue	Agency	Participants		
					Female	Male	Total
7.2	Resettlement	27-28 September 2017	Guest house Svay Rieng Red Cross National Road No.1, Svay Rieng City	PMU	1	4	5
				PIU BB	2	2	4
				PIU PP	1	3	4
				PIU NL	1	3	4
				PIU BV	-	2	2
				Total	5	14	19
4.2	Work and Financial Planning	25-26 April 2017	Mittapheap Hotel, House No.01, National Road No.11, Prey Veng City	PMU	-	3	3
				PIU BB	1	1	2
				PIU PP	1	1	2
				PIU NL	-	2	2
				PIU BV	-	2	2
				Total	2	9	11
8.4	Environmental Safeguards on Urban Infrastructure Investment	15-16 Marc 2017	Waikor Hotel in SvayRieng Province	PMU	-	1	1
				PIU BB	2	2	4
				PIU PP	-	3	3
				PIU NL	-	5	5
				PIU BV	-	4	4
				Total	2	15	17
8.3	Climate Resilience Measure	13-14 Marc 2017	Waikor Hotel in SvayRieng Province	PMU	-	3	3



Module	Title	Date	Venue	Agency	Participants		
					Female	Male	Total
				PIU BB	2	2	4
				PIU PP	-	4	4
				PIU NL	-	6	6
				PIU BV	-	5	5
				Total	2	20	22
9.1	Gender Action Plan	4-5 Jan 2017	Destiny Cafe, National Road No.5, Poipet Municipality, Banteay Meanchey Province	PMU	1	1	2
				PIU BB	2	-	2
				PIU PP	1	3	4
				PIU NL	1	3	4
				PIU BV	-	3	3
				Total	5	10	15
3.1	Town Mapping and Aerial Image Data Collection	05 -09 Dec. 2016	Emerald Hotel, Street 208, Rumchek 4 Village, Ratanak Commune, Battambang District, Battambang	PMU	-	2	2
				PIU BB	-	1	1
				PIU PP	-	1	1
				PIU NL	-	1	1
				PIU BV	-	1	1
				Total	0	6	6
7.1	Poverty and social impact assessment	25 - 27 Oct. 2016	Mittapheap Hotel, House No.01, National Road No.11, Prey Veng City	PMU	-	2	2
				PIU BB	2	2	4
				PIU PP	1	3	4
				PIU NL	1	3	4
				PIU BV	-	4	4



Module	Title	Date	Venue	Agency	Participants		
					Female	Male	Total
				Total	4	14	18
2.4	Fundamentals of Flood Protection and Drainage	20 -21 Oct. 2016	Destiny Cafe, Palalay Village, National Road No.5, Municipality Poipet, Banteay Mean Chey Province	PMU	1	1	2
				PIU BB	1	2	3
				PIU PP	-	3	3
				PIU NL	-	2	2
				PIU BV	-	2	2
				Total	2	10	12
2.3	Fundamentals of Solid Waste Management and Sanitary Landfill	18 -19 Oct. 2016	Waikor Hotel in Svay Rieng Province	PMU	-	3	3
				PIU BB	1	2	3
				PIU PP	-	3	3
				PIU NL	-	2	2
				PIU BV	-	2	2
				Total	1	12	13
1.1	Overview of Urban Infrastructure Development	22-23 Sept. 2016	Khemera Battambang 1 Hotel, Chhrey Kourng Village, Sla Kaet Commune, Battambang District, Battambang Province.	PMU	1	3	4
				PIU BB	2	5	7
				PIU PP	1	8	9
				PIU NL	-	4	4
				PIU BV	-	5	5
				Total	4	25	29
1.3	Gender Sensitization and Awareness	21 Sept. 2016	Khemera Battambang 1 Hotel, Chhrey Kourng Village, Sla Kaet Commune, Battambang District, Battambang Province.	PMU	1	3	4
				PIU BB	2	5	7
				PIU PP	1	8	9



Module	Title	Date	Venue	Agency	Participants		
					Female	Male	Total
				PIU NL	-	4	4
				PIU BV	-	5	5
				Total	4	25	29
1.2	Coordination and Networking Mechanisms	19-20 Sept. 2016	Khemera Battambang 1 Hotel, Chhrey Kourng Village, Sla Kaet Commune, Battambang District, Battambang Province.	PMU	1	3	4
				PIU BB	2	5	7
				PIU PP	1	8	9
				PIU NL	-	4	4
				PIU BV	-	5	5
				Total	4	25	29
2.2	Fundamentals of Wastewater Treatment Systems	08-09 Sept. 2016	Waikor Hotel in Svay Rieng Province	PMU	1	3	4
				PIU BB	0	3	3
				PIU PP	0	3	3
				PIU NL	0	3	3
				PIU BV	0	3	3
				Total	1	15	16
2.1	Fundamentals of Sewer Systems	06 -07 Sept. 2016	Waikor Hotel in Svay Rieng Province	PMU	1	3	4
				PIU BB	-	3	3
				PIU PP	-	3	3
				PIU NL	-	3	3
				PIU BV	-	3	3
				Total	1	15	16
8.2	Updating the Environmental	04-05 Aug. 2016	Tonle Basac II, Phnom Penh	PMU	-	2	2



Module	Title	Date	Venue	Agency	Participants		
					Female	Male	Total
	Management Plan			PIU BB	1	1	2
				PIU PP	-	2	2
				PIU NL	-	2	2
				PIU BV	-	2	2
				Total	1	9	10
8.1	Integration of Environmental Management element into the project cycle	02-03 Aug. 2016	Cambodiana Hotel and Tonle Basac II, Phnom Penh	PMU	-	3	3
				PIU BB	3	3	6
				PIU PP	-	6	6
				PIU NL	-	5	5
				PIU BV	-	5	5
				Total	3	22	25
16 Modules				Grand Total	41	246	287



APPENDIX F

GAP Implementation Progress and Plans for the next quarter

A. On GAP implementation

Areas Covered during the Field Work and GAP Implementation Status	Highlights	Issues and Challenges	Recommendations
1. Draft GAP monitoring templates	1.1 The Khmer version of the GAP and the Khmer versions of the templates to monitor each GAP component target in the DMF were discussed in detail by the NGS. The ISSGS gave clarifications to the PIU staffs. PIUs were clarified and agreed to use the templates and attach these to their progress reports submitted to the PMU. 1.2 Soft copies of the templates in CDRs were distributed to all PIUs. 1.3 Project Performance Monitoring System (PPMS) gender monitoring report only indicates the sex-disaggregated PMU/PIU staffs 'gender profile as well as sex-disaggregated participants list of attendees to public consultation, information dissemination and awareness as well as in training and capacity-building. All of these are captured in the gender monitoring templates, thus these are harmonized with the PPMS GAP report template; 1.4 The gender monitoring templates covered all the gender actions cited in the GAP and the DMF; 1.5 Consolidated templates at project level are likewise prepared initially in word to be transformed using excel by NGS and the national M&E specialist.	institutionalize the templates through a memorandum issued by His Excellency Vong Pisith, Project Director giving authority to the PIUs to use these documents when they report gender activities in their respective corridor towns.	PISCD management to discuss this concern with the Project Director to facilitate issuance of the memorandum installing the gender monitoring templates which are to be submitted and consolidated at the PMU level with PISCD's NGS assistance. Project Director to issue said memorandum to all PIUs; PISCD's NGS will prepare the semiannual GAP monitoring report to ADB and transmitted to ADB's Gender Specialist using the protocol for transmitting documents to ADB.



2. Progress Per Gender Proposed Actions/Targets in the DMF			
2.1. Gender issues reflected and mainstreamed in planning documents including socioeconomic development plans and master plans;	SLEDPs of the 4 towns include sections on gender issues and mainstreamed in planning documents;	Gender progress monitoring must ensure that the gender issues reflected in the SLEDPs are responded to in GAP implementation.	These are captured in project's GAP Implementation.
2.2. PISCD consultant's gender specialists will collect sex-disaggregated data on EA/IAs staffing and technical designation as baseline and monitoring of gender targets for overall staff and management positions to refine the gender awareness training inputs.	Templates 1 of the GAP monitoring cover this action/target on status of PMU/PIU gender staff profile.	Men still outnumber women in the PIUs where: i.) Bavet: No woman staff is recruited in the PIU; all are men; PIU staffs downsized from 9 to 6 due to budget constraints. PIU tried to recruit women before but no one qualified; ii.) Neak Loeung: PIU staff, likewise was downsized from 9 to 7 due to budget constraints and staff affected were 1 woman and 1 man. Of the 7 remaining staffs, only 1 is woman the gender focal point staff and 6 are men. Men occupy decision-making responsibilities. iii.) Battambang: There are 9 PIU staffs consisting of 6 men and 3 women. Of the 3 women, 1 is the Deputy PIU Manager and therefore performs decision-making function. However, the number of women maybe reduced because the resettlement/M&E focal staff maybe replaced because of some difficulties in performing her tasks due her situation as a young mother with a 3 month-old baby. iv.) Poipet: Nine (9) staffs comprise the total PIU manpower. Of these, 8 are men and 1 is a woman. Management is composed of purely	There is a need to rethink the gender target as this may seem not feasible to meet considering the issues of budget constraints which reduced the number of PIU staffs in Bavet and Neak Loueng. The PIU staffs are mostly seconded from other organizational units in the corridor towns and mainly composed of men. They already are occupying these positions even before the project was designed. It is up to the project management to decide on increasing the number of women staffs which may lead to a major revamp of the PIUs manpower composition.



		men. The lone woman is the gender focal point person. From the above data on PIU gender profile; it appears that the 30% total women staff in PIUs remains unrealized. Of the 56 total PIU staffs in 4 towns, only five (5) are women which are 8% of total. Likewise, only 1 woman holds a management position at 2% short of the gender target of 30% of total women to hold management positions.	
2.3. Provide gender awareness and sensitization training for 30 EA/IA staff (each province); gender awareness training for managers and staff to increase sensitivity to different needs of women and men.	This is included in the approved project's training and capacity-building plan whose management was delegated to KCC. As per the training completion report, this training activity was already conducted by the PISCD last September, 2016. The total participants were 36 comprised of 31 (86%) men and 5 (14%) women. The GAP states that these activities will also be conducted to project beneficiaries. However, this activity is not included in the approved training and capacity-building plan delegated to KCC. But these activities will still be implemented once the DEDs are approved and subproject sites are finalized and confirmed because there is available contingency budget. A training on Gender Action Planning was likewise conducted by KCC in collaboration with the PISCD last 4-5 January, 2017. Total number of participants was 14. Of these, 9 (65%) and 5 (35%) were women.	The exact dates for these to be conducted at beneficiary level are not yet confirmed pending the completion and approval of the DEDs. As an indicative target, this could be implemented in the 3 rd quarter of 2017.	The PISCD's Training and gender specialists will collaborate to: i.) Prepare the training activity design and the training handouts/teaching aids in Khmer based on the activity designs prepared and indicated in the training and capacity building manuals. ii.) They will coordinate with the PIUs in terms of the training dates and venues, tapping local resource persons and notice of invite to beneficiary training participants and; iii.) Perform other administrative requirements of the training activities including actual facilitation of some topics.
2.4. Training for women to better position their entry in	This will be conducted once the resettlement plans are approved and the	Women beneficiaries who may be affected by the construction of the	Skills training on preferred new jobs by women who will be affected by the



the growing employment demand areas arising from project interventions, targeting at least 500 women per town, for example, construction skills training targeting women; 2.5 A target of 90% women for employing existing informal waste pickers in the MRFs funded under the project, including skills upgrade training. This is based on PPTA field data showing up to 95% of informal waste pickers are currently women.	exact number of affected women is finally determined. However, the total number per town may not be 500 women unless the trainings will also include women who are not affected by resettlement concerns.	drainage system in Poipet and Battambang are likely to need skills training for employment, if their present business/income sources are adversely impacted. But as per result of ocular survey in both corridor towns done during the field work, the target number of 500 women per town seems difficult to attain because less than 500 women will be affected by resettlement issues likely only in Battambang and Poipet. The planned widening of the road in Bavet will not also affect the on-going business operations in the area because contractors will be required to put up safety measures to ensure continued operation, thus, no foreseen resettlement issues affecting women. Men and women waste pickers in the existing dumpsites in Battambang and Poipet may not be adversely affected because the landfills will not be constructed in the existing dumpsites. Also, the waste materials in the MRFs will be sorted out by the municipality. If the waste pickers opt to voluntarily relocate to the new landfills to pick unsorted wastes then there is no resettlement issue at all. In Bavet, only a MRF will be constructed in a new site near the WWTP site. Waste pickers especially women will still stay at the existing dumpsite, thus the subproject will have no impact on them.	construction of the drainage system in Battambang and Poipet must be conducted. Affected women should be consulted on their preferred employment/alternative livelihood activities considering market demands of products, absorptive capacity and potential income which must be equal to or above their income before resettlement. Series of public consultation with affected beneficiaries especially women and the vulnerable group are envisaged.
2.6 Construction phase employment, construction	GAP monitoring templates 9 and 10 will be used to monitor this gender action target.	If the GAP and its construction-related targets are not explicitly	If the contracting party is the PMU represented by the Project Director,



workers will be 30% female; contractor records to be gender disaggregated for monitoring purposes.	This GAP target must be discussed by the PMU as First Party with the winning contractor during the process of civil work contract negotiation and preparation to ensure that contractors will comply with this GAP target. Also contractor's compliance with the other labor core issues like no child labor, sanitary conditions for women construction workers and human trafficking. HIV/AIDS awareness whose budget is charged to the contractors and subcontracted to local organizations/NGOs with PISCD's technical assistance.	discussed with the contractors during contract negotiation and preparation of civil works contracts, then contractors may not comply with these GAP action targets.	then His Excellency Vong Pisith should be oriented on these provisions in the GAP so that he will discuss these and compel the contractors to include these as one of their contract responsibilities explicitly indicated in the civil works contract.
2.7. Training 2 health and sanitation promoters in each town through a TOT program. 2.8 Establish and train 2 MOWA staff as facilitators for IEC completion in each town.	This training of trainers (TOT) on health and hygiene promotion in each of the 4 towns is envisaged to be conducted as an operation and maintenance (O&M) intervention to ensure environmental sanitation within the project sites and the peripheries of the completed facilities, thus attaining long term O&M efficiency and sustainability of the facilities. The trainers will likely be from the MOWA who have already long experiences as health educators and promoters. IEC materials preparation to be used in the community-wide health and sanitation awareness activities will be one important session in the ToT. Resource persons from the MOH and NGOs operating in the public health sector are likely to be tapped. Training management could either be by administration that is PISCD will manage this or by service contracting to an NGO partner. If through service contracting, the PISCD's training specialists assisted by the gender specialist will prepare the TOR of	Inadequate budget and unavailable competent trainers from the provincial department of women's affairs (PDWA). Delays in the completion of the construction works.	Ensure that the available budget for these activities is adequate to meet all the requirements. The PISCD and the concerned PIUs will closely coordinate with the PDWA to ensure that selected trainers from PDWA are competent and skilled in training management facilitation. PISCD will develop selection criteria that will be used as basis for selecting the appropriate trainees.



	the activity to be used as guide in the service contracting process. A contingency budget is available for this training and community awareness activities on health and sanitation in all 4 towns. Indicative time for implementation will be 2nd and 3rd qrt of 2018, however, depending upon timely completion of the construction works.		
2.9. Target girls as well as boys in school road awareness campaigns.	As per results of ocular survey on the final location of the facilities during the field work in the four (4) towns, there are schools located within the roads leading to the construction sites to be affected by traffic and movements of construction equipment and dump trucks to ferry materials and aggregates. These activities may pose a threat to school children in terms of vulnerability to accidents and other hazards like dust, noise etc. While, this seems to be an environmental issue, it affects girls and the youth who belong to the vulnerable group. Thus, these schools will be the target sites for the road safety awareness campaigns cited in the GAP. The project has earmarked a contingency budget for this. This may be implemented by contracting an NGO to manage the conduct in these schools. PISCD will prepare a ToR of the activity to guide the service contracting process. The awareness campaigns will be implemented during the initial stage of the construction indicatively in 4th Qrt 2017 to 2nd qrt of 2018, depending upon construction timetable.	Inadequate budget to finance the activities. Delays in the start of construction works. Unavailable service contractor to manage the series of road safety awareness campaigns.	Ensure that the available budget for these activities is adequate to meet all the requirements. Ensure that there is available service provider which has organizational competence to manage the activities.



B. Plans for the next quarter:

GAP Action Targets	Time Frame		
	Battambang	Poipet	Bavet
1. Implementation of the GAP Monitoring Templates based on Authority from Project Director	March, 2017	March 2017	March 2017
2. GAP implementation Monitoring	March, 2017 onwards	March, 2017 onwards	March, 2017 onwards
3. Gender Awareness and Sensitization Training for Project Beneficiaries	1 st week December, 2017	2 nd Week December, 2017	4 th week December, 2017
4. Training for women to better position their entry in the growing employment demand areas arising from project interventions, targeting at least 500 women per town, for example, construction skills training targeting women	June, 2018	June, 2018	June, 2018
5 Construction phase employment, construction workers will be 30% female; contractor records to be gender disaggregated for monitoring purposes	Jan-16-31, 2018*	February 2018*	February, 2018*
	March, 2018**	March, 2018**	March, 2018**
6. Awareness training provided by external HIV organizations and/or NGOs subcontracted by contractors during workforce mobilization for laborers and community surrounding construction locales.	March, 2018**	March, 2018**	March, 2018**
7. Training 2 hygiene and sanitation promoters in each town through a TOT program	January, 2020***	January, 2020***	January 2020***
8. Establish and train 2 MOWA staff as facilitators for IEC completion in each town	January, 2018	January, 2018	January 2018
9. Target girls as well as boys in school road awareness campaign	April, 2018****	April 2018****	April 2018 and February 2020****

* Support to MWPT during civil works contracting and negotiations to ensure that the HIV/AIDS awareness and the tapping of women as unskilled laborers, core labor issues and safety and hygiene measures for women workers are incorporated in the civil works contracts;

** Actual conduct of the HIV/AIDS awareness activities;

*** This will be conducted after construction and beginning of O&M phase on the assumption that duration of civil works will be 2 years.



**** For road safety awareness, all 3 towns will have road safety awareness during construction because of the possibility of road/traffic accidents in schools near construction sites or roads leading to the construction site. Bavet will have another road awareness for school children during the O&M phase because of the newly-constructed/Expanded Bavet Urban road.

Note: i.) If construction will commence on March 2018, then the monitoring of women's participation in construction will be monitored and contractors will have to accomplish the gender template on Women participation in construction.
ii.) Monitoring PIU and PMU staffing to show gender balance will be a constant feature in the GAP progress report as 1 section in the project's progress report.
iii.) All training and capacity-building related to gender will be coordinated with the National Training Specialist to ensure that these are within the approved cap-dev implementation plan.



APPENDIX G ASSESSMENT OF ASSUMPTIONS AND RISKS

MONITORING AND EVALUATION OF ASSUMPTION AND RISKS
GMS: Southern Economic Towns Development Project

M&E Form no. 7A
Version: June 2015

Reporting Date: 30 September 2017 Prepared by: PMU/PIUs assisted by Nat'l. M&E Specialist
[Quarterly] [PMU/PIUs]

Assumption / Risk for Outputs		Rating (HS,S,PS,U)	Assessment of Current Status
Assumptions:			
1.	Local authorities endorse the SLEDPs and associated budgets	S	Adopted SLEDPs by Dec 2016.
2.	Women's participation in SLEDP preparation increased, women's needs identified through participatory processes and reflected in the SLEDPs	-	SLEDPs will be updated by 2018 when women's participation will be encouraged.
3.	Environmental and social risks can be mitigated	S	EMPs and RPs and was addressed in DED & adequately considered in the bid documents.
4.	Priority infrastructure will promote gender equality and/or women's empowerment by improving women's access to, and use of opportunities, services, resources, and assets; and contribute to increased participation in decision making	S	GAP will be addressed in the DED and adequately considered in the bid documents.
5.	Capacity development activities take gender balance into account	PS	GAP target % of women CD participants may be too high.
6.	Specific training on gender aspects & issues provided to all staff of executing & implementing agencies & project implementing units	S	Ongoing

Risks:		Mitigated (Y/N)	Rating (HS,S,PS,U)	Assessment of Current Status
1.	Local authorities do not recognize the need for continued capacity development	Y	S	Satisfactory attendance in training
2.	Required budgets for sustaining operations are not allocated	-	-	Not due yet as subprojects are in DED phase.
3.	Delayed or incomplete settlement of land acquisition and resettlement entitlements	-	-	Resettlement activities to start in Q1 2017.
4.	Lack of municipal quality control and performance evaluation	-	-	Construction works to start Q3 2017.

a/ HS = Highly Satisfactory; S = Satisfactory; PS = Progressing Satisfactorily; U = Unsatisfactory



MONITORING AND EVALUATION OF ASSUMPTION AND RISKS
GMS: Southern Economic Towns Development Project

M&E Form no. 7B
June 2015

Reporting Date: 30 September 2017 Prepared by: PMU/PIUs assisted by Nat'l. M&E Specialist
[Quarterly] [PMU/PIUs]

Assumption / Risk for Outcome and Impact		Rating (HS,S,PS,U)	Assessment of Current Status
Outcome: Urban infrastructure improved and climate resilience enhanced in Battambang, Bavet, Neak Loeung, and Poipet - from 2018 to 2020			
Assumptions:			
The government remains committed to sustainable management of urban infrastructure as a national development priority		HS	There is strong support from National and provincial governments.
Risks:	Mitigated (Y/N)	Rating (HS,S,PS,U)	Assessment of Current Status
Government regulations do not fully support sustainable decentralized operation and maintenance of urban infrastructure	-	-	O&M of infrastructure to start by Q2 2019.
Impact: The towns of Battambang, Bavet, Neak Loeung & Poipet will become centers of economic activity in the Southern Economic Corridor - by 2025			
Assumptions:		Rating (HS,S,PS,U)	Assessment of Current Status
Government remains fully committed to the Project			
Risks:	Mitigated (Y/N)	Rating (HS,S,PS,U)	Assessment of Current Status
Corridor towns unable to collect revenue for wastewater treatment plants, sanitary landfill, and solid waste management	-	-	Operation of WWT subprojects to start in Q4 2020.

a/ HS = Highly Satisfactory; S = Satisfactory; PS = Progressing Satisfactorily; U = Unsatisfactory



APPENDIX H DMF TARGETS VS ACHIEVEMENTS

PROJECT PERFORMANCE MONITORING AND EVALUATION
GMS: Southern Economic Towns Development Project

M&E Form no. 8A
June 2015

Reporting Date: 30 September 2017 [Quarterly]

Prepared by: PMU/PIUs assisted by Nat'l. M&E Specialist
[PMU/PIU member in-charge of M&E/Impact Assessment]

Indicators (with Baseline and Performance Targets)	Baseline	Achievements/Status (as of end of reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
Output 1: SLEDs adopted and implemented in Battambang, Bavet, Neak Loeung, and Poipet - by 2018			
1.1 SLEDs with sex-specific and climate-resilience measures incorporated, adopted, & disclosed; updated as required. [Validation with PIUs and corridor towns in Q2 2015 for adoption and Q4 2018 for updating]	SLED of each town prepared in 2011	SLEDs adopted by December 2016	
1.2 Gender awareness and sensitization training conducted for 30 executing and implementing agency staff. [Updates from Training Implementation Consultant (TIC) upon completion of training in Q3 2016]	Nil as of 2014	Gender Awareness and Sensitization Training for PMU/PIUs was conducted on 21 September 2016 with 29 participants comprised of 25 men (86%) and 4 women (14%).	
Output 2: Priority urban infrastructure investments implemented - Priority infrastructure operational - by 2020			
30% of construction workers hired under the project are female [Updates from CS Consultant from Q3 2017 to Q4 2020]	Nil, as construction starts Q3 2017	-	Assessment to start from commencement of construction in Q3 2017 up to Q4 2020.
Battambang			
Wastewater treatment (PPCR)			
2.1 52,000 residents serviced by new and rehabilitated wastewater treatment plants (capacity 2,800 cu m/day) by	31,000 residents currently connected to existing	-	Assessment to start upon completion of construction



Indicators (with Baseline and Performance Targets)		Baseline	Achievements/Status (as of end of reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
2020. Flood events of facility reduced (based on 50-year flood frequency). <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>		sewerage system		of WWTP in Q4 2020 onwards.
Flood control (PPCR)				
2.2	Flood events of city center, near river, reduced (based on 50-year flood frequency), benefiting 15,120 persons by 2018.	"Before-project" number of persons affected by floods is ____ ^{a/}	-	The implementation of this flood control subproject is deferred.
Material recovery facility				
2.3	30 cu m of recyclables per day segregated benefiting 128,000 residents by 2018. <i>[Updates from CS Consultant upon completion of infrastructure in Q1 2019, and from infrastructure operator during operation from Q2 2019 onward]</i>	Nil, as the MRF is a new facility	-	Assessment to start upon completion of construction of MRF in Q1 2019 onwards.
Bavet				
Wastewater treatment (PPCR)				
2.4	29,000 residents serviced by wastewater treatment plant (capacity 255 cu m/day) by 2019. Flood events of facility reduced (based on 50-year flood frequency).	Nil as Bavet has no existing WWTP	-	The implementation of this WWT subproject is deferred.
Urban roads				
2.5	8 km of main urban road upgraded with drainage structures, benefiting 37,100 residents by 2019. <i>[Updates based on local authorities' statistical data, and on-site verification, from Q2 2020 onward]</i>	"Before-project" number of persons that has access to existing road to be upgraded is ____ ^{a/}	-	Assessment to start upon completion of urban road upgrading in Q2 2020 onwards.



Indicators (with Baseline and Performance Targets)		Baseline	Achievements/Status (as of end of reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
Material recovery facility				
2.6	30 cu m of recyclables per day segregated, benefiting 24,000 residents by 2018. <i>[Updates from CS Consultant upon completion of infrastructure in Q1 2019, and from infrastructure operator during operation from Q2 2019 onward]</i>	Nil as the MRF is a new facility	-	Assessment to start upon completion of construction of MRF in Q1 2019 onwards.
Neak Loeung				
Flood protection (PPCR)				
2.7	5.4 km flood protection dike constructed; 363 ha of residential and commercial areas protected from annual flooding (based on 50-year flood frequency), benefiting 24,700 residents by 2019.	"Before-project" number of persons residing within the subproject area is ____ ^{a/} .	-	The implementation of this flood protection subproject is deferred.
Poipet				
Wastewater treatment (PPCR)				
2.8	65,000 residents serviced by wastewater treatment plant (capacity 16,400 cu m/day) by 2019. Flood events of facility reduced (based on 50-year flood frequency). <i>[Updates from CS Consultant upon completion of infrastructure in Q3 2020, and from infrastructure operator during operation from Q4 2020 onward]</i>	Nil as Poipet has no existing WWTP	-	Assessment to start upon completion of construction of WWTP in Q3 2020 onwards.
Solid waste management				
2.9	20 tons/day of solid waste deposited in sanitary landfill, benefiting 58,600 residents by 2019	Nil since the sanitary landfill is a new facility	-	The implementation of this solid waste management subproject is deferred.
Material recovery facility				
2.10	30 cu m of recyclables per day segregated, benefiting 58,600 residents by 2018. <i>[Updates from CS Consultant upon completion of infrastructure in Q1</i>	Nil as the MRF is a new facility	-	Assessment to start upon completion of construction of MRF in Q1 2019



Indicators (with Baseline and Performance Targets)	Baseline	Achievements/Status (as of end of reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
2019, and from infrastructure operator during operation from Q2 2019 onward]			onwards.
Output 3: Institutional capacity strengthened - by 2020			
3.1 2,000 people trained in project management and implementation, financial management, procurement, and social and environment safeguards; [Updates from TIC [TBD] ^{a/} from Q3 2015 to Q2 2020] Gender targets achieved: staff quota of 30% women in the PMU and PIU with increased role in decision making. [Updates from PMU/PIUs from Q3 2015 onward]	Nil as of 2014 as training starts Q3 2016 As of Q1 2015 15% women in PMU, 30% in PIU Battambang, 22% in PIUs Poipet & Neak Loeung and 11% in PIU Bavet	As of 30 September 2017, training in 16 modules conducted for PMU and PIUs. Same as in Q1 2015.	287 people trained of which 41 are woman
3.2 Memorandum of agreement signed between implementing agencies and district and corridor town authorities on subproject O&M and climate resilience measures [Validation with PIUs and district and corridor towns, Q3 2017 onward]	As of 2015, no MOA signed as construction starts Q3 2017		
3.3 Women hold 30% of overall staff positions and 30% of the management positions in the PMU and PIU. [Updates from PMU/PIUs from Q3 2015 onward]	As of Q1 2015, women hold 18% of overall staff positions in PMU & PIUs	Same as in Q1 2015.	

^{a/} To be determined/updated during the preliminary design review to be undertaken by the DED Consultant.



PROJECT PERFORMANCE MONITORING AND EVALUATION
GMS: Southern Economic Towns Development Project

M&E Form no. 8B
June 2015

Reporting Date: _____ 30 September 2017 _____ [Quarterly]

Prepared by: _____
[PMU/PIU member in-charge of M&E/Impact Assessment]

Indicators (with Baseline and Performance Targets)	Baseline	Achievements/Status (during reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
Outcome: Urban infrastructure improved and climate resilience enhanced in Battambang, Bavet, Neak Loeung, and Poipet - from 2018 to 2020			
1. Improved access to urban infrastructure affects 558,220 inhabitants (cumulative figure) in four project towns.	In 2015, _____ ^{a/} persons have access to existing infrastructure	-	Assessment to start upon completion of construction of infrastructure in four project town, onwards.
2. Annual economic impact of poor sanitation, accounting for a loss of \$33 in 2005 per capita per year, reduced by 40%.	Value of loss due to poor sanitation was \$32 in 2005	-	Assessment to start upon completion of construction of WWT subprojects, onwards.
3. Urban areas affected by perennial flooding reduced by 30%.	"Before- Project" total urban area affected by perennial flooding in Battambang and Neak Loeung is _____ ^{a/} ha.	-	Assessment to start upon completion of construction of flood control/protection subprojects, onwards.
Impact: The towns of Battambang, Bavet, Neak Loeung & Poipet will become centers of economic activity in the Southern Economic Corridor - by 2025			
1. In project towns (represented by provincial data):	Growth rates of subsectors in 2012	-	Evaluation will be carried out by 2025
(i) trade services increased from 8.4% of GDP in 2007 to 18.4%;	7.2%		The implementation of this subprojects is deferred.
(ii) transport and communication services increased from 6.9% of GDP in 2007 to 16.9%;	7.6%		The implementation of this subprojects is deferred.
(iii) hotels & restaurant services increased from 4.3% of GDP in 2007 to 14.3%	16.2%		The implementation of this subprojects is deferred.



Indicators (with Baseline and Performance Targets)	Baseline	Achievements/Status (during reporting period)	Assessment of Current Progress/ Status & Reason for any Negative Variance
2. Employment opportunities for women (This refers to female employment in economic growth opportunities generated by the project, including construction, market trading, solid waste management, and recycling.) increased from 52% in 2012 to 53.5% (nationally).	Employment opportunities for women in the service sector was 47.8% in 2013	-	Evaluation will be carried out by 2025
3. Flood-affected population in Battambang and Neak Loeung reduced by 30% of regularly affected population (50,400 in 2012).	“Before-project” flood-affected population is _____ ^{a/} in 2015	-	Evaluation will be carried out by 2025

^{a/} To be determined/updated during the preliminary design review to be undertaken by the DED Consultant.



APPENDIX I

BASELINE VALUES, PERFORMANCE TARGETS FOR INDICATORS, AND PROJECTED ACHIEVEMENTS

Output 1: SLEDPs adopted & implemented

Indicator 1.1: Baseline: The SLEDPs for Battambang, Bavet, Neak Loeung and Poipet are currently available. These were all prepared in 2011.

Target: SLEDPs with sex-specific and climate-resilience measures incorporated, adopted, & disclosed; updated as required.

Projected Achievement: SLEDPs with sex-specific and climate-resilience measures incorporated, adopted, & disclosed by 2014; and updated by 2018.

Indicator 1.2: Baseline: As of 2014, no gender awareness and sensitization training has been conducted for executing and implementing agency staff.

Target: Gender awareness and sensitization training conducted for 30 executing and implementing agency staff.

Projected Achievement: Gender awareness and sensitization training conducted for 30 executing and implementing agency staff by 3rd quarter 2016.

Output 2: Priority urban infrastructure investment implemented

Battambang

Indicator 2.1: Baseline: Battambang has an existing wastewater treatment plant (WWTP) in Chamkar Samraong serving the west part of the town. The WWTP has a capacity of 2,800 cu.m./day, built in 1994. Since 2014, the system is not functioning due to broken pump facilities and blocked conduits.

Target: 52,000 residents serviced by new and rehabilitated wastewater treatment plants (capacity 2,800 cu m/day) by 2020. Flood events of facility reduced (based on 50-year flood frequency).

Projected Achievement:

- 33,350 residents serviced by new wastewater treatment plant by 2020.
- The capacity of the new WWTP is 7,470 cu.m./day (Stage 1, design year is 2030).
- The new WWTP (completion of infrastructure in June 2020) will be servicing the following in the east part of the town by 2020:

Particular	Sangkat		Total
	Prek Preah Sdech	Rattanak	
Residents/Population	15,900	17,450	33,350
Commercial/Tourism Facilities	15	57	72
Public Facilities	2	4	6
Wastewater Generation (cu.m./day)	2,376	3,110	5,486

Source: PISCD, Battambang Wastewater Treatment Subproject Technical Assessment and Preliminary Design Report, July 2015.

- The rehabilitated WWTP (capacity 2,800 cu.m./day) will be servicing 18,650 residents, in the west part of the town, currently connected to the



existing sewerage system.

- Flood events of facility reduced (based on 50-year flood frequency).

Indicator 2.2: **Flood Control** Baseline: The extent of flooding in the subproject area in Battambang Municipality is as follows:

Sangkat	Total Area (ha)	Affected by Flood During Wet Season		
		% of Total Area	Area (ha)	Population
1. Svay Por	199	25	50	1,516
2. Preah Preah Sdach	294	50	147	7,444
3. Rottanak	505	40	202	8,072
Total			399	17,032

Source: Consolidated Sangkat Report on Flooding in Battambang. 2013

Validated with Chief of Commune Council of each Sangkat on 24 February 2016.

The projected year 2018 total population within the flood-prone areas in the three Sangkats is 18,800.

Target: Flood events of city center, near river, reduced (based on 50-year flood frequency), benefiting 15,120 persons by 2018.

Projected Achievement: Flood events of city center, near river, reduced (based on 50-year flood frequency), benefiting _____* persons by 2018.

The implementation of this Flood Control Subproject has been deferred.

* The reduction of flood events due to the subproject, and the number of persons benefited will be updated/determined during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

Indicator 2.3: **Material Recovery Facility** Baseline: The baseline value for the indicator is “nil” since subproject is construction of new MRF.

CINTRI is contracted, since 2010, to provide waste collection and disposal services in the town. A total of 7,249 households are served in 8 out of 11 sangkats. The present tonnage of solid waste that is collected daily is estimated to be 80-90 tons.

Source: Mr. To Thanarith, Operations Manager, CINTRI, Battambang, 24 February 2016.

Target: 30 cu m of recyclables per day segregated benefiting 128,000 residents by 2018.

It is noted that the target of 30 cu m of recyclables per day in the DMF is inconsistent with the value in the Feasibility Study of 60 cu m of recyclable per day.

Projected Achievement: 60 m³ or eight (8) tons of dry, source segregated and non-biodegradable waste processed per day.

Bavet

Indicator 2.4: **Wastewater** Baseline: Bavet has no existing WWTP, hence the baseline value for the indicator is “nil”.



Treatment Target: 29,000 residents serviced by wastewater treatment plant (capacity 255 cu m/day) by 2019. Flood events of facility reduced (based on 50-year flood frequency).

Projected Achievement: 22,990 residents serviced by wastewater treatment plant (capacity 3,950 cu.m./day) by 2019. Flood events of facility reduced (based on 50-year flood frequency).

The new WWTP (completion of infrastructure in December 2018) will be servicing the following in Sangkat Bavet by 2019:

- 22,990 residents/population
- 27 commercial facilities, and
- 10 public buildings

The capacity of the new WWTP is 3,950 cu.m./day (Stage 1, design year is 2025).

Source: PISCD, Bavet Wastewater Treatment Subproject Technical Assessment and Preliminary Design Report, July 2015.

Indicator 2.5: Urban Road Baseline: The subproject will benefit not only the residents of Bavet but also the traffic between Cambodia and Viet Nam.

The projected population of Bavet by 2019 (year of completion of construction) is 40,600.

Source: Subproject Feasibility Study, Bavet Urban Road, ADB TA 7644-REG, May 2012.

Number of persons/year entering Cambodia from Vietnam (2010 to 2015)

2010	2011	2012	2013	2014	2015
547,565	621,010	673,830	680,723	738,441	751,811

Number of persons/year exiting Cambodia to Vietnam (2010 to 2015)

2010	2011	2012	2013	2014	2015
559,074	644,208	725,104	733,451	749,568	775,432

Source: Immigration Office at Bavet Border Check Point. Collected by Mr. Keo Sarorng, Social & Environment Officer, Bavet PIU.

Target: 8 km of main urban road upgraded with drainage structures, benefiting 37,100 residents by 2019.

Note: 37,100 is the population of Bavet in 2010.

Projected Achievement: 8 km of main urban road upgraded with drainage structures, benefiting 40,600 residents by 2019.

Indicator 2.6: Material Recovery Facility Baseline: The baseline value for the indicator is “nil” since subproject is construction of new MRF.

Hybrid Garbage Co. Ltd. (HGCL) is contracted, since 18 September 2015, to provide waste collection and disposal services in the town. A total of 34,884 residents are served in 4 out of 5 sangkats. The present tonnage of solid waste that is collected daily is estimated to be 20-30 tons. The company collects waste from casinos, hotels, guesthouses, market, households, restaurants, commercial establishments and institutions at the urban sector of Bavet on daily basis (Monday through Sunday).

Source: Mr. Yen Chham, Administration Manager, Hybrid Garbage Co. Ltd, Bavet, 15 February 2016.

Target: 30 cu m of recyclables per day segregated, benefiting 24,000 residents by 2018.



Projected Achievement: 30 m³ or four (4) tons of dry, source segregated and non-biodegradable waste processed per day benefiting ____* residents by 2018.

Source: Subproject Feasibility Study, Bavet Material Recovery Facility, ADB TA 7644-REG.

* The original target value will be validated/updated during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

Neak Loeung

Indicator 2.7: **Baseline:** The current population within the subproject area is 9,338 residents, as follows:

No. of Households	No. of Families	Population	Within the Flood Protection Area			
			Percentage	No. of Households	No. of Families	Population
Neak Loeung Commune						
1,538	1,781	8,864	60%	923	1,069	5,318
Prek Khsay Khor Commune						
2,282	2,351	11,485	35%	799	823	4,020
Total						
3,820	4,132	20,349		1,722	1,891	9,338

Source: Mr. Phum Samphorn, Deputy Governor, Peam Ror District, 16 February 2016.

Target: 5.4 km flood protection dike constructed; 363 ha of residential and commercial areas protected from annual flooding (based on 50-year flood frequency), benefiting 24,700 residents by 2019.

Projected Achievement: 3.9 km flood protection dike constructed by 2019; benefiting ____* residents and protecting 355 ha from annual flooding (based on 50-year flood frequency) for development into residential and commercial areas.

The implementation of this Flood Protection Subproject has been deferred.

* The length of the flood protection dike, and the number of residents and the hectareage of the area that will be protected will be updated/determined during the detailed engineering design to be undertaken by the DED Consultant.

Poipet

Indicator 2.8: **Baseline:** Poipet has no existing WWTP, hence the baseline value for the indicator is “nil”.

Target: 65,000 residents serviced by wastewater treatment plant (capacity 16,400 cu m/day) by 2019. Flood events of facility reduced (based on 50-year flood frequency).

Projected Achievement: 45,790 residents serviced by wastewater treatment plant (capacity 7,660 cu m/day) by 2019. Flood events of facility reduced (based on 50-year flood frequency).

The new WWTP (completion of infrastructure in December 2018) will be servicing the following in Sangkat Poipet by 2019:

- 45,790 residents/population, and
- 29 commercial facilities

The capacity of the new WWTP is 7,660 cu m/day (Stage 1, design year is



2020).

Source: PISCD, Poipet Wastewater Treatment Subproject Technical Assessment and Preliminary Design Report, July 2015.

Indicator 2.9: **Solid Waste Management** Baseline: The baseline value for the indicator is “nil” since the sanitary landfill is a new facility.

Poipet Cleaner is contracted, since 2008, to provide waste collection and disposal services in the town. A total of 2,200 households are served in 2 out of 3 sangkats. The present tonnage of solid waste that is collected daily is estimated to be 50-65 tons. Of which, an average of about 28 tons/day are collected from hotels/casino and other business and institutional establishments, and an average of about 35 tons/day are collected from households.

Source: Ms. Sareoung Sophea, Poipet Cleaner, 25 February 2016.

Target: 20 tons/day of solid waste deposited in sanitary landfill, benefiting 58,600 residents by 2019

Projected Accomplishment: ____* tons/day of solid waste deposited in sanitary landfill, benefiting ____* residents by 2019

The implementation of this Solid Waste Management Subproject has been deferred.

* The original targets will be verified/updated during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

Indicator 2.10: **Material Recovery Facility** Baseline: The baseline value for the indicator is “nil” since subproject is construction of new MRF.

Target: 30 cu m of recyclables per day segregated, benefiting 58,600 residents by 2018.

Projected Achievement: 60 m³ or eight (8) tons of dry, source segregated and non-biodegradable waste processed per day benefiting ____* residents by 2018.

Source: Subproject Feasibility Study, Poipet Material Recovery Facility, ADB TA 7644-REG, June 2012.

* The original target value will be validated/updated during the preliminary design review detailed engineering design to be undertaken by the DED Consultant.

Output 3: Institutional capacity strengthened

Indicators 3.1, 3.2 & 3.3: Baseline: The SECTDP is considered as the first major urban sector development assistance of the ADB in the GMS that integrates urban environment improvement and economic infrastructure with institutional capacity development for sustained economic growth. Hence the baseline value for these indicators is “nil”.

Target: The performance targets of these indicators are as specified in the DMF.

Outcome: Urban infrastructure improved and climate resilience enhanced in Battambang, Bavet, Neak Loeung, and Poipet

Indicator 1: Baseline: The “before-project” number of inhabitants/individuals that have access to existing urban infrastructure that are to be rehabilitated/upgraded in the subprojects is the total of the baseline values of Output 2 Indicators 2.1 and 2.5, as follows:

Particular	Value
Residents presently connected to existing sewerage system and	18,650



WWTP that will be rehabilitated in Battambang.	
Present traffic volume (residents/individuals) of main urban road to be upgraded in Bavet.	_____ *
Total number of inhabitants/individuals that have access to existing urban infrastructure	_____ *

* To be determined/updated during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

Target: Improved access to urban infrastructure affects 558,220 inhabitants (cumulative figure) in four project towns.

Projected Accomplishment: Improved access to urban infrastructure affects _____ inhabitants (cumulative figure) in four project towns.

This is the total of the target number of residents/individuals benefiting from the urban infrastructure subprojects, i.e. total of targets for Indicators 2.1 to 2.10, as follows:

Town/ Indicator no.	Indicator	Updated Target
Battambang		
2.1	No. of residents serviced by new & rehabilitated WWTP	52,000
2.2	No. of persons benefiting from flood control	_____ *
2.3	No. of residents benefiting from MRF	_____ *
Bavet		
2.4	No. of residents serviced by WWTP	22,990
2.5	No. of residents/individuals benefiting from upgraded urban road	_____ *
2.6	No. of residents benefiting from MRF	_____ *
Neak Loeung		
2.7	No. of persons benefiting from flood protection	_____ *
Poipet		
2.8	No. of residents serviced by WWTP	45,790
2.9	No. of residents benefiting from sanitary landfill	_____ *
2.10	No. of residents benefiting from MRF	_____ *
Total inhabitants having improves access to urban infrastructure		_____ *

* To be determined/updated during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

Indicator 2: **Baseline:** Economic loss due to poor sanitation was \$32 per capita in year 2005.

Source: *Economic Impacts of Sanitation in Cambodia, Summary. Water and Sanitation Program – East Asia and the Pacific (WSP-EAP). World Bank. 2008*

Target: Annual economic impact of poor sanitation, accounting for a loss of \$33 in 2005 per capita per year, reduced by 40%.

Projected Accomplishment: Annual economic impact of poor sanitation, accounting for a loss of \$32 in 2005 per capita per year, reduced by 40%.

Indicator 3: **Baseline:** The “before-project” total hectarage of urban areas affected by perennial flooding in Battambang and Neak Loeung, is as follows:



Town	Urban areas presently affected by perennial flooding, hectares
Battambang.	_____*
Neak Loeung	335
Total	_____*

* To be determined/updated during the preliminary design review & detailed engineering design to be undertaken by DED Consultant.

Target: Urban areas affected by perennial flooding reduced by 30%.

This is the total of the target hectareage of urban areas (i) benefiting from reduction of flood events, due to the flood control subproject in Battambang; and (ii) protected from annual flooding, due to the flood protection subproject in Neak Loeung. This is expressed as a percentage of the baseline value.

Town/ Indicator no.	“Before-project” (baseline) urban areas affected by perennial flooding Hectare	Urban areas protected from flooding due to flood control/protection subprojects	
		Hectare	% **
Battambang / 2.2	_____*	_____*	_____**
Neak Loeung / 2.7	335	335	100
Total	_____*	_____*	_____**

* To be determined/updated during the preliminary design review and detailed engineering design to be undertaken by the DED Consultant.

** Urban areas protected from flooding due to flood control/protection subprojects as a percentage of “before-project” (baseline) urban areas affected by perennial flooding.



APPENDIX J

STATUS OF COMPLIANCE WITH LOAN COVENANTS

No.	Covenant	Reference in LA	Status of Compliance
1.	Implementation Arrangements The Borrower shall ensure that the Project is implemented in accordance with the detailed arrangements set forth in the PAM. Any subsequent change to the PAM shall become effective only after approval of such change by the Borrower and ADB. In the event of any discrepancy between the PAM and this Loan Agreement, the provisions of this Loan Agreement shall prevail.	Schedule 5, Para. 1	Complied
2.	Environment The Borrower shall ensure, and cause MPWT to ensure, that the preparation, design, construction, implementation, operation and decommissioning of the Project comply with: (a) all applicable laws and regulations of the Borrower relating to environment, health and safety; (b) the Environmental Safeguards; and (c) all measures and requirements set forth in the IEEs, the EMPs and any corrective or preventative actions set forth in a Safeguards Monitoring Report. The Borrower shall ensure, and cause MPWT to ensure, that the foregoing is applied and implemented for all Parts of the Project, regardless of the financing source.	Schedule 5, Para. 2	Ongoing
3.	The Borrower shall ensure that Bavet and Poipet municipalities pass regulation requiring that no untreated waste water is discharged by industrial companies within 36 months of the Effective Date.	Schedule 5, Para. 3	Not yet due
4.	Land Acquisition and Involuntary Resettlement The Borrower shall ensure, and cause each Project province to ensure, that all land and all rights-of-way required for the Project are made available to the Works contractor in accordance with the schedule agreed under the related Works contract and all land acquisition and resettlement activities are implemented in compliance with: (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the Involuntary Resettlement Safeguards; and (c) all measures and requirements set forth in the RPs, and any corrective or preventative actions set forth in the Safeguards Monitoring Report. Without limiting the generality of the foregoing, the Borrower shall ensure, and cause each Project province to ensure, that prior to the commencement of Works a clear land title (which is free of any kind of encumbrance) shall be provided for the implementation of Parts 3, 6 and 10 of the Project.	Schedule 5, Para. 4	Ongoing
5.	Without limiting the application of the Involuntary Resettlement Safeguards or the RPs, the Borrower shall cause MPWT to ensure that no physical or economic displacement takes place in connection with the Project until: (a) compensation and other entitlements have been provided to affected people in accordance with the RPs; and	Schedule 5, Para. 5	Ongoing



No.	Covenant	Reference in LA	Status of Compliance
	(b) a comprehensive income and livelihood restoration program has been established in accordance with the RPs.		
6.	Indigenous Peoples No impact on indigenous people is expected for the Project. In the event that there is any such impact, the Borrower shall cause MPWT to ensure that it adheres to applicable laws and regulations of the Borrower and the SPS.	Schedule 5, Para. 6	Complied
7.	Human and Financial Resources to Implement Safeguards Requirements The Borrower shall make available, and cause MPWT to make available, necessary budgetary and human resources to fully implement the EMPs and the RPs.	Schedule 5, Para. 7	Complied
8.	Safeguards – Related Provisions in Bidding Documents and Works Contracts The Borrower shall ensure, and cause MPWT to ensure, that all bidding documents and contracts for Works contain provisions that require contractors to: (a) comply with the measures relevant to the contractor set forth in the IEEs, the EMPs and the RPs (to the extent they concern impacts on affected people during construction), and any corrective or preventative actions set forth in a Safeguards Monitoring Report; (b) make available a budget for all such environmental and social measures; and (c) provide the Borrower with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the IEEs, the EMPs and the RPs.	Schedule 5, Para. 8	Ongoing
9.	Safeguards Monitoring and Reporting The Borrower shall do the following: (a) submit semiannual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons promptly upon submission; (b) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the IEEs, the EMPs and the RPs, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan; (c) no later than the commencement of land acquisition and resettlement activities, engage qualified and experienced external monitoring organization(s) under terms of references acceptable to the Borrower and ADB, to verify information produced through the Project monitoring process and facilitate	Schedule 5, Para. 9	Not yet due



No.	Covenant	Reference in LA	Status of Compliance
	the carrying out of any verification activities; and (d) report any actual or potential breach of compliance with the measures and requirements set forth in the EMPs and the RPs promptly after becoming aware of the breach.		
10.	Prohibited List of Investments The Borrower shall ensure that no proceeds of the Loan are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.	Schedule 5, Para. 10	Complied
11.	Labor Standards and Health The Borrower shall ensure, and cause MPWT to ensure that, all Works contractors: (a) comply with all applicable labor laws of the Borrower; (b) use their best efforts to employ women and local people, including disadvantaged people, living in the vicinity of the Project; (c) disseminate information at worksites on health safety for those employed during construction; (d) provide equal pay to men and women for work of equal type; (e) provide safe working conditions and separate culturally appropriate facilities for male and female workers; and (f) abstain from child labor.	Schedule 5, Para. 11	Not yet due
12.	Gender and Development The Borrower shall ensure, and cause MPWT to ensure, that: (a) the gender action plan developed for the Project is implemented in accordance with its terms; (b) the bidding documents include relevant provisions for contractors to comply with the measures set forth in this plan; (c) adequate resources are allocated for the implementation of this plan; and (d) key gender outcome and output targets (notably: (i) gender awareness and sensitisation training to be carried out for 30 staff from MPWT and the implementing agencies; (ii) 30 percent of the construction workers hired by the Works contractors should be female; (iii) 20 percent of the total staff in the project management unit and the project implementation units of the Project shall be female; and (iv) within 24 months of the Effective Date, 20 percent of the total management positions in the project management unit and the project implementation units of the Project shall be occupied by female) are monitored regularly and achieved.	Schedule 5, Para. 12	Complied
13.	The Borrower shall ensure, and cause MPWT to ensure that, the stakeholder communication strategy developed for the Project is implemented in a timely manner.	Schedule 5, Para. 13	Ongoing
14.	Sector Development The Borrower shall cause MPWT to: (a) adopt a business plan for achieving full cost recovery (to cover operation and maintenance expenditures) of the facilities developed under Parts 1, 4 and 8 of the Project prior to their physical completion; and (b) commit to making up shortfall through budget allocations to cover operation and maintenance expenditures.	Schedule 5, Para. 14	Not yet due
15.	Governance and Anticorruption The Borrower shall: (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB	Schedule 5, Para. 15	Complied



No.	Covenant	Reference in LA	Status of Compliance
	reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.		
16.	The Borrower shall ensure, and cause MPWT to ensure, that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.	Schedule 5, Para. 16	Complied
17.	The Borrower shall cause MPWT to prepare and effectively implement a good governance framework, in a form and substance acceptable to ADB during Project implementation.	Schedule 5, Para. 17	Complied
18.	The Borrower shall: (i) maintain separate accounts and records for the Project; (ii) prepare annual financial statements for the Project in accordance with accounting principles acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with international standards for auditing or the national equivalent acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report (which includes the auditors' opinion on the use of the Loan proceeds and compliance with the financial covenants of this Loan Agreement as well as on the use of the procedures for imprest fund and statement of expenditures) and a management letter (which sets out the deficiencies in the internal control of the Project that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the end of each related fiscal year, copies of such audited financial statements, audit report and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.	Article IV, Section 4.02 (a)	Complied
19.	ADB shall disclose the annual audited financial statements for the Project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt by posting them on ADB's website.	Article IV, Section 4.02 (b)	Complied with
20.	The Borrower shall enable ADB, upon ADB's request, to discuss the financial statements for the Project and the Borrower's financial affairs where they relate to the Project with the auditors appointed pursuant to subsection (a)(iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted only in the presence of an authorized officer of the Borrower unless the Borrower shall otherwise agree.	Article IV, Section 4.02 (c)	Complied with
21.	The Borrower shall enable ADB's representatives to inspect the Project, the Goods and Works, and any relevant records and documents.	Article IV, Section 4.03	Complied



APPENDIX K

RISK ASSESSMENT AND RISK MANAGEMENT PLAN (RARMP)

No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
Element 1: Procurement							
1.a	Irregularities relating to leaking prior or post procurement information before the contract award, collusion during the bidding process, and bid evaluation.	High	EA/IAs to establish PRC under the project in accordance with SOP/PM which are in line with ADB guidelines. EA/IAs shall ensure that the Declarations of Fraud and Ethical Conduct (DFEC) for PRC members and bidders (contractors, suppliers and consultants) are signed for each transaction. A copy of the declarations of winning bidders shall be part of the awarded contracts.	EA/IAs	All procurement transactions. EA/IA to monitor, ADB to verify during review missions, prior reviews and post reviews	PRC established on 22 November 2014. DFEC signed for each transaction, and copies of DFEC of winning bidders made part of awarded contracts.	PRC minutes of meetings. DFEC in awarded contracts.
1.b	Insufficient compliance with procedures	High	EA/ IAs are to adhere strictly to the procedures and guidelines set forth in the Loan Agreement, ADB's Procurement Guidelines, and SOP/PM that also cover ICB, NCB and shopping.	EA/IAs MEF monitors compliance with LA, ADB Procurement Guidelines and SOP/PM	All procurement transactions. EA/IA to monitor, ADB to verify during review missions, prior reviews and post reviews	Sufficient adherence/ compliance to procurement procedures and guidelines by EA/IAs, as monitored by MEF.	Bid Evaluation Committee (BEC) / Consultant Evaluation Committee (CEC) Reports & Recommendation. PRC minutes of meetings.
1.c	Weak procurement capacity.	High	EA/ IAs will receive continued hands-on training and technical assistance from consultants recruited under the project. SOP/PM will be used under the project.	ADB	Throughout Project duration	Training conducted by ADB in Dec. 2016. Inquiries on procurement can be directly made through ADB's procurement clinic.	PMU/ADB records.



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
			Recruitment of a well-experienced procurement officer and website officer in PMU to avoid procurement and eventual implementation delays	EA/IAs	Throughout Project duration	Procurement Specialist contracted in Aug 2014 by PISCD and in June 2016 by PMU. Website officer is a PMU member.	Copies of contracts with PMU.
			Closely monitor and review procurement conduct, and where necessary, take measures to improve procedures based on lessons learnt from each successive procurement activity.	EA, MEF and ADB	Throughout Project duration	EA/MEF monitoring and reviewing the conduct of procurements.	BEC and CEC reports. PRC minutes of meetings.
			EA/IAs will recruit additional national and/or national procurement staff if required.	EA/IAs		No additional procurement staff required.	-
1.d	Delayed execution of schedules in the Procurement Plans and failure to track to procurement transactions.	High	Preparation of realistic annual Procurement Plan, tied to annual work plan and budget. EA/IAs will maintain Procurement Monitoring and Tracking Forms as defined in the SOP/PM, and take actions to address delays through additional consultant inputs, if necessary.	EA/IAs to prepare updated procurement plans and procurement tracking form.	Update procurement plan and monitor procurement tracking form during review missions as required	Procurement plan updated in August 2016. Procurement Monitoring & Tracking Forms maintained.	Updated Procurement Plan. Filled out Procurement Monitoring & Tracking Forms.
1.e	Informal payments by contractors, suppliers and consultants	High	All contractors, suppliers and consultants – firms or individuals, national and international – bidding for contracts under the project shall sign the Declaration on Ethical Conduct and Fraud and Corruption in the SOP/ procurement manual.	EA/IAs and MEF	Throughout Project duration	Signed DFECs included in bids.	Signed DFECs.
Element 2: Financial Management							
2.a	Weak internal controls	High	EA/IAs to follow the financial management procedures specified in: (i) the Project Financing Agreement; (ii) the government's SOP and FMM.	EA/IAs; MEF to ensure compliance with SOP/ FMM, Loan	Throughout Project duration	Specified fin'l. management procedures followed since 31	Quarterly Report and PMU reports to MEF and ADB.



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
				Agreement and ADB's Anticorruption Policy		Dec 2015 and ongoing.	
2.b	Weak financial management capacity	High	EA/IAs to receive continued hands-on training from consultants recruited under the project. The SOP/FMM will be used under the project, as well as relevant provisions of the Loan Agreement and ADB's guidelines on procurement and consulting services. Project to closely monitor and review financial management conduct and make necessary improvements as required.	EA and IAs and ADB EA and IAs	Throughout Project duration, conducted as a part of capacity building activities in the project	Hands-on-training ongoing. CapDev training scheduled. Monitoring & review since Dec 2015 and ongoing	CapDev Plan and training modules. Supported by Financial Management Specialist
2.c	Minimize cash transactions	High	Project to make all progress payments to contractors, suppliers and consultants – firms, individuals, national and international – by check or transfer to bank accounts, and retain evidence for audit and donor supervision missions.	MEF, EA and IAs	Throughout Project duration	Payments by check or bank transfer complied and ongoing.	Project Financial Statements
2.d	Delayed or non-existent reconciliation of advances for operating costs and expenses	High	Project to reconcile advances for operating expenses to staff or field offices within one week of the end of each month. No further advances to be paid until previous advance reconciled and cleared against documentary evidence.	EA and IAs	Throughout Project duration Project director to monitor and ADB to verify during review missions.	Reconciliation of advances complied and ongoing.	Project Financial Statements
Element 3 : Disclosure							
3.a	Possible conflict of interest among Project staff	Extremely High	Project staff to disclose private and public affiliations or personal interest before becoming involved in any project-related transaction, such as contract award. EA to prepare a declaration statement for staff's signature.	EA/IAs to ensure all Project staff sign the disclosures	Throughout Project duration Project director to ensure all project staff signs the disclosures.		



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
3.b	Inadequate transparency and disclosure	High	Project to agree information to be disclosed on the project and EA/IA websites biannually, with hard copies available for public inspection on request. At a minimum, the Project will disclose the information required by the Loan Agreement.	EA and ADB to agree the final list. Project director to arrange disclosure	Throughout Project duration.	Development of project website to be completed in February 2017. Information will then be uploaded to the website.	Project website.
Element 4: Complaints and Remedies Mechanism							
5.a	Inadequate complaints and remedies mechanisms		Project to build well-defined complaints and remedies mechanism into project documents. Complaints procedures regarding procurement to follow process set out in Loan Agreement and SOP/PM. Following established publication of evaluation and awards, debriefing mechanism is also necessary not only to enhance transparency but also for the losing bidders to know their weak points.	EA/IAs EA and IAs in consultation with ADB	At effectiveness	To be complied with. PMU provides all bidders with copies of the evaluation and awards through email.	- Copies of emails from PMU
Element 5: Code of Ethical Conduct							
6.a	Poor enforcement of the Code of Conduct for civil servants		Project to provide copies of the relevant laws and articles on Code of Conducts for civil servants to all project staff, including contracted staff. Project will maintain signed declaration of receipt of these documents by all project staff, including contracted staff. Similarly, all members of the procurement committee undertaking the evaluation shall sign the Declaration on Ethical Conduct.	EA and IAs	Throughout Project duration	The Department of Human Resources provides copies of Code of Conducts for Civil Servants to Ministry personnel upon employment.	Signed receipts available with the Department of Human Resources.
Element 6: Sanctions							



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
7.a	Inadequate sanctions for fraudulent and corrupt activity by Project staff, contractors, suppliers and consultants		The Project to identify and apply sanctions available under current law and regulations of Cambodia, ADB's Loan Regulations, the Loan Agreement, and ADB's Procurement Guidelines and Consulting Guidelines. Sanctions for individuals may include transfer of duties, retraining, suspension, dismissal, re-grading, and prosecution under Cambodian Law. Sanctions for firms may include: termination of contract, debarment or blacklisting under ADB's Procurement Guidelines and Consulting Guidelines, or prosecution under Cambodian Law	EA and IAs, and in consultation with ADB	Effectiveness		
Element 7: Project Specific Elements							
7.a	Poor enforcement of contract terms and need to conduct contractors performance evaluation		EA to ensure that contract terms are strictly enforced and the loan consultant will be a party to ensuring quality control of contract outputs, include acceptance of completion of works and services.	EA and IAs	Throughout Project duration	Contract terms for previous DED Consultant enforced, with the assistance of PISCD.	Evaluation of DED Consultant's output.
7.b	Poor quality of design and works construction		EA and IAs to ensure that approved infrastructure's design standards and specification developed by the respective agencies are utilized for the design of structures under the project. Project to recruit experienced detailed design consultant on a timely basis to assist the project.	EA and IAs, and with ADB NOL	Throughout Project duration Contract signed immediately after effectiveness	DED to be carried out by PISCD and CS Consultants. DED to be carried out by PISCD and CS Consultants.	DED reports and bid documents. V.O. no. 6 to PISCD contract, and CS contract.
7.c	Risk of low quality construction and supervision		Project to recruit experienced site supervision consultants to assist EA/IAs.. Regular technical audit is to be undertaken with any adverse findings to be acted upon	EA and IAs, and with ADB NOL EA and IAs	Prior to award of first works contract. Throughout Project duration.	Construction Supervision Consultant recruited To be complied during	CS contract document. -



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No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (June 2017)	Supporting Evidence
			immediately. Project to evaluate contractors' performance with poor performing contractors declared ineligible to bid for at least one year.	EA and IAs, and with ADB NOL	Annually	construction. To be complied during construction.	-