



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

**Second Greater Mekong Subregion (GMS)
Corridor Towns Development Project**

Loan No. 3314-CAM

3rd Quarterly Report 2017

September 2017

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In Joint Venture with
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ABBREVIATIONS AND ACRONYMS

ADB	-	Asian Development Bank
CAD	-	Cost Estimate Report
CBTS	-	Capacity Building and Training Specialist
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
GDR	-	General Department of Resettlement
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
NCB	-	National Competitive Bidding
O&M	-	Operation and Maintenance
PAP	-	Project-affected People
PDPWT	-	Provincial Department of Public Works and Transport
PISCB	-	Project Implementation Support and Capacity Building
PIU	-	Project Implementation Unit
PMU	-	Project Management Unit
PPMS	-	Project Performance Management System



PPP	-	Public-Private Partnership
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
WWTP	-	Wastewater Treatment Plant



SECTION 1 INTRODUCTION AND BASIC DATA

1.1 PROJECT OVERVIEW

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

Loan Number 33-14 CAM, a Loan agreement between the Kingdom of Cambodia and the Asian Development Bank (ADB), will be used to fund implementation of the Second Mekong Sub-region (GMS) Corridor Town Development Project (CDTP). The Loan agreement was signed on 22 December 2015. The Loan was declared effective on 29 February 2016. The Implementation Period is from 2016 to 2020. The expected loan closing date is 30 June 2021.

The participating corridor towns in Cambodia, Kampot and Sihanoukville, continue to face the urgent task of coping with the demands of expanding urban areas. The local authorities want to plan and manage urban growth using an integrated approach, operate and maintain urban environmental and economic infrastructure and efficiently deliver municipal services. Kampot is a provincial capital and; agricultural, commercial and service center and a regional tourism center. Its strategic location provides excellent road based connections in the Southern Economic Corridor (SEC) and to Phnom Penh. There are significant opportunities for increased economic activities and investment. Sihanoukville is a regional center and provincial capital with a rapidly expanding economy and a significant level of urbanization. Its success is built around investment in strategic infrastructure, including an international port, an airport and a special economic zone, coupled with a beach environment that has given the town an international resort status.

The proposed Second Greater Mekong Sub-region (GMS) Corridor towns Development Project for Cambodia will improve urban services in the two towns of Kampot and Sihanoukville. The project will cover four subprojects comprising: (i) Strategic Local Economic Development Plans (SLEDPs) implemented; (ii) priority urban infrastructure investments implemented; (iii) institutional capacities for managing public investments strengthened; and (iv) Community Awareness on project activities and environmental sustainability improved.

The location of the towns of Kampot and Sihanoukville are shown on Figure 1.1



1.2 BASIC DATA

Presented below are the basic Project data.

Project Title:	Second Greater Mekong Subregion Economic Corridor Towns Development Project		
Project Number	46443-002		
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 two 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 No. 3314-CAM	Asia Development Fund	33.00	86.6%
	Government of Cambodia	5.10	13.4%
	Total Project Cost	38.10	100.0%

Source: Asian Development Bank estimates.

Date of Loan Approval	13 November 2015
Date of Signing of Agreement	22 December 2015
Date of Effectiveness	29 February 2016
Loan Closing Date	30 June 2021 (loan period is 5.42 years from date of effectiveness)
Elapsed Loan Period	1.33 years from date of effectiveness (as of 30 June 2017) 25% of loan period
Dates of ADB Review Missions	07 – 14 December 2016, 14 - 15 June 2017 and 25 – 29 August 2017

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, identifies major issues and concerns and recommends the action required, compliance with safeguards and covenants, and lists activities to be carried out in the next quarter.



SECTION 2 UTILIZATION OF FUNDS

2.1 PROJECT COST ESTIMATE

The Project million cost estimates was amended to take into consideration, the reallocation of loan proceeds due to contract awards under loan categories that already exceeded their allocation and the prioritization of subprojects such that total cost will be within the available budget. **Table 2.1 and 2.2** presents the Detailed Cost Estimate by Output and Financier prepared by MEF, and approved by ADB.

**TABLE 2.1
DETAILED COST ESTIMATE BY OUTPUT AND BY FINANCIER (US\$ MILLION)**

(Second Greater Mekong Subregion Economic Corridor Towns Development Project)

No.	Item	Total		ADB Loan		RGC			
		Amount	%	Amount	%	Amount	Taxes & Duties	Subtotal	%
A	Base Cost								
1	Kampot								
1.1	Wastewater collection and treatment	9.74	26%	7.28	75%	1.73	0.73	2.46	25%
1.2	Solid waste management	3.01	8%	2.53	84%	0.23	0.25	0.48	16%
1.3	Urban drainage	1.80	5%	1.48	82%	0.17	0.15	0.32	18%
	Subtotal Kampot	14.55	38%	11.29	78%	2.13	1.13	3.26	22%
2	Sihanoukville								
2.1	Wastewater collection and treatment	2.90	8%	2.64	91%	-	0.26	0.26	9%
2.2	Solid waste management	9.68	25%	8.80	91%	-	0.88	0.88	9%
	Subtotal Sihanoukville	12.58	33%	11.44	91%	-	1.14	1.14	9%
3	Project Implementation and Capacity Development	3.58	9%	3.25	91%	-	0.33	0.33	9%
4	Incremental Administration Cost								
4A	Salary Supplements and Project Audit	0.37	1%	-	0%	0.34	0.03	0.37	100%
2D	Other Incremental Administration Cost	0.56	1%	0.56	100%	-	-	-	0%
	Subtotal (A)	31.64	83%	26.54	84%	2.47	2.63	5.10	16%
B	Contingencies								
1	Physical Contingencies	2.95	8%	2.95	100%	-	-	-	0%
2	Price Contingencies	2.66	7%	2.66	100%	-	-	-	0%
	Subtotal (B)	5.61	15%	5.61	100%	-	-	-	0%
C	Financial Charges During Implementation	0.85	2%	0.85	100%	-	-	-	0%
	Total (A+B+C)	38.10	100%	33.00	86.6%	2.47	2.63	5.10	13.4%



TABLE 2.2
DETAILED COST ESTIMATES BY FINANCIER
(Second Greater Mekong Subregion Economic Corridor Towns Development Project)

No.	Item	ADB		RGC			Total	
		Amount	%	Amount	Amount (Taxes & Duties)	Amount (Total)		%
A	Base Cost							
1	Civil Works	22.18	90.9%	-	2.22	2.22	9.1%	24.40
2	Equipment and Materials	0.55	90.2%	-	0.06	0.06	9.8%	0.61
3	Land Acquisition and Resettlement	-	0.0%	2.13	-	2.13	100.0%	2.13
4	Project Implementation and Capacity Building	3.25	90.8%	-	0.33	0.33	9.2%	3.58
5	Incremental Administration Cost							
5A	Salary Supplements and Project Audit	-	0.0%	0.34	0.03	0.37	100.0%	0.37
5B	Other Incremental Administration Cost	0.56	100.0%	-	-	-	0.0%	0.56
	Subtotal (A)	26.54	83.9%	2.47	2.64	5.11	16.1%	31.65
B.	Contingencies							
1	Physical contingencies	2.95	100.0%	-	-	-	0.0%	2.95
2	Price contingencies	2.66	100.0%	-	-	-	0.0%	2.66
	Subtotal (B)	5.61	100.0%	-	-	-	0.0%	5.61
C.	Financial Charges During Implementation	0.85	100.0%	-	-	-	0.0%	0.85
	Total (A+B+C)	33.00	86.6%	2.47	2.64	5.11	13.4%	38.11

Source: Project Administrative Manual



2.2 LOAN PROCEEDS

Loans utilization by category, as of 30 September 2017 is indicated in Table 2.3 below and the master spreadsheets used for CAD projections shared by ADB mission is shown in Appendix 3.

TABLE 2.3
STATUS OF LOAN UTILIZATION (LOAN 3314)

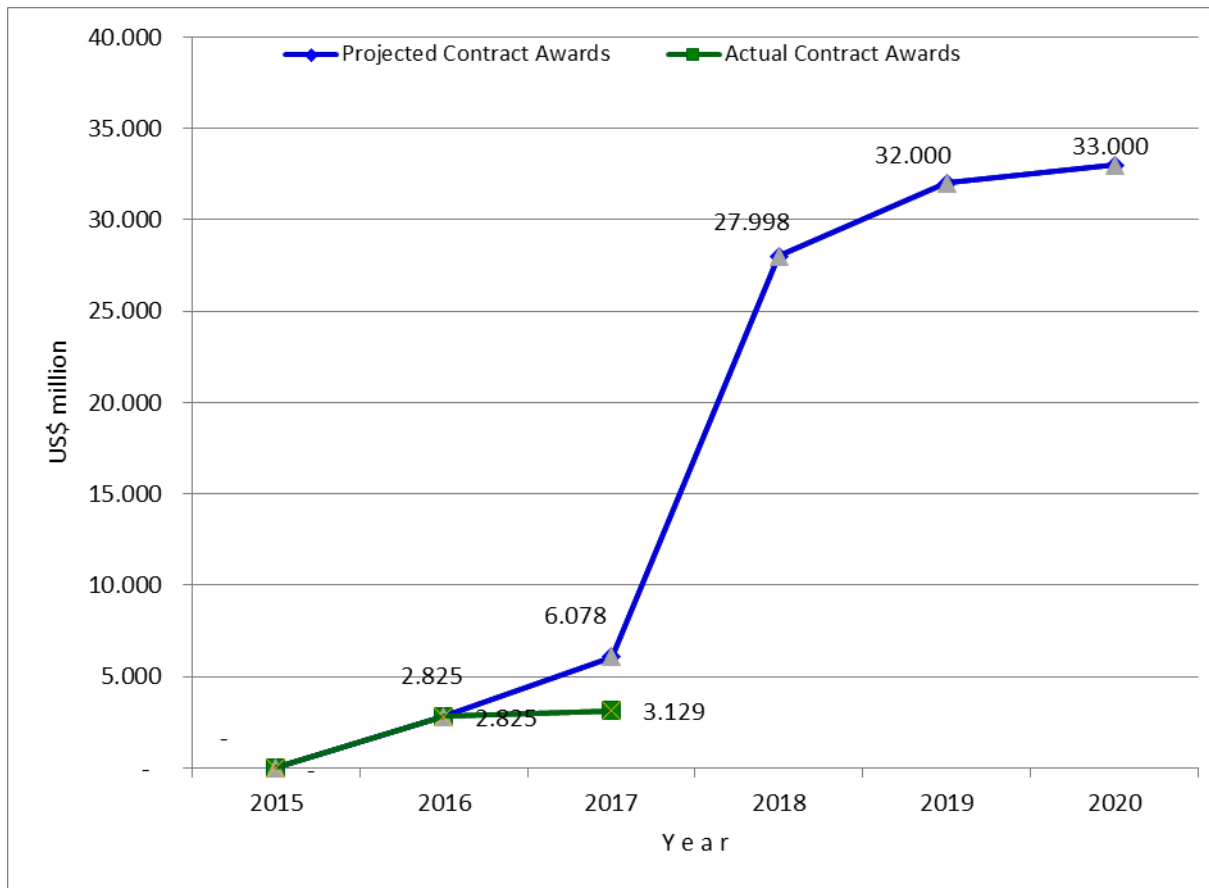
Table __: Status of Loan Utilization (Loan 3314)							
as of 30 Sep 2017							
Cat. Ref.	Category Name	US Dollars, million					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
A	Base Cost						
1	Kampot						
1.1	Wastewater collection and treatment	9.740	-	9.740	-	9.740	-
1.2	Solid waste management	3.010	-	3.010	-	3.010	-
1.3	Urban drainage	1.800	-	1.800	-	1.800	-
	Subtotal Kampot	14.550	-	14.550	-	14.550	-
2	Sihanoukville						
2.1	Wastewater collection and treatment	2.900	-	2.900	-	2.900	-
2.2	Solid waste management	9.680	-	9.680	-	9.680	-
	Subtotal Sihanoukville	12.580	-	12.580	-	12.580	-
3	Project Implementation and Capacity Development	3.580	2.825	0.755	0.501	3.079	2.324
4	Incremental Administration Cost	-	-	-	-	-	-
4A	Salary Supplements and Project Audit	0.370	-	0.370	-	0.370	-
2D	Other Incremental Administration Cost	0.560	0.304	0.304	0.220	0.340	0.084
	Subtotal (A)	31.640	3.129	28.559	0.721	30.919	2.408
B	Contingencies	-	-	-	-	-	-
1	Physical Contingencies	2.950	-	2.950	-	2.950	-
2	Price Contingencies	2.660	-	2.660	-	2.660	-
	Subtotal (B)	5.610	-	5.610	-	5.610	-
C	Financial Charges During Implementation	0.850	-	0.850	0.007	0.843	(0.007)
	Imprest Account				0.206	(0.206)	(0.206)
	Total (A+B+C)	38.100	3.129	35.019	0.933	37.167	2.196



2.3 CONTRACT AWARDS

As of 30 September 2017, the contracts awarded by PMU amounted to US\$3.129 million, or 9.48% of total loan amount. **Figure 2.1** shows the S-curves of the cumulative actual and original contract awards.

FIGURE 2.1
CUMULATIVE ACTUAL VERSUS PROJECTED CONTRACT AWARDS

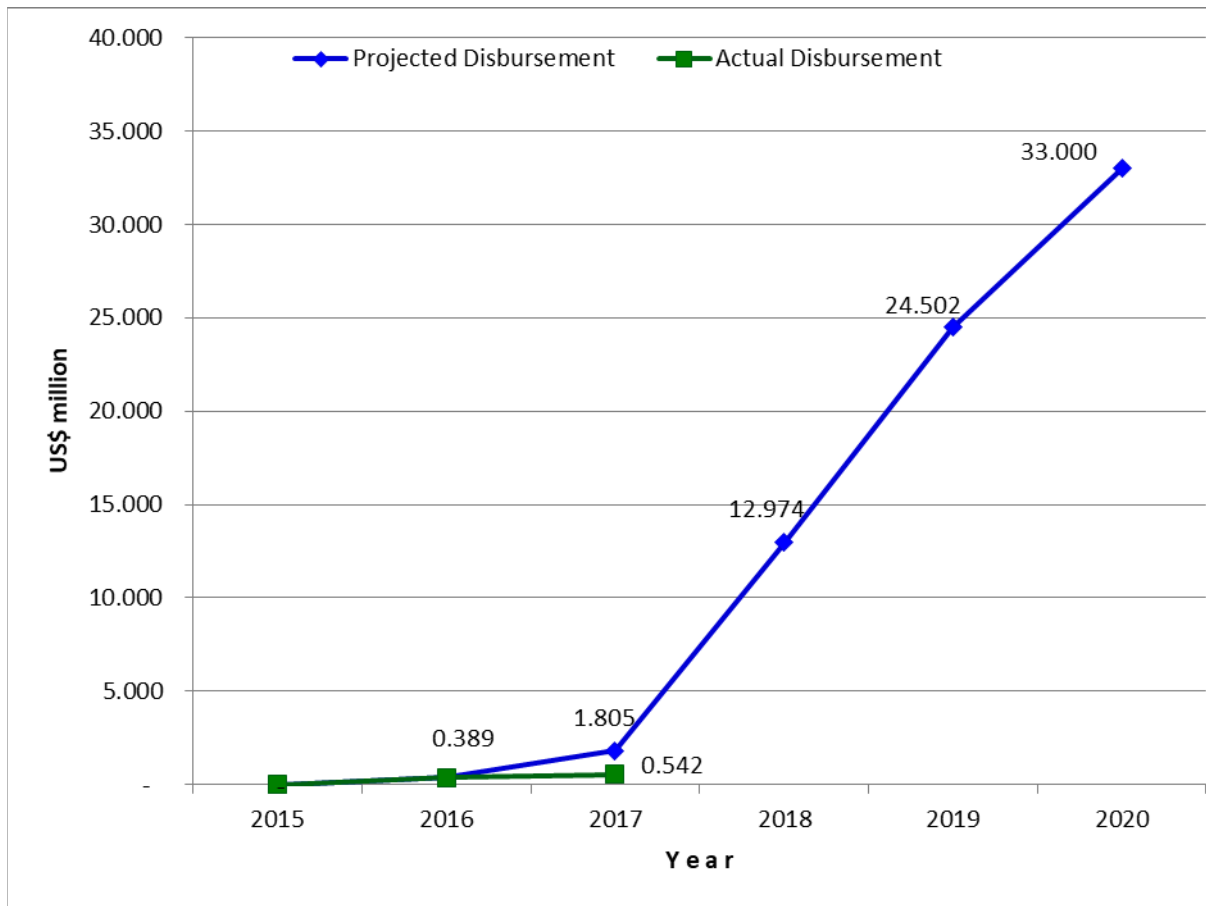




2.4 DISBURSEMENT

Disbursements during Q3 2017 were made through direct payment of PISCD consulting services and administration cost. So far, a total of US\$ 0.430 million, or 13.74% of total contract awards, has been disbursed. This is equivalent to 1.3% of total loan amount. The S-curves of the cumulative actual versus projected disbursements and original are shown in Figure 2.2.

FIGURE 2.2
CUMULATIVE ACTUAL VERSUS PROJECTED DISBURSEMENTS



2.5 COUNTERPART FUNDS

Payments from the government counterpart fund were not made during the reporting period. PMU prepared the documents to request government counterpart funds and allowances which will be paid from the account's balance of the next quarter.



SECTION 3 IMPLEMENTATION PROGRESS

3.1 OVERALL PROGRESS

As of 30 September 2017, project implementation is behind the originally envisaged program by some three to four months, the estimated physical completion of the Project is some 2 to 3% and while the time elapsed from effective date for the completion of the design activities was the end of November 2017 these should now be complete in the first quarter of 2018.

Although there were some delays in the signature of the topographical surveys and geotechnical investigations contract these are now complete. Contract award and disbursements (CAD) for 2017 are currently projected at \$3.25 million and \$1.42 million, respectively, falling short of ADB's revised management targets of \$5.5 million and \$3 million, respectively (*Source: ADB Mission 14-15 June 2017*).

The topographical and geotechnical survey teams have completed their previously envisaged inputs in both towns and the reports submitted to PISCB. Additional survey works have been commissioned at the two existing landfill sites in order to obtain the current profile of the waste and existing ground levels in order to determine the volume of waste. This will assist in the preparation of potential options for dealing with the waste and permit a more accurate assessment in the contract documentation.

PISCB arranged and attended meetings in Kampot to discuss the proposed routes for the drainage works.

The Preliminary Design reports for the drainage, landfill and WWTP works were submitted to PMU on 18 August 2017.

As required PISCB attended the ADB Implementation Review Mission of 25 to 29 August 2017.

During the ADB Missions it was revealed there had been an ongoing court case with respect to the land made available for the landfill site in Kampot. At Sihanoukville the ADB expressed concern with respect to environmental issues at the proposed landfill site and NJS are mobilizing the designated environmental specialist in early October. PISCB have stopped work on these works and are only preparing the details which are standard/common at both the Kampot and Sihanoukville land fill sites. The Preliminary Design for the Solid Waste Disposal works in Sihanoukville is effectively complete.

Teams carrying out the design of the drainage works in both Kampot and Sihanoukville visited the towns in mid-September to discuss their designs, as envisaged and prepared to date with the PIUs. In some locations, the routes of the drainage works were visited to review the design and to help resolve potential problems.

During the visit to Kampot a potential alternative landfill site was located and the information supplied to PMU who have forward this to GDR who are apparently waiting for the final version of the ADB Mission Aide Memoire before proceeding with any course of action. The proposed site is located adjacent to the existing landfill site in an area used to obtain fill material by local builders and contractors.



As of the end of September the Preliminary Design report(s) for the drainage works and the landfill works in Sihanoukville are effectively complete and currently being proof read and will be submitted to PMU during the first week of October.

PISCB Attended a video conference from ADB Manilla on 30 August covering the Gender Action Plan (GAP) requirements given by Linda Adams the ADB Senior Social Development Specialist who is based in Manila.

Training Need Assessment (TNA) was conducted at Sihanoukville and Kampot province. Site visits and field investigations were carried out during the reporting period and the draft report prepared.

3.2 PROJECT MANAGEMENT and IMPLEMENTATION UNIT

Since approval on 13 November 2015 and the declaration of effectiveness on 29 February 2016, and for project implementation, the MPWT has established a Project Management Unit (PMU) at the national level and a project Implementation Unit (PIU) at the provincial level, the composition of the PMU and PIU and the role of each of the members is shown in **Appendix 1**.

The work plan and implementation schedule was jointly reviewed and updated during ADB mission on 14-15 June 2017. Due to revisions to contract awards and disbursement projections and the procurement plan has been updated to reflect the current work plan and schedule. Following a joint review and discussion, the update work plan and implementation schedule is shown in **Appendix 2**.

3.3 PROJECT MOBILIZATION and REMOBILIZATION

The contract for the consulting services package for the project has been awarded, and The Project Implementation Support and Capacity Building (PISCB) consultant is continuing to mobilize and remobilize both international and national inputs as are required for the works. Movement of the consultant's staff up to the end of the reporting period is described in **Table 3.1**.



**TABLE 3.1
STAFFING MOBILIZE AND DEMOBILIZE**

Consultants	Position	Date of	
		Mobilization & Remobilization	Demobilization
A. International			
Mr. Rocco M. Palazzolo	Team Leader/Municipal Engineer	18 Nov. 2016	16 Dec.2016
		14 Jan 2017	5 Feb 2017
		7 Feb 2017	12 Feb 2017
		15 Feb 2017	19 Feb 2017
		22 Feb 2017	27 Feb 2017
		2 March 2017	13 March 2017
		17 April 2017	2 May 2017
		8 May 2017	16 May 2017
		23 May 2017	27 May 2017
		19 June 2017	24 June 2017
		29 June 2017	23 July 2017
Mr Chris Dunn		26 Jul 2017	31 Jul 2017
		22 Aug 2017	
Mr. Sampei Nakanishi	Solid Waste Management Specialist	21 May 2017 4 Sept. 2017	31 July 2017
Mr. Ferdinand Asuncion	Wastewater / Civil Engineer	4 June 2017	15 July 2017
Mr. Keiji Matsuoka		4 Sept. 2017	
Mr. Rolando T Soncuya	Resettlement Specialist	3 May 2017	10 June 2017
Mr. Joop Schaap	Capacity Building and Training Specialist	20 April 2017	21 May 2017
		16 July 2017	17 August 2017
Dr. Consuelo B Estepa	Business Management Specialist	1 July 2017	31 August 2017
B. National			
Mr. Taing Sophanara	DTL/Engineering and Procurement Specialist No.1	18 Nov. 2016	8 Dec.2016
		12 Dec.2016	21 Dec.2016
		27 Dec.2016	28 Dec.2016
		1 Jan 2017	31 Jan 2017
		2 Feb 2017	10 Mar 2017
		17 Mar 2017	



Mr. Phai Sok Heng	DTL/Engineering and Procurement Specialist No.2	8 Dec.2016 1 May 2017 14 July 2017 31 August 2017 15 Sept. 2017 27 Sept. 2017	14 Dec.2016 11 July 2017 28 August 2017 11 Sept. 2017 25 Sept. 2017
Mr. Song Kim Chhoun	Project Performance Monitoring System	12 Dec.2016 1 Feb 2017 14 Mar 2017 1 July 2017 10 July 2017	14 Dec.2016 8 Mar 2017 17 April 2017 4 July 2017 11 August 2017
Dr. Yim Mongtoeun	Solid Waste Management Specialist	1 May 2017	
Mr. Som Kosal	Wastewater/ Civil Engineer	28 June 2017	
Mr. Yang Bora	Drainage Engineer	1 May 2017	
Mr. Chea Mong	Environment Specialist	23 August 2017	31 August 2017
Mr. Mel Sophanna	Resettlement Specialist	25 May 2017 17 August 2017	14 June 2017 28 August 2017
Miss. Hep Sreyleak	Social Development and Gender Specialist	12 Dec.2016 16 Jan 2017	16 Dec.2016 23 Feb 2017
Ms. Phork Hoeurng	Training Specialist	26 Apr 2017	31 August 2017
Mr Son Mithonarath	Business Management Specialist	1 July 2017	31 August 2017
Ms. Son Vannita	Urban Planner and Design Specialist	17 July 2017	22 July 2017
Ms. Kun Chantrea/Mr Thlork Mesa	Technical / Support Engineer	9 Feb 2017 22 Feb 2017 20 Mar 2017 24 Mar 2017 29 May 2017	16 Feb 2017 6 Mar 2017 21 Mar 2017 29 Mar 2017
Ms. Born Mary	Technical / Support Engineer	1 June 2017	
Mr. Chan Thanin	Technical / Support Engineer	1 June 2017	
Mr. Seang Chhay Ngom	Technical / Support Engineer	1 July 2017	
Mr. Chuk Channarong	Technical / Support Engineer	1 August 2017 13 Sept. 2017	15 August 2017



3.4 SITE VISITS and MEETING

Five site visits to Kampot and Sihanoukville were carried out during 3rd quarter 2017 and twelve formal and informal meetings were conducted during the period from July to September 2017. The data and purpose of each site visit and meeting are described in **Appendix 4**.

3.5 PROCUREMENT

The Project involves the procurement of: (i) civil works with an estimated amount of \$24.39 million; (ii) project implementation and capacity development, \$3.58 million; and (iii) goods and equipment, \$0.61 million.

The current CAD projections were contingent on awarding two contracts this year, namely the Kampot Solid Waste Management (\$2.47 million) and the equipment for solid waste management (\$0.61 million). But with the delays in land availability these anticipated expenditures can no longer be made in the foreseeable future and the envisaged works might be cancelled.

The topographical surveys and geotechnical investigations are complete in both towns. In Sihanoukville the proposed land fill site is considered to be possibly unacceptable for environmental reason, but this is currently under review and will depend upon the environmental assessment.

MPWT and the consulting team proposed to split the Kampot wastewater collection and urban drainage package, currently \$9.65 million ICB, into two separate packages, one for drainage (\$1.63 million, NCB) and one for wastewater collection and treatment (\$6.03 million). This proposal would allow for the project to come closer to the contract awards target, and would make sense from a technical perspective as the drainage sub-project is distinct from the wastewater collection and treatment works, and local contractors have been experience in constructing similar drainage schemes.

3.5.1 Signed Contract Document and Completed Contracts

The procurement related activities undertaken were: the completion of recruitment Consulting Services, signed contract document and Office renovation for the Second GMS Corridor Towns Development Project are shown below:

As of 30 September 2017, the status of procurement was as follows:

1. Consulting Services
 - Completed recruitment of Consulting Services for: Project Management and Implementation Support, Detailed Design and Construction Supervision (Package 1) and Capacity Building (Package 2)
 - Completed recruitment of National Financial management specialist and National Procurement specialist
2. Goods
 - Signed contract for supply of Office Equipment
 - Signed contract for supply of Office furniture
 - Signed contract for supply of 3 vehicles



3. Works

- Signed contract for PIU Kampot Office renovation
- Signed contract for PIU Sihanoukville Office renovation

3.5.2 Procurement Plan

The procurement plan was jointly reviewed and updated during ADB mission on December 7 - 14 2017. Due to EA provided detailed cost estimates for office repairs, office equipment and furniture proposed for the PMU and the two PIUs in Sihanoukville and Kampot. Following a joint review and discussion, these items were included in the goods and works table in the procurement plan was prepared and agreed upon by the EA and ADB, the update procurement plan is shown in **Appendix 5**.

The procurement plan was jointly reviewed and updated again during ADB mission on August 25 - 29 2017. Due to MPWT and the consulting team proposed to split the Kampot wastewater collection and urban drainage package, currently \$9.65 million ICB, into two separate packages, one for drainage and one for wastewater collection and treatment.

3.6 PROJECT IMPLEMENTATION SUPPORT AND CAPACITY BUILDING (PISCB)

Contract No. ICB/MPWT/PMU/CTDP1/001 between the Ministry of Public Works and Transport and NJS Consultants Co., Ltd. in Joint Venture with CEST incorporated and Key Consultants (Cambodia) Ltd. was signed on October 14, 2016. The consultant began mobilizing the consulting team by November 18, 2016.

Activities of the PISCD Consultant included assisting the PMU with Procurement, Detailed Engineering Design, Strengthening of Institutional Capacity, Environmental Safeguard, Resettlement, Implementation of Gender Action Plan, and Assessment of Project Performance through PPMS.

The PISCB Consultants assisted PMU in the preparation of this Quarterly Report.

3.7 CONSULTING SERVICES

The consulting services will provide support during Project implementation, the following consultants are engaged: (i) Project Implementation Support and Capacity Development (PISCD), (ii) Procurement Specialist, and (iii) Financial Specialist. The Financial and Procurement Specialists, who are directly contracted by the PMU, are responsible for the preparation of quarterly financial management reports, and procurement reports, respectively.

3.8 ADOPTION AND IMPLEMENTATION OF THE SLEDP (OUTPUT 1)

Draft SLEDPs for each town have been prepared based on a technical assessment of potential investments in the strategic context of the GMS economic corridors, and stakeholder consultations and discussion at the provincial and town level, 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.

The capacity building program will manage by the Urban Planning Specialist, who will, in turn work closely with the DPI/PDPWT/PIUs and the other specialist in the capacity program



team. The specialist will also liaise with and consult key community stakeholders and public on important planning issue. The following activities will be performed:

1. Review the recommendations in the SLEDPs so that priorities in the MTIP can be confirmed or adjusted accordingly and that the SLEDPs consider poverty, social and gender issues in its strategic planning. Potential sources of funding from government, donor agencies, the private sector and the communities will be identified with links with these funding sources will be developed and further strengthened. Where appropriate, feasibility studies and plans to support funding request will be prepared.
2. Make recommendations, prepare plans and work closely with DPis to achieve the improvement business development climate. In actualizing the recommendations, it is important that such that the plans include organizational frameworks, implementation mechanisms and incentives, as well as measures to increase marketing capacity.
3. Thereafter, prepare training plans for PDPWT/PIUs on improvement business development climate and assist in the implementation of appropriate capacity building to increase marketing capability, taking into account known resource constraints at provincial and town levels.
4. Provide advice and training to improve capacity in urban planning and urban design related issues with the PIUs in both towns. In this connection, training materials will again be prepared.
5. Assist in the preparation of a concept, "Green City Action Plans"

3.9 IMPLEMENTATION OF PRIORITY URBAN INFRASTRUCTURE INVESTMENTS (OUTPUT 2)

There were no activities for construction of Civil Work during the reporting period. Following up on the demarcation boundary of the site of proposed landfill and the 2.9 ha reservoir site for the wastewater pumping station in Kampot. This work still has not been done yet, but the PIU chief as well as director of PDPWT responded that this work will be done at the same time as the topographic survey team work at the particular sites. The demarcation of the proposed landfill site is no longer required as the site is not available, but the PISCB has recommended an alternative site. Follow up the status of the Kampot WWTP site, the purchase agreement was signed between IRC/MEF and the land owner, the boundary has already been demarked, but the site selected is close to a holiday camp which is currently under construction. The sites for the pumping stations (3No) have also not been demarked.

The new landfill 50ha at Ou Ouk Nha Heng commune locate approximately 1 Km from the existing dump site and managed by Khan Forestry Administration of Provincial Department of Agriculture Forestry and Fishery (PDAFF) has received the approval of, and signed on the map from related institutions, including the Governor of Preah Sihanouk province.

PISCB consultant/design engineers investigated subprojects in Kampot and Sihanoukville, and develop preliminary design (drainage, sewerage, and landfill).

International and National Solid Waste Management Specialists were mobilized in Q3 of 2017. The specialists carried out field investigations of new landfill and existing dumpsites in Kampot and Sihanoukville and continued with the preparation of the preliminary design.

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 of subprojects, is shown in **Table 3.2**:

TABLE 3.2
SUBPROJECTS AND READINESS

Package	Subproject	Readiness
CW01	Kampot Wastewater Collection and Treatment, and Urban Drainage.	<p>The MEF ongoing to deal on this land for WWTP and the Urban Drainage. The purchase agreement was signed between IRC/MEF and the land owner in April 2017.</p> <p>MPWT and the consulting team proposed to split the Kampot wastewater collection and urban drainage package, into two separate packages, one for drainage and one for wastewater collection and treatment. This proposal would allow for the project to come closer to the contract awards target, and would make sense from a technical perspective as the drainage subproject is distinct from the wastewater collection and treatment work, and local contractors are experienced in carrying out similar drainage schemes.</p> <p>This proposal was accepted during the ADB Mission of 25-29 August 2017 and the two contracts are :-</p> <p>CW01a Kampot Wastewater Collection and Treatment And CW01b Kampot Urban Drainage</p> <p>Works are proceeding with the detailed design for both contracts.</p>
CW02	Kampot Solid Waste Management.	<p>The proposed new landfill with total area of 17.2ha is located in Prey Khmum commune, Teuk Chhu district, Kampot province. This document approved and signed (between Nov-Dec 2011) by all local authorities and professional departments in Kampot province include district forest administrative, department of environment, and department of land management urban planning and construction. The site, as detailed, is subject to an ongoing court case and for this reason is no longer considered viable, an alternative site has been located by the PISCB consultant, PMU has been informed and they have forwarded the information to GDR. Information has not been received from GDR and the three-month period for the finding of an alternative site, as stipulated by ADB, is fast running out.</p>
CW03	Sihanoukville Urban Drainage	<p>SHV-PIU also proposed to change some drainage alignment but keep the same total length of 64.1km. The new proposed drainage alignment is mostly in the town center. As of the end of September the Preliminary Design is complete and Detailed Design works are continuing.</p>
CW04	Sihanoukville Solid Waste Management	<p>SHV-PIU provided supporting documents on the proposed land site for landfill located in Ouknha Heng commune and received the approving and signed on the map from related institution including Governor of Preah Sihanouk province.</p> <p>SHV-PIU agreed to the selected the route of the access road that connected from existing dump site to the new proposed landfill site.</p>



3.10 STRENGTHENING OF INSTITUTIONAL CAPACITY

The capacity development program is intended to ensure smooth implementation of urban infrastructure and to provide sustainable capacity development. The contract with NJS Consultants Co., Ltd in Joint Venture with CEST Incorporated and Key Consultants (Cambodia), Ltd. was signed on 14 October 2016.

During the reporting period, PISCB capacity building and training specialists conducted training needs assessment (TNA) workshop and meetings with stakeholders in Kampot and Sihanoukville, drafted evaluation of training course and preparing TNA report. The capacity development program is intended to ensure smooth implementation of urban infrastructure and to provide sustainable capacity development. This capacity building will cover three key areas and in each of these areas are listed in **Table 3.3**.

TABLE 3.3
OVERVIEW OF CAPACITY BUILDING AREAS

Area 1	Implementation and O&M for project investments
1.1	Lessons Learned
1.2	Assistance to Managed Landfill O&M
1.3	Simplified Business Development Plans
1.4	Revenue Improvement Action Plans
1.5	Physical Assets Management
1.6	Improving Business Climate for SSPs
Area 2	Sustainable Livelihoods Development and Community Awareness
2.1	Skills Development
2.2	Improving Community Awareness
Area 3	Refinement and Implementation of SLEDPs
3.1	SLEDP Implementation



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 and outcome.

In this Project, although outputs and outcome 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 and outcome 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 risks that affect outputs and development objectives.

4.2 ASSESSMENT OF RISKS

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. The assessment of risks is presented in **Appendix 6**.

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 and outcome by comparing actual performance and project implementation plan, 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 7**. As of 30 September 2017, assessments of progress toward achieving Outputs 1 are being carried out since the activities toward attaining these outputs have commenced and are ongoing, Outputs 2, Outputs 3 and Outputs 4 has not yet implemented, Outcome, however, can only be assessed upon completion of subprojects and during their operation.

4.4 PROJECT IMPLEMENTATION AND PERFORMANCE M&E FRAMEWORK MATRIX

Project Implementation M&E Framework Matrix and Project Performance M&E Framework Matrix are designed based on the Design and Monitoring Framework, M&E framework matrix are shown in **Appendix 8**.



SECTION 5 COMPLIANCE WITH SAFEGUARDS AND COVENANTS

5.1 ENVIRONMENTAL SAFEGUARDS

There were no activities related to Environmental Safeguards during Q3 2017. The PISCB consulting team is currently being mobilized, and mobilization of the International and National Environmental Specialists is expected in Q4 of 2017. The PISCD Environment Specialists will be mobilized in the 4th quarter to undertake the following activities:

- Revision and/or updating of IEEs, specifically in case of design changes/revisions. And, updating and finalization of the EMPs based on final design;
- Monitoring of the incorporation of relevant mitigation measures in the detailed designs, mitigation measures and monitoring activities in the O&M Manual/s, where applicable;
- Advise the PMU/PIUs in the preparation of terms of reference for the conduct of air water and air quality sampling, including follow up interviews with local residents on issues and concerns arising during project construction;
- Undertake the necessary capability building activities (seminar or workshops) for the PMU/PIUs and other implementation partners/stakeholders;
- Assist the PMU/PIUs in preparing the integrated safeguards monitoring report that will be submitted to ADB on a semi-annual basis;
- Other activities such as:
 - Coordinate with the procurement consultant/committee to ensure that the Final Subproject EMPs are included in the respective bidding documents.
 - Prepare Evaluation of Contractor's EMPs (CEMPs) including the establishment of environmental management criteria for bid evaluation.
 - Conduct visits to subproject working sites to ensure EMP/EMoP implementation, and provide advice on any actions required to ensure EMP/EMoP compliance.

Areas of specific concern were raised by the ADB during the Mission of August 25 – 29, 2017. These are:

- ADB Environmental Approvals: There is a need to update the Initial Environmental Examination (IEE) and the Environmental Management Plan (EMP) as the works progress. PISCB will be carrying out these activities in the near future.
- Ministry of Environment Approvals: There is need to carry out an Initial Environmental Impact Assessment (IEIA) by an approved environmental specialist in Cambodia. Quotations for this work have been obtained and have been included in Variation Order No.2.



- **Landfill Proposals:** The construction of new and closing of existing landfill sites needs to meet the requirements of the Cambodian regulations for the siting of these and acceptable international practice for both construction and closing. PISCB have mobilized their International expert who is liaising with the National expert.
- **Changes in Sub-Project Sites:** There is a need to carry out environmental assessments at the WWTP site in Kampot giving due regard to the proposed holiday camp located in an adjacent area. The landfill site in Sihanoukville also needs an environmental assessment giving due regards to the ecology and wildlife in the selected area. The PISCB consultant will be mobilizing their International and National experts early in the fourth quarter of 2017.
- **Informal Waste Pickers:** There is a need to consider both the health and safety issues and resettlement when considering the works/sites. This will be given due consideration by the PISCB consultant once firm decisions on the site have been made.
- **Grievance Address Mechanism:** This will be developed as required.
- **Semi-Annual Environmental Monitoring Reports:** These are only required once construction works have commenced. The environmental assessment and monitoring plans and documents will be included in the contract documentation.
- **Climate Change:** There is a need to consider the impact of possible climate change in the designs of the works. This is being given due consideration during the design of the works.

5.2 RESETTLEMENT

The International and National Resettlement Specialists were mobilized in Q2 of 2017. The PISCD Social Safeguards and Resettlement Specialists have carried out field investigations on subproject sites and have held meetings and discussions with PMU, IRC/MEF about the resettlement policy. A start has been made on drafting the Kampot and Sihanoukville resettlement plans, and preparing an affected household's database and updated resettlement report. There were no further activities during the reporting period. Once the final designs are complete further consideration will be given to this matter.

5.3 IMPLEMENTATION OF GENDER ACTION PLAN

There were no activities related to Gender during Q3 2017. The International and National Social development and Gender Specialists will be mobilized in Q4 of 2017. The PISCD Social development and Gender Specialists will be mobilized to carry out the following activities:

- At the project detailed design phase to provide technical leadership related to the proposed subproject components from the social development and gender perspectives; commencing with a review and reconfirmation of the subproject components developed during project preparation in close association with the PMU/PIUs;
- Include in the contract documentation the need for the contractor to follow the ADB GAP policy:



- Review the SPRSS and the GAP prepared under the PPTA and their application in the two subprojects and specifically working with the PIUs and the project affected communities in providing advice on implementing the GAP, including reference to: (i) coordinating gender development with sector/technical issues; (ii) gender sensitive communication; (iii) equal access to training and capacity development; and (iv) mentoring issues;
- Work closely with the PIUs in both project towns and support them in implementing the activity plans that constitute part of the SPRSS/GAP. This will include, but not be limited to refining training and capacity building activities for the PIUs, with particular reference to support for implementation of the project loan;
- Coordinate with the project resettlement specialists regarding the livelihood and social development aspects of the resettlement action plans, and advising the PIUs on a training needs assessment of impacted households, including disaggregation of livelihoods by gender;
- Gather information on GAP implementation progress and indicate results in a Gender Field Report and prepare progress report of GAP;
- Prepare and conduct the gender awareness and sensitization training for project beneficiaries in Kampot and Sihanoukville.

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

There are 16 key loan covenants, out of which eight (8) are complied with, four (4) 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 9**.

The status of compliance with the Risk Assessment and Risk Management Plan is presented in **Appendix 10**.



SECTION 6

MAJOR PROJECT ISSUES AND PROBLEMS, AND ACTIONS TAKEN

The major project issues and problems encountered, and actions taken during Q3 2017 were:

Issues/Problems	Action Taken
Kampot	
Negotiations for the land that was to be acquired for the Kampot wastewater treatment plant (WWTP) sub-project were unsuccessful.	An alternative site has been located and a purchase agreement signed between IRC/MEF and the land owner, the boundary has already been demarked.
The alternative WWTP is adjacent to a proposed holiday camp currently under construction	The PIU has been contacted with respect to permissions and an environmental assessment is to be carried out.
The existing reserved site in Kampot town for the main pumping station does not have a clearly marked boundary on the ground.	Kampot-PIU has supporting documents which identified the area of 2.9 ha. Kampot-PIU will place boundary pole at the site of existing reserved area. The PIU chief as well as director of PDPWT responded that this work will be done at the same time as the topographic survey team work at the particular sites. Although the survey work has been carried out the delineation of the site has not.
No access road to the existing 2.9ha pumping station site in Kampot	Cooperation among the KP-PIU, city hall and commune chief in Kampot is needed to discuss on the proposed access road. PISCB will follow up with KP-PIU to update information in next quarterly report. GDR are currently negotiating with the owner of the land over which the access road will pass.
Encroachment on the landfill site in Kampot by people developing durian tree plantations and the excavation of a new borrow pit. The site has no formal boundary markers and it is possible this has been seen as land available for plantations etc. It has also been determined those using the site are in dispute with it being public land and an ongoing court case, since 2015, is still ongoing with little or no progress	Meetings have proved to not be fruitful in resolving the issue. The PISCB consultants have located an alternative site adjacent to the existing area designated for landfill. This information has been passed on to PMU and to date nothing has been heard from GDR.



Potential problems with disposal of contaminated excavated material especially adjacent to open surface water channels.	The environmental experts, international and national will be requested to review and make recommendations.
Sihanoukville	
Potential problem with respect to the environmental impact of the site provided and approved for the solid waste disposal location.	PISCB will be mobilizing the international and national environmental experts



SECTION 7

ACTIVITIES FOR THE NEXT QUARTER

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

TABLE 7.1 - WORK PLAN FOR NEXT QUARTER (4TH QUARTER 2017)

Main Task	Activities to be Carried out	Responsible
Detailed Engineering Design	Development of preliminary designs for the drainage in both towns and the WWTP in Kampot.	PISCB consultant/design engineers
Obtain land for Kampot Landfill	GDR to obtain land for Kampot Land Fill within three months of ADB mission of 25 – 29 – August.	GDR
Environmental Assessment	Mobilize International and National environmental experts who will visit the towns and carry out assessments on the landfill and the WWTP site.	PISCB
Kampot WWTP site acceptability	Review findings of environmental assessment and report on viability of site.	PISCB
Sihanoukville Landfill site acceptability	Review findings of environmental assessment and report on viability of site and if site acceptable complete the detailed design and contract documents.	PISCB
ADB Quarterly Progress Report	Complete and submit.	PISCB & PMU
Geotechnical survey of subprojects sites	Review findings of the geotechnical investigations.	PISCB
BoQ's	BoQ's to be prepared for all detailed design works.	PISCB
Specifications	Specifications to be reviewed and particular specifications prepared.	PISCB
GAP Activities	Specialist to be mobilized to carry out activities.	PISCB
Works requiring electrical engineer input	Requirement for electrical engineer(s) included in VO2 and to be mobilized to prepare and complete drawings, specifications and BoQ.	PISCB
Resettlement	Resettlement specialist to be mobilized	PISCB



APPENDIX 1
KEY MEMBERS OF PROJECT MANAGEMENT UNIT
AND PROJECT IMPLEMENTATION UNITS

1.Key Members of Project Management Unit

No.	Name of member	Role and responsibility
1	H.E. Vong Pisith	Project Director
2	Mr. Pou Manith	Responsible for Procurement
3	Miss. Chhoun Sovady	Responsible for Financial
4	Mr. Eang Daravuth	Responsible for Technical
5	Mr. Nop Keilarith	Responsible for Social and Environment
6	Mr. Vong Rada	Responsible for Urban Planning
7	Mr. Eab Visoth	Responsible for Resettlement
8	Mr. Chok Borith	Responsible for Administration

2.Key Members of Project Implementation Units

No.	Description	Position	Role and responsibility
A	Kampot PIU		
1	Mr. Thorn Saravuth	Deputy director of DPWT	Chief PIU
2	Mr. Veth Vathana	Chief of multi-sector office of provincial hall	Vice chief PIU
3	Mr. Tauch Channserayboth	Officer of DPWT	Responsible for Technical
4	Mr. Seth Kosal	Officer of DPWT	Resp. for Technical
5	Miss. Tauch Meakthoura	Officer of DPWT	Resp. for Financial
6	Mr. Pov Vanntha	Officer of DPWT	Resp. for Urban Planning
7	Mr. Seng Vutha	Deputy governor of Kampot City	Resp. for Administration
8	Miss. Tho Phearun	Officer of multi-sector office of provincial hall	Resp. for Social & Environment
9	Mr. Ith Sary	Vice chief office of provincial hall	Resp. for Solving Impact
B	Preah Sihanouk PIU		
1	Mr. Nop Heng	Director of DPWT	Chief PIU
2	Mr. Chrea Tharavuth	Deputy director of DPWT	Vice chief PIU
3	Mr. Lim Sran	Deputy director of DPWT	Responsible for Technical
4	Mr. Chrea Thavrith	Officer of DPWT	Resp. for Technical
5	Mr. Heng Bunthean	Officer of DPWT	Resp. for Financial
6	Mr. Pich Pheary	Officer of DPWT	Resp. for Urban Planning
7	Mr. Yos Chamnan	Officer of DPWT	Resp. for Administration
8	Mr. Nhem Sidoeun	Officer of DPWT	Resp. for Social & Environment
9	Mr. Soun Sopheap	Officer of provincial hall	Resp. for Solving Impact



B. Sihanoukville – All Subproject Components			
Contract CW3 - Drainage - (ICB)			
3.1. Detailed Engineering Design			
1a. Topographic Surveys			
1b. Geotechnical Testing			
1c. Preliminary Design			
1d. Detailed Design			
1e. Tender Documents			
Presentation of Detailed Design to PMU	29/12/17		
Submission of Draft Bidding Documents to ADB	08/01/18		
ADB Review & Issue of No-Objection	9	10/01/18	19/01/18
Approval of Bid Invitation, Avertising, Bidders EOI, etc	17	20/01/18	06/02/18
3.2. Bidding and Award			
Issue & Return Bidding Documents	43	07/02/18	22/03/18
Assist in Responding to Bidder's Queries	43	07/02/18	22/03/18
Bid Opening		23/03/18	
Preparation of Bid Evaluation Report & Submit to ADB	61	24/03/18	24/05/18
Assist in Evaluation of Bids	61	24/03/18	24/05/18
ADB Review & Issue of No-Objection	18	25/05/18	12/06/18
Notification of Contract Award	21	13/06/18	04/07/18
3.3. Construction and Implementation	730	04/07/18	03/07/20
Contract CW4 - Solid Waste Management - (NCB)			
4.1. Detailed Engineering Design			
a. Topographic Surveys			
b. Geotechnical Testing			
c. Preliminary Design			
d. Detailed Design			
e. Tender Documents			
f. Environmental Issues			
Presentation of Detailed Design to PMU	24/12/17		
Submission of Draft Bidding Documents to ADB(excluding BoQ)	31/12/17		
Submission of Draft Bidding Documents to ADB	15/01/18		
ADB Review & Issue of No-Objection	9	15/01/18	24/01/18
Approval of Bid Invitation, Avertising etc	7	25/01/18	01/02/18
4.2. Bidding and Award			
Issue & Return Bidding Documents	30	02/02/18	04/03/18
Assist in Responding to Bidder's Queries	30	02/02/18	04/03/18
Bid Opening		05/03/18	
Preparation of Bid Evaluation Report & Submit to ADB	46	06/03/18	21/04/18
Assist in Evaluation of Bids	46	06/03/18	21/04/18
ADB Review & Issue of No-Objection	11	22/04/18	03/05/18
Notification of Contract Award	14	04/05/18	18/05/18
4.3. Construction and Implementation	547	18/05/18	16/11/19
Note:			
		Milestone	
		Originally Envisaged/Actual Activity	
		Originally Planned	
		Currently Envisaged Activity	



Key Milestones				Loan Closing											
Project Component	Dates			2019				2020				2021			
	Duration	Start	Complete	1	2	3	4	1	2	3	4	1	2	3	4
PISCB Consulting				[Timeline bar from Q1 2019 to Q2 2021]											
A. Kampot – All Subproject Components															
Contract CW1a - Wastewater Treatment Plant & Pumping Stations (ICB)															
1A.2. Bidding and Award		08/05/2018	01/11/2018	[Timeline bar from Q3 2018 to Q1 2019]											
1A.3. Construction and Implementation	547	01/11/2018	01/05/2020	[Timeline bar from Q4 2018 to Q2 2020]											
Contract CW1b - Drainage - (NCB)															
1B.2. Bidding and Award		15/01/2018	10/06/2018	[Timeline bar from Q1 2018 to Q2 2018]											
1B.3. Construction and Implementation	547	10/06/2018	09/12/2019	[Timeline bar from Q3 2018 to Q3 2019]											
Contract CW2 - Solid Waste Management - (NCB)															
4. Restoration of Dumpsite				[Timeline bar from Q3 2019 to Q1 2020]											
ON HOLD															
B. Sihanoukville – All Subproject Components															
Contract CW3 - Drainage - (ICB)															
3.2. Bidding and Award		08/01/2018	04/07/2018	[Timeline bar from Q1 2018 to Q2 2018]											
3.3. Construction and Implementation	730	04/07/2018	03/07/2020	[Timeline bar from Q3 2018 to Q2 2020]											
Contract CW4 - Solid Waste Management - (NCB)															
4.2. Bidding and Award		31/12/2017	18/05/2018	[Timeline bar from Q4 2017 to Q1 2018]											
4.3. Construction and Implementation	547	18/05/2018	16/11/2019	[Timeline bar from Q2 2018 to Q3 2019]											
Note:															
	Milestone														
	Originally Envisaged/Actual Activity														
	Originally Planned														
	Currently Envisaged Activity														



APPENDIX 3 MASTER SPREADSHEETS

Contract Packages	Procurement Method	Advertisement Date	Award Date*	Value	2016		2017		2018				2019				2020				2021						
					3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4					
Goods/Works => 1M																											
Kampot Wastewater Collection/Treatment & Urban Drainage	ICB	3rd Q, 2017	1st Q, 2018	9.6500							1.9300	0.7020	0.7020	0.7020	0.7020	0.7020	0.7020	0.7020	0.7020	0.7020	0.7020					9.6520	
Kampot Solid Waste Management	NCB	2nd Q, 2017	4th Q, 2017	2.4700						0.9880	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350	0.1350					2.4730	
Sihanoukville Urban Drainage	ICB	3rd Q, 2017	1st Q, 2018	9.6800							1.9360	0.7040	0.7040	0.7040	0.7040	0.7040	0.7040	0.7040	0.7040	0.7040	0.7040					9.6800	
Sihanoukville Solid Waste Management	NCB	3rd Q, 2017	1st Q, 2018	2.5900							0.5180	0.1880	0.1880	0.1880	0.1880	0.1880	0.1880	0.1880	0.1880	0.1880	0.1880					2.5860	
Goods/Works < 1M																											
Equipment for Solid Waste Management	NCB	3rd Q, 2017	4th Q, 2017	0.6100							0.6100															0.6100	
Office Repair, PIU Kampot	Shopping	1st Q, 2017	1st Q, 2017	0.0140					0.0140																	0.0140	
Office Repair, PIU Sihanoukville	Shopping	1st Q, 2017	1st Q, 2017	0.0080					0.0080																	0.0080	
Office Equipment, PMU/PIU	Shopping	1st Q, 2017	1st Q, 2017						0.0230																	0.0230	
Office Furniture	Shopping	1st Q, 2017	1st Q, 2017	0.0210					0.0210																	0.0210	
Consulting Services																											
CS2 Finance Specialist	ICS			0.0650					0.0650																	0.0650	
CS3 Procurement Specialist	ICS			0.0650					0.0650																	0.0650	
Proj. Implementation Support, DED, Cons. Supervision and Cap-Building	QCBS		4th Q, 2016	2.8250		0.3890			0.3050		0.3050		0.3050		0.3050		0.3050		0.3050		0.3050		0.3050		0.3050	2.8290	
				27.9980		0.3890	0.0660	0.4350	0.0000	0.9150	4.5190	2.0340	1.7290	2.0340	1.7290	2.0340	1.7290	2.0340	1.7290	2.0340	1.7290	1.8990	0.00	0.00	0.00	0.00	28.0260

Assumptions: *For ICB, Award Date is Two Quarters After Advertisement; NCB, One Quarter after advertisement; and Shopping, same quarter as advertised

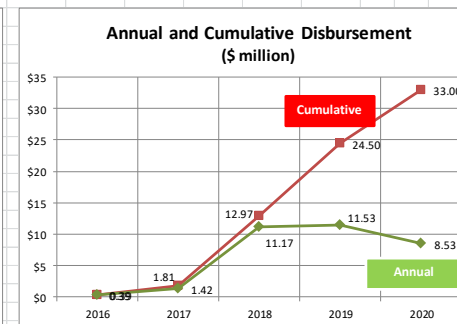
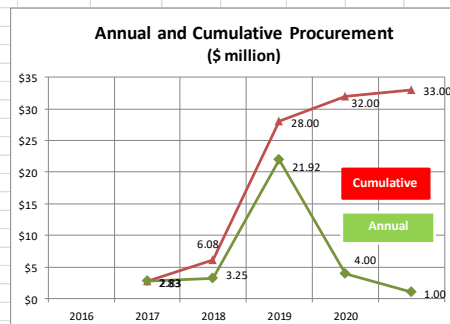
Updated on:
17-Jun-17

	Q1	Q2	Q3	Q4	Total
2016	0.000	0.000	0.000	2.825	2.825
2017	0.043	0.130	0.000	3.080	3.253
2018	21.920	0.000	0.000	0.000	21.920
2019	0.000	0.000	0.000	0.000	0.000
2020	0.000	0.000	0.000	0.000	0.000
					28.00

Year	2016	2017	2018	2019	2020
Contracts-Cumulative	2.83	6.08	28.00	32.00	33.00
Contracts-Annual	2.83	3.25	21.92	4.00	1.00
Disbursement-Cumulative	0.39	1.81	12.97	24.50	33.00
Disbursement-Annual	0.39	1.42	11.17	11.53	8.53

	Q1	Q2	Q3	Q4	Total
2016	0.389	0.000	0.000	0.389	0.389
2017	0.066	0.435	0.000	0.915	1.416
2018	5.372	2.034	1.729	2.034	11.169
2019	1.729	2.034	1.729	2.034	7.526
2020	1.729	2.034	1.729	2.034	7.526
					28.03

Note: The contract award and disbursements in the tables above reflect only those expenditures covered in the procurement plan.





APPENDIX 4 SITE VISITS and MEETING

Meeting

Date/Location	Subject	Attendees
13 July 2017: PMU office	Conducted discussion with PMU to justify access road to landfill site, updated the documentation on managed landfill, WWTP site, and drainage alignment issues	PMU
13 July 2017: PMU office	PISCB and KP-PIU members investigated the existing main drain that connected to the existing canal and reservoir for allowing main drainage as connected from L4a to L4b, and also for main line gravity of sewer collection from Catchment 2. Based on the present situation, all members agreed to use the existing alignment when taking into account technical and financial aspects	KP-PIU members
28 July 2017: PMU office	Completed TNA report and presentation to PMU.	PMU
14 August 2017: PMU office	PISCB consultants had meeting with PMU on time frame and budget of strengthening capacity training	PMU
18 August 2017: Kampot provincial building	PISCB consultant together with KP-PIU, vice Mayor of KP municipality, and 4 Sangkat chiefs in KP city finalized drainage selection alignments 1a, 1b, 4a, and 4b and counted the affected households (24 Affected Households) within the impact corridor	PISCB consultant together with KP-PIU, vice Mayor of KP municipality, and 4 Sangkat chiefs in KP
25 August 2017:	Attended meeting with ADB mission team, MEF, and MPWT-PMU to discuss on landfill site issues in KP and providing support to waste pickers	ADB, MEF, and MPWT-PMU
28 August 2017: GDR offices	Attended meeting with MEF/GDR and ADB review mission team to discuss on resettlement issues of the subproject in Kampot and Sihanoukville towns	MEF/GDR and ADB
29 August 2017: ADB offices	Attended wrap up meeting with ADB reviewing mission team, PMU, and MEF	ADB, PMU, and MEF
30 August 2017: ADB offices	Attended video conference with ADB Manila on Gender Action Plan (GAP) requirements	ADB



01 September 2017: PMU offices	Attended meeting with PMU to discuss on WWTP site concerning to environmental impact and confirmed on IEIA study budget for both towns	PMU
25 September 2017: PMU offices	Attended meeting with PMU to review the progress of the subprojects in both towns, date	
25 September 2017: PMU offices	Attended meeting with MEF to brief the subprojects components and the progress activities updated	

Site Visits

Date	Subprojects	Purpose of Site Visit
July 6, 2017:	Kampot: Landfill	Conducted stakeholders meeting to try and solve the landfill issues. Followed up the result of the proposed new landfill site with Khan Administrative of Forestry in Kampot and PMU
July 6, 2017:	Kampot: Sewerage	PISCB consultant together with KP-PIU, vice Mayor of KP municipality, and 4 Sangkat chiefs in KP city investigated the issues of encroachment along alignment 1a, 1b, 4a, and 4b
24 August 2017:	Kampot: WWTP, Landfill and drainage	PISCB Consultants presented preliminary design of three subprojects in Kampot to all stakeholders including ADB review mission team. Site visit to WWTP site and proposed landfill site which was rejected
7 September 2017.	Kampot: WWTP, Landfill and drainage	PISCB Consultants carried out site visit in Kampot and found possible new proposed landfill sites. PISCB Consultants investigated maximum flooded level (sign marked and interview with local people) at WWTP site and pumping station.
7-8 September 2017.	Sihanoukville, Landfill and drainage	Site investigation on environmental and social issues along the main drainage alignment and visit to land fill site in Sihanoukville



**APPENDIX 5
PROCUREMENT PLAN
Civil Works Contracts Estimated to Cost \$1 Million or More**

Package Number ⁵	General Description	Estimated Value	Procurement Method	Review [Prior/Post]	Bidding Procedure	Advertisement Date (quarter/year)	Comments ⁷
<u>Kampot</u>							
CW01a	Wastewater Collection and Treatment	6.03	ICB	Prior	1S1E	2/2018	No PQ; large works bidding documents Domestic Preference
CW01b	Urban Drainage	1.63	NCB	Prior/Post	1S1E	1/2018	SOP
CW02	Solid Waste Management	2.47	NCB	Prior/Post	1S1E	ON HOLD	SOP
<u>Sihanoukville</u>							
CW03	Urban Drainage	9.68	ICB	Prior	1S1E	1/2018	No PQ; large works bidding documents Domestic Preference
CW04	Solid Waste Management	2.59	NCB	Prior/Post	1S1E	1/2018	SOP

1S1E = single stage-one envelope; ICB = international competitive bidding; NCB = national competitive bidding; PQ = prequalification; SOP = Standard Operating Procedure



1. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

Goods and Works								
Package Number ⁵	General Description	Estimated Value	Number of Contracts	Procurement Method	Review [Prior/Post]	Bidding Procedure	Advertisement Date (quarter/year)	Comments ⁷
G01	Equipment for solid waste management.	0.61	1	NCB	Prior/Post		2/2017	SOP
G02	Supply of 3 units 4WD Double Cabin Pick up Vehicles	0.12	1	NCB	Prior		1/2017	SOP
G03	Office Equipment (PMU/PIU)	0.023	1	Shopping	Post		1/2017	Shopping without advertising per SOP; Awarding in 1/2017
G04	Office Furniture	0.021	1	Shopping	Post		1/2017	Shopping without advertising per SOP; Awarding in 1/2017
CW5	Office Repair Kampot PIU	0.014	1	Shopping	Post		1/2017	Shopping without advertising per SOP; Awarding in 1/2017
CW06	Office Repair Sihanoukville PIU	0.008	1	Shopping	Post		1/2017	Shopping without advertising per SOP; Awarding in 1/2017

NCB = national competitive bidding; PQ = prequalifications; SOP = Standard Operating Procedure

2. Consultant Services Contracts

Consulting Services								
Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
CS2	Finance Specialist	0.065	1	ICS	Prior	1/2017	EOI	National Assignment
CS3	Procurement Specialist	0.065	1	ICS	Prior	1/2017	EOI	National Assignment

Consulting Services							
Package Number	General Description	Estimated Value	Awarded Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
CS01	Project	3.58	2.83 M	QCBS	4Q 2015	13 October	



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	Implementation Support, Detailed Design, Construction Supervision (Package 1) and Capacity Building (Package 2)					2016	
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APPENDIX 6 ASSESSMENT OF RISKS

MONITORING AND EVALUATION OF RISKS Second GMS: Economic Corridor Towns Development Project

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

Reporting Date: 30 September 2017 Prepared by: Chris Dunn; Consultant Team Leader
[Quarterly] [PMU/PIUs]

Risk for Outputs	Mitigated (Y/N)	Rating (HS,S,PS,U)	Assessment of Current Status
1. Delay in project start-up and implementation.	Y	S	Early project implementation is largely on track
2. Irregularities in procurement and financial management.	Y	S	PRC established in 22.10. 2014. DFEC signed for each transaction, and copies of DFEC of winning bidders made part of awarded contracts
3. Potential archeological finds could cause delays.	Y	S	No potential archeological finds in subproject areas to date
4. In Kampot the site for the Land Fill aspects is not available	?	U	Alternative site located by PISCB consultant and GDR informed by PMU
5. In Sihanoukville land for the Land Fill aspects possibly within environmentally sensitive area	?	U	Environmental assessment to be carried out
6. In Kampot the site for the WWTP is adjacent to a holiday camp currently under construction	?	U	Environmental assessment to be carried out taking into account proximity of holiday camp

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

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

M&E Form no. 7B
June 2015

Reporting Date: 30 September 2017 Prepared by: Chris Dunn; Consultant Team Leader
[Quarterly] [PMU/PIUs]

Risk for Outcome	Mitigated (Y/N)	Rating (HS,S,PS,U)	Assessment of Current Status
Risks:			
1. Lack of capacity for project implementation and management.	Y	S	Specific training will be provided to all staff of executing &



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				implementing agencies & project implementing units
2.	Lack of financial sustainability due to non-cost recovery tariffs.	Y	S	O&M of infrastructure by provincial agencies was strengthened and financed by the ADB loan.

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



APPENDIX 7 DMF TARGETS VS ACHIEVEMENTS

PROJECT PERFORMANCE MONITORING AND EVALUATION
Second GMS: Economic Corridor Towns Development Project

M&E Form no. 8A
September 2017

Reporting Date: 30 September 2017 [Quarterly]

Prepared by: C M Dunn: Consultant Team Leader
[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: The SLEDPs developed			
SLEDPs endorsed by the participating provinces and towns (2015 baseline: final draft SLEDPs completed)	SLEDP of each town prepared in 2015	SLEDPs adopted by December 2016	
Output 2: Priority urban infrastructure investments implemented			
2.1 At least 30% of unskilled laborers employed in subproject construction are women. At least 30% of staff employed in operation and maintenance are women. At least 75% of all unskilled laborers or staff are of local origin (2015 baseline: N/A) <i>[Updates from CS Consultant and from infrastructure operator during operation from Q3 2018 to Q4 2021 onward]</i>	Nil, as construction starts Q3 2018		Assessment to start from commencement of construction in Q3 2018 up to Q4 2021. Social Development to be mobilised in mid to late October 2017
2.2 Wastewater treatment capacity of 4,500 cubic meters/day added in Kampot through construction of one new wastewater treatment plant (2015 baseline: 0) <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020]</i>	Nil		Assessment to start upon completion of construction of WWTP in Q4 2020.
2.3 15.6 km of drainage trunk mains and 11.4 km of drainage collection mains constructed in Kampot (2015 baseline: 0) <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020]</i>	Nil		Assessment to start upon completion of construction of drainages in Q4 2020.



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
2.4 2,700 new connections in Kampot for wastewater provided with free connection costs (2015 baseline: 0) <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>	Nil		Assessment to start upon completion of construction of WWTP in Q4 2020 onwards.
2.5 7.9 km of separated primary storm water drains are constructed or upgraded in Kampot and 64.1 km in Sihanoukville. (2015 baseline: 0) <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020]</i>	Nil		Assessment to start upon completion of construction of storm water drains in Q4 2020.
2.6 In Kampot, a new managed landfill is made operational (2015 baseline: N/A). <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020]</i>	Nil		Assessment to start upon completion of construction of landfill in Q4 2020.
2.7 In Sihanoukville, the existing dump site is upgraded with improved operations (2015 baseline: N/A). <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020]</i>	Nil		Assessment to start upon completion of construction of landfill in Q4 2020. Q2 2017, SHV-PIU provided supported documents on proposed land site for landfill.
2.8 8,100 households provided with new or improved solid-waste management collection in Kampot (3,330 households) and Sihanoukville (4,770 households) (2015 baseline: N/A) <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>	The baseline value for the indicator is “nil” since subproject is construction of new facilities		Assessment to start upon completion of construction of new or improved facilities in Q4 2020 onwards.
2.9 100% of informal waste pickers near existing dump sites (2015 baseline: 160 persons) ensured continued access to the landfill and alternative livelihood skills training (2015 baseline: N/A) <i>[Updates from TIC, from Q3 2017 to Q1 2020]</i>	waste pickers(2015 baseline: 160 persons) and alternative livelihood skills training (2015 baseline: 0)		Training Need Assessment (TNA) was conducted in SHV and KP (Apr and May 2017)
Output 3: Institutional capacities for managing public investments strengthened			



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
3.1 At least 20 persons (30% female) trained in key project management areas (2015 baseline: N/A) <i>[Updates from TIC, from Q3 2017 to Q1 2020]</i>	Nil	ADB Gap video conference attended Need to include ADB GAP requirements in contract documentation appreciated	Training Need Assessment (TNA) was conducted in SHV and KP (Apr and May 2017)
3.2 At least 100 persons (50% female) trained on gender sensitization training for community leaders, government officers, and consultants involved in project implementation and delivery (2015 baseline: N/A) <i>[Updates from TIC, from Q3 2017 to Q1 2020]</i>	Nil	PISCB Social Development specialist to be mobilized in October 2017	Training Need Assessment (TNA) was conducted in SHV and KP (Apr and May 2017)
3.3 Project implementation units shall target recruitment of 30% female staff, including 20% in decision-making positions (2015 baselines: N/A).	Nil (Before Project)	12%	As of Q2 2017, women hold 12% of overall staff positions in PMU & PIUs
Output 4: Community awareness on project activities and environmental sustainability improved			
At least 10 community awareness and dissemination campaigns covering environmental sustainability and conservation themes conducted with equal participation by men and women (2015 baseline: N/A) <i>[Updates from TIC, from Q3 2017 to Q1 2020]</i>	Nil		
Outcome : Improved urban services in the two participating towns			
1. 2,700 households and businesses serviced by new and improved wastewater collection and treatment facilities in Kampot <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>	Nil		Assessment to start upon completion of construction of drainages in Q4 2020 onwards.
2. 8,100 households serviced by improved solid-waste collection in the two towns <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>	Nil		Assessment to start upon completion of construction of drainages in Q4 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
3. 3,765 households with reduced flood risks in both towns <i>[Updates from CS Consultant upon completion of infrastructure in Q4 2020, and from infrastructure operator during operation from Q1 2021 onward]</i>	Nil		Assessment to start upon completion of construction of drainages in Q4 2020 onwards.



APPENDIX 8 PROJECT IMPLEMENTATION AND PERFORMANCE M&E FRAMEWORK MATRIX

Project Implementation M&E Framework Matrix

Activities <i>(Col. 1)</i>	Data Sources/ Means of Verification <i>(Col. 2)</i>	Data Collection Method/Forms <i>(Col. 3)</i>	Timing & Frequency of Data Collection <i>(Col. 4)</i>	Responsible Person/Agency for Data Collection <i>(Col. 5)</i>
Output 1: The SLEDPs developed				
1.1 Participating provinces and towns endorse SLEDPs by Q2 2016	Executive agencies' copies of Letters of Endorsement by participating provinces and towns.	Validation with implementing agencies	Q2 2016	PMU / PIU supported by PISCB Social Development & Gender Specialist (SDGS)
Output 2: Priority urban infrastructure investments implemented				
2.1 Complete detailed engineering designs by Q4 2016	PISCB DED Team's progress reports	Updates from DED Team using M&E form no. 1A	Monthly (Apr - Nov 2017)	PMU supported by PISCB
2.2 Complete land acquisition and resettlement by Q4 2016	PISCB Resettlement Specialist progress reports On-site verification	Updates from Resettlement Specialist using M&E form no. 1A	Monthly (Jul - Dec 2018)	PMU supported by PISCB
2.3 Bid civil works contracts by Q4 2017	Prequalification, bidding and awards reports	Updates from Procurement Specialist using M&E form no.1A	Monthly (Jan - Jun 2018)	PMU supported by Procurement Specialist
2.4 Sign civil works contracts by Q4 2017	Prequalification, bidding and awards reports	Updates from Procurement Specialist using M&E form no.1A	Jun 2018	PMU supported by Procurement Specialist
2.5 Complete civil works by Q4 2020	PISCB Construction Supervision (CS) Team progress reports On-site verification	Updates from CS Team using M&E form nos. 2A and 2B.	Monthly (Jul 2018 - Dec 2020)	PMU supported by PISCB
2.6 Conduct environmental safeguards monitoring and reporting by Q1 2016–Q4 2020	Environmental Safeguards Monitoring Team (ESMT) reports. On-site verification	Updates from ESMT using M&E form no. 3.	Monthly (Jul 2018 - Dec 2020)	PMU supported by ESMT
2.7 Conduct social safeguards monitoring and reporting by Q1 2016–Q4 2017	Social Safeguards Monitoring Team (SSMT) reports. On-site verification	Updates from SSMT	Monthly (Jul 2018 - Dec 2020)	PMU supported by SSMT
Output 3: Institutional capacities for managing public investments strengthened				
3.1 Formulate capacity building program by Q4 2016	Report on capacity building program formulated	Updates from PISCB Capacity Building & Training Specialist (CBTS) using M&E form no. 1B	Q2 2017	PMU / PIU supported by PISCB CBTS
3.2 Complete key trainings and capacity building activities by Q4 2018	Reports on key trainings and capacity building activities	Updates from PISCB CBTS using M&E form no. 1B	Monthly (Apr 2017 – Sep 2019)	PMU / PIU supported by PISCB CBTS
Output 4: Community awareness on project activities and environmental sustainability improved				
4.1 Conclude community awareness and dissemination campaigns (Q4 2020)	Reports on actual conduct of community awareness & dissemination campaign.	Updates from PISCB Capacity Development Specialist (CDS) using M&E form nos. 1B and 5	Monthly (Apr 2017 - Sept 2019)	PMU / PIU supported by CDS



Project Performance M&E Framework Matrix

Indicators (with Baseline and Performance Targets) (Col. 1)	Data Sources/ Means of Verification (Col. 2)	Data Collection Method/Forms (Col. 3)	Timing & Frequency of Data Collection (Col. 4)	Responsible Person/Agency for Data Collection (Col. 5)
Output 1: The SLEDPs developed				
1.a. SLEDPs endorsed by the participating provinces and towns (2015 baseline: final draft SLEDPs completed)	Executive agencies' copies of Letters of Endorsement by participating provinces and towns.	Validation with implementing agencies	Q2 2016	PMU / PIU supported by PISCB Social Development & Gender Specialist (SDGS)
Output 2: Priority urban infrastructure investments implemented				
2.a. At least 30% of unskilled laborers employed in subproject construction are women. At least 30% of staff employed in operation and maintenance are women. At least 75% of all unskilled laborers or staff are of local origin (2015 baseline: N/A)	Contractors' / PISCB Construction Supervision (CS) Team's progress reports On-site verification Infrastructure Operator's reports Local authorities' statistical data Contractors' / PISCB Construction Supervision (CS) Team's progress reports On-site verification	Updates from CS Team using M&E form nos. 4B and 8A. Updates from Infrastructure Operator using Updates from CS Team using M&E form nos. 4B and 8A.	Monthly (Jul 2018 - Dec 2020) Quarterly (Q1 2021 onward) Monthly (Jul 2018 - Dec 2020)	PMU / PIU supported by PISCB PMU/PIU supported by Infrastructure Operator PMU / PIU supported by PISCB
2.b Wastewater treatment capacity of 4,500 cubic meters/day added in Kampot through construction of one new wastewater treatment plant (2015 baseline: 0)	Construction records, subproject completion reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	Operation - quarterly (Q1 2018 onward)	PMU/PIU supported by Infrastructure Operator
2.c 15.6 km of drainage trunk mains and 11.4 km of drainage collection mains constructed in Kampot (2015 baseline: 0)	Contractors/ Construction Supervision (CS) progress reports On-site verification	Updates from CS Consultant progress reports using M&E form no. 8A.	Monthly July 2017- December 2020	PMU / PIU supported by PISCB CS
2.d 2,700 new connections in Kampot for wastewater provided with free connection costs (2015 baseline: 0)	Construction records, subproject completion reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	During operation - quarterly (Q1 2018 onward)	PMU/PIU supported by Infrastructure Operator
2.e 7.9 km of separated primary storm water drains are constructed or upgraded in Kampot and 64.1 km in Sihanoukville (2015 baseline: 0)	Contractors/ Construction Supervision (CS) progress reports On-site verification	Updates from CS Consultant progress reports using M&E form no. 8A.	Monthly July 2017- December 2020	PMU / PIU supported by PISCB CS
2.f In Kampot, a new managed landfill is made operational (2015 baseline: N/A)	Construction records, subproject completion reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	During operation - quarterly (Q1 2018 onward)	PMU/PIU supported by Infrastructure Operator
2.g In Sihanoukville, the existing dump site is upgraded with improved	Construction records, subproject completion reports, end of project	During operation: PIU updates from infrastructure	During operation - quarterly (Q1	During operation: PMU/PIU supported by



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Indicators (with Baseline and Performance Targets) (Col. 1)	Data Sources/ Means of Verification (Col. 2)	Data Collection Method/Forms (Col. 3)	Timing & Frequency of Data Collection (Col. 4)	Responsible Person/Agency for Data Collection (Col. 5)
operations (2015 baseline: N/A)	survey	operator's & local authorities' data. Using M&E Form no. 8A.	2018 onward)	Infrastructure Operator
2.h 8,100 households provided with new or improved solid-waste management collection in Kampot (3,330 households) and Sihanoukville (4,770 households) (2015 baseline: N/A)	Construction records, subproject completion reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	During operation - quarterly (Q1 2018 onward)	During operation: PMU/PIU supported by Infrastructure Operator
2.i. 100% of informal waste pickers near existing dump sites ensured continued access to the landfill and alternative livelihood skills training (2015 baseline: N/A)	Subproject completion reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	During operation - quarterly (Q1 2018 onward)	PMU/PIU supported by Infrastructure Operator
Output 3: Institutional capacities for managing public investments strengthened				
3.a At least 20 persons (30% female) trained in key project management areas (201.5 baseline: N/A)	Project progress and completion reports, attendance lists, training reports	Updates from PISCBCBTS using M&E form no. 5	Monthly April 2017-September 2019	PMU / PIU supported by PISCBCBTS
3.b At least 100 persons (50% female) trained on gender sensitization training for community leaders, government officers, and consultants involved in project implementation and delivery (2015 baseline: N/A)	Project progress and completion reports, attendance lists, training reports	Updates from PISCBCBTS using M&E form no. 5	Monthly April 2017-September 2019	PMU / PIU supported by PISCBCBTS
3.c Project implementation units shall target recruitment of 30% female staff, including 20% in decision-making positions (2015 baseline: N/A)	Project management unit and government employment records	Updates from PISCBCBTS using M&E form no. 5	Quarterly Inception Report	PMU / PIU supported by PISCBCBTS
Output 4: Community awareness on project activities and environmental sustainability improved				
4.a At least 10 community awareness and dissemination campaigns covering environmental sustainability and conservation themes conducted with equal participation by men and women (2015 baseline: N/A)	Project progress and completion reports, attendance lists, training reports	Updates from PISCBCDS using M&E form no. 5	Monthly April 2017-September 2019	PMU / PIU supported by PISCBCDS
Outcome: Improved urban services in the two participating				
a. 2,700 households and businesses serviced by new and improved wastewater collection and treatment facilities in Kampot (2015 baseline: 0)	Reports of provincial department of public works and transportation, project progress reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	Annual (2021 onward)	PMU/PIU supported by Infrastructure Operator



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Indicators (with Baseline and Performance Targets) (Col. 1)	Data Sources/ Means of Verification (Col. 2)	Data Collection Method/Forms (Col. 3)	Timing & Frequency of Data Collection (Col. 4)	Responsible Person/Agency for Data Collection (Col. 5)
b. 8,100 households serviced by improved solid-waste collection in the two towns (2015 baseline: 0)	Reports of provincial department of public works and transportation, project progress reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	Annual (2021 onward)	PMU/PIU supported by Infrastructure Operator
c. 3,765 households with reduced flood risks in both towns (2015 baseline: 0)	Reports of provincial department of public works and transportation, project progress reports, end of project survey	During operation: PIU updates from infrastructure operator's & local authorities' data. Using M&E Form no. 8A.	Annual (2021 onward)	PMU/PIU supported by Infrastructure Operator



APPENDIX 9
STATUS OF COMPLIANCE WITH LOAN COVENANTS

No.	Covenant	Reference in LA	Status of Compliance
1.	Implementation Arrangements The Borrower and Project Executing Agency 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 with
2.	Environment The Borrower shall ensure, and cause the Project Executing Agency 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.	Schedule 5, Para. 2	Ongoing
3.	Land Acquisition and Involuntary Resettlement The Borrower shall ensure or cause the Project Executing Agency to ensure that all land and all rights-of-way required for the Project are made available to be 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 the RP based on (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the applicable principles and requirements set forth in the SPS; and (c) any necessary corrective or preventive actions as agreed by the IRC set forth in the Safeguards Monitoring Report .	Schedule 5, Para. 3	Ongoing
4.	Without limiting the application of the SPS or the RPs, the Borrower shall ensure or cause the Project Executing Agency 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 (b) a comprehensive income and livelihood improvement program has been put in place in accordance with the RPs.	Schedule 5, Para. 4	Not yet due
5.	Indigenous Peoples The Borrower shall ensure that the Project does not have any indigenous people impacts, all within the meeting of ADB's Saguard Policy Statement. In the event that the Project complies with the applicable laws and regulations of the Borrower and with ADB's Saguard Policy Statement.	Schedule 5, Para. 5	Ongoing
6.	Human and Financial Resources to Implement Safeguards		



No.	Covenant	Reference in LA	Status of Compliance
	<p>Requirements</p> <p>The Borrower shall make available or cause the Project Executing Agency to make available, necessary budgetary and human resources to fully implement the EMPs and the RPs.</p>	Schedule 5, Para. 6	Complied with
7.	<p>Safeguards – Related Provisions in Bidding Documents and Works Contracts</p> <p>The Borrower shall ensure, and cause the Project Executing Agency to ensure that all bidding documents and contracts for Works contain provisions that require contractors to:</p> <ul style="list-style-type: none"> (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; (c) provide the Borrower with a written notice of any unanticipated environmental, or resettlement 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; (d) adequately record the condition of roads, agricultural land and other infrastructure prior to starting to transport materials and construction; and (e) reinstate pathways, other local infrastructure, and agricultural land to at least their pre-project condition upon the completion of construction. 	Schedule 5, Para. 7	Ongoing
8.	<p>Safeguards Monitoring and Reporting</p> <p>The Borrower shall do the following or cause the Project Executing Agency to do the following:</p> <ul style="list-style-type: none"> (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; and (c) 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. 	Schedule 5, Para. 8	Not yet due
9.	<p>Prohibited List of Investments</p> <p>The Borrower shall ensure that no proceeds of the Loan are used to finance any activity included in the list of prohibited</p>	Schedule 5, Para. 9	Complied with



No.	Covenant	Reference in LA	Status of Compliance
	investment activities provided in Appendix 5 of the SPS.		
10.	<p>Gender and Development</p> <p>The Borrower shall ensure that: (a) the gender action plan is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the GAP; (c) adequate resources are allocated for the implementation of the GAP; and (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported to ADB; and (e) key gender outcome and output targets include, but not limited to: (i) the project implementation units shall target recruitment of 30% female staff, including 20% in decision-making positions; (ii) at least 20 persons (30% female) trained in key project management areas; (iii) at least 100 persons (50%female) provide gender sensitization training for community leaders, government officers, and consultants involved in project implementation and delivery; (iv) the project management unit and the Borrower's department of Women's Affairs will organize, through an NGO vocational training in livelihood and employment opportunities related to the project, e.g. tourism skills development, for at least 20 poor young women in Kampot, and offer the same for waste pickers at dumpsite in Sihanoukville; (v) 30% of unskilled laborers employed in sub-project construction are women; (vi) 30% of staff employed in operations and maintenance are women; and (vii) 75% of all unskilled laborers/staff are of local origin.</p>	Schedule 5, Para. 10	Complied with
11.	<p>Governance and Anticorruption</p> <p>The Borrower, the Project Executing Agency, and the Project Implementing Agencies shall: (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB 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.</p>	Schedule 5, Para. 11	Complied with
12.	<p>The Borrower, the Project Executing Agency, and the Project Implementing Agencies shall 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 Project Executing Agency and the Project Implementing Agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.</p>	Schedule 5, Para. 12	Complied with
13.	<p>Within six (6) months of the Effective Date, the Project Executing Agency shall create or modify a Project website to disclose information about various matters on the Project. The website will include information on Project procurement include the list of participating bidders, name of each winning bidder, basic details on bidding procedures adopted, the value of each contract awarded, and the list and value of goods/services procures and the intended utilization of Loan proceeds under each contract being awarded. The website shall also include general Project information, Project progress</p>	Schedule 5, Para. 13	Complied with



No.	Covenant	Reference in LA	Status of Compliance
	and contact details for the Project Executing Agency's counterpart staff in Khmer and English languages, and shall link to ADB's Integrity Unit website at http://www.adb.org/site/integrity/complaint-form for reporting to ADB any grievances or allegations of corrupt practices arising out of the Project and /or Project activities. The Borrower shall cause the Project Executing Agency to ensure that all Project staff are fully aware of ADB's procedures, including, but not limited to, procedures for implementation, procurement, use of consultants, disbursements, reporting, monitoring, and prevention of fraud and corruption.		
14.	<p>Grievance Redress Mechanism</p> <p>The Borrower shall through the Project Executing Agency further ensure that within nine (9) months of the Effective Date, a grievance redress mechanism (GRM) acceptable to ADB is established for non-safeguards complaints in accordance with the PAM. In each case, such GRM shall function to (i) review and document eligible complaints of Project stakeholders; (ii) proactively address grievances; (iii) provide the complainants with notice of the chosen mechanism and/or action; and (iv) prepare and make available to ADB upon request periodic reports to summarize (a) the number of complaints received and resolved; (b) chosen actions; and (c) final outcomes of the grievances and make these reports available to ADB upon request. Eligible non-safeguards complaints include those related to the Project, any of the service providers, any person responsible for carrying out the Project, complaints on misuse of funds and other irregularities as well as gender issues.</p>	Schedule 5, Para. 14	Complied with
15.	<p>Sector Development and Counterpart Support</p> <p>(a) The Borrower shall (i) cause the Project Executing Agency and the relevant Project Implementation Agency to adopt business plans consistent with the terms and requirements of the PAM(including, but not limited to, the necessary tariff, tariff collection rates, increases in tariff rates and service coverage rates for wastewater collection and treatment services and facilities in Kampot and rates for solid waste collection services and facilities in Kampot and Sihanoukville for the operational period of the relevant facilities), subject to prior consultation with ADB, for achieving full cost recovery to cover operations and maintenance expenditures of the facilities developed under Parts 1,2 and 4of the Project, as applicable, prior to their physical completion; and (ii) cause each Project Implementation Agency to administer the applicable business plan in accordance with its terms and the PAM, including, but not limited to, the collection of all necessary tariffs and Implementation of any tariff increases, as applicable. .</p>	Schedule 5, Para. 15	Not yet due
16.	<p>(b) The Borrower shall (i) if there is any deficiency in the budget for the operations and maintenance of the facilities constituting Parts 1, 2 and 4 (or any or all of them) of the Project in any fiscal year, require the applicable Project Implementation Agency to Fund immediately such deficiency through budget allocations for such facilities;</p>	Schedule 5, Para. 16	Not yet due



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	and (ii) if the applicable Project Implementation Agency fails to undertake its obligation under clause (b)(i) above, fund immediately such deficiency in the budget for the operations and maintenance for the facilities constituting Parts 1, 2 and 4 (or any or all of them) of the Project, as applicable, for the relevant fiscal year to ensure proper operations and maintenance of such facilities for the remainder of the relevant fiscal year.		



**APPENDIX 10
RISK ASSESMENT AND RISK MANAGEMENT PLAN (RARMP)**

No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (December 2016)	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 October 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 (December 2016)	Supporting Evidence
			<p>Recruitment of a well-experienced procurement officer and website officer in PMU to avoid procurement and eventual implementation delays</p> <p>Closely monitor and review procurement conduct, and where necessary, take measures to improve procedures based on lessons learnt from each successive procurement activity.</p> <p>EA/IAs will recruit additional national and/or national procurement staff if required.</p>	<p>EA/IAs</p> <p>EA, MEF and ADB</p> <p>EA/IAs</p>	<p>Throughout Project duration</p> <p>Throughout Project duration</p>	<p>Procurement Specialist contracted in Aug 2014 by PISCD and in June 2016 by PMU. Website officer is a PMU member.</p> <p>EA/MEF monitoring and reviewing the conduct of procurements.</p> <p>No additional procurement staff required.</p>	<p>Copies of contracts with PMU.</p> <p>BEC and CEC reports. PRC minutes of meetings.</p> <p>-</p>
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	EA/IAs; MEF to ensure compliance with	Throughout Project duration	Specified fin'l. management procedures	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 (December 2016)	Supporting Evidence
			SOP and FMM.	SOP/ FMM, Loan Agreement and ADB's Anticorruption Policy		followed since 31 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	EA/IAs to ensure all Project staff sign the disclosures	Throughout Project duration Project director to ensure all project		



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (December 2016)	Supporting Evidence
			prepare a declaration statement for staff's signature.		staff signs the disclosures.		
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.



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (December 2016)	Supporting Evidence
Element 6: Sanctions							
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		Project to recruit experienced site supervision consultants to assist EA/IAs..	EA and IAs, and with ADB NOL	Prior to award of first works contract.	Construction Supervision	CS contract document.



No.	Risk/Issue	Assessment without Mitigation	Action to Mitigated Risk	Responsibility	Target/Monitoring	Status as at (December 2016)	Supporting Evidence
	supervision		Regular technical audit is to be undertaken with any adverse findings to be acted upon immediately. Project to evaluate contractors' performance with poor performing contractors declared ineligible to bid for at least one year.	EA and IAs EA and IAs, and with ADB NOL	Throughout Project duration. Annually	Consultant recruited To be complied during construction. To be complied during construction.	- -

