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ANNUAL PROJECT REPORT 2017

United Nations Development Programme - Cambodia

Environmental Governance Reform Project

01 Jan 2017 – 31 December 2017

Project Title: Environmental Governance Reform project

Project ID: 00095386

Duration: 2016 – 2018

Total Budget: USD 2,994,487

Implementing Partners/Responsible parties: UNDP, Cambodia

UNDAF/CPD outcome: By 2018, people living in Cambodia, particularly youth, women and vulnerable groups, are enabled to actively participate in and benefit equitably from growth and development that is sustainable and does not compromise the well-being or natural or cultural resources of future generations

Country Programme Results and Resources Framework: Output 1.1: Establishment and strengthening of institutions, coordination mechanisms and policies for sustainable management of natural resources, ecosystem services

2014-2017 Strategic Plan: 1 Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for poor and excluded groups

Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste

I. Executive summary

The overall objective of this project is to assist the Royal Government of Cambodia (RGC) to implement environmental governance reform in order to create an enabling policy and legal environment for conserving and protecting environmental resources at risk and for achieving sustainable development for Cambodia. In order to achieve the development objective of environmental governance reform, the RGC aims to attain the following key deliverables.

1. KD1: New Structure of MoE Operationalized
2. KD2: New NCSD Organizational Structure and Authorities Operationalized
3. KD3: New Environmental Code (EC) Drafted
4. KD4: Integrated Ecosystem Mapping Developed and Operationalized

This report summarizes implementation progress focusing on 2017 achievements. This report also reflects lessons learned from the project implementation and ways to further improve project implementation and activities to ensure timely delivery of project results.

II. Implementation progress

PROGRESS TOWARDS PROJECT OUTPUTS

Ongoing / Completed
 Initiated / Slow Progress
 Not Started / No Progress

Output 1: Strengthening MoE new structure			
Output Indicators	Baseline (April 2015)	Target (December/2018)	Status (December/2017)
1.1 Number of subsidiary legislations (sub-decrees, royal decrees, amendments) related to support the MoE new structure and functions to strengthen environmental management	A new sub decree on the MoE structure	Minimum 3 new subsidiary legislations including: <ul style="list-style-type: none"> • Amendments to law to redefine the MoE including its role in EIA assessments • Draft sub-decrees or prakas on new departments and functions • Final version of EIA law 	<ul style="list-style-type: none"> • Draft Sub-decree on EIA has been developed
1.2. Extent to which the institutional capacity of the MoE is enhanced to address environmental issues	To a limited degree	To a great degree, measured by <ul style="list-style-type: none"> • Strategic and action planning with budget planning • Human resources plan in place • Communications plan in place • Procedures for funds management • At least two quick-win projects being formulated 	<ul style="list-style-type: none"> • MoE Strategic Framework in Development • Kulen Mountain National Park Management Plan approved • GDANCP Institutional Analysis completed • Resource Mobilization Study Completed • Draft Human Resources Strategy and Action Plan • Draft Communications Strategy and Action Plan • Quick-win Project: incinerator for waste management at Kulen Mountain initiated
<p>1. <u>2017 Achievements</u></p> <p style="text-align: center;">1.1 <u>Strategies and Action Plans with the Focus on Seven Priority Areas</u></p> <p style="text-align: center;">1.1.1 <u>Planned Project Document Activities:</u></p> <ul style="list-style-type: none"> • Refine the strategic framework and promote it throughout MoE – Ongoing • Develop action plans for MOE strategic Priorities (2016-2023): - Ongoing • Communicate MoE priorities across government and to stakeholders – Ongoing 			

1.1.2 Actual Strategic Framework Activities Implemented in 2017:

Between April 2017 and December 2017, the International Governance Advisor Consultant, **Douglas Wright**, assisted by National Consultant, **Kan Vibol**, travelled to Phnom Penh on five occasions.

Main Activities:

At the outset, the Governance Advisor assisted the UNDP's Project Manager in revising the overall work plan to take into account important developments over the previous year, and to accommodate the project's much delayed start-up date and compressed time frame. The draft work plan was approved at a meeting held in Siem Reap involving high level representation of the NCSD, the MoE and UNDP, select administrative staff from all three agencies, and the *International Lead Governance Advisor* and the *Legal Advisor*.

During the various missions, and with the help of the newly engaged *national consultant*, the Governance Advisor advised the UNDP Project Manager on convening a meeting of the project principals in which to review and agree upon the immediate next steps for the project. He reviewed and commented on elements of the *Environment and Natural Resources Code of Cambodia*. He also investigated opportunities for the executive study tour; several were identified and continue to be explored. He met with the UNDP program Director and Project Manager to identify opportunities for funding results-oriented projects that through a possible project extension. The consultant also met with two potential supporters/partners of NCSD programs and will continue to develop these relations.

The main focus of the missions was on elaborating strategic frameworks for both NCSD and MoE. This entailed both the international and national consultants meeting with several NCSD and MoE staff, and with expert advisors, to solicit input and comments on the evolving frameworks.

Additionally, the consultants assisted the newly on-board Communications and Human Resources Consultants in initiating their work.

Two counterparts were identified in succession to assist the consultant in further engaging MoE and NCSD staff during the period in which the consultant is not in-country. Both have opted to pursue other opportunities. No counterpart has been identified for MoE.

Revised steps forward and their anticipated timing are presented below, in place of the deliverables initially defined for the project. The changes reflect the substantial delay in the start of the project and the need both to compress the work and dovetail actions with those of the other consultants and the project manager.

Key Findings

The following are opinions of the international consultant, based principally on his observations only:

- Taking a long-term perspective, there is much about which to be optimistic. The increasing activity within the building, successes reported at the annual conference, and the new building itself, are all indicators of progress.
- MoE and NCSD are each demonstrating important progress in improving cross-departmental and cross-ministry collaboration, annual reporting, etc.. These should and can be nurtured through strategic planning and other means to overcome a degree of persistent territoriality, competitiveness and 'siloed' thinking.
- That said, both NCSD and MoE are pursuing enormously ambitious and unrealistic agendas. Though the leadership is aware that focus is important, it remains elusive.

- Current stated and unstated priorities span a broad range of topic areas, encompassing a multitude of activities; the tendency is to take on new responsibilities—opportunistically—with no apparent criteria being applied
- The mandates, roles, operations and accomplishments of MoE and NCS D remain opaque for external audiences.
- Both organisations are heavily oriented to responding to external agreements, plans and documents (e.g., NESAP, UN SG’s, Environment Code), rather than their own agendas.
- Both organisations continue to rely heavily on donor support; more emphasis should be placed on securing enhanced budgets from government, and on seeking partnerships with the private sector.
- There seems to be a prevalent perception that the Environmental Code, once enacted, shall drive the future agendas of the MoE and the NCS D; it is neither clear nor well understood how the strategic frameworks relate to the Environmental Code.
- Both organisations rely heavily on ‘functional’ descriptions of Departments and other components of the organisational structures in determining ‘what to do’, rather than operating through strategic and results based planning.
- There are many excellent opportunities for connecting demonstration projects and trial activities with higher level goals and results.
- There is similarly good opportunity for mobilizing different parts of the organisations to support common goals; e.g., information management cuts across both organisations.
- Both organisations are engaged in numerous projects and activities. While these may be reflected in budget planning and other vehicles, they are not well-framed and connected in terms of longer-term goals and objectives.
- Accomplishments and performance tend to be measured and communicated in terms of activities and outputs, rather than as results and impacts.
- Certain areas of work stand out as being strongly planned, and supported by realistic cost and capacity assessments. These include planning for protected areas, GIS (MoE) and for climate change (NCS D). This approach should be emulated for all priority areas.
- The organisations are, by and large, internally oriented and are not engaging with citizens and external stakeholders nearly enough.
- The role of the NCS D in shepherding the Environmental Code is still being eclipsed by the current leadership of the MoE for the Code
- The identities of the two organisations remain intertwined and need to be separated
- Neither organization has adequate strategic planning expertise or experience; this could be rectified through targeted training and long-term coaching.
- A high level of formality and hierarchy in day-to-day operations, lack of experience, and lack of confidence, continue to disempower some staff.
- Both organisations need to identify ‘core competencies’ (over and above those needed to perform prescribed functions) that are critical to their success, such as leadership, facilitation, strategic planning and negotiation.

Concerns

- A preliminary set of priorities (both for NCS D and MoE, see summary tables in Appendix 1) has been distilled from plethora of documents and activities, and through numerous consultations. It was intended, however, that staff ownership and understanding of the frameworks would be gained through an iterative process of working with staff to map out all components of the frameworks. Staff were to be encouraged to identify and discuss issues related to balance, clarity, overlap, relevance, funding, and other matters. They were also to be engaged in identifying opportunities for program streamlining, priority setting, integration across departments, and early successes. Numerous factors prevented a more continuous process being implemented, and participation and input were uneven.
- Demands on the time of MoE and NCS D leadership prevented their being able to participate in the process as fully as hoped.

- There is no evident focal point within either NCS D or MoE for strategic and results-based planning. Thus, there has been little transfer of skills, and there seems to be no plan at present for making this a normal and ongoing function.
- A variety of critical human resources issues continue to severely limit progress.
- Various factors have constrained the EGR consultants (planning, Human resources, communications and legal) in fully aligning their work.
- The timing of the Study Tour for the Spring of 2018 is no longer ideal, and possibly not feasible, given the current end-date of the project, and in consideration of the upcoming election.
- The International Consultant is committed to only one final mission. This is insufficient for completing the work in the best fashion possible.
- The transitioning of the role of Project Manager may slow progress and inhibit integration of project activities/results.

Recommendations

- Extend the project timeline.
- Begin immediately to promote the NCS D and MoE identities separately, and to profile them as separate and distinct.
- Continue to develop the strategic frameworks and complete the original steps within a more reasonable timeframe, including alignment of strategic plans with budget plans
- Engage MoE and NCS D leadership a great deal more in corporate strategic, human resources and communications planning
- Begin now to communicate and implement a streamlined set of 5-year priorities.
- Make strategic planning, monitoring and evaluation normal functions within MoE and NCS D, beginning with the assignment of clear staff responsibility and accountability, supported by the necessary training.
- Ensure effective communications of the NCS D and MoE strategic agendas to donors and other partners.
- Once the two organisations are confident in their strategic frameworks, alignment with the rolling budget plan, communications and capacity development plans needs to be addressed.
- Assess the implications for MoE and NCS D of the enactment of the Environmental Code *in the context of* their strategic frameworks and Human resources plans, to determine how relevant Code provisions can be adopted at a pace and in a manner that supports the agendas and strengthening of the two institutions.
- Increase efforts to secure significantly greater base funding from government.

1.1.3 Actual Strategic Priorities Activities Implemented in 2017:

Throughout 2017, the International Natural Resources and Biodiversity Consultant, **Kent Jingfors**, and National Consultant, **Dr. Nguon Peakkdey**, collaborated and performed multiple activities related to support for Protected Areas.

Institutional strengthening of GDANCP and the Department of Biodiversity (DBD-GSSD)

The roles, potential overlaps, and capacities of these two key agencies involved in the management of natural resources and biodiversity conservation were reviewed given their new and additional responsibilities arising from recent environmental reforms. While GDANCP is widely seen as an implementing agency for the MoE (specifically in Protected Areas) and the DBD coordinates biodiversity initiatives between line Ministries while also serving as the focal point for biodiversity-related conventions, there are overlaps in functions that create misunderstandings and, often, competition for limited sources of external financing (especially from the GEF).

Current operational budgets for GDANCP and the DBD are considered far from adequate in delivering on their respective mandates and implementing relevant national strategies (NPASMP and NBSAP). Seeking an increased allocation of government funding for the MoE (now less than 0.5% of the National Budget) will be essential to address current capacity needs and to provide better leverage for negotiations with international financing mechanisms. High-level dialogues with the Ministry of Economy and Finance (MEF) to seek an allocation from the national Reserve Budget and to accelerate budget transfers from the FA-MAFF should be pursued.

Staff numbers at the central level have remained largely the same for both GDANCP and the DBD despite recent re-organizations and additional responsibilities. Significant upgrades in existing staff capacities will be required in view of the changing roles of central staff (e.g. awareness raising, training and knowledge transfer to provincial and local authorities) and the limited technical capacity to engage in participatory conservation planning; develop and implement management and zoning plans; and, manage biodiversity information. Senior management needs to actively promote inter-agency collaboration and, in the process of doing so, encourage learning and innovation.

Management Plan for Kulen Mountain National Park

Phnom Kulen National Park (PKNP) is well known for its history, its cultural heritage sites, and its importance as a water source for the Siem Reap Province. A popular place of pilgrimage, PKNP is considered by Khmers to be the most sacred mountain in Cambodia and the birthplace of the Cambodian Kingdom. The significant ecosystem services provided by the Park center on the vital role this largest forested area within Siem Reap Province plays as the main water source for Siem Reap town and the aquifer that maintains the stability of the Temples of Angkor. Forest cover in PKNP has decreased significantly over the past decade, from about 42% in 2003 to as low as 25% presently. If this trend is allowed to continue, the natural forests of PKNP may completely disappear within the next 5-10 years.

At the request of GDANCP, the PKNP Management Program (2018-2027) was developed to focus on protection of the remaining forests, conservation of cultural heritage sites, enhancing and sustaining alternative livelihoods, and strengthening institutional capacity and collaboration to effectively manage the Park for future generations. Furthermore, the participatory management planning process was used as a model for other Protected Areas that currently lack management plans. Key priority actions over the next five years include:

- Complete demarcation of outer Park boundaries and designate zones inside the Park to separate areas of strict protection (Core and Conservation Zones) from those areas designated for local subsistence use (Community and Sustainable Use Zones);
- Forest protection, restoration and maintenance will be done by substantially strengthening law enforcement capacity; encouraging natural regeneration in degraded areas; and, by investing in reforestation and maintenance at key priority sites;
- Priority for community engagement and support will be provided to the original villages in PKNP and their associated Community Protected Areas (CPAs). Relocation will be offered for up to 415 families living in new villages that have been recently established, largely to benefit from the tourism industry in PKNP;
- A Tourism Management Strategy will be prepared in collaboration with relevant stakeholders to improve visitor experiences and facilities in PKNP. The private tourism concession collecting entry fees will be transferred to MoE and revenues will be reinvested in the management and protection of Kulen National Park. Waste management will be addressed by providing adequate facilities for disposing of, and removing, both solid and liquid waste generated in the Park;
- Further research should be encouraged to identify opportunities to develop Payment for Environmental Services (PES) schemes in PKNP, especially related to watershed values and the high visitor numbers using the Park.

1.2 Capacity building support for the ministry and its departments in critical areas

1.2.1 Planned Project Document Activities:

- Support the senior management team – **Ongoing**
- Develop communication plan – **Ongoing**
- Develop human resources plan – **Ongoing**
- Support working group on development cooperation, planning and budgeting – **Not Started**
- Management of potential revenues and funds – **Initiated**

1.2.2 Actual Communications Activities Implemented in 2017:

Between November and December 2017, the Communications Consultant, **Nadim Boughanmi**, assisted by National Consultant, **El Chuon**, initiated a communications study. As part of this a draft Strategy and Action has been developed; it is currently undergoing review and revision.

Main Activities

The communication component of the EGR project calls for the design and development of overarching 5-year communication strategies for MOE and NCS D, the identification and development of priority MOE and NCS D communication products and activities, and the implementation of a performance monitoring system to assess communication results for both institutions over time.

To achieve this, the EGR communication team has utilized a methodology that consists of a series of consultative meetings with MOE and NCS D communication focal points at various levels, coupled with an internal/external peer review mechanism to support the drafting and finalizing process of the communication strategies.

Draft communication work plans and activities for the next five-year period were designed to directly contribute to enhancing MOE and NCS D strategic implementation outcomes, by establishing and streamlining institutional public identities, and generating momentum for increased public and institutional support, by effectively publicizing environmental achievements and deploying Social and Behavior Change Communication (SBCC) campaigns to catalyze programmatic results.

Key Findings

In-line with the guiding principles of the implementation strategy, and following a series of formal and informal discussions with MOE and NCS D communication focal points, the below guiding principles were developed specifically for the communication component:

- Strategic communication thinking to shift from products to strategic results. (i.e. the need to shift from “informing” and “awareness-raising” to “engaging” and “creating loyalty”)
- Strategic communication planning to be based on primary and specific objectives, precise messaging, clear audience segmentation, effective media mix coverage and efficient performance monitoring systems.
- Strategic communication, including Social and Behavioral Change Communication (SBCC) components to systematically align with/enhance achieving strategic priorities.
- Pillars (major focus areas of the communication strategy) to be defined and validated with strategic linkages.
- Drivers (structural and thematic areas of the communication strategy) to be identified.
- “Low Hanging Fruit” activities (high visibility/high impact/ample capacity for execution) to be prioritized and delivered in the short term

Overarching Key Priorities Identified

- Drivers/Catalysts
 - MOE/NCSD communication unit
 - Alignment with
 - Implementation
 - Advocacy
 - Resource Mobilization
 - Environmental Media Network
 - Sustainable Development Media Network
- Pillars/Priority Functional Areas
 - Media Outreach
 - Content Production
 - Publicized Events
 - Campaigns
 - Brand positioning and visibility
 - Public Information Resource Center/E-Portal
- Enhance National and Sub-national communication systems and mechanisms while fostering constructive regional and global exposure.

Workshops with MOE:

- Provided Presentation followed by discussion on Strategic Communication and SBCC
- Two more workshops to finalize the overall and specific goals of the communication are planned for early 2018.

1.2.3 Actual Human Resources Activities Implemented in 2017:

Between November and December 2017, the International Human Resources Consultant, **Michel Verge**, assisted by National Consultant, **Nuon Heap**, initiated the first phase of a Human Resources consultancy. The main deliverable of this work is study of the current HR situation within the MoE and NCSD. Draft reports have been prepared for both the MoE and NCSD and are currently being reviewed.

Main Activities

The study focuses on the human resources management and development strategy necessary to achieve the priorities and objectives of the MoE and NCSD strategic plans over the next 5 years. The objectives of the study were to:

- Propose a Human Resource Management Strategy to the MoE and NCSD.
- Develop a Human Resources Development Plan with the participation of the MoE and NCSD managers.

The consultants used appropriate theories, methods, techniques and tools for the collection, analysis and presentation of data and information, and relevant findings, proposals and recommendations, such as institutional/organisational capacity assessment, SWOT, organizational analysis, statistical analysis (where reliable data is available), sampling, structured or semi-structured interviews, questionnaires, strategic and operational planning tools, logical framework, results and development based management, competency management, change management, human resources management, forecast management, brainstorming, graphic illustration, tables and presentations.

Key Institutions_ strategic framework and priorities, organizational and operational documents, HR legal framework and policies, and HR management tools have also been examined.

Over 65 managers (General Directors, Directors and Deputy-Directors from almost all Departments and General Directorate) have been met and interviewed on their concerns, findings and recommendations with regards to Human Resources management within MoE. A few additional managers have been consulted using a questionnaire to be completed. Eight other experts and consultants involved in UNDP projects have been consulted.

Workshops for the Development of MoE and NCS D respective Training Plan will be planned and organized in February 2018 to give the opportunities to Directors and Deputy Directors to discuss their GD and department key expected results and key competencies required to link to training plans and present/discuss with their General Directors or Deputy General Secretaries.

1.2.4 Actual Revenues and Funds Activities Implemented in 2017:

During 2017, the International Natural Resources and Biodiversity Consultant, **Kent Jingfors**, and National Consultant, **Dr. Nguon Peakkdey**, also conducted a Resource Mobilization Study under this component.

Resource mobilization options for the Ministry of Environment

This work reviewed resource mobilization options for the MoE from government budget support within the existing legal context of Cambodia. Specifically, the report explored opportunities for operationalizing existing and proposed Funds managed by MoE by reviewing similar experiences from the MAFF Forestry Administration (FA) and drawing from guidelines issued by the Ministry of Economy and Finance (MEF). The two Funds of particular relevance to this review were the **Environmental and Social Fund** (established in 2016) and the **Protected Areas Fund** (yet to be established). Recommendations were made on ways to diversify funding sources for MoE, optimize revenue collection, and ensure Fund revenues are directed to environmental and natural resource management priorities established as part of national strategies, such as the National Protected Area Strategic Management Plan (NPASMP).

A number of strategies were recommended for MoE to mobilize more financial resources for environmental protection and NRM management, particularly in Protected Areas:

- Diversify funding sources: Securing stable and sustainable financing requires diversifying sources of funding and continuing to explore new and innovative funding opportunities.
- Upgrade financial management capacity and governance: Equally important to generating sustainable flows of funding for NRM is to have an institutional framework that is also supportive of this. Training MoE staff and building capacity for financial and business planning will be essential to have strong and transparent systems for fund management.
- Raise awareness on the importance of the environment sector to the national economy: The environment sector provides a range of public goods and services that are rarely monetized and often taken for granted (i.e. assumed to be free). However, these ecosystem services (including clean air, clean water and healthy ecosystems) are now rapidly being degraded and the costs to society (in terms such as health care and livelihood losses) will continue to increase unless a renewed investment is made in environmental protection and management. MoE should consider raising awareness, within government, for its role in implementing national strategies essential to support sustainable development. In balancing national development priorities with the required environmental protection, MoE should be considered one of the "Economic" (as opposed to "Social") line Ministries that include MAFF, Ministry of Water and Meteorology, Ministry of Rural Development and Ministry of Tourism.
- Seek an increased allocation from the National Budget: Environmental protection is, first and foremost, a responsibility of the Royal Government of Cambodia (RGC) for the benefit of all Cambodians. By designating over 40% of the land base as Protected Areas, RGC has signaled

its commitment to environmental protection. As a priority, MoE should initiate high-level negotiations with MEF to seek a substantially higher budget allocation for 2018 and onwards. A reasonable request would be a doubling of the current budget (to 1% of the National Budget) and using the RGC Reserve (unallocated) Budget as a source of this increase. The benefits of this investment would carry significant political weight, particularly in rural areas where illegal activities and encroachments are not only threatening the integrity of Protected Areas but also the very livelihoods of many forest-dependent communities.

- Target support from Development Partners: Implementing agencies in MoE (such as GDANCP) need to be directly involved in determining implementation arrangements and ensuring support from Development Partners is directed to strategies and priority actions outlined in approved national plans (such as the NPASMP). MoE should initiate a dialogue with Development Partners to see what conditions would be required in terms of Fund design and governance to use external support as a source of investment in the ESF and a future PA Fund.
- Review and revise current Guidelines for revenue collection and sharing: There is a need for MoE/MEF to review and revise (where necessary) Guidelines 999/1000 in view of recent jurisdictional reforms and to better reflect a fair assessment of the market value for the various services and products derived from the use of natural resources. The revenue sharing formulas, that currently appear to act as a disincentive for MoE staff in following the Guidelines need to be re-negotiated with MEF on a permanent basis to enhance revenue collection.
- Establish a Protected Areas Fund (PA Fund): Using the PA Law (2008) as the legal basis, MoE should consider the establishment of a PA Fund as an additional source of funding for the management of Protected Areas. The Fund should be established by Sub-Decree and by including the following considerations:
 - Draft the Sub-Decree along the lines of that developed for the National Forestry Development Fund (NFDF);
 - Use the provisions of the PA Law to define the potential sources of income and the activities that can be supported by the Fund. Consider adding innovative sources of funding (e.g. from PES schemes, taxes from the tourism service industry, or private sector investments);
 - Decide on the “model” for the Fund – should it be one Fund centrally managed, or an integrated Fund (such as in the Philippines) where revenues can be retained in the PA where these were collected?
- Operationalize the Environmental and Social Fund (ESF): The following steps should be considered by the ESF Working Group in operationalizing the Fund:
 - Consult with FA to learn from their experiences in operationalizing the National Forestry Development Fund;
 - prepare a Prakas to detail the composition and functions of the Secretariat that will support the ESF Management Committee;
 - clearly separate the purpose of the ESF (environmental protection largely outside PAs and under the jurisdiction of GDEP) from the PA Fund (management of PAs under the jurisdiction of GDANCP); and,
 - consider incorporating in the ESF the original intent of the Environmental Endowment Fund (i.e. contributions from development project proponents). This will clarify and consolidate the two separate Funds managed under MoE.

1.3 Planning and supporting on-the-ground initiative for the quick wins

1.3.1 **Planned Project Document Activities:**

- Identify quick win projects including the areas of PA management, Waste Management, climate resilience, sustainable cities, EIAs. – **Initiated**
- Implement quick win activities – **Initiated**
- Document status and next steps for quick-win projects – **Initiated**

1.3.2 **Actual Quick Win Activities Implemented in 2017:**

As a means to address solid waste issues currently within Kulen Mountain National Park, MoE has initiated the development of a portable incinerator. Currently, a contractor has been acquired and the incinerator should be operational by 2018.

<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> Delivery below plan
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Output 2: Strengthening the NCSD:

Output Indicators	Baseline (April 2015)	Target (December/2018)	Status (December/2017)
2.1: Number of institutions with improved capacity to address climate change issues.	1 NCSD	<ul style="list-style-type: none"> • Minimum 3 	<ul style="list-style-type: none"> • NCSD Dept. of Climate Change • NCSD Dept. of Finance and Administration
2.2: Extent to which the institutional capacity of the NCSD is enhanced in formulating, directing and evaluating policies, strategic plans, action plans, legal instruments, programmes for sustainable development	to a very limited degree (2015)	Targets: to great degree, measured by <ul style="list-style-type: none"> • Strategic and action planning with budget planning • Council meetings • Number of legal instruments developed 	<ul style="list-style-type: none"> • NCSD Strategic Framework in Development • 2nd NCSD Meeting held in Oct. 2017 • NCSD Annual Forum held

2. **2017 Achievements**

2.1 **Developing strategies and action plans (2016-2023) for the NCSD and its departments**

2.1.1 **Planned Project Document Activities:**

- Develop an overall strategy and action plan for making the NCSD effective – **Ongoing**
- Develop action plans for NCSD (2016-2023) – **Ongoing**
- Communicate priorities across Government and to Stakeholders – **Ongoing**

2.1.2 **Actual Strategic Framework Activities Implemented in 2017:**

See **Sections 1.1.2 and 1.2.2** above regarding actual Strategic Framework and Communications activities implemented for NCSD during 2017.

2.2 **Capacity building support for the NCSD and its departments in critical areas**

2.2.1 **Planned Project Document Activities:**

- Strengthen NCS and Secretariat – **Ongoing**
- Strengthen General Secretariat Departments (1. Admin, Planning and Finance, 2. Climate Change, 3. Green Economy, 4. Science and Technology and 5. Biodiversity) – **Ongoing**
- Strengthen capacity of member agencies – **Not Started**
- Develop resource mobilization strategy - **Initiated**

2.2.2 **Actual Capacity Building Activities Implemented in 2017:**

See **Section 1.2.3** above regarding actual HR capacity building activities implemented for NCS during 2017.

<input type="checkbox"/> delivery <i>exceeds</i> plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan
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OUTPUT 3: Developing Environmental Code

Output Indicators	Baseline (April 2015)	Target (December/2018)	Status (December/2017)
3.1 Number of laws or regulations addressing biodiversity conservation officially proposed, adopted, or implemented	N.A	Minimum 2 (Environmental Code, EIA law)	<ul style="list-style-type: none"> • Draft 10 of the Env. Code with significant revisions completed; to be submitted to the Council of Ministers
3.2. Number of public consultations organized for the development of Environmental Code	N.A.	At least 3 public consultation workshops and outreach activities involving local communities	<ul style="list-style-type: none"> • 3rd National Consultation held for Jurists • Inter-ministerial consultations held • National MoE Consultation Meeting held with all Line & Provincial Departments

3. 2017 Achievements

3.1 Creating overarching principles:

3.1.1 Planned Project Document Activities:

- Establishment of secretariat, STWGs, and inter-ministerial working group – **Ongoing**
- Initial analysis of existing policies, laws and regulations and relevant international experience to identify best principles and standards for environmental management in Cambodia – **Completed**
- Analysis of existing policies, laws and regulations to identify overlaps among relevant ministries, and recommendations for improved management arrangements across government – **Completed**
- Development of general principles and objectives for the Code - **Completed**

3.1.2 Actual Inter-ministerial Activities Implemented in 2017:

Throughout 2017, the Service Provider, Vishnu Law Group, represented by Director **Sao Kagna**, Legal Advisor Consultant, **Brian Rohan**, and their team performed multiple activities related to the development of the Environment Code. Additionally, **Patti Moore** was contracted by UNDP as an Environment Legal expert to assist the Vishnu Law Group.

Main Activities

Release of Draft 9.1 kicked off the most important achievement of the year — the inter-ministerial review process. Dozens of meetings were convened with various ministries, ranging from explanatory sessions about the Code’s contents to detailed multiple day working meetings to review detailed comments. When points of contention were identified, follow up drafting sessions were organised; as a result of all this effort, the overwhelming majority of key concerns from other ministries have now been addressed. As this inter-ministerial process unfolded, the Council of Ministers was also briefed and conducted its own preliminary review.

All other activities under this component were completed in 2016.

3.2 Development of proposals for statutory changes and implementation framework:

3.2.1 Planned Project Document Activities:

- Identification, research and formulation of innovative tools and mechanisms such as enforcement of citizen rights, green tax policy - **Completed**
- Development of an initial Code, including proposals for statutory changes and creation of new laws, such as EIA - **Completed**
- Public consultation workshops to present and receive comments on the draft Code - **Ongoing**

3.2.2 Actual Activities Implemented in 2017:

See **Section 3.1.2** above and **Section 3.3.2** below regarding actual consultation activities implemented for the development of the Environment Code during 2017.

3.3 Final drafting of the Code:

3.3.1 Planned Project Document Activities:

- Compilation of all components into a unified Code structure - **Ongoing**
- Support to the Ministry during the government and National Assembly approval processes – **Ongoing**
- Detailed work plan for public outreach, capacity building, pilot programming and other steps to promote effective implementation of the Code. – **Initiated**

3.3.2 Actual Drafting of the Code Activities Implemented in 2017:

The Environment and Natural Resources Code went through a series of crucial steps in 2017, bringing it now close to the point of enactment in early 2018. After the extraordinary efforts to produce Draft 7 by the end of 2016, 2017 began with an extended effort to synchronise the Khmer and English texts of the Code. This took many months to complete, resulting in a fully revised Khmer language text of the Code, version 9.1, which was released on July 25. Version 9.1. also incorporated a full range of expert comments commissioned by UNDP in early 2017.

There were a number of challenges encountered through the year. Arranging productive dialogues with each of the relevant ministries was complicated work. In some instances formal letters went unanswered; in other instances inter-ministerial contacts developed during the consultation process of 2016 were unable to access the upper levels of their ministries. In many instances, a combination of formal and informal approaches were required to open the door to discussion.

Another challenge was the method of engagement of MoE's own specially recreated working group. Created in mid-year, this working group was intended to itself lead the inter-ministerial process. However, in the end it was determined that this work was best headed by the Vishnu Law Group team. The working group itself generated a large number of comments, some of which require further effort to synchronize with the developing content of the Code and ongoing inter-ministerial review.

Meanwhile, the Legal Advisor has developed tentative plans for discussion with the Ministry regarding a range of implementation priorities. The various target stakeholder groups and means of approaching each for awareness raising on the Code have been identified; a list of priority sub-decrees to accompany the Code and the process by which to develop them has been created; different mechanisms for capacity building on key aspects of the Code have been identified, including mapping of jurisdiction and roles and responsibilities, formal trainings, pilot implementation efforts, and targeted technical support. The Legal Advisor has also identified a list of recommended implementation priorities under the Code, including the Code's access to information and public participation provisions, the new grievance mechanism, the environmental impact assessment and strategic environmental assessment procedures, the sustainable funding mechanisms and collaborative management. All of these potential implementation priorities need to be carefully considered in light of other planning work underway within the EGR project.

The final achievement of 2017 is the preparation of Draft 10 of the Code. Due to be released in early 2018, Draft 10 includes all inter-ministerial comments, significant expert inputs (including from experts retained by UNDP in 2017), and extensive language and syntax revisions. This is the version that the Minister will present to the National Assembly, the CPP Central Committee, and other high officials for final consideration. Based on the outcome of these reviews and a final national consultation workshop, a final revision is expected, Draft 11, which will be the final version of the Code for enactment.

<input checked="" type="checkbox"/> delivery <i>exceeds</i> plan	<input type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan
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OUTPUT 4: Development of Integrated Ecosystem Mapping

Output Indicators	Baseline (April 2015)	Target (December/2018)	Current status (December /2017)
4.1. Extent to which ecosystems maps are integrated at the national level to show the status of forest, lands, water, biodiversity, critical ecosystems	N.A	<ul style="list-style-type: none"> Integrated ecosystem mapping developed and operationalised for national land use decisions 	<ul style="list-style-type: none"> DSS Training held DGIS Strategy and Action Plan GIS Data Portal in development.

4. 2017 Achievements

4.1.1 Planned Project Document Activities:

- Consolidation of existing of spatial data on ecosystems, biodiversity, rural livelihoods, development activities and energy - **Completed**

- Designing and establishment of a Decision Support System (DSS) to be used for land use planning and decisions - **Ongoing**
- Capacity building support to enhance the institutional capacity of MoE and NCS D for data management in regularly collecting, updating and managing environment and development data. - **Ongoing**

4.1.2 Actual Decision Support System Activities Implemented in 2017:

During Q1 and Q2 of 2017, the Decision Support System Consultant, **Jeff Silverman**, assisted by National GIS Consultant, **La Vaha**, worked towards the development of a Decision Support System to be utilized by the Department of GIS.

Zonation Training Workshop

The integrated ecosystem mapping initiative seeks to assist technical officers and decision makers at the Ministry of Environment (MoE) and the National Council for Sustainable Development (NCS D) to make decisions related to zonation within the Biodiversity Conservation Corridors. To realize this objective, the initiative has been consolidating all available data and information on ecosystems, biodiversity, climate changes, rural livelihoods, and developmental activities. The initiative has also developed a first “Decision Support System (DSS)” with the aim to visualize and identify priority areas for conservation and and livelihood activities within the BCC areas.

The DSS was developed leveraging many different datasets and decision support analyses achieved previously. At the core of this DSS is using the spatial conservation prioritization tool Zonation. Using Zonation software, planners can identify priority ranked sites that are representative of targeted conservation features while avoiding conflict with human-uses, and vice versa.

A three-day training workshop on Zonation software was held on 27-29 June 2017 in Siem Reap. The goal of the training was to:

- Introduce participants to the science and best practice of landscape and systematic conservation Planning
- Introduce Zonation software, and provide training on how to run Zonation
- Discuss the current use of Zonation within Cambodia and key data gaps
- Discuss next steps

In addition to lectures and group discussion, this was a hands-on course and will provide participants with the basic knowledge and skills necessary to use Zonation in a conservation planning exercise. During the course, the subjects covered were as follows:

- Key concepts in landscape planning and systematic conservation planning
- Overview of information requirements for Zonation
- Understanding the essential Zonation input files
- Parameter setting in Zonation
- Running Zonation, understanding results and viewing in GIS platform

4.1.3 Actual Capacity Building for Data Management Activities Implemented in 2017:

Between June and October 2017, the International Knowledge Management Consultant, **Ruud Crul**, assisted by National GIS Consultant, **La Vaha**, worked with the Department of GIS to develop a Strategy and Action Plan for the DEpartment.

Main Activities

- Situation analysis, consultation of stakeholders and capacity assessment of the DGIS

- Consultation of key stakeholders
- Development of strategy and formulation of vision, mission, objectives, outcomes and key actions
- Preparation of action plan for interventions with governance, management and support structures, capacity development, technology development and development of standard procedures, quality control and protocols, with a schedule of activities and tentative budget
- Validation of draft reports by stakeholders
- Preparation of a concept note on priority activities for resource mobilization
- Preparation of combined report on Strategy, Action Plan and Concept Note (in prep. by DGIS)

Key Deliverables

- Institutional Analysis of the DGIS
- Draft Strategy for Geospatial Data Management
- Draft 5-year Action Plan for the DGIS
- Draft Concept note on two-year Capacity Development project for DGIS project
- Final report on Strategy, Action Plan and CN (in prep. by DGIS)

Key workshops & meetings contributing to success of the consultancy

- Consultation meetings with key stakeholders
- Meetings with Director Khemera Mok, Director Department of E-Government, MPTC on IT Infrastructure and Data Portal
- Meetings with SERVIR Mekong and national GIS experts in preparation of the Showcasing Workshop in August and the Action Plan preparation
- Workshop on Showcasing Geospatial Data Technology (August 2017)
- Validation Workshop (October 2017)

Findings

- Strong commitment with MoE and DGIS management to support the Strategy and Action Plan preparation and implementation
- Strong commitment of UNDP and SERVIR Mekong, and available capacity of national GIS specialists to support the MoE/NCSD and DGIS in developing Geospatial Data Management skills/capacity and supporting technology

Concerns

- Limited operational budget of the DGIS, inadequate to provide the services and implement key activities in the Action Plan for the DGIS
- No training budget in the operational budget of the DGIS
- Restricted technical capacity at the DGIS to carry out all tasks envisaged in strategy and action plan for the DGIS
- Limited in-house capacity within the MoE to manage IT infrastructure
- Limited in-house capacity within the MoE to collect and share geospatial data
- Stand-alone technology development supported by different projects with external funding based on immediate needs assessed within those projects without an overall strategy at MoE/NCSD level to coordinate these activities

Recommendations

- Recommendations on challenges identified during the institutional analysis of the DGIS (see report) have been incorporated in the strategy and action plan for the DGIS
- Immediate capacity development of the DGIS staff to prepare them for the future tasks of geospatial data management as described in strategy and action plan by using the Concept Note on Capacity Development of the DGIS for active resource mobilization.

<ul style="list-style-type: none"> Coordination within the MoE/NCSD with regard to the shared development and use of a MoE Data and information Portal which will require an overall assessment of services to be provided, data, information and knowledge needs, existing data and information products, and best supporting technology, and a common vision and strategy on technology development. 		
<input checked="" type="checkbox"/> delivery exceeds plan	<input type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan

PROGRESS TOWARDS UNDAF/Country Programme Results and Resource Framework:

Outcome 1: By 2018, people living in Cambodia, particularly youth, women and vulnerable groups, are enabled to actively participate in and benefit equitably from growth and development that is sustainable and does not compromise the well-being or natural or cultural resources of future generations

Indicators	Baseline	Target	Current status (December 2016)
Indicator 1.4. Environmental Performance Index of Cambodia, Data source frequency: Yale University (biannually)	35.44 (2014)	Minimum 35.44	NA
Indicator 1.5. Index for Cambodia Policies and Institutions for Environmental Sustainability Data source frequency World Bank CPIA (annually)	3.0	3.5	NA

PROGRESS TOWARDS CPAP OUTCOM

Output 1.1: Establishment and strengthening of institutions, coordination mechanisms and policies for sustainable management of natural resources, ecosystem services

Indicators	Baseline	Target	Current status (December 2016)
Indicator 1.1.2: Extent to which institutional and legal framework for environmental and climate change protects livelihoods of the poor and vulnerable: Data source, frequency: MoE (annually)	Not effective	Effective	<ul style="list-style-type: none"> Draft 10 of the Env. Code with significant revisions completed; to be submitted to the Council of Ministers; climate change issues were developed

PROGRESS TOWARDS 2014-17 Strategic Plan 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for poor and excluded groups

Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste

Indicators	Baseline	Target	Current status (December 2016)
Indicator 1.3.1 Number of new partnership mechanisms with funding for sustainable management solutions of natural resources, ecosystem services, chemicals and waste at national and/or sub-national level	Ecosystem mapping	At least 3	<ul style="list-style-type: none"> Ecosystem mapping inter-ministerial working group formed

Gender Marker (GEN1)

Under Book 1, Chapter 2, Article 14 of the Environment Code, it specifies the “Principle of Gender Equality in Environmental Protection and Natural Resource Management” . Its states, “Gender equity and the participation of women in all aspects of decision-making concerning the environment and natural resources shall be promoted and encouraged.”

Lessons learned

Strategic Framework for MoE and NCSD

- MoE and NCSD have made important strides in recent years.
- Nevertheless, institutional strengthening remains an ongoing need, even for some ‘core’ responsibilities.
- Delayed finalisation of the Environmental Code has prevented meaningful coordination and integration with the planning, capacity development, and communications components of the EGR. Without this, Enactment of the Code may well swamp the agendas of MoE particularly, but also NCSD
- It is critical that the various components of the project be brought together to provide a coherent and useful result that responds to and supports the needs and emerging agendas of MoE and NCSD.

Strategy and Action Plan for DGIS

- Effectiveness of the continuous interaction with the DGIS management while preparing strategy and action plan
- Useful interaction during the implementation of the consultancy with other UNDP consultants of EGR despite working on different components of the EGR project, actively liaised by UNDP PM Adam Starr

IV. Financial status and utilization

Table 1: Contribution Overview (01 April 2016 – 31 December 2017)

Donor Name	Contributions		Actual Expenditure (2016)	Actual Expenditure (2017)	Grant Total Expenditure	Balance
	Committed	Received				
USAID	2,500,000.00	2,500,000.00	482,000.72	1,216,652.25	1,698,652.97	801,347.03
The Embassy of Japan	300,000.00	300,000.00	42,992.34	256,719.02	299,711.36	288.64
UNEP [EU Switch Asia]	77,760.00	77,760.00	75,043.00	2,717.00	77,760.00	-
UNDP [TRAC]	146,408.51	129,085.54	90,653.51	38,432.03	129,085.54	17,322.97
Total	3,024,168.51	3,006,845.54	690,689.57	1,514,520.30	2,205,209.87	818,958.64

Table 2: Quarterly Expenditure Report (01 October - 31 December 2017)

Activities-Description	Last Budget Revision_G04 2017	Actual Expenditure		Total	Balance	Delivery [%]
		Gov't [Disbursed]	UNDP [Disbursed]			
Output 1: Strengthening MoE new structure	448,686.00	216,000.00	96,355.43	312,355.43	136,330.57	70%
Output 2: Strengthening the NCSD:	113,508.00	48,797.43	3,903.79	52,701.22	60,806.78	46%
Output 3: Developing Environmental Code	641,028.92	237,383.00	194,173.55	431,556.55	209,472.37	67%
Output 4: Development of integrated ecosystem mapping	113,149.69	22,500.00	28,155.69	50,655.69	62,494.00	45%

Output 5: Project management	306,950.36	51,187.40	94,368.59	145,555.99	161,394.37	47%
TOTAL	1,623,322.97	575,867.83	416,957.05	992,824.88	630,498.09	61%

Table 3: Annual Expenditure Report (01 January- 31 December 2017)

Activities-Description	Last Budget Revision_G04 2017	Actual Expenditure			Balance	Delivery [%]
		Gov't [Disbursed]	UNDP [Disbursed]	Total		
Output 1: Strengthening MoE new structure	448,686.00	216,000.00	193,744.11	409,744.11	38,941.89	91%
Output 2: Strengthening the NCSD:	113,508.00	48,797.43	4,003.69	52,801.12	60,706.88	47%
Output 3: Developing Environmental Code	641,028.92	237,383.00	396,062.85	633,445.85	7,583.07	99%
Output 4: Development of integrated ecosystem mapping	113,149.69	22,500.00	101,589.69	124,089.69	(10,940.00)	110%
Output 5: Project management	306,950.36	51,187.40	243,252.13	294,439.53	12,510.83	96%
TOTAL	1,623,322.97	575,867.83	938,652.47	1,514,520.30	108,802.67	93%

Table 4: Cumulative Expenditure Report (01 April 2016 - 31 December 2017)

Activities - Description	Total Budget	Cumulative Expenditure			Balance	Delivery [%]
	[2016-2018]	Gov't [Disbursed]	UNDP [Disbursed]	Total		
Output 1: Strengthening MoE new structure	640,747.40	216,000.00	193,744.11	409,744.11	231,003.29	64%

Output 2: Strengthening the NCSD.	113,166.28	48,797.43	3,769.97	52,567.40	60,598.88	46%
Output 3: Developing Environmental Code	1,478,396.99	237,383.00	949,222.55	1,186,605.55	291,791.44	80%
Output 4: Development of integrated ecosystem mapping	270,541.14	22,500.00	201,309.69	223,809.69	46,731.45	83%
Output 5: Project management	521,316.70	51,187.40	281,295.72	332,483.12	188,833.58	64%
Total	3,024,168.51	575,867.83	1,629,342.04	2,205,209.87	818,958.64	73%

Note: The expenditure of 2017 is excluded the commitment in 2017 amounting to US\$179,516.75