



Cambodia

QUARTERLY PROJECT REPORT [QUARTER 2, 2017]

United Nations Development Programme (UNDP)

Cambodia

Reducing the vulnerability of Cambodian rural livelihoods (SRL)

01-04-2017 – 30-06-2017



Photo: Dry season vegetable garden, Trapeang Thom commune, May 2017

Project ID: 00093204

Duration: 1 July 2016 to 30 June 2020

Total Budget: US\$ 4,567,500.00

Implementing Partners/Responsible parties: MoE/GSSD/DCC

Country Programme Outcome: By 2018, people living in Cambodia, in particular 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 generation.

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I. Executive summary

Quarter 2, 2017 has marked the important step to kick off the implementation of the project after the Inception Workshop launched in March 2017. As part of the follow up actions from the inception workshop, the project team, from Department of Climate Change (DCC) of the General Secretariat of National Council for Sustainable Development (NCS), National Committee for Democratic Development at Sub-national Secretariat (NCDD), and the United Nation Development Programme (UNDP), conducted a joint field mission in Siem Reap and Kampong Thom provinces in May 2017 to discuss and identify priority climate resilient small scale infrastructure projects for 2017 implementation. In consultation with the Sub-national Administration (SNAs - province, district, and commune), target communes for 2017 climate resilient grant have been selected and priority projects from its Commune Investment Programs (CIPs) have been also identified. As a result, 6 projects in 5 communes have been selected. NCDD has informed the SNAs the result of this selection and advised them to take further actions including the preparation of commune project proposals, the selection of Technical Service Consultants (TSCs) to lead the project feasibility studies, and project design, etc.

The project has complete the recruitment of project personnel and procurement of equipment and furniture necessary for the project implementation. Four NCDD national advisors and four provincial coordinators and finance officers for two target provinces were recruited and fully on board in the Quarter 2, 2017. The project procured 3 vehicles, 12 laptop computers, 6 printers, 4 LCD projectors, desks and chairs. The project is recruiting also a consulting firm/research institution to administer the impact assessment (baseline and final). The recruitment is expected to complete in July 2017

One hundred twenty (120) provincial and district project team and key stakeholders (19 women) were trained and understand basic concept of climate change and are able to provide follow up training and facilitate the Vulnerability Reduction Assessment (VRA) and Climate Change mainstreaming at district and commune levels. In addition, 50 technical Support Officer (TSO), representative from Provincial Planning and Investment Division (PID), and TSCs from 8 provinces including Battambang, Pursat, Kampong Chhnang, Kratie, Takeo, Preah Vihear, Kampong Thom, and Siem Reap were trained on Climate Resilient Infrastructure Design and Construction. In total 3 trainings were organized by NCDD with support from SRL, ASPIRE and LGCC during the reporting period, on 25-28 April, 7-9 June, 22-23 June 2017 in Battambang, Sihanouk Vile and Siem Reap provinces respectively.

To guide the implementation and proper resource allocation to carry out the activities outlined in the project result framework, the project team from NCS/DCC, NCDD and UNDP re-discussed and revised the detail workplan and budget for the entire project. As a result, the revised workplan and budget for 2017-2018 has been approved and reflected in the UNDP Atlas system. In 2017, the project will deliver \$1,082,632.10 and as of now, the project could deliver only \$314,705.04 representing 29% the total 2017 budget.

II. Implementation progress

Project team mobilization and planning are important stages in the project management. Project management and project team have been mobilized, are fully on board and actively take part in the project planning and implementation.

Through a series of team meeting and discussion, the revised workplan and budget for 2017-2018 has been revisited and approved. It was noted that the new 2017 budget has changed from \$787,009.00 to \$108,2632.00. It is increased by \$295,623 comparing with the initial 2017 budget.

In collaboration with other projects under NCDD, the team has successfully conducted technical training on Climate Resilient Infrastructure Design and Construction for 50 technical Support Officer (TSO), representative from Provincial Planning and Investment Division (PID), and TSCs. The target for this activity is achieved.

The training on basic concept of climate change, VRA and CC mainstreaming in Commune Development Planning (CDP) and Commune Investment program (CIP) were also successfully organized. 120 provincial and district project

team and key stakeholders (19 women) gained knowledge and are able to facilitate follow up training for commune councils and planning and budgeting committees (PBCs). The target for the activity is achieved.

Under the revised 2017 workplan and budget, the project will invest \$300,000 to implement priority commune small scale resilient water infrastructure projects. The project team, under the leadership of NCDDS, conducted field missions to 4 target districts in Siem Reap and Kampong Thom provinces to select communes and identify CCA projects. As a result, 6 priority projects in 5 communes have been selected. The Province/district administrations have now taken further actions including the selection of TSCs, feasibility study and project design. The progress is on track.

The project schedules to conduct the baseline assessment at the beginning of the project. This will be served as baseline reference to assess the change over the course of project implementation at the end. The project is still seeking for a research firms to carry out the assignment. The evaluation of proposals and selection is expected to complete by mid-July 2017. The progress of this activity is behind the schedule.

PROGRESS TOWARDS PROJECT OUTPUTS

OUTPUT 1.1: Capacity of sub-national councils (communes and districts) and Planning and Commune Support Units in two provinces enhanced for climate sensitive development planning and budgeting

Output Indicators	Baseline (01/01/2017)	Target (31/12/2017)	Current Status (30/06/2017)
<ul style="list-style-type: none"> Local councils and key stakeholders at sub-national level are aware of gender and climate change. 	0	200	This will be done in quarter 3, 2017 after new commune councilors are on board. NCSD/DCC is preparing the concept note and other necessary preparation for the events (CC awareness raising workshop) to be scheduled in late July 2017.
<ul style="list-style-type: none"> Provincial CCA Planning Workshop: Introduction to VRA and CC mainstreaming in CDP/CIPs. 	0	100	120 provincial and district project team and key stakeholders (19 women) understand basic concept of climate change and be able to provide follow up training and facilitate VRA and CC mainstreaming at district and commune levels. During reporting period, two training workshops conducted. First training was jointly conducted with ASPIRE on 7-9 June in Sihanouk Vile province and the second training was conducted in Siem Reap on 22-23 June 2017.
<ul style="list-style-type: none"> Commune Support Office trained on DVA and GIS-based vulnerability maps and vulnerability scorecards. 	0	100	ToR for GIS consultant drafted. Announcement will take place in early July 2017. It is expected that climate risk mapping exercises will commence early August 2017.
<ul style="list-style-type: none"> VRA conducted in selected villages. 	0	40	To be implemented in Quarter 3, 2017.
<ul style="list-style-type: none"> Priority actions from VRA, including livelihood support and infrastructure investments, responding to climate change risk integrated into CDP/CIPs. 	0	20	To be implemented in Quarter 3 and 4, 2017.
<ul style="list-style-type: none"> District CCA Action Plan. 	0	10	To be implemented in Quarter 4, 2017.
<input type="checkbox"/> delivery exceeds plan <input checked="" type="checkbox"/> delivery in line with plan <input type="checkbox"/> delivery below plan			

OUTPUT 1.2: Technical capacity of agricultural extension officers and grass-roots NGOs

enhanced for climate-resilient livelihood techniques and sustainable assistance to communities.

Output Indicators	<i>Baseline (01/01/2017)</i>	<i>Target (31/12/2017)</i>	<i>Current Status (30/06/2017)</i>
• TNA for agricultural extension officers and LNGOs.	0	50	To be implemented in Quarter 4, 2017.
• Extension packages for climate resilient agriculture	0	1	To be implemented in Quarter 4, 2017.
• ToT training for agricultural extension officers and LNGOs.	0	30	To be implemented in Quarter 4, 2017.
<input type="checkbox"/> delivery exceeds plan <input type="checkbox"/> delivery in line with plan <input type="checkbox"/> delivery below plan			

OUTPUT 1.3: Technical capacity to execute climate resilient water infrastructure design and construction enhanced for about 50 Government technical officials and private contractors.

Output Indicators	<i>Baseline (01/01/2017)</i>	<i>Target (31/12/2017)</i>	<i>Current Status (30/06/2017)</i>
• Training manual on climate resilient small scale irrigation system.	0	1	Technical training manual has been reviewed and updated. The project team is preparing a summary presentation to present to Technical Working Group on Agriculture and Water which was schedule in Quarter 3, 2017.
• Technical officers trained on climate resilient infrastructure.	0	50	50 technical Support Officer (TSO), representative from Provincial Planning and Investment Division (PID), and TSCs from 8 provinces including Battambang, Pursat, Kampong Chhnang, Kratie, Takeo, Preah Vihear, Kampong Thom, and Siem Reap trained. The training was jointly organized by NCDDS with support from ASPIRE, LGCC and SRL for 3 days from 25-28 April, in Battambang province.
<input type="checkbox"/> delivery exceeds plan <input checked="" type="checkbox"/> delivery in line with plan <input type="checkbox"/> delivery below plan			

OUTPUT 1.4: Knowledge management platform for sub-national Climate Change Adaptation Planning and resilient livelihoods support established.

Output Indicators	<i>Baseline (01/01/2017)</i>	<i>Target (31/12/2017)</i>	<i>Current Status (30/06/2017)</i>
• Impact assessment administered (baseline and final assessment)	0	1	Draft ToR developed, recruitment announcement completed on 20 June 2017. Four research firms have submitted the applications and proposals. The evaluation of proposals and selection is expected to be completed by mid-July 2017.
• Knowledge products (case studies, policy briefs, reports).	0	3	To be implemented in Quarter 4, 2017.
<input type="checkbox"/> delivery exceeds plan <input type="checkbox"/> delivery in line with plan <input checked="" type="checkbox"/> delivery below plan			

OUTPUT 2.1: Climate-resilient small-scale water infrastructure designed and put in place in

at least 10 districts following the resilient design standards specifically targeting rain-fed farmers.

Output Indicators	Baseline (01/01/2017)	Target (31/12/2017)	Current Status (30/06/2017)
<ul style="list-style-type: none"> Support climate-resilient small-scale water infrastructure 	0	10	The project team, under the leadership of NCDDS, conducted field missions to 4 target districts in Siem Reap and Kampong Thom to select communes and identify CCA projects using SRL/PBCR grant (\$300,000) for 2017. As a result, 6 priority projects in 5 communes have been selected. NCDDS has informed the Province/district administrations the result of this selection and advise them to take further actions (selection of TSCs, feasibility study, project design and costing...)
<ul style="list-style-type: none"> LNGO recruited to provide extension services 	0	2	To be implemented in Quarter 3, 2017.
Initially, 10 small scale resilient water infrastructure projects were planned to implement in 2017. However, during the project selection and consultation process, NCDDS suggested that in order to harness the impact and enhance resiliency of the infrastructure projects, within this limited budget (\$300,000), priority should be given to only 6 projects in 2017.			
<input type="checkbox"/> delivery exceeds plan	<input checked="" type="checkbox"/> delivery in line with plan	<input type="checkbox"/> delivery below plan	

III. Project implementation challenges

a. Updated project risks and actions (See Annex 3 for detail)

Project Risk 1: Commune election in June 2017, commune councilors and the Government officials (many of them are also active members of political parties) are likely to prioritize party's campaigns over project implementation. There will also be changes in councilors as a result of the election.

Actions taken: Discuss the project workplan and field work schedule among the project team prior, during and post commune election during which activities with no involvement of commune councils such as reviewing training materials, ToT training and project planning, etc. have been planned and implemented. According to the official results of commune/sangkat election, there is an increase of seats of Commune Chiefs (from 40 to almost 489) and Councilors from opposition party, hence, there will be changed in local governance structure. In this regards, the project will organize the provincial Climate Change awareness workshop aiming at mainstreaming climate change in CDP/CIPs and continue to build its capacity for Climate Sensitive Planning, Budgeting and Execution at commune level.

Project Risk 2: Low project delivery in the first quarter due to the delay in setting up the project implementation structure. This might not be conducive for rapid implementation of the target results for 2017.

Actions taken: A series of meetings were organized with participants from the project team from UNDP, NCDDS and NCSD/DCC to identify challenges and possible options to facilitate a more effective disbursement modality for funds to support activity implementation. As a result, Letter of Agreement (LoA) between UNDP and NCDDS has been established to facilitate a direct fund advance from UNDP to NCDDS.

Full implementation structure (project management, staff and advisors) are fully on board in quarter 2, 2017, staff orientation meeting conducted and project launching meeting with provincial and district administrations organized. The project could move faster from quarter 2, 2017 onward and expected result could potentially be achieved.

b. Updated project issues and actions

Project Issue 1: Delay in finalizing the project inception report. It has some consequences on the project implementation as it guides and provide a frame of reference of changes made in the project strategy and scope for project management and implementation.

Actions taken: Inception workshop was organized in the first quarter of 2017 to introduce the project purposes and scopes, present the proposed changes and collect additional comments and draw commitment of the project stakeholders.

The project team with support from the project management, developed a detail activity plan with budget revision in line and reflecting the approved project result framework. It is used as a planning tool to guide the implementation. This has been approved by NCS D and UNDP in June 2017.

Project Issue 2: Boosting project delivery. UNDP requested the project team to increase the 2017 delivery from \$787,000 to \$1,000,000. It's quite challenge for the project team for its first-year project implementation.

Actions taken: The follow up meeting from the Inception Workshop was organized to discuss and decide how additional grant is used. The project team, under the leadership of NCDDS, conducted field missions to 4 target districts in Siem Reap and Kampong Thom provinces to select communes and identify CCA projects. As a result, 6 priority projects in 5 communes have been selected. The climate resilient grant (\$300,000) will be invested for these selected projects. The project has agreed a clear timeline for this grant implementation in 2017.

IV. Financial status and utilization

Table 1: Contribution overview [2016 – 2020]

DONOR NAME	CONTRIBUTIONS (US\$)		CONTRIBUTIONS BALANCE
	Committed	Received	
GEF/LDCF	4,567,500	824,876.44*	3,742,623.56
UNDP-TRAC	190,000	40,000	150,000
TOTAL	4,757,500	864,876.44	3,892,623.56

(*) Total Received in 2016 (37,867.44) and 2017 (787,009). Additional amount for 2017 will be requested as per Budget Revision G02.

Table 2: Quarterly expenditure by project output or Activity (January 2017 – June 2017)

ACTIVITIES	BUDGET [2017] (As per Budget Revision approved on 29 Jun 2017)	QUARTERLY EXPENDITURE			TOTAL	BALANCE	DELIVER Y (%)
		UNDP	NCSD/DCC	NCDD-S			
Activity1.1. MOE_ Climate sensitive planning, budgeting and execution at the sub-national level strengthened	216,850.22	31,565.00	14,824.95		46,389.95	170,460.27	21%
Activity1.2. NCDD_ Climate sensitive planning, budgeting and execution at the sub-national level strengthened	120,175.20	21,789.14		28,761.49	50,550.63	69,624.57	42%
Activity2.1. MOE_ Resilience of livelihoods for the most vulnerable improved	78,976.34	-	49,340.29		49,340.29	29,636.05	62%
Activity2.2. NCDD_ Resilience of livelihoods for the most vulnerable improved	494,518.60	32,289.41	-	22,750.22	55,039.63	439,478.97	11%
Activity3.1. MOE_ Incentive mechanism is in place at sub-national level	1,427.52	-	1,676.40	-	1,676.40	(248.88)	117%
Activity3.2. NCDD_ Incentive mechanism is in place at sub-national level.	60,743.84	26,666.44	-	2,953.43	29,619.87	31,123.97	49%
Activity 4. Project Management Cost (GEF)	69,940.38	15,017.64	4,904.00	32,478.16	52,399.80	17,540.58	75%
Activity 4. Project Management Cost (TRAC)	40,000.00	17,957.68			17,957.68	22,042.32	45%
TOTAL GEF	1,042,632.10	127,327.63	70,745.64	86,943.30	285,016.57	757,615.53	27%
TOTAL TRAC	40,000.00	17,957.68	-	-	17,957.68	22,042.32	45%
TOTAL	1,082,632.10	145,285.31	70,745.64	86,943.30	302,974.25	779,657.85	28%

Table 3: Cumulative expenditure by project output or Activity (2016–2017)

ACTIVITIES	BUDGET [2017] (As per Budget Revision approved on 29 Jun 2017)	CUMULATIVE EXPENDITURE			TOTAL	BALANCE	DELIVERY (%)
		UNDP	NCSC/DCC	NCDD-S			
Activity1.1. MOE_ Climate sensitive planning, budgeting and execution at the sub-national level strengthened	515,181.28	31,565.00	20,596.15	-	52,161.15	463,020.13	10%
Activity1.2. NCDD_ Climate sensitive planning, budgeting and execution at the sub-national level strengthened	620,950.00	21,789.14	-	28,761.49	50,550.63	570,399.37	8%
Activity2.1. MOE_ Resilience of livelihoods for the most vulnerable improved against erratic rainfalls, floods and droughts	250,840.02	-	61,580.29	-	61,580.29	189,259.73	25%
Activity2.2. NCDD_ Resilience of livelihoods for the most vulnerable improved against erratic rainfalls, floods and droughts	2,792,343.00	32,289.41	-	22,750.22	55,039.63	2,737,303.37	2%
Activity3.1. MOE_ Incentive mechanism is in place at sub-national level to manage greater volume of climate change adaptation financing aligned with local development plans	8,817.60	-	1,676.40	-	1,676.40	7,141.20	19%
Activity3.2. NCDD_ Incentive mechanism is in place at sub-national level to manage greater volume of climate change adaptation financing aligned with local development plans	169,341.00	26,666.44	-	2,953.43	29,619.87	139,721.13	17%
Activity 4. Project Management Cost (GEF)	210,027.10	15,688.71	24,089.17	32,478.16	72,256.04	137,771.06	34%
Activity 4. Project Management Cost (TRAC)	190,000.00	17,957.68	-	-	17,957.68	172,042.32	9%
TOTAL GEF	4,567,500.00	127,998.70	107,942.01	86,943.30	322,884.01	4,244,615.99	7%
TOTAL TRAC	190,000.00	17,957.68		-	17,957.68	172,042.32	9%
TOTAL	4,757,500.00	145,956.38	107,942.01	86,943.30	340,841.69	4,416,658.31	7%

Annex 1. Workplan for third quarter 2017

ACTIVITIES (Detail)	Responsible party	2017			Note
		Jul.	Aug.	Sept	
<p>Output 1.1: Capacity of sub-national councils (communes and districts) and Planning and Commune Support Units in two provinces enhanced for climate sensitive development planning and budgeting</p> <p>2017 target:</p> <ul style="list-style-type: none"> 200 commune councilors and key stakeholders at sub-national level are aware of gender and climate change. 10 district vulnerability maps produced and 100 participants from Commune Support Office and district level trained on DVA and GIS-based vulnerability maps and vulnerability scorecards. Initial CCA Planning meeting in 10 districts VRA conducted in 40 selected villages. 	<p>NCS D/DCC</p> <p>NCD DS/SNA</p> <p>NCD DS/SNA</p>	X			
<p>OUTPUT 1.4: Knowledge management platform for sub-national Climate Change Adaptation Planning and resilient livelihoods support established.</p> <p>2017 target:</p> <ul style="list-style-type: none"> Baseline assessment conducted in selected communes 	NCS D/DCC		X	X	
<p>OUTPUT 2.1: Climate-resilient small-scale water infrastructure designed and put in place in at least 10 districts following the resilient design standards specifically.</p> <p>2017 target:</p> <ul style="list-style-type: none"> Support 6 climate-resilient small-scale water infrastructure. 2 LNGOs recruited to provide extension services. 	<p>NCD DS/SNA</p> <p>NCD DS</p>	X	X	X	
<p>Project Management:</p> <ul style="list-style-type: none"> Mid-year board meeting to approve Project Inception Report and provide inputs for PIR preparation. Monthly project team meetings 	<p>NCS D/DCC</p> <p>NCS D/DCC</p>		X		
		X	X	X	

Annex 2: Update Project Log Frame

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Assumptions/Risks
<p>Project Objective:</p> <p>Sub-national administration systems affecting investments in rural livelihoods are improved through climate sensitive planning, budgeting and execution</p>	<p>Impact: % increase in income from agriculture and linked activities of target smallholder households</p> <p>Sustainability: Number of Districts and Communes integrating CCA in their development plans and investment programs following NCDDDS guidelines</p>	<p>To be collected in the first year of the project</p> <p>10 Target Districts and their Communes do not have formal climate change adaptation strategies</p>	<p>At least 6,000 households increase income from agriculture by 20% compared with baseline</p> <p>10 Target Districts and 89 Communes have formulated climate change adaptation strategies integrated in plans and IP</p>	<p>Major Impact Survey</p> <p>Commune Database</p> <p>Adaptation actions identified and recorded in project database</p>	<p>Risks:</p> <ul style="list-style-type: none"> Large scale climate resilience building investments, such as SPCR, channelled through sectoral budget allocation, undermine the incentives for climate resilient planning perceived by SNAs Confusion caused at national and sub-national levels due to the number and volume of externally funded projects and programmes. Power dynamics and political-economic structure at the sub-national level undermine the adaptive impacts of the LDCF investments
<p>Outcome 1</p> <p>Climate sensitive planning, budgeting and execution at the sub-national level strengthened</p>	<p># District and Commune Investment Programs that include specific budgets for adaptation actions (AMAT Indicator 13)</p> <p>Number of engineers and technicians (public sector, private sector and civil society) trained in delivery of climate resilient water infrastructure</p>	<p>SNA in target Districts do not explicitly list adaptation actions in their investment programs</p> <p>None</p>	<p>10 DIP and at least 50 CIP include specific budgets for adaptation activities</p> <p>At least 50 engineers and technicians trained using hands-on, demonstration scheme approach. At least 20% female</p>	<p>Adaptation actions identified and recorded in project database</p> <p>Training records</p>	<p>Assumptions</p> <ul style="list-style-type: none"> Revised planning guidelines (under development with UNDP assistance) facilitate specific identification of climate change adaptation strategies in plans and programs Institutions (technical departments, NGO and private sector) willing to commit staff time to training Project generates new knowledge <p>Risks</p> <ul style="list-style-type: none"> The cycle of sub-national development planning process limits the window through which climate risks are mainstreamed. Insufficient engineers / technicians with suitable skills and learning potential Insufficient extension agents with required basic skills / learning potential

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Assumptions/Risks
Output 1.1 Capacity of sub-national councils (communes and districts) and Planning and Commune Support Units in two provinces enhanced for climate sensitive development planning and budgeting	# local councils and key stakeholders at sub-national level are aware of gender and climate change	None	At least 400 local councils and key stakeholders at sub-national level	Annual progress report Quarterly progress report Workshop report Field report	
	# provincial/district officials attended CCA Planning Workshop: Introduction to VRA and CC mainstreaming in CDP/CIPs.	None	At least 100 provincial/district officials attended the 3 times (time/year)		
	# commune Support Officers trained on DVA and GIS-based vulnerability maps and vulnerability scorecards	None	At least 100 commune Support Officers and district stakeholders.		
	# communes conducted VRA	None	VRA conducted in 89 communes 89 CDP/CIPs integrated CC related priority actions		
	# CDP/CIP with priority actions from VRA, including livelihood support and infrastructure investments, responding to climate change risk.	None			
# District CCA Action Plan formulated	None	10 districts			
Output 1.2 Technical capacity of agricultural extension officers and grass-roots NGOs enhanced for climate-resilient livelihood techniques and sustainable assistance to communities	TNA for agricultural extension officers and LNGOs	None	100 officers and LNGOs	Annual progress report Quarterly progress report Training report Field report	
	# extension packages for climate resilient agriculture	N/A	One extension package adopted		
	# agricultural extension officers and LNGOs received ToT training.	None	60 extension officers and LNGOs		
	# farmers carry field test on Innovative Technologies.	None	500 farmers carry out field test		

Project Strategy	Indicator	Baseline	End of Project Target	Source of Verification	Assumptions/Risks
Output 1.3 Technical capacity to execute climate resilient water infrastructure design and construction enhanced for about 50 Government technical officials and private contractors	# training manual on climate resilient small scale irrigation system developed.	N/A	A training manual improved	Annual progress report Quarterly progress report Training report	
	# technical officers trained on climate resilient infrastructure	None	50 technical officers		
Output 1.4 Knowledge management platform for sub-national Climate Change Adaptation Planning and resilient livelihoods support established	# impact assessment administered: baseline and final assessment	None	2 assessments: baseline and final assessments	Annual progress report Quarterly progress report Assessment report	
	# knowledge products (case studies, policy briefs, reports).	None	12 knowledge products		

<p>Outcome 2 Resilience of livelihoods for the most vulnerable improved against erratic rainfalls, floods and droughts</p>	<p># resilient infrastructure measures introduced to prevent economic loss and co-financed by Commune/Sangkat Fund</p> <p>% of targeted households that have adopted resilient livelihoods under existing and projected climate change (AMAT Indicator 3)</p>	<p>None</p> <p>None</p>	<p>At least 100 climate resilient infrastructure schemes have been successfully implemented</p> <p>At least 60% of households participating in livelihoods trainings adopted at least one resilient livelihood technique (half of the uptake is by women)</p>	<p>NCDD-S Project Information Database</p> <p>Major Impact Survey</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Opportunities exist to improve agriculture livelihoods through improved climate-resilient techniques • Farmers willing to commit time to training and resources to adopting new techniques <p>Risks</p> <ul style="list-style-type: none"> • Quality and cost-effectiveness of sub-projects undermined by collusive practices • New techniques fail to demonstrate benefits within short timescale (e.g. because of exceptional weather) • Material support too complex to administer or creates perverse incentives • MAFF and MoWRAM unable to agree on integrated agriculture and irrigation responsibilities for FO
<p>Output 2.1 Climate-resilient small-scale water infrastructure designed and put in place in at least 10 districts following the resilient design standards specifically targeting rain-fed farmers</p>	<p># climate-resilient small-scale water infrastructure supported.</p> <p>LNGO recruited to provide extension services</p> <p>NGO carries out capacity development</p>	<p>None</p> <p>None</p> <p>N/A</p>	<p>60 climate resilient small-scale water infrastructures</p> <p>At least 2 LNGOs or public/private service providers</p> <p>160 farmer groups (20 FWUCs)</p>	<p>Annual progress report</p> <p>Quarterly progress report</p> <p>Field report</p>	
<p>Output 2.2 Climate-resilient livelihood measures demonstrated in at least 10 districts targeting landless women and farmers practicing rain-fed agriculture</p>	<p># climate-resilient livelihood measures demonstrated</p> <p># group saving supported.</p> <p># women's Livelihood Groups formed</p> <p># smallholder Learning Group (SLG) through FFS supported</p> <p># agriculture cooperatives formed</p>	<p>None</p> <p>N/A</p> <p>N/A</p> <p>None</p> <p>None</p>	<p>160 farmer groups (livelihood improvement, saving and learning)</p> <p>10 Agriculture cooperatives</p>	<p>Annual progress report</p> <p>Quarterly progress report</p> <p>Field report</p>	

<p>Outcome 3 Incentive mechanism is in place at sub-national level to manage greater volume of climate change adaptation financing aligned with local development plans</p>	<p>Fiscal incentive structure that incorporates adaptation as climate change risk management (i.e Performance Measurement for PBCRG) successfully introduced (AMAT Indicator 14)</p>	<p>Performance measurement system piloted by NCDD-S needs improvements and has not been implemented in target Districts</p>	<p>Improved system developed, introduced successfully in target districts and adopted for widespread use by NCDD-S</p>	<p>Project Reporting</p>	<p>Assumptions</p> <ul style="list-style-type: none"> Districts and Communes are sufficiently motivated by opportunity to access additional resources Climate change adaptation financing continues to be accessible to target SNA after the project period <p>Risks</p> <ul style="list-style-type: none"> Weaker or more disadvantaged Districts unable to meet performance targets and therefore cannot access full amounts of PBCRG
<p>Output 3.1 Performance-based adaptation financing mechanism is strengthened and applied in 10 districts covering 89 communes and integrated into the enhanced climate-smart development planning</p>	<p>Minimum Access Conditions and Performance Measurement System improved. Baseline Performance Assessment and Performance Target Setting.</p>	<p>None None</p>	<p>One manual improved 10 target districts</p>	<p>Annual progress report Quarterly progress report Field report</p>	
<p>Output 3.2 Capacity of Districts for self-monitoring of climate change adaptation and resilient livelihood support enhanced</p>	<p># districts carry out self-monitoring to ensure that the District is on track # annual provincial reflection workshops/events on the outcome of performance assessment.</p>	<p>None None</p>	<p>10 target districts (for 3 years: once per year) 3 annual provincial reflections (once/year)</p>	<p>Annual progress report Quarterly progress report Reflection workshop report</p>	

Annex 3: Update Risk Log

#	Description of the risk	Date Identified	Type (risk category)	Probability Impact (high-medium-low)	Potential consequence	Countermeasures / management response	Owner	Submitted updated by	Last Up-date	Status
1	Large scale climate resilience building investments, such as SPCR, channeled through sectoral budget allocation, undermine the incentives for climate resilient planning perceived by SNAs	21 Nov 2014	Strategic	I=3 P=2	Climate resilience planning is not effective because of insufficient engagement (i.e. plans would be prepared as per guidelines but quality would be weak)	The ongoing influx of climate adaptation financing, especially prominent in the last three years, is channeled largely through sectoral ministries, and the potential volume of financing is significantly larger than the available discretionary budgets to which SNAs have currently access. If these "sectoral" investment programmes work in the same districts as the proposed LDCF project, it is possible that the incentive grant that will be introduced, in the tune of \$40,000 per district per year, may be dwarfed by the volume of such investments, potentially undermining the perception of the need for integrating the genuine development/adaptation needs of local communities. To avoid this, the selection of the project target sites under the LDCF project have been selected to avoid areas that are targeted under large scale "sectoral" programmes. For example, Provinces selected for the pilot phase of the IFAD ASPIRE programme were specifically excluded from consideration for inclusion in the LDCF project. Inevitably there will be sectoral projects (e.g. TSSD) active in target areas that overlap with the LDCF target, and the project will seek synergistic arrangements to ensure that this has a positive rather than a negative impact.	UNDP, MoE and NCDDS	NPM	30 June 2017	On-going

#	Description of the risk	Date Identified	Type (risk category)	Probability Impact (high-medium-low)	Potential consequence	Countermeasures / management response	Owner	Submitted updated by	Last Up-date	Status
2	Power dynamics and political-economic structure at the sub-national level undermine the adaptive impacts of the LDCF investments	21 Nov 2014	Strategic	I = 4 P = 2	Potentially, resources could be allocated to purposes that do not strengthen climate resilience of local livelihoods	<p>The series of support provided in the proposed LDCF project throughout the development planning process will collectively contribute to strengthening proper targeting of beneficiaries. In particular, the adaptation target setting within the context of development planning process on a sub-national dialogue platform will set objective targets for beneficiary selection as well as vulnerability reduction targets. Outcome 3 will put in place a robust performance assessment system which will be the basis for award of grants for infrastructure development under Outcome 2. The performance assessment system will include citizen satisfaction measured using a Citizen Scorecard approach.</p> <p>The use of these measures in an integrated manner is likely to contribute to a significant increase in an effective use of the project resources for adaptation objectives.</p>	UNDP, MoE and NCDD-S	NPM	30 June 2017	On-going
3	The cycle of sub-national development planning process limits the window through which climate risks are mainstreamed.	21 Nov 2014	Organisational	I = 2 P = 3 (1)	CCA is not mainstreamed into sub-national development plans with support from the LDCF project as intended, because the timing of preparation of these plans is not compatible with the project timeline.	Commune election in June 2017 provided the project a unique opportunity to mainstream climate change and gender in Commune Development Plan. With reference to the Law of Commune Administration, Commune Councils shall prepare, approve and implement a commune development plan (CDP). It shall be approved by the Commune Council in the first year of its mandate and shall be reviewed annually by its respective Commune Council in the form of three-year rolling Commune Investment Programme.	NCDD-S SNA	NPM	30 June 2017	On-going

#	Description of the risk	Date Identified	Type (risk category)	Probability Impact (high-medium-low)	Potential consequence	Countermeasures / management response	Owner	Submitted updated by	Last Up-date	Status
						Taking this opportunity, the project team and relevant stakeholders as well as local councils are trained and equipped with knowledge and skills in conducting vulnerability assessment and integrating climate change responses into CDP and CIP. Please see the above progress for more detail.				
4	<p>Insufficient extension agents with required basic skills/learning potential</p> <p><i>(Explanation: There is a lack of trained extension agents and many of those who are available, particularly in the Government service, are used to a teacher-centered learning style that is not fully responsive to the needs of farmers)</i></p>	21 Nov 2014	Organisational	I=3 P=3	Trainees in the climate resilient extension training lack adequate basic skills in agriculture and/or adult learning techniques. This could then reduce the availability of effective extension agents for Output 2.2	Project-developed training materials will be suitable to use by trainers with only limited specialist extension training. Trainers/service providers will be selected from the public sector, private sector and civil society. Training of trainers will be carefully targeted on extension agents who are expected to be available through the whole project period.	GDA, SNV (NCDDS)	NPM	30 June 2017	On-going
5	Insufficient engineers/ technicians with suitable skills and learning potential	21 Nov 2014	Strategic	I=3 P=3	Trainees do not have sufficient basic technical skills to be able to absorb the climate resilient infrastructure training,	In response to the risk, the team, in collaboration with other projects under the NCDDS, has reviewed training manuals and conducted in-class technical training on Climate Resilient Infrastructure Design and Construction for Technical Support Officer	NCDDS/S NA	NPM	30 June 2017	On-going

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					with the result that there are insufficient technical staff to support Output 2.1	(TSO), representatives from Provincial Planning and Investment Division (PID), and TSCs. The project will provide more hands-on training when undertaking the project feasibility study and design for selected commune projects that will start from fourth quarter of 2017 and in 2018.				
6	Quality and cost-effectiveness of sub-projects undermined by collusive practices	21 Nov 2014	Operational	I=2 P=4	Winning bid prices are artificially high, OR bid prices are appropriate but sub-standard work is accepted for payment. Experience with the C/S Fund projects indicates the second consequence is a greater concern.	The Commune procurement process is simple and objective and is conducted in public: this creates the opportunity to intervene (i.e. by NCDD-S, project advisers or, if necessary, the implementing agency) before the contract is signed in case of serious problems being evident. The quality assurance system will include spot-checks of sub-projects under construction. As part of the Performance Assessment, a technical audit will monitor the quality of implementation of a selection of sub-projects each year.	NCDDS/SNA	NPM	30 June 2017	On-going
7	MAFF and MoWRAM unable to agree on integrated agriculture (AC) and irrigation (FWUC) responsibilities for FO	21 Nov 2014	Political	I=2 P=4	FWUC are limited in their scope of activities and thus in the level of ownership and engagement of the farmers, while cooperatives with closely overlapping membership but different leadership are formed for agriculture purposes	This problem was discussed in stakeholder workshops and representatives of both Ministries readily recognized that the problem exists and were open in principle to the proposed solution (one entity with a dual identity). The project will facilitate dialogue between the Ministries to agree an approach to implement this. Failing agreement, more informal arrangements in which the same farmers and leaders would constitute both the AC and the FWUC will be tested.	MAFF, MoWRAM, NCDDS	NPM	30 June 2017	On-going
8	New techniques fail to		Technical	I=4 P=2	Farmers disillusioned and unwilling to	There is inherent uncertainty about the suitability and effectiveness of newly	GDA, SNV, SNA	NPM	30 June	On-

#	Description of the risk	Date Identified	Type (risk category)	Probability Impact (high-medium-low)	Potential consequence	Countermeasures / management response	Owner	Submitted updated by	Last Up-date	Status
	demonstrate benefits within short timescale (e.g. because of exceptional weather)				invest time and resources in developing climate resilient agriculture.	introduced agriculture techniques in any given location, and this uncertainty is exacerbated by vulnerability to market and weather conditions. Therefore, there is a risk that failure of newly introduced techniques to produce "instant results" might lead to disillusionment on the part of the farmers. This risk will be addressed by careful matching of techniques to the real needs of farmers through the Farmer Needs Assessment, and by follow-up support to the farmers to assist them to overcome difficulties.			2017	going
9	Material support too complex to administer or creates perverse incentives <i>(Explanation: Experience shows that introducing subsidies in cash or in kind can have negative impacts on the effectiveness of agriculture extension, particularly on the sustainability of the intervention once the project-financed subsidy ends. However, it is also recognized that the poorest</i>	21 Nov 2014	Operational	I=2 P=3	Too complex: project staff seek ways to simplify which undermine the conditionality and other design features. Perverse incentives: farmers participate in trainings in order to obtain material support (e.g. cash, inputs) for its own sake even if they have no real interest in investing time and resources in the climate resilient production technique.	Subsidies will be carefully targeted and, in the form of conditional cash transfers, will be structured so as to create an incentive for the farmer to invest her or his own resources. Administration of cash transfers will follow a system currently being introduced by NCDD-S and CARD in the social sector as Operational Research with World Bank Support.	NCDDS/NA	NPM	30 June 2017	On-going

#	Description of the risk	Date Identified	Type (risk category)	Probability Impact (high-medium-low)	Potential consequence	Countermeasures / management response	Owner	Submitted updated by	Last Up-date	Status
	<i>and most vulnerable farmers will need some material support to offset the risks and start-up costs of adapting a new technology.)</i>									
10	Weaker or more disadvantaged Districts unable to meet performance targets and therefore cannot access full amounts of PBCRG	21 Nov 2014	Operational	I=3 P=3	Weak Districts do not receive funds and therefore become disillusioned and cease to strive for improvement; most disadvantaged communities are deprived of access to funds	The performance measurement system will be include individually agreed targets for each District. The project will develop the capacity of the District for self-monitoring and self-evaluation to improve the capacity to achieve these targets	NCDDS	NPM	30 June 2017	On-going