



**Kingdom of Cambodia
Ministry of Interior**



**DEMAND FOR GOOD GOVERNANCE PROJECT
World Bank-IDA-PPF Advance No.Q6070**

**CONSOLIDATED 1st QUARTERLY
PROGRESS REPORT FOR 2009**

Compiled by: Project Coordination Office

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Consolidated 1st Quarterly Progress Report 2009

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World Bank-IDA-PPF Advance No Q6070**

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ABBREVIATIONS AND ACRONYMS

ABC	Australia Broadcasting Corporation
ABC-RA	Australia Broadcasting Corporation – Radio Australia
AC	Advisory Committee
AC	Arbitration Council
ACE	Australia Centre for English
ACF	Arbitration Council Foundation
ACG	Anti-Corruption Guidelines (of the World Bank Group)
ACWG	Anti-Corruption Working Group (of RGC)
ADB	Asian Development Bank
AM	Amplitude Modulation
AKP	Agent Khmer de Press
APR	Annual Progress Report
AusAID	Australian Agency for International Development
AWP	Annual Work Plan
BB PIS	Battambang Provincial Information Service
BBC WST	British Broadcasting Commission – World Service Trust
BER	Bid Evaluation Report
BoQ	Bill of Quantities
CAR	Council for Administrative Reform
CAS	Country Assistance Strategy
CBO	Community Based Organization
CCI	Cambodia Communication Institute
CDA	Content Development Advisor
CDRI	Cambodia Development Resource Institute
CFA	Counterpart Funds Account
CFSU	Central Financial Service Unit
CFU	Central Financial Unit
CMDGs	Cambodia Millennium Development Goals
CRDAP	Cambodia Radio Development Assistance Project
CQS	Selection Based on Consultant’s Qualifications
CSA	Civil Society Assessment
CSD	Centre for Social Development
CSO	Civil Society Organization
D&D	Decentralization and De-concentration
DANIDA	Danish International Development Agency
DFGG	Demand for Good Governance
DFID	Department for International Development (United Kingdom)
DM	Development Marketplace
DMC	Department of Media and Communication
DO	District Ombudsman
DPM	Deputy Prime Minister
DST	District Support Team
EA	Executing Agency
EEO	Equal Employment Opportunities
EMP	Environmental Management Plan
EMR	Electro-Magnetic Radiation
EOI	Expressions of Interest
FM	Frequency Modulation

FMDM	Financial Management and Disbursement Manual
FMM	Financial Management Manual
FMR	Financial Management Report
FPP	Final Project Proposal
GAC	Governance and Accountability
GGF	Good Governance Framework
GGP	Good Governance Plan
GMC	Grand Making Committee
GoA	Government of Australia
GRO	Grassroots Organization
IA	Implementing Agency
ICB	International Competitive Bidding
IDA	International Development Association
IFR	Interim Financial Report
IPA	International Procurement Agent
IPC	Inter-Ministerial Procurement Committee
IRC	Incentives and Recruitment Committee
ISA	International Standards of Auditing
KAF	Konrad Adenauer Foundation
LCFG	Learning and Communication Focus Group
LIL	Learning and Innovation Loan
MEU	Monitoring & Evaluation Unit
MBPI	Merit Based Pay Initiative
MEF	Ministry of Economy and Finance
MOI	Ministry of Interior
MOInf	Ministry of Information
MOInf PISD	Ministry of Information Provincial Information Services
MOLVT	Ministry of Labour and Vocation Training
MONASRI	Ministry of the National Assembly and Senate Relations and Inspection
MPR	Monthly Progress Report
NCB	National Competitive Bidding
NGO	Non-Government Organization
NOL	No Objection Letter
NSA	Non-State Actors
NSI	Non-State Institution
NZAID	New Zealand Agency for International Development
ODA	Organizational Development Advisor
OWSO	One Window Service Office
PAD	Proposal Appraisal Document
PECSA	Program to Enhance Capacity in Social Accountability
PCO	Project Coordination Office
PIM	Project Implementation Manual
PIP	Project Implementation Plan
PMG	Priority Mission Group
PMT	Project Management Team
PRC	Procurement Review Committee
PRDC	Provincial Rural Development Committee
PST	Program Support Team
QPR	Quarterly Progress Report
RGC	Royal Government of Cambodia

RNK	Radio National Kampuchea
RTO	Research and Training Organization
TAF	The Asia Foundation
TBC	To Be Confirmed
TBD	To Be Determined
TBP	Talk Back Program
TNA	Training Needs Assessment
TOR	Terms of Reference
TWG	Technical Working Group
UNDP	United Nations Development Program
UNOPS	United Nation Office for Project Services
USAID	United States Agency for International Development
USD	United States Dollar
WB	World Bank
WMC	Women's Media Centre

SECTION I: PROJECT BRIEF

A. Project Introduction

The first Quarterly Progress Report (QPR) covers the period from 1st January to 29 March 2009. The report summarizes the basic information, key activities and completed milestones, emerging concerns and divergences undertake, significant achievements of procurement, financial, including conclusion and recommendations undertake in the quarter. The QPR has been compiled by the MOI/PCO, based on each IA reported for the three project components. In Section No. 3 are also attached of their individual report for further detailed information and references. These achievements are concrete foundation for the project implementations realize its long term objective of enhancing the demand for good governance in priority reform areas by strengthening institutions, supporting partnerships, and sharing lessons.

A.1. Project Background

The Royal Government of Cambodia (RGC) has recognized the importance of strengthening governance in its National Strategic Development Plan (NSDP) 2006-10 and in the Rectangular Strategy (RS) 2004-08. The RGC has also publicly recognized that “achieving good governance will require the active participation and commitment of all segments of the society, enhanced information sharing, accountability, transparency, equality, inclusiveness, and the rule of law” (RGC 2004). A number of key government policy documents, such as the RS, the Governance Action Plan, and the Decentralization and De-concentration (D&D) Strategic Framework recognize the helpful role civil society can play in governance processes.

The DFGG Project is a response to the current RGC push for reform, and has been approved as a US\$20 million-equivalent grant from the International Development Association (IDA). It will be implemented over a four-year period (2009-2013), under the general coordination of the Ministry of Interior (MOI) as the Executing Agency. Conceptually, ‘Demand for good governance’ (DFGG) aims to increase the extent and ability of citizens and other non-state actors (NSAs) to hold the state accountable, and to make it responsive to their needs. In turn, DFGG enhances the capacity of the state to become more transparent, accountable and responsive to citizens.

The process of operationalizing this concept will be implemented through four key activities: (i) promoting demand by disclosing, demystifying, and disseminating information on key government programs; (ii) mediating demand by creating and strengthening avenues for citizen feedback and addressing citizen concerns; (iii) responding to demand by creating programs for service delivery; and (iv) promoting regular monitoring and oversight of the public sector by independent actors.

A. 2. Project Development Objective

The DFGG project is a \$20 million equivalent, IDA financed grant being given to the RGC for a four year period with the aim of enhancing the demand for good governance in priority reform areas by strengthening institutions, supporting partnerships, and sharing lessons.

The state and non-state institutions and partnerships supported will be those that promote, mediate, respond to, or monitor for DFGG. The four priority reform areas, where DFGG approaches will be supported are those identified in the Governance Pillar of the Bank-RGC Country Assistance Strategy (CAS), namely:

- (a) Private sector development,
- (b) Natural resource management,
- (c) Public financial management, and
- (d) Decentralization and citizens' partnerships for better governance.

A. 3. Project Component

The project has three components: (i) Support to State Institutions, (ii) Support to Non-State Institutions, and (iii) Coordination and Learning.

- **Component 1: Support to State Institutions.** The project will support the strengthening and scaling-up of programs conducted by four SIs which have committed leadership and demonstrated initial success: (i) the Arbitration Council or AC (under the purview of the Ministry of Labour and Vocational Training); (ii) law dissemination and complaints handling (under the Ministry of National Assembly and Senate Relations and Inspections or MONASRI); (iii) the One Window Service Offices (OWSO) and District Ombudsman (under the MOI); and (iv) Radio National Kampuchea or RNK (under the Ministry of Information).
- **Component 2: Support to Non-State Institutions.** The project will strengthen the engagement of civil society and NSAs in DFGG activities by providing grant funding and capacity building assistance to NSAs. The program is administered by the Asia Foundation.
- **Component 3: Coordination and Learning.** The MOI is responsible for overall project coordination of the DFGG Project; awareness rising; and capacity building for a broader range of institutions than merely those directly involved in project implementation. To this end, a Project Coordination Office has been established, which will be responsible overseeing the daily management of the project, tracking progress, ensuring timely reporting, and promoting adherence to best management practices on part of all IAs. The PCO will have three small units that will comprise government and contract staff, supported by technical advisers:
 - (a) **Project Coordination Unit:** Functions will include oversight and coordination in planning and budgeting, financial management, internal audit, procurement and asset management, MBPI, PMG, and management information systems.
 - (b) **Learning and Communication Unit:** Functions will include guiding and overseeing the preparation and delivery of the annual Awareness Raising and Capacity Building, Communication and Studies Programs, by the appointed Research and Training Organization.
 - (c) **Monitoring and Evaluation Unit:** Assisted by the M&E research firm, the functions of this unit will include managing and supporting the M&E function across all components, developing forms/report formats to collect information on progress and performance, assisting in the development and testing tools/methods for evaluation, training M&E staff from the IAs, compiling and aggregating information from Components 1 and 2, and reporting regularly to the RGC and the Bank.

SECTION II: OVERALL PROJECT PROGRESS REPORT

A. Summary of Key Activities and Completed Milestones undertaken in Quarter

In the first quarter of year 2009, the work activities under the pre-condition effectiveness were carried out by each IAs, except TAF reported that they are not applicable. Some activities were completely finished, but some are still under the process and expected to be completed in the next quarter. The following is a summary of the main accomplishments during the reporting period:

+ACF

Subsidiary Agreement (SA) is one of the conditions for DFGG Project effectiveness. During the reporting period, ACF has been working very closely with MEF on the Subsidiary Agreement. To date, ACF is waiting for the invitation by MEF to sign the Subsidiary Agreement and the documents relating thereto.

Developing Term of Reference (TOR) for Technical Assistant: ACF consulted the World Bank on the potential options available to ACF regarding technical assistance. In particular, ACF sought WB's technical assistance in developing terms of reference, including the study on the economic value of the Arbitration Council services. The WB confirmed that such technical assistance was not available from the WB and advised ACF to undertake other means. ACF discussed internally and decided to use the already-tight internal resources to develop the terms of reference for the baseline study given its priority for ACF monitoring and evaluation function under DFGG. Meanwhile ACF plans to recruit a consultant to deliver the rest of the outputs.

Baseline Study: ACF expects to have the baseline study conducted between June and August 2009 through contracting out with a NGO experienced in designing and conducting social research. The Terms of Reference for the baseline study is almost finalised. At the beginning of May 2009, ACF expects to advertise the project in the local newspapers in order to solicit the expression of interest from NGOs in connection with the study. ACF expects to receive the results of the study by the end of August 2009.

Next Steps for Other Outputs: due to limited internal resources, ACF plans to procure a consultant to provide technical assistance in designing the terms of reference for downstream consultants to undertake the sub-projects, including the study on the economic value of the Arbitration Council services and other things. ACF has prepared the relevant procurement documents and will submit them to PCO to recruit the consultant.

+ MONASRI

The National Level Baseline Study IPA has revised the TOR for National Baseline Study and asked for NOL from WB. This package is under the process of procurement by IPA.

Recruitment of Communication Advisor this package has been advertised by IPA and is under the process of procurement exercises by IPA.

Annual Work plan 2009 has been completed and submitted to PCO.

Recruitment of Land Law Expert - PCO advertised Expression of Interest on 20 March, 2009 and National Land Law Expert were being procured by PCO.

Website Establishment - Expression of Interest for Website developer has been advertised by IPA and now it is under process of evaluation.

Financial Management - Financial Management System has not been in place yet.

Monitoring and Evaluation System - M&E system is now in place except of national baseline study which is under process of procuring a research firm to conduct it.

Training Courses - A training course on land law was conducted in cooperation with Ministry of Land Management, Urban Planning and Construction on 12-16 January, 2009.

+ OWSO

- Work plan for TAG, working procedures and agreed meeting schedules were completely done on February 26, 2009.
- The development of Prakas for establishment and functioning of OWSO was issued by MOI on March 12, 2009.
- The development of Prakas for establishment and functioning of Ombudsman was issued by MOI on March 12, 2009.
- The development of Prakas for approval on the internal rules of TAG was issued by MOI on March 12, 2009.
- Submitted the final draft Memorandum of Understanding (MOU) on MBPI and PMG for OWSO/DO to CAR and MEF for approval.
- The Memorandum of Understanding (MOU) on MBPI and PCG for OWSO/DO has been signed between the relevant key stakeholders (CAR, MEF, Bank and MOI) by March 25, 2009

+ RNK

Baseline Study (Funded by AusAID) CRDAP and RNK jointly issued a request for proposals to conduct a Baseline Study to establish information required by indicators to monitor the quality and impact of RNK's proposed program content and institutional strengthening. CRDAP and RNK offered the contract to QAsia to conduct the Baseline Study and its will provide results towards the end of April 2009.

Content Development Adviser and Organisational Development Advisor (Funded by AusAID) Two key expatriate advisors were hired and commenced their work with the RNK-DFGG project in March 2009 to build the capacity of local staff.

Support for Training and Talkback Production in Battambang (Funded by AusAID & ABC) Battambang PIS has been provided with new equipment in March, so that it will become a regional broadcast training centre capable of professionalising the media workers at neighbouring PIS's in addition to staff at the Battambang operation. The ABC's Content Support Officer and the Project Coordinator will be seconded to run training programs at the Battambang PIS between May and July 2009.

Staff Recruitments RNK completed their draft MBPI and PMG manual designating that the rules and regulations will be applied the same for both categories. The Job Descriptions were finalized and advertised in January 2009. Applications closed on the 6th of March 2009. A register was prepared for the Selection Panel.

The Selection Panel and the Incentives Recruitment Committee were established. Both have been briefed on their responsibilities, options and accountability.

MBPI Fourteen core staff have been confirmed appointed into their positions. The Selection Panel will begin reviewing the applications for the other ten positions the week of March 30th, 2009.

PMG Five core staff have been confirmed appointed into their positions. The Selection Panel will begin reviewing the applications for the other thirty-two positions the week of March 30th, 2009.

+ **TAF Not** applicable during the reporting period.

+ **PCO**

Project Coordination Unit (PCU):

- Organized a workshop with all IAs to finalized the Draft of PIM by March 11, 2009
- Submitted the Final PIM to the Bank for final review by March, 2009;
- Finalized Project Implementation Manual (PIM) volume 1 of 2;
- Prepared Project Implementation Manual (PIM) volume 2 of 2;
- Official adoption of the final PIM volume 1 of 2 and PIM volume 2 of 2 by Ministry of Economy and Finance (MEF) on April 20, 2009;
- Conducted a short workshop with TAF and MEF by March 02,2009 to discussed on the (a) the principles of constructive engagement,(b) List of NSAC funding restrictions, (c) NSAC monitoring indicator, (d) TORs for the grant-making committee (GMC) and (e) GMC nomination letter;

- Official approval on GMC nomination letter on March 08, 2009 by H.E Sar Kheng, Deputy Prime Minister, and Minister Ministry of Interior;
- Official approval on PCG nomination letter on March 17, 2009 by H.E Sar Kheng, Deputy Prime Minister, and Minister Ministry of Interior;
- Developed MBPI Manual; and
- Submitted the draft Memorandum of Understanding (MOU) on MBPI and PMG of MOI/PCO and OWSO, RNK and MONASRI to Bank for review and comment;
- Submitted the final draft Memorandum of Understanding (MOU) on MBPI and PMG of MOI/PCO and OWSO to CAR and MEF for approval;
- The Memorandum of Understanding (MOU) on MBPI and PCG for MOI/PCO has been signed between the relevant key stakeholders (CAR, MEF, Bank and MOI) by March 25, 2009
- Conducted Internal and Project Management Meeting to review the work progress and problem solving; and
- Liaison with the Bank and facilitating project supervision.

Learning and Communication Unit (LCU):

+ Capacity Building Plan:

- Conducted Training Need Assessment (TNA) finding validation workshop,
- Finalization of TNA report,
- Assisted MONASRI in training evaluation and reporting,
- Development of a Training Procedures Manual for the DFGG Project,
- Development of Term of Reference for Individual Consultant for Training Service Delivery.

+ Partnership Learning and Communication:

- Communicated with DFGG state institutions to review a Partnership Plan;
- The first meeting of Learning and Communication Focus Group (LCFG) was organized on January 15th 2009 to introduce and better understanding each other and overview on the DFGG project for a whole;
- The second meeting of Learning and Communication Focus Group (LCFG) was conducted on February 26th 2009 to finalized the Term of Reference (TOR) of the Research and Training Organization (RTO);
- Developed Annual Work Plan, 2009 for Learning Unit and a Partnership and Learning initiative would incorporate into PIM;
- Participated in the process of establishing the Project Coordination Group (PCG);
- The consultative approach and process to be used to promote and mobilize potential NGOs and invite them to be a member of PCG;

- The first meeting of PCG has been organized in March 17, 2009 with a clear objective to declare officially the legal status of each member and introduced the mandate and the TOR for their information and reference, and also including the development of Next Action Plan;
- Coordinated and assisting IAs in preparing of their Partnership and Learning Plan for Annual Work Plan, 2009.

Monitoring and Evaluation Unit (MEU):

- Updated the Project Implementation Plan (PIP) for part C of the project for incorporate into the PIM volume 1 of 2;
- Conducted consultation meeting with IAs to review on the Annual Work Plan (AWP), Quarterly Progress Report (QPR) and Annual Progress Report (APR) Formats based on the World Bank guidelines;
- Finalized of the Annual Work Plan (AWP) and Quarterly Progress Report (QPR) and Annual Progress Report (APR) Formats for the overall project;
- Conducted quarterly monitoring to ensure that IAs are progressing towards work planed project goals, and progress reports appropriate corrective actions are taken;
- Prepared an Annual Progress Report (APR) for 2008 for part C of the project;
- Consolidated the Annual Progress Report (APR) for 2008 for overall DFGG project and submitted to the World Bank;
- Prepared an Annual Work Plan (AWP) for 2009 for part C of the project;
- Compiled and consolidated of the Annual Work Plans for 2009 for overall DFGG project and submitted to World Bank;
- Reviewed and updated of Risk Management Matrix and Mitigation Strategic Plan for Part C of project;
- Reviewed and updated of Good Governance Framework (GGF) for Part C of project;

B. Emerging Concerns and Divergences from AWP

B. 1. Plan Activities against Work Plan

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	
OWSO					
Drafting of the legal framework for the extension and improvement of OWSOs and DOs to other districts	Jan 09	Jan-Feb 09	Feb 09	Feb 09	
Prakas on the set up and structure of OWSO/DO of MOI;	Mar 09	Mar 09	Mar 09	Mar 09	
Prakas on the transfer of competences of the relevant Ministries to the district OWSOs	Mar 09	Mar 09	Mar 09	Mar-Jun 09	The Draft ones have completed, except MAFF, MoH, & MoEYS,
DST will work with the TAG and partners	Mar 09	Mar 09	Dec 09	Dec 09	Arrange and meeting among TAG's members on transfer of competences to OWSO
Post all relevant information of OWSO/DO in OWSO Website	Mar 09	Mar 09	Dec 09	Dec 09	-OWSO articles has posted in the NCDD website -In the process of selection website developer through PCO
Hire an NGO to design & conduct a Baseline study	Mar 09	Mar 09	Dec 09	Pending	Qualitative Impact Assessment of the OWSO has separated from Baseline Assessment and approved by and in the process of selection through WB
Three national advisers (2 for Operation & 1 for policy) will be recruited	Mar 09	Apr 09	Pending	Pending	-1 TA for Operation is in the process of selection through PCO -Others will be recruited in Apr-May 09

Assist NCDDS to coordinate all projects related studies, evaluations, missions, trainings, workshops and seminars	Jan 09	Jan 09	Dec 09	Dec 09	plus the legal framework development /drafting
RNK					
Baseline study	Nov 08	Dec 08	Mar 09	Apr 09	
Staff recruitment	Nov 08	Jan 09	Feb 09	Apr 09	
PCO					
Project management groups (PCG and PMT) established and first meetings conducted	Jan 09	Mar 09	Mar 09	Mar 09	For PMT will be established at May 2009
Develop MBPI and PMG Manuals	Jan 09	Feb 09	Mar 09	Mar 09	
Appoint National Consultants	Jan 09	Jan 09	Jan 09	Mar 09	
Appoint Research and Training Organization (RTO)	Feb 09	Pending	Pending	Pending	Speed up to award the RTO firm
Appoint LCFG and conduct regular meeting	Jan 09	Feb 09	Mar 09	Mar 09	
Procure Offices, vehicles and Equipment	Jan 09	Pending	Aug 09	Pending	Delays in procurement executed under the IPA
Finalized Project Implementation Manual (PIM)	Jan 09	Jan 09	Mar 09	Mar 09	
Install annual planning and budgeting systems and formats, and monitoring arrangements	Jan 09	Jan 09	Mar 09	Mar 09	
Conduct internal audit	Jan 09	-	Mar 09	-	Not yet appointed and project not effectiveness
Prepared Annual Work Plan for 2009	Jan 09	Jan 09	Mar 09	Mar 09	
Conduct quarterly monitoring	Mar 09	Mar 09	Mar 09	Mar 09	

Develop detailed communication program	Jan 09	Feb 09	Mar 09	Mar 09	
Reviewed and updated of Good Governance Plans	Mar 09	Mar 09	Mar 09	Mar 09	
Selection of Accounting software and initiation are completed	Feb 09	Pending	Mar 09	Pending	Updated of the procurement method and delay in procurement executed under the IPA
Training Plans for IAs on project management skills prepared	Jan 09	Pending	Mar 09	Pending	Need to be selected Training Coordinator and facilitated
Awareness Raising and Capacity Building Program prepared for the four-year period and detailed for the first 12 months	Jan 09	Pending	Mar 09	Pending	Need support from RTO
Learning stocktake of GG/DFGG experiences in Cambodia completed and documented	Jan 09	Pending	Mar 09	Pending	Need to be shared at 3 rd meeting of LCFG at Mid of 2 nd quarter

B. 2. Emerging Concerns

During the course of the implementation the following issues and challenges have been identified:

ACF

Extension of DFGG Project Effectiveness and Potential Funding Gap of ACF: The DFGG Project effectiveness, originally scheduled for April 14, 2009, has been postponed until June 30, 2009. To the extent that ACF has limited working capital, the extension poses a serious implication for the operations of AC/F.

To address the potential funding gap, on April 10, 2009, ACF submitted its formal request to the PCO, MEF, and IDA to use funds under PPF2 to cover its day-to-day operations until DFGG Project effectiveness. ACF has received in-principle approval by MEF and IDA on the request. To date, ACF has been informed that MEF and IDA are waiting for the formal approval of PCO on the ACF's requested funds.

Technical Assistance for ACF: As described earlier, the original consultant to provide technical assistance to ACF was no longer available to take on the assignments under the extended consultancy contract. While ACF has used the already-tight internal resources to

develop the terms of reference for the baseline study, ACF requires a consultant to provide technical assistance in delivering the other outputs, including the terms of reference for the study on the economic value of the Arbitration Council services, et al. ACF is working closely with PCO in this regards.

MONASRI The main issue is that lateness of recruitment of ITA and NA and other packages.

OWSO/DO The project effective is often delayed; leading some activities can not start as plan.

RNK

AusAID's Reduced Funding AusAID has indicated that it can no longer provide the A\$4.3 million previously promised to ABC to deliver technical support RNK in implementing DFGG from March 2009 to March 2013. AusAID advised it can now only provide A\$3 million, due to changes in aid priorities by the Government of Australia and as a result of the global economic crisis. This cutback represents a shortfall of A\$1.3m for ABC to provide technical support to RNK until the end of DFGG.

Without these 2 sources of funds totalling \$A1.3 million, ABC will not be able to deliver technical support to RNK until March 2013. The contraction of the CDA and ODA's roles will result in the mentoring process being significantly shortened, hindering the long term effectiveness of the project. This may well lead to RNK's failure to achieve their stated outcomes as per DFGG which will ultimately lead to DFGG's goals being compromised.

It needs to be noted that RNK has never engaged with donors in this fashion before. RNK's experience with ABC and with other international donors was as a partner where their staff were supported and trained. RNK has never had experience as a project implementation agency.

TAF: Not Applicable

PCO

- Some planned activities were not carried out, due to the key body for its supports not yet on board with the project and/or resigned from the project.
- The procurement processes were faced some delays. These delays have caused significant flow on the effectives of daily operation.
- The appointment of the PMT not officially established to provide oversight to the project and facilitated cooperation among PCO and IAs in project preparation period.
- The baseline study has not yet implemented and the dateline submission of the study result is coming close by (30 June 2009).
- The major issue in the first quarter was related with the project fund transaction between the project and the World Bank.

C. Provisional Results Indicators

Project Outcome Indicators	Baseline	Target Values (YR1)	Data Collection and Reporting		
			Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Expansion and Strengthening of One-Window Service Office: to respond to the needs of citizens and small businesses in targeted districts for certain local administrative services to be delivered in an efficient, transparent and accountable manner through the opening of OWSOs).					
Number of citizen service delivery transactions completed in OWSOs across targeted districts (total and by type)	6000 transactions over 2 districts ¹	30% increase (in SRP and BAT)	Quarterly compilation from OWSO reports	OWSO records; aggregated by DST each quarter and then summed up annually	NCDDS (DST) compiles using OWSO officer reports
Average cost recovery ratio (in %) of OWSOs (i.e., service fee revenue as proportion of operating costs)	To be calculated for SRP and BAT	50% (SRP and BAT)	Annual, quarterly; recorded in Annual and quarterly Reports	OWSO financial records; compiled by DST	NCDDS (DST)
No. clients served at OWSOs	To be calculated in baseline	Dependent on district size and characteristics (SRP and BAT)	Quarterly compilation and reporting in Quarterly Reports	OWSO records – should register all clients who visit the office	OWSO officers report and DST M&E staff compile
Number of local disputes or complaints received and mediated by DOs across all target districts	2 over 2 districts	2 districts	Annual; recorded in Annual Progress Report	DO records and independent audit by CSO	NCDDS (DST)
% of local disputes or complaints successfully	No data	Increase (target 20%)	As above	DO records and independent audit by	DST & independent local NGO/CSO,

¹ This represent the rounded off value of total transactions in Siem Reap (4673) and Battambang (1235) OWSOs in 2007..

resolved by DOs across all target districts (where possible/feasible)				local CSO	PST M&E Unit staff. Support provided by the M&E Adviser
% of citizen and business representatives reporting high value/relevance of information on local administration, OWSO, and DO shared through people's participation measures in targeted districts	To be calculated in pre-implementation period ²	5% increase	Annual; recorded in Annual Progress Report	FGDs and KIIs with citizen and business representatives undertaken at the conclusion of annual citizen forum in each targeted district	NCDDS through the NGO hosting the Annual Citizen Forums
Number of partnerships between DST/OWSO/DO and other SIs and NSAs established under the project	13 NGOs and 5 States	TBD	Annual; recorded in Annual Report	Recorded by DST at national level and aggregated from OWSO-DO reports	NCDDS/DST
Ensuring that the project is carried out in accordance with best professional practice and a timely manner					
Appoint Project Director and senior staff of PCO (no of staff)	-	10	No of staff reported in first quarter report	N/A	PCO/PCU
Appoint individual consultants required to undertake Component 3 (Contracts)	-	6	No of staff reported in first quarter report	N/A	PCO/PCU
Training of IA/PCO staff SOP/project management	-	1	No of training sessions reported in first quarter report	N/A	PCO/LCU
Training/orientation on	-	1	No of training sessions	N/A	PCO/MEU

² This will only be done for the two districts where OWSO and DO offices exist in the pre-implementation period.

M&E Systems			reported in first quarter report		
Training on Financial Management	-	1	No of training sessions reported in first quarter report	N/A	PCO/LCU
Training on Procurement Management	-	1	No of training sessions reported in first quarter report	N/A	PCO/PCU
Arrange for PCG meetings and follow up actions	-	1	No of meetings and percent of follow up actions	PCG agenda and minutes of meetings. Special reports to PCG	PCO/CLU
Experiences shared and cooperative arrangements promoted in areas of common interest of IAs.	-	2	No of LCFG meetings, agenda and minutes	Agendas and minutes of meetings	PCO/LCU
Annual Work Plan and budget and quarterly monitoring reports	-	1	Reports produced quarterly	Agreed standard reports	PCO/MEU
Procurement Plans submitted to IPA		2	Quarterly Progress Report	PCO and IA procurement process and plan for 2009	PCO/PCU
Timely tracking of project inputs, outputs, and impacts, and identification of areas in which the project may need corrective action on the part of IAs, supported by the project's M&E system	-	Quarterly reports of progress and expenditure by all IAs.	PCO and IA Reports	Quarterly M&E reports on progress/ issues/actions	IA and PCO Planning and M&E staff

D. Procurement Status

Since the procurement packages were implemented by an Independent Procurement Agency (IPA). Upon procurement plan for 2009, the DFGG project for pre-implementation phase, there were several procurement packages including goods and consulting services have been forwarded to IPA for executed the procurement procedures processing. As the results few packages of goods and consulting services were awarded by IPA and PCO as well as for each IAs. Below are the summaries of the procurement status:

- **Consulting Services**

- Awarded employment contract to one national consultants for Financial Management Advisor) through IPA for PCO;
- Recruited employment contract to seven national consultants for the position of National Training Coordinator, and National Human Resource Management and Development Officer for PCO, Human Resource Officer, and National Financial Specialist for RNK, and District Support Team Advisor and Website and Logo Development Consultant for OWSO through the PCO advertised. Moreover, the ACF has advertised for Procurement Officer based in ACF office.

Request for Expression of Interest for above position was issued on 17 March 2009 and the deadline will be on 06 April 2009. Procurement Review Committee is in the process of evaluating the Expression of Interests received by the deadline. The PCO initiated proposed contract extension for Mr. Michael Lerner as Technical Advisor for ACF for additional output to be completed in the period of 20days with the total amount of USD 8,400. After receipt bank's no objection letter dated 19 March 2009, PCO sent the draft variation contract to Mr. Michael Lerner for signature. However Michael rejected the proposal citing the unavailability for this assignment.

After the decision of MEF Letter No. 6721 dated 15 December 2008 come into force, Crown Agent has returned the PCO some packages that the procurement process is never started yet. As a matter of fact, 11 incomplete packages have been returned to the project/PCO, including one package of goods, 4 packages of individual consultants, and other 6 packages of firms.

- **Goods**

After receipt of no objection letter from World Bank on 24 March 2009, PCO has issued the bidding documents for procurement of office equipment (Bid No. DFGG/NS 01/09, Desktop Computer, Photocopy, Portable SD Card Recorder and Microphone) and Studio Refurbishment (Bid No. DFGG/NS 02/09, Telephone Hybrid, Rack Mount Balanced MD Player, Single Tray CD Player, Studio Microphone and Studio Headphones) on 06 April 2009. The deadline for bid submission will be on 24 April 2009.

The IPA (Crown Agent) has completed procurement package for Office Equipment for PCO (6 desktop computers, one black and white printer, one color printer, 2 cupboard glass tops, and 2 box filling cabinets). Contract was signed on 13 March 2009. Regarding IT infrastructure refurbishment and installation for RNK, Crown Agent has already completed the evaluation process. The contract will be signed in April 2009.

- **Firms**

As mentioned in the MEF letter No 6721, all firm packages will be procured through IPA arrangement. Therefore, PCO has prepared some top prioritized packages to Crown Agent accordingly. Packages that have been submitted to Crown Agent including:

No	Packages	Status
1	Baseline study firm/MONASRI	REOI was published on 10 April and close on 7 May 09
2	Communication Advisor Firm/MONASRI	REOI was published on 25 Feb and close on 19 Mar 09.
3	Monitoring and Evaluation Firm/PCO	REOI was published on 10 April and close on 30 April 09
4	Research and Training Organization/PCO	Being procured by Crown Agent and they are awaiting for WB approval to change to QBS
5	Website Development for MONASRI	EOIs was already evaluated. RFP to be issued to 1 st ranked firm by 22 April 09.
6	Website Development for RNK	EOIs evaluated. RFP to be issued to 1 st ranked firm by 22 April 09.

Regarding the ToRs for International Project Management Advisor, Financial Management Advisor and M&E Advisor, PCO has already finalized and will send to bank for comments and/or no objection.

E. Financial Status

The Demand for Good Governance has received the advance grant from The World Bank-IDA-PPF2 in the amount of US\$100,000.00 and counterpart fund from RGC was US\$1,660.00 for the project preparation.

The funds was expensed based on the five categories (consultant's services, goods and services, training and workshops, incremental operating costs) and counterpart funds categories.

- In the reporting period, the total amount of US\$ 75,403.09 has been actually spent which IDA budget was US\$ 73,743.09 and budget RGC was US\$1,660.00.
- The balance at the Bank (IDA Designated Account: 0102-35-1211-T263) is \$40,750.91 including Outstanding cheques No. BC0326288, BC0326289, BC0326290, BC0326291, BC0326292, BC0326293, BC0326294, BC0326295, BC0326296, BC0326297, the total amount of \$16,167.75. All these cheques will appear in the next quarter.
- Regarding expenditure the amount of \$5,183 was carry forward from the last quarter of outstanding checks N°. BC0326235, BC0326239, BC0326240, BC0326241, BC0326242, and have already included to each category.
- Note that in this period expenditure for counterpart for January 2009 only. February and March will pay in next quarter.

- No openings balance in this quarter because it already returned to WB for the end of Q5540.
- In this period we have returned the end balance of Q5540 to WB the amount of \$19,279.97 (end balance at DA \$13,367.03, Advance deposit \$300, Petty cash \$429.94, Outstanding checks \$5,183).
- In this period we have variance the amount of \$2,572.30, due to the budget plan did not include training for OWSO “First Technical Adversary Group” based in Seim Reap in February 2009. The OWSO made their plan after PCO budgeted.

The budgets were allocated for the period of this report was used for any major activity. Most of the expenditures were back-pay to national consultants whose remuneration could not pay in the January and February, 2009 due to the closing of designated account number Q5540. However, as at March 2009 the budgets were used in line with plan.

F. Conclusion and Recommendations

Due to the first quarter of 2009 is still the DFGG pre-condition action, some IAs has not been able to accomplish the primary work against their project log-frame. However, some IAs was able to execute certain key activities. The main achievements for DFGG project during the past 3 months have been an official adoption on the PIM volume 1 of 2 and PIM volume 2 of 2 by MEF; negotiation and finalisation of the Subsidiary Agreement for ACF, the legal instruments for establishment and functioning OWSO and DO were officially issued by MOI and the competences and functions for OWSO/DO has been delegated by the key line ministries, prepared the arrangement for discussion and meeting to transfer competences and functions to OWSO/DO among municipalities districts khan and provincial line departments under the coordination of provincial governors, the MBPI & PMG for RNK staff working in DFGG has been selected, development of an EMP to ensure safety of RNK’s workers and the public living nearby and RNK has responded well to the EMP by setting up safety measures to secure the transmission site, official approval on GMC nomination letter on March 08, 2009 and PCG nomination letter on March 17, 2009 by **H.E Sar Kheng**, Deputy Prime Minister, Memorandum of Understanding (MOU) on MBPI and PMG for MOI/PCO and OWSO has been signed; finalization of Training Need Assessment (TNA) report, the first and second meeting of Learning and Communication Focus Group (LCFG) was organized; finalized of the Annual Work Plan (AWP) and Progress Report Formats for the overall project; consolidated the Annual Progress Report (APR) for 2008 and submitted to the World Bank; compiling of the Annual Work Plans for 2009 and submitted to World Bank; and reviewed of Good Governance Framework (GGF). However, due to the extension of DFGG Project effectiveness to June 30, 2009 creates a serious funding challenge for ACF, and the recruitment of National and International Technical Assistant for some IAs were delayed. Nevertheless, the above achievements had indicated and confirmed high-level commitment from the concerned senior officials, counterpart staffs and national consultants in PCO and each of the IAs. Particularly, strongly support and stalely advices from the WB Team, since initiated the project up to date. Wishing continues supports from all relevant project key stakeholders for successfully in future work as the long-awaited implementation of the DFGG project commences.

SECTION III: QUARTERLY PROGRESS REPORTS OF IAs

Annex: A. Arbitration Council Foundation (ACF)

SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

The AC Sub-Component of the DFGG Project aims at improving the dispute resolution services delivered by the Arbitration Council, and to expand these services throughout the country and into a broader range of industrial sectors. To this end, the AC Sub-Component plans to use DFGG funds for strengthening the AC governance structure; providing critical capacity building to arbitrators and staff; developing strong and wide partnerships with relevant stakeholders and partners; implementing a targeted outreach and communication strategy, including improved media relations; and providing necessary training and capacity building for the AC's stakeholders throughout the country. Importantly, the AC Sub-Component provides for the development and implementation of strategies, which will help the Arbitration Council to become a sustainable institution into the future.

A. 1. Project Background

Good governance is a critical challenge facing Cambodia in its efforts to sustain economic growth, reduce poverty and attain the Cambodia Millennium Development Goals. Accordingly, the Royal Government of Cambodia (RGC) gives prominence to improving governance in its Rectangular Strategy 2004-2008, the Governance Action Plan, and the Decentralization and De-concentration Strategic Framework. One important initiative of RGC in this regard is the planned Demand for Good Governance (DFGG) Project, which will be supported by grant financing from the International Development Association (IDA) and Australian Agency for International Development (AusAID).

The development objective of the DFGG Project is to promote good governance in Cambodia in order to sustain economic growth and poverty reduction. As elsewhere, efforts to improve governance in Cambodia have focused predominantly on supply-side instruments (e.g., more effective public administration and financial management, delivery of public services, etc.). While these are necessary and useful, better and more lasting results will be achieved if complemented by increased social accountability (i.e., more demand-side engagement).

The DFGG Project aims to improve governance quality in Cambodia by building the capacities of institutions, and supporting programs/projects and coalitions, that promote, mediate or address demand for good governance in the context of a few key areas in RGC's reform agenda. This will result in more effective design, implementation and monitoring of key reforms, and more transparency, accountability and responsiveness of the state to citizens.

A. 2. Project Development Objective

The overall objective of the project is to contribute to an effective governance environment for private sector development by enhancing the extent to which a well-functioning labour arbitration system builds workers' and employers' confidence that labour disputes will be resolved effectively and fairly.

A. 3. Project Component

As the sub-components of DFGG project, Arbitration Council comprises of four components and activities to be implemented during the lifetime of the DFGG Project. Those are:

Component 1: Institutional Integrity and Sustainability: Independence, Credibility, Sustainability

Key Activity 1: Selection/ recruitment of arbitrators: assess the need for the appointment of additional arbitrators.

Key Activity 2: Arbitration Council governance: maintain and strengthen appropriate governance structures including the ACF Board of Directors, Representatives of the Arbitration Council, Regular Arbitrator Meetings, Arbitrators' Retreat and Arbitrator working groups.

Key Activity 3: Sustainability: develop and implement strategies that will help to ensure the AC's institutional and financial sustainability in the long term.

Component 2: Labour Dispute Resolution

Key Activity 1: Resolution of Labour Dispute Cases: continue the AC/Fs core work of conciliating and arbitrating labour disputes.

Key Activity 2: Capacity Building of AC/F and SAC: undertake training and other activities to develop the legal and administrative capacity of Arbitrators, ACF and SAC staff.

Key Activity 3: Expansion of Arbitration Council Services: aim to expand AC's dispute resolution services throughout the country and into a broader range of industrial sectors.

Component 3: Partnerships and Stakeholder Outreach and Training

Key Activity 1: Establishing and maintaining partnerships: develop and maintain relationships with key partners as well as with other relevant organizations and institutions.

Key Activity 2: Dissemination of publications and other information: produce, publish and disseminate arbitral awards and other relevant information in order to raise stakeholder awareness and ensure transparency.

Key Activity 3: Media relations and promotion: use media tools to promote AC/F to a wider audience

Key Activity 4: Stakeholder training: continue to run trainings for relevant stakeholders to promote awareness of the AC and the labour dispute resolution process.

Component 4: General Operation and Project Management

Key Activities: ACF will continue to provide managerial, technical and financial support to the Council. AC/F will develop a more robust M&E system, purchase additional equipment and furniture and relocate to a larger space to accommodate the expansion in activities and increased staffing levels under DFGG.

B. Summary of Key Activities and Completed Milestones undertaken in Quarter

During the first year of the DFGG Project, ACF's Annual Work Plan for 2009 proposed project activities to be carried out, commencing from the date of the project effectiveness, originally scheduled for April 14, 2009. However, the project effectiveness date has been delayed until 30th of June 2009 per letter of the World Bank on Extension of the Financing Agreement Effectiveness Date, et al., dated April 14, 2009. As a result, during the reporting period ACF undertook minimal activities against project log-frame.

ACF Subsidiary Agreement with the Ministry of Economy and Finance: The Subsidiary Agreement is one of the conditions for DFGG Project effectiveness. During the reporting period, ACF has been working very closely with MEF on the Subsidiary Agreement. ACF and MEF were able to reach agreement on all issues pertaining to the Subsidiary Agreement. To record the discussion and agreement on other details in connection with the Subsidiary Agreement, ACF and MEF drafted and agreed on the Minutes of Negotiations on the Proposed Subsidiary Agreement between Kingdom of Cambodia and the Arbitration Council Foundation regarding a Grant for the Demand for Good Governance project, Grant Number H441-KH. As of this writing, MEF advised ACF that the former is in the process of obtaining internal approval of the Subsidiary Agreement and the documents relating thereto. To date, ACF is waiting for the invitation by MEF to sign the Subsidiary Agreement and the documents relating thereto.

Technical Assistance for ACF: ACF experienced a number of major challenges in connection with the technical assistance to deliver terms of reference for downstream consultants to undertake several sub-projects, including baseline study, study on the economic value of the Arbitration Council services, sustainability study, sustainability and fundraising consultant, and broadcast media tools. The approval for the extension of the contract for technical assistance for ACF entailed considerable delay. Consequently, the technical consultant originally envisioned to provide the technical assistance to ACF was no longer available to take on the tasks under the extended contract. Such unavailability of the consultant has delayed the delivery of the outputs by and for ACF.

ACF consulted the World Bank on the potential options available to ACF regarding technical assistance. In particular, ACF sought WB's technical assistance in developing terms of reference, including the study on the economic value of the Arbitration Council services. The WB confirmed that such technical assistance was not available from the WB and advised ACF to undertake other means. ACF discussed internally and decided to use the already-tight internal resources to develop the terms of reference for the baseline study given its priority for ACF monitoring and evaluation function under DFGG. Meanwhile ACF plans to recruit a consultant to deliver the rest of the outputs.

- **Baseline Study:** ACF expects to have the baseline study conducted between June and August 2009 through contracting out with a NGO experienced in designing and conducting social research. The Terms of Reference for the baseline study is almost finalised. At the beginning of May 2009, ACF expects to advertise the project in the local newspapers in order to solicit the expression of interest from NGOs in connection with the study. ACF expects to receive the results of the study by the end of August 2009.

- **Next Steps for Other Outputs:** due to limited internal resources, ACF plans to procure a consultant to provide technical assistance in designing the terms of reference for downstream consultants to undertake the sub-projects, including the study on the economic value of the Arbitration Council services and other things. ACF has prepared the relevant procurement documents and will submit them to PCO to recruit the consultant.

C. Emerging Concerns and Divergences from AWP

C. 1. Plan Activities against Work Plan

Not yet applicable during pre-implementation period of the Project.

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	

C. 2. Emerging Concerns

Extension of DFGG Project Effectiveness and Potential Funding Gap of ACF: The DFGG Project effectiveness, originally scheduled for April 14, 2009, has been postponed until June 30, 2009. To the extent that ACF has limited working capital, the extension poses a serious implication for the operations of AC/F.

To address the potential funding gap, on April 10, 2009, ACF submitted its formal request to the PCO, MEF, and IDA to use funds under PPF2 to cover its day-to-day operations until DFGG Project effectiveness. ACF has received in-principle approval by MEF and IDA on the request. To date, ACF has been informed that MEF and IDA are waiting for the formal approval of PCO on the ACF’s requested funds.

Technical Assistance for ACF: As described earlier, the original consultant to provide technical assistance to ACF was no longer available to take on the assignments under the extended consultancy contract. While ACF has used the already-tight internal resources to develop the terms of reference for the baseline study, ACF requires a consultant to provide technical assistance in delivering the other outputs, including the terms of reference for the study on the economic value of the Arbitration Council services, et al. ACF is working closely with PCO in this regards.

D. Provisional Results Indicators

Not yet applicable during pre-implementation period of the Project.

E. Procurement Status

Not yet applicable during pre-implementation period of the Project.

F. Financial Status

Not yet applicable during pre-implementation period of the Project.

SECTION II: INTERIM FINANCIAL REPORT (IFR)

A. Project Balance Sheet

**Cambodia: Demand for Good Governance Project
PROJECT BALANCE SHEET
AS OF MARCH 31, 2009**

ASSETS		<u>28/2009</u>
	Cash	
	DA – IDA	XX
	Counterpart Funds Account	XX
	Bank – AusAID	
	Bank - Other Donors	
	Advance	XX
	Petty Cash	XX
		XX
	Cumulative Project Expenditures	
	Civil Work	XX
	Goods	XX
	Consultants' Services	XX
	Training/Workshops	XX
	Incremental Operating Costs	XX
	Sub-Grants	XX
	MBPI	XX
	PMG	XX
		XX
	TOTAL ASSETS	XX
	FUNDS	
	Sources of IDA Financing	XX
	Sources of RGC Financing	XX
	Sources of AusAID Financing	XX
	Sources of Other Donors	XX
	TOTAL FUNDS	XX

B. Sources and Uses of Funds by Category

**Cambodia: Demand for Good Governance Project
Sources and Uses of Funds by Category
For the quarter ended March 31, 2009**

	Component XX	Actual			Budget			Variance			PAD Figures
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
	Opening Balance										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank – Other Donors										
	Advance										
	Petty Cash										
	Total										
Add	Sources:										
	Receipt of Funds										
	- From IDA										
	- From Government										
	- From AusAID										
	- From other donors										
	- Other Income (document bidding fees..., etc.)										
	Total Funds Received										
	Total Sources										

Less	Expenditures by Category										
	- Civil Works										
	- Goods										
	- Consulting Services										
	- Training and Workshops										
	- Operating Costs										
	- Sub-Grants										
	- MBPI										
	- PMG										
	Total Expenditures										
	Closing Balance										
	<u>Represented by:</u>	-	-		-	-	-				
	Balance at Designated A/C										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank - Other Donors										
	Advance										
	Petty Cash										
	GRAND TOTAL										

C. Uses of Funds by Category and by Sources of Funds

Cambodia: Demand for Good Governance Project
Uses of Funds by Category and by Source of Funds
For the quarter ended March 31, 2009

No	Payment by category	Current Quarter				Year to date				Cumulative to date			
		IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total
	<i>Works</i>												
	<i>Goods</i>												
	<i>Consulting</i>												
	<i>Training</i>												
	<i>Incremental</i>												
	<i>Sub-Grants</i>												
	<i>MBPI</i>												
	<i>PMG</i>												
	Total Payments												

C. Procurement Monitoring Report – Goods

Cambodia: Demand for Good Governance Project

Procurement Monitoring Report – Goods

For the quarter ended March 31, 2009

No.	Description of Goods	Contract Ref: No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/contract award recommendation		Contract					
					IPA sent draft BD to PRC for approval (Date.)	Approval to Draft BD by PRC (Date)	IPA sent Draft BD to the Bank's NOL (Date)	No object to the Draft BD by the Bank (Date)	Bid invitation issued (Date)	Bid Opened (Date)	IPA sent evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (date)	Project signed Contract with the contractor (Date)	Contractor's Name	Contract Amount	Completion date		
1	Planned																	
	Actual																	
2	Planned																	
	Actual																	
3	Planned																	
	Actual																	
4	Planned																	
	Actual																	
	Planned																	
	Actual																	

D. Procurement Monitoring Report - Consulting Firm

Cambodia: Demand for Good Governance Project

Procurement Monitoring Report - Consulting Firms

For the quarter ended March 31, 2009

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Short list and Draft Requirement for Proposal (RFP)								Technical Evaluation	Final (Technical-Financial) Evaluation		Contract								
					IPA sent Short list to the Bank (Date)	No objection to the Short List by the Bank (Date)	IPA sent Draft RFP to PRC (Date)	Approve to draft RFP by PRC (date)	IPA sent draft RFP to the Bank (date)	No object to Draft RFP by the Bank (date)	IPA issued RFPs (date)	IPA received proposal from firms (date)		IPA sent Tech, evaluation report to the Bank (date)	No objection to Tech, evaluation report by the Bank (date)	IPA open Financial Proposal publicity (date)	IPA completes final evaluation	PRC and IPA negotiate contract with consultant	IPA sent draft contract and final evaluation report to the Bank (date)	No objection to Draft Contract by the Bank (date)	Project signed contract with consultant	IPA sent signed contract to the Bank (date)	Consultant's name	Contract value (US\$)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
1	Planned																							
	Actual																							
2	Planned																							
	Actual																							
3	Planned																							
	Actual																							
4	Planned																							
	Actual																							

E. Procurement Monitoring Report - Individual Consultant
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report – Individual Consultants
For the quarter ended March 31, 2009

No.	Description of Services	Contract Ref: No.	Prior (P) or Post Review (PR)	Procurement Method	TOR/EOI						Evaluation		Contract							
					IPA sent TOR and EOI advertisement to PRC (date)	Approval to TOR and EOI advertisement by PRC (Date)	IPA sent TOR and EOI advertisement to the Bank (date)	No objection to TOR and EOI advertisement by the Bank	Advertisement by IPA (date)	Submission of EOI date	IPA sent evaluation report to the Bank (date)	No objection to evaluation report (date)	PRC and IPA negotiate contract with consultant	IPA sent draft contract to the Bank (date)	No objection to the Draft Contract by the Bank (date)	Project signed contract with consultant (date)	IPA sent segned contract to the Bank (date)	Consultant's Name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1	Planned	Procurement Officer	-	P	SIC	-	-	-	-	-	10/2/09	-	-	-	-	-	-	-	\$14,760	30/9/10
	Actual		-	-	-	-	-	-	-	10/2/09	10-25/2/09	-	-	On the progress			On the progress		-	-
2	Planned																			
	Actual																			
3	Planned																			
	Actual																			

SECTION IV: CONCLUSION AND RECOMMENDATION

Because the first quarter of 2009 is still the DFGG pre-implementation period, ACF has not been able to accomplish the primary work against project log-frame. However, ACF was able to execute certain key pre-implementation activities, including the negotiation and finalisation of the Subsidiary Agreement and the required documents relating thereto. The unavailability of the original consultant for technical assistance has caused delay in delivery of certain key output (e.g. study on the economic value of the Arbitration Council services, etc.). While ACF has prepared the terms of reference for baseline study by using its tight internal resources, ACF requires a consultant to deliver the rest of the outputs. ACF is working closely with PCO to recruit the consultant.

The extension of DFGG Project effectiveness to June 30, 2009 creates a serious funding challenge for ACF, given that its working capital is limited. For ACF to sustain its operation until the Project effectiveness, it is imperative that ACF's request to access PPF2, submitted on April 10, 2009, be approved as soon as possible by the PCO, MEF, and IDA.

Annex: B. Ministry of National Assembly and Senate Relations and Inspection (MONASRI)

SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

A. 1. Project Background

Good governance has been considered as one of challenges facing by the Royal Government of Cambodia. To tackle this challenge, MONASRI-DFGG project will contribute to promoting good governance in Cambodia by enhancing stakeholders demand through strengthening capacity and supporting programs which promote, mediate, and respond to citizens demand, as well as monitoring and providing feedback on good governance initiatives of the Royal Government of Cambodia. This project is to promote good governance through disseminating land law to the citizens and handling public complaints relating land disputes.

A. 2. Project Development Objective

The Demand for Good Governance Project for Ministry of National Assembly Senate Relations and Inspection is one of components of Demand for Good Governance Project, financed by World Bank. The project development objectives are :

(i) to promote and mediate demand for good governance through MONASRI's own executed programs, and through its partnerships with other state institutions and CSOs, aimed at increasing citizens' awareness of their rights and obligations under the Land Law and helping citizens raise their concerns through an enhanced CH mechanism and

(ii) to strengthen the capacity of MONASRI at the national and provincial levels to coordinate and manage LD and CH activities using a combination of its own staff and partnerships.

A. 3. Project Component

The MONASRI-DFGG has two main components:

- (1) Land Law Dissemination and Complaints Handling; and
- (2) Capacity Building.

B. Summary of Key Activities and Completed Milestones undertaken in Quarter

National Level Baseline Study

IPA has revised the TOR for National Baseline Study and asked for NOL from WB. This package is under the process of procurement by IPA.

Recruitment of Communication Advisor

This package has been advertised by IPA and is under the process of procurement by IPA.

Annual Work plan 2009

2009 Annual Works Plan has been completed and submitted to PCO.

Recruitment of Land Law Expert

PCO advertised Expression of Interest on 20 March, 2009 and National Land Law Expert is being procured by PCO.

Website Establishment

Expression of Interest for Website developer has been advertised by IPA and now it is under process of evaluation.

Financial Management

Financial Management System has not been in place yet.

Monitoring and Evaluation System

M&E system is now in place except of national baseline study which is under process of procuring a research firm to conduct it.

Training Courses

A training course on land law was conducted in cooperation with Ministry of Land Management, Urban Planning and Construction on 12-16 January, 2009.

C. Emerging Concerns and Divergences from AWP

C. 1. Plan Activities against Work Plan

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	

C. 2. Emerging Concerns

The main issue is that lateness of recruitment of ITA and NA and other packages.

D. Provisional Results Indicators

N/A

E. Procurement Status

Some Procurement was done by IPA and some by PCO, so there were no problems.

F. Financial Status

N/A

SECTION II: INTERIM FINANCIAL REPORT (IFR)

2.1 Financial Report

A. Project Balance Sheet

**Cambodia: Demand for Good Governance Project
PROJECT BALANCE SHEET
AS OF March 31, 2009**

ASSETS		<u>28/2009</u>
	Cash	
	DA – IDA	xx
	Counterpart Funds Account	xx
	Bank – AusAID	
	Bank - Other Donors	
	Advance	xx
	Petty Cash	xx
		xx
	Cumulative Project Expenditures	
	Civil Work	xx
	Goods	xx
	Consultants' Services	xx
	Training/Workshops	xx
	Incremental Operating Costs	xx
	Sub-Grants	xx
	MBPI	xx
	PMG	xx
		xx
	TOTAL ASSETS	xx
	FUNDS	
	Sources of IDA Financing	xx
	Sources of RGC Financing	xx
	Sources of AusAID Financing	xx
	Sources of Other Donors	xx
	TOTAL FUNDS	xx

B. Sources and Uses of Funds by Category

**Cambodia: Demand for Good Governance Project
Sources and Uses of Funds by Category
For the quarter ended March 31, 2009**

	Component XX	Actual			Budget			Variance			PAD Figures
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
	Opening Balance										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank – Other Donors										
	Advance										
	Petty Cash										
	Total										
Add	Sources:										
	Receipt of Funds										
	- From IDA										
	- From Government										
	- From AusAID										
	- From other donors										
	- Other Income (document bidding fees., etc.)										

	Total Funds Received										
	Total Sources										
Less	Expenditures by Category										
	- Civil Works										
	- Goods										
	- Consulting Services										
	- Training and Workshops										
	- Operating Costs										
	- Sub-Grants										
	- MBPI										
	- PMG										
	Total Expenditures										
	Closing Balance										
	Represented by:	-	-		-	-	-				
	Balance at Designated A/C										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank - Other Donors										
	Advance										
	Petty Cash										
	GRAND TOTAL										

C. Uses of Funds by Category and by Sources of Funds
Cambodia: Demand for Good Governance Project
Uses of Funds by Category and by Source of Funds
For the quarter ended March 31, 2009

No	Payment by category	Current Quarter				Year to date				Cumulative to date			
		IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total
	Works												
	Goods												
	Consulting												
	Training												
	Incremental												
	Sub-Grants												
	MBPI												
	PMG												
	Total Payments												

D. Uses of Funds by Project Activity
Cambodia: Demand for Good Governance Project
Use of Funds by Project Activity
For the quarter ended March 31, 2009

No.	Project Component	Actual			Budget			Variance			PAD
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
TOTAL PROJECT EXPENDITURE											

C. Procurement Monitoring Report – Goods

Cambodia: Demand for Good Governance Project

Procurement Monitoring Report – Goods

For the quarter ended March 31, 2009

No.	Description of Goods	Contract Ref: No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/contract award recommendation		Contract				
					IPA sent draft BD to PRC for approval (Date.)	Approval to Draft BD by PRC (Date)	IPA sent Draft BD to the Bank's NOL (Date)	No object to the Draft BD by the Bank (Date)	Bid invitation issued (Date)	Bid Opened (Date)	IPA sent evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (date)	Project signed Contract with the contractor (Date)	Contractor's Name	Contract Amount	Completion date	
1	Planned																
	Actual																
2	Planned																
	Actual																
3	Planned																
	Actual																
4	Planned																
	Actual																

**D. Procurement Monitoring Report - Consulting Firm
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report - Consulting Firms
For the quarter ended March 31, 2009**

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Short list and Draft Requirement for Proposal (RFP)								Technical Evaluation		Final (Technical-Financial) Evaluation		Contract							
					IPA sent Short list to the Bank (Date)	No objection to the Short List by the Bank (Date)	IPA sent Draft RFP to PRC (Date)	Approve to draft RFP by PRC (date)	IPA sent draft RFP to the Bank (date)	No object to Draft RFP by the Bank (date)	IPA issued RFPs (date)	IPA received proposal from firms (date)	IPA sent Tech, evaluation report to the Bank (date)	No objection to Tech, evaluation report by the Bank (date)	IPA open Financial Proposal publicity (date)	IPA completes final evaluation	PRC and IPA negotiate contract with consultant	IPA sent draft contract and final evaluation report to the Bank (date)	No objection to Draft Contract by the Bank (date)	Project signed contract with consultant	IPA sent signed contract to the Bank (date)	Contractor's name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
1	Planned																							
	Actual																							
2	Planned																							
	Actual																							
3	Planned																							
	Actual																							

E. Procurement Monitoring Report - Individual Consultant
Cambodia: Demand for Good Governance Project
 Procurement Monitoring Report – Individual Consultants
 For the quarter ended March 31, 2009

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	TOR/ EOI						Evaluation		Contract							
					IPA sent TOR and EOI advertisement to PRC (date)	Approval to TOR and EOI advertisement by PRC (Date)	IPA sent TOR and EOI advertisement to the Bank (date)	No objection to TOR and EOI advertisement by the Bank	Advertisement by IPA (date)	Submission of EOI date	IPA sent evaluation report to the Bank (date)	No objection to evaluation report (date)	PRC and IPA negotiate contract with consultant	IPA sent draft contract to the Bank (date)	No objection to the Draft Contract by the Bank (date)	Project signed contract with consultant (date)	IPA sent segned contract to the Bank (date)	Consultant's Name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1	Planned																			
	Actual																			
2	Planned																			
	Actual																			
3	Planned																			
	Actual																			

SECTION IV: CONSLUSTION AND RECOMMEDATION

MONASRI-DFGG activities were not carried out timely due to lateness of ITA and NA recruitment and lack of staff. To speed up the implementation effectively, recruitment of ITA and NA by IPA and PCO should be done timely. Finally, MONASRI-DFGG strongly hopes to further implement its remaining activities and new activities the days ahead.

Annex: C. One Window Service Office/District Ombudsman (OWSO/DO)

SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

A. 1. Project Background

One Window Service Office and Ombudsman Office Project (OWSO) is a four-year project from 2009-2012 which will be executed under overall management of NCDD. The DST will manage the project on day-to-day basis on behalf of the NCDD. The project builds on experience of pilot project on OWSO in Battambang and Siem Reap districts and expands to 22 provincial town and urban districts in the whole country.

The most visible and well-known result of the district reform is the OWSO that has made a name for itself well beyond the borders of the two districts. The OWSO, as the name suggests, is a single office for delivery of certain administrative services commonly required by citizens and small business at the local level. It consists of a 'front office' for interacting with citizens, giving out forms and collecting documents, and a 'back office' which consists of 'competent agents' who are delegated here from the 6 line ministries that have transferred functions to the OWSO. The OWSO provides around 30 different services among others the registration of motorbikes, small shops and licenses for constructions for houses up to 500 square meters. The OWSOs in Siem Reap and Battambang have been in operation since early 2005

The thing that makes the OWSO unique in Cambodia is that the fees for the various services are transparent and are publicly displayed for all to see in the OWSO and the service is provided in a timely and consistent manner. Be noted that, to study and develop the project proposal of OWSO/DO, and to continue to support the project that will be implemented from 2009-2012, National Committee for Sub National Democratic Development (NCDD) has formed the District Support Team according to decision No. 008 ssr/NCDD dated 22nd, January, 2008.

A. 2. Project Development Objective

The objective of this project is to strengthen demand for good governance in selected districts in all provinces in the country by (a) *responding* to the needs of citizens and small businesses for certain administrative services to be delivered in an efficient, transparent, and accountable manner, (b) providing an avenue for *mediating* complaints and concerns of citizens and small businesses regarding the district administration, and (c) *promoting* awareness and participation of citizens in decisions, policies, and programs of district governments. It will achieve this objective through:

- Establishment of a well functioning OWSO in one urban district of each province (likely the provincial capitals) of Cambodia (except Phnom Penh) and one pilot rural district in the country that will provide citizen friendly administrative services in a professional, efficient, transparent and corruption free manner,
- Setting up of a DO office in each of the above districts to provide opportunities for citizens to voice concerns, complaints and ask for clarifications to a neutral and democratically elected mediator between them and the District Government,

- Delegation of a wide range of appropriate services to the OWSOs, and enhancing the mandate and powers of the DO, and
- Introduction of a range of citizen's participation and information mechanisms such as annual citizen's forums, an OWSO website, monthly office hours with the district governor, and quarterly business and community representative forums in each of the target districts.

A. 3. Project Component

To attain its objectives mentioned and taking into account the lessons learnt, the project activities will be focused on five main components. The first three of these represent the three core reforms that the project will introduce – introduction of the OWSO, DO, and new forms of people's participation – and the results framework for the project are based on these. The fourth and fifth components relate to monitoring & evaluation, and learning, and project management respectively. These are the supporting components that would help to operationalize the reforms. These components are described in more detail below.

Component 1: Expansion and Strengthening of the OWSO

In response to the high demand for setting up OWSOs similar to that in Siem Reap and Battambang, the first component deals with extending the OWSO to one additional district in all provinces of the country. In addition, there will be two studies to look into the options for the Phnom Penh Municipality and a rural district and based on the findings of the latter a pilot rural OWSO will be attempted in year 3 of the project.

However, the intention is not to just copy the existing OWSO in Battambang and Siem Reap during the expansion, but rather it is to significantly improve and strengthen the OWSO in the new districts through a number of measures. These include a comprehensive training and capacity building program, expansion of competencies, delegation of competencies from at least three new ministries, and including a website and added information available at the OWSO.

The detailed activities involved in this component are as follows:

Activity 1: Establishment of Legal Framework for setting up and extending the competencies of the OWSOs.

The DST under NCDDDS will handle the drafting of the legal framework for the extension and improvement of OWSOs and DOs to other districts. The table in Appendix 11 provides a list of all the legal decisions and Prakas that will be required at different stages of the project. Some of these will be covered during the pre-implementation phase of the project. For instance:

- a) The Establishment of Inter-Ministerial Technical Advisory Group and OWSO District Support Team;
- b) Sub-decree or decision of the RGC on the extension to targeted districts;
- c) Prakas on the set up and structure of OWSO of MOI;
- d) Prakas on the transfer of competences of the relevant Ministries to the district OWSOs.

The sub-decree on the extension and the Prakas on the set up and structure of the OWSO will be approved by the end of 2007 itself. After project implementation commences, the work on the legal and policy side will be undertaken by the DST along with the TAG and will focus on:

- a) **Extension of competences.** Together with the experts of OWSO Siem Reap and Battambang the NCDD will draft a concept of extension of competencies that have already been delegated. The NCDD will handle the drafting of the required parkas and the negotiations with the Ministries to extend these competencies as necessary to the new districts through the TAG and NCDD decisions.
- b) **Provision of new competences.** In year 1 the NCDD will draft a concept on the transfer of new competencies in the area of health, education and agriculture. The concept will developed in cooperation with representatives of business, NGOs and experts of the line departments. The NCDD will handle the drafting of the parkas and the negotiations with the ministries.
- c) **Expansion number of ministries.** Expand the existing numbers of involved ministries from 7 to 10 (include Agriculture, Health and Education).

Depending on the passing of the Organic Law, modifications or additional legal requirements may be considered by the DST.

Activity 2: Preparation and Renovation of OWSO buildings and Equipping of Offices.

Prior to the start of the project, as well as before each phase of expansion, the DST will assess all offices needs regarding constructions and renovations in each targeted district.

The OWSO buildings will be centrally located and be within easy reach. Each office will be renovated so that it has at least four rooms, two very large (front office and back office), a room for the head of the OWSO, and one for the DO. These specifications will be discussed with the Provincial and District Governors of all provinces and the target districts so as to ensure that they are able to release an adequate building for the OWSO's purposes. As all OWSO buildings are meant to be on existing government property or renovations of existing buildings, no involuntary resettlement or relocation issues are anticipated.

The internal appearance of the OWSOs will be uniform and a common 'symbol' for all OWSOs will be developed. They will be, wherever possible, uniformly furnished as well. To ensure this, the internal architect and national and provincial infrastructure specialists in the NCDD (which handled construction of the ExCom Offices) will be used along with suggestions from the district governments themselves to help prepare this common look for the OWSOs prior to the effectiveness of the project. Design of new construction and renovation and preparation of bidding documents will be completed before project effectiveness, while actual construction and renovation will begin after implementation starts.

In order to ensure ownership and financial sustainability, the renovations and additional constructions of buildings of the OWSO facilities during year 1 and 2 will be covered by the project cost. In year 3 the costs will be covered by the RGC.

Each OWSO office will be well furnished and modern and it will get enough technical equipment for delivering the services in a professional way. Soon after the building renovations are complete, the furnishings and equipment for the OWSOs will be procured through the agreed procurement system and delivered to each office. Bidding documents for these will also be prepared prior to project effectiveness.

As was the case with the buildings, the recurrent costs of the OWSOs will gradually be transferred over to the RGC to ensure financial sustainability of these offices. It has been agreed that the project will cover only 50% of recurrent costs in year 3, and 0% in year 4 so that there is a complete transfer of budget to the RGC before the close of the project.

Activity 3: Staff training and Capacity Building.

As mentioned above, the OWSO model is a radical change from the current state of local service delivery in most districts in the country. Therefore, a very critical element of the project and the success of the OWSOs themselves, relates to training, generating awareness and capacity building of the OWSO staff, the district administration, and the Provincial administration as well in all the new districts and provinces to which the OWSO will expand. This training will be done in a phased manner – part of it conducted prior to the opening of the OWSO (during the construction phase), and part of it later as part of on-the-job mentoring as well as peer learning and exchange. Appendix 4 provides a complete list of the various training events that will be conducted as part of this capacity building program.

The training activities are to be handled by the MOI/NCDD's DST, although an international curriculum development specialist and national advisor will be recruited to help design the materials and a series of 'training of trainer' (TOT) events will be taken up to ensure the smooth roll out of the capacity building program.

The specific steps involved in this activity include the following:

- a) **Designing the Training Programs and Manual.** The training programs and manual for prospective officers and staff of the OWSOs as well as for local authorities and officials of the line departments will be prepared. These activities will be completed before the start of the project.
- b) **Identification of Trainers.** The DST will identify the trainers that will carry on the training programs for the subsequent years of establishment of the OWSO/DO.
- c) **Conduct TOT training.** After the designing of the training programs and identification of the trainers, TOT training will be conducted for selected stakeholders of national level and all target provinces and districts. Refer to appendix 1 for subject and budget.
- d) **Conduct training of OWSO staff.** Direct or cascaded training methodology will be applied depending on various subjects.
- e) **Organize study tour, internship and on-the-job training.** During year one the Siem Reap and Battambang OWSOs can function as resource while year two and three the newly established OWSOs can host study tour and internship as well.

In addition to the above there will be some preliminary ‘sensitization’ that will be undertaken with the Provincial authorities in each of the targeted provinces by year. Learning activities will continue through annual forums and peer exchanges in later years of the project as well.

Activity 4: Provision of Additional Information at OWSO and Design of OWSO Website

As part of the efforts to strengthen the OWSO so that it becomes more useful for citizens, efforts will be made to have available in the OWSO additional information available at the offices which could be of use to them. This would include information, forms, and fees for both services which can be delivered by the OWSO as well as services which will be provided at provincial level. Obtaining this information is not an easy task for citizens, nor it will be for the DST to get it from the relevant Ministries. Therefore efforts through the TAG and NCDD will be undertaken to make the information on other services available at the OWSO so that citizens can at least conduct a ‘limited transaction’ on these.

This activity will also set up a website for the OWSO with links to individual districts so that there is an opportunity for citizens to have access to all this information on the web. Since the OWSOs will be completely equipped with computers, some selected workplaces will be networked so that procedures can be electronically executed as much as possible paving the way for future digitalization of transactions. A databank will also be constructed in which all registrations are saved and where possible, the communes’ registry of residents will also be incorporated in this databank so that OWSO customers can get a back-up access to their registry documents (like marriage and birth certificates) through this office.

In this way, the specific elements of this activity are:

- a) **Information on other services.** DST will work with the TAG and partner with other ongoing initiatives (such as the Council of Administrative Reform-GTZ study to produce a ‘Yellow Pages’ for Government Services) to find relevant information on fees, forms, and procedures for other services that are not offered through the OWSO available for easy access by citizens. Hard copies of forms and fees for all these services that are not delegated functions will be available to the citizens at OWSO.
- b) **The OWSO Website.** During the first year of implementation, a Website for OWSO will be set up. All information on the OWSO, DO and other data related to situation of target districts will be made available in the Website, including the fees that are required and the necessary forms. In addition, the information, forms, and fee tables for the services, which are still under the responsibility of the provinces and departments, will be presented in the website as well.

Activity 5: Study on Potential OWSO Model for Phnom Penh.

The decision on opening an OWSO in Phnom Penh must be deferred because of a lack of basic information on the adequate model to use in a city that size, since the district/khan unit of operation may not be cost effective there. Therefore, the project will fund a study on the existing service delivery mechanism and structure of the Phnom Penh Municipality to find out the options for the establishment of OWSO. This will include an assessment of costs of operation and study of other city level models being used in neighbouring countries.

Based on these results the possibility of funding the implementation of an OWSO in Phnom Penh will be considered after the mid-term evaluation at the end of year 2 of the project. The

funding for this will either require supplemental financing of the project or a re-allocation of budget away from other districts or cost categories.

Activity 6: Study on Potential Pilot OWSO Model for Rural Districts.

Similar to the above case, for piloting the OWSO in a rural district, the project will finance a study on the existing service delivery mechanism and structure of the rural districts to find out the options for the establishment of OWSO in year 2 of the project. This study will include the “demand side” analysis of what key services really require a OWSO as well as a “supply side” analysis of what would be the best system, for example a “mobile front office”. Lessons from other developing countries like India that have experimented with rural OWSO models will be drawn in and the support of other development partners such as GTZ, who may be working in this area will be sought.

Based on the findings, a pilot OWSO will be launched in a rural district in year 3 of the project and a budget for this that includes supplemental resources for the possibility of a mobile office has been allocated in the overall project costs.

Component 2: Extending and Strengthening the Capacity of the DO

The second component of the project deals with the replication and enhancement of the DO model to all the targeted districts of the project where OWSOs are being set up. As outlined in section 3.3, there are serious deficiencies in the way that the current DO model has been operating in the two pilot districts of Siem Reap and Battambang, and therefore the project will try and address these through various innovations, and then include a mid-term evaluation of progress and consider further options (including the possibility of disbanding the institution if it continues to not be considered effective based on citizen surveys).

As mentioned in the earlier recommendations, the DO will now become a “Citizen’s Advisor” for citizens of the targeted districts. In addition to the existing functions of the DO in Siem Reap and Battambang, following functions will be included:

- Linked with the MONASRI function of law dissemination in the DFGG project, the DO will assist in dissemination and clarification of laws (starting with the Land Law) to the public.
- Facilitate citizen’s participation activities, quarterly forum, annual forum, citizen’s hour, radio talkback programs, TV spots and information dissemination strategies
- Receive and consider complaints of people regarding services which are disseminated at the OWSO outside their competences. Facilitate these complaints with the relevant line departments and provide feedback to the citizens
- Facilitate legal complaints for the citizens within the district administration
- Monitor the functioning of the OWSO (already within current mandate).

To facilitate the extension of the DO with the above expanded role to the new target districts, the following key activities would be undertaken:

Activity 1: Design of a New Election System for the Ombudsman and Amendments to Existing Prakas

Given that the existing DOs in Siem Reap and Battambang were elected by the District Council, which is not included in the current project, an alternative method for DO elections needs to be devised. This should not, however, be a difficult task since the District Councils in the two pilot districts constituted of already elected officials and some nominated representatives. Therefore one can replicate the system and procedure by forming a 'local election committee' to elect the DO. This committee would include representatives of district, communes, NGOs, local business and other related associations. In effect, the committee would look the same as the ones that were set up in the pilot districts.

To establish this new election procedure as well as to allow for the expanded role of the DO, the Prakas and decisions regarding their set up would have to be amended. This will be done by the DST in cooperation with the TAG during the pre-effectiveness phase of the project.

Activity 2: Training and Election of Ombudsman

Once the new election system has been devised and approved, all participating groups in the target districts will get a basic training on the role of the DO and the election system. The phasing of this training will be done in the same way as for the OWSOs (i.e. 6 districts in the first year, 7 in the second, and 9 in the third). The DST will provide guidance and training to the target districts on the election procedures.

After the trainings, the various groups elect their representatives for the Election Committee; the various groups name their candidates and finally the Election Committee selects the Ombudsman. According to experiences in Siem Reap and Battambang, the whole process takes at least two months. The DST and the Provincial ExCom representatives will oversee the election process to ensure that it is fair and transparent

Activity 3: Setting up the Office of the DO.

As with the case of the OWSO, the DO will be given an office which is located in a neutral area, but close to the OWSO so that he/she can provide the supervisory role there. The office will also be equipped with the necessary furnishings and stationary. Although, the existing Prakas for the DO includes the provision of an 'Assistant' to the DO, this function will only be included after the mid-term evaluation of the DO if it is seen that there is a sufficient work program for an assistant to be justified.

Activity 4: Capacity Building and Support to the Ombudsman.

Once the DOs have been democratically elected in the target districts, they will be given training on their roles and responsibilities. The DST will further support their capacity through regular field missions and backstopping on their additional functions. With the help of the TAG and the DFGG Project Coordination Unit, links of the DO to other state institutions such as MONASRI and RNK will be ensured so that the additional roles and responsibilities of the DO can be performed. The DST will also link the DOs to other systems of accountability at local level such as accountability working group, which are run through the MOI.

For generating awareness and publicity about the DO, a communications campaign will be run for them (see component 3) and they will also be encouraged to do pro-active outreach to NGOs, communes, and the private sector.

Component 3: Implementing New Forms of Citizens Participation and Outreach

In every district where the OWSO and DO will be established, new forms of participation will be introduced. These will aid in improving the relationship between citizens and the administration, and they will offer the citizens' possibilities to voice their problems, criticisms and concerns. They will thus allow for a more transparent district administration and encourage good governance and public administrative reform. What is more, in order to ensure for greater independence as well as promote state-non-state partnership, the management and running of these people's participation measures will be given to local NGOs and to the DO rather than done via the NCDD or MOI.

The various forms of people's participation and outreach envisaged are as follows:

Activity 1: Conduct of *Annual Citizen's Forum* in Each Target District.

In all the districts in which the OWSO is opened, an annual citizen's forum will be undertaken. This is a forum which is open to all citizens and covers issues related to the OWSO and DO offices and how these can be further improved, as well as other issues related to governance at the district level. The forum will be chaired by the District Governor. The organization of the forum will be contracted out by District governors to a local NGO as mentioned above.

A pilot test of these citizen's forums is planned during the pre-effectiveness phase of the project in the two districts of Siem Reap and Battambang so that the lessons from there can be used to make these events more meaningful for citizens.

Activity 2: Conduct of *Semi Annual Forum* in Each Target District.

In order to get more sustained and targeted feedback, a quarterly meeting with business and citizen's representatives will be set up at a more informal level. These quarterly meetings with business and citizen's representatives will be organized by the District Governor, OWSO chief and DO to get periodic and frequent feedback on their operation as well as suggestions for improvement. They will become the basis for further work and research needed on issues such as management systems, licensing procedures, service fees, and extension of competencies at the OWSO, which will be fed back to the DST for discussion with the TAG and NCDD.

Activity 3: Conduct of *Annual Good Governance Forum* at National Level.

The stakeholders of OWSO and DO will participate and present the experiences and lesson learned on good governance in implementation of OWSO and DO to the good governance forum at the national level. The DFGG Project Coordination Unit is responsible to organize this Good Governance Forum. This forum will include a broad audience of all stakeholders and reflect on the Governance aspects of all components of the DFGG project.

Activity 4: Setting up of *Monthly Citizen's Hour* (or *Citizen's Consultation*) with the District Governor in Each Target District.

An additional mechanism to increase participation, awareness, and reduce the hurdles between the administration and the citizens is the citizen's hour of the district governor. In Siem Reap and Battambang, these citizen's hours now take place once a month, and when the district governor is busy, one of his deputies addresses this responsibility. During these sessions

citizens have the opportunity to consult, ask questions, get clarification or express concern with the Governor on any issue related to the OWSO, DO, or District Administration at large. This opportunity is made use of by citizens on a regular basis. Over the course of the project, this mechanism will be applied in all target districts.

Activity 5: Conduct of Periodic Information Campaigns on OWSO and DO.

Directly after the opening of the OWSO, a weeklong information campaign will be executed to inform the citizens about the new institution. For this task, the districts will be provided with corresponding flyers, posters, and stickers. At the same time, in cooperation with RNK and other broadcasting stations Talk Back programs will run on the radio in which the district governor and the head of the OWSO make themselves available for questions from citizens. This information campaign will be conducted at least once per year/district, including schools, C/S Councils and other local institutions.

Wherever possible, the information campaigns for the OWSO will also be used to make the DO more widely known. In addition, there are, however, additional necessary efforts, such as Talk Back programs on the radio with the DO, a visit of the DO to all local NGOs, poster advertising with a short description of the responsibilities of the Ombudsman and stickers with a telephone number.

Component 4: Monitoring & Evaluation (M&E), and Learning to Ensure High Performance Standards in OWSO and DO

As the OWSO and DO model is relatively new in the Cambodian context and given that its success relies on it showing high business and ethical standards, the role of regular M&E and continuous ‘learning by doing’ is a core part of the project and a significant part of the project costs is being allocated to this. The M&E and Learning functions under the project will be handled both ‘internally’ and ‘externally’ through independent monitoring that is undertaken through a respectable NGO or research agency as well as a number of local NGOs (See Section 10 for the suggested tools for this purpose)

The internal M&E will be done by the monitoring and evaluation unit at the central level within NCDD, which will be responsible to document not only the achievements of the OWSO and DOs in terms of operational and performance indicators, but also to evaluate outcomes, efficiency and effectiveness and to learn lessons associated with good governance. In addition to this, at every level, there will be available staff responsible for M&E and supervision. The M & E Unit will develop a framework for regular reporting to the NCDD on the input and output targets, the progress of implementation and achievement of outcomes. Output and selected outcome indicators will be monitored quarterly. The M & E and Learning Adviser based in the project coordination unit of the DFGG will help in the development of reporting formats and tools for M&E, and train staff in their use. These will provide the basis for monitoring the inputs, outputs, and outcomes, and assessing the efficacy of the project management systems. The Adviser will also assist in data analysis, drawing conclusions and learning from the studies that will be conducted.

For the external or independent monitoring of performance of the project, a reputable NGO or research firm along with a set of local NGOs (operating at the provincial or regional levels) will be contracted to undertake a series of M&E tools including a baseline, mid-term, and end

evaluation survey, annual ‘*exit surveys*’ and informal audits, participatory focus group discussions, and exit interviews during the different citizen and public forums. (See section 10 for a discussion of the tools envisaged).

The various activities involved in the M&E and learning part of component-4 include:

Activity 1: Finalizing the Design of the M&E System and Survey Tools and Instruments.

In cooperation with DFGG M&E advisor and a national TA advisor from the DST, the MOI will finalize the design of the M&E system for the OWSO and DO during the pre-effectiveness phase of the project. This will include the design of the various survey tools and instruments that will be used for monitoring performance. The OWSO and DO M&E system and procedures will be integrated with overall M&E framework of NCDD.

In close cooperation with PCSU, the design of the M & E and Learning Framework will be participative and will involve not only members of the Inter-Ministerial Technical Advisory Group (TAG), but also officers and staff of the existing M & E Unit of the NCDD.

Activity 2: Selection of a Reputable NGO/firm to Design and Conduct Baseline Assessment.

An external agency will be hired by the NCDD to conduct the baseline assessment for the target selected districts with the assistance of the M & E and Learning Adviser of the DFGG. In this baseline assessment, the external agency will not only gather baseline indicators on the field using quantitative techniques, but also learning from the communities specifically those that have benefited from OWSO and DO in Battambang and Siem Reap. In addition, the assessment will also include those who have not experienced OWSO and DO services. Learning mechanisms will include qualitative methods such as focus group discussions, client exit surveys and client score cards, and case studies in the different communities to be surveyed. The indicators to be captured in the assessment will be drawn from the outcome indicators that were highlighted in the results framework for the project in section 2.

The writing of the TORs, hiring, and the actual conduct of the baseline study are all expected to take place in the pre-effectiveness phase of the project.

Activity 3: Implementation of Internal Performance Monitoring Activities.

With the assistance of the TA from the DFGG Project Coordination Unit, routine M & E activities will be carried out by the officers and staff of the OWSOs, the DST and M & E Unit of the NCDD/PST based on the final M&E and learning system that is designed. See Section 10 for a list of performance indicators to be covered, responsibilities for collecting information, and the reporting system and schedule.

Activity 4: Implementation of External Regular Evaluation Tools.

A number of more evaluative and learning-oriented studies will be conducted by local civil society or non-government organisations (CSOs or NGOs) in each of the targeted districts. The methods and tools will be developed and tested in conjunction with PST M&E Unit staff. Support will be provided by the DFGG M&E and Learning Adviser.

These activities will cover all services provided by OWSO and DO, and methodologies will include the following:

- a) a voluntary client scorecard on the performance of the OWSO - these will be collected in a box in each OWSO and can be filled by any OWSO customer. They will be periodically analyzed and reported in the status reports of the office,
- b) an annual exit survey of OWSO customers, independent audit of OWSO efficiency and effectiveness, and review of DO actions – in this the CSO will use independent evaluators/enumerators to conduct randomized exit interviews, and do a quick audit of OWSO and DO records. One of these is expected every year in all target districts,
- c) a qualitative survey consisting of focus group discussions (FGD) and key informant/beneficiary interviews – this will be an annual survey carried out in only a sample of say 5 districts to provide more qualitative and analytical data on the performance of the OWSO, DO, and people’s participation measures and how these can be improved,
- d) a series of exit interviews and working group discussions – these will be held as part of the citizen’s forums and other people’s participation events to obtain community perceptions on the performance of the district administration in general, and the new reforms (like OWSO and DO) in particular.

These learning and evaluation activities are planned in all years of the project in a process of formative or real time evaluation. The resulting recommendations and lessons will be the basis for improving implementation of OWSO and DO during the four years of the project, and may justify the funding for further expansion. Results on outcome indicators for these studies will be included in the internal annual reporting that will be done by the DST.

The different forms of external monitoring and evaluation will be contracted out to local NGOs or they could be made into a single large contract based on the feedback received in the CSO consultations that will be undertaken prior to the Project appraisal.

Activity 5: Conducting Learning Activities

To support the cross/peer-learning across the target districts, periodic learning events such as study trips and internships will be undertaken (as also mentioned in activity 3 of component 1). These will become particularly relevant in year 3 and 4 when all the new OWSOs and DO offices become operational. The Provincial ExCom and DST teams will manage this cross-learning and it will also get support from the DFGG Project Coordination Unit.

Activity 6: Mid-Term Evaluation

The Mid-term evaluation will be undertaken at the end of the second year or beginning of the third year of the project implementation period. It will also be contracted out to a reputed NGO or research firm (the possibility of the same firm undertaking the baseline, mid-term, and end evaluations is also being considered so long as it meets procurement requirements).

The mid-term evaluation will only target the districts launched in the first year of project implementation and the two existing pilots as these would have had sufficient time for operating to pick up meaningful results. The format of the survey will be the same as the one used during the baseline assessment and it will inform the project on the progress in meeting the agreed upon outcome indicators in the results framework. The mid-term assessment will be used to decide upon some critical aspects of project design and implementation – e.g.

should one continue with the DO (or what enhancements are required), what further improvements to the OWSO are needed, what will be the model for the rural pilot, will there be a re-allocation of budget to cover a OWSO model in Phnom Penh, etc...

Activity 7: End of Project Evaluation:

This evaluation will be conducted at the end of the project by an independent agency (possibly the one that undertook the baseline and mid-term assessments) to enable the RGC, WB and other development partners to evaluate end of project outcomes and impacts; assess efficiency, effectiveness and sustainability of OWSO and DO services; and consider further expansion and continuation of the project.

Component 5: Project Management

General Directorate for Local Administration, Ministry of Interior as the Secretariat of NCDD (NCDDS) will act as project implementation and executing agency. The NCDD has established an Inter-Ministerial Technical Advisory Group (TAG) and a District Support Team (DST) under direct supervision of the NCDDS to coordinate policy components of the project such as, preparation of legal frameworks, training, policy monitoring and evaluation, facilitating structuring and set up on OWSO and DO, preparing annual work plan and budget (AWPB), organizing and conducting workshops with related ministries and other partners.

NCDDS will use the structures and capacities of the existing Program Support Team (PST) of NCDDS to implement and coordinate the operational components of the project such as, implementing of the procurement plan, supervision and monitoring of contract implementation, fund transfer, facilitation of administrative matters, reviewing of ExCom progress and financial reports, preparing financial and operational progress reports to NCDDS.

At the Sub-national level, the existing structures of ExCom/PRDC will be used to facilitate the operational implementation of the project such as, preparing an AWPB, preparing and contracting sub-contracts with district/OWSO (if applicable), provision of technical support to district/OWSO, managing of project funds, reporting to NCDDS through PST and DST.

Using the above structures will reduce cost and also promote harmonization. Resources that will be made available to the project management office will include coverage for external consultancy services, provision of administrative support, including the procurement of equipment, furniture, fixtures, and other requirements of the project component.

For Project Management, the following key activities are envisaged (more details on the roles of the different actors is provided in Section 9):

Activity 1: Establishment of the TAG.

As explained earlier, the TAG led by MOI will consist of senior officials of the related ministries and institutions. The TAG may invite the representatives of civil society to join any meeting if necessary.

Invitations for establishing the TAG have already been sent out, and it is expected that it will become operational before appraisal of the DFGG project.

Activity 2: Establishment of DST.

The DST will be established by the General Department of Local Administration (GDLA) and consist of officials from various departments of GDLA. The DST is meant to be the core division in the NCDD/MOI in charge of harmonizing all district level projects and initiatives that are being undertaken by the NCDD, starting with the OWSO-DO initiative under the DFGG project. It will largely be composed of permanent MOI staff, although supplemental contract staff may also be required in the initial years of project implementation to ensure that there is adequate capacity in the institution to implement all the project activities.

Activity 3: Recruitment of support staff and TAs.

Two staff will be recruited to work with PST and one additional staff for each ExCom/PRDC. These additional staff will support the PST and ExCom Units to assist in the additional workload of OWSO and DO project.

Two national advisers will be recruited to provide support to DST and international TA will be contracted on a need basis only.

Activity 4: Information/ participation strategy.

It is crucial for the entire project that people have access to information: know where they can get information and are fully aware of the mechanisms to voice their opinions, complaints or concerns. In order to facilitate this, an information/participation strategy and materials will be developed and prepared for implementation at National and Sub-National level. Both strategy and dissemination materials will be developed in a participatory way including OWSO/ DO, Province and national level.

The national level will provide technical support to the provinces and districts OWSO/DO to implement the information campaigns and participation strategies.

Referring to activity 5 in component 3, the information strategy will be implemented in close cooperation with other project components such as RNK, MONASRI etc.

Activity 5: Managing Procurement.

NCDDS/PST will be responsible for the procurement of goods and services of the central project office as well as for the OWSOs and DOs to be established in the target districts according to the procurement plan. Where possible, the procurement at the sub-national level will be handled by PRDC/ExCom.

Activity 6: Coordination and harmonization.

The OWSO and DO is one of the 5 DFGG components. In addition there are a number of other Governance related NGO and other projects operational in the various provinces. Coordination and harmonization will be an important aspect both at the national and sub-National level. The TAG and DST will assist NCDDS to coordinate all projects related studies, evaluations, missions, trainings, workshops and seminars. At the Sub-National level, the PRDC/ExCom as well as the district OWSO/DO will coordinate all activities to ensure a harmonized approach at the District and local levels.

The TAG and DST are also responsible to assist the NCDDS to harmonize other district-focused projects and programs supported by development partners such as district initiative, and the inter-commune program.

B. Summary of Key Activities and Completed Milestones undertaken in 1st Quarter 2009

- Work plan for TAG, working procedures and agreed meeting schedules were completely done on February 26, 2009.
- The development of Prakas for establishment and functioning of OWSO was issued by MOI on March 12, 2009.
- The development of Prakas for establishment and functioning of Ombudsman was issued by MOI on March 12, 2009.
- The development of Prakas for approval on the internal rules of TAG was issued by MOI on March 12, 2009.
- Submitted the final draft Memorandum of Understanding (MOU) on MBPI and PMG for OWSO/DO to CAR and MEF for approval;
- The Memorandum of Understanding (MOU) on MBPI and PCG for OWSO/DO has been signed between the relevant key stakeholders (CAR, MEF, Bank and MOI) by March 25, 2009.

C. Emerging Concerns and Divergences from AWP

A. 1. Plan Activities against Work Plan

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	
1.1 Drafting of the legal framework for the extension and improvement of OWSOs and DOs to other districts	Jan	Jan-Feb	Feb	Feb	
1.4 Prakas on the set up and structure of OWSO/DO of MOI;	Mar	Mar	Mar	12 Mar 09	
1.5 Prakas on the transfer of competences of the	Mar	Mar	Mar	Mar-Jun	The Draft ones have completed, except MAFF,

relevant Ministries to the district OWSOs.					MoH, & MoEYS,
2.1 Assess all offices needs regarding constructions and renovations in each targeted district	Mar		Mar		Project was not effective as plan
2.2 Manage the bidding process	Mar 09		Jun 09		Project was not effective as plan
3.5 Organize study tour, internship and on-the-job training.	Jan 09	Jan-Mar	Dec 09	Dec 09	attended any trainings, WSs on procurement, DFGG dissemination, etc.
4.1 DST will work with the TAG and partners	Mar 09	Mar 09	Dec 09	Dec 09	Arrange and meeting among TAG's members on transfer of competences to OWSO
4.2 Post all relevant information of OWSO/DO in OWSO Website	Mar 09	Mar 09	Dec 09	Dec 09	1. OWSO articles has posted in the NCDD website 2. In the process of selection website developer through PCO
15.1 Hire an NGO to design & conduct a Baseline study	Mar 09	Mar 09	Dec 09		Qualitative Impact Assessment of the OWSO has separated from Baseline Assessment and approved by and in the process of selection through WB
19.1 Four staff DST (Contract Administration Assistant, DST Monitoring and Evaluation Assistant, DST Capacity Building Assistant,	Mar		Apr		Project was not effective as plan: 14 April 09

DST Information and Communication Assistant) will be recruited to work with PST and one additional staff for each ExCom/PRDC					
19.2 Three national advisers (2 for Operation & 1 for policy) will be recruited	Mar 09	Apr 09			<ul style="list-style-type: none"> o 1 TA for Operation is in the process of selection through PCO o Others will be recruited in Apr-May 09
21.3 Cooperate closely with other project components such as RNK, MONASRI etc. to disseminate and provide access to information	Mar 09	Mar	Dec 09		MoU with MONASRI has been drafted and wait for signing. RNK and others are contacted included non IAs such as 12 NGOs-members of LCFG and Pact Cambodia and its partner in the target provinces.
22.1 Update the 18 months Procurement Plan	Feb 09	Feb 09	Mar 09	Mar-Apr 09	wait for NOL from WB
22.2 Prepare the necessary procurement documents according to its category and needs	Mar 09	Mar 09	Dec 09	Dec 09	
23.1 Assist NCDDS to coordinate all projects related studies, evaluations, missions, trainings, workshops and seminars	Jan 09	Jan 09	Dec09	Dec 09	plus the legal framework development /drafting

C. 2. Emerging Concerns

The project effective is often delayed; leading some activities can not start as plan.

D. Provisional Results Indicators

OWSO Results Monitoring Arrangements³

	Indicators	Baseline	Target Values (Q1)	Data Collection and Reporting		
				Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Outcome Indicators for Each Component						
Component-1: Expansion and Strengthening of One-Window Service Office: Objective: To respond to the needs of citizens and small businesses in targeted districts for certain local administrative services to be delivered in an efficient, transparent and accountable manner through the opening of OWSOs).						
Core Indicators (to be aggregated at the overall DFGG project level)						
1	Number of citizen service delivery transactions completed in OWSOs across targeted districts (total and by type)	6000 transactions over 2 districts ⁴	30% increase (in SRP and BAT)	Quarterly compilation from OWSO reports	OWSO records; aggregated by DST each quarter and then summed up annually	NCDDS (DST) compiles using OWSO officer reports
2	Average cost recovery ratio (in %) of OWSOs (i.e., service fee revenue as proportion of operating costs)	To be calculated for SRP and BAT	50% (SRP and BAT)	Annual, quarterly; recorded in Annual and quarterly Reports	OWSO financial records; compiled by DST	NCDDS (DST)
OWSO-DO Specific Indicators for NCDDS/DST Management Use						
3	No. clients served at OWSOs	To be calculated in baseline	Dependent on district size & characteristics (SRP & BAT)	Quarterly compilation and reporting in Quarterly Reports	OWSO records – should register all clients who visit the office	OWSO officers report and DST M&E staff compile
Component-2: Extension and Strengthening of District Ombudsmen: Objective: To providing an avenue for mediating complaints and concerns of citizens and small businesses regarding the district administration						

³ Note that not all data collection responsibilities are with the NCDDS/DST or with the OWSO. Instead, several of the core indicators will be collected through an NGO/firm/research institute to be contracted by the PCO in MOI.

⁴ This represent the rounded off value of total transactions in Siem Reap (4673) and Battambang (1235) OWSOs in 2007..

	Indicators	Baseline	Target Values (Q1)	Data Collection and Reporting		
				Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
through the election of a neutral District Ombudsman in targeted districts.						
Core Indicators (to be aggregated at the overall DFGG project level)						
4	Number of local disputes or complaints received and mediated by DOs across all target districts	2 over 2 districts	2 districts	Annual; recorded in Annual Progress Report	DO records and independent audit by CSO	NCDDS (DST)
5	% of local disputes or complaints successfully resolved by DOs across all target districts (where possible/feasible)	No data	Increase (target 20%)	As above	DO records and independent audit by local CSO	NCDDS (DST) and independent local NGO/CSO. Methodology developed and tested in conjunction with PST M&E Unit staff. Support provided by the DFGG M&E Adviser where necessary.
OWSO-DO Specific Indicators for NCDDS/DST Management Use						
Component-3: Introduction of New forms of citizen's participation: Objective: To promote awareness and participation of citizens in decisions, policies, and programs of district governments by making them more transparent through the provision of new information channels for the citizens and new measures for people's participation.						
Core Indicators (to be aggregated at the overall DFGG project level)						
6	% of citizen & business representatives reporting high value/relevance of	To be calculated in pre-impl. period ⁵	5% increase	Annual; recorded in Annual Progress Report	FGDs and KIIs with citizen and business representatives	NCDDS through the NGO hosting the Annual Citizen

⁵ This will only be done for the two districts where OWSO and DO offices exist in the pre-implementation period.

	Indicators	Baseline	Target Values (Q1)	Data Collection and Reporting		
				Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
	information on local administration, OWS shared through people's participation measures in targeted districts				undertaken at the conclusion of annual citizen forum in each targeted district	Forums
OWSO-DO Specific Indicators for NCDDS/DST Management Use						
Component-4: Monitoring & Evaluation (M&E), and Learning to Ensure High Performance Standards in OWSO and DO Objective: To ensure that a continuous process of 'learning by doing' is embedded in project design so as to ensure that the OWSO and DO offices maintain high business standards for performance.						
Core Indicators (to be aggregated at the overall DFGG project level)						
Component-5: Project Management Objective: To ensure effective management of the project, with increased institutional capacity and effectiveness, as well as greater participation and partnerships.						
Core Indicators (to be aggregated at the overall DFGG project level)						
7	Number of partnerships between DST/OWSO/ DO & other SIs and NSAs established under the project	13 NGOs and 5 States	TBD	Annual; recorded in Annual Report	Recorded by DST at national level and aggregated from OWSO-DO reports	NCDDS/DST

E. Procurement Status

One TA for Operation and Website developer (IC) are in the process of selection through PCO. The procurement for OWSO/DO building is in the process of preparation the procurement committee of OWSO and assigning procurement officer.

F. Financial Status

N/A

SECTION II: INTERIM FINANCIAL REPORT (IFR)

A. Project Balance Sheet

**Cambodia: Demand for Good Governance Project
PROJECT BALANCE SHEET
AS OF March 31, 2009**

ASSETS		<u>28/2009</u>
	Cash	
	DA – IDA	XX
	Counterpart Funds Account	XX
	Bank – AusAID	
	Bank - Other Donors	
	Advance	XX
	Petty Cash	XX
		XX
	Cumulative Project Expenditures	
	Civil Work	XX
	Goods	XX
	Consultants' Services	XX
	Training/Workshops	XX
	Incremental Operating Costs	XX
	Sub-Grants	XX
	MBPI	XX
	PMG	XX
		XX
	TOTAL ASSETS	XX
	FUNDS	
	Sources of IDA Financing	XX
	Sources of RGC Financing	XX
	Sources of AusAID Financing	XX
	Sources of Other Donors	XX
	TOTAL FUNDS	XX

B. Sources and Uses of Funds by Category

**Cambodia: Demand for Good Governance Project
Sources and Uses of Funds by Category
For the quarter ended March 31, 2009**

	Component XX	Actual			Budget			Variance			PAD Figures
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
	Opening Balance										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank – Other Donors										
	Advance										
	Petty Cash										
	Total										
Add	Sources:										
	Receipt of Funds										
	- From IDA										
	- From Government										
	- From AusAID										
	- From other donors										
	- Other Income (document bidding fees., etc.)										
	Total Funds Received										

	Total Sources										
Less	Expenditures by Category										
	- Civil Works										
	- Goods										
	- Consulting Services										
	- Training and Workshops										
	- Operating Costs										
	- Sub-Grants										
	- MBPI										
	- PMG										
	Total Expenditures										
	Closing Balance										
	Represented by:	-	-		-	-	-				
	Balance at Designated A/C										
	DA – IDA										
	Counterpart Funds Account										
	Bank - Aus AID										
	Bank - Other Donors										
	Advance										
	Petty Cash										
	GRAND TOTAL										

C. Uses of Funds by Category and by Sources of Funds
Cambodia: Demand for Good Governance Project
Uses of Funds by Category and by Source of Funds
For the quarter ended March 31, 2009

No	Payment by category	Current Quarter				Year to date				Cumulative to date			
		IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total
	<i>Works</i>												
	<i>Goods</i>												
	<i>Consulting</i>												
	<i>Training</i>												
	<i>Incremental</i>												
	<i>Sub-Grants</i>												
	<i>MBPI</i>												
	<i>PMG</i>												
	Total Payments												

D. Uses of Funds by Project Activity
Cambodia: Demand for Good Governance Project
Use of Funds by Project Activity
For the quarter ended March 31, 2009

No.	Project Component	Actual			Budget			Variance			PAD
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
TOTAL PROJECT EXPENDITURE											

SECTION III: PHYSICAL PROGRESS, PROCUREMENT & CONTRACT MANAGEMENT

A. Physical Progress Report by Civil Works

Cambodia: Demand for Good Governance Project
Physical Progress Report by Civil Works
For the quarter ended March 31, 2009
(In US Dollar)

Contract/Work Progress – [Name of the IA]

Component/Activity No.	Project Component Output	Original Plan to Completion		Progress to date		Cost to date as a % of Planned Total Cost	Comments
		Cost in US\$	Completion Date	Cost in US\$	Physical Progress		
Civil works							

C. Procurement Monitoring Report – Goods
Cambodia: Demand for Good Governance Project
Procurement Monitoring Report – Goods
For the quarter ended March 31, 2009

No.	Description of Goods	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/contract award recommendation		Contract				
					IPA sent draft BD to PRC for approval (Date.)	Approval to Draft BD by PRC (Date)	IPA sent Draft BD to the Bank's NOL (Date)	No object to the Draft BD by the Bank (Date)	Bid invitation issued (Date)	Bid Opened (Date)	IPA sent evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (date)	Project signed Contract with the contractor (Date)	Contractor's Name	Contract Amount	Completion date	
1	Planned																
	Actual																
2	Planned																
	Actual																
3	Planned																
	Actual																
4	Planned																
	Actual																
	Planned																
	Actual																

D. Procurement Monitoring Report - Consulting Firm

Cambodia: Demand for Good Governance Project

Procurement Monitoring Report - Consulting Firms

For the quarter ended March 31, 2009

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Short list and Draft Requirement for Proposal (RFP)								Technical Evaluation	Final (Technical-Financial) Evaluation		Contract								
					IPA sent Short list to the Bank (Date)	No objection to the Short List by the Bank (Date)	IPA sent Draft RFP to PRC (Date)	Approve to draft RFP by PRC (date)	IPA sent draft RFP to the Bank (date)	No object to Draft RFP by the Bank (date)	IPA issued RFPs (date)	IPA received proposal from firms (date)		IPA sent Tech, evaluation report to the Banl(date)	No objection to Tech, evaluation report by the Bank (date)	IPA open Financial Proposal publicity (date)	IPA completes final evaluation	PRC and IPA negotiate contract with consultant	IPA sent draft contract and final evaluation report to the Bank (date)	No objection to Draft Contract by the Bank (date)	Project signed contract with consultant	IPA sent signed contract to the Bank (date)	Consultant's name	Contract value (US\$)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
1	Planned																							
	Actual																							
2	Planned																							
	Actual																							
3	Planned																							
	Actual																							

E. Procurement Monitoring Report - Individual Consultant

Cambodia: Demand for Good Governance Project
Procurement Monitoring Report – Individual Consultants
For the quarter ended March 31, 2009

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	TOR/ EOI						Evaluation		Contract							
					IPA sent TOR and EOI advertisement to PRC (date)	Approval to TOR and EOI advertisement by PRC (Date)	IPA sent TOR and EOI advertisement to the Bank (date)	No objection to TOR and EOI advertisement by the Bank	Advertisement by IPA (date)	Submission of EOI date	IPA sent evaluation report to the Bank (date)	No objection to evaluation report (date)	PRC and IPA negotiate contract with consultant	IPA sent draft contract to the Bank (date)	No objection to the Draft Contract by the Bank (date)	Project signed contract with consultant (date)	IPA sent segned contract to the Bank (date)	Consultant's Name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1	Planned																			
	Actual																			
2	Planned																			
	Actual																			
3	Planned																			
	Actual																			
4	Planned																			
	Actual																			

SECTION IV: CONCLUSION AND RECOMMENDATION

Overall, in the first quarter of year 2009, the OWSO has achieved the two main things: 1. the legal instruments for establishment and functioning OWSO and DO were issued formally, after the first meeting of TAG on 26 February 2009; and has drafted the competences and functions to be delegated to OWSO/DO from relevant ministries, are Ministry of Interior, Ministry of Education Youth and Sport, Ministry of Land Management, Urban Planning & Construction, MEF, MAFF, Ministry of Culture and Fine arts, Ministry of Public Work and Transportation, Ministry of Commerce, Ministry of Health, Ministry of Industry mines and energy; 2. Has prepares the arrangement for discussion and meeting to transfer competences and functions to OWSO/DO among municipalities districts khan and provincial line departments under the coordination of provincial governors. Further more, 18 months procurement work plan has been updated and two TA are in the process of selection through PCO; and OWSO project proposal has been translated into Khmer versions.

Annex: D. Radio National of Kampuchea (RNK)

SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

A1. Project Background

The DFGG project is a \$20 million equivalent, IDA financed grant being given to the Royal Government of Cambodia (RGC) for a four year period with the aim of enhancing the demand for good governance in priority reform areas by strengthening institutions, supporting partnerships and sharing lessons.

The state and non-state institutions and partnerships supported will be those that promote, mediate, respond to or monitor for DFGG (see definition of DFGG below). The four priority reform areas, where DFGG approaches will be supported are those identified in the Governance Pillar of the World Bank-RGC Country Assistance Strategy (CAS), namely:

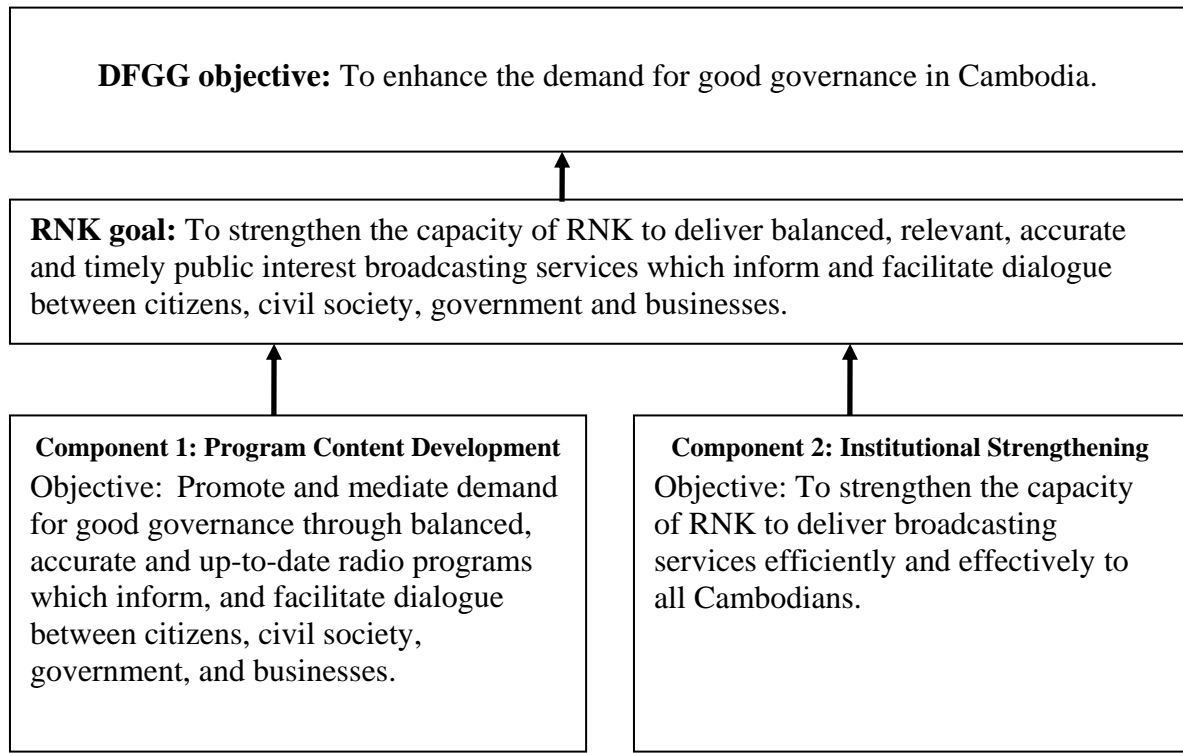
- (a) private sector development,
- (b) natural resource management,
- (c) public financial management, and
- (d) decentralization and citizens' participation.

A2. Project Development Objective

Support to Radio National of Kampuchea (RNK) is built on the AusAID-funded Cambodia Radio Development Assistance Project (CRDAP) that introduced the popular 'Talk Back Program' (TBP), *Our Life Our Society*. The TBP invites senior government officials to share information about their policies, programs and budgets, and provides opportunities for citizens to call in and directly question public officials. The project will expand TBP's coverage, introduce new feature stories on governance issues, and revamp the newsroom function in RNK, which is the only broadcaster of AM programs in the country with coverage of remote and rural areas.

To provide RNK staff with the required editorial decision, Editorial Policies have been introduced during project preparation. Additionally, through continued AusAID-funded technical assistance, the organizational capacity of RNK will be developed to produce and broadcast quality information services, manage its corporate functions, and develop and initiate a long-term sustainability strategy. These measures will help RNK increase its public interest programming and audience share, and begin its transition into a public service broadcaster engaged in promoting and mediating DFGG. In this way, the subcomponent will contribute to the Rectangular Strategy (RS) and CAS objective of promoting citizen's participation in governance by strengthening the media.

A3. Overview of Project Components



Component 1: Program Content Development

Component 1 aims to:

1. strengthen talkback programming between key players (political parties and citizens, civil society organizations and other non-state actors) to enhance state responsiveness and accountability;
2. renovate news services to ensure accurate, timely and independent information for RNK listeners; and
3. establish in-depth researched, analysed and logically argued feature programs to facilitate informed decision making by Cambodians;
4. institutionalise Editorial Policies compliance across all programs to ensure information is accurate, impartial and of maximum benefit to RNK listeners; and
5. build concrete links and partnerships between civil society, state institutions, businesses and RNK to promote the voice of the Cambodian people.

The proposed program content activities readily fit within the promotion and mediation elements of the proposed Demand For Good Governance (DFGG) project by disseminating information and raising citizen awareness about governments programs, and mediating DFGG by creating an avenue for feedback and dialogue between the public and public officials.

Component 2: Institutional Strengthening

Component 2 specifically aims to:

1. strengthen the organisational capacity of RNK so that it is well functioning and capable of delivering quality information services;
2. enable RNK to effectively manage human resources, and business and strategic planning to enhance RNK performance;
3. ensure RNK's assets are securely managed to support smooth and continuous delivery of information services to listeners; and
4. enable RNK to raise and secure revenue so that it is financially sustainable upon project completion.

In order for the program content development capability to be efficient and especially sustainable, RNK requires parallel improvements and re-design in a number of departments and offices. Institutional strengthening should focus on organisational structures, marketing and business development, securing annual revenue from MOInf, financial management, human resource management, and transmission capability and physical asset management.

B. Summary of Key Activities and Completed Milestones undertaken in Quarter

Under DFGG, RNK will expand the current TBP, rejuvenate the news services and introduce feature stories. RNK will also need to strengthen its institution to undertake the proposed program content.

To prepare for such a large-scale project, a series of pre-implementation activities have been conducted or are now underway. The following report provides a status update on these activities, in advance of the launch of DFGG in April 2009.

B1. Baseline Study (Funded by AusAID)

CRDAP and RNK jointly issued a request for proposals to conduct a Baseline Study to establish information required by indicators to monitor the quality and impact of RNK's proposed program content and institutional strengthening. These indicators include a Perception Index on the awareness level of social and political issues of listeners; on RNK's talkback program content providing an avenue for dialogue and feedback between citizens and public officials; on the responsiveness of public officials; and on the improvement of news services.

Four organizations responded with proposals: the Center for Advanced Study (CAS), Intermedia (in partnership with Green Goal of Cambodia), Asian Strategies, and QAsia. CRDAP and RNK reviewed the proposals and offered the contract to QAsia which began work on the Study in December 2008. QAsia will provide its results towards the end of April 2009.

B2. Content Development Adviser and Organisational Development Advisor (Funded by AusAID)

Two key expatriate advisors were hired and commenced their work with the RNK-DFGG project in March 2009 to build the capacity of local staff. Working in partnership with the Director of the News Services Department and RNK's Senior Management Team, the Content Development Adviser (CDA) will provide a professional and effective internal capacity building service to assist RNK to produce balanced, accurate, up-to-date and relevant radio programs which inform and facilitate dialogue between citizens, civil society, government, and businesses.

The CDA will facilitate development of a regular program format covering the range of governance and development topics broadcast by public interest broadcasters. To rehabilitate the news service, the CDA will train and support existing staff and/or recruit broadcasters who have experience in basic journalism: story identification; story writing; bulletin compilation; interviewing; news production; and presentation.

Once the initial training phase is completed, the CDA will provide on-the-job mentoring to ensure timely news production and presentation to meet tight and exhausting news deadlines, exacting editorial standards, and producing radio copy and programs with the Cambodian audience in mind.

Working in partnership with the Director of Finance and Administration and other senior staff of RNK, the Organizational Development Advisor (ODA) will provide a professional and effective internal capacity building and support service to assist RNK to identify and achieve its organisational development priorities under the DFGG project and improve its overall performance.

The ODA will work to strengthen the capacity of RNK to become a public interest broadcaster. She will focus on six key platforms of institutional development:

- human resources and administration
- networking and partnerships
- marketing and business
- financial management
- physical asset management, and
- transmission

The ODA will design an institutional strengthening plan which will formulate capacity development strategies, define institutional strengthening strategies, and define progress indicators for capacity development strategies. The ODA, working with a national Human Resources consultant, will support the Human Resources and Administration Office to oversee the organizational restructure, selection and recruitment process. The ODA will iron out RNK's organizational issues, and promote team-building and workplace harmony.

B3. Support for Training and Talkback Production in Battambang (Funded by AusAID & ABC)

Since 2005, the Battambang PIS has been a major partner in the CRDAP, the precursor project to RNK-DFGG. Battambang PIS has been provided with new equipment in March, so that it will

become a regional broadcast training centre capable of professionalising the media workers at neighbouring PIS's in addition to staff at the Battambang operation. The ABC's Content Support Officer and the Project Coordinator will be seconded to run training programs at the Battambang PIS between May and July 2009.

B4. Staff Recruitments

RNK completed their draft MBPI and PMG manual designating that the rules and regulations will be applied the same for both categories. The Job Descriptions were finalized and advertised in January 2009. Applications closed on the 6th of March 2009. A register was prepared for the Selection Panel.

The Selection Panel and the Incentives Recruitment Committee were established. Both have been briefed on their responsibilities, options and accountability.

MBPI

Fourteen core staff have been confirmed appointed into their positions. The Selection Panel will begin reviewing the applications for the other ten positions the week of March 30th, 2009.

PMG

Five core staff have been confirmed appointed into their positions. The Selection Panel will begin reviewing the applications for the other thirty-two positions the week of March 30th, 2009.

C. Emerging Concerns and Divergences from AWP

C1. Plan Activities against Work Plan

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	
Baseline study	November 2008	December 2008	March 2009	April 2009	
Staff recruitment	November 2008	January 2009	February 2009	April 2009	

C2. Emerging Concerns

C2.1 AusAID's Reduced Funding

AusAID has indicated that it can no longer provide the A\$4.3 million previously promised to ABC to deliver technical support RNK in implementing DFGG from March 2009 to March 2013. AusAID advised it can now only provide A\$3 million, due to changes in aid priorities by the Government of Australia and as a result of the global economic crisis. This cutback represents a shortfall of A\$1.3m for ABC to provide technical support to RNK until the end of DFGG.

A series of discussions between AusAID, the World Bank and ABC have been held to find a solution to source the funding gap to ensure that ABC's support to RNK remains until

completion of DFGG in 2013. It was agreed that the ABC would identify activities which can be funded by the World Bank, in accordance with its contractual policies.

A series of meetings between AusAID and ABC resulted in a verbal agreement that AusAID will need to find an additional A\$300,000 to provide consulting services. In addition, the World Bank has indicated it will try to find an additional A\$1 million for RNK, rather than ABC, to fund study tours by RNK newsroom staff, a study tour by the Minister of Information and his delegation, RNK annual planning retreats, and continuous engagement of the Content Development Advisor (CDA) and the Organisational Development Advisor (ODA) from March 2010 to March 2013.

AusAID has proposed that the A\$300,000 it previously allocated for the Arbitration Council Federation (ACF) through the World Bank, be provided to ABC for the consulting services. It is crucial that AusAID, the Bank and the RGC continue to negotiate over the next months on 2 critical issues:

- the return of A\$300,000 to AusAID to enable transfer to ABC; and
- additional funding from DFGG's contingency funding of A\$1,000,000 to RNK by February 2010.

Without these 2 sources of funds totalling \$A1.3 million, ABC will not be able to deliver technical support to RNK until March 2013. The contraction of the CDA and ODA's roles will result in the mentoring process being significantly shortened, hindering the long term effectiveness of the project. This may well lead to RNK's failure to achieve their stated outcomes as per DFGG which will ultimately lead to DFGG's goals being compromised.

It needs to be noted that RNK has never engaged with donors in this fashion before. RNK's experience with ABC and with other international donors was as a partner where their staff were supported and trained. RNK has never had experience as a project implementation agency.

C2.2 Procurement

The Procurement process has suffered a number of delays. These delays have caused significant flow on effects, regarding the availability of key consultants, the creation of RNK's website, and items such as computers and studio recording equipment. RNK has been required to start the recruitment process without the assistance of a HR Specialist, and the Finance Specialist will have limited time to develop the capacity of the accounting and finance staff of RNK.

The MEF's letter #6571 requires RNK to arrange the procurement process for a number of items without the assistance and the experience of the IPA. As the Procurement Specialist Consultant position was not part of the pre-implementation activities, to move forward RNK will need to promptly train its staff and management to build the capacity to handle this additional requirement. However, hopefully the new arrangements will minimise delays in providing information to the IPA, and there have been a number of assurances that Crown Agents is handling the procurement process more efficiently.

Moving forward, RNK hopes that a more streamlined procurement process may provide more timely procurement of Goods and Consultants, however RNK must first build the capacity of

procurement staff and executing management to handle this increased workload. To minimise delays, RNK will also need to work closely with the WB to promptly receive the No Objection Letter (NOL) for prior review documents.

RNK will still deal with the IPA for a number of larger items, and will need to have regular contact to ensure that the terms of reference and technical specifications meet the IPA's requirements and delays are minimised.

D. Provisional Results Indicators

There has not been any further update to the Results Framework provided in the Annual Work Plan 2009.

E. Procurement Status

The procurement progress has experienced a number of delays due to the changes in the contract with the Crown Agents International Procurement Agency and the increased workload with the issuance of the MEF letter no 6721. These delays have caused significant variances between the planned and the actual procurement monitoring dates.

The pre-implementation period procurement has been prepared with the assistance of the Project Coordination Office. This includes three consultancy services and four goods contracts. To date, no contract has been finalised.

For the implementation period, RNK has commenced the procurement activity for the Procurement Specialist and Marketing Specialist consultancy positions and is awaiting the World Bank's No Objection Letter. The terms of reference of the Listener Group and the technical specifications for the Transmission Site Refurbishment, among others, have been drafted and are awaiting input from the World Bank. However, as the Procurement Specialist consultant contract and the RNK's Procurement Officer under PMG will not commence until the project's effectiveness, RNK's capacity is still limited in maintaining this procurement process.

F. Financial Status

As the project effectiveness has been postponed, no funds have yet been disbursed and accordingly no financial activity has taken place for the quarter.

SECTION II: INTERIM FINANCIAL REPORT (IFR)

A. Project Balance Sheet

**Cambodia: Demand for Good Governance Project
Component: Part 1C - Support to RNK
PROJECT BALANCE SHEET
AS OF 03/31/09**

Report 2

ASSETS		<u>03/2009</u>
Cash		
	DA - IDA	-
	Bank - Aus AID	-
	Bank - RGC	-
	Advance	-
	Petty Cash	-
		<u>-</u>
		<u>-</u>
Cumulative Project Expenditures		
	Goods	-
	Consultants' Services	-
	Training/Workshops	-
	Incremental Operating Costs	-
	MBPI	-
	PMG	-
	AusAID TA	-
		<u>-</u>
		<u>-</u>
	TOTAL ASSETS	<u><u>-</u></u>
 FUNDS		
	Sources of IDA Financing	XX
	Sources of RGC Financing	XX
	Sources of AusAID Financing	XX
	TOTAL FUNDS	<u><u>XX</u></u>

B. Sources and Uses of Funds by Category

Cambodia: Demand for Good Governance Project

Component: Part 1C - Support to RNK

Sources and Uses of Funds by Category

For the quarter ended 03/31/09

Report 3

	Component B	Actual			Budget			Variance			PAD
		Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative to Date	
	Opening Balance										
	DA - IDA	-	-	-	-	-	-	-	-	-	
	Bank - Aus AID	-	-	-	-	-	-	-	-	-	
	Bank - RGC	-	-	-	-	-	-	-	-	-	
	Advance	-	-	-	-	-	-	-	-	-	
	Petty Cash	-	-	-	-	-	-	-	-	-	
	Total	-	-	-	-	-	-	-	-	-	
Add	Sources:										
	Receipt of Funds										
	- From IDA	-	-	-	-	-	-	-	-	-	2,375,923
	- From Government	-	-	-	-	-	-	-	-	-	91,501
	- From AusAID	-	-	-	-	-	-	-	-	-	3,421,210
	- Other Income (document bidding fees..., etc.)	-	-	-	-	-	-	-	-	-	
	Total Funds Received	-	-	-	-	-	-	-	-	-	5,888,634
	Total Sources	-	-	-	-	-	-	-	-	-	
Less	Expenditures by Category										
	- Goods	-	-	-	-	-	-	-	-	-	693,180
	- Consulting Services	-	-	-	-	-	-	-	-	-	691,060
	- Training and Workshops	-	-	-	-	-	-	-	-	-	36,400
	- Operating Costs	-	-	-	-	-	-	-	-	-	523,920
	- MBPI	-	-	-	-	-	-	-	-	-	291,984
	- PMG	-	-	-	-	-	-	-	-	-	230,880
	- AusAID TA	-	-	-	-	-	-	-	-	-	3,421,210
	Total Expenditures	-	-	-	-	-	-	-	-	-	5,888,634
	Closing Balance	-	-	-	-	-	-	-	-	-	
	Represented by:										
	Balance at Designated A/C	-	-	-	-	-	-	-	-	-	
	DA - IDA	-	-	-	-	-	-	-	-	-	
	Bank - RGC	-	-	-	-	-	-	-	-	-	
	Bank - Aus AID	-	-	-	-	-	-	-	-	-	
	Advance	-	-	-	-	-	-	-	-	-	
	Petty Cash	-	-	-	-	-	-	-	-	-	
	Total	-	-	-	-	-	-	-	-	-	

C. Uses of Funds by Category and by Sources of Funds

Cambodia: Demand for Good Governance Project												
Component: Part 1C - Support to RNK												
Uses of Funds by Category and by Source of Funds												
For the quarter ended 03/31/09												Report 3.1
	Current Quarter				Year to date				Cumulative to date			
	IDA Grant	AusAid	RGC	Total	IDA Grant	AusAid	RGC	Total	IDA Grant	AusAID	RGC	Total
Payment by category												
Goods	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consulting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incrementals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MBPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PMG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payments												

D. Uses of Funds by Project Activity

Cambodia: Demand for Good Governance Project											
Component: Part 1C - Support to RNK											
Use of Funds by Project Activity											
For the quarter ended 03/31/09											Report 4
Project Component	Actual			Budget			Variance			PAD	
	Current Quarter	Year to Date	Cumulative	Current Quarter	Year to Date	Cumulative to Date	Current Quarter	Year to Date	Cumulative		
1C	Support to RNK										
1	Program Content Development										
1.1	Talkback Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,740
1.2	News	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,960
1.3	Features Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,410
1.4	Provincial Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,760
1.5	Policy Environment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,400
1.6	ABC Technical Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,540,660
	Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,228,930
2	Capacity Building										
2.1	Admin & Human Resource Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,970
2.2	Research, Networking & Partnerships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,050
2.3	Marketing and Business Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,170
2.4	Financial Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,220
2.5	Physical Asset Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,890
2.6	Transmission & Studio Refurbishment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 465,350
2.7	RNK Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,730
2.8	Monitoring & Evaluation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358,000
2.9	ABC Technical Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,553,460
	Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,136,840
	MBPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,984
	PMG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,880
	Total										\$ 5,888,634

B. Procurement Monitoring Report – Goods

Cambodia: Demand for Good Governance Project

Component: Part 1C - Support to RNK

Procurement Monitoring Report - Goods

For the quarter ended 03/31/09

Report 6.1

No.	Description of Goods	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/contract award recommendation		Contract			
					IPA sent draft BD to PRC for approval (Date.)	Approval to Draft BD by PRC (Date)	IPA sent Draft BD to the Bank's NOL (Date)	No object to the Draft BD by the Bank (Date)	Bid invitation issued (Date)	Bid Opened (Date)	IPA sent evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (date)	Project signed Contract with the contractor (Date)	Contractor's Name	Contract Amount	Completion date
1	Planned	DFGG/NS01/09	7 P	Shopping					1/10/2008				1/12/2008		\$ 8,000	1/01/2009
	Actual		P	Shopping	12/02/2009	12/02/2009	2/03/2009	24/03/2009	6/04/2009	24/04/2009					\$ 8,000	
2	Planned	DFGG/NSO2/09	3 PR	Shopping					1/11/2008				1/01/2009		\$ 19,840	31/01/2009
	Actual		PR	Shopping	12/02/2009	12/02/2009	2/03/2009	24/03/2009	6/04/2009	24/04/2009					\$ 16,600	
6	Planned		4 P	NCB					1/11/2008				1/02/2009		\$ 84,800	1/03/2009
	Actual															
3	Planned	CAKH380	13 PR	Shopping					1/11/2008				1/01/2009		\$ 4,000	31/01/2009
	Actual		PR	Shopping	N/a	N/a	N/a	N/a	24/03/2009	27/03/2009						
4	Planned		5 PR	NCB					1/12/2008				1/03/2009		\$ 20,030	1/05/2009
	Actual															
5	Planned		1 P	UNOPS					1/12/2008				1/04/2009		\$ 29,000	1/06/2009
	Actual															
7	Planned		5 PR	Shopping					1/02/2009				1/04/2009		\$ 9,870	1/05/2009
	Actual															
8	Planned		2 PR	Shopping					1/03/2009				1/05/2009		\$ 8,500	31/05/2009
	Actual															

9	Planned	Audio Visual Equipment (delay unit, recorder, microphone, walkie-talkie, outside broadcaster, quality radio sets & connection for relays, mixers)	6	PR	NCB					1/03/2009				1/07/2009		\$ 81,900	1/09/2009
	Actual																
10	Planned	Audio Visual Equipment (studio refurbishment)	8	PR	Shopping					1/03/2009				1/05/2009		\$ 12,000	1/08/2009
	Actual																
11	Planned	Audio Visual Equipment (Antenna, transmitter fitting & upgrading existing transmitters)	9	P	ICB					1/04/2009				1/10/2009		\$ 270,000	31/01/2010
	Actual																
12	Planned	Promotional materials (t-shirts)	11	PR	Shopping					1/08/2009				1/10/2009		\$ 2,000	31/10/2009
	Actual																
13	Planned	Promotional materials (billboards, posters, stickers, annual reports)	12	PR	Shopping					1/08/2009				1/10/2009		\$ 18,000	31/10/2009
	Actual																

Cambodia: Demand for Good Governance Project

Component: Part 1C - Support to RNK

Procurement Monitoring Report - Individual Consultant

For the quarter ended 03/31/09

Report 6.3

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	TOR/ EOI						Evaluation		Contract							
					IPA sent TOR and EOI advertisement to PRC (date)	Approval to TOR and EOI advertisement by PRC (Date)	IPA sent TOR and EOI advertisement to the Bank (date)	No objection to TOR and EOI advertisement by the Bank	Advertisement by IPA (date)	Submission of EOI date	IPA sent evaluation report to the Bank (date)	No objection to evaluation report (date)	PRC and IPA negotiate contract with consultant	IPA sent draft contract to the Bank (date)	No objection to the Draft Contract by the Bank (date)	Project signed contract with consultant (date)	IPA sent segned contract to the Bank (date)	Consultant's Name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20.00	21
1	Planned	HR Consultant	2.1	PR	Sel IC					1/10/2008							1/12/2008		37,500.00	31/01/2010
	Actual			PR	Sel IC	N/A	N/A	N/A	N/A	17/03/2009	6/04/2009								37,500.00	
2	Planned	Marketing consultant	2.3	PR	Sel IC					1/03/2009							1/05/2009		25,000.00	1/05/2010
	Actual			P	Sel IC	6/04/2009	6/04/2009	6/04/2009											65,000.00	
3	Planned	Financial specialist	2.4	PR	Sel IC					1/10/2008							1/12/2008		25,840.00	31/01/2010
	Actual	Financial specialist		PR	Sel IC	N/A	N/A	N/A	N/A	17/03/2009	6/04/2009									
4	Planned	Procurement specialist	2.5	PR	Sel IC					1/11/2008							1/01/2009		24,000.00	1/01/2010
	Actual			PR	Sel IC	6/04/2009	6/04/2009	N/A	N/A										36,000.00	
5	Planned	Physical asset	2.6	PR	Sel IC					1/03/2009							1/05/2009		8,000.00	1/01/2010
	Actual	management specialist																		

SECTION IV: CONCLUSION AND RECOMMENDATION

AusAID has advised that they can only provide A\$3 million to ABC to support RNK in implementing the DFGG. This represents a shortfall of A\$1.3 million. With this shortfall, ABC will not be able to deliver technical support to RNK until March 2013. This may well lead to RNK's failure to achieve their stated outcomes as per DFGG which will ultimately lead to DFGG's goals being compromised. This means that both timelines and goals for the project would need to be reassessed. It would also impact greatly on the sustainable outcomes of the project. It is crucial that AusAID, the World Bank and the RGC negotiate and decide very soon on how to top up the funding shortage.

Though there have been delays in establishing the structure and assets to implement the project, in many ways these delays have provided additional time to ensure all RNK Core staff have a better understanding of the process and given them more time to engage. Though if delays become more lengthy, this could have an adverse effect on RNK staff moral and support to the project.

Additionally, the recruitment process needs to be hastened; without all of the required key staff in place, the CDA and ODA's ability to train quickly and effectively is impeded. This will be a priority activity in the next quarter.

One of the main achievements for RNK during the past 3 months has been the official approval of the DFGG Project Proposal and MBPI & PMG for RNK staff working in DFGG. The approval indicates recognition by the RGC, international and local communities of RNK and of the reform undertaken at RNK with technical support from ABC. It represents harmonisation between AusAID and WB as donors in their support of governance in Cambodia. Above all, it is an achievement by RNK in taking its reform steps further in its contribution to support good governance in the country. The Minister of Information and RNK senior officials continue to respond favourably to DFGG.

Another main achievement has been development of an EMP to ensure safety of RNK's workers and the public living nearby. RNK has responded well to the EMP by setting up safety measures to secure the transmission site.

Annex: E. The Asia Foundation (TAF)

Not applicable results during the first quarterly progress report in 2009.

Annex: F. Project Coordination Office (PCO)

SECTION I: PROJECT PROGRESS REPORT

A. Project Introduction

Component 3 has been designed to ensure the project is effectively implemented and the lessons it generates are captured, recognized and serve as examples for future scaling up and increasing interest in adoption of DFGG approaches across a broader range of institutions in Cambodia.

The MOI will serve as the Executing Agency (EA) for the DFGG Project and as the Implementing Agency (IA) for Component 3 specifically. It will be supported through a Project Coordination Office (PCO) and a high-level, multi-stakeholder Project Coordination Group (PCG).

A.1. Project Background

The MOI is the EA for the proposed World Bank funded DFGG Project, which will support the governance reform policies of the RGC. It is an exciting new project that will assist selected government institutions and civil society organizations to develop and expand programs that promote good governance. The DFGG project will support four state institutions in strengthening and expanding their programs; will promote partnerships with civil society, and generate lessons for wider replication. Civil society organizations will be supported through capacity building and grants. The project hopes to encourage citizen demand or interest in governance issues and to improve government responsiveness to feedback from the community. The MOI established a small PCO to support project preparation, and plans to strengthen the capacity of the PCO through recruitment and training during the pre-implementation period.

A Project Preparation Facility (PPF-1) grant is currently being executed to support the design of the DFGG Project and is expected to conclude in March 2008. A second phase PPF-2 has been requested and is expected to be effective from April 2008 until the end of December 2008. The PPF-2 is designed to ensure a smooth transition on the part of the MOI and the other IAs and better prepare them for the launch of the project.

A.2. Project Development Objective

The objectives of the Project Coordination and Learning Component are:

- To ensure effective implementation of the DFGG Project, consistent with agreed management guidelines and best practices, and timely progress in the direction of achieving the project's overall development objectives; and
- To promote learning about and facilitate adoption of DFGG approaches and practices within and beyond the SIs and NSAs that participate in the DFGG Project.

A.3. Project Component

The component 3 of the project was having two subcomponents, focusing on coordination and learning respectively.

- **Subcomponent 3A: Project Coordination** – The MOI was ensured oversight and facilitates implementation of activities under the responsibility of the five IAs, working closely with them to identify problems and issues of common interest, and

seeking their timely resolution. It will monitor, evaluate and report on implementation progress, oversee adherence to fiduciary requirements, and ensure strategic relevance of the project vis-à-vis the evolving Cambodian context.

- **Subcomponent 3B: Learning** – The MOI was seek to build bridges between SIs and NSAs, and to promote learning and capacity building beyond the set of IAs already participating in the project through Components 1 and 2. While Component 2 focuses broadly on building and strengthening the capacity of civil society to effectively demand good governance, Component 3 will seek to complement Component 1 by raising awareness across a broader public and building capacity of other SIs to respond to these demands.

B. Summary of Key Activities and Completed Milestones Undertaken in Quarter

The following activities and completed milestones were carried out stick with commitment to get done during the 1st quarter period (from January to March 2009). The Project Coordination Office (PCO) worked closely with states and non-state institutions, project key stakeholders and the World Bank country office, Phnom Penh and the World Bank Task Team Leader visiting Cambodia for pre-effectiveness action. The following is a summary of the main accomplishments during the reporting period:

Project Coordination Unit (PCU): As of this quarter end, the Project Coordination Unit was carried out the main activities and plays an important role in coordination its part C of the project and as whole project components. There has been some progress in term of the project coordination unit as indicates the following:

- Organized a workshop with all IAs to finalized the Draft of PIM by March 11, 2009
- Submitted the Final PIM to the Bank for final review by March, 2009;
- Finalized Project Implementation Manual (PIM) volume 1 of 2;
- Prepared Project Implementation Manual (PIM) volume 2 of 2;
- Official adoption of the final PIM volume 1 of 2 and PIM volume 2 of 2 by Ministry of Economy and Finance (MEF) on April 20, 2009;
- Conducted a short workshop with TAF and MEF by March 02,2009 to discussed on the (a) the principles of constructive engagement,(b) List of NSAC funding restrictions, (c) NSAC monitoring indicator, (d) TORs for the grant-making committee (GMC) and (e) GMC nomination letter;
- Official approval on GMC nomination letter on March 08, 2009 by H.E Sar Kheng, Deputy Prime Minister, and Minister Ministry of Interior;
- Official approval on PCG nomination letter on March 17, 2009 by H.E Sar Kheng, Deputy Prime Minister, and Minister Ministry of Interior;
- Developed MBPI Manual; and
- Submitted the draft Memorandum of Understanding (MOU) on MBPI and PMG of MOI/PCO and OWSO, RNK and MONASRI to Bank for review and comment;

- Submitted the final draft Memorandum of Understanding (MOU) on MBPI and PMG of MOI/PCO and OWSO to CAR and MEF for approval;
- Conducted Internal and Project Management Meeting to review the work progress and problem solving; and
- Liaison with the Bank and facilitating project supervision.

Learning and Communication Unit (LCU): During the reporting period, Learning and Communication Unit (LCU) has been achieved as indicates the following points:

+ Capacity Building Plan:

- Conducted Training Need Assessment (TNA) finding validation workshop,
- Finalization of TNA report,
- Assisted MONASRI in training evaluation and reporting,
- Development of a Training Procedures Manual for the DFGG Project,
- Development of Term of Reference for Individual Consultant for Training Service Delivery.

+ Partnership Learning and Communication:

- Communicated with DFGG state institutions to review a Partnership Plan;
- The first meeting of Learning and Communication Focus Group (LCFG) was organized on January 15th 2009 to introduce and better understand each other and overview on the DFGG project for a whole;
- The second meeting of Learning and Communication Focus Group (LCFG) was conducted on February 26th 2009 to finalize the Term of Reference (TOR) of the Research and Training Organization (RTO);
- Developed Annual Work Plan, 2009 for Learning Unit and a Partnership and Learning initiative would incorporate into PIM;
- Participated in the process of establishing the Project Coordination Group (PCG);
- The consultative approach and process to be used to promote and mobilize potential NGOs and invite them to be a member of PCG;
- The first meeting of PCG has been organized in March 17, 2009 with a clear objective to declare officially the legal status of each member and introduced the mandate and the TOR for their information and reference, and also including the development of Next Action Plan;
- Coordinated and assisting IAs in preparing of their Partnership and Learning Plan for Annual Work Plan, 2009.

Monitoring and Evaluation Unit (MEU): There has been some progress in term of monitoring and evaluation as indicates the following:

- Updated the Project Implementation Plan (PIP) for part C of the project for incorporate into the PIM volume 1 of 2;
- Conducted consultation meeting with IAs to review on the Annual Work Plan (AWP), Quarterly Progress Report (QPR) and Annual Progress Report (APR) Formats based on the World Bank guidelines;
- Finalized of the Annual Work Plan (AWP) and Quarterly Progress Report (QPR) and Annual Progress Report (APR) Formats for the overall project;
- Conducted quarterly monitoring to ensure that IAs are progressing towards work planed project goals, and progress reports appropriate corrective actions are taken;
- Prepared an Annual Progress Report (APR) for 2008 for part C of the project;
- Consolidated the Annual Progress Report (APR) for 2008 for overall DFGG project and submitted to the World Bank;
- Prepared an Annual Work Plan (AWP) for 2009 for part C of the project;
- Compiled and consolidated of the Annual Work Plans for 2009 for overall DFGG project and submitted to World Bank;
- Reviewed and updated of Risk Management Matrix and Mitigation Strategic Plan for Part C of project;
- Reviewed and updated of Good Governance Framework (GGF) for Part C of project;

C. Emerging Concerns and Divergences from AWP

C.1. Plan Activities against Work Plan

Planned Performance in Quarter	Starting Date		Completed Date		Further Comments
	Planned	Actual	Planned	Actual	
Project management groups (PCG and PMT) established and first meetings conducted	Jan 2009	Mar 2009	Mar 2009	Mar 2009	For PMT will be established at May 2009
Develop MBPI and PMG Manuals	Jan 2009	Feb 2009	Mar 2009	Mar 2009	
Appoint Research and Training Organization (RTO)	Feb 2009	Feb 2009	On the process	On the process	Speed up to award the RTO firm
Appoint LCFG and conduct regular meeting	Jan 2009	Feb 2009	Mar 2009	Mar 2009	
Procure Offices, vehicles and Equipment	Jan 2009	Jan 2009	On the process	On the process	
Finalized Project	Jan 2009	Jan 2009	Mar 2009	Mar 2009	completed

Implementation Manual					
Install annual planning and budgeting systems and formats, and monitoring arrangements	Jan 2009	Jan 2009	Mar 2009	Mar 2009	completed
Conduct internal audit	-	-	-	-	Not applicable
Prepared Annual Work Plan for 2009	Jan 2009	Jan 2009	Mar 2009	Mar 2009	completed
Conduct quarterly monitoring	Mar 2009	Mar 2009	Mar 2009	Mar 2009	
Develop detailed communication program	Jan 2009	Feb 2009	Mar 2009	Mar 2009	
Reviewed and updated of Good Governance Plans	Mar 2009	Mar 2009	Mar 2009	Mar 2009	
Selection of Accounting software and initiation are completed	Feb 2009	Feb 2009	On the process	On the process	Updated of the procurement method
Training Plans for IAs on project management skills prepared	Jan 2009	-	-	-	Not applicable, due to training coordinator resigned from his position
Awareness Raising and Capacity Building Program prepared for the four-year period & detailed for the first 12 months	Jan 2009	-	-	-	Not applicable and need support from RTO
Learning stocktake of GG/DFGG experiences in Cambodia completed and documented	Jan 2009	-	-	-	Not applicable and need to be shared at 3 rd meeting of LCFG at May 26,2009

C.2. Emerging Concerns

During the course of the implementation the following issues were challenged:

- Some planned activities were not carried out, due to the key body for its supports not yet on board with the project and/or resigned from the project.
- The Procurement processes were faced some delays. These delays have caused significant flow on the effectiveness of daily operation.
- The appointment of the PMT not officially established to provide oversight to the project and facilitated cooperation among PCO and IAs in project preparation period.
- The baseline study has not yet implemented and the dateline submission of the study result is coming close by (30 June 2009).
- The major issue in the first quarter was related with the project fund transaction between the project and the World Bank.

D. Provisional Results Indicators

Project Outcome Indicators	Baseline	Target Values (YR1)	Data Collection and Reporting		
			Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Appoint Project Director and senior staff of PCO (no of staff)	-	10	No of staff reported in first quarter report	N/A	PCO/PCU
Appoint individual consultants required to undertake Component 3 (Contracts)	-	6	No of staff reported in first quarter report	N/A	PCO/PCU
Training of IA/PCO staff SOP/project management	-	1	No of training sessions reported in first quarter report	N/A	PCO/LCU
Training/orientation on M&E Systems	-	1	No of training sessions reported in first quarter report	N/A	PCO/MEU
Training on Financial Management	-	1	No of training sessions reported in first quarter report	N/A	PCO/LCU
Training on Procurement Management	-	1	No of training sessions reported in first quarter report	N/A	PCO/PCU
Arrange for PCG meetings and follow up actions	-	1	No of meetings and percent of follow up actions	PCG agenda and minutes of meetings. Special reports to PCG	PCO/CLU
Experiences shared & cooperative arrangements promoted in areas of common interest of IAs.	-	2	No of LCFG meetings, agenda and minutes	Agendas and minutes of meetings	PCO/LCU
Annual Work Plan and budget and quarterly monitoring reports	-	1	Reports produced quarterly	Agreed standard reports	PCO/MEU
Procurement Plans submitted to IPA		2	Quarterly Progress Report	PCO and IA procurement process and plan for 2009	PCO/PCU
Timely tracking of project inputs, outputs, and impacts, and identification of areas in which the project may need corrective action on the part of IAs, supported by the project's M&E system	-	QPR & expenditure by all IAs.	PCO and IA Reports	Quarterly M&E reports on progress/issues/actions	IA and PCO Planning and M&E staff

E. Procurement Status

With reference to letters No. 6721 dated 15 December 2008 from the Ministry of Economy and Finance, below threshold are procured by Implementing Agency (IA):

- Consulting Service under Individual Consultant and NGO
- Procurement using Single Source Selection and Direct Contracting
- Procurement of Goods estimated to cost less than US\$ 50,000
- Procurement of Works estimated to cost less than US\$ 100,000

Therefore, this report spells out the activities carried out and as results few packages of goods and consulting services were awarded by the PCO as well as for each IAs. Below are the summaries of the procurement status:

- **Consulting Services**

- Awarded employment contract to one national consultants for Financial Management Advisor) through IPA (Crown Agent);
- Recruited employment contract to seven national consultants for the position of National Training Coordinator, and National Human Resource Management and Development Officer for PCO, Human Resource Officer, and National Financial Specialist for RNK, and District Support Team Advisor and Website and Logo Development Consultant for OWSO through the PCO advertised.

- **Goods**

After receipt of no objection letter from World Bank on 24 March 2009, PCO has issued the bidding documents for procurement of office equipment (Bid No. DFGG/NS 01/09, Desktop Computer, Photocopy, Portable SD Card Recorder and Microphone) and Studio Refurbishment (Bid No. DFGG/NS 02/09, Telephone Hybrid, Rack Mount Balanced MD Player, Single Tray CD Player, Studio Microphone and Studio Headphones) on 06 April 2009. The deadline for bid submission will be on 24 April 2009.

- **Firms**

As mentioned in the MEF letter No 6721, all firm packages will be procured through IPA arrangement. Therefore, PCO has prepared some top prioritized packages to Crown Agent accordingly. Packages that have been submitted to Crown Agent including:

No	Packages	Status
1	Baseline study firm/MONASRI	REOI was published on 10 April and close on 7 May 2009
2	Communication Advisor Firm/MONASRI	REOI was published on 25 Feb and close on 19 March 2009.
3	Monitoring and Evaluation Firm/PCO	REOI was published on 10 April and close on 30 April 2009
4	Research and Training Organization/PCO	Being procured by Crown Agent and they are awaiting for WB approval to change to QBS
5	Website Development for MONASRI	EOIs were already evaluated. RFP to be issued to 1 st ranked firm by 22 April 2009.
6	Website Development for RNK	EOIs evaluated. RFP to be issued to 1 st ranked firm by 22 April 2009.

Regarding the Term of References for International Project Management Advisor, Financial Management Advisor and M&E Advisor, The PCO has already finalized and will send to bank for comments and/or no objection.

F. Financial Status

The Demand for Good Governance has received the advance grant from The World Bank-IDA-PPF2 in the amount of US\$100,000.00 and counterpart fund from RGC was US\$1,660.00 for the project preparation.

The funds was expensed based on the five categories (consultant's services, goods and services, training and workshops, incremental operating costs) and counterpart funds categories.

- In the reporting period, the total amount of US\$ 75,403.09 has been actually spent which IDA budget was US\$ 73,743.09 and budget RGC was US\$1,660.00.
- The balance at the Bank (IDA Designated Account: 0102-35-1211-T263) is \$40,750.91 including Outstanding cheques No. BC0326288, BC0326289, BC0326290, BC0326291, BC0326292, BC0326293, BC0326294, BC0326295, BC0326296, BC0326297, the total amount of \$16,167.75. All these cheques will appear in the next quarter.
- Regarding expenditure the amount of \$5,183 was carry forward from the last quarter of outstanding checks N°. BC0326235, BC0326239, BC0326240, BC0326241, BC0326242, and have already included to each category.
- Note that in this period expenditure for counterpart for January 2009 only. February and March will pay in next quarter.
- No openings balance in this quarter because it already returned to WB for the end of Q5540.
- In this period we have returned the end balance of Q5540 to WB the amount of \$19,279.97 (end balance at DA \$13,367.03, Advance deposit \$300, Petty cash \$429.94, Outstanding checks \$5,183).
- In this period we have variance the amount of \$2,572.30, due to the budget plan did not include training for OWSO "First Technical Adversary Group" based in Seim Reap in February 2009. The OWSO made their plan after PCO budgeted.

The budgets were allocated for the period of this report was used for any major activity. Most of the expenditures were back-pay to national consultants whose remuneration could not pay in the January and February, 2009 due to the closing of designated account number Q5540. However, as at March 2009 the budgets were used in line with plan.

SECTION II: INTERIM FINANCIAL REPORT (IFR)

A. Project Balance Sheet

MINISTRY OF INTERIOR

Cambodia: Demand for Good Governance Project

A. PROJECT BALANCE SHEET

AS OF MARCH 31, 2009

			As of March 31 ,2009		
			IDA		RGC
ASSETS					
	Cash				
		DA-IDA	24,583.16		
		Counterpart Funds Account			-
		Advance Deposit	300.00		
		Advance Outstanding	850.00		
		Petty Cash	523.75		
			<u>26,256.91</u>		-
		Cumulative Project Expenditures			
		Goods	360.00		
		Consultants' Services	46,953.00		
		Training and Workshops	12,572.30		
		Incremental Operating Costs	13,857.79		
		Counterpart Allowance			1,660.00
			<u>73,743.09</u>		<u>1,660.00</u>
		TOTAL ASSETS	100,000.00		1,660.00
		FUNDS			
		Sources of IDA Financing	100,000.00		
		Sources of RGC Financing			<u>1,660.00</u>
		Others			
			<u>100,000.00</u>		<u>1,660.00</u>
		TOTAL FUNDS	100,000.00		1,660.00

B. Sources and Uses of Funds by Category

MINISTRY OF INTERIOR
Cambodia: Demand for Good Governance Project
For Quarter 1, January to March 31st, 2009

Component 3A		Actual			Budget			Variance			PAD
		Current Quarter	Year To Date	Cumulative to Date	Current Quarter	Year To Date	Cumulative to Date	Current Quarter	Year To Date	Cumulative to Date	
	Opening Balance										
	DA - IDA Counterpart Funds Account	1,660.00	-	-							
	Advance Deposit		-	-							
	Petty Cash		-	-							
	Total	1,660.00	1,660.00	1,660.00							
<u>Add</u>	Sources:										
-	Receipt of Funds										
	- From PPF IDA	100,000.00	100,000.00	100,000.00	145,000.00	395,000.00	897,240.00	45,000.00	295,000.00	797,240.00	897,240.00
	- From Government (RGC)			-	4,980.00	6,640.00	6,640.00	4,980.00	6,640.00	6,640.00	6,640.00
	Total Funds Received	100,000.00	100,000.00	100,000.00	149,980.00	401,640.00	903,880.00	49,980.00	301,640.00	803,880.00	903,880.00
	Total Sources	101,660.00	101,660.00	101,660.00	149,980.00	401,640.00	903,880.00	49,980.00	301,640.00	803,880.00	903,880.00

<u>Less</u>	Expenditures by Category										
	- Goods	360.00	360.00	360.00	30,000.00	130,000.00	107,740.00	29,640.00	129,640.00	107,380.00	107,740.00
	- Consultants' Services	46,953.00	46,953.00	46,953.00	80,000.00	200,000.00	614,300.00	33,047.00	153,047.00	567,347.00	614,300.00
	- Training and Workshops	12,572.30	12,572.30	12,572.30	10,000.00	20,000.00	111,800.00	(2,572.30)	7,427.70	99,227.70	111,800.00
	- Incremental Operating Costs	13,857.79	13,857.79	13,857.79	25,000.00	45,000.00	63,400.00	11,142.21	31,142.21	49,542.21	63,400.00
	- Counterpart allowance	1,660.00	1,660.00	1,660.00	4,980.00	6,640.00	6,640.00	3,320.00	4,980.00	4,980.00	6,640.00
	Total Expenditures	75,403.09	75,403.09	75,403.09	149,980.00	401,640.00	903,880.00	74,576.91	326,236.91	828,476.91	903,880.00
	Closing Balance										
	<u>Represented by:</u>										
	Balance at Designated A/C										
	DA - IDA Counterpart Funds Account	24,583.16	24,583.16	24,583.16							
Advance Deposit	-	-	-								
Advance Outstanding	300.00	300.00	300.00								
Petty Cash	850.00	850.00	850.00								
Total	523.75	523.75	523.75								
	26,256.91	26,256.91	26,256.91								

C. Uses of Funds by Category and by Sources of Funds

MINISTRY OF INTERIOR
Cambodia: Demand for Good Governance Project
For Quarter 1, January to March 31st, 2009

N°	Payment by Category	Current Quarter				Year To Date				Cumulative to Date			
		IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total	IDA Grant	AusAID	RGC	Total
1	Civil Work				-	-	-	-	-	-	-	-	-
2	Goods	360.00			360.00	360.00	-	-	360.00	360.00	-	-	360.00
3	Consulting	46,953.00			46,953.00	46,953.00	-	-	46,953.00	46,953.00	-	-	46,953.00
4	Training	12,572.30			12,572.30	12,572.30	-	-	12,572.30	12,572.30	-	-	12,572.30
5	Incremental Operation Cost	13,857.79			13,857.79	13,857.79	-	-	13,857.79	13,857.79	-	-	13,857.79
	Sub-Grants	73,743.09	-	-	73,743.09	73,743.09	-	-	73,743.09	73,743.09	-	-	73,743.09
	MBPI			1,660.00				1,660.00				1,660.00	
	PMG												
	Total Payment	73,743.09	-	1,660.00	73,743.09	73,743.09	-	1,660.00	73,743.09	73,743.09	-	1,660.00	73,743.09

D. Uses of Funds by Project Activity

MINISTRY OF INTERIOR
Cambodia: Demand for Good Governance Project
For Quarter 1, January to March 31st, 2009

N°	Project Component	Actual			Budget			Variance			PAD
		Current Quarter	Year To Date	Cumulative to Date	Current Quarter	Year To Date	Cumulative to Date	Current Quarter	Year To Date	Cumulative to Date	
3A	Project Coordination Office										
a	- Goods	360.00	360.00	360.00	30,000.00	30,000.00	30,000.00	29,640.00	29,640.00	29,640.00	107,740.00
b	- Consultants' Services	46,953.00	46,953.00	46,953.00	80,000.00	80,000.00	80,000.00	33,047.00	33,047.00	33,047.00	614,300.00
c	- Training and Workshops	12,572.30	12,572.30	12,572.30	10,000.00	10,000.00	10,000.00	(2,572.30)	(2,572.30)	(2,572.30)	111,800.00
d	- Incremental Operating Costs	13,857.79	13,857.79	13,857.79	25,000.00	25,000.00	25,000.00	11,142.21	11,142.21	11,142.21	63,400.00
e	- Counterpart allowance	1,660.00	1,660.00	1,660.00	4,980.00	4,980.00	4,980.00	3,320.00	3,320.00	3,320.00	6,640.00
	TOTAL PROJECT EXPENDITURE	75,403.09	75,403.09	75,403.09	149,980.00	149,980.00	149,980.00	74,576.91	74,576.91	74,576.91	903,880.00

C. Procurement Monitoring Report – Goods

Cambodia: Demand for Good Governance Project

For the 1st quarter ended March 31st , 2009

No.	Description of Goods	Contract Ref: No.	Prior (P) or Post Review (PR)	Procurement Method	Bidding Documents (BD) and Bidding Process						Bid Evaluation/contract award recommendation		Contract				
					IPA sent draft BD to PRC for approval (Date.)	Approval to Draft BD by PRC (Date)	IPA sent Draft BD to the Bank's NOL (Date)	No object to the Draft BD by the Bank (Date)	Bid invitation issued (Date)	Bid Opened (Date)	IPA sent evaluation report/award recommendation to the Bank (Date)	No objection to evaluation report/award recommendation by the bank (date)	Project signed Contract with the contractor (Date)	Contractor's Name	Contract Amount	Completion date	
1	Planned	Office Equipment for RNK	7	PR	Shopping	-	-	-	-	11/1/2009	-	-	-	-	-	\$19,840	1/31/2009
	Actual		DFG G/NS 01/09	P	Shopping	2/12/2009	2/12/2009	3/2/2009	3/24/2009	4/6/2009	4/24/09	-	-	-	-	\$16,600	1/31/2009

2	Planned	Studio Refurbishment for RNK	3	PR	Shopping	-	-	-	-	-	-	-	-	-	-	\$8,000	1/32/2009	
	Actual		DFG G/NS O2/09	PR	Shopping	2/12/2009	2/12/2009	3/2/2009	3/24/2009	4/6/2009	4/24/09	-	-	-	-	\$6,900	1/31/2009	
3	Planned	Office Equipment for PCO	-	PR	Shopping	11/30/08	12/07/08	12/14/08	12/21/08	01/04/09	01/25/09	N/A	N/A	02/11/09		\$10,000	02/21/09	
	Actual		CAK H-0374		Shopping	12/9/08	12/16/08	12/17/08	01/12/08	02/03/09	02/16/09	N/A	N/A	03/04/09	Narita Distributio	\$10,535		
4	Planned	IT Infrastructure Refurbishment and Installation for RNK	-	PR	Shopping	11/30/08	N/A	N/A	N/A	12/14/08	01/04/09	N/A	N/A	01/21/09		\$4,000	01/31/09	
	Actual		CAK H-380	PR	Shopping	N/A	N/A	N/A	N/A	03/24/09	03/27/09	N/A	N/A	-	-	\$766	-	

**E. Procurement Monitoring Report - Individual Consultant
Cambodia: Demand for Good Governance Project
For the 1st quarter ended March 31st, 2009**

No.	Description of Services	Contract Ref. No.	Prior (P) or Post Review (PR)	Procurement Method	TOR/EOI						Evaluation		Contract							
					IPA sent TOR and EOI advertisement to PRC (date)	Approval to TOR and EOI advertisement by PRC (Date)	IPA sent TOR and EOI advertisement to the Bank (date)	No objection to TOR and EOI advertisement by the Bank	Advertisement by IPA (date)	Submission of EOI date	IPA sent evaluation report to the Bank (date)	No objection to evaluation report (date)	PRC and IPA negotiate contract with consultant	IPA sent draft contract to the Bank (date)	No objection to the Draft Contract by the Bank (date)	Project signed contract with consultant (date)	IPA sent segned contract to the Bank (date)	Consultant's Name	Contract value (US\$)	Contract/ delivery Completion date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1	Planned	HR Consultant for RNK	-	-	-	-	-	-	10/1/09	-	-	-	-	-	-	-	21/1/09	-	-	1/31/09
	Actual		-	PR	IC	N/A	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-
2	Planned	Financial Specialist for RNK	-	-	-	-	-	-	10/1/09	-	-	-	-	-	-	-	21/1/09	-	-	1/31/09
	Actual		-	PR	IC	N/A	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-
3	Planned	National Training Coordinator for PCO	-	-	-	-	-	-	3/1/09	-	-	-	-	-	-	-	6/1/09	-	-	31/1/09
	Actual		-	PR	IC	N/A	N/A	N/A	N/A	3/1/09	2/6/09	-	-	-	-	-	-	-	-	-
4	Planned	Finance Manageme	-	-	-	-	-	-	09/09/	10/07/08	N/A	N/A	10/28/	-	-	11/11/	-	-	-	-

	nt Advisor								09				08			08					
	Actual		PR	IC	N/A	N/A	N/A	N/A	10/06/08	10/21/08	N/A	N/A	01/02/09	-	-	02/24/09	-	Ms. Ly Vanna	\$25,200	-	
5	Planned	Website Design for OWSO	-	-	-	-	-	-	5/01/09	-	-	-	-	-	-	-	4/1/09	-	-	11/1/09	
	Actual		-	PR	IC	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-	-	
6	Planned	HRM&D Office for PCO	-	-	-	-	-	-	11/1/09	-	-	-	-	-	-	-	1/15/09	-	-	7/15/09	
	Actual		-	PR	IC	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-	-	
7	Planned	DSTA for Operation for OWSO	-	-	-	-	-	-	2/15/09	-	-	-	-	-	-	-	5/1/09	-	-	12/31/09	
	Actual		-	PR	IC	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-	-	
8	Planned	Land Law Specialis/MONASRI	-	-	-	-	-	-	6/1/09	-	-	-	-	-	-	-	9/1/09	-	-	11/31/09	
	Actual		-	PR	IC	N/A	N/A	N/A	3/17/09	4/6/09	-	-	-	-	-	-	-	-	-	-	
9	Planned	National Procurement Specialist for MONASRI	-	-	-	-	-	-	12/26/08	12/24/08	-	-	01/14/09	-	-	12/01/09	-	-	-	01/31/2010	
	Actual		-	PR	IC	N/A	N/A	N/A	01/12/09	02/02/09	N/A	N/A	03/02/09	-	-	-	-	-	-	-	

SECTION IV: CONCLUSION AND RECOMMENDATION

The key important achievements for the project are as official adoption of the final PIM volume 1 of 2 and PIM volume 2 of 2 by Ministry of Economy and Finance (MEF) on April 20, 2009; official approval on GMC nomination letter on March 08, 2009 and PCG nomination letter on March 17, 2009 by **H.E Sar Kheng**, Deputy Prime Minister, and Minister Ministry of Interior; developed MBPI and PMG Manuals by PCO; and each concerned state IA has prepared its own MBPI and PMG Manual; the submission of Memorandum of Understanding (MOU) on MBPI and PMG for MOI/PCO to CAR has been signed by the relevant key stakeholders, finalization of Training Need Assessment (TNA) report, the first and second meeting of Learning and Communication Focus Group (LCFG) was organized on January 15th 2009 and on February 26th 2009 respectively; finalized of the Annual Work Plan (AWP) and Progress Report Formats for the overall project; prepared an Annual Progress Report (APR) for 2008 for part C of the project; consolidated the Annual Progress Report (APR) for 2008 and submitted to the World Bank; prepared an Annual Work Plan (AWP) for 2009 for part C of the project; compiling of the Annual Work Plans for 2009 and submitted to World Bank; and reviewed of Good Governance Framework (GGF). All above achievements had indicated and confirmed high-level commitment from the concerned senior officials, counterpart staffs and national consultants in PCO and each of the IAs. Particularly, strongly support and stalely advices from the WB Team, since initiated the project up to date. Wishing continues supports from all relevant project key stakeholders for successfully in future work as the long-awaited implementation of the DFGG project commences.
