



## Mid-Term Review

# Strengthening Sustainable Forest Management and Bio-Energy Markets to Promote Environmental Sustainability and to Reduce Greenhouse Gas Emissions in Cambodia

Atlas ID: 00060049

PIMS No. 4136



## Final Report

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## Summary details of the Evaluation

***Title of UNDP supported GEF financed project:***

Strengthening Sustainable Forest Management and Bio-Energy Markets to Promote Environmental Sustainability and to Reduce Greenhouse Gas Emissions in Cambodia

***UNDP and GEF project ID#s:***

PIMS No. 4136, Atlas ID: 00060049

***Evaluation time frame:***

18 May – 30 June 2014

***Date of evaluation report:***

11 September 2014

***Region and countries included in the project:***

Central Asia; Cambodia

***GEF Operational Program/Strategic Program:***

**GEF Focal Area:**

Biodiversity SO2 - Mainstreaming of Biodiversity in Production Landscapes/Seascapes and Sectors

Contribution to SO1 - Sustainable Financing of Protected Area Systems at the National Level

**GEF-4 Strategic Program:**

SP4 Strengthening the Policy and Regulatory Framework for Mainstreaming Biodiversity

Contribution to SP1 – Sustainable Financing of Protected Area Systems

***Implementing Partner and other project partners:***

**Implementation Modality:**

National Implementation (NIM)

**Implementing Partner:**

Forestry Administration (FA), Ministry of Agriculture, Forestry and Fisheries (MAFF)

**Responsible Parties:**

General Department for Administration of Nature Conservation and Protection (GDANCP), Ministry of Environment (MoE); Ministry of Mines and Energy (MME); Ministry of Land Management and Urban Planning and Construction (MLMUPC)

**Service Providers:**

Regional Community Forestry Training Centre (RECOFTC); Groupe Énergies Renouvelables, Environnement et Solidarités (GERES)

***Evaluation team member(s):***

William Keith Lindsay

***Acknowledgements:***

The Evaluator would like to thank the Project Technical Advisors, Sovanna Nhem and Daro Douk, for technical and logistical assistance and UNDP-Cambodia, in particular Sovanny Chhum, for technical and administrative support during the evaluation mission and report-drafting period. I am also grateful for the opportunity for individual consultations with:

- Napoleon Navarro, Deputy Country Director - Programmes, UNDP Cambodia;
- Long Rithirak, Deputy DG, General Directorate of Technical Affairs, MoE/ GEF Focal Point;

- Khorn Saret - Deputy Director, Department of Forest and Community Forestry, FA/ National Project Manager;
- Srey Marona - Director Research & CPA Development, GDANCP/ Project Focal Person, MoE;
- Hue Chenda, Deputy Director, General Department of Land Management & Urban Planning/ Project Focal Person, MLMUPC;
- Gnhoung Chounmit, Deputy Director, Energy Development Department/ Project Focal Person, MME.

Government staff at local level, community forestry committee members, and other project actors gave their time to provide views on project activities. The staff of the Service Providers, RECOFTC (and their subcontractor Mlup Baitong) and GERES, were very forthcoming with support for field visits and consultations.

## List of abbreviations and acronyms

ACFM	Alternative Community Forest Modalities
AFD	Agence Francaise de Developpement (French Development Agency)
AWP	Annual Work Plan
BTB	Battambang Province
CBPF	Community Based Protected Forest
CCF	Community Conservation Forest
CF	Community Forestry/ Forest
CFMP	Community Forest Management Plan
CI	Conservation International
CLUP	Commune Land Use Planning/ Plan
CPA	Community Protected Area
DANIDA	Danish International Development Agency
DME/ DIME	Department of Mines and Energy/ formerly Department of Industry, Mines and Energy
DLMUPC	Department of Land Management, Urban Planning and Construction
DoE	Department of Environment
GDE	General Department of Energy
ECK	Efficient Charcoal Kiln
ELC	Economic Land Concession
EoP	End of the Project
EU	European Union
FA	Forestry Administration
FAC	Forestry Administration Cantonment
FAO	Food and Agriculture Organisation
FCPF	Forest Carbon Partnership Facility
FFI	Fauna and Flora International
GDANCP	General Department for Administration of Nature Conservation & Protection
GDLMUP	General Department for Land Management and Urban Planning
GEF	Global Environment Facility
GERES	Groupe Énergies Renouvelables, Environnement et Solidarités
GHG	Green House Gas
ICS	Improved Cookstove
IPSS	Improved Palm Sugar Stove
KCH	Kampong Chhnang Commune
KPS	Kampong Speu Commune
MAFF	Ministry of Agriculture, Forestry and Fisheries
MDG	Millennium Development Goal
MME/ MIME	Ministry of Mines and Energy/ formerly Ministry of Industry, Mines and Energy
MLMUPC	Ministry of Land Management, Urban Planning & Construction
MoE	Ministry of Environment
MTR	Mid-Term Review
NIM	National Implementation Modality
NSDP	National Strategic Development Plan
NTFP	Non-timber Forest Product

PF	Protected Forest
ProDoc	Project Document
PUR	Pursat Province
RECOFTC	Regional Community Forestry Training Centre
REDD	Reduction of Emission from Deforestation and Forest Degradation
RFP	Request for Proposal
RGC	Royal Government of Cambodia
SFM	Sustainable Forest Management
ToT	Training of Trainers
TWG	Technical Working Group
TWG-F&E	Technical Working Group on Forestry & Environment
TWG-FR	Technical Working Group for Forestry Reform
UN	United Nations
UNCCD	United Nations Convention on the Control of Desertification
UNDAF	United National Development Assistance Framework
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Assistance for International Development
WB	World Bank
WISDOM	Woodfuel Integrated Supply/Demand Overview Mapping
WWF	World Wide Fund for Nature

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## Executive Summary

### Project Summary Table

Program Period	: 2011-2015	<b>Total resources required</b>	<b>: US\$ 9,963,635</b>
Key Result Area: (Strategic Plan)	: Environment and Sustainable Development	<b>Total allocated resources</b>	<b>: US\$ 9,273,461</b>
Atlas Award ID	: 00060049	- <b>GEF financing</b>	<b>: US\$ 2,363,635</b>
Start Date	: 1 March 2011	- GEF (Grant)	: US\$ 2,363,635
End Date	: 28 February 2015	- <b>Co-financing</b>	<b>: US\$ 6,904,826</b>
LPAC Meeting Date	: 23 November 2009	- UNDP (Grant)	: US\$ 1,500,000
		- UNDP (Parallel)	: US\$ 700,000
		- DANIDA (Parallel)	: US\$ 3,000,000
		- GERES (Parallel)	: US\$ 800,000
		- Leveraged Resource, Fofinfo/RECOFTC	: US\$ 304,826
		- In-kind Contribution, RGC/FA	: US\$ 600,000
		<b>Unfunded Budget</b>	<b>: US\$ 1,000,000</b>

### Project Description

Forests in Cambodia are subject to a wide range of threats, including logging, forest fires, subsistence and commercial agriculture expansion, and the establishment of roads and human settlements. Loss of forest cover is of global significance due to its implications for biodiversity, land degradation and climate change. Deforestation also poses a major threat to the livelihoods of local people.

The proposed project is to play a critical role in implementing priority actions as identified in the National Forestry Program and the National Strategic Development Plan 2009-2013 related to sustainable forest resource management, conservation, and community-based forest management. The objective of the project is to strengthen sustainable forest management (SFM), through integrating community-based sustainable forest management into policy, planning and investment frameworks and creating markets for sustainable bio-energy technologies that reduce CO<sub>2</sub> emissions. The project has three outcomes, namely, (1) improvement of existing national capacities, policies and regulations which facilitate the widespread implementation of SFM, integrating energy efficiency, biodiversity, sustainable land management and livelihood considerations; (2) community-based sustainable forest management is being implemented effectively within a context of cantonment/province, district and commune level planning and delivering concrete benefits to local communities; and (3) strengthened demand and supply chain for energy efficient cook stoves. The project was planned implementation over a period of four years beginning March 2011. The Implementing Agency is the Forestry Administration (FA) of Cambodia, in coordination with the General Department for Administration of Nature Conservation & Protection (GDANCP), Ministry of Mines and Energy (MME) and Ministry of Land Management, Urban Planning & Construction (MLMUPC), with technical and project management support from UNDP Country Office and implementation of activities by contracted service providers, RECOFTC and GERES.

## Review Ratings Table

Aspects of Project performance	Rating <sup>1</sup>
<b>Progress towards Results</b>	
Project design	
Problem ID and assumptions	MS
Relevance; country priorities	S
Progress	
Towards Outcomes	S
<i>Outcome 1</i>	S
<i>Outcome 2</i>	S
<i>Outcome 3</i>	MS
Towards Objective	MS
Beneficial social effects	MS
Sustainability of outcomes	MS
Stakeholder inclusion	S
<b>Adaptive management</b>	
Work planning	S
Finance and co-financing	S
Monitoring systems	MU
Risk management	S
Reporting	S
<b>Management arrangements</b>	
Project management	S
Implementing partners	S
UNDP support	S
<b>Overall</b>	<b>S</b>

## Conclusions

### Project design

The overall concept of project design was consistent with best practice in sustainable forest management, with some reservations. It involved a multi-pronged approach, with piloting community-based SFM through development of CF/CPA management and business plans, and energy-efficient wood-fuel technology in an experimental approach, coupled with policy and capacity support. There was important recognition that capacity should be built at all of levels: national, Provincial/ District and local commune and village. There are some questions about the prospects for successful forest conservation on the broad scale when based on enterprise development in relatively small forest areas, some of which are in degraded state. However, the principle of testing approaches, and learning lessons which can be applied to future interventions, is a sensible one.

<sup>1</sup> According to the UNDP-GEF rating scales, U = Unsatisfactory; MS = Moderately Satisfactory; S = Satisfactory

The choice of FA as IP was sensible for the NIM approach in the forest sector, although it set the scene for strained relations with MoE. There was less difficulty with the other Executing Partners, MME and MLMUPC. In addition, because of the complexity, there were some overlaps of responsibility between the agencies and their partner Service Providers; the lack of clarity created the need for negotiation and resolution of potential conflicts.

The version of the SRF presented in the ProDoc needed review, as there was lack of precision and realism in several indicators; several Indicators were not SMART.

An Inception process was considered necessary to adapt the ProDoc for this complex project under NIM management. Extensive consultations led to development of a revised approach, some made necessary because the uncommitted funds (\$1m) component in the project budget did not materialise, and there was a need for economies to be made. The decision was taken to prepare ToRs for two SPs, responsible for each of Outcomes 2 and 3, together with corresponding parts of Outcome 1. Some improvements were made to Indicators in the SRF during Inception, but other problems with overall structure were not addressed. The SRF could have been reviewed after the SPs were recruited and in place, so that their expertise and their expectations as implementers could have been used to confirm SMART aspects of the Indicators and Targets.

The length of the Inception phase, including the need for recruitment of SPs after the start of project time clock, produced a long delay at the start of the project period. From the project start date of March 2011, it took over a year before SPs began start-up and baseline studies (March - April 2012) and even longer before they began implementation of action on the ground (December 2012).

## **Progress toward Outcomes**

### ***Outcome 1***

- Capacity has been built at national, provincial and local levels with Training of Trainers (TOT) in a range of skills related to CF management and planning and improved fuelwood technology.
- Guidelines for ACFMs and CPAs, and a national Wood Biomass Energy Strategy have all been supported.
- The process of approval of CFs and CPAs has been catalysed and encouraged, with the former having reached penultimate stages to date and the latter now started; completion and initial implementation should be achieved by EoP. Success of CF/CPA approval in the target communities and provinces should encourage the RGC to wider approval across Cambodia.
- The Capacity Development Scorecard rating shows current achievement of 24/42, which represents 62% of the EoP target. Progress has been made with the recent full engagement by GDANCP at implementation level, and by MoE at the Project Board level.

### ***Outcome 2***

- Progress on pilot SFM activities is on target, across a wide scale and with multiple stakeholders. Management plans for CFs approaching last steps, with business plans making acceptable progress.
- CPA plans have been “kick-started” and are now poised for making fast progress
- Challenges have been identified, and plans have been made for addressing them
- More time is needed, for completion of CF plan approval process, especially with CPAs

### **Outcome 3**

- Good progress with ICS, on course for EoP target.
  - ICS production clusters established, training advanced, production underway with small businesses
- ECK establishment is on course for EoP target, with issues identified.
  - ECKs are being established effectively on a technical and operational level, but there are problems with management and costs of wood supply, finding charcoal markets.
  - ECKs are collective social enterprises rather than individual businesses, needing external support for some time to continue. Different factors affect success and sustainability.
  - Each ECK should develop its own Business Plan; woodlot management plans must be integrated with the CFMP process, probably with clusters of CFs.
- Progress has been slower with Improved Palm Sugar Stoves
  - The nature and small size of the market for IPSSs makes it difficult to penetrate, and the technological design is still not settled.
  - A plan to re-focus efforts on one province has been approved.

### **Progress toward the project Objective**

The development of ICS production and sales appears to be making progress towards the target, with some challenges still in place, and therefore the reduction of CO<sub>2</sub> emissions attributable to this their adoption is also making the same level of qualified progress. Similarly, the processes of CF and CPA approval and legalisation are well underway in the target sites, with capacity built in FAC and DoE at the provincial level, and systems and guidelines for approval gaining momentum at the national level.

### **Sustainability of project outcomes**

It is early, at project mid-term, for an assessment of sustainability prospects but it is important to consider the risks facing project outcomes and possible actions to deal with them. At the same time, the project team should make an effort, now, to develop a Sustainability Plan and Exit Strategy that proposes specific actions to promote sustainability of all Outcome areas beyond the end of the project period. Environmental and social risks to sustainability are discussed, and the prospects for sustainability are considered moderately likely.

### **Adaptive management**

Work planning is well-managed by the Project Management and SPs, with input and support from the Project Advisor. Reporting to UNDP and to the PB is regular and comprehensive. Written reports are results-based and make use of the existing SRF, although the structure and content of reports submitted by SPs may differ from that required by the Quarterly and Annual Reports and PIRs.

Financial management and disbursement procedures are generally followed well. Audit reports have identified few shortcomings, and their recommendations have been acted upon. Disbursement to SPs is based on milestones and performance targets and is tightly managed. The project has been managed cost-effectively. Co-financing of the project through UNDP, RGC and donors related to the Service Providers is substantial and meets GEF requirements.

Monitoring systems employed by the PMU, using annual workplans and milestones, with verification by site visits, have been efficient and effective. Progress in implementation, and

problems affecting progress (including shortcomings in coordination between project partners) have been identified and solutions have generally been found. As noted, the SRF has some flaws, making it cumbersome to report to, and difficult to measure progress against targets. A mini-workshop with most of the key stakeholders was held during the penultimate week of the Consultant's mission to work on revision of the SRF. Future project design exercises should ensure closer alignment of project results frameworks with higher level goals of UNDAF and CPAP. Comments and revisions for the GEF Tracking Tool were made.

Risk management and mitigation are handled through the use of a risk log and feedback. Some key risks, including local population increase and major deforestation drivers beyond the control of the project, are still a challenge.

The conclusion of the MTR is that the project does practice effective adaptive management.

## **Management arrangements**

### ***Effectiveness of project management***

- Project is well-managed at all levels: UNDP, Government, Service Providers
- Monthly coordination meetings of partners at Provincial level have been taking place since January 2014
- PB meetings, with full participation of Responsible Parties, have begun in 2014. Meetings are supplied by the PMU with updates on progress and any obstacles, and decisions on any necessary changes are made.

### ***Implementing Partner/ donor execution***

- FA has managed its role as IP well, PMU effective in performance management
- UNDP technical team is strong, providing effective monitoring of progress and support

## **Recommendations**

### **Corrective actions for the design, implementation, monitoring and evaluation of the project**

The following actions are proposed to aid project implementation and M&E:

1. Extend the project timescale, to compensate for time lost during Inception, SP recruitment and launching of implementation. There should not be significant financial implications, but there may be need for additional funds in UNDP for project management/ oversight, and with SPs for management/ administrative costs. It will be necessary to discuss, receive proposals and negotiate.
  - RECOFTC wishes to extend the time period, to finalize work on CFMPs and particularly CFBPs, and on corresponding features of CPAs.
  - GERES has said that they have no wish to extend the time period, but they must make an assurance that they will achieve targets that have been stipulated in their contract, or amended with approval by the PB.
  - The recommended length of extension would be to the end of 2015.
  - It appears that UNDP cannot receive additional funds from GEF for project management/oversight, as these are provided by the fixed GEF fee and cannot be charged to the project budget. There should be a clear identification by UNDP of the source of funds for any management needs, before the decision can be taken to proceed with any extension.
2. SRF revision
  - The revised SRF should be adopted.

- Some of the current Outcome indicators should probably be Outputs according to RBM best practice, but since changes were not made during the Inception process, according to UNDP-GEF advice, they must remain at Outcome level. To do otherwise would create too much reduction in the scale of reporting to GEF.
  - There should be coherence in terminology between APR/PIRs and Annual Project Reports. The term Output should not be used for Outcome indicators in Project reports. Instead, simple sub-numbering (e.g. 1.1, 1.2... etc.) should be used under Outcomes.
3. Delivery of Outcomes
- Focus on clear milestones in Outcome areas for delivery by SPs. Such milestones are included as part of the ToRs for the SPs. Set annual (even quarterly?) milestones to encourage implementation, and monitoring of progress.

### **Actions to follow up or reinforce initial benefits from the project**

The following actions are proposed to help reinforce the progress made by the project thus far:

1. Continue efforts at improved coordination between SPs and RGC agencies at both local and national levels.
2. Emphasis on building/ strengthening networks, between community organisations, and between communities/ individuals and potential consumers of forest products.
3. SFM and local level benefit generation
  - Take final steps to approval of CFs/ CPAs and consolidate implementation
  - Complete business plans, with full attention to income-generation as well as subsistence and cultural/ conservation values, and financial analysis of all costs, capital/ investment as well as recurrent, operating costs, and sources of finance. Different benefit options should be explored.
  - CFMPs should examine wood production, not just for charcoal but for other uses as well, and benefits to communities. Consider plantations for sustainable production of fuel-wood and/or charcoal kiln supply – without sustainable wood supplies, CFs will export the fuelwood problem to forests outside CF boundaries
  - Ensure coordination of CF business plans with charcoal kiln business plans and woodlot management plans, at sites where both occur. Consider the "clustering" of CFs and coordination of their management and business plans where supply for ECKs can be supplied by more than one CF.
4. Energy-efficient fuelwood technology
  - ECKs need their own business plans, but they must be developed in coordination with CFBPs (emphasizing the previous point).
  - For ECK wood supply issues, should be looking at linkages with a cluster of CFs and identify needs for infrastructure support – e.g. means of transport of wood, including vehicles – and setting the correct, incentivising price for suppliers of sustainably harvested wood.
5. Project Management
  - Continue PMU site visits
  - Continue support by Project Advisory team and UNDP. Follow recommendations of 2013 Audit Report on separation of responsibilities within Project Team.
  - Maintain attention on risks/ assumptions in the Risk Log (in Atlas as well as in the Annual Reports). Risks to longer term sustainability of outcomes should also be considered and addressed.

6. Sustainability and Impact

- It is essential to begin now on developing a Sustainability Plan, with an Exit Strategy.
- Although not needed until EoP, the PMU and UNDP should consider now an approach to Reviewing Outcomes to Impacts (ROtI).

**Proposals for future directions underlining main objectives**

Taking the project achievements forward would involve building on the lessons learned and making use of opportunities for replication and scaling-up of SFM and sustainable woodfuel methodologies.

The following proposals would support future directions for the project to underline the main objectives:

1. Analyse the lessons learned from the pilot efforts, making use of the large sample of CFs/ CPAs, with respect to different factors presented by their specific conditions, documentation of impacts of forest condition indices, all leading to documentation of opportunities for future implementation and scaling-up. In the context of such an analysis consider the factors that are known to promote small businesses and community forestry enterprises, including a positive business environment, the availability of business support services and access to financial services.
2. Similarly, with respect to energy-efficient fuel technology, assess which approaches are needed in relation to different social/ economic models, for take-up and for reduction of carbon emissions.
3. There should be a full financial analysis of the supply chains for stoves, charcoal and forest products.
4. An area of the project that was present in the design but which has proved impractical to implement is that of options for sustainable finance. Different sources were proposed, including REDD+ and voluntary carbon agreements, Payments for Ecosystem Services, eco-tourism and more conventional finance mechanisms, such as micro-finance and private sector investment. The removal of these Outcome indicators and targets was approved by the Project Board, but any such reduction in scope of the project must also be approved by UNDP-GEF's Regional Office. With the basis for financial management of CFs and CPAs on a stronger footing as a result of this project, these mechanisms could be explored in future. Proposals for such initiatives should be produced under the Sustainability Plan.
5. There is need for attention to a thorough assessment of all drivers of deforestation so that CFs are not managed in isolation; identifying clearly the role played by SFM and CFs/ CPAs, as well as efficient fuelwood technology, in addressing the big drivers of deforestation across landscapes in Cambodia.

# 1 Introduction

## 1.1 Purpose of the Mid-Term Review

The GEF Monitoring and Evaluation Policy (2010)<sup>2</sup> has two overarching objectives:

- to promote accountability for the achievement of GEF objectives through the assessment of results, effectiveness, processes and performance of the partners involved in GEF activities, and contribution to global environmental benefits;
- to promote learning, feedback and lessons learned among the GEF and its partners, as basis for decision-making on policies, strategies, program management, and projects and to improve performance.

For all UNDP-GEF full-sized projects, and some mid-sized projects, M&E policy requires a Mid-Term Review (MTR) be undertaken at the halfway stage. The MTR is an opportunity to provide an independent, unbiased overview of the project that identifies the potential for improvement and produces actionable, realistic, results-oriented and concrete recommendations. At this stage, the project still has time to recover from problems and improve its prospects for delivery; a successful MTR can catalyze change in a project by outlining how recommended changes have the potential to improve the project's results.

UNDP Cambodia instituted an MTR of the *Strengthening Sustainable Forest Management and Bio-Energy Markets to Promote Environment Sustainability and to Reduce Greenhouse Gas Emissions in Cambodia* project ("SFM Project"), which was undertaken in July 2013. For a number of reasons, it was felt that a revision of this review was needed. The current MTR is intended to revise the draft of this original MTR and produce a final version.

## 1.2 Scope and Methodology

Specific tasks of the evidence-based review are outlined in the Terms of Reference (Annex 1. Terms of Reference). These tasks included:

- providing in-depth analysis and supporting information that is creditable, reliable, and useful, in the key areas: project progress toward results, adaptive management and management arrangements;
- reviewing and updating the Strategic Result Framework (SRF);
- making recommendations to achieve the results' targets. Any change of strategic result target and indicators must provide precise justification, to serve as a basis for decisions by the project management;
- drafting initial findings, presenting them and the revised SRF during a consultation workshop with key stakeholder, and receiving feedback;
- finalizing the MTR Report and updated SRF.

To achieve these tasks, the Consultant followed standard methodology for UNDP-GEF reviews. This methodology sought to ask questions in the key analysis areas through:

1. Review of relevant documents
2. Semi-structured interviews with all stakeholders:
  - Project team, FA and UNDP staff who have project responsibilities
  - Project Manager

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<sup>2</sup> GEF (2010) *The GEF Monitoring and Evaluation Policy 2010*. Global Environment Facility, Evaluation Office. Evaluation Document No.4, November 2010



- Project stakeholders
  - Government ministries at national and local level
  - Community members
  - Service Providers
- 3. Direct observations of project-related activities and outputs
- 4. Workshop with Project team and stakeholders on SRF and Impact

The observations from these different data sources were cross-checked against each other, in a process of "triangulation".

After the contract was concluded, discussions by email and Skype with UNDP Regional Office and Country Office (CO) personnel and with Project Team members defined and confirmed the logistics of the mission, and its itinerary of consultations and site visits. Key documents were assembled and initial study began.

The Consultant, Dr W Keith Lindsay, arrived in Phnom Penh on 18 May 2014. Consultations and meetings began on 19 May 2014. A full itinerary of visits and meetings can be found in Annex 2. The first meeting was held with the GEF Focal Point in his office. This initial meeting was followed by an inception meeting in the SFM Project office, during which the consultant was briefed on the background of the programme, documentation sources and stakeholder identification, deliverables expected and the timing of such delivery.

A field visit to a sample of project sites in Pursat and Kampong Chhnang provinces was made during 19-23 May. Consultation of stakeholders occurred during 23 -29 May; a list of persons met during the time spent in Phnom Penh, and a partial list of persons met during site visits (lists of attendees of meetings on 20 May) is given in Annex 3. List of persons interviewed. Document collection and review has occurred throughout the mission and during periods both preceding and following it; a list of the documents examined is provided in Annex 4. List of documents reviewed.

A consultative workshop to review and revise the SRF was held in Phnom Penh on 30 May, with a broad range of stakeholders and project partners. A briefing meeting was held on 2 June in the FA meeting room, to present initial findings and the draft SRF to key stakeholders for their comment and feedback.

The findings from the evaluation mission, together with comments received during the briefing meeting, were summarized in a draft version of the MTR report. Comments received on the draft text were then incorporated into a final version, with an audit trail summarizing these comments and the Consultant's response.

### **1.3 Structure of the review report**

The review report is comprised of:

- an Executive Summary, with Project Summary Table, a brief project description, a Review rating table and a summary of of conclusions, recommendations and lessons learnt
- an introduction, summarizing the review's purpose, scope and methodology
- a brief description of the project and its development context, including the background to the project
- the findings, conclusions and recommendations of the Mid-Term Review

- annexes including information about the review process, project co-financing, a proposed revised Strategic Results Framework, capacity development scorecard.

## **2 Project description and development context**

### **2.1 Project design, inception and duration**

The project was designed in 2009, while further time was spent in revising the project documents several times, developing a new budget, studying and extensive consultation on operational mechanisms and flow of funds under the UNDP National Implementation Modalities (NIM) Guidelines. The project was planned to start from 1<sup>st</sup> of March 2011 and end by 28<sup>th</sup> February 2015.

An Inception phase occurred during March to November 2011, with the support of an international start-up consultant for four person-months. The project inception report, produced in draft in September 2011, provided an outline of the changes in project design and implementation approach that had happened since the original project design and during the Inception Phase; it was further updated after the Inception workshop of 3<sup>rd</sup> November 2011.

Tasks accomplished during the Inception phase included: organizing a project launching workshop; setting up of the SFM project working office in the Forestry Administration (FA) headquarters; clarifying and developing project implementation and management arrangements; developing Requests for Proposals (RFP) for service providers to provide technical assistance to implement Outcome components of the SFM project; making revisions of the Strategic Result Framework; developing communications and gender mainstreaming strategies for the project; conducting on-the-job training for FA officers; and forming the project management team. Actions included: field trips to gather baseline data and to inform the locally based FA and DoE personnel; discussions on plans for development of CF management plans and identification of opportunities and constraints for new sites; and consultative meetings with line ministries, line departments, NGOs, development partners, government institutions and other stakeholders to encourage partnerships among the key players.

A revision of the budget was developed to deal with the unexpected shortfall of US\$1m in UNDP funding prior to the project start. It was considered possible to make savings, without seriously affecting project outcomes, by cutting the amounts originally allocated to start-up grants, local consultants' inputs (>800 man-months) and Chief Technical Advisor's time (44 man-months).

Revision of the SRF made changes to some indicators and outcomes (termed "outputs" in the Inception report), because some of these parameters were not sufficiently clear in the Project Document to be readily translated into ToR for the Service Providers. The implementation of Outcome 2 now includes business plans as part of management plans for CFs and CPAs, additional CF sites piloting alternative modalities, and four CLUPs integrating SFM at the landscape level. The focus for Outcome 3 was sharpened, with identification of the need for 5 woodlot management plans to be linked to the operation of trial "green" charcoal kilns, development of a national Wood and Biomass Strategy and increased coordination between FA and MME.

There was some delay in hiring project service providers (SPs). The decision was taken during the Inception Phase to integrate the three Outcome areas into two RFPs, sharing

responsibilities for the policy and capacity-building support of Outcome 1 between two SPs for Outcomes 2 and 3. After a first round with too few applicants, a second RFP process selected two SPs – RECOFTC and GERES – to work on RFP1 and RFP2 respectively. RECOFTC started work on RFP1 in March 2012 and GERES on RFP2 in April 2012, and their first efforts were scoping and baseline studies. The working modality of the two service providers differs: RECOFTC from early 2013 deployed staff in the field to facilitate the implementation process, while GERES does not have permanent field staff but since early 2013 has deployed sectorial staff from Phnom Penh to look after implementation.

The effect of the rather lengthy inception and SP recruitment processes described above, along with needed training of FA staff in administrative procedures, was to delay implementation of project activities by 13 months.

A summary of the key project milestones and their dates is provided in Table 1.

**Table 1. Project milestone dates**

Milestone	Date
Project Designed	2009
GEF approval	May 2010
Agency Approval (UNDP Prodoc signature)	March 2010
DoA (delegation of authority)	9 June 2010
Project start date	1 March 2011
Project Inception	1 March 2011
Project Launching	31 May 2011
SFM office established in FA	July 2011
Inception workshop	3 Nov 2011
Request for Proposals from Service Providers (RFP1 & RFP 2)	Nov 2011
Contract signed with the two Service Providers	March/April 2012
RECOFTC & GERES project implementation start up, project scoping & baseline studies	May-Nov 2012
Actual field implementation start	Dec 2012
First Mid-term Evaluation	July 2013
Terminal Evaluation due	Dec 2014
Expected project ending date	28 Feb 2015
Project Financial Closing	Feb 2015

## 2.2 Context of the project and problems it seeks to address

### 2.2.1 Background and context

#### *Forest status and values*

Cambodia has one of the highest levels of forest cover in Southeast Asia, with approximately 10.9 million hectares of forest, or 60% of Cambodia's land area in 2000<sup>3</sup>, dropping to 57% by

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<sup>3</sup> Project Document (2011) *Strengthening Sustainable Forest Management*. p.7; Forest Cover assessment

2010<sup>4</sup>. Compared with its neighbouring countries, Cambodia still has a low population density and relatively large intact natural areas. WWF's eco-regional assessment has identified five critical ecosystems in Cambodia, including the Cardamom Mountain Range, Northern Plains, Eastern Plain, Upper Mekong and the Tonle Sap. Of these areas, the Cardamom Mountains rain forests are included in the WWF Global 200 list of priority eco-regions; they are considered by some to be one of the most species-rich and intact natural habitats in the Southeast Asia region<sup>5</sup>. They provide the potential for generating subsistence and saleable products for local communities, and performing environmental services such as maintenance of soil fertility and structure, and regulation of hydrological cycles. Thus, the forests of Cambodia present a significant value in terms of forest resources, biodiversity, and carbon stocks of national, regional and global importance.

According to the National GHG Inventory 2000<sup>6</sup>, Cambodia emitted a total of 48,383 GgCO<sub>2</sub>e per annum, while its forest cover helped absorb almost all that amount (48,186 GgCO<sub>2</sub>e), leaving a net emission of 218 GgCO<sub>2</sub>e p.a. This apparently positive balance of nevertheless represents an increase in net emissions over the 1994 Inventory, and the trend is projected to continue towards increasing net emissions.

Around 85% of Cambodians depend on agricultural and/or forest production for their primary livelihood, and forest resources contribute from 30% to 42% of the total household incomes of rural people<sup>7</sup>. Local people depend heavily on timber for home construction, agricultural equipment manufacture and cash income, and in addition people living near forests obtain food and medicinal plants, bushmeat and live animals for subsistence use and sale. Other non-timber forest products (NTFPs), including rattan and bamboo, continue to be important for both domestic use and export markets. Such use of forest products may provide a supplement to household incomes, in addition to agriculture-based livelihoods, and may serve as an important "safety net" in the case of crop failure.

### *Drivers of deforestation*

Anthropogenic activities including logging, consumption of wood for fuel, commercial and subsistence agricultural expansion, and development activities, such as road construction and increasing human settlement, are the major threats to forest, leading to loss of forest cover and degradation. Although timber extraction currently only accounts for 6% of the total national demand for wood, logging to supply this timber plays a key role in deforestation by opening up forests for subsequent forms of forest degradation and the eventual complete conversion of forests to other uses.

Biomass is the main source of energy for Cambodia, mainly in the form of the wood and charcoal. Fuel-wood serves about 70% of the total energy demand and is used for domestic cooking, and by industries such as agro-industry, garment factories and brick and tile kilns. Household fuel wood demand (including both used directly or converted to charcoal)

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<sup>4</sup> RGC/ITTO (2011) *Cambodia forest cover 2010*. Royal Government of Cambodia/ International Tropical Timber Organization, Project No. ITTO-PD493/07 Rev.1 (F).

<sup>5</sup> ProDoc, p.6

<sup>6</sup> MoE (2011) *Key Findings of the Cambodia's Second National Submission*. Second National Forum on Climate Change, Cambodia. 3-5 October 2011. Power Point presentation.

<sup>7</sup> References cited in ProDoc, p.9

comprises a total of 5,700,000 tons annually, of which 700,000 tons is consumed by capital city of Phnom Penh alone<sup>8</sup>.

The key direct and indirect drivers of deforestation and degradation of Cambodian forests include governance issues such as conflicting policies and legislation regarding forest management and land use, economic factors such as commercial agriculture, increasing populations, poverty and poor livelihoods for local forest dependent communities, and technology drivers such as lack of access to energy infrastructure and green energy sources<sup>9</sup> (Table 2).

**Table 2. Direct and indirect drivers of deforestation and forest degradation**

Category	Direct drivers	Indirect drivers
Governance Drivers	<ul style="list-style-type: none"> <li>• Military bases and roads for legitimate defence purposes, as well as support to illegal logging and encroachment on forests by soldiers.</li> <li>• Government officials at local levels engaged in/ tolerant of illegal land sales, forest clearing</li> <li>• inadequate implementation of NRM and land policies and laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of dialogue between forestry officials and military commanders at national level.</li> <li>• Relatively weak institutional strength of natural resource sector, corruption at different levels, weak law enforcement.</li> <li>• Weak community participation in forest management and decision-making</li> <li>• Inadequate benefit sharing from forest resources (including revenue sharing)</li> <li>• Land tenure systems - lack of local ownership of the resources/land; lack of clarity over access to forest resources</li> </ul>
Policy and Legislation Drivers	Apparent priority of Economic Land Concessions over forestry concerns allows large tracts of forest land to be allocated to private sector firms, displacing local residents and removing forest cover.	<ul style="list-style-type: none"> <li>• Long-term public land planning policies not in harmony between sectors.</li> <li>• CF approval processes administratively complex, lacking full transparency</li> </ul>
Economic Drivers	<p>International:</p> <ul style="list-style-type: none"> <li>• Investment capital for commercial plantations and land speculation provides significant short-term incentive for unsustainable land use.</li> </ul> <p>Subnational/local:</p> <ul style="list-style-type: none"> <li>• Economic Land Concessions – conversion of forest to agricultural use for large-scale commercial production</li> <li>• Population pressures – growing local communities, migrant encroachment – causing clearing for agricultural expansion into forested areas.</li> <li>• Lack of means for efficient, sustainable</li> </ul>	<p>International:</p> <ul style="list-style-type: none"> <li>• Global commodity markets, with high prices for agricultural products – sugar, rubber and palm oil – and timber.</li> </ul> <p>Subnational/local:</p> <ul style="list-style-type: none"> <li>• Poverty, livelihoods – Options and markets for revenue generation from sustainable forest management are not developed.</li> <li>• Large urban market for charcoal fuel</li> </ul>

<sup>8</sup> ProDoc, p.18

<sup>9</sup> ProDoc, p.17-18; Poffenberger, M. (2013) Community REDD+ in Oddar Meanchey Province. In: Poffenberger, (ed.) *Cambodia's Contested Forest Domain. The Role of Community Forestry in the New Millennium*. Ateneo do Manila University Press, Manila, pp: 61-84.

	production/ use of timber, wood-based fuel and forest products.	
Technology Drivers	<ul style="list-style-type: none"> <li>• Lack of knowledge and use of appropriate technology in tree growing, and nurseries production among communities.</li> <li>• Lack of awareness and means for the population to make use of improved stove and charcoal production technology.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of security of supply of wood/ charcoal to energy users.</li> <li>• Limited formal energy infrastructure – electricity, natural gas – on a nation-wide scale, leaves Cambodians in urban and rural areas still dependent on fuelwood and charcoal for domestic and commercial uses.</li> </ul>
Other Causes: (anthropogenic)	<ul style="list-style-type: none"> <li>• Fires used by local residents in land clearing or other small-scale management; inadequate capacity to manage fires</li> </ul>	Climate change: reduction in rainfall amounts, more extreme weather events.

### *Policy and legislative context*

The key government policies that are most relevant to sustainable forest management include the government's Rectangular Strategy<sup>10</sup> (2008), the proposed National Forest Program and the Wood (and Biomass) Energy Strategy. The National Strategic Development Plan 2006-2010 included objectives to maintain forest cover and reduce fuel wood dependency

The Rectangular Strategy emphasizes sustainable forest management, to improve the livelihoods of people living in rural areas and to contribute to economic growth. Community use of forests is supported, as are commercial forest plantations on degraded land. There is a commitment to efficient management of reserved forests to international standards, through partnerships with external agencies and with civil society. Global efforts on climate change mitigation and adaptation will be matched with national level commitment of resources.

The National Forest Program (NFP) was in development during the preparation of the Project Document. Now in place, NFP 2010-29, Sub-program 4, is the national framework for project implementation. Its Sub-Program 4 addresses community forestry (CF) in four decentralized modalities (Community Forestry, Community-based Production Forestry, Partnership Forestry and Community Conservation Forestry) with the aim to cover 2 million ha by the end of the program in 2029. Only the first modality of CF has a regulatory framework, with a need to develop the framework for the others.

The National Wood and Biomass Energy Strategy has been in development for some time under the coordination of a Wood Energy Working Group (WEWG), led by MME with members including FA, MoE and other governmental and non-governmental stakeholders, but the process became somewhat stalled.

About 70% of Cambodia's forests have some level of protection – Protected Areas under the responsibility of MoE (27%) and Permanent Forest Reserve (PFR) under the FA (43%)<sup>11</sup>.

<sup>10</sup> The Rectangular Strategy is so called because it sets out the core areas of priority for the Government: 1) Enhancement of the agricultural sector; 2) Further rehabilitation and construction of physical infrastructure; 3) Private sector development and employment generation; 4) Capacity development and human resource generation.

<sup>11</sup> ProDoc, p.11

Protected Area legislation includes requirements for participation by local communities in sustainable management and conservation in Community Protected Areas (CPAs) in the sustainable use zone of PAs. The actual implementation of these must be guided by a Declaration from MoE as well as associated Technical Guidelines, which are still under development. The PFR includes Protected (14%) and Production Forests (simple PFs – 11% - and PFs intended for community forestry – 18%); all are managed under the Forestry Law of 2002 and its sub-decrees and declarations.

There are in addition a large number of Government-endorsed 'Forest Concessions' and 'Economic Land Concessions' (ELCs). Forest Concessions were established in order to allow commercial forestry activity; however a moratorium on logging by concessionaires was declared in 2002, and Concession areas, whether they have already been logged or not, are now in a legal vacuum. Concessions are found covering large areas in most of Cambodia's forests; some of these areas, which have already been logged, are currently being used for the establishment of 'commercial community forestry' or 'production based community forestry'.

Economic Land Concessions are declared with the aim of promoting economic investment through productive activities other than the management of the existing forest. In accordance with Cambodia's 2001 Land Law, ELCs can be issued by central government up to 10,000 ha and by provincial governments, if below 1,000 ha. The Land Law states that land concessions in excess of these limits must be reduced, however the sub-decrees required to implement this are not yet in place. ELCs have spread to all corners of provinces and are often not put to intended use. The ELCs occupy village traditional lands, which otherwise could have been used for community forestry. Many conflicts have risen in Cambodia in relation to ELCs.

### 2.2.2 Main stakeholders

A range of stakeholders was identified in the ProDoc. These include government at different levels, civil society, private sector, NGOs and donor organisations.

#### *Government stakeholders*

Government stakeholders include agencies operating at the national and local levels:

- The **Ministry of Agriculture, Forestry and Fisheries** (MAFF) and in particular, the **Forestry Administration** and its **Community Forestry Office**, which is in charge of the National Community Forestry Program. The project is executed by the Forestry Administration (FA), which is the Implementing Partner.
- The **Ministry of Environment** (MoE), given its position as head of the environment sector and home to the GEF Operational Focal Points and, in particular, its **General Department for the Administration of Nature Protection and Conservation** (GDANCP), which is responsible for protected area management.
- The **Technical Working Group for Forestry Reform** (TWG-FR) which provides a mechanism for government-donor coordination for supporting and strengthening development activities within forestry and environment, and plays a key role in the development of the National Forest Programme. It is co-chaired by the European Union Delegation to Cambodia (formerly by DANIDA) and a Secretariat coordinates donor inputs and monitors the TWG's Action Plan.
- The **Ministry of Land Management, Urban Planning and Construction** (MLMUPC) deals with the registration of land tenure of state public land, state private land,

communal land and private land. It is responsible for the registration of State Public Lands such as forests and ensuring their registration in the cadastre.

- The **Ministry of Mines and Energy** (MME) – formerly MIME, is lead government agency for the energy sector and therefore needs to be involved in initiatives related to energy efficiency and renewable energy development and utilization.
- The **Ministry of Interior** (MoI) is in charge of the de-concentration and devolution (D&D) of administrative management and budgets to provincial, district and commune levels. The MOI hosts the Organic Laws (2008) for D&D, including the D&D Framework (2005) which includes a call for the role of commune councils in land use planning
- The **Ministry of Economy and Finance** (MEF): revenues generated by FA go to MEF, which in turn decides the annual budget allocation to all government agencies. The budget provided to FA is substantially below the requirements for implementing its programs.
- **National Community Forestry Program Coordinating Committee**: a multi-stakeholder committee consisting of regional, provincial, and local community forestry networks, as well as government members and NGO representatives that actively support CF. It is intended to coordinate activities in support of community-based forest management and conservation, but has been dormant for some time. Community forest groups have called for the need to reactivate the NCFPCC.
- **FA cantonment offices**: these are the main entities with responsibility at regional level for putting FA policies into practice. These are represented at more local level by **division** and **triage** offices.
- **Provincial departments of MoE and MME**: these have responsibility at provincial level for putting MoE and MME policies into practice, including support to the PAs in the provinces.
- **PA superintendents and rangers** are the government staff in daily contact with local communities.

#### *Civil society stakeholders*

- Commune councils
- Rural communities
- Urban consumers of wood energy
- Firewood and charcoal merchants
- Wealthy actors with interest in land grabbing

#### *Private sector stakeholders*

Private sector stakeholders include business enterprises and institutions with existing or potential interest in SFM and forest-based businesses:

- Micro, Small and Medium Enterprises (MSMEs), including cook stove producers
- SMEs and larger enterprises in the provincial urban areas
- Larger enterprises at the national scale in Cambodia
- Financial institutions (Micro-Finance Institutions and banks)
- Investment funds in Cambodia and abroad; purely commercial as well as social funds
- Business development service providers
- Other service providers in various areas (including technical artisans supporting cook stove producers)
- Chambers of commerce and sectoral business associations

#### *International NGOs*



- **Conservation International (CI)** - Central Cardamom Mountains Program: forest and biodiversity protection, land use planning and rural livelihoods improvement for natural protection, operating mainly in Pursat and Koh Kong Provinces
- **Fauna and Flora International (FFI)** - Trust Fund for the Cardamoms: organized together with CI and Agence Française de Développement (AFD), the interest from trust fund will be used to pay rangers, law enforcement, community conservation forestry; support for establishment of CPAs in Phnom Aural and Phnom Samkos Wildlife Sanctuaries
- **Wildlife Conservation Society (WCS)** - working with FA and DANIDA on forest land issues in relation to Economic Land Concessions and demarcation of community areas.
- **PACT** - Community Forestry Initiative supporting networks, drafting legislation and providing training for CF development.
- **Lutheran World Federation (LWF)** - supports CFs as part of its Integrated Rural Development and Empowerment Project in Kampong Speu, Kampong Chhnang and Battambang, and CPAs in Phnom Aural WS.

#### *UNDP and other donor organisations*

- **UNDP** - UNDP's CPAP supports a suite of projects under its Outcome 2, which aims to build capacity for sustainable management of ecosystems goods and services and responding to climate change<sup>12</sup>; UNDP/GEF Small Grants Programme
- **DANIDA** - Strategic planning for CF development, potential areas for CF sites; capacity needs assessment; other support to FA
- **Ministry of Foreign Affairs, Finland (Forinfo)** - with RECOFTC and GERES, Livelihood Improvement through generation and ownership of forest information by local people and services market project.
- **USAID** - Helping Address Rural Vulnerabilities and Ecosystem STability (HARVEST) Project, which has an NRM component for CF and CPA in Pursat and Battambang, working with US company Fintrac and FFI. Supporting Forests and Biodiversity (SFB), aims to enhance effectiveness of government and key natural resource managers at national and subnational levels for sustainable forest management and economic development in the Eastern Plains Landscape and Prey Lang Landscape, working with Winrock International and NGO partners - RECOFTC, WCS, East-West Management Institute and WWF.
- **European Union** - Sustainable Forest Management and Rural Livelihood Enhancement through Community Forestry and REDD initiatives in Cambodia: working with Oxfam and RECOFTC on CF sites, including in Pursat Province
- **World Bank** - Rural Energy Strategy Program, supporting MIME/ MME's efforts in the Wood and Biomass Energy Strategy, the Sustainable Charcoal Pilot Project (GERES with MIME and FA) and the planned Commercialization of Efficient Cook Stoves.
- **AFD** - Support to MoE with CPAs in Phnom Aural WS, Kampong Speu, on green charcoal plantations/biomass production.
- **UN-REDD** - Forest carbon credit for community forests: Support to implementation of NFP, integrating REDD+ into community forestry regulations and investigation of Conservation Concession models.
- **FAO** - Enhancing Community-Based Forest Management & Utilization for the Improvement of Rural Livelihoods in Cambodia: Development of CF enterprise in non-SFM target provinces; possibility of lessons sharing.

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<sup>12</sup> Lemaesquier, T., Kalyan, M., Cuccillato, E. (2014) *Mid-Term Review of UNDP Country Programme Action Plan for Cambodia, 2011-2015*. March 2014

### **2.2.3 Problems to be addressed**

As noted above, deforestation and forest degradation are recognized as major threats to Cambodia's forest ecosystems, affecting the livelihoods of rural communities as well as environmental services such as the stability of downstream water supplies (of value to production sectors such as agriculture, fisheries and hydro-electric power generation), and carbon sequestration. The root cause of the failure to address deforestation and degradation is the limited capacity of and the lack of incentives for both the government and civil society to respond to the challenges.

The two main government institutions responsible for management of forests (FA and GDANCP) have some apparent weaknesses that limit their effectiveness in sustainable forest management and biodiversity conservation. The most important issues that have been identified in capacity assessments include: inadequate financial and logistical resources, excessive complexity and slowness of bureaucratic procedures, limited institutional experience in participative action with the public, and an incomplete regulatory framework to support sustainable forest management.

An additional problem is the long-standing difficulty of coordination between FA and GDANCP. These two agencies are both engaged in the sustainable management of forest resources, but they are based in different Ministries, MAFF and MoE respectively, and have somewhat different approaches and mandates. FA is responsible for sustainable use and management of forests as an economic resource, which includes the offtake of timber and other forest-based products, as well as conservation of forests. GDANCP is focused on the conservation of biodiversity, primarily in protected areas, which include many forests. Although these mandates differ and should allow for an amenable division of responsibilities, there is also considerable potential for overlapping/ competing interests in the maintenance of Cambodia's forests for the benefit of rural populations. Unfortunately, there has also been a history of misunderstanding between the agencies, more apparent at the national than provincial level, and attention is needed to negotiate good working relationships. On the plus side, there have been some very positive recent moves towards a rapprochement between the two agencies, under the direction of Ministers appointed after the 2013 elections. This new commitment to cooperation is expected to continue and grow, with the mutual awareness that such cooperation is essential for forest conservation in Cambodia.

Local communities need to maintain existing household incomes in the face of rural poverty. This need can be addressed by communities developing new benefit streams from conservation-friendly forest use and by strengthening their capacity for management and co-management of forest resources. Similarly, to decrease pressure on the forests and reduce carbon emissions, there is need for significantly improved access to energy-efficient technologies for cooking and charcoal production on a local and, ultimately, nation-wide scale. Both of these approaches face practical obstacles in the path to success, as do any initiatives that attempt to develop new interventions in existing livelihoods and economies.

## **2.3 Immediate and development objectives of the project**

The objective of the Sustainable Forest Management (SFM) Project is "to strengthen national SFM policy, integrate community-based sustainable forest management into policy,

planning and investment frameworks and create markets for sustainable bio-energy technologies that reduce CO<sub>2</sub> emissions."

At the broader level, there are development objectives of the UN Development Assistance Framework (UNDAF) and the UNDP Country Programme (CPAP)<sup>13</sup>. These are:

**UNDAF Outcome 1**

Promotion of equitable, green diversified economic growth

**UNDAF Country Programme Outcome 1.2**

By 2015, more people living in Cambodia benefit from, and participate in, increasingly equitable, green, diversified economic growth.

**CPAP Outcome 2**

By 2015, national and local authorities, communities and private sector are better able to sustainably manage ecosystems goods and services and respond to climate change.

**CPAP Output 2.1**

Pro-poor sustainable forest/ protected area management and bio-energy productions accelerated.

## 2.4 Expected Results

The goal of the SFM Project is to address the barriers of limited capacities and incomplete regulatory framework to support SFM, make local communities able to realize potential benefits from forests, and therefore have motivation and/or means for sustainable management and conservation, and improve dissemination of available energy efficient technologies for the use of fuel wood and woody biomass.

The project is designed to strengthen national SFM policy, integrate community-based sustainable forest management into policy planning and investment frameworks and create markets for sustainable bio-energy technologies that reduce CO<sub>2</sub> emissions. The barriers to this long term solution are: (i) Limited capacities and incomplete regulatory framework to support SFM; (ii) Local communities are not able to realize potential benefits from forests, and therefore have limited motivation and/or means for their sustainable management and conservation; and (iii) limited dissemination of available energy-efficient technologies for the use of fuel wood and woody biomass.

The project is removing these three barriers, aimed at establishing sustainable forest management (SFM), through its three Outcome areas:

- Outcome 1 has Indicators and activities for capacity building and policy development,
- Outcome 2 has Indicators and activities for CF and CPA and alternative community based forestry models and CLUP exercise in four provinces integrating SFM
- Outcome 3 has Indicators and activities to promote wood energy efficient technology like improved stoves and kilns.

Some expected indicators for each of the Outcome areas are summarized below:

**Outcome 1:**

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<sup>13</sup> Lemareshquier, T. *et al.* (2014) *MTR of CPAP 2011-2015*.

National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood.

**Indicators of achievement**

- Improvement in institutional capacities in FA and GDANCP
- A supportive legal framework for all models of community-based forest management
- Enhanced national capacities and political will in FA and GDANCP to coordinate & integrate development of CFs and CPAs
- National Wood Energy Implementation Strategy
- Financial strategies in MAFF and MoE to support SFM.

**Outcome 2:**

Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities.

**Indicators of achievement**

- 4 FA cantonment and MoE PA offices with community-based forest management development plans
- 4 Commune Land Use Plans (CLUPs) that integrate SFM through CFs/CPAs designed and approved by consensus among the local government institutions
- All types of community forests – 30 CFs, 10 CPAs, 4 ACFMs – have approved management and business plans and are managed according to management plans
- Increase in income from forest based enterprises to communities.

**Outcome 3:**

Strengthened demand and supply chain for energy efficient cook stoves.

**Indicators of achievement**

- Increased market share of improved technologies
- Annual CO<sub>2</sub> emission reduction
- Fully functioning improved cook stove production centres
- Increase in income of stove producers
- Woodlots managed by local communities/farmers with business-oriented management plans for fuel wood supply and green charcoal.

## **2.5 Baseline indicators**

An analysis of the baseline situation for the three Outcome areas of the project approach – support for policy and capacity development, empowerment of local communities in sustainable forest management, and access to energy-efficient fuelwood technology – was a key part of the ProDoc. The baseline indicators in the Strategic Results Framework and other monitoring tools were derived from this analysis.

Conditions that preceded the project, and that were likely to continue in its absence, included the following:

1. The overall institutional, policy and regulatory environment for SFM:
  - Initiatives for national level coordination and leadership fail to build on provisions in the NFP, reducing the chances for SFM and related action on energy demand issues to be widely adopted and sustainable;

- Institutional capacities, in terms of awareness, knowledge, systems and resources, are inadequate, especially at provincial levels, to provide effective and relevant support to SFM;
  - Gaps exist in the regulatory framework, specifically in relation to alternative models of community-based forest management and conservation;
  - The development of genuine decentralized capacities and effective representation of local interests in decision-making in provincial and policy contexts is hindered by lack of integration between central, provincial and local levels in relation to SFM.
2. Mainstreaming biodiversity conservation into community-based forest management, providing viable livelihood benefits for local communities:
- Efforts are dispersed, with lack of strategic focus and priorities at local and provincial level that should be devolved from the overall planning framework in the NFP;
  - Local communities lack incentives, capacities and tenure/ user rights to protect forests against threats (external or internal), resulting in a continuation of the current trends of deforestation and forest degradation;
  - Local people suffer from livelihood vulnerability, limited access to forest-based income streams and high exposure to the effects of climate change and other environmental risk;
  - Fuel wood markets depend on unsustainable extraction from natural forests.
3. Technology for improved cookstoves and charcoal production:
- Manufacture and uptake of more efficient cook stoves is low at national level, due to the limited development of production clusters and marketing channels for distribution to rural consumers.
  - Charcoal production suffers from unsustainable sourcing and inefficient use of fuelwood, reducing forest cover and adding to carbon emissions.
  - National levels of fuel wood consumption, and unsustainable extraction of wood from forests, continue at present high levels, resulting in the continued loss or degradation of forests and their carbon reserves.

Specific baseline values of most result indicators were proposed in the ProDoc and refined or confirmed in the Inception Report. Some of the values for indicator baselines were left for definition by the Service Providers, who were contracted to implement field and training activities under the Project. Comments on these indicators are provided in the discussion of Project monitoring and the SRF in Section 3.2.3 below.

## 3 Findings

### 3.1 Progress toward Results

#### 3.1.1 Project Design

##### *Project identification and assumptions*

Key elements of project design include the identification of problems and the development of suitable solutions through systematic planning with key stakeholders, and effective coordination of different agencies and actors.

It appears that there was a thorough process of problem identification, culminating in the Project Document. This process included a situation analysis, with an assessment of the drivers of deforestation and the barriers to effective forest conservation in Cambodia. The barriers to SFM were assumed to be:

- Limited capacities and incomplete regulatory framework to support SFM
- Local communities are not able to realize potential benefits from forests, and therefore have limited motivation and/or means for their sustainable management and conservation
- Limited dissemination of available energy-efficient technologies for the use of fuel wood and woody biomass.

Problem analysis was accompanied by a thorough stakeholder consultation and analysis, and a baseline analysis of the policy, institutional and regulatory environment in relation to community-based forest management and conservation; community forest management practices and forest-based businesses; and wood energy production and markets for sustainable energy.

The **key assumption** at the outset was that sustainable forest management could be a primary solution to the problems of deforestation, as well as contributing to poverty reduction. The threats would be addressed by a combination of:

- meeting the demand side of forest products by an increase of the supply of such products in order to divert unsustainable extraction pressures away from threatened forests.
- protecting forests by a combination of improved local governance conditions, the development of increased capacities in local communities and the government, and increased collaboration between local communities, other stakeholders and Government institutions.

Under such a scenario, the project would deliver significant environmental and development benefits, in terms of improved conservation status of biodiversity, reduced land degradation, reduced loss of carbon stocks and reduced GHG emissions, as well as improved local livelihoods.

The project was designed to use GEF funds to stimulate a coordinated approach to SFM, covering technical, social and business/ economic aspects. The project was to be managed through national implementation, with FA as Implementing Partner and the use of contracted service providers with experienced staff for direct execution of project actions.

The scope of the project was intended to encompass both nationwide impact, creating enabling conditions through the development of guidelines and strategies in the forest management and energy sectors, and provincial and grass-roots level were intended to create momentum in government at national and provincial levels for the establishment of Community Forests and Community Protected Areas and for the testing of approaches to management and revenue generation by local communities.

Pilot areas were selected in four provinces in the south-west and west of the country: Kampong Chhang, Kampong Speu, Pursat and Battambang. These provinces were selected because they had the following attributes:

- Globally important biodiversity that is affected by the identified threats that also have wider implications in terms of land degradation and climate change.
- Important sources of the fuel wood and charcoal that is consumed in Phnom Penh and nearby provincial urban centres
- A major baseline of Governmental, NGO and community activity on which the project will be able to build
- Large adjacent areas of land under the responsibility and ownership of both FA and MoE, allowing the promotion and generation of experiences on inter-institutional collaboration
- Contiguous grouping around the Cardamom Mountains area (yet also include major areas of adjoining production landscape), which provides an excellent opportunity to develop and demonstrate a landscape approach to the planning and management of community-based forestry and conservation
- Proximity to Phnom Penh, which increases their accessibility, visibility and therefore utility for the establishment of demonstrations.

These “pilot provinces” are intended to generate lessons on SFM that can be replicated nationwide, as well as resulting in fully functioning forest-based businesses for the participating communities. Selection of pilot CFs and CPAs within the target provinces was developed during Project Inception and refined in coordination with the Service Providers after their recruitment as they prepared for implementation. This site selection process faced some challenges, since it was not easy to find many prospective sites of forest adjacent to villages that were in reasonably intact, un-degraded condition.

### *Assessment of assumptions*

The main assumptions seem reasonable and in line with international best practice on community forest conservation. It is sensible to attempt to tackle the main drivers of deforestation in Cambodia through securing land for sustainable forestry by improving the empowerment and user rights of local forest occupants, and to make efforts to reduce the rate of consumption of trees for fuelwood through improving access to improved stove and charcoal-making technology.

There are larger issues, however, including the strength (or weakness) of political will to support forest sector governance and to resist the pressures of international commodity markets on business interests favoring conversion of forest land to large scale agriculture. Such issues are beyond the ability of this project to address, and they could swamp the efforts of a SFM approach. Such larger issues must be the subject of separate interventions, with which the project should seek linkages; it is hard to see how the current project could be re-designed to take them on itself. The current project is aware of the problem of Economic Land Concessions, and has developed approaches for negotiating resolution of

conflicts at the provincial level. It is important, however, to maintain an awareness of these broad-scale deforestation drivers, particularly when it comes to assessment of broader impacts and the sustainability of project outcomes.

There are also some difficulties with the assumption that it will be possible to build sustainable commercial enterprises in all of the target CFs and CPAs. As noted above, in several of the CFs the forest is degraded; these areas are incapable of producing sustainable offtake of forest products in the short term, and will require some years of protection before they become productive. Alternatives are now being considered, including small-scale plantations to supply the demand for fuelwood for both domestic use and charcoal kilns (also part of the project). Some communities may not want to use CFs for enterprise, but for conservation, and it will not be possible to develop plantations in CPAs, where harvesting is allowed of wild plants only. The business model for these enterprises would be community, or social, enterprises, in which some households take part. There are both advantages and drawbacks in these forms of enterprise for creating benefit streams and incentives to members of local communities.

A third area of weak assumption is with the ability to establish sustainable enterprises in the energy technology sector. The project is working with three different models of business. The improved cookstoves component works with stove producers already active in the business, and the activity is simply to introduce improved designs that are taken up by consumers. This is the most straightforward approach, but there are some challenges in marketing and supply chains that need to be addressed. The intervention for palm sugar stoves works with a small number of individual palm sugar producers who are the target consumers of the stoves, but the production of the stoves is in the hands of other parties; in the case of this project, a local NGO that has operated with funding under UNDP's Small Grants Program. The SFM project's intervention has primarily involved awareness-raising, while the design and supply of improved stoves is still at early stages. A result of the project may be the design of an improved approach, and users should be involved in the refinement of designs. The efficient charcoal kilns represent perhaps the greatest challenge, since the business model is that of a social enterprise by a community group, an approach that has mixed prospects of success. Equipment must be supplied by an outside agency, and maintenance requires technical and financial inputs. Supply of wood is a potential problem, with higher costs of wood collection and transport. Markets for the more expensive charcoal are not yet developed. The prospects for sustainability of these interventions are decreasingly certain, from ICS to IPSS to ECKs.

Rather than to expect sustainable enterprises by the end of the project, it is perhaps better to view the business development aspects of both CF/ CPA establishment and improved stoves Outcome areas as experiments, with the chief result being an analysis of the successes and obstacles to progress. It may also be worthwhile, in the context of such an analysis to consider the factors that are known to promote small businesses and community forestry enterprises, including a positive business environment, the availability of business support services and access to financial services<sup>14</sup>.

*Project identification and assumptions are rated as **Moderately Satisfactory**.*

<sup>14</sup> Tomaselli, M.F. & Hajjar, R. (2011) Promoting Community Forestry Enterprises in National REDD+ Strategies: A Business Approach. *Forests*, 2, 283-300; doi:10.3390/f2010283



## ***Relevance to international and country priorities***

This section reviews the relevance of the project design to international and country priorities.

### **International agreements/ frameworks**

Cambodia has been a party to the Convention on Biological Diversity (CBD) since 1995, and it ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1995 and the United Nations Convention to Combat Desertification (UNCCD) in 1997. In the Third National reports to the UNCCD and the CBD, the RGC confirmed its convention commitments to continuing the reform of the land and forestry sectors and to biodiversity conservation. The project contributes toward Millennium Development Goal 7 "Ensure Environmental Sustainability".

The project is in accordance with the United Nations Development Assistance Framework (UNDAF) in Cambodia. It is aligned with UNDAF Outcome 1 "Economic Growth and Sustainable Development", and UNDAF Country Programme Outcome 1.2 "By 2015, more people living in Cambodia benefit from, and participate in, increasingly equitable, green, diversified economic growth." Under the Country Programme Action Plan, it contributes to CPAP Outcome 2 "By 2015, national and local authorities, communities and private sector are better able to sustainably manage ecosystems goods and services and respond to climate change" and directly to CPAP Output 2.1 "Pro-poor sustainable forest/ protected area management and bio-energy productions accelerated."

The project is aligned with the UNDP Strategic Plan in the area of environment and energy, (paragraph 109) "to strengthen national capacity to manage the environment in a sustainable manner while ensuring adequate protection of the poor". The Strategic Plan also identifies the following specific results: "to mainstream environmental and energy issues into development planning; mobilize finance for improved environmental management; address increasing threats from climate change; and build local capacity to better manage the environment and deliver services, especially water and energy. UNDP recognizes that disaster risk reduction has many elements in common with climate risk reduction and, where appropriate, will combine its efforts in these two areas."

The project design fits well with the UNDP Strategic Plan's recognition of the private sector as a key partner to UNDP and private sector development as a crucial element of UNDP's operations. Project Outcomes support, either directly or indirectly, both enhanced private sector engagement and private sector development in community forestry and contribute to the five priorities of the UNDP Private Sector Strategy: a) strengthening the policy and institutional infrastructure; b) facilitating value chains; c) promoting investments in pro-poor goods and services; d) fostering inclusive entrepreneurship; and e) engaging the private sector in policy dialogues.

The project design also recognises the importance of operating at multiple levels, with interventions under its Outcome 1 focused on the higher national level of institutional capacity building and regulatory frameworks, which correspond closely with the comparative advantage of UNDP, and the increasingly local levels of pilot/ experimental investments and capacity building at provincial, district and community level under Outcomes 2 and 3. The testing of approaches at field level will be supported essential for the

credibility of the upstream activities, as well as for the delivery of concrete global and livelihood benefits.

### **National priorities**

Under the National Strategic Development Plan 2006-2010 (NSDP), Cambodia is committed to strengthening the contribution of forestry sector to poverty reduction and socio-economic development. According to the 2006 Poverty Reduction Strategy Paper (PRSP), the ongoing Forestry Reform has reached a critical stage where institutional strengthening and improvement in coordination are priorities. Macro-goals under the NSDP include objectives to increase of forest cover to 60% and the reduction of fuel wood dependency from 84% of households (2005) to 52% by 2015. The Cambodia Forestry and Environment Action Plan 2007-2010 of the Technical Working Group on Forestry & Environment (TWG-FE) stresses opportunities to improve socio-economic conditions of the rural people through improved governance and partnerships in the management of the natural resource and emphasizes the up-scaling of community forestry to more communities as a major development priority. The TWG-FE recognizes joint priorities among major national institutions and external stakeholders and in alliance with local government, as the optimal mechanism for combating the challenges such as forest rehabilitation.

The project will contribute to the objective of the NFP ("The forest resources provide optimum contribution to equitable macro-economic growth and poverty alleviation particularly in rural areas through conservation and sustainable forest management, with active participation of all stakeholders") and, specifically, part of Program 4 on Community Forestry. This approach will be complemented by addressing 'demand-side' issues, specifically the unsustainable levels of demand for fuel wood that are putting in jeopardy the potential for forests to be managed in a sustainable manner.

The Rural Energy Strategy and Implementation Plan (currently under formulation) and the National Wood Energy Working Group are cognizant of the importance of reducing the wood demand in for residential and restaurant cooking.

*Relevance and addressing country priorities are rated as **Satisfactory**.*

### **3.1.2 Progress in implementation**

Progress in implementation of the SFM Project Outcomes is discussed in this section. The narrative will follow the structure of the monitoring and reporting against the existing SRF, even though significant modifications have been proposed for the SRF (see Section 3.2.3 below). There is some difference between details in the SRF and in Project reporting: at no point in the SRF is there any mention of numbered "Outputs", but in the Inception Report, the term is mentioned, and in the Annual Reports, the Indicators under Outcomes 1 and 2 (but inconsistently, not Outcome 3) are called Output 1.1, 1.2 etc. These are referenced below with numbered headings 1.1 etc. below – this numbering follows the order in which they were found in the documents noted and does not necessarily follow that of project reports.

Discussion of progress on Objective indicators may be considered premature at project mid-term, since they are measures of the longer term, larger scale impacts of project interventions. However, with the review of the SRF, it was considered useful to look at

Indicators for Objectives/ Impacts as well. These include progress in slowing the loss of forest cover (deforestation) or forest condition (degradation). Indicators for the former include forest cover estimates for the CF and CPA project sites, and for the broader forest landscapes in the target provinces, which can be obtained from Landsat imagery for both baseline and EoP time periods. The FA's Forest Cover Assessment may also be a source of data for assessing changes in land covered by forest; they should have data for 2009 and 2014. Methodology for evaluating forest condition in terms of structure and biodiversity, by comparing Community Forests and adjacent "control" sites where no SFM has taken place, is also available<sup>15</sup>. These Indicators are proposed for inclusion in the revised SRF (see Section 3.2.3).

### ***Progress towards Outcomes***

#### ***Outcome 1: National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood***

This Outcome area aims to help RGC agencies, working with local forest-adjacent communities, to make sustainable changes in their abilities to plan for and participate in SFM and to widen the uptake of energy-efficient wood fuel technologies. The approach has seen both Service Providers, RECOFTC and GERES, work with their government partners at national and local levels in developing human resources, technologies and policies/ guidelines to improve SFM and energy efficiency.

##### ***1.1: Improvement in institutional capacities in FA and GDANCP, as combined rating measured by UNDP capacity development scorecard***

The UNDP capacity development scorecard provides 14 criteria, or Strategic Areas of Support, with targets for capacity development at systemic (2), institutional (9) and individual (3) levels. Each of these has possible scores ranging from 0 to 3, for a possible overall combined rating total of 42 if the criteria indicate 'full capacity'. Each criterion was assessed during project design, with targets set. The overall combined rating target was estimated during project preparation at a baseline value of 12.5, and the End of Project target was set at 31 out of 42.

The combined rating estimated by the current review is 24/42, over halfway (62%) to the target value. The Scorecard details can be found in Annex 5. UNDP Capacity Development Scorecard. The current value can be compared to that of the draft MTR in July 2013, which was provided a rating of 19.7 (39%). The significant improvement in capacity rating over the 9 months from the time of the draft MTR can be attributed to two factors: the additional training and field support work that has occurred during the time that has passed since July 2013, and the commencement of engagement with the project by GDANCP officers at the provincial level and by the MoE itself at the highest level.

As noted above, the project service providers have developed several capacity enhancement programs for government at all levels and for communities. Significant training of staff in CF planning and management, and training of staff who can undertake further training on their own (training of trainers TOT), has occurred. Similar work in relation to CPAs has now started. There has been training and TOT of:

- national level personnel in government agencies – FA, GDANCP, MME, MLMUPC

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<sup>15</sup> Lambrick, F.H., Brown, N.D., Lawrence, A. & Bebbler, D.P. (2014) Effectiveness of Community Forestry in Prey Long Forest, Cambodia. *Conservation Biology*, 28: 372–381.

- provincial, district level personnel in government agencies in target provinces
- local government personnel in target provinces
- community leaders and members.

The training has included: facilitation skills, CFMC management, records keeping and report writing, CF management planning and participatory CF resource assessment/Forest and non-timber forest product (NTFP) inventory, and iii) overview of SFM and WISDOM to introduce the concept of SFM and WISDOM for understanding demand supply situation their link to commune land use planning (CLUP). Training included both men and women (10-30% in different sessions). Study tours by project stakeholders to sites in other parts of Cambodia have encouraged learning of CF management and business enterprise development.

The project aims to reduce the average time taken by MAFF to issue declarations on community forests and to analyse bottlenecks that slow down the approval process. CF management plan preparation has taken longer time than expected and business plans are under preparation. Some of the CFs were in conflict areas, i.e. in areas which were given to concessionaires, and it has been necessary to invest time in resolving these conflicts. These problem are now largely resolved and the CFMP process is on course to accomplish its targets.

A clear basis for inter-agency coordination has now been achieved, with good prospects for improvement. A Project Implementation Agreement (PIA) has been finalized between national level institutions (FA, GDE/MIME, GDLMP/MLMUPC), with sub-national level involvement (FAC, DIME, DLMUPCC) and endorsement by the Provincial governors. Joint UNDP and SFM project spot-check visits to selected sites within 4 target provinces were organized to monitor and validate the progress of project implementation.

The SFM project has successfully coordinated initial Project Board (PB) meetings with all agencies now represented. The PB has received updates on implementation progress and has given advice and direction on project management actions.

***1.2: A supportive legal framework exists for all models of community based forest management and conservation mentioned in the NFP.***

As noted above, guidelines for CFs are already in place and are being taken forward through implementation. Final draft concept notes for Alternative Community Forestry Modalities (ACFMs) - Partnership Forestry (PF); Community-Based Production Forestry (CBPF) and Community Conservation Forestry (CCF) - have been developed and endorsed by the FA. These concept notes are now being used by the project as a guide for the initiation of ACFM development and the integration of a regulatory framework on ACFMs are on course to be incorporated into the current CF guidelines by the end of the project.

Field pilot implementation for ACFMs and business/enterprise development is being piloted, with initial experiences and lessons learned being captured in project technical meetings and project progress reports.

***1.3: Enhanced national capacities and political will in FA and GDANCP to coordinate & integrate development of CFs and CPAs in a decentralized landscape-based approach, integrating commune land use planning***

A demonstration of the political for a decentralized approach to landscape-level planning has been advanced with the signing of a PIA signed by RECOFTC and DLMUPCC, DAFF, FAC, DoE, DIME and approved by the provincial Governor for all the provinces/target communes.

Implementation has included the establishment and approval at provincial levels of DLUP teams and TOT training on the integration of CLUP with SFM and WISDOM; and landscape functions to DLUP team. CLUP planning processes are progressing to steps 6 (Takream Commune (BTB)) and step 8 (KhbalTeuk Commune (KCH), Samrong Commune (PUR) and Tasal Commune (KSP)).

***1.4: No. of local budgeted Commune Land Use Plan plans (CLUP) that integrates SFM through CF/CPA designed and approved by consensus among the locals government institutions by Year 4.***

This indicator is a duplicate of Indicator 2.5 under Outcome 2, which is concerned with piloting SFM in target provinces. Progress is discussed in more specific detail under the appropriate section below. In summary, CLUP planning processes are underway with local government partners and making good progress in one selected commune in each of the four provinces, Battambang (BTB), Kampong Chhnang (KCH), Pursat (PUR) and Kampong Speu (KSP).

***1.5: No. of CF and CPA management plans that incorporate SFM by Year 4.***

This Indicator is a duplicate of Indicators 2.2 and 2.4 under Outcome 2. Progress is discussed more fully under the appropriate sections below. In summary, all 30 CFs are at the penultimate stage of the CFMP planning process and are in the second stage of preparing Business Plans. Work has now begun on CPA management plans. The management and business plans for CFs are very likely to reach approval by EoP, with good prospects for the CPAs.

***1.6: National Wood Energy Implementation Strategy exists, incorporating private sector modalities***

The Ministry of Mine, Industry and Energy (now MME) had developed a Wood Energy Strategy document some time back but the process had been stalled. The project provided support to GDE/MIME to organize a 2-day consultation workshop to kick off reactivation of the Wood Energy Working Group. Following this workshop, an adhoc inter-ministerial working group was established by MIME to coordinate and finalize the strategy document, now called the Wood and Biomass Energy Strategy. Consultative activities, with action plans to review and fill information gaps in the draft strategy, have been agreed with MME and a finalization of the draft Strategy is likely by EoP.

***1.7: Annual volume of sustainable wood produced from the wood lots starting from Year 2***

A fuel wood supply and demand (WISDOM) study at commune level has been conducted, with field inventory of 49 woodlot blocks in 16 CF target sites with total areas of 5,557 ha. Harvestable volume has been estimated as one-fifteenth (6.7%) of the total wood volume, amounting to 12,618 m<sup>3</sup> across all CF sites. Fuel wood harvest by communities, using forest silviculture methods, is now being tested.

***1.8: Financial strategies in MAFF and MoE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry by Year 3.***

MAFF and MoE have plans underway to develop financial strategies to support SFM, with an agreement already signed by the FA for a REDD+ project with FCPF. Since this Indicator is being addressed by another project of the FA, the draft MTR recommended that it be dropped from the scope of this project; such an excision would also allow budget savings.

This issue, and similar issues with the following two Indicators, had been mentioned in the Annual Project Report 2012.

**1.9: Financing generated from forest/wood energy related carbon credits by EoP**

The ProDoc set a target of generating US\$1,500,000 (presumably annually) from forest/wood energy related carbon credits by the end of the project. No initiation has taken place in these activities, and as already mentioned in relation to Indicator 1.8 above, a REDD+ project with FCPF (and possible involvement by UNREDD) in the FA is intended to develop policy, institutions, capacity, and benefit sharing mechanisms. For these reasons, the draft MTR recommended dropping this Indicator from the scope of this project.

**1.10: Financing generated from other funding sources (banks, green funds, etc.) by EoP. Business Plan to Support Future SFM activities (including analysis of PES/REDD Options)**

The ProDoc set a target of generating US\$500,000 (again, presumably on an annual basis) from different funding sources (banks, green funds, etc.) but no implementation activities had taken place by mid-2013. For this reason, and in line with the previous two Indicators relating to sustainable financing mechanisms, the draft MTR recommended dropping this Indicator from the scope of this project.

The decision to follow the MTR recommendation and remove this Indicator from the project plan was endorsed by a recent PB meeting.

**Progress toward Outcome 1**

The project has made good progress in building capacity for SFM at both national and local levels.

The process of approval of CFs has been catalysed by the project, and this momentum should lead to their wider approval across Cambodia. There are already Guidelines for CFs under the Forestry Administration, but the Project is helping to strengthen and put them into practice, as well as supporting the development of guidelines for ACFMs.

A kick-start workshop for CPA development was held in April 2014 with MoE, DoE and all stakeholders involved, including government and relevant NGOs. The full engagement of MoE/GDANCP has now allowed CPA-related activities to begin implementation. CPA guidelines exist in draft form and are now being improved through field-testing by the Project.

Development of the Wood and Biomass Energy Strategy has been re-started through Project intervention and a draft final version is anticipated, to await approval. A training manual on Fuelwood Biomass has been developed, providing knowledge and materials on fuel wood biomass sustainable supply and demand to government personnel and community woodlot managers.

*Progress toward Outcome 1 is now rated as **Satisfactory**.*

**Outcome 2: Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities**

The aim of this Outcome area is to pilot the completion and approval of management and business plans for community forests and protected areas, and to initiate implementation of activities that generate products and incomes for the communities. The SP RECOFTC and its

government and community partners have been working primarily at site level with authorities at the respective commune, district and provincial governments and in corresponding sectoral agencies. It is hoped that reliable, forest-based enterprises that provide benefits will encourage sustainable management by these custodians of the forests, who are now being given effective use rights and management responsibility.

***2.1: No. of FA Cantonment and MoE PA Offices that have community-based forest management development plans by EoP***

Four FA cantonments are working with local communities to develop CFMPs and CFBPs:

- Kampong Spue (KSP): 11 CFs, covering 4,377 ha, including 3,559 households
- Kampong Chhnang (KCH): 6 CFs, covering 1,110 ha, including 2,482 households
- Pursat (PUR): 8 CFs, covering 2,452 ha, including 1,711 households
- Battambang (BTB): 5 CFs, covering 2,514 ha, including 1,430 households.

DoE provincial offices are now working together with the other sectoral project partners and local government on management planning for COAs.

***2.2 No. of Management Plans for CPAs in Aural and Samkos Wildlife Sanctuaries by EoP***

Development of CPA management plans was on hold due to the disagreements between MoE and FA described above. Since the "kick-start" workshop in April 2014, work has begun on management plans for 10 CPAs.

***2.3: Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income.***

The production of a baseline should not really be an Indicator of implementation progress, since baselines should be established for all Indicators in a Results Framework in order for progress to be assessed. This Indicator, as it stands, is simply the implementation of this necessary action.

In any case, a comprehensive baseline study was duly conducted and submitted, and a database is now maintained to track the changes in forest cover and socio-economic values for all Indicators under this Outcome.

***2.4: No. of community forests (CFs and CPAs) are managed in accordance with management plans that provide environmental and financial sustainability and opportunities for business development by EoP***

The Results Framework, as clarified during Inception, sets project targets to be completed and operational by EoP for 30 CFMPs in the four provinces: KSP – 11; KCH – 6; PUR – 8; BTB – 5.

All the 30 CFs have now reached step 7 of the 8-step CFMP planning process. Draft of CFMPs are being written for FAC approval. All 30 CFs are now at stage 2 of the 4-stage CFBP planning process (value chain analysis).

As noted above, in Indicator 2.2, the process for developing management plans for 10 CPAs has started earlier this year.

***2.5: No. of commune-based land use plans/ CLUP for SFM based on CF/CPA development.***

DLUP Teams are making good progress on SFM-linked CLUP processes as follows:

- KSP - Tasal Commune; KCH - Khbal Teuk Commune; PUR - Samrong Commune on step 8 of the 11-step process.
- BTB - Takream Commune on step 6.

***2.6: No. of households in target forest communities that earns income from profitable enterprises based on the sustainable management of forest resources by EoP. No. of HHs with increased income from the forest enterprise developed.***

The project is intended to produce economic development plans delivering sustainable benefits to households in forest communities.

As already noted, in all the 30 CFs, stage 1 of the 4-stage process of business/ enterprise development has been completed (surveys of potential forest products and of markets), with current work focusing on stage 2, a value chain analysis for the selected products.

No households have, as yet, experienced increased income from forest resource enterprises, but the business planning process is expected to deliver this result for participating households, who were already engaged in forest resource use at the start of the project.

***2.7: Increase in income of targeted women 20%. No. of HHs with increased Income from Forests***

As with the previous Indicator, the project is intended to produce economic development plans delivering sustainable benefits to households in forest communities. The approach places an emphasis on women and female-headed households.

***2.8: Average annual income of households in target forest communities from profitable enterprises based on the sustainable management of forest resources by EoP, US\$.***

This Indicator provides another measure of the increase in income from forest-based enterprises that is expected from project interventions. It should be noted that the focus for action on income increases will be households that were already engaged in forest-related resource use at the start of the project.

RECOFTC plans to conduct a study of household incomes at completion of business plans and a follow-up in February 2015 to assess the effect of business plan implementation.

**Progress toward Outcome 2**

Overall, implementation progress is on course to achieve most of the targets under this Outcome, across a wide scale and with multiple stakeholders. Management plans for CFs are approaching the last few steps, with business plans developing in the second of four stages; CPA planning, which was held back from implementation by the non-participation by MoE/ GDANCP, was “kick-started” in the last few months and is beginning to make up for lost time.

Enterprises involving both wood-based and non-timber forest products (NTFPs) have been initiated, and participation by both genders has been encouraged and, to some extent, achieved. Challenges to progress have been identified, and plans advanced for addressing them. These challenges include the low potential of many CFs for revenue generation due to the scarcity of forest resources; a period of protection and limited harvesting may be needed to allow resource recovery to harvestable levels. Collection of fuelwood is less efficient under the silvicultural approach (see Outcome 3 below) presents logistical and financial problems requiring thoughtful solutions. The degraded state of several of the forests limits the prospects for wood production and sales; solutions should include small plantations of



fast-growing and/or coppicing tree species, and agroforestry and such plantations are apparently under consideration.

Since site-level implementation began so late in the original project term, more time is likely to be needed for full completion of the planning processes, especially with CPAs, and to get enterprises operating. This time extension should not involve additional funds for costed field-based expenses, but some additional funds may be needed by RECOFTC, and by UNDP, for administrative management.

*Progress toward Outcome 2 is now rated as **Satisfactory**.*

***Outcome 3: Strengthened demand and supply chain for energy efficient cook stoves/ Small and Medium Enterprises ensure long term increase in adaptation of efficient technology that reduce fuel demand***

The aim of this Outcome area is to pilot the adoption and dissemination of improved technologies that use fuelwood for cooking, charcoal making and Palm Sugar preparation. The intention is to improve the efficiency of fuelwood use, so that less is required and, ultimately, carbon emissions are reduced. The SP GERES and its government and community partners have been working with cookstove producers and distributors, community groups making charcoal and managing supply woodlots, and Palm Sugar makers.

***3.1: Increased market share of improved technologies. No. of units sold: NKS/NLS, Palm Sugar Stove, Efficient charcoal kilns***

By March 2014, a total of 21,169 units of NKS & NLS cookstoves had been produced, of which 21,161 units (99%) were sold. The system of training and equipment provision now appears to have a momentum behind it that should allow the target for this Indicator to be reached by EoP, if not before. There remain some challenges to the target of increasing market share, relating to the extra costs of producing the ICS units, over the cost of a traditional stove. With the higher production costs, there is need for a higher sale price, and there is still some apparent resistance by consumers until they become aware of the savings in fuel consumption. As a consequence, there is still competition for ICSs from traditional stoves, and not all producers of traditional stoves are willing to switch to ICS production. There remains a need for strengthening the entire marketing and value chain.

With Improved Palm Sugar Stoves (IPSSs), the primary emphasis thus far has been on raising awareness of the technology, rather dissemination of the equipment itself. The project team argued that since most of the Palm Sugar producers are private operations, it was better to conduct awareness-raising on IPSSs to these sugar producers rather than supporting the establishment of production centres. A survey of palm sugar producers has been conducted, identifying palm sugar producers for Vattanak Stove awareness and IPSS awareness raising materials have been developed. During discussions and the SRF workshop held under this MTR, new targets for awareness raising (20 villages) and IPSS installation (an additional 20 by year 3) have been set.

By March 2014, 13 ECKs had been constructed and producing charcoal, with an additional 4 ECKs under construction. Commune members had been trained in their operation and management. There have been some problems in convincing provincial level authorities, for example in Pursat Province, that encouragement of charcoal production would not add to pressure on forests; efforts by project participants are on-going.

There have also been some challenges with maintaining the supply of sustainably-harvested fuelwood from CFs to meet the production capacity of the ECKs, so that they avoid lengthy periods of inactivity. Harvesting from CFs according to silvi-cultural practices, with advice from FAC staff, that maintain the integrity of the forests is much more labour-intensive than simply cutting down trees, and wood production takes more time as well as increasing expectation of higher payment per unit of wood. Transport of wood from CFs to ECK sites adds to wood production costs and, often, is difficult to organise – owners of *koyuns*<sup>16</sup> seem unwilling to make them available because of possible damage. Although assistance in developing woodlot management and business plans is the responsibility of the SP for this Outcome (GERES), the process should be fully integrated with CF management plans; it may be necessary to work with several CFs in a "cluster" to provide enough wood for cost-effective use of ECKs. Community groups operating ECKs can find it difficult to coordinate efforts, or conduct business operations, with separate groups who are managing CFs. There is apparently less difficulty in an ECK operation in Battambang Province, where the ECK operators are also directly involved in the harvesting of wood. Because of the higher production costs, ECKs find it hard to compete with traditional charcoal producers. Marketing of charcoal from ECKs remains in its early stages; since it is more expensive to produce and therefore prices charged must be higher.

### ***3.2: % market share by EoP: NKS, Palm Sugar Stove***

The assessment of market share of NKS/NLS cookstoves and IPSSs will be conducted at end of 2014, for comparison with baseline figures and targets.

As noted above, the ICS approach is working within an existing market structure, generally with established producers and a demand for traditional stoves, although there remain challenges in the cost-effective production and marketing of ICS units. The IPSS business model is different, with production centres not yet established and consumers (palm sugar producers) not fully taking up the existing new designs, as they do not fully meet their needs.

### ***3.3: Annual CO<sub>2</sub> emission reduction by year 4, tons: NKS, Palm Sugar Stove, Efficient charcoal kiln***

By the end of February 2014, the total cumulated emission reductions by the project was 5,219 tCO<sub>2</sub>e from both NKS and ECK, according to the GERES CO<sub>2</sub> emission reduction report. Since IPSS dissemination has not yet implemented, there has been no contribution to emissions reduction to date.

There has been no comparison of the cost-effectiveness of the different energy-saving modalities in terms of reducing CO<sub>2</sub> emissions. This would be a useful addition to the assessment of project impacts.

### ***3.4: Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income***

As noted under Indicator 2.3 of Outcome 2 above, the production of a baseline should not really be an Indicator of implementation progress, since baselines should be established for all Indicators in a Results Framework in order for progress to be assessed. This Indicator, as it stands, is simply the implementation of this necessary action.

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<sup>16</sup> A *koyun*, or hand tractor, is a truck powered by an irrigation pump engine – *ko* is Khmer for ox and *yun* means machine. Such vehicles are used increasingly for transporting materials in rural areas, replacing more traditional ox-carts when households can afford them.

In any case, a comprehensive baseline study on wood demand, supply and use of different stoves, as well as on gender issues in relation to fuelwood use, was duly conducted and submitted, and a database is now maintained to track the changes in forest cover and socio-economic values for all Indicators under this Outcome.

**3.5: No. of fully functioning improved cook stove production centres by EoP**

The initial project target of 6 ICS production clusters/centers have been established and were fully operational by December 2013 (4 in KCH Province and one in each of KPS and PUR); an additional 2 additional ICS clusters were completed and fully in operation in KCH province by March 2014, with a total of 8 ICS PCs completed by SFM project, above the original target and ahead of schedule. Production and business plans are currently being prepared.

**3.6: % increase in income of stove producers by EoP**

This Indicator target is not defined as a percentage increase but is set at an average income of US\$60/month for stove producers, increased from the baseline value of US\$40/month. Since the production capacity of ICSs per producer household ranges between 300 – 1,000 units, the total net revenue is calculated as ranging from US\$60 to US\$200/month. It would appear that the target is being met.

**3.7: Area of woodlots managed by local communities/farmers in Kampong Chhnang for wood energy by EoP**

The target of woodlot area managed for wood energy was set at 617ha. By March 2014, 2 firewood lots (488 ha) and 3 reforestation management blocks (94 ha) were planned for fuel wood harvesting within a CF site in KCH Province. The plan for managing this woodlot was being integrated in the overall CFMP.

**3.8: Total number of woodlots based on CF management plans in provinces with business oriented management plans for fuel wood supply and green charcoal - with involvement of private sector**

The target for number of woodlots with management plans for fuel wood/ charcoal fuel supply was set at 5. By March 2014, 22 woodlots in 17 CF sites had been demarcated as management blocks planned for fuel wood harvesting by the local community and were reportedly being integrated in the overall CFMP.

Although the numerical target appears to have been reached, it seems that there is still need for the woodlot management plans to be based on a sounder business plan, and to be better integrated with the CFMPs, which are being developed under Outcome 2.

**Progress toward Outcome 3**

Many of the Indicator areas have been delivered in line with targets, while in other areas some challenges have been encountered. With Improved Cook Stoves (ICS), there has been successful training and equipping of ICS producers, who have started their production and have trained and employed other craftsmen (and women) to support their efforts. The ICS clusters/trainers are fully equipped with ICS production materials and equipment, such as ICS moulds, fire stove kilns, and clay mix machines, which support the full ICS production process. The marketing of completed stoves in Kampong Speu and Pursat remains a challenge for ICS producers, with few ICS distributors and low levels of investment.

Improved palm sugar stove (IPSS) awareness-raising is still in its early stages and has completed a baseline survey on sugar palm producers study. Although the ToR for GERES did not include installation of demonstration IPSSs, it was agreed in project annual meetings

as well as at the Project Board meeting level that project should implement both awareness raising and installation. Due to time constraints and lack of budget it was recommended in both meeting that GERES to conduct awareness raising and installation of IPSS activities narrowing down to one province and suggested that SFM/PMU to examine the available budget for possible scaling up to other SFM target provinces at a later stage.

As the business model of ICSs, IPSSs, and ECKs are different, ranging from individual small businesses to social enterprise, there are different challenges in getting them to work effectively and sustainably. For one thing, social/ community-based enterprises may suffer from the negative image of communal action lingering from the Khmer Rouge period. These efforts should be subject to a thorough exercise aiming at learning lessons and producing specific recommendations for future work in this energy sector. A comparative assessment of the cost-effectiveness in CO<sub>2</sub> reduction should be part of this exercise.

There have been a number of improvements in the pace of progress under this Outcome since the time of the draft MTR (July 2013). Decisions have been made on a revised target and more focused actions, with improved milestones, although there remain significant challenges.

*Progress toward Outcome 3 is now rated as **Moderately Satisfactory**.*

### **Overall progress towards Project Outcomes**

An overall rating for progress towards all Project Outcomes is a summation of the progress made on individual Outcomes. With two ratings of Satisfactory progress and one of Moderately Satisfactory progress, the overall rating is Satisfactory.

*Progress toward Project Outcomes is now rated as **Satisfactory**.*

### ***Progress toward the Project Objective and Impacts***

#### **Project Objective**

The Project Objective is: "to strengthen national SFM policy, integrate community-based sustainable forest management into policy, planning and investment frameworks and create markets for sustainable bioenergy technologies that reduce CO<sub>2</sub> emissions "

In the original SRF, there are four Indicators at Objective level, and the Inception Report added two more. The indicators relate to:

- Three different measures of forest condition
  - indices of ecosystem health, diversity and condition in the target community forests;
  - deforestation rates in the target provinces;
  - canopy density and structure in the target provinces;
- Reduction in CO<sub>2</sub> emissions nationally due to adoption of improved cook stoves;
- No. of CFs around the Cardamoms that have completed all legalization requirements to operate by EoP (as an indirect result of SFM alliance with the other development partners);
- No. of CPAs with similar characteristics.

The first three indicators do not seem to speak to the Objective directly, but are more applicable to the broader level of project impacts on the biophysical environment. As noted in the ProDoc, such impacts during the course of a 4-year project period will be limited to the target sites. Broader scale impacts in the landscape or beyond at the national level would be expected after the end of the project, assuming that the replication effect of project actions in the pilot landscape become evident at national level. The ProDoc outlined a Plan for Measurement of Project Indicators<sup>17</sup>, which proposed the estimation of the three measures of forest condition at project start, midterm and end. In practice, these measures have not been made, so it is not possible to comment the extent to which they are on course to meet their targets.

The other three measures do appear directed at the Objective. The development of ICS production and sales appears to be making progress towards the target, with some challenges still in place, and therefore the reduction of CO<sub>2</sub> emissions attributable to this their adoption is also making the same level of qualified progress. Similarly, the processes of CF and CPA approval and legalisation are well underway in the target sites, with capacity built in FAC and DoE at the provincial level, and systems and guidelines for approval gaining momentum at the national level. It must be said that while most stages of the process have been reached, no CFs or CPAs have actually been approved to date, and until this milestone has been reached, it is hard to predict whether the process has been established within the Cambodian government. With that caveat, it appears likely that the prospects for approval of CF and CPA approval in other sites within the Cardamom landscape have been improved by the project actions, and that the progress towards the Objective is at least Moderately Satisfactory.

## UN Development Objectives

It is beyond the scope of this MTR to assess progress towards the development objectives of the UN Development Assistance Framework and the UNDP Country Programme. A Mid-Term Review of the CPAP<sup>18</sup> was undertaken in early 2014, with assessment of progress and recommendations for design and implementation during the remainder of its period.

UNDAF Outcome 1, CPAP Outcome 2 and Output 2.1 were mentioned at the top of the SRF but were not fully integrated into the Results Framework in its design (see Section 3.2.3 for more discussion of monitoring systems).

Under the SFM project, there has been no reporting on progress towards the UNDAF Outcome 1, but there is quarterly and annual reporting of progress towards CPAP Outcome 2 and Output 2.1 in project reports. Indicators for these CPAP measures were taken from the CPAP M&E Framework – 2011-2015, and from the Objective level of the SRF. In the SFM Project reports, the indicators were slightly modified from the CPAP Framework in some cases, and annual targets are set.

The progress noted in the project Quarterly and Annual Reports available to the Consultant can be summarised here:

***CPAP Outcome 2: By 2015, national and local authorities, communities and private sector are better able to sustainably manage ecosystems goods and services and respond to climate change.***

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<sup>17</sup> ProDoc, p.70.

<sup>18</sup> Lemareshquier, T. *et al.* (2014) *MTR of CPAP 2011-2015*.

The indicators for this Outcome were the three indicators of forest condition noted above for the Project Objective. It was noted that these indicators have not been assessed so far, but that values are in line with progress towards the target. Additional proxy indicators of ecosystem health were proposed, relating to actions taken by communities and government partners to protect forest areas (area of forest protected in CFMPs, CPAs, CLUPs, and plantation or fuelwood forest blocks).

**CPAP Output 2.1: Pro-poor sustainable forest/ protected area management and bio-energy productions accelerated.**

There were three indicators for this Output:

- National Bio-energy Strategy and Programme developed – This indicator was considered to be on track during 2011, with a roadmap and draft text being produced.
- No. of new units of biogas cook stoves installed to replace wood based cooking equipment – This indicator was making progress towards targets with Improved Cookstoves, and the indicator was extended to include ICS production centres.
- No. of new jobs created for rural women for manufacturing and market distributions of fuel efficient cook stoves – Action was focused on production centres, and employment indicators appeared to be making good progress towards targets.

*Progress toward the Project Objective is rated as **Moderately Satisfactory**.*

### **3.1.3 Contribution to beneficial development effects**

#### *Income generation*

A key theme of the SFM project is to create incentives for forest conservation through the development of income streams for local communities from sustainable offtake of forest products, and the production and sale of ICSs and "green" charcoal. There are, therefore, Outcome indicators specifically aimed at improvement in household income from forest based enterprises and alternative stove enterprises.

The potential benefits to household income have been demonstrated in baseline documents, and in the broader literature on community forestry. It is likely that there will be tangible income streams developed, but these will vary between CFs and CPAs where local conditions are more or less favourable. As has been noted, several CF sites are in degraded forest, where there will be fewer surplus resources for sale and, thus, more limited opportunities for enterprises and benefit generation.

#### *Gender perspective*

The ProDoc aims to assure gender mainstreaming in the Project, and the Inception Report added gender targets for income generation and made gender-mainstreaming requirements a strong feature in the ToRs for the SPs.

Gender perspectives have been addressed in implementation of project activities, with participation levels at 20-50% in training activities and other participation. There is still room for increase in the number of female member in CF committees and the project team should consider including in the SRF provision for a target percentage of women, including in important positions in CF management arrangements as stipulated by management plans.

Household income from forest based enterprises and alternative stove enterprises target and increased income of women of 20%. To assess the impact the project has maintained a gender-segregated database. Initial results indicated that the ICS program contributed to increased income of target households by US\$37 per month and this mostly help women as nearly 87% of ICS producers are female. Reporting already notes the gender perspective, but a specific target in the SRF could ensure its importance.

### *Improved governance*

The project has supported improvements in governance effectiveness and accountability at all the levels where it works. The training, and training of trainers, provided has built local capacity to administer forest management plans and small businesses, and has improved capacity for commune and district-level planning. Coordination between government departments at provincial/ cantonment level has been engaged during the project, and recently improved with monthly meetings of all project staff in the provinces; it is hoped that this coordination will continue, although at this mid-term stage it is not possible to judge the sustainability of these structures. Governance issues are already monitored in the Capacity Scorecard, and an additional target is not needed.

*Contribution to beneficial development effects is rated as **Moderately Satisfactory**.*

### **3.1.4 Sustainability of project outcomes**

It is early, at project mid-term, for an assessment of sustainability prospects but it is important to consider the risks facing project outcomes and possible actions to deal with them. The approach of the project to risk management is discussed in Section 0 below. At the same time, the project team should make an effort, now, to develop a Sustainability Plan and Exit Strategy that proposes specific actions to promote sustainability of all Outcome areas beyond the end of the project period.

### *Environmental risks*

This project has a strong theme of environmental protection, so there are few environmental impacts created by project actions themselves.

The main environmental risk identified in project design and implementation is that of climate change, which is expected to increase the frequency of extreme weather events, including both floods and droughts. The latter could lead, in the longer term, to increased frequency of forest fires, loss of biodiversity and livelihood vulnerability of forest communities. These changes could, in turn, reduce local commitment to SFM and forest protection. These risks are being addressed by project actions, which promote the generation and diversification of income streams from forest businesses that will be reinvested in forest protection.

Another possible risk that could affect the broader forest ecosystems outside the forest areas targeted for community forestry is a paradoxical result of success in protecting those CFs and CPAs. If cutting of trees is prevented in those forests and the demand for fuelwood remains high or grows, the impact of tree-cutters will be even higher on the remaining forests. In other words, deforestation rates may be increased in areas outside officially

designated as CFs/ CPAs. If project Outcome 2 is successful in promoting the wider development of community-based forestry, then the area of forest land under such protection should increase. It would be important to monitor rates of deforestation inside and outside protected forests, looking both at the difference between them in current rates and the trends over time.

### *Social risks*

The project design recognises the importance of inclusion and empowerment of stakeholders at all levels, so there has been attention to social risks during implementation. A key risk that has been identified is the possibility of failure of forest-based enterprises or improved-energy businesses to generate sufficient benefits, with impact on community engagement and interest in forest conservation. Such failure could arise from the limited productive capacity of the resource base in CF/ CPA areas that include degraded forests, or from difficulties in establishing equitable benefit-sharing systems in community structures. Both of these risks are being addressed during implementation. One approach has been to explore and promote the non-monetary values of forests, so that benefits are perceived even in the absence of financial return. Another key approach is to investigate ways to diversify income streams, conduct studies of value chains and seek to improve the marketing of forest and energy products.

In the project design, it was proposed that forms of sustainable financing – including REDD+ project funds, carbon credits, and other alternative financing sources – should be developed. It made sense to drop this aspect of the project approach, as it was proving to be a diversion from the two action areas of SFM and energy technology, but there remains the challenge of sustaining the momentum of enterprise development in the absence of investment beyond the end of the project.

Population growth in the forest areas could put more pressure on forest resource use. There is a paradoxical risk that may emerge if forest-based enterprises are successful. Such success could attract more people to the area to participate in such benefits, increasing local population density and pressure on the forests. In addition, simple population growth, either through growth of families or through immigration and resettlement unrelated to project activities, could outstrip the finite productive capacity of the forests in the longer term. Key project Outcome Indicators are management plans for the CFs and CPAs, and inclusion of SFM in commune land use planning. There are also efforts to improve the capacity of communities and local government to administer forest management and related land use, so this risk is being addressed. However, it is important the plans should make specific provision to deal with increases in local population density.

A social risk that was identified in the ProDoc is the potential culture within government that devalues forest conservation and reducing carbon emissions in preference for short-term gains from competing land use and investment opportunities, including ELCs; powerful actors both within the country and from international commodity markets add to this pressure. Cambodia is not alone in facing this problem, as the need for environmentally responsible business practice has been recognised at the international level<sup>19</sup>. Despite this recognition, this pressure for conversion of forest land to other economic use, and for continued use of carbon-wasteful technology, remains a major risk facing the sustainability of project Outcomes. The project seeks to mitigate this risk by working at the national level

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<sup>19</sup> <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/environment.html>



through UNDP and TWG-FE engagement, at provincial, district, commune and village levels by building the commitment of decision-makers, land use planners and land occupants to SFM. Nevertheless, this risk remains a concern for the sustainability of all the project gains, and for its replicability.

*Sustainability of project Outcomes is rated as **Moderately Satisfactory**.*

### 3.1.5 Stakeholder inclusion

In the design phase (as noted in Section 3.1.1 above), the ProDoc describes substantial consultation with stakeholders at national, provincial, district, commune and village levels, and the Inception Report noted further consultation activities of a wide range of similar stakeholders.

This inclusive approach has continued during implementation, with the partnerships that have been developed between different government agencies at provincial level and between government and community groups at the local level. The potential for partnership and coordination has been further strengthened by the initiation, in January 2014, of monthly meetings at provincial level of all the main project stakeholders.

As part of the Sustainability Plan that this Consultancy proposes, it is important the project team should identify NGOs and donor partners who can take forward the achievements of the project. One area of Outcome 1 that was correctly dropped from the current project is the development of alternative financial mechanisms, including carbon finance through UN-REDD and FCPF, and other financing modalities. Links to these potential partners should be clearly identified in the Sustainability Plan so that they can be followed up in support of community forest areas.

*Stakeholder inclusion is rated as **Satisfactory**.*

## 3.2 Adaptive Management

Adaptive management has been defined as "accommodating changes in project design and implementation to changes in context (implementation environment), if any, with the overall objective of meeting project goals and objectives"<sup>20</sup>. Knowledge of the state of the implementation environment will come from project monitoring and evaluation, from information sources provided by external evaluation or from within the project.

### 3.2.1 Work planning

The approach to management of work planning followed the NIM Guidelines. This management approach is discussed in more detail below in Section 4.1.4.

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<sup>20</sup> GEF/C24/Inf.5 2004. *GEF Project Cycle Update: Clarification of Policies and Procedures for Project Amendments and Drop/Cancellations*. Washington, D.C. October 2004; GEF (2005) *OPS3: Progressing toward Environmental Results. Third Overall Performance Study of the GEF*. ICF Consulting & Office of Monitoring and Evaluation of the Global Environment Facility, Washington, D.C. June 2005

Work planning was accomplished by the Project Team, comprised of the Project Management Unit, Project Advisors, SPs and UNDP CO, on an annual schedule, using as a basis the original Project Workplan and the ToR of the SPs. Project meetings were held each year to assess progress and to confirm or adjust the workplans for the upcoming year.

Results-based adaptive management was practiced with work planning, in that adjustments to upcoming plans were made based on performance against existing milestones, which were in turn based on the SRF. If necessary, and according to any obstacles met, there was discussion on approaches to addressing challenges and re-setting quarterly or annual milestones. If higher-level changes were needed, such as changes to Project targets, they were referred to the PB for discussion and approval.

The SFM Project management and its Board have made decisions on project design based on information gained during external evaluations, and on their own monitoring of project progress. The project document itself has not been changed, but some Outcome indicators that were not clear have been made clearer partly in the revised Strategic Results Framework.

Changes to the SRF were proposed during implementation. Examples of such proposed changes include:

1. The approach to sustainable finance for CFs/ CPAs through REDD+ funding. During Inception the project board was advised to work with UNREDD to generate support from for SFM through voluntary carbon markets. Subsequently, the RGC signed an agreement to implement the World Bank-supported FCPF REDD Readiness project, making such REDD+ arrangements within the project redundant and unnecessary. The recommendation was made during the draft MTR to remove the Outcome indicators relating to external finance mechanisms from the scope of the SFM project, and the PB approved this recommendation. This approval at the Project level would need still need to be supported by UNDP-GEF before it could be removed from the SRF.
2. The targets for Improved Palm Sugar Stoves in Outcome 3, which were the subject of RFP-2 and implemented by GERES as the SP. The original SRF targets were for increased numbers of IPSS operators; based on the contract for service provision, GERES worked on awareness raising on the advantages of IPSSs, but not on installation of demonstration stoves. It was agreed in the project annual meeting 2013, as well as in the PB meeting, that project should implement both awareness raising and installing demonstration IPSS at the same time. Due to time constraints and lack of budget it was recommended that GERES focus its activities in this area to one province and suggested that SFM/PMU examine the available budget for possible scaling up to other SFM target provinces at a later stage. This change in approach required the addition of a new Indicator to the SRF, Outcome 3.4 : Establishment of demonstration palm sugar stoves (PSSs) in one province, Kampong Speu (see Annex 6. Draft Revision of Strategic Results Framework).

Changes were also made in the approach to service provision, made during the Inception phase. The project document envisaged three contracts, but the Inception Team judged that various outputs of Outcome 1 in the SRF, which relates to capacity building and development of an improved regulatory framework, were very closely linked to respective outputs of Outcome 2 and 3. Division of the former Outcome into elements aligned with the two other Outcomes was therefore justified in the drafting of ToRs for the first and second

RFPs. Some small changes in the targets in the SRF were made in these ToRs; these have improved the delivery of Outputs, but have created a small discrepancy for reporting by the project team.

All these revisions were in line with UNDP-GEF guidelines, but still require approval by the Regional Technical Advisor and justification in the PIR to GEFSEC. If approved, they will improve the delivery of achievable results and demonstrate adaptive management.

*Work Planning is rated as **Satisfactory**.*

### 3.2.2 Finance and co-finance

The GEF funding commitment to the project at the outset amounts to a grant of US\$2,363,635. Co-finance commitments were provided by:

- a grant from UNDP (\$1,500,000);
- parallel funding from UNDP (\$700,000), DANIDA (\$3,000,000; by project Mid-Term, \$3,753,875 had been materialized), and GERES (\$800,000);
- leveraged funding from Forinfo (Ministry of Foreign Affairs of Finland) via RECOFTC;
- in kind contribution by RGC/FA (\$600,000).

The ratio of GEF funding to all other sources (including UNDP grant, parallel funding, leveraged funding and in-kind contribution) is 1:2.92; if the GEF and UNDP grants are combined, and compared to other sources the co-funding ratio of UNDP-GEF grants to other financing is 1:1.40. A full breakdown is provided in Table 3 below.

**Table 3. Project co-financing**

Sources of Co-financing	Name of Co-financer	Type of Co-financing	Amount Confirmed at CEO endorsement / approval	Actual Amount Materialized at Midterm	Amount of Balance Remaining
GEF	GEF	Grant	2,368,635.00	1,368,806.60	999,828.40
UNDP	UNDP	Grant	1,500,000.00	1,277,921.11	222,078.89
UNDP	UNDP	Grant (parallel)	700,000.00	700,000.00	0.00
DANIDA	DANIDA	Grant (parallel)	3,000,000.00	3,753,875.00	0.00
GERES	GERES	Grant (parallel)	800,000.00	800,000.00	0.00
Forinfo (Ministry of Foreign Affairs of Finland)	Forinfo/ RECOFTC	Leveraged resource	304,826.00	17,865.00	286,961.00
National Government	RGC/FA	In-kind contribution	600,000.00	450,000.00	150,000.00
TOTAL Non-GEF finance			6,904,826.00	6,999,661.11	659,039.89
TOTAL Project funds			9,273,461.00	7,955,967.71	1,317,493.29
Ratio GEF funds: All other co-finance			2.92		
Ratio GEF/UNDP Grant: Other co-finance			1.40		

Source: Audit Reports for 2012 and 2013; UNDP National Project Advisor for 2014 Q1

Taken together over the course of the project to date, some 85% of the GEF and UNDP grant funding has been spent on implementation of Outcomes 1, 2 and 3, while 6.7% has been used for M&E and 8.6% for project management (Table 4). Comparing the use of UNDP and GEF funds, a higher percentage of UNDP funds has been used for project management (UNDP: 13% v. GEF: 4.6%) and somewhat less for Outcome 1 overall, after an early injection of funds to support capacity building for project administration and financial management within FA.

In 2011, the rate of disbursement of UNDP and GEF grant funds was relatively low, as the Inception phase was in operation and project implementation was late to start. A higher proportion was spent on project management and Outcome 1, as there was need to build capacity in the FA for financial management under NIM. In 2012 and 2013, expenditure on Outcomes 1-3 gathered pace and total disbursed exceeded \$1m per year, with 2014 on course to maintain this rate of disbursement. By the end of March 2014, 85% of the original UNDP grant funds (\$1,277,921.11 of \$1,500,000), and 58% of the GEF grant funds (\$1,368,806.60 of \$2,363,635) had been disbursed.

**Table 4. Disbursement of UNDP and GEF funds (in US\$) on project components by year**

Component	Funding Source	2011	2012	2013	2014 Q1	Component Total	Component % of Project Total
Outcome 1	UNDP	59,923.88	13,451.36	158,753.00	0	232,128.24	18.2%
	GEF	364.91	229,451.42	24,347.90	119,069.00	373,233.23	27.3%
	Total	60,288.79	242,902.78	183,100.90	119,069.00	605,361.47	22.9%
Outcome 2	UNDP	236.00	150,947.00	295,579.00	0	446,762.00	35.0%
	GEF	0	308,047.04	158,138.00	0	466,185.04	34.1%
	Total	236.00	458,994.04	453,717.00	0.00	912,947.04	34.5%
Outcome 3	UNDP	51.77	150,528.12	119,839.89	84,000.00	354,419.78	27.7%
	GEF	4,513.33	221,902.42	141,368.35	0	367,784.10	26.9%
	Total	4,565.10	372,430.54	261,208.24	84,000.00	722,203.88	27.3%
Monitoring & Evaluation	UNDP	6,406.97	9,455.49	54,894.78	7,700.00	78,457.24	6.1%
	GEF	3,996.06	32,211.41	52,262.75	10,466.15	98,936.37	7.2%
	Total	10,403.03	41,666.90	107,157.53	18,166.15	177,393.61	6.7%
Project Management	UNDP	28,116.65	61,209.43	62,640.35	14,187.42	166,153.85	13.0%
	GEF	9,502.80	40,242.16	9,793.66	3,129.24	62,667.86	4.6%
	Total	37,619.45	101,451.59	72,434.01	17,316.66	228,821.71	8.6%
Project Total	UNDP	94,735.27	385,591.40	691,707.02	105,887.42	1,277,921.11	
	GEF	18,377.10	831,854.45	385,910.66	132,664.39	1,368,806.60	
	Total	113,112.37	1,217,445.85	1,077,617.68	238,551.81	2,646,727.71	

Sources: Audit Reports for 2012 and 2013; UNDP National Project Advisor for 2014 Q1

The project budget, as developed in the ProDoc, included an unfunded component of US\$1m, under the expectation of mobilizing funds from other sources by UNDP and its project partners during the initial implementation phase. According to the plan in the ProDoc, there was to be a revision of the project budget during MTR if the shortfall amount could not be mobilized by then. In practice, however, the budget was revised during Inception phase and the unfunded amount was addressed in large part by reducing the large number of local consultants' person-months (>800) and the 44 man-months of Chief Technical advisor by reducing international and national consultants' man-days. This revision was appropriate and improved the focus of relevant activities during implementation.

The Project Team has been able to mobilize budget support from different development partners and other relevant programs. Additional leveraged support of US\$304,825 has been made available from FORINFO (Ministry of Foreign Affairs of Finland)/RECOFTC-BBK, directly funded to RECOFTC/PNP, to support the WISDOM study and capacity building on business enterprise aspects of the SFM project. Initially, as producers of IPSSs are private sector, the Project Team decided to make savings by encouraging their own investment in equipment, conducting only training and awareness-raising; as noted in Section 3.2.1, this decision has been revisited and technical installation will be applied in one focal province. During the preparation of the draft MTR in July 2013, it was recognized that activities for carbon financing and REDD+ program are being addressed by another donor programme, and that this budget component could be dropped.

The project was delayed in the initial phase, and a time extension has been proposed. Although the financial resources for implementation of Outcomes 1-3 should still be unspent, there will be project management and M&E costs, which will add to project budget requirements.

Financial transactions are recorded in the financial accounting system from source documents. These documents are in standard NIM format and allow for proper control for key functions, such as authorization of transactions. To control financial transactions, project management made provisions of requesting proposals for procurement of goods, works or service, with specific procedures at different expenditure levels:

- Informal price competition (< US\$2,500) with three competitive proposals collected through an informal process;
- Request for Proposals (RFP) (> US\$100,000) for consulting services or similar services or complex goods, a Request for Proposals (RFP) is made. RFP is also used in procurements under US\$100,000 when buying goods, services or civil works.

The audit reports for 2012 and 2013 found sound financial management overall, with only a few risks identified. These risks have been noted and addressed by Project Management.

It is very commonly the case with UNDP-GEF projects that there are delays in the early stages, with implementation and expenditure gathering momentum towards and beyond mid-term. As noted, total management cost, including the important M&E function, is about 15% of the total project budget while Outcome implementation is roughly 85%. With such a high proportion of funds spent on implementation, and with disbursement now on course, it is safe to conclude that project funds have been managed efficiently, and cost-effectively. As discussed above, there are good financial management practices in place.

*Finance and co-finance are now rated as **Satisfactory**.*

### 3.2.3 Monitoring systems

#### *Results-based management process*

The ProDoc emphasized the importance of Results-Based Management, and included with the SRF a plan for measurement of project indicators, with timings (annual, mid-term, end of project) indicated for each. The Inception report extended the application of RBM as a strategic management approach, using the SRF's hierarchy of indicators ranging from Outcome (and Output) indicators of SFM results to UNDP Country Program Results at the top. Outcome indicators were duly established in the Annual Work Plan, so that assessment of project implementation could contribute directly to measurement of project success at higher levels.

Reporting of the project progress has used the framework of the SRF in its Quarterly and Annual Reports, which was prepared by the Project Advisor and Project Manager and shared with the PB, based on information supplied by the SPs, as well as independently gathered observations. Annual Project Implementation Reviews (PIRs), using much of the same information, have been submitted to the GEF. Moreover, UNDP CO and the UNDP RCU have conducted periodic field visits to assess project progress, as have members of the PMU. The details of this reporting are provided below (Section 3.2.5).

As part of the M&E plan, external evaluations are scheduled for project mid-term and end. A mid-term review (MTR) was first conducted in July 2013, contracting independent consultants. The MTR examined project relevance and performance, assessed likely outcomes, impacts and lessons, and suggested improvements in a draft report. The current mission has now been conducted to follow up and extend the analysis of the initial MTR, with a view to revising the draft report. Towards the end of the project (three months before termination of project), a terminal evaluation should be conducted, again contracting independent consultants. The final evaluation will analyze the delivery of the project results as targeted in the project plan. It will assess impact, sustainability, efficiency and effectiveness of the project results. It also note lessons learned and provide recommendation for follow-up activities.

The monitoring tools used in this process have involved all the key project partners, using the most up-to-date existing information. Monitoring by SPs has generally involved the collection of primary data concerning their progress of implementation; these data are maintained in a database and made available to the Project Advisor and Project Manager. The Project Advisor maintains a Progress Dashboard with the latest implementation information, which has streamlined the reporting process and has made it efficient and cost-effective. An additional tool that would be useful for assessing biophysical indicators at the Objective level is remote sensing imagery for estimating forest cover. This has not yet been deployed but apparently RECOFTC has the capacity for accessing the imagery and performing the required analysis.

Gender and social development indicators are currently monitored and reported according to the SRF. Additional indicators were proposed in Section 0 above.

The financial allocation of UNDP and GEF funds to M&E in the project budget was US\$ 467163.83, or some 11.6% of the total. This is well in line with international best practice. These resources appear to have been managed and allocated effectively (see Section 3.2.2 above).

### ***Results framework (SRF)***

#### **Process of assessment and revision of the SRF**

The monitoring and evaluation (M&E) plan in the ProDoc included a results framework to serve as a basis for monitoring. The framework, which appears as the standard format used for monitoring progress in all UNDP-GEF projects, has been called a "Strategic Results Framework" (SRF), although the term "strategic" is generally reserved for plans at the program or higher level, rather than for project level monitoring. This SRF has been used by the SFM Project as the basis for work planning, developing Terms of Reference for Service Providers, and monitoring and reporting of implementation progress to the Project Board, UNDP and GEF.

The SRF had been revised at Inception phase to improve the clarity of some indicators, but there remained a number of structural issues, including the definition of Outcome indicators, many of which were actually indicators at Output level, and identification of baselines, targets and sources of verification, that still appear to need improvement. Once the Service Providers had been recruited, they conducted studies to establish the baselines to serve as reference points for monitoring progress. At this point, it would have been good

practice to hold another stakeholders' workshop to assess the SRF's indicators and targets for their realism and achievability in the light of the up-to-date information that had been gathered on conditions in the target provinces, and in view of the experience of the SP practitioners. Such a workshop on revision of the SRF was not held until the current MTR.

Some of the problems with indicators, specifically about their clarity and precision, were noted by the original MTR team in the draft report, but a number of the structural issues were not identified. The Terms of Reference for the current MTR required the Consultant to: "Review and update the Strategic Result Framework (SRF) of the SFM project and provide strategic recommendation to achieve the result's target. Any change of strategic result target and indicators must provide precise justification, based on decision by the project management."

The development and refinement of the SRF (the Inception version being taken as the basis) was approached in a step-wise process. Initial modifications were made by the Consultant, based on experience with UNDG principles of Results-Based Management<sup>21</sup>; there appeared to be considerable need for re-alignment with "best practice" in RBM. This re-drafting was accompanied by engagement with the key Project stakeholders: discussions with Project Team members about their experiences with the SRF and its reporting challenges, and a one-day consultative workshop held in Phnom Penh on 30 March 2014. The SRF was discussed line-by-line, with full participation by all present. Workshop participants agreed and proposed changes to the SRF, and there was further discussion and feedback during the final Briefing Meeting on 3 June 2014.

### **Observations on the limitations of the SRF (Inception version)**

The Objective level indicators were fairly closely aligned to CPAP Outcome 2 and referred mainly to the achievements in community-based forest management and climate change mitigation, but not to broader impacts on environmental sustainability aspects of the CPAP Outcome, or of GEF biodiversity priorities.

There was no Output level identified in the original design, and this structure was not altered through Inception or the MTR of July 2013. However, as noted above, many of the so-called Outcome indicators in the SRF are actually results at the Output level, the direct effects of project interventions. In the project's Quarterly and Annual Reports, there is some confusion about terminology, with indicators under each Outcome often identified as Outputs. The current MTR Consultant feels strongly that the structure of the SRF should identify these indicators as Output level results. However, since these changes were not made during Inception, it appears that the SRF used at the beginning of project implementation cannot now be changed, as it would reduce the number of indicators reported to UNDP-GEF.

In addition, there is need for consolidation and rationalization of several of the Indicators. Some refer to different measures of the same Outcome indicator, while some indicators in Outcome 1 are not appropriate in that Outcome area and are duplicated in Outcome 2 or Outcome 3. An Indicator in each of Outcome 2 and 3 calls for the establishment of baseline information; this is not an Outcome or Output, but an Activity that should establish the Baseline values for other Output Indicators.

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<sup>21</sup> UNDG (2010) *Results-Based Management Handbook. Strengthening RBM harmonization for improved development results*. RBM/ Accountability Team, United Nations Development Group's Working Group on Programming Issues.



Subsequent comments from UNDP-GEF drew attention to their guidance on project documents<sup>22</sup>, which notes (on p.9) that:

"The monitoring of UNDP-supported, GEF-funded projects follows the UNDP process ...as well as GEF-specific requirements. The GEF specific requirements are:

- The UNDP GEF project objective and up to 4 project outcomes - each with indicators, baseline data and end-of-project targets - are monitored on an annual basis and progress is rated using a six-point scale set by GEF3.
- The UNDP GEF project outputs achieved per project outcome are also monitored each year and progress made in this implementation is rated using the same six-point rating scale."

Since identification of Output level indicators amongst the Outcomes in the ProDoc version of the SRF was not undertaken during Inception, it is now not possible to revise the SRF that has been used for project monitoring. This point can be made only as a lesson for future project design.

It has been noted, by a reviewer of the draft text of this report, that the progress indicators of the SRF at Objective and Outcome level have not been sufficiently aligned with CPAP Outcome 2 and CPAP Output 2.1, or with higher-level UNDAF Outcome 1. It has been suggested that the SRF should be revised at this Mid-Term stage to reflect more clearly these linkages. However, such revision of the SRF is beyond the scope of the current assignment; indeed revision of the language of Outcomes and Objectives should not be done during the course of project implementation, unless there are serious problems. In fact, as noted above in Section 3.1.2 above, monitoring of progress towards the CPAP Outcome and Output, using indicators from the CPAP M&E Framework SRF has been reported in Quarterly and Annual Project Reports. Having said that, it is the case that more careful alignment of RF Objectives to CPA Outputs should be done in future project design, and this is another lesson that could be learned from the current project.

A draft revised SRF was prepared, along with a detailed justification of the proposed changes. The original SRF, revised SRF and summary of changes are included in Annex 6. Draft Revision of Strategic Results Framework.

The SRF should be seen as a working framework that can be subject to periodic review by stakeholders, at least insofar as identifying indicators or targets that implementation has revealed may no longer be relevant. Such review should be undertaken in the context of annual project meetings, for approval by the PB. Indeed, the changes to the SRF as proposed in this MTR will have to be approved by the PB, UNDP CO, and UNDP-GEF Regional Technical Advisor.

### ***GEF Tracking Tool***

The GEF Tracking Tool for Biodiversity Projects was discussed with the Project Advisor during the consultancy mission. Revisions were proposed to entries in Section II, Project landscape/seascape coverage, against the indicators "Landscape area directly/ indirectly covered by the project (ha)". There had been some confusion over the term "landscape area", which was taken to have the meaning in conservation practice, of the landscape surrounding pilot sites of CF/ CPA activity. The area directly covered was thought to be total area of the

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<sup>22</sup> UNDP (2009) *Advisory Note. Project Document to be used for UNDP supported GEF funded projects*. May 2009.

four provinces in which the project will work at field level (3,693,200 ha), while the area indirectly covered was the total land area of Cambodia (18,103,500 ha). When it was realised that "landscape area" simply meant "area on land", these values should be revised to the total area of target CFs/CPAs, ACFMs and CLUPs (159,147 ha) and the total area of protected areas, protected forests, biosphere reserve and multiple use area (1,400,750 ha) in the Cardamom Mountain complex.

It is not always easy to report progress on indicators simply based on area covered, since the areas affected may not change in an incremental fashion during the course of the project. Work on the approval process of community-managed forests is occurring simultaneously across the project areas, so it is unlikely that there will be a stepwise numerical progression in the number of CFs, CPAs, ACFMs or CLUPs reaching approval stage. Rather, all 30 of the CFs have completed step 6 of the 8-step process for CFMPs and are in step 2 of the 4-step process for CFBPs; 4 ACFMs are at step 4 of the 11-step process; 1 CLUP is at step 6 and 3 are at step 8 of the 11-step process. Thus, the reporting under Part III "Management practices applied" and IV "Market Transformation" has required a considerable narrative to explain how the project achievements fit into the questions being asked.

These indicators may be useful to GEF for assessing the contribution of the project to its Objective 2: Mainstreaming Biodiversity Conservation in Production Landscapes/Seascapes and Sectors. However, there does appear to be a need for greater communication and feedback between the UNDP-GEF regional office and the Project Team on the language of reporting progress in each section, since there still appears to be some lack of mutual understanding.

Proposed changes to the Tracking Tool are provided in Annex 7. Proposed revision of the GEF Tracking Tool. These revisions include the point made above about the areas directly and indirectly covered by the project in Part II, as well as some adjustment of wording in Parts III and IV to better reflect the indicators and progress made.

### Overall assessment of monitoring systems

The application of results-based monitoring by the Project Team has been thorough. However, because of limitations in the original design of the SRF, and the fact that it was not modified

*Monitoring systems are rated as **Moderately Unsatisfactory**.*

#### 3.2.4 Risk management

The ProDoc provided a risk assessment, which looked at threats and barriers to project implementation and laid the basis for a risk identification and mitigation strategy. The Inception process extended this analysis and built an approach to risk management into operating procedures. APR/PIRs have similarly identified similar risks. The risks identified by these documents appear to be comprehensive, with appropriate ratings applied.

A Risk Log and an Issues Log are part of the quarterly Project Progress Report and Annual Project Report, feeding into the Atlas system. They are updated regularly by the National Project Advisor to facilitate tracking and resolution of potential problems or requests for changes by Project Management and, if necessary, the approval of the PB.

There have been three Annual Project Reports to date, and they show evidence of good risk identification and significant efforts to mitigate those risks:

1. SFM business approaches in CFs have been adapted to local resource availability, plantation woodlots are being considered, and there is recognition of the need for synergy between the ECK actions by GERES and the development of business plans for fire wood collection by RECOFTC.
2. Following a capacity needs assessment of the FA for financial administration of NIM, was built through provision of the recommended technical support and appointment of a national procurement officer.
3. An action plan, with milestones, to speed up the initially delayed capacity support by UNDP was developed and approved, and implementation proceeded.
4. The Project Implementation Agreements (PIAs) between national level (FA, GDE/MIME, GDMUP/MLMUPC) and sub-national level institutions (FAC, DIME, DLMUPCC) and endorsement by the Provincial governors have been finalized.
5. MoE and GDANCP involvement was delayed until late in 2013, but a new Ministerial initiative brought them, and their provincial-level staff, into direct engagement with the project. A kick-start workshop in February 2014 led to initiation of activities in CPA development. Problems with integration between the different agencies and SPs has been improved by monthly project coordination meetings at provincial level.
6. Support has been given by this project and by DANIDA to cantonment-level personnel, to improve their engagement.
7. The challenge faced by CFs in getting established in the face of ELC land conversion remains an important risk. The Project Team and FA have made considerable efforts at provincial level in negotiations with authorities and commercial concerns to establish CF tenure/ user rights, and have met with success.
8. An additional co-financing arrangement has been confirmed with Forinfo (via RECOFTC) and decisions were taken to remove alternate financing targets from the SRF.
9. Strengthening local governance mechanisms and benefit-sharing arrangements have been a focus of project activities.
10. SFM approaches are attempting to reduce community vulnerability to climate change through diversification of income sources.
11. The selection of project sites for CF/ CPA development and efficient fuel technology has improved the practical focus of implementation by SPs and government partners.
12. The SP, GERES, has brought experience of the efficient cook-stove sector and project activities are tracking the technology market.

*Risk management is rated as **Satisfactory**.*

### 3.2.5 Reporting

The M&E plan is being implemented as part of a system of reporting and approval as envisioned in the ProDoc, and refined and clarified in the Inception Report, in line with UNDP-GEF policies and the UNDP Enhanced Results Based Management Platform.

Progress Reports are prepared each quarter and at the end of each year, according to the Atlas standard format, covering:

- progress of implementation:
  - progress towards outcomes/ outputs of the Project and Country Program Action Plan (CPAP),

- capacity development,
- gender action plan,
- lessons learned;
- project implementation challenges
  - risks and issues, with actions taken
  - financial status summary.

The quarterly Project Progress Report (PPR) is prepared by the Project Manager and National Project Advisor, using information supplied by the SPs, and is submitted by the Project Manager to the Project Board. The Annual Project Report (APR), also prepared by the Project Manager and National Project Advisor, is shared with the Project Board and includes a summary of results achieved against pre-defined annual targets, as defined in AWP of the SPs. Project Management ensure that the UNDP CO receives quarterly progress reports providing updates on the status of planned activities, the status of the overall project schedule, the achievement of milestones, and an outline of the activities and milestones planned for the following quarter.

The UNDP CO generates its own quarterly financial reports from Atlas. These expenditure records, together with Atlas disbursement records of any direct payments, served as a basis for expenditure monitoring and budget revisions, the latter taking place bi-annually following the disbursement progress and changes in the operational work plan, and also on an ad-hoc basis depending upon the rate of delivery. As noted, an annual audit of project performance and financial management is performed by an independent external consultancy when disbursement exceeds \$1m; this financial performance monitoring is an additional form of feedback.

From the quarterly reports, the UNDP CO has prepared Quarterly Operational Reports which have been forwarded to the UNDP-GEF Regional Coordination Unit, and in turn submitted to UNDP HQ and to the GEF. The major findings and observations of all these reports have been given in an annual report covering the period July to June, the Project Implementation Review (PIR), which is also submitted by the Project Team to the UNDP-CO, UNDP Regional Coordination Unit, and UNDP HQ for review and official comments, followed by final submission to the GEF. All key reports were presented to PB members ahead of their half-yearly meetings and through this means, the key national ministries and national government has been kept abreast of the Project's implementation progress.

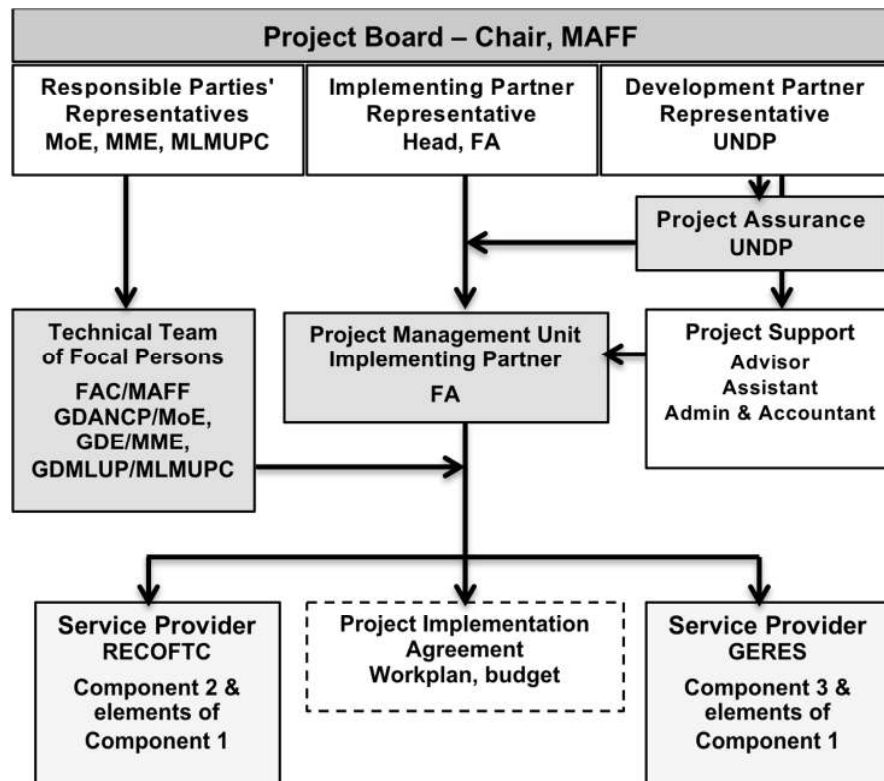
It appears that, overall, the progress of implementation and management issues have been well reported by the project management to the PB and to UNDP, with lessons learned shared and taken on board by the project partners. PB meetings have been presented with issues needing decisions, and such decisions have been taken.

*Reporting is rated as **Satisfactory**.*

### 3.3 Management Arrangements

#### 3.3.1 Overall project management

In the ProDoc, it was stated that project management arrangements would follow the NIM (National Implementation) modality, which is the UNDP format for a Program Based Approach (PBA) on donor harmonization and government ownership. Under the NIM, the RGC exercises full ownership of a partnership that includes all relevant stakeholders in a common effort. The Forest Administration is the Implementing Partner, and the NFP is the vehicle for the PBA. The Project Management Structure is shown in Figure 1. It is largely the same structure as proposed in the ProDoc, with the addition of a Project Implementation Agreement between Service Providers and the government partners confirming responsibilities and coordination roles (see below).



**Figure 1. Current Project Management Structure**  
(adapted from the Inception Report)

To govern project activities, a Project Board chaired by the senior person from the Ministry of Agriculture, Forestry and Fisheries (MAFF) fulfills the executive responsibility. Other representatives in the board are from representatives from the Responsible Parties (GDANCP/MoE, MME and MLMUPC), Implementing Partner (Head of FA) and a representative from UNDP. Until this year, MoE had not taken part in Board meetings or the inter-ministerial technical team. At the project design phase, DANIDA was also identified as member of the project board but since their project completed in 2012, DANIDA was dropped from the project board. The UNDP representative provided guidance regarding the technical aspects of the project. UNDP also provided Project Assurance, supporting the Board by carrying out project oversight and monitoring functions.

The Project Board is responsible for making executive decisions. Besides facilitating inter-ministerial coordination, it also ensures that the required resources are committed and seeks solutions to problems within the project or with external bodies. Based on the approved

annual work plan, the Project Board has reviewed and approved the quarterly plans and any essential deviations from the original plans. It also approved the appointment and responsibilities of the Project Manager.

The Project Manager is a member of FA staff, heading the Project Management Unit, with authority to run the project's ongoing activities. The National Project Advisor, Project Assistant and administration were recruited through open competition, with the responsibility of administration, management and technical support. They are also responsible for working with the PMU on preparation of draft annual work plans and budgets, quarterly reports and PIRs. Beside management support, the National Project Advisor assures the technical quality of deliveries of project outputs. The work-plan and budget are reviewed by the inter-ministerial Technical Team of focal persons from the Responsible Parties for presentation and approval by the project management.

The Service Providers responsible for delivery of Outcome 2 (RECOFTC) and Outcome 3 (GERES), along with respective elements of Outcome 1 linked to the other two Outcomes, were recruited through open competition following a Request for Proposals drafted during project Inception. Their targets were set in the ToRs of their contracts, and they work in partnership with provincial departments of the Technical Team ministries, as well as District staff and commune governments. RECOFTC has subcontracted the services of Mlup Baitong to help with training at the local level and has staff based in each province. GERES staff are based in Phnom Penh, but make regular visits to field sites to conduct training and technical guidance. A recently signed Project Implementation Agreement has confirmed the responsibilities of the SPs in their work with Project Management, the government ministries and with each other in delivering annual workplans and budgets.

Annual targets at output level, based on targets defined in the contracts of the SPs, are presented in the Annual Work Plans of the contractors. An Annual Project Review (APR) meeting is conducted during the fourth quarter of the year to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review will be driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards Outcomes and how these are aligned to longer term Impacts.

### ***Coordination and Operational Issues***

The FA and UNDP have been conducting consultative meetings to discuss project related issues and fund disbursement. The project Board has been meeting twice a year to maintain highest level of inter-ministerial collaboration and communication. An inter-ministerial technical team is formed with focal person from each of the ministries involved in the project to strengthen communication. This team together with the project manager has been meeting quarterly to discuss the ongoing work plans and deployment of government staff to assist the implementation process. As has been noted already, MoE did not take part in Project Board meetings or the inter-ministerial Technical Team for the first year of project implementation. However, their participation has now been engaged, particularly at the field level, with participation in the next PB meeting expected.

At the provincial level, the SPs coordinate with the cantonment offices for facilitating program implementation. Representatives from the SPs communicate with provincial departments of environment, energy and land and inform them about the future joint activities. Coordination between the SPs had not been strong up to late 2013, but since

January 2014, they conduct monthly meetings with all provincial stakeholders to discuss progress and constraints of the past month and plans of the next month.

Sectorial collaboration and cooperation with ministries and their relevant departments has improved, including with MoE, and capacity enhancement of GDANCP and CPA activities are expected to progress rapidly during the remainder of the project.

*Project management arrangements are now rated as **Satisfactory**.*

### **3.3.2 Quality of execution by Implementing Partner**

UNDP carried out a HACT assessment (Harmonized Approach to Cash Transfer) by end of 2010, which found that the risk of channeling funds through FA was low but that they had significant capacity limitations for the administrative and financial management of the complex SFM Project. Capacity building programs for the FA have been conducted by other donor programs, such as the EU-funded SFM project and USAID-funded HARVEST; UNDP supported a specific support consultancy which built capacity within the FA for project management and financial administration during the early months after project launch.

The PMU based in FA has done an adequate job of project management and administration since the capacity-building phase, with regular monitoring of the work of the SPs and close coordination with the project support provided by the National Project Advisor and the UNDP CO.

*Quality of execution by the Implementing Partner is now rated as **Satisfactory**.*

### **3.3.3 Quality of support provided by UNDP**

UNDP is the responsible GEF Agency for the project, and carries general backstopping and oversight responsibilities. The project document outlines UNDP's responsibilities on management arrangements and the section on monitoring and evaluation. The UNDP CO's Program Officer has fulfilled the Project Assurance role. As part of the assurance function, UNDP arranged the annual external audit of the project, including interim audits. It has supported the Project Board in carrying out its objectives and independent project oversight and monitoring functions.

Besides an assurance role, UNDP has also contributed technical expertise to the project as required, particularly in relation to the development and promotion of the participation of the private sector in forest-based businesses, and to the promotion and monitoring of livelihood and gender considerations. The current technical and operational support from UNDP is overall appreciated and considered adequate by the project team. Regular UNDP staff consultation and participation in project meetings provides valuable inputs to national processes and could ensure required political support.

Since initiation of project activities was delayed and the implementation process is slower than expected, UNDP will need to be more active to ensure proper management and completion of project milestones in appropriate manner in the second half of the project. Project implementation has already become more intensified during the second half of the

project and UNDP must do everything possible to ensure there are no bureaucratic delays in delivery of project activities or delay from service providers.

UNDP has provided supervision and backstopping to the Project and project performance is a result of it, and a commitment to frequent monitoring and communication with ministries will maintain the momentum of implementation progress.

*Quality of support provided by UNDP is rated as **Satisfactory**.*

## 4 Conclusions, Recommendations & Lessons

### 4.1 Conclusions and summary of findings

#### 4.1.1 Project design

The overall concept of project design was consistent with best practice in sustainable forest management, with some reservations. It involved a multi-pronged approach, with piloting community-based SFM through development of CF/CPA management and business plans, and energy-efficient wood-fuel technology in an experimental approach, coupled with policy and capacity support. There was important recognition that capacity should be built at all of levels: national, Provincial/ District and local commune and village. There are some questions about the prospects for successful forest conservation on the broad scale when based on enterprise development in relatively small forest areas, some of which are in degraded state. However, the principle of testing approaches, and learning lessons which can be applied to future interventions, is a sensible one.

The choice of the FA as Implementing Partner was sensible for the NIM approach in the forest sector, although it set the scene for strained relations with MoE. There was less difficulty with the other Executing Partners, MME and MLMUPC. In addition, because of the complexity, there were some overlaps of responsibility between the agencies and their partner Service Providers; the lack of clarity created the need for negotiation and resolution of potential conflicts.

The version of the SRF presented in the ProDoc needed a substantial review, as there was lack of precision and realism in several indicators, several of which were not SMART. Basic structural problems were noted, with apparent Output-level language in several Outcome indicators, but since the necessary changes were not made before implementation (and monitoring) began, they cannot be changed now without substantially reducing the scale of reporting to UNDP\_GEF.

An Inception process was considered necessary to adapt the ProDoc for this complex project under NIM management. Extensive consultations led to development of a revised approach, some made necessary because the uncommitted funds (\$1m) component in the project budget did not materialise, and there was a need for economies to be made. The decision was taken to prepare ToRs for two SPs, responsible for each of Outcomes 2 and 3, together with corresponding parts of Outcome 1. Some improvements were made to Indicators in the SRF during Inception, but other problems with overall structure were not addressed. The SRF should have been reviewed after the SPs were recruited and in place, so that their



expertise and their expectations as implementers could have been used to confirm SMART aspects of the Indicators and Targets.

The length of the Inception phase, including the need for recruitment of SPs after the start of project time clock, produced a long delay at the start of the project period. From the project start date of March 2011, it took over a year before SPs began start-up and baseline studies (March - April 2012) and even longer before they began implementation of action on the ground (December 2012).

#### **4.1.2 Progress in implementation of Outcomes**

**Outcome 1: *National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood***

- Capacity has been built at national, provincial and local levels with Training of Trainers (TOT) in a range of skills related to CF management and planning and improved fuelwood technology.
- Guidelines for ACFMs and CPAs, and a national Wood Biomass Energy Strategy have all been supported.
- The process of approval of CFs and CPAs has been catalysed and encouraged, with the former having reached penultimate stages to date and the latter now started; completion and initial implementation should be achieved by EoP. Success of CF/CPA approval in the target communities and provinces should encourage the RGC to wider approval across Cambodia.
- The Capacity Development Scorecard rating shows current achievement of 24/42, which represents 62% of the EoP target. Progress has been improved with the recent full engagement by GDANCP, and the higher levels of MoE.

**Outcome 2: *Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities***

- Progress on pilot SFM activities is on target, across a wide scale and with multiple stakeholders. Management plans for CFs approaching last steps, with business plans making acceptable progress.
- CPA plans have been “kick-started” and are now poised for making fast progress
- Challenges have been identified, and plans have been made for addressing them
- More time is needed, for completion of CF plan approval process, especially with CPAs

**Outcome 3: *Strengthened demand and supply chain for energy efficient cook stoves/ Small and Medium Enterprises ensure long term increase in adaptation of efficient technology that reduce fuel demand***

- Good progress with ICS, on course for EoP target.
  - ICS production clusters established, training advanced, production underway with small businesses
- ECK establishment is on course for EoP target, with issues identified.
  - ECKs are being established effectively on a technical and operational level, but there are problems with management and costs of wood supply, finding charcoal markets.
  - ECKs are collective social enterprises rather than individual businesses, needing external support for some time to continue. Different factors affect success and sustainability.

- Each ECK should develop its own Business Plan; woodlot management plans must be integrated with the CFMP process, probably with clusters of CFs.
- Progress has been slower with Improved Palm Sugar Stoves
  - The nature and small size of the market for IPSSs makes it difficult to penetrate, and the technological design is still not settled.
  - A plan to re-focus efforts on one province has been approved.

#### **4.1.3 Adaptive management**

Work planning is well-managed by the Project Management and SPs, with input and support from the Project Advisor. Reporting to UNDP and to the PB is regular and comprehensive. Written reports are results-based and make use of the existing SRF, although the structure and content of reports submitted by SPs may differ from that required by the Quarterly and Annual Reports and PIRs.

Financial management and disbursement procedures are generally followed well. Audit reports have identified few shortcomings, and their recommendations have been acted upon. Disbursement to SPs is based on milestones and performance targets and is tightly managed. The project is judged to be managed cost-effectively.

Co-financing of the project through UNDP, RGC and donors related to the Service Providers is substantial and meets GEF requirements.

Monitoring systems employed by the PMU, using annual workplans and milestones, with verification by site visits, have been efficient and effective. Progress in implementation, and problems affecting progress (including shortcomings in coordination between project partners) have been identified and solutions have generally been found.

As noted, the SRF has some flaws, making it difficult to report to, and to measure progress against targets. A mini-workshop with many key stakeholders was held during the MTR to revise the SRF, and this has been followed up through feedback from stakeholders. Future project design exercises should ensure closer alignment of project results frameworks with higher level goals of UNDAF and CPAP. Comments and revisions for the GEF Tracking Tool were made.

Risk management and mitigation are handled through the use of a risk log and feedback. Some key risks, including local population increase and major deforestation drivers beyond the control of the project, are still a challenge.

The conclusion of the MTR is that the project does practice effective adaptive management.

#### **4.1.4 Management arrangements**

##### ***Effectiveness of project management***

- There were delays in the first year of the project, due to slow release of funds from UNDP, the need for training of FA staff in administrative and financial procedures, and recruitment of SPs.
- The project is now well-managed at all levels: UNDP, Government, Service Providers
- Monthly coordination meetings of partners at Provincial level have been taking place since January 2014

- PB meetings, with full participation of Responsible Parties, have begun in 2014. Meetings are supplied by the PMU with updates on progress and any obstacles, and decisions on any necessary changes are made.

#### *Implementing Partner/ donor execution*

- FA has managed its role as IP well, PMU effective in performance management
- UNDP technical team is strong, providing effective monitoring of progress and support

## **4.2 Recommendations**

### **4.2.1 Corrective actions for the design, implementation, monitoring and evaluation of the project**

The following actions are proposed to aid project implementation and M&E:

1. Extend the project timescale, to compensate for time lost during Inception, SP recruitment and launching of implementation. There should not be significant financial implications, but there may be need for additional funds in UNDP for project management/ oversight, and with SPs for management/ administrative costs. It will be necessary to discuss, receive proposals and negotiate.
  - RECOFTC wishes to extend the time period, to finalize work on CFMPs and particularly CFBPs, and on corresponding features of CPAs.
  - GERES has said that they have no wish to extend the time period, but they must make an assurance that they will achieve targets that have been stipulated in their contract, or amended with approval by the PB.
  - The recommended length of extension would be to the end of 2015.
  - It appears that UNDP cannot receive additional funds from GEF for project management/ oversight, as these are provided by the fixed GEF fee and cannot be charged to the project budget. There should be a clear identification by UNDP of the source of funds for any management needs, before the decision can be taken to proceed with any extension.
2. SRF revision
  - The revised SRF should be adopted and integrated into project monitoring and reporting mechanisms.
  - Some of the current Outcome indicators should probably be Outputs according to RBM best practice, but since changes were not made during the Inception process, according to UNDP-GEF advice, they must remain at Outcome level. To do otherwise would create too much reduction in the scale of reporting to GEF.
  - There should be coherence in terminology between APR/PIRs and Annual Project Reports. The term Output should not be used for Outcome indicators in Project reports. Instead, simple sub-numbering (e.g. 1.1, 1.2... etc.) should be used under Outcomes.
  - There should be an annual review of the SRF. This can best be done through a workshop, facilitated if necessary by a neutral specialist (possibly under a short contract), with key stakeholders to review progress and the appropriateness of indicators and targets. Any changes in targets would require approval from the UNDP-GEF Regional Technical Advisor.
3. Delivery of Outcome
  - Focus on clear milestones in Outcome areas for delivery by SPs. Such milestones are

included as part of the ToRs for the SPs. Set annual (even quarterly?) milestones to encourage implementation, and monitoring of progress.

#### **4.2.2 Actions to follow up or reinforce initial benefits from the project**

The following actions are proposed to help reinforce the progress made by the project thus far:

1. Continue efforts at improved coordination between SPs and RGC agencies at both local and national levels.
2. Emphasis on building/ strengthening networks, between community organisations, and between communities/ individuals and potential consumers of forest products.
3. SFM and local level benefit generation
  - Take final steps to approval of CFs/ CPAs and consolidate implementation
  - Complete business plans, with full attention to income-generation as well as subsistence and cultural/ conservation values, and financial analysis of all costs, capital/ investment as well as recurrent, operating costs, and sources of finance. Different benefit options should be explored.
  - CFMPs should examine wood production, not just for charcoal but for other uses as well, and benefits to communities. Consider plantations for sustainable production of fuel-wood and/or charcoal kiln supply – without sustainable wood supplies, CFs will export the fuelwood problem to forests outside CF boundaries
  - Ensure coordination of CF business plans with charcoal kiln business plans and woodlot management plans, at sites where both occur. Consider the "clustering" of CFs and coordination of their management and business plans where supply for ECKs can be supplied by more than one CF.
4. Energy-efficient fuelwood technology
  - ECKs need their own business plans, but they must be developed in coordination with CFBPs (emphasizing the previous point).
  - For ECK wood supply issues, should be looking at linkages with a cluster of CFs and identify needs for infrastructure support – e.g. means of transport of wood, including vehicles – and setting the correct, incentivising price for suppliers of sustainably harvested wood.
5. Project Management
  - Continue PMU site visits
  - Continue support by Project Advisory team and UNDP. Follow recommendations of 2013 Audit Report on separation of responsibilities within Project Team.
  - Maintain attention on risks/ assumptions in the Risk Log (in Atlas as well as in the Annual Reports). Risks to longer term sustainability of outcomes should also be considered and addressed.
6. Sustainability and Impact
  - It is essential to begin now on developing a Sustainability Plan, with an Exit Strategy.
  - Although not needed until EoP, the PMU and UNDP should consider now an approach to Reviewing Outcomes to Impacts (ROtI).

#### **4.2.3 Proposals for future directions underlining main objectives**

Taking the project achievements forward would involve building on the lessons learned and making use of opportunities for replication and scaling-up of SFM and sustainable woodfuel methodologies.

The following proposals would support future directions for the project to underline the main objectives:

1. Analyse the lessons learned from the pilot efforts, making use of the large sample of CFs/ CPAs, with respect to different factors presented by their specific conditions, documentation of impacts of forest condition indices, all leading to documentation of opportunities for future implementation and scaling-up. In the context of such an analysis consider the factors that are known to promote small businesses and community forestry enterprises, including a positive business environment, the availability of business support services and access to financial services
2. Similarly, with respect to energy-efficient fuel technology, assess which approaches are needed in relation to different social/ economic models, for take-up and for reduction of carbon emissions.
3. There should be a full financial analysis of the supply chains for stoves, charcoal and forest products.
4. An area of the project that was present in the design but which has proved impractical to implement is that of options for sustainable finance. Different sources were proposed, including REDD+ and voluntary carbon agreements, Payments for Ecosystem Services, eco-tourism and more conventional finance mechanisms, such as micro-finance and private sector investment. With the basis for financial management of CFs and CPAs on a stronger footing as a result of this project, these things could be explored. It may be possible for this project to produce proposals under its Sustainability Plan.
5. There is need for attention to a thorough assessment of all drivers of deforestation so that CFs are not managed in isolation; identifying clearly the role played by SFM and CFs/ CPAs, as well as efficient fuelwood technology, in addressing the big drivers of deforestation across landscapes in Cambodia.

## **Annexes**

1. Terms of Reference
2. Itinerary of review mission and field visits
3. List of persons interviewed
4. List of documents reviewed
5. UNDP Capacity Development Scorecard
6. Draft Revision of the Strategic Results Framework
7. Proposed revision of the GEF Tracking Tool

## Annex 1. Terms of Reference

### 1. Assignment Information

<b>Assignment Title:</b>	Project Midterm Review Consultant
<b>UNDP Practice Area:</b>	Environment
<b>Cluster/Project:</b>	Environment and Energy/Sustainable Forest Management Project
<b>Post Level:</b>	Senior Specialist
<b>Contract Type:</b>	Individual Contractor (IC)
<b>Duty Station:</b>	Phnom Penh
<b>Expected Place of Travel:</b>	2-3 days visit to the project sites in Kampong Speu, Kampong Chhnang and Pursat provinces
<b>Contract Duration:</b>	15 days

### 2. Project Description

The project is funded by the Global Environment Facility (GEF) and the UNDP. The GEF's aim is sustainable management of forests to achieve global environmental benefits as well as local livelihood benefit. Under climate change it refers to forest and carbon protection through accelerating wood energy efficiency in improved cook stoves and combating forest degradation. The project will deliver simultaneous global benefits, in terms of improved conservation, reduced land degradation, reduced loss of carbon stocks and reduced GHG emissions, as well as improved local livelihoods. The National Forest Program 2010-29 (NFP), Sub-program 4, is the national framework for project implementation. Its Sub-Program 4 addresses community forestry (CF) in four decentralized modalities (Community Forestry, Community-based Production Forestry, Partnership Forestry and Community Conservation Forestry) with the aim to cover 2 million ha by end of program in 2029. Only the first modality of CF has a regulatory framework, but the project will help to develop the framework for the rest. The objectives of the SFM project are to strengthen sustainable forest management (SFM) through decentralized forest management integrating SFM in Community Forestry (CFs) and Community Protected Areas (CPA) and promoting a landscape based approach. The results will increase communities' income from decentralized forest management and feed into policy, planning, and ongoing implementation and investment frameworks and also create the basis for sustainable wood energy efficiency technologies, which reduce CO2 emissions. Field implementation takes place in Battambang, Pursat, Kampong Chhnang and Kampong Speu.

The project has 3 main components:

- Component 1 for capacity building and policy development
- Component 2 for CF and CPA and selected CLUP integrating CF and CPA
- Component 3 for wood energy efficiency promoted by improved stoves and kilns.

The project is executed by the Forest Administration (FA)/Ministry of Agriculture, Forestry and Fishery (MAFF), which is the Implementing Partner for UNDP/GEF. The FA has contracted with 2 service providers, Regional Community Forestry Training Centre (RECOFTC) and Group for Environment, Renewable, Energy and Solidarity (GERES), to implement technical assistance to the project. The project also works with Ministry of Land Management, Urban Planning and Construction (MLMUPC), Ministry of Industries, Mines and Energies (MIME), Ministry of Environment (MoE)/General Department Administration Nature Conservation and Protection (GDANCP). The collaborative arrangement has been set up at the technical level through the designation of focal persons in the said ministries and departments. At senior executive level, the inter-ministerial project supervision is carried out by the project board.

The essentials of the project to be reviewed are as follows:

Project Title:	Strengthening SFM and Bio-energy Markets to promote Environmental Sustainability and to reduce Greenhouse Gas Emissions in Cambodia			
UNDP Project ID:	PIMS 4136	<b>Project financing</b>	<u>at endorsement (Million US\$)</u>	<u>at MTE (Million US\$)</u>
ATLAS Project ID:		GEF financing:	2,363,635	
Country:	Cambodia	IA/EA own:	3,200,000	
Region:	Central Asia	Government:	600,000	
Focal Area:	Biodiversity, Land Degradation and Climate Change Mitigation	Other:	DANIDA: 3,000,000 GERES: 800,000	
GEF Focal Area Strategic Program	N/A	Total co-financing:	7,600,000	
Executing Agency:	Forestry Administration of Cambodia	Total Project Cost <b>in cash:</b>	2,439,500	
Other Partners involved:		ProDoc Signature (date project began):		1 March 2011
			Planned closing date: 28 February 2015	Revised closing date: 28 February 2015

### 3. Scope of Work

The independent consultant will finalize the draft of Midterm Review (MTR) Report produced by previous external team and other documents- including Annual APR/PIR, project budget revisions, progress reports, GEF focal area tracking tools, project documents, inception report, and any other materials useful for this evidence-based review. Specific tasks include:

- Revise the draft MTR Report, by providing in-depth analysis and evidence based information that is creditable, reliable, and useful, in areas as such: project progress toward result, adaptive management, and management arrangement.
- Review and update the Strategic Result Framework (SRF) of the SFM project and provide strategic recommendation to achieve the result's target. Any change of strategic result target and indicators must provide precise justification, based on decision by the project management.
- Produce final MTR Report (Report format will be discussed with consultant when being on board)
- Facilitate the consultation process with the project team and UNDP to present and validate the MTR finding and revised SRF.
- Incorporate comment/suggestion from stakeholders during consultation workshop into final MTR Report and update SRF.

The review consultant will assess the following three categories of project progress. For each category, the review consultant is required to rate overall progress using a six-point rating scale outlined in Annex 3:

#### **Progress towards Results**

##### Project design:

- Review the problem addressed by the project and the underlying assumptions and revision should be made if any.
- Review the effect of any incorrect assumptions made by the project and identify new assumptions.
- Review the relevance of the project strategy and assess whether it provides the most effective route towards results and suggest revisions as necessary.



- Review how the project addresses country priorities.
- Review the baseline data included in the project results framework and GEF Tracking tool and suggest revisions as necessary.

Progress:

- Assess the outputs and progress toward outcomes achieved so far and the contribution to attaining the overall objective of the project.
- Examine if progress so far has led to, or could in the future lead to, beneficial development effects (i.e. income generation, gender equality and women's empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.
- Determine whether progress so far has led to, or could in the future lead to, potentially adverse environmental and/or social impacts/risks that could threaten the sustainability of the project outcomes. Are these risks being managed, mitigated, minimized or offset? Suggest mitigation measures as needed.
- Review the extent to which the implementation of the project has been inclusive of relevant stakeholders and to which it has been able to create collaboration between different partners. Identify opportunities for stronger substantive partnerships.

**Adaptive management**

Work Planning

- a) Are work planning processes result-based? If not, suggest ways to re-orientate work planning to focus on results.
- b) Examine the use of the project document logical/results framework as a management tool and review any changes made to it since project start. Ensure any revisions meet UNDP-GEF requirements and assess the impact of the revised approach on project management?

Finance and co-finance:

- a) Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
- b) Complete the co-financing monitoring table (see Annex 4).
- c) Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.

Monitoring Systems.

- a) Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required?
- b) Ensure that the monitoring system, including performance indicators, meet GEF minimum requirements. Apply SMART indicators as necessary.
- c) Ensure broader development and gender aspects of the project are being monitored effectively. Develop SMART indicators, including disaggregated gender indicators as necessary;
- d) Review the mid-term GEF Tracking Tool (s) as appropriate and comment on progress made, quality of the submission, and overall value of the GEF Tracking Tool.
- e) Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to M&E? Are these resources being allocated effectively?

Risk Management

- a) Validate whether the risks identified in the project document, APR/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate. If not, explain why?

- b) Describe any additional risks identified and suggest risk ratings and possible risk management strategies to be adopted.

**Reporting**

- a) Assess how adaptive management changes have been reported by the project management, and shared with the Project Board.
- b) Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

**Management arrangements**

- a) Review overall effectiveness of project management as outlined in the project document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
- b) Review the quality of execution of the project Implementing Partners and recommend areas for improvement.
- c) Review the quality of support provided by UNDP and recommend areas for improvement.

**4. Expected Outputs and Deliverables**

1. Update Strategic Result Framework
2. Consultation workshop with the project's stakeholders to present and validate the findings and update SRF
3. Finalize Midterm Review Report

All the deliverables shall be submitted to the SFM project and E&E Cluster for review and comment:

N	Deliverables/Outputs	Estimated Duration to Complete	Target Due Dates	Review and Approvals Required
1	Update Strategic Result Framework	5 days	May 30, 2014	SFM Project, UNDP E&E, UNDP Regional
2	Consultation workshop report	2 day	June 2, 2014	SFM project, UNDP E&E
3	Final Midterm Review Report	8 days	June 30, 2014	SFM Project, UNDP E&E, UNDP Regional
<b>Total # of Days:</b>		<b>15 days</b>		

SFM Project: National Project Advisor, SFM Project Manager and SFM Project Director

UNDP E&E: Team Leader of the Environment and Energy Unit.

UNDP Regional: Technical Regional Advisor

**5. Institutional Arrangement**

The Independent Consultant shall report to the Team Leader of the Environment and Energy (E & E) Unit of UNDP Cambodia.

E&E Cluster is expected to provide the overall supervision and monitoring the performance of the consultant to ensure the quality control of the consultant's outputs.

The SFM team is expected to conduct the technical and quality reviews of consultant's outputs. These include the support for coordination for the participation from relevant stakeholders and support for organizing Consultation Workshop.

Day-to-day supervision and monitoring performance of the consultants shall be done by the SFM project. The E&E Program Analyst shall provide overall quality assurance on the consultant's outputs.

## **6. Duration of the Work**

The duration of the consultancy work is a total of 15 working days during the period between April 1, 2014 and June 30, 2014.

## **7. Duty station**

The duty stations for this assignment are Phnom Penh, Cambodia. During the assignment the consultant is expected to be in Phnom Penh Cambodia for 15 days (expected traveling to visit project sites in Kampong Speu, Kampong Chhnange and Pursat provinces).

The consultant will be hosted at and be allocated an office space by the SFM project and/or UNDP's E&E office.

## **8. Minimum Qualifications of the Individual Contractor**

<b>Education:</b>	Advanced university degree (at least Master or equivalent) from forestry, biodiversity conservation, natural resource management or other related areas
<b>Experience:</b>	<ul style="list-style-type: none"> <li>- A minimum of 10 years of relevant experience in project evaluation, management and/or in advisory services</li> <li>- Experience in the area of policy work, implementation and evaluation. Proven technical skills relevant to the sustainable forest management, climate change, project management and coordination.</li> <li>- Substantive experience in reviewing and evaluating similar projects, preferably those involving UNDP/GEF or other United Nations development agencies or major donors;</li> </ul>
<b>Competencies:</b>	<ul style="list-style-type: none"> <li>- Strong technical background in biodiversity conservation, protected areas management or related areas of natural resource management in Cambodia</li> <li>- Demonstrate ability to assess complex situations, succinctly distills</li> <li>- critical issues, and draw forward-looking conclusions and recommendations;</li> <li>- Ability and experience to lead multi-disciplinary and national teams, and deliver quality reports within the given time;</li> <li>- Highly knowledgeable of participatory monitoring and evaluation processes, and experience in evaluation of technical assistance projects with major donor agencies;</li> <li>- Familiarity with the challenges developing countries face in deforestation, biodiversity loss and adapting to climate change; and familiarity with Cambodia or similar countries;</li> <li>- Excellent interpersonal, coordination and planning skills, and ability to work in a team.</li> <li>- Ability and willingness to travel to provincial areas; and</li> <li>- Computer literate (MS Office package).</li> </ul>
<b>Language Requirement:</b>	English
<b>Other Requirements (if any):</b>	N/A



## Annex 2. Itinerary of review mission 18 May – 2 June 2014

Date	Time	Activity/Tasks	With whom?	Location
18 May 2014	17:15	Arrival of MTR Consultant		Phnom Penh
19 May	09:00 – 09:20	Briefing meeting with GEF Focal Point to discuss key points of mission	GEF Focal Point – Deputy DG, General Directorate of Technical Affairs, MoE	MoE office
	09:30 – 11:00	Debriefing meeting with UNDP-CO and SFM team to clarify on related issues regarding projects, ToR, concerns on project strategic result framework etc. and schedule	UNDP Program Analyst, SFM team	SFM/FA office
	11:15 – 12:00	Discussion of GEF Small Grants Program in Cambodia	GEF SGP Coordinator	UNDP CO
	13:30 – 17:00	Travel to Pursat	SFM/ UNDP team	Pursat Province
20 May	09:00-12:00	Field visit to Samroang Commune Progresses and challenges: <ul style="list-style-type: none"> <li>Commune Land Use Planning (CLUP)</li> <li>Partnership Forestry (PF)</li> </ul>	Local Beneficiaries, CC, CFMC, FAC, DLUP and RECOFTC	Pursat Province
	14:00 – 17:00	Field Visit to Thnot Chum Commune Progress and challenges: <ul style="list-style-type: none"> <li>Community Forestry Management and Business/enterprise development (CFMP/CFBP)</li> <li>Community Woodlot Management and green charcoal production</li> </ul>	Local Beneficiaries, CFMC, FAC, DME, GERES and RECOFTC	Pursat Province
21 May	08:30-12:00	Meeting with Government counterparts from FAC, DME, DLUP, DoE	FAC, DME, DLUP, DoE	FAC Pursat Office
	14:00 – 17:00	Travel to Kampong Chhnang (KCH) Province Stop over visit to Trapeang Chan Commune: <ul style="list-style-type: none"> <li>Community Woodlot Management and green charcoal production</li> <li>Community Forestry Management and Business/enterprise development (CFMP/CFBP)</li> </ul> Field visit to Banhchol Commune Progress and challenges: <ul style="list-style-type: none"> <li>Improved Cook Stove Production and Marketing</li> </ul>	FAC, DME, GERES and RECOFTC	Trapeang Chan Commune, Banhchkol Commune, Kampong Chhnang
22 May	09:00-12:00	<ul style="list-style-type: none"> <li>Improved Palm Sugar Stoves. Meeting with NGO, SGP recipient and site visits.</li> </ul>	Association for Human Resource Development and Health Education	KCH
	14:00 – 17:00	Meeting with Government counterparts from FAC, DME, DLUP, DoE	FAC, DME, DLUP, DoE, RECOFTC	FAC, KCH

Date	Time	Activity/Tasks	With whom?	Location
23 May	AM	Travel Back to Phnom Penh		
	10:00 – 10:45	Meeting with Director of Energy Development Department	Director of DEDD, Chief of Biomass	MME office
	11:00 – 12:30	Meeting with service provider RECOFTC senior staff	RECOFTC Deputy Country Program Coordinator, other RECOFTC staff	
	14:00 – 16:00	Meeting with service provider RECOFTC National Team: Progress and challenges of RFP-1 Implementation (Component 1 & 2)	RECOFTC & SFM team	SFM/FA office
24-25 May	AM - PM	Document review and analysis	MTR Consultant	Consultant's hotel
26 May*	09:30-11:30	Meeting with MLMUPC focal person to discuss project issues.	Dep. Director, Gen Dept Land Management & Urban Planning	MLMUPC office
	15:00 – 16:30	Meeting with National Project Manager	Dep. Director, Forest and Community Forestry Department	NPM's Office, FA
27 May*	08:30 – 12:00	Meeting with Service Provider GERES National Team: Progress and challenges of RFP-2 Implementation (Component 1 & 3)	GERES & SFM team	SFM/FA office
	14:00 – 15:30	Meeting with UNDP Program Analyst to discuss progress and plans for mission.	UNDP Program Analyst	UNDP CO
28 May*	09:00 – 11:00	Meeting with GDANCP focal person to discuss project issues.	Director, Research & CPS Development	GDANCP office
	16:00 – 17:00	Meeting with UN-REDD focal person on linkages between REDD+ and SFM	UNDP Program Analyst, UN-REDD portfolio	UNDP CO
29 May*	11:00 – 12:00	Meeting with implementers of Supporting Forests and Biodiversity Project	Chief of Party, SFB Project	Winrock International office
	17:00 – 17:30	Briefing meeting with Deputy Director, UNDP Country Program	Deputy Director, Country Programme	UNDP CO
30 May*	08:30 – 17:00	Workshop on revision of SRF	FA, MLMUPC, MME, MoE, UNDP, SFM, GERES, RECOFTC, MB	Sofitel Pokheetra Hotel
31 May – 1 June	AM - PM	Analysis of findings; preparation of debriefing presentation	MTR Consultant	Consultant's hotel
2 June	08:30 – 12:00	Debriefing meeting/ workshop with project's stakeholders to present the findings and updated SRF and receive feedback	FA, MLMUPC, MME, MoE, UNDP, SFM, GERES, RECOFTC, MB	FA meeting room
	PM	Departure of MTR Consultant		

\* Work with SFM Project Team on aspects of project management and implementation on all these days.

### Annex 3. List of persons interviewed

#### National level organisations

Name	Organisation	Position
<b>Royal Government of Cambodia</b>		
LONG Rithirak	Ministry of Environment	Deputy Director General, General Directorate of Technical Affairs; <i>GEF Focal Point</i>
Chea Sam ANG	Ministry of Agriculture, Forestry & Fisheries	Deputy Director General, Forestry Administration; <i>SFM Project Director</i>
KHORN Saret	Ministry of Agriculture, Forestry & Fisheries	Deputy Director of Forest and Community Forestry Department, Forestry Administration; <i>SFM National Project Manager</i>
SREY Marona	Ministry of Environment	Director Research & CPA Development, General Directorate for Administration & Nature Conservation & Protection; <i>SFM Project Focal Person</i>
HENG Kunleang	Ministry of Mines & Energy	Director, Energy Development Department, General Department of Energy
GNHOUNG Chounmit	Ministry of Mines & Energy	Deputy Director, Energy Development Department; <i>SFM Project Focal Person</i>
PHAN Bunthoeun	Ministry of Mines & Energy	Chief of Biomass Office, Energy Development Department
Phal Vannak	Ministry of Mines & Energy	Acting Director, DME
HUE Chenda	Ministry of Land Management & Urban Planning	Deputy Director, General Department of Land Management & Urban Planning; <i>SFM Project/CLUP Focal Person</i>
<b>UNDP</b>		
Johan ROBINSON	UNDP, Asia-Pacific Regional Center, Bangkok	Regional Team Leader & Regional Technical Adviser, Biodiversity and Ecosystems
Napoleon NAVARRO	UNDP Cambodia	Deputy Country Director, Programmes
CHHUM Sovanny	UNDP Cambodia	Program Analyst – Energy & Environment Unit
NGIN Navirak	UNDP Cambodia	National Coordinator, GEF Small Grants Programme
Moeko SALTO-JENSEN	UNDP Cambodia	Program Analyst – Energy & Environment Unit; UN-REDD/ FCPF
Nancy BENNET	UNDP Evaluation Resource Centre	Results Management Adviser, Global Environment Facility
<b>SFM Project Team</b>		
NHEM Sovanny	SFM Project Team	National Project Advisor
Daro DOUK	SFM Project Team	National Project Assistant (M & E Office)
<b>Service Providers</b>		
Kalyan HOU	RECOFTC	Country Program Coordinator
Heng DA	RECOFTC	Deputy Country Program Coordinator
Simone BIANCHI	RECOFTC	Chief Technical Advisor, SFM Project
Lanet KOEU	RECOFTC	National Business Development Advisor
Kirivuth CHHNEANG	RECOFTC	Community Forestry Program Coordinator
Narin BUN	RECOFTC	Provincial Coordinator, Pursat

Chansothea TEP	RECOFTC	Provincial Coordinator, Kampong Chhnang
Bunchhoeun UT	Mlup Baitong	Project Manager
Moeurn VA	Mlup Baitong	
Mathieu RUILLET	GERES	Country Director
Bunthoeun SIM	GERES	Program Director
Vuthy LIC	GERES	Project Manager & Technical Advisor, SFM
Lyheng VON	GERES	Project Manager
Vireak CHHORN	GERES	Wood Biomass Officer
Samnang KAING	GERES	Charcoal Specialist
<b>NGOs</b>		
	Association for Human Resource Development & Health Education	
<b>Other sectoral projects/ Programmes</b>		
Curtis HUNDLEY	Winrock International office	Chief of Party/ USAID Grantee, SFB Project

### Stakeholders met during site visits in Pursat Province on 20 May 2014-06-25

#### *Samroang commune, Tades village*

Name	Occupation
Pos Puthi	DLMUPC
Keo Chankeo	DoA, DLUP Team
Daro Douk	National Project M & E Office
Simone Bianchi	RECOFTC Chief Technical Advisor, SFM Project
Kirivuth Chhneang	RECOFTC Community Forestry Program Coordinator
Men Vannak	RECOFTC
Dara PECH	Mlup Baitong
Nhem Mi	Commune chief, Samroang
Nuon Sorn	Commune council
Chan Sokheng	Commune council
Lorn Seng	Village chief
Lay Pheng Rith	CF leader
Touch Chanlong	CF cashier
Neth Saroth	Village chief, Tades
Nuon Chanta	CF leader, Tades
Keo Huong	Vice CF leader
Vi Sreymom	Vice CF leader
Sarou Vuth	CF cashier
Tit Phally	CF committee
Khei Horn	CF member
Heng Villa	CF member
Han Huy	CF member
Cheam Chorn	CF member
Porn Ran	CF member
Nuon Ri	CF member
Mom Sarith	CF member
Vorn Chharn	CF member



Lorn Savoeun	CF member
Som Pov	CF member
Men Phon	CF member
Sarou Sim	CF member
Soun Kiem	CF member
Lieng Van	CF member
Hen Lin	CF member
Kong Sreymom	CF member
Suon Sim	CF member
Hun Savai	CF member
Hun Savorn	CF member
Sot Then	CF member
Rorn Roeun	CF member
Lorn Han	CF member
Eab Lorn	CF member
Ta Heng	CF member
Tean Saroeun	CF member
Yim Phoeun	CF member
Sorou Vic	CF member
Sen Sipun	CF member

*Thnot Chum commune, Bangkong Khmum village*

Name	Occupation
Sour Hai	FA Division, Kroker, Pursat Province
Som Pok	FA Triage, Boueng Kantout, Pursat Province
Phal Vannak	Acting Director, DME
Daro Douk	National Project M & E Office
Simone Bianchi	RECOFTC Chief Technical Advisor, SFM Project
Kirivuth Chhneang	RECOFTC Community Forestry Program Coordinator
Narin Bun	RECOFTC Provincial Coordinator, Pursat
Vuthy Lic	GERES Project Manager & Technical Advisor, SFM
Lyheng Von	GERES Project Manager
Chab Sokoeun	Commune chief, Thnot Chum
Tong Sarim	CF committee
Ouch Sengmun	CF committee
Bora	CF member
Put Lika	CF member
Phal Savoeun	CF member
Chhay Dorn	CF member
Phon Soa Dy	CF member
Sim Tom	CF member
Him Savoeun	CF member
Ket Ray	CF member
Yant Mi	CF member
Phork Chan	CF member
Duk Phorn	CF member

Sim Sin	CF member
Ten Bea	CF member
Mai Vanchey	CF member
Pun Sokly	CF member
Phi Sorom	CF member
Khiev Samnang	CF member
Soun Soy	Charcoal kiln leader
Bou Sarem	Wood collector leader

## **Annex 4. List of documents reviewed**

### **First MTR Report**

- Final MTR Report of SFM and Bio-Energy Promotion Project of Cambodia. September 2013

### **Project design and inception**

- Project Document
- Strengthening Sustainable Forest Management. Inception Report – November 2011
- Activity Work Plan (and Budget) 2011-2015

### **Progress and audit reports**

- Annual Progress Reports: 2011, 2012, 2013
- Quarter 1 Progress Report 2014
- Audit reports: 2012, 2013
- PIR Final Report 2013\_4136-Multiple Focal Area
- GEF Tracking Tool Midterm SFM - GEF BD SO2 TT -- Reviewed 7Nov2013\_nearly final

### **Project management**

- NIM Guidelines (2011) National Implementation by the Government of UNDP Supported Projects: Guidelines and Procedures. July 2011.
- Minutes of SFM Project Steering Committee Meetings
- Progress dashboard-SFM Eng- March 2014

### **Service Providers' reports**

#### **RECOFTC**

- Professional Service Contract with RECOFTC (May 2012)
- Excerpt on deliverables from Professional Service Contract with GERES (May 2012)
- Comprehensive Baseline Study Report (September 2012)
- Copy of SFM Database updated 20 May 2014 – Excel Workbook
- ACFM information – Excel Workbook
- Target and information of the CPA sites supported by SFM project – Excel Workbook
- Commune Land Use Planning – Overview & Progress – Excel Workbook

#### **GERES**

- Excerpt on deliverables from Professional Service Contract with GERES (May 2012)
- General Baseline Study - Biomass Production and Consumption Situation Assessment (September 2012)
- SFM Greenhouse Gases Emissions Reduction Monitoring Report. Quarter 6 (October 2013) and Quarter 7 (January 2014)

### **Royal Government of Cambodia**

Copy of National Forest Program Work plan-2013 and 2014-18 (4)

### **UNDP/GEF**

- The GEF Completion Report guidelines
- Country Program Action Plan. M&E Framework 2011-2015
- Lemareshquier, T., Kalyan, M., Cuccillato, E. (2014) *Mid-Term Review of UNDP Country Programme Action Plan for Cambodia, 2011-2015*. March 2014

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- Lambrick, F.H., Brown, N.D., Lawrence, A. & Bebbier, D.P. (2014) Effectiveness of Community Forestry in Prey Long Forest, Cambodia. *Conservation Biology*, 28: 372–381.
- Poffenberger, M., ed. (2013) *Cambodia's Contested Forest Domain. The Role of Community Forestry in the New Millennium*. Atteneo de Manila University Press, Manila.
- Tomaselli, M.F. & Hajjar, R. (2011) Promoting Community Forestry Enterprises in National REDD+ Strategies: A Business Approach. *Forests*, 2, 283-300; doi:10.3390/f2010283

## Annex 5. UNDP Capacity Development Scorecard

Strategic Area of Support	Target for Cap. Dev.	Outcomes	Outcome Indicators (Scorecard)	Initial Evaluation	Expected Outputs	Program Activities	Target	MTR Rating	MTR Comments
MAFF oversight & support to SFM	Systemic	Time spent on vetting and endorsing CF applications less than 4 months	0-There is a general lack of planning and management skills; 1-Some skills exist but in largely insufficient quantities to guarantee effective initiation; 2-Necessary skills available but bureaucratic hurdles many; 3-Adequate quantities of the full range of skills necessary available	1	New regulations for MAFF procedures	Support through NFP Action Plan to create change in procedures	3	2	Improvements and training have taken place at provincial and national level but procedures for approval of CF applications do not appear to have been developed significantly; no CFs have passed final approval stage yet.
Protocols for transparency	Systemic	Efficient communication strategies with policy makers, NGOs and local forest managers and communities	0-There is a general lack of management skills; 1-Some skills exist but in largely insufficient quantities to guarantee effective initiation; 2-Necessary skills available but bureaucratic hurdles many; 3-Adequate quantities of the full range of skills necessary available	1	Communication strategies	Support through NFP Action Plan to change procedures	2	1.5	FA has some experience in communicating to the public, but communication with local communities still appears top-down, with limited participatory feedback producing change; there is no evidence of a formal communication strategy
Definition of roles & responsibilities for central & local staff	Institutional	Institutional reforms with clear job descriptions	0-There is a general lack of job descriptions 1-Some description exist 2-Descriptions available but bureaucratic hurdles to adopt the roles 3-Adequate description of full range of skills necessary	1	Description of, in particular, roles & responsibilities of cantonment and division level staff for decentralised forest	On the job training of local staff	2	1.5	There has been some progress in job descriptions but there remains room for improvement.

					management				
Inclusion of MoE in the FA controlled TWG-F/E	Institutional	Both FA & GDANCP participate regularly in TWG meetings	0-There is a general lack of MoE attendance; 1-Some attendance exists; 2-Attendance semi-regular; 3-Attendance full online with FA & MoE contributions to TWG Action Plans	0	Shared strategies on SFM by MoE & FA	Project management located at TWG secretariat to facilitate MoE participation addressing constraints	2	2	MoE relations with FA and TWG significantly improved, with MoE participation established at local levels and beginning at central/ senior levels.
FA capacity to engage and build consensus among all stakeholders for decentralised forest management	Institutional	FA & relevant MoE department show political will to give mandate to cantonments & department	0-There is no political will at all, or worse, the prevailing political will runs counter to the interests of SFM; 1-Some political will exists, but is not strong enough to make a difference; 2-Reasonable political will exists, but is not always strong enough to fully support SFM, 3-There are very high levels of political will to support SFM	1	Political will transformed into action and operational initiatives	<ul style="list-style-type: none"> <li>Awareness raising of decision makers</li> <li>Building provincial coordinating body</li> <li>Learning by doing</li> </ul>	3	2	The level of awareness has increased compared to the past and some political will is exhibited in their action.
Capacity building & awareness raising of provincial/ cantonment & district line agencies	Institutional	SFM inter-ministerial bodies at provincial level establish partnerships needed to achieve the objectives of SFM	0-SFM institutions operate in isolation; 1-Some partnerships in place but significant gaps and existing partnerships achieve little; 2-Many partnerships in place with a wide range of agencies, NGOs etc, but there are some gaps, partnerships are not always effective and do not always enable efficient achievement of objectives; 3-SFM institutions establish effective partnerships with other agencies and	0	Alliances with other ministries' provincial department, PA staff, NGOs & communities	SFM project staff works closely with cantonment staff & other line agencies of province using existing training manuals as well as learning through doing	2	2	Monthly coordination meetings of all relevant ministerial bodies, together with both Service Providers. have taken place at provincial level since January 2014.

			institutions, including provincial and local governments, NGOs and the private sector to enable achievement of objectives in an efficient and effective manner						
Capacity to monitor, evaluate, report & learn	Individual	Individuals carry appropriate values, integrity & attitudes towards learning	0-Individuals carry negative attitude; 1-Some individuals have notion of appropriate attitudes and display integrity, but most don't; 2-Many individuals carry appropriate values & integrity, but not all; 3-Individuals carry appropriate values, integrity and attitude	1	Reporting from cantonment level highlight lessons of importance for policy level & scaling up the approach	Responsible actors made aware of the importance of BD & PAs	2	1.5	Capacity improved but need more awareness effort needed.
FA capacity to mobilize information and knowledge	Institutional	FA cantonments & divisions have the information needed to do their work	0-Information is virtually lacking; 1-Some information exists, but is of poor quality and of limited usefulness and difficult to access; 2-Much information is readily available, mostly of good quality, but there remain large gaps due to distance & communication; 3-Adequate qualities of high quality up to date information for protected area planning, management & monitoring is widely & easily available	2	Available information on rules & approaches & modalities for SFM utilised and applied	Cantonments can make their own management plans for SFM in their jurisdiction	3	2.5	Capacity improved compared to past; some support from Service Providers still needed.
CFO & cantonment capacity to carry CF	Institutional	Cantonments have enhanced regular contact with MoE PAs	0-inter-ministerial interaction virtually lacking; 1-Some interaction exists, but is of poor quality and of	1	Provincial level forest land use & land management	Identify & support cantonments' CF	2	1.5	Work on CPA establishment process initiated across target areas in February 2014; progress is gaining

forward in more cantonments & integrate these in a landscape approach that features neighbouring CPAs			limited usefulness 2-Much interaction takes place, but there remain large gaps due to distance & communication; 3-Adequate interaction of high quality up to date information for CF & protected area planning, management & monitoring is widely & easily available		plans exist within a landscape approach that includes CPAs covering KS, KChh & Pursat provinces conceptually & operationally in a land use plan	establishment to develop management plans			momentum but still at an early stage.
CFO/ cantonments' capacity to engage with local authorities	Institutional	Commune councils undertake commune land use planning without explicit focus on options for CF. Cantonment mainly to point out State Public Land forming part of the PFE	0-CF integration in commune LUP is virtually lacking; 1-Some information exists, but is of poor quality & of limited usefulness 2-Much information is readily available, mostly of good quality, 3-Adequate quantities of high quality up to date information for CF is widely & easily available	1	5 Commune land use plans include attention to both CF & CPA that fall within the commune's boundaries	FA Division staff & PA staff with the SFM project TA collaborate with local commune councils in integrating SFM into local land use planning	2	1.5	CLUP development with incorporation of SFM well underway.
MoE/ GDANPC has capacity to support village CPA development for management plan preparation for CPA in the sustainable use zone	Institutional	Department of Research & CPA of GDANPC has staff that is knowledgeable about steps in CPA development & management plan preparation	0-support skills for CPA virtually lacking; 1-Some support exists 2-Much support is found, but there remain large gaps due to distance & communications; 3-Adequate support of high quality & up to date information for CPA development	1	10 CPAs in Aural & Sakos WS have developed management plans that includes a landscape approach & business plans	Identify & support CPAs to develop management plans with environment friendly business options and a landscape approach covering KS, KChh and Pursat provinces & selected CF sites	2	1.5	Work on CPA management & business plans initiated across target areas in February 2014; progress is gaining momentum but still at an early stage.



						outside the WS			
PA superintendent and rangers have capacity to monitor and prepare lessons learnt	Individual	PA superintendent & rangers work with already started CPA for management plan preparation	0-Human resources are poorly qualified & unmotivated; 1-Human resources qualification is spotty, with some well qualified, but many only poorly & in general unmotivated; 2-HR in general responsibly qualified, but many lack in motivation 3-Human resources are well qualified & motivated	1	CPA management plans	5 rangers & PA director/WS participate in the development of management plans with business options & a landscape approach that conceptually & practically integrate CF lands outside the WS with CPA inside	2	1.5	Work on CPA establishment process and staff training initiated across target areas in February 2014; progress is gaining momentum but still at an early stage.
Rangers have capacity to consult with CPA communities in a trustworthy manner	Individual	Individual rangers are appropriately skilled for their jobs in social consultations with CPA communities	0-Skills of individuals do not match job requirements; 1-Individuals have some or poor skills for their jobs; 2-Individuals are reasonably skilled 3-Individuals are appropriately skilled for their jobs	1	Selected rangers skilled in developing management plans with CPA	On the job training for rangers.	2	1.5	Work on CPA establishment process and staff training initiated across target areas in February 2014; progress is gaining momentum but still at an early stage.
MoE coordination with other Govt. agencies	Institutional	Landscape/provincial plan with multi-stakeholder participation	0-There is no political will at all, or worse, the prevailing political will runs counter to the interests of SFM; 1-Some political will exists, but is not strong enough to make a difference; 2-Reasonably strong political will exists, but is not always strong enough to fully support SFM; 3-There are very high levels of political will to support	0-1	Provincial DoE & PA staff will engage in landscape level approach to SFM for Kampong Speu, Kampong Chhnang & Pursat & feed modalities to policy level	Landscape level approach within two provinces covering 3-4 SFM modalities	2	1.5	Political will now exists at the level of ministers, and MoE relations with FA and other government agencies have improved significantly, with monthly coordination meetings at provincial level since January 2014. Work remains to consolidate truly coordinated planning at the landscape level, and at all SFM modalities.

			SFM						
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## Annex 6. Draft Revision of Strategic Results Framework

### 1. Notes on revisions to the Strategic Results Framework

#### Introduction

This document provides a summary of the origins and development of Strategic Results Framework (SRF) for the SFM Project, with particular emphasis on efforts during the current MTR assignment to refine it as a basis for monitoring and reporting progress. The refinement efforts took place during the MTR Consultancy by W Keith Lindsay, in the period of 18 May to 2 June, with additional revision based on feedback received on a draft text.

#### Background

The Project Document contained a SRF, with indicators intended for monitoring progress in implementation. During the Inception phase in 2012, the Results Framework was modified – only slightly – to align it towards the project plans that were developed during the inception process. The Inception Phase SRF was used for development of the project workplan, as well as defining the deliverables of the Service Providers.

The original MTR consultancy in July 2013 made some proposed changes to the Inception SRF, but these changes were minor and related to technical aspects of implementation. UNDP considered a revision of the MTR report necessary, and the Terms of Reference for the present MTR also set a revised SRF as one of its key deliverables.

#### Methodology of the SRF revision

The MTR Consultant approached the development and refinement of the Outcomes of the SRF (the Inception version being taken as the basis) as a step-wise process. Initial modifications were made by the Consultant, based on experience with UNDG principles of Results-Based Management<sup>23</sup>; there appeared to be considerable need for re-alignment with "best practice" in RBM, and with UNDP-GEF guidance on project documents<sup>24</sup>. This initial draft revision was the subject of a workshop facilitated by the Consultant, with participation from a broad range of project stakeholders. Workshop participants agreed and proposed changes to the SRF, and there was further discussion and feedback during the final Briefing Meeting.

Further discussion with the UNDP Regional Technical Adviser and UNDP Results Management Adviser (at the Evaluation Resource Centre) resulted in final conclusions regarding which changes could be made in the SRF, at this mid-point stage of implementation.

The revision of the SRF is described in some general observations below, followed by tables with the original SRF - Inception version (Table A6-1), the revised SRF (Table A6-2), and a summary of the changes with their justifications (Table A6-3).

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<sup>23</sup> UNDG (2010) *Results-Based Management Handbook. Strengthening RBM harmonization for improved development results*. RBM/ Accountability Team, United Nations Development Group's Working Group on Programming Issues.

<sup>24</sup> UNDP (2009) *Advisory Note. Project Document to be used for UNDP supported GEF funded projects*. May 2009.

### **Observations on the limitations of the SRF (Inception version)**

The Objective level indicators were fairly closely aligned to CPAP Outcome 2 and referred mainly to the achievements in community-based forest management and climate change mitigation, but not to broader impacts on environmental sustainability aspects of the CPAP Outcome, or of GEF biodiversity priorities.

There was no Output level identified in the original design, and this structure was not altered through Inception or the MTR of July 2013. However, many of the so-called Outcome indicators in the SRF are actually results at the Output level, the direct effects of project interventions. In the project's Quarterly and Annual Reports, there is some confusion about terminology, with indicators under each Outcome often identified as Outputs. The current MTR Consultant felt strongly that the structure of the SRF should identify these indicators as Output level results. The UNDP-GEF Advisory Note indicates that project Outcomes **and** Outputs should be monitored on an annual basis, but that only Outcomes should be reported in the APR/PIR. However, since these changes were not made before implementation, monitoring and reporting to GEF began with the original Outcome indicators, and it is apparently not possible to make changes to them now, however, appropriate they might be. Such changes would reduce the scale of reporting to GEF, and would thus pose problems for ongoing and future evaluation of progress.

There is need for consolidation and rationalization of several of the Indicators. Some refer to different measures of the same Outcome indicator, while some indicators in Outcome 1 are not appropriate in that Outcome area and are duplicated in Outcome 2 or Outcome 3. An Indicator in each of Outcome 2 and 3 calls for the establishment of baseline information; this is not an Outcome or Output, but an Activity that should establish the Baseline values for other Outcome Indicators.

### **Key improvements have been made:**

1. At the Objective level, there has been clearer definition of environmental measures; indicators of forest condition were added.
2. There has been attention to the wording of Outcome indicators, so that they are results/ effects of inputs, rather than simply than Activities performed with Service Provider support. There has been improvement in the consistency of terminology and parallel construction for Indicators, Baselines and Targets. In some cases, there has been reformulation according to SMART principles. This improvement has included focus on actions that are under the control of the Project.

A summary of the changes made based on the Workshop held on 30 May, comments on the Briefing Meeting held on 2 June, and discussions with the UNDP RTA and Results Management Adviser is provided in the Table below. Justifications for the changes are provided in the adjacent column. This summary is followed by a copy of the original SRF, as found in the Inception Report, and the revised SRF as proposed by this Consultancy.

**Table A6-1. Original SRF (Inception Report version)**

Strategy	Indicator	Baseline	Targets	Source of verification	Risks
<b>Project Objective:</b> to strengthen national SFM policy, integrate community-based sustainable forest management into policy, planning and investment frameworks and create markets for sustainable bio-energy technologies that reduce CO2 emissions	Stability of indices of ecosystem health, diversity and condition in target community-managed forests	To be determined as part of participatory resource assessment at project start-up	Indices remain at <b>100%</b> of baseline levels	Participatory resource assessments carried out by community members	<ul style="list-style-type: none"> <li>- Exclusion of local communities from Economic Land Concession areas or expansion of ELC into potential CF areas</li> <li>- Inadequacy of local governance conditions to allow threats to forests to be effectively combated</li> <li>- Failure by institutional partners to deliver or commit to the project and SFM</li> <li>- Limited use of cook stoves once purchased</li> <li>- Limited</li> </ul>
	Reduction in the deforestation rates in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, due to increases in the effectiveness of combating of threats due to strengthened community-based management, and reductions in demand for wood energy	Current average deforestation rate in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces to be determined at project start-up through analysis of satellite imagery	Average between years 1 and 4 is <b>10%</b> below existing rates in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces' target areas	Satellite and/or aerial photography cross-checked with woodflow analyses and interviews with provincial staff and community forestry associations	
	Improvement in the canopy density and structure of forests in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, due to improved management and protection by forest	<b>Current extent and status of</b> degraded forest, in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces to be determined at project start-up through analysis of satellite imagery	xx ha of degraded forest, representing xx% of total forest cover (baseline and target values to be determined at project start-up)	Satellite and/or aerial photography	

	communities and reductions in the levels of demand for wood energy				capacities in local communities to participate effectively in project activities
	Reduction in CO <sub>2</sub> emissions nationally due to adoption of improved cook stoves	Total emissions from cook stoves are <b>500,000tCO<sub>2</sub>e</b> per year	Total emissions are <b>400,000 tCO<sub>2</sub>e/year</b> (a reduction in emissions of 61,043tCO <sub>2</sub> e/year)	Official VER emission reduction audit reports	
	No. of CFs around the Cardamoms that have completed all legalization requirements to operate by EOP as an <b>indirect result of SFM alliance with the other DP</b>		<b>125</b> <sup>25</sup>	Reports by all projects working in the periphery of the Cardamon Complex	
	No. of CPAs that have completed all procedural requirements to operate by EOP as an <b>indirect result of SFM alliance with the other DP</b>	20 have developed a number of steps under CPA guidelines	<b>34</b> <sup>26</sup>	SFM project is contributing to the completion of procedural requirements but do not control them	
<b>Outcome 1:</b> National capacities and tools exist to facilitate the	Improvement in institutional capacities in FA and GDANCP, as combined rating measured by UNDP	12.5/33 (See Project Document Annex 14)	31/42 (See Project Document Annex 14)	Evaluations by groups of experts	

<sup>25</sup> This cover 36,000 has. area

<sup>26</sup> This covers all existing CPAs in Kampong Speu, Kampong Chhnang, Battambang and Pursat, covering 23,673has. area.

widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood	capacity development scorecard				
	A supportive legal framework exists for all models of community-based forest management and conservation mentioned in the NFP	Legal framework for CF defined in 2006 exists but framework for Production-based Community Forestry, Partnership Forestry and Community-based Conservation forestry still lacking	6 CF sites developed for Partnership Forestry, Production based CF or Community- based Conservation Forestry Regulatory framework amended to include the additional modalities of CF	Legislative instruments	<ul style="list-style-type: none"> <li>- Failure of sector institutions to collaborate effectively</li> <li>- Limited political will for forest demarcation development</li> <li>- Limited financial support for forest demarcation development due to high costs</li> </ul>
	Enhanced national capacities and political will in FA and GDANCP to coordinate & integrate development of CFs and CPAs in a decentralised landscape-based approach, integrating commune land use planning	Land Use planning by local authorities does not include attention to SFM	Communal land use planning in 4 communes where the project supports CFs and CPAs in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces reflects SFM by integrating CF and CPA development and sustainability	<p>TWG F-E Action Plan and Annual Reports</p> <p>Provincial Local Administration Unit (MOI), Cantonment and PA authority interact, reported by PLAU</p>	
	No. of local budgeted development plans (CLUP) that integrates SFM through CF/CPA designed and approved by consensus among the local government institutions by Year 4	0	4 CLUP	Interviews with Commune Councils	
	No. of CF and CPA management plans that incorporates SFM by Year 4	0 CFs and CPAs	30 CFs and 10 CPAs		

	National Wood Energy Implementation Strategy exists, incorporating private sector modalities	Wood & Biomass Energy Strategy will exist by end of 2001 produced by MIME	Component 3 will have prepared AWP to follow up on recommendations of Strategy	already produced by MIME	
	Annual volume of sustainable fuel wood produced from the wood lots starting Year X	0 Baseline to be established	X	M&E Review of fuel wood production and sales from wood lots	
	Financial strategies in MAFF and MOE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry by Year 4	0	X Qtr Year 4	Draft Strategy documents	
	Financing generated from forest/wood energy related carbon credits by EOP	500,000	1,500,000		
	Financing generated from other funding sources (banks, green funds, etc.) by EOP	Near zero	500,000		
<b>Outcome 2:</b> Community-based sustainable	No. of FA cantonment and MOE PA offices that have community-based forest	0	4 <sup>27</sup>	CF and CPA records in FA and MOE	- Limited private sector commitment to forest-based

<sup>27</sup> FA cantonments of Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces



forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities	management development plans by EOP				<p>businesses due to unproven business potential</p> <ul style="list-style-type: none"> <li>- Limited productive options in target forests</li> <li>- Limited commitment among community members to organization and entrepreneurship</li> <li>- Internal rules for benefit sharing violated</li> <li>- Limited commitment among private sector and CBOs to develop relationships</li> </ul>
	No. of management plans for CPAs in Aural and Samkos Wildlife Sanctuaries by EOP	0	10 <sup>28</sup> sites		
	Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income.	0	Indicators linked to baseline monitored regularly Gender sensitive targets established in AWP	Contractors'M&E PIR reports APR	
	No. of community forests (CFs and CPAs) are managed in accordance with management plans that provide for environmental and financial sustainability and opportunities for business development by EOP	0 CFs and CPAs	30 CFs and 10 CPAs <sup>29</sup>	CF and CPA management and business plan documents Visits to CFs and CPAs and assessments using standardized monitoring tools (to be developed at project start-up)	

<sup>28</sup> Management plans of 10 CPAs in Aural and Samkos Wildlife Sanctuaries reflect regional considerations and provisions of overall PA management plans

<sup>29</sup> In Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, covering 6,000has. CFs and 7,500 has. CPAs

	No. of locally commune-based land use plans/ CLUP for SFM based on CF/CPA development	0	4	Project M&E Land Department and FAC records	
	No. of households in target forest communities that earns income from profitable enterprises based on the sustainable management of forest resources by EOP	X Baseline to be established	X	Focus groups, interviews with forest users, Sustainable Livelihoods Framework tools, UNDP tool	Capacity and budgetary constraints for commune councils to engage in CLUP
	Increase in income of targeted women 20%	0 Baseline to be established	+20% in relation to baseline One-fifth of households with increased income are women-headed		
	Average annual income of households in target forest communities from profitable enterprises based on the sustainable management of forest resources by EOP, US\$	X Baseline to be established	Gender sensitive targets established in AWP's		
<b>Outcome 3:</b> Strengthened demand and supply chain for energy efficient cook stoves	Increased market share of improved technologies No. of units sold - NKS - Palm Sugar Stove Efficient charcoal kilns	30,000 20	90,000 in year 3 and 180,000 in year 4 (Additional) 800 in year 3 (Additional) 16 in year 3 (Additional)	Market surveys	- Emergence of alternative technologies with which energy efficient cook stoves are unable to compete in the market
	% market share by EOP, %	1.7 0.1	17 4		

	- NKS - Palm Sugar Stove				- Failure of carbon mechanisms (e.g. REDD) to function as expected
	Annual CO2 emission reduction n year 4, tons - NKS - Palm Sugar Stove - Efficient charcoal kiln	reduction from 30,000 stoves 1-5 1-5	79,200 tons reduction created by 360,00 stoves 1,520 t reduction created by 800 stoves 123 from 16 efficient charcoal kilns		
	Baseline established allowing for regular monitoring for lessons learnt with respect to project results. Baseline to include gender segregated data on women's labor and income	0	Indicators linked to baseline monitored regularly Gender sensitive targets established in AWP's		
	No. of fully functioning improved cook stove production centres by EOP	1	6 additional	Field inspections	
	% increase in income of stove producers by EOP, %	\$40/month	\$60/month	Producer surveys	
	Area of woodlots managed by local communities/ <b>farmers</b> in Kampong Chhnang for wood energy by EOP	0 Baseline to be established	617 ha	-	
	Total number of woodlots based on CF management plans in provinces with	1 (Tram Kak CF) 1 (Kirirom CPA)	5	Identification of sites proves difficult	Total number of CF woodlots in provinces with business

	business oriented management plans for fuel wood supply and green charcoal - with involvement of private sector				oriented management plans for fuel wood supply and green charcoal - with involvement of private sector
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Table A6-2. Revised SRF

Strategy	Indicator	Baseline	Target	Means of verification	Risks
<b>Project Objective:</b> To strengthen national SFM policy, integrate community-based sustainable forest management into policy, planning and investment frameworks and create markets for sustainable bio- energy technologies that reduce CO <sub>2</sub> emissions	No. of a. CFs and b. CPAs around the Cardamom mountain that have completed all legalization requirements to operate as an indirect result of SFM efforts in building capacity and policy approaches in government.	a. 72 CFs have agreement with FA b. 20 CPAs have developed a number of steps under CPA guidelines	a. 125 CFs (53 additional) have agreement with FA by EoP. b. 34 CPAs approved by EoP.	a,b. Project reports a. CFO/ FA statistics b. GDANCP database	<ul style="list-style-type: none"> <li>Exclusion of local communities from Economic Land Concession areas or expansion of ELC into potential CF/ CPA areas</li> <li>Failure by institutional partners to deliver or commit to project &amp; SFM</li> </ul>
	Deforestation rate reduction in protected forests in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces.	Trend in deforestation rates for 4 years before start of project in FA and MoE forests in target provinces. <sup>30</sup>	Average deforestation rates in FA and MoE forests are 10% lower than rates in 4 years preceding project.	Analysis of archived and EoP satellite images by RECOFTC	<ul style="list-style-type: none"> <li>Limited capacities in local communities to participate effectively in project activities</li> <li>Deforestation drivers in Cambodia are beyond the control of the project</li> </ul>
	Land area covered by degraded forest as % of total forest cover in Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces.	Area covered by degraded forest as % total forest cover at start date of project in target provinces	10% reduction in land covered by degraded forest relative to total forest cover by EoP	<ul style="list-style-type: none"> <li>FA Forest Cover Assessment 2009/10, 2014/15</li> <li>Analysis of archived and EoP satellite images by RECOFTC</li> </ul>	<ul style="list-style-type: none"> <li>Inadequacy of local governance conditions to allow threats to forests to be effectively combated</li> </ul>
	Indices of forest resources and condition in target	Inventory of forest resources in CFs and CPAs,	Indices remain at 100% of baseline levels by EoP.	Replication of Forest Inventory for each	·

<sup>30</sup> This value and the other baselines relating to forest cover and deforestation rates should be determined by reference to archived satellite imagery. This baseline was to have been established at the start of project implementation, but it was not. It should now be determined as a matter of urgency.

Strategy	Indicator	Baseline	Target	Means of verification	Risks
	community-managed forests	undertaken at the start of CF process.		CF/CPA, establishment of sample plots for monitoring.	
	Annual greenhouse gas (GHG) emissions reduction (ER) due to adoption of improved cook stoves at the national level.	ER = 0	ER = 61,000t CO <sub>2</sub> e/year	ER accounting based on approved UNFCCC CDM methodologies and IPCC emission factors	<ul style="list-style-type: none"> <li>Limited use of cook stoves once purchased</li> <li>Meeting target is possible only if target number of stoves is achieved and marketed.</li> </ul>
<b>Outcome 1 - National capacities and tools exist to facilitate the widespread implementation of sustainable community-based forest management and technologies that reduce demand for fuel wood.</b>					
<b>1.1:</b> Institutional capacity in FA and GDANCP	Increase in institutional capacity rating in FA and GDANCP, as measured by UNDP capacity development scorecard	12.5/42 (See Project Document Annex 14)	31/42 (See Project Document Annex 14)	Scorecard assessment at start, mid-term and end of project.	
<b>1.2:</b> A supportive legal framework exists for all models of community-based forest management and conservation mentioned in the NFP.	a. Recommendations for amendment of existing guidelines (if needed) in NFP for CF for additional modalities and business enterprise plan. b. Recommendations for guideline documents for CPAs	a. Legal framework for CFs (2006) exists, but they are still lacking for ACFMs, and for business enterprise plan. b. CPA guidelines are in draft form.	a. CF framework amended to include the additional modalities of CF, and business enterprise development. b. CPA guidelines revised with lessons learned from SFM Project	a. ACFM and CF business plan guidelines. b. CPA guidelines.	
<b>1.3:</b> Commune land use planning (CLUP) in communes where the project supports CFs and CPAs incorporates improvements in SFM and efficient energy approaches to PLUPs and DLUPs.	CLUP training module reflects SFM and energy by integrating CF and CPA development and sustainability.	Land Use planning by local authorities includes some attention to SFM, but needs more focussed approach.	Improved CLUP training module incorporating SFM and energy approaches established at Provincial and District levels.	<ul style="list-style-type: none"> <li>Project report on Lessons Learned workshop</li> <li>CLUP training module</li> </ul>	Failure of sector institutions to collaborate effectively
<b>1.4:</b> National Wood Energy Implementation Strategy exists, incorporating private sector modalities	Wood & Biomass Energy Strategy drafted.	Wood & Biomass Energy Strategy updated database in formulation and approved for	Wood & Biomass Energy Strategy developed to the point of approval.	Wood & Biomass strategy document validated by SFM stakeholders and submitted for approval.	

Strategy	Indicator	Baseline	Target	Means of verification	Risks
		implementation.			
Financial strategies in MAFF and MOE to support SFM, including opportunities for REDD and carbon financing for sustained funding to support community-based forestry	REDD and carbon finance strategies by Year 4	0	X Qtr Year 4	Draft Strategy documents	<b>Note:</b> This and the following two Indicators have been recommended for deletion and the proposal was accepted by the Project Board. Decision by RTA is pending.
Financing generated from forest/wood energy related carbon credits by EOP	Amount generated across target sites.	\$500,000	\$1,500,000		
Financing generated from other funding sources (banks, green funds, etc.) by EOP	Amount generated across target sites.	Near zero	\$500,000		
<b>Outcome 2 - Community-based sustainable forest management is being implemented effectively within a context of cantonment, province, district and commune level planning delivering concrete benefits to local communities.</b>					
2.1: Management and business plans for CFs and CPAs, that provide environmental and financial sustainability and opportunities for business development, are developed, approved and beginning implementation.	a. No. of CFs with management and business plans that have passed final stage of approval process and are being implemented. b. No. of CPAs with management plans and business plans in Aural and Samkos Wildlife Sanctuaries that have passed final stage of approval process and are being implemented.	a. 0 CFs b. 0 CPAs	a. 34 CFs (including 30 CFs and 4 ACFMs) have passed the final stage of approval process by EoP <sup>31</sup> b. 10 CPAs have passed the final stage of approval process by EoP <sup>32</sup>	a. CF management and business plan documents; site visits reports; meeting minutes b. CPA management plan and business plan documents; site visits reports; meeting minutes.	<ul style="list-style-type: none"> <li>Limited productive options in target forests</li> <li>Limited commitment among community members to organization and entrepreneurship</li> <li>Internal rules for benefit sharing violated</li> <li>Limited commitment among private sector and CBOs to develop relationships</li> <li>Time required from MAFF/MoE to approve the plans outside the project responsibility.</li> </ul>

<sup>31</sup> In Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces, CFs covering 6,000ha.

<sup>32</sup> Management plans of 10 CPAs in Aural and Samkos Wildlife Sanctuaries, covering 7,500 ha., reflect regional considerations and provisions of overall PA management plans

Strategy	Indicator	Baseline	Target	Means of verification	Risks
2.2: FA cantonment and DoE PA offices have worked to develop community-based forest management development plans at the provincial level.	No. of FA cantonment and DoE provincial PA offices that have community-based forest management development plans by EoP.	0 provinces.	4 provinces. <sup>33</sup>	CF and CPA records in FAC and DoE offices in target provinces.	
2.3: Commune Land Use Plans (CLUPs) that integrate SFM through CFs/CPAs designed and approved by consensus among the locals government institutions	No. of commune-based land use Plans (CLUPs) for SFM based on CF/CPA development	0	4 CLUPs by EoP	<ul style="list-style-type: none"> <li>CLUP documents</li> <li>Land Department, DoE and FAC records</li> </ul>	
2.4: Households in target forest communities earn income based on the sustainable management of forest resources	No. of CFs and CPAs with households that experience increased income from forest enterprises	0 CFs; 0CPAs	At least 50% of CFs (15) and CPAs (5)	<ul style="list-style-type: none"> <li>CF, CPA Business plans</li> <li>Reports from field verification by RECOFTC, PMU</li> </ul>	
2.5: Average income of households, and of women, from profitable enterprises based on the sustainable management of forest resources increases in target communities	a. % increase in average annual income from SFM of households in target forest communities b. % increase in average annual income from SFM of women in target forest communities	a. Income derived from SFM by target households before implementation of the business plan (source: VCA). b. Income derived from SFM by target women before implementation of the business plan	a. Increase in average annual income by 20% from the baseline level by EoP. b. 20 % increase by EoP.	a,b. Detailed documentation on the Value Chain Analysis (VCA) a,b. CF, CPA Business plans a,b. Reports on field verification of all the case studies	Condition of forests is too degraded to allow significant benefit generation
<b>Outcome 3 - Strengthened demand and supply chain for energy efficient cook stoves and end fuels</b>					
3.1: Increased market share of improved cookstoves and charcoal kilns: Numbers	No. of units sold/ established - Improved cookstoves (ICS) - Palm Sugar Stove (PSS) - Efficient charcoal kilns (ECK)	No. of units - ICS: 30,000 - PSS: 20 - ECK: 3	No. of units - ICS: additional 90,000 yr3 - PSS: additional 800 yr3 - ECK: additional 16 yr3	<ul style="list-style-type: none"> <li>ICS Market surveys Report.</li> <li>Monitoring reports of sales (producers' records)</li> <li>Reports of site visits.</li> </ul>	Emergence of alternative technologies with which energy efficient cook stoves are unable to compete in the market

<sup>33</sup> FA cantonments of Kampong Speu, Kampong Chhnang, Battambang and Pursat provinces.

Strategy	Indicator	Baseline	Target	Means of verification	Risks
3.2: Increased market share of improved cookstoves: Percent market share	% market share - ICS (NKS) - PSS	% market share - ICS: 1.7% - PSS: 0.1%	% market share - ICS increased by 17% - PSS: 4%.	<ul style="list-style-type: none"> <li>ICS Market surveys Report.</li> <li>Monitoring reports of sales (producers' records)</li> <li>Reports of site visits.</li> </ul>	
3.3: Annual CO <sub>2</sub> emission from stoves and kilns reduced	Annual CO <sub>2</sub> emission reduction (tons) - ICS - PSS - ECK	- ICS = 0 tCO <sub>2</sub> e/year - PSS = 0 tCO <sub>2</sub> e/year - ECK = 0 tCO <sub>2</sub> e/year	- ICS = 19,800 tCO <sub>2</sub> e/year - PSS = 48 tCO <sub>2</sub> e/year - ECK = 1,850 tCO <sub>2</sub> e/year	<ul style="list-style-type: none"> <li>Project report analysing emission reduction.</li> <li>Official carbon accounting emission reduction audit reports</li> <li>Project report with information of emission calculation</li> </ul>	<b>Note:</b> Re-calculation of carbon emissions by alternative method is described in Project reports by GERES Approval of revised Targets is pending.
3.4: Establishment of demonstration palm sugar stoves (PSSs) in one province, Kampong Speu	a. No. of villages where awareness raised b. No. of improved PSSs established.	a. 0 b. 0	a. 20 b. Additional 20 by year 3.	a,b. Project report on palm sugar stoves	
3.5: Operational improved cook stove production clusters increase	No. of operational ICS production clusters	25 clusters	8 additional in year 2, 6 additional in year 3	<ul style="list-style-type: none"> <li>Reports of Project Management team field inspections</li> <li>Project database.</li> </ul>	
3.6: Income of stove producers increases	Average income of stove producers	US\$40/month	US\$60/month by EoP	Project report on stove producers' profitability assessment.	
3.7: Number of woodlots based on CFMPs and area of woodlots managed for efficient energy by local communities/ farmers increases.	a. Total number of woodlots integrated with CF management/ business plans and Charcoal Kiln business plans for fuel wood supply and green charcoal. b. Area of woodlots managed for wood energy.	a. 1 (Tram Kak CF) b. 0	a. 5 woodlots b. 617ha	a,b. CF Management plan(s) containing information on woodlots management. a,b. Reports of field inspection by project management. a,b. Project reports on woodlot management.	



**Table A6-3. Summary of changes proposed for the Strategic Results Framework, with justifications**

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
<b>Project Objective</b>		
1 <sup>st</sup> Indicator	<ul style="list-style-type: none"> <li>• Move to 4<sup>th</sup> indicator</li> <li>• Reword: "Indices of forest resources and condition in target community-managed forests."</li> <li>• Baseline: "Inventory of forest resources in CFs and CPAs."</li> <li>• MoV: Reword "Replication of Forest Inventory for each CF/CPA, and establishment of sample plots for monitoring"</li> </ul>	<ul style="list-style-type: none"> <li>• "Ecosystem health" is so vague as to be meaningless. Better to have more specific, ground-based measures as indicator of forest ecosystem condition, after forest cover and deforestation.</li> <li>• The method should be the inventory of forest resources that was done for the baselines in the process of establishment of CFs/CPAs.</li> <li>• The same inventory should be repeated at EoP.</li> </ul>
2 <sup>nd</sup> Indicator	<ul style="list-style-type: none"> <li>• Keep as 2<sup>nd</sup> indicator</li> <li>• Reword to remove the target provinces as a whole; specify instead forests under management by RGC agencies, FA and MoE.</li> <li>• Delete reference to changes "due to" project activities.</li> <li>• The Indicator is deforestation rates, the Baseline and Target are changes in those rates.</li> <li>• Specify comparison with control sites</li> <li>• MoV should be analysis of satellite images, without needing other data sources.</li> </ul>	<ul style="list-style-type: none"> <li>• The project can have impact only in forests where CF/ CPA management under SFM has the possibility of implementation.</li> <li>• It should be obvious that the Indicators are about changes in deforestation due to project activities, so it is not necessary to state that fact.</li> <li>• Analysis of archived and EoP satellite imagery – probably NDVI from Landsat – will allow determination of baseline and EoP values of deforestation rates in the project sites and other forests under FA/ MoE mandate.</li> <li>• In MoV, not clear what "woodflow analyses" means, not clear what interviews with stakeholders could contribute to quantifiable measures of deforestation; neither are available for baseline.</li> </ul>
3 <sup>rd</sup> Indicator	<ul style="list-style-type: none"> <li>• Keep as 3<sup>rd</sup> indicator</li> <li>• Reword Indicator: "Land area covered by degraded forest as % of total forest cover in ...provinces"</li> <li>• Create Baseline: "Area covered by degraded forest as % total forest cover at start date of project in target provinces"</li> <li>• Add target value of 10% reduction of degraded forest.</li> <li>• MoV: Add "FA Forest Cover Assessments 2009/10, 2014/15"</li> </ul>	<ul style="list-style-type: none"> <li>• Changed wording of Indicator is more specific, and relates directly to Baseline and Target</li> <li>• Target was not defined at Inception, so suggest 10% reduction in % of degraded forest.</li> <li>• MoVs include FA Forest Cover Assessments, made near the start and end of the project; archived and EoP satellite imagery, where data for baseline and EoP can be obtained.</li> </ul>
4 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>• Move to 5<sup>th</sup> indicator</li> <li>• Reword: "Annual greenhouse gas (GHG) emissions reduction (ER) due to adoption of improved cook stoves at</li> </ul>	<ul style="list-style-type: none"> <li>• The changed text of the Indicator is more Specific.</li> <li>• Baseline and Target more specifically Emission Reduction, not emission level. Confusion in the original SRF suggested target</li> </ul>

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
	<p>the national level.”</p> <ul style="list-style-type: none"> <li>• Baseline ER=0; Target ER=61,000t CO<sub>2</sub>e/year</li> <li>• MoV: “ER accounting based on approved UNFCCC CDM methodologies and IPCC emission factors”</li> </ul>	<p>reduction of both 61,000 and 100,000 t CO<sub>2</sub>e/year. Discussions with stakeholders confirm that 61,000 is more realistic and the original intention.</p> <ul style="list-style-type: none"> <li>• MoV more specific and accurate</li> </ul>
5 <sup>th</sup> & 6 <sup>th</sup> Indicators	<ul style="list-style-type: none"> <li>• Move to 1<sup>st</sup> indicator</li> <li>• Combine Baseline and Targets, with a. CF and b. CPA figures</li> <li>• MoVs: Project reports, CFO/ FA statistics and GDANCP database</li> </ul>	<ul style="list-style-type: none"> <li>• They are two forms of the same thing, community-managed forests, simply under different Ministries.</li> <li>• The Objective text is all about strengthened policy and management, and this indicator reports to that, so should lead.</li> <li>• Changed text of MoVs are more accurate.</li> </ul>
<b>Outcome 1</b>		
1 <sup>st</sup> Indicator	<ul style="list-style-type: none"> <li>• Number this Outcome indicator 1.1 and provide narrative</li> <li>• Baseline: “12.5/42”</li> <li>• Change MoV to “Capacity assessment report and scorecard at start, mid-term and EoP”</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce numbering to allow clearer identification in reporting</li> <li>• Baseline value corrected, with reference to ProDoc. Now consistent with Target.</li> <li>• MoV wording should be consistent with Indicator</li> </ul>
2 <sup>nd</sup> Indicator	<ul style="list-style-type: none"> <li>• 1.2, with narrative</li> <li>• Create two Indicators and Baselines: a. Legal framework for CFs... b. CPA guidelines...</li> <li>• Create two Targets: a. CF Framework amended... b. CPA guidelines revised...</li> <li>• Remove "6 CF sites developed..." from Target</li> <li>• MoVs: ACFM guidelines, CPA guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Broaden the scope to CPAs as well as ACFMs</li> <li>• Baselines, Targets and MoVs for both ACFMs and CPAs</li> <li>• "6 CF sites developed..." is not about the legal framework but establishment of ACFMs – it is covered under Outcome 2.</li> </ul>
3 <sup>rd</sup> Indicator	<ul style="list-style-type: none"> <li>• 1.3, with narrative</li> <li>• Reword narrative: “Commune land use planning (CLUP) in communes where the project supports CFs and CPAs incorporates improvements in SFM and efficient energy approaches to PLUPs and DLUPs.”</li> <li>• Indicator: “CLUP training curriculum....”</li> <li>• Change Baseline to note that CLUP does acknowledge SFM but needs more focus</li> <li>• Reword Target to align with Indicator wording</li> <li>• MoVs aligned with Indicator etc</li> </ul>	<ul style="list-style-type: none"> <li>• Better reflection of change in policy and capacity at province and district levels towards SFM and green energy in implementation of CLUP</li> <li>• Improved wording of Indicator, Baseline, Target and MoVs more accurate and better aligned with revised Indicator</li> </ul>
4 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>• Delete</li> </ul>	<ul style="list-style-type: none"> <li>• Duplication of Indicator in Outcome 2, where it belongs. It is not a national level, policy/ capacity indicator.</li> </ul>
5 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>• Delete</li> </ul>	<ul style="list-style-type: none"> <li>• Duplication of Indicator in Outcome 2, where it belongs.</li> </ul>

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
6 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>• 1.4, with narrative</li> <li>• Change Indicator: "Wood &amp; Biomass Energy Strategy drafted."</li> <li>• Baseline: "Wood &amp; Biomass Energy Strategy updated database in formulation..."</li> <li>• Target: "...Strategy developed to the point of approval."</li> <li>• MoV: "... Strategy published."</li> </ul>	<ul style="list-style-type: none"> <li>• Improved wording of Indicator, Baseline, Target and MoVs more accurate and better aligned with revised Indicator.</li> </ul>
7 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>• Delete</li> </ul>	<ul style="list-style-type: none"> <li>• Production of wood fuel by the (presumably project?) wood lots does not indicate progress in national capacity for widespread implementation of SFM or technologies reducing fuel wood demand;</li> <li>• It is a very indirect, and unnecessary, measure of the productivity of the charcoal kilns, which is already covered under Outcome 3</li> <li>• Deleting this indicator would not reduce the impact of the project, because it does not assess project impact at the moment.</li> </ul>
8 <sup>th</sup> -10 <sup>th</sup> Indicators	<ul style="list-style-type: none"> <li>• Recommend for deletion, subject to approval by UNDP-GEF, RTA</li> </ul>	<ul style="list-style-type: none"> <li>• In the opinion of this Consultant, the development of additional financing sources is beyond the scope of the project. Removal of these Indicators from the SRF could arguably reduce the scope of reporting, but they do not relate clearly to any of the Outcomes, which are aimed at development of community-based SFM enterprises and efficient energy technologies.</li> <li>• While the 8<sup>th</sup> Indicator was included in the expected outputs of the Service Contract with RECOFTC, it has been noted that FCPF and UN-REDD are taking up work on this financing mechanism.</li> <li>• The 9<sup>th</sup> and 10<sup>th</sup> Indicators were not included in the expected outputs of the Service Contract with RECOFTC.</li> <li>• This removal was also recommended by the original MTR mission, and has been approved by the Project Board. It awaits approval by UNDP and the RTA.</li> </ul>
<b>Outcome 2</b>		
1 <sup>st</sup> Indicator	<ul style="list-style-type: none"> <li>• Move to 2.2</li> <li>• Add "...at the provincial level."</li> </ul>	<ul style="list-style-type: none"> <li>• This Indicator should come after CF and CPA Indicators.</li> <li>• Specify that this Indicator is aimed at provincial-level planning</li> </ul>

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
	<ul style="list-style-type: none"> <li>MoV: "CF and CPA development plans in FAC and DoE offices in target provinces."</li> </ul>	<ul style="list-style-type: none"> <li>capacity for SFM (assuming that it exists!)</li> <li>Note that this is not just about the number of CFs and CPAs in each province, but about provincial-level planning.</li> </ul>
2 <sup>nd</sup> Indicator	<ul style="list-style-type: none"> <li>Delete</li> </ul>	<ul style="list-style-type: none"> <li>This duplicates the 4<sup>th</sup> Indicator which has both CFs and CPAs</li> </ul>
3 <sup>rd</sup> Indicator	<ul style="list-style-type: none"> <li>Delete</li> </ul>	<ul style="list-style-type: none"> <li>Baseline establishment should not be an Outcome Indicator, but an Activity that provides Baseline values for other Indicators</li> </ul>
4 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>Move to 2.1</li> <li>Reword: "Management and business plans for CFs and CPAs, that provide environmental and financial sustainability and opportunities for business development, are developed, approved and beginning implementation."</li> <li>Indicator: "a. No. of CFs with management and business plans that have passed final stage of approval process. b. No. of CPAs in Aural and Samkos Wildlife Sanctuaries with management and business plans that have passed final stage of approval by EoP"</li> <li>Baseline: "a. 0 CFs. b. 0 CPAs"</li> <li>Target: "a. 34 CFs (including 30 CFs and 4 ACFMs) have passed the final stage of approval process by EoP. b. 10 CPAs have passed the final stage of approval process by EoP"</li> <li>MoVs: Delete "Visits to...."</li> </ul>	<ul style="list-style-type: none"> <li>Keep the CFs and CPAs as one Indicator.</li> <li>MoV "Visits..." not considered necessary to establish that the Plans have been approved – the published documents would suffice.</li> </ul>
5 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>Move to 2.3</li> <li>Reword: "Commune Land Use Plans (CLUPs) that integrate SFM through CFs/ CPAs designed and approved by consensus among the local government institutions."</li> <li>MoV: "CLUP documents" instead of "Project M&amp;E"</li> </ul>	<ul style="list-style-type: none"> <li>Reword into active voice, note integration of SFM into CLUP approach by local government.</li> <li>MoV should be a verifiable source.</li> </ul>
6 <sup>th</sup> Indicator	<ul style="list-style-type: none"> <li>Move to 2.4</li> <li>Reword: "Households in target forest communities earn income based on the sustainable management of forest resources "</li> <li>Indicator: "No. of CFs and CPAs with households that experience increased income from forest enterprises "</li> <li>Baseline: 0 CFs; 0 CPAs</li> <li>Target: "At least half of CFs (15) and CPAs (5) with</li> </ul>	<ul style="list-style-type: none"> <li>No baselines or targets for number of households were established at Inception or in early project stages..</li> <li>Target of half of CFs and CPAs was developed during 2012, appearing in 2012 Annual Report.</li> <li>This revised wording and targets does not represent a downgrading of the Outcome indicator, but a more Realistic measure of the extent of income improvement across target sites than a single number of households.</li> </ul>

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
	households that experience increased income from forest enterprises" • MoV: "CF, CPA Business plans; Reports from field verification by RECOFTC, PMU"	
7 <sup>th</sup> and 8 <sup>th</sup> Indicators	<ul style="list-style-type: none"> <li>• Move to 2.5</li> <li>• Reword: "Average income of households, and of women, from profitable enterprises based on the sustainable management of forest resources increases in target communities."</li> <li>• Indicator: "a. % increase in average annual income from SFM of households. b. % increase in average income from SFM of women."</li> <li>• Baseline: "a. Income derived from SFM by target households before implementation of the business plan (source: VCA). b. Income derived from SFM by target women before implementation of the business plan."</li> <li>• Target: "a. Increase in average annual income by 20% from the baseline level by EoP. b. 20% increase by EoP."</li> <li>• MoV: "Detailed documentation on the Value Chain Analysis (VCA); Business plans; Reports on field verification of all the case studies."</li> </ul>	<ul style="list-style-type: none"> <li>• The Indicators about income should be combined into one, with sub-Indicators.</li> </ul>
<b>Outcome 3</b>		
Outcome text	• Add "...and end fuels."	• The Outcome is not just about cook stoves, but charcoal as well.
1 <sup>st</sup> Indicator	<ul style="list-style-type: none"> <li>• Make 3.1</li> <li>• MoVs: ICS Market Surveys Report; Monitoring reports of sales (producers' records); Reports of site visits"</li> </ul>	• New text for MoVs provided during workshop and follow-up.
2 <sup>nd</sup> Indicator	<ul style="list-style-type: none"> <li>• Make 3.2</li> <li>• MoVs: ICS Market Surveys Report; Monitoring reports of sales (producers' records); Reports of site visits"</li> </ul>	• New text for MoVs provided during workshop and follow-up.
3 <sup>rd</sup> Indicator	<ul style="list-style-type: none"> <li>• Make 3.3</li> <li>• Indicator: Annual CO<sub>2</sub> emission reduction (tons)</li> <li>• Baseline: "- ICS = 0 tCO<sub>2</sub>e/year; - PSS = 0 tCO<sub>2</sub>e/year; - ECK = 0 tCO<sub>2</sub>e/year;"</li> <li>• Target: "- ICS = 19,800 tCO<sub>2</sub>e/year; - PSS = 48 tCO<sub>2</sub>e/year; -</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in Baseline and Target estimates come from recalculation, change in Palm Sugar Stove plans approved by Project Board.</li> <li>• New text for MoVs provided during workshop and follow-up.</li> <li>• Approval of changes in Targets pending approval by UNDP</li> </ul>

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
	ECK = 1,850 tCO <sub>2</sub> e/year." • MoVs: "Project report analyzing emission reduction; Official carbon accounting emission reduction audit reports; Project report with information on emission calculation."	RTA
4 <sup>th</sup> Indicator	• Delete	• Baseline establishment should not be an Output, but an Activity that provides Baseline values for other Output Indicators
New Indicator	• Make 3.4: "Establishment of demonstration palm sugar stoves (PSS) in one province, Kampong Speu." • Indicator: "a. No. of villages where awareness raised. b. No. of improved PSS established." • Baseline: "a. 0. b. 0" • Target: "a. 20 villages. b. 20 additional by year 3." • MoV: "Project report on Palm Sugar Stoves"	• Text of new Indicator, approved by Project Board, introduced at Workshop. • Approval pending UNDP RTA.
5 <sup>th</sup> Indicator	• Make 3.5 • Reword narrative: "Operational improved cook stove production clusters increase." • Indicator: "No. of operational ICS production clusters." • Baseline: "25 clusters" • Target: "8 additional in year 2, 6 additional in year 3" • MoVs: "Reports of Project Management Team field inspections; Project database."	• Changes in wording reflect the fact that ICS production centres are organized in clusters • There is no decrease in the Target number; indeed there is an increase to 8 additional in year 2, 6 additional in year 3. • If this change needs approval by UNDP RTA, the change should be approved by the Project Board, then submitted to UNDP.
6 <sup>th</sup> Indicator	• Make 3.6: • Reword narrative: "Income of stove producers increases" • Indicator: "Average income of stove producers" – Target was an absolute figure, not a % increase. • No changes in Baseline or Target • MoVs: "Project report on stove producers' profitability assessment"	• The change was made to create coherence between the Indicator and the Baseline and Target. In the original SRF, the Indicator was % increase but the Target was a number.
7 <sup>th</sup> & 8 <sup>th</sup> Indicators	• Combine and make 3.7: • Reword narrative: "Number of woodlots based on CFMPs and area of woodlots managed for efficient energy by local communities/ farmers increases." • Indicator: "a. Total number of woodlots integrated with CFMPs/ CFBPs for fuel wood supply and efficient charcoal."	• It made sense to combine the two separate Indicators about woodlots into a single Indicator with two components. • There were no changes in the values of Baselines or Targets • There will be no loss in the information content of reporting by combining the two indicators.

Element of Original SRF (Inception)	Change made in Revised SRF	Justification
	<p>b. Area of woodlots managed for wood energy.”</p> <ul style="list-style-type: none"> <li>• Baseline: “a. 1 (Tram Kak CF) b. 0 ha.”</li> <li>• Target: “a. 5 woodlots b. 617 ha.”</li> <li>• MoVs: “CFMPs containing information on woodlot management; Reports of field inspections by Project Management; Project reports on woodlot management”</li> </ul>	

## Annex 7. Proposed revision of the GEF Tracking Tool

Sections with proposed revisions are highlighted in grey.

I. General Data	Please indicate your answer here	Notes
Project Title	Strengthening sustainable forest management and bio-energy markets to promote environmental sustainability and to reduce greenhouse gas emissions in Cambodia	
GEF Project ID	3635	
Agency Project ID	4136	
Implementing Agency	UNDP	
Project Type	FSP	FSP or MSP
Country	Cambodia	
Region		
Date of submission of the tracking tool		Month DD, YYYY (e.g., May 12, 2010)
Name of reviewers completing tracking tool and completion date		Completion Date
Planned project duration	4	years
Actual project duration	4	years
Lead Project Executing Agency (ies)	Forestry Administration (FA)	
Date of Council/CEO Approval	May 2010	Month DD, YYYY (e.g., May 12, 2010)
GEF Grant (US\$)	US\$3,863,635	
Cofinancing expected (US\$)	US\$4,500,000	
II. Project Landscape/Seascape Coverage		Notes
1. What is the extent (in hectares) of the landscape or seascape where the project will directly or indirectly contribute to biodiversity conservation or sustainable use of its components? An example is provided in the table below.		
Designations (please choose 1-3)	1	1: Foreseen at project start 2: Foreseen at mid-term 3: Foreseen at project closure
Landscape/seascape <sup>[1]</sup> area <u>directly</u> <sup>[2]</sup> covered by the project (ha)	159,147ha	hectares foreseen
Landscape/seascape area indirectly <sup>[3]</sup> covered by the project (ha)	1,400,750ha	hectares foreseen
Explanation for indirect coverage numbers:	The figure of 159,147ha given for the direct area of influence of the project is the total area of the four provinces in which the	Please indicate reasons



	<p>project will build capacity of relevant government institutions to work with the local community to develop management plans including: business plans for the 30 Community Forests, covering 10,879ha; 10 Community Protected Areas, covering 7,925ha; trials of 4 alternative CF modalities (ACFM), covering 11,374 ha; and preparing 4 integrated CF/CPA Commune Land Use Plans (CLUP), covering 128,969 ha.</p> <p>The figure of 1,400,750ha given for the indirect area of influence of the project is the total area within the four provinces that the clusters of the target CFs/CPA, CLUPs will provide a buffer to further encroachment of the Cardamom Mountain Complex and protected areas/ protected forest: 2 wildlife sanctuaries covering 587,500 ha; 1 protected forest, covering 402,000 ha; 1 national park, covering 35,000 ha; 1 biosphere reserve, covering 316,250 ha; and 1 multiple User Area, covering 60,000 ha.</p>	
<b>2. Are there Protected Areas within the landscape/seascape covered by the project? If so, names these PAs, their IUCN or national PA category, and their extent in hectares</b>		
Name of Protected Areas	IUCN and/or national category of PA	Extent in hectares of PA
1 Phnom Samkos	Wildlife Sanctuary	333,750
2 Phnom Aural	Wildlife Sanctuary	253,750
3 Central Cardamoms	Protected Forest	402,000
4 Kirirom	National Park	35,000
5 Tonle Sap	Biosphere Reserve	316,250
6 Samlaut	Multiple Use Area	60,000
<b>3. Within the landscape/seascape covered by the project, is the project implementing payment for environmental service schemes? If so, please complete the table below. Example is provided.</b>		
N/A		
<b>Part III. Management Practices Applied</b>		<b>Notes</b>
<b>4. Within the scope and objectives of the project, please identify in the table below the management practices employed by project beneficiaries that integrate biodiversity considerations and the area of coverage of these management practices. Please also note if a certification system is being applied and identify the certification system being used. Note: this could range from farmers applying organic agricultural practices, forest management agencies managing forests per Forest Stewardship Council (FSC) guidelines or other forest certification schemes, artisanal fisherfolk practicing sustainable fisheries management, or industries satisfying other similar agreed international standards, etc.</b>		
Foreseen at Project Start	Community-based management of natural forests, including sustainable extraction of timber and NTFPs under strict BD safeguards provided for in management plans	Please indicate specific management practices that integrate BD

	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	13,500 ha (20CF, 10 CPA in four target province)	Area of coverage foreseen at start of project
Achievement at Mid-term Evaluation of Project	Community Forest (FA) Management and Business Plans	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	10,889 ha (30 CF), in progress: The CF Management Planning consists of the following 8 steps (MAFF Prakas on Community Forestry, 2006): All 30 Community Forestry (CFs) sites has progressing step seven of the eight steps Community Forestry Management Planning (CFMP) process. They all have already demarcated the different management block and conducted the participatory forest inventory field works and data analysis. Drafts of the CFMPs writing for all the 30 CF sites have been completed and are being submitted for Forestry Administration Cantonment (FAC) final review and approval.	Area of coverage <b>at mid-term</b>
Achievement at Mid-term Evaluation of Project	Community Protected Area (CPA ) Management and Business Plans	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	Total area of 11,136 ha, in progress: 11 CPA target sites in CPA were selected and endorsed by GDANCP/MoE for project support, involving 1,549 households from 19 villages: 9 CPAs (3 signed agreement with GDANCP & 6 not yet have agreement) located in Aural Wildlife Sanctuary; 2 CPAs (all have signed agreement with GDANCP) in Samkos Wildlife Sanctuary.  Community Protected Area (CPA) Management Planning Process has started following the CPA orientation and Kick start CPA activities led by the General Department Administration, Nature Conservation and Protection, Ministry of	Area of coverage <b>at mid-term</b>

	<p>Environment (GDANCP/MoE). As a result, implementation structures including focal persons at both national and sub-national level have been identified and appointed, Target project CPA sites and work planning have been reviewed and endorsed.</p> <p>Training of Trainers followed by field training on Introduction to CPA and institutional strengthening conducted to 23 facilitation teams from provincial Departments of Environment and wildlife sanctuary staff and 40 CPA management committee members trained. As a result, field work at the CPA target sites to assess the current situation of CPA regarding status of formalization, updating profiling and identify next action plan to complete the formalization has been completed.</p> <p>Project is currently facilitating with GDANCP to ensure CPA agreements are signed with GDANCP for all the 6 CPA target sites. CPA management plan (CPAMP) formulation process is going to start in quarter 3, 2014. Gender issues are and will be embedded in CPAMP topics of training and women are encouraged to participate in running the CPAMP process, and business development. Women will be encouraged to participate in field training and make decisions in participatory resource assessment and division of CPA management blocks, field inventory work including recording and measuring the trees and NTFP in response to women's needs.</p>	
Achievement at Mid-term Evaluation of Project	Community-Based Production Forest (CBPF)	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	CBPF (2,226 ha), in progress: Completed step 6 (CF regulations) and continue to step 7 (drafting CF agreement and approval by Forest Administration cantonment).	Area of coverage <b>at mid-term</b>
Achievement at Mid-term Evaluation of Project	Partnership Forest	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)

	6,792 ha (PF), in progress: - PF1 (1,408 ha)-completed step 6 (CF regulations) and continue to step 7 (drafting CF agreement and approval by Forest Administration cantonment). - PF2 (5,384 ha) completed step 6 (CF regulations) and continue to step 7 (drafting CF agreement and approval by Forest Administration cantonment).	Area of coverage <b>at mid-term</b>
Achievement at Mid-term Evaluation of Project	Commune Land Use Planning (CLUP)	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	186,803 ha (4 CLUP), in progress: Commune Land Use Planning (CLUP) process contains of 11 steps planning process. CLUP has been progressing to the final stage of it preparation (completed step 8) where final draft of CLUP books/plans have been prepared and endorsed by the District State Land Working Group and are currently being display for public comments and inputs (for 45 days) before submitting for final approval by the Provincial State Land Management Committee (step 9) planned to be conducted early quarter 3 2014.	Area of coverage <b>at mid-term</b>
Achievement at Mid-term Evaluation of Project	Woodlot Development and Green Charcoal Production thru CF/CPA	Please indicate specific management practices that integrate BD
	N/A	Name of certification system being used (insert NA if no certification system is being applied)
	5,282ha (woodlots), in progress: Total of 17 CF clusters have identified woodlots based on CFMP. Fuel wood supply (woodlot) management blocks planned for fuel wood harvesting consisting of 4,912 ha plus 1,370 ha of reforestation/enrichment planting zone in 30 CF sites (29 management blocks) has also been allocated aside and integrated in the overall CFMP where fast growing tree will be planted to provided additional wood supply for charcoal production in the long run.	Area of coverage <b>at mid-term</b>
<b>Part IV. Market Transformation</b>		<b>Notes</b>
<b>5. For those projects that have identified market transformation as a project objective, please describe the project's ability to integrate biodiversity</b>		

considerations into the mainstream economy by measuring the market changes to which the project contributed. The sectors and subsectors and measures of impact in the table below are illustrative examples, only. Please complete per the objectives and specifics of the project.		
Name of the market that the project seeks to affect (sector and sub-sector)		Unit of measure of market impact
	Sustainable Forest Use thru CF/CPA management and business plan, income from fuel wood, bamboo, traditional medicine (being developed, no income stream yet)	Income in US\$ of sales of fuel wood, bamboo, traditional medicine etc,
	Wood Efficient Energy Technology thru production and marketing of Improved cook stoves (ICS): Total of 8 ICS clusters against 6 targeted by the project. 6 clay mixed machines and 23 stove fire kilns supported. Total of 46 (33 women) ICS Business Production Units (ICSP/ICSBPUO) trained and operated. All 46 ICSPBUOs are actively and continue running their business as they were selected from and built on traditional potters production and market. The ICS business are going very well and gradually growing every year. Based on the ICS production and selling records, up to May 2014, total cumulative of 75,611 ICS units produced of which 74,345 ICS units sold. It is important to highlight that ICS monthly production has increased up to 10,142 units in May 2014 compared to only 7,500 units per month target. <b>(either provide income figures or delete income measure in next column)</b>	# of certified ICS produced and distributed Income in US\$ of sale of certified ICS
	Wood Efficient Energy Technology thru Woodlot development and Green Charcoal production (being developed; no income reported yet)	Income in US\$ of sales of green charcoal and bi-product (char & vinegar)
<b>Part V. Policy and Regulatory frameworks</b>		<b>Notes</b>
<b>6. For those projects that have identified addressing policy, legislation, regulations, and their implementation as project objectives, Please complete these tables for each sector that is a primary or a secondary focus of the project. Please answer (1 for YES or 0 for NO) to each statement under the sectors that are a focus of the project.</b>		
<i>Biodiversity considerations are mentioned in sector policy</i>		
Forestry	1	Yes = 1, No = 0
<i>Biodiversity considerations are mentioned in sector policy through specific legislation</i>		
Forestry	1	Yes = 1, No = 0
<i>Regulations are in place to implement the legislation</i>		
Forestry	1	Yes = 1, No = 0
<i>The regulations are under implementation</i>		
Forestry	1	Yes = 1, No = 0
<i>The implementation of regulations is enforced</i>		

Forestry	1	Yes = 1, No = 0
<i>Enforcement of regulations is monitored</i>		
Forestry	1	Yes = 1, No = 0
<b>7. Within the scope and objectives of the project, has the private sector undertaken voluntary measures to incorporate biodiversity considerations in production? If yes, please provide brief explanation and specifically mention the sectors involved. An example of this could be a mining company minimizing the impacts on biodiversity by using low-impact exploration techniques and by developing plans for restoration of biodiversity after exploration as part of the site management plan.</b>		
N/A		
<b>Part VI. Tracking Tool for Invasive Alien Species Projects in GEF 4 and GEF 5</b>		
N/A		