



**Royal Government of Cambodia
National Committee for the Management
of Decentralization & Deconcentration Reform**

COMMUNE/SANGKAT FUND PROJECT IMPLEMENTATION MANUAL

January, 2009

**Decision
on
Promulgating of the Second Revision of the C/S
Fund Project Implementation Manual**

**The National Committee for the Management of
Decentralization & Deconcentration Reform**

- Having seen the Constitution of the Kingdom of Cambodia;
- Having seen the Royal Decree 0908/1055 dated 25 September 2008 on the appointment of the Royal Government of Cambodia;
- Having seen the Royal Kram No. 02/94 dated 20 July 1994, promulgating the law on the Organization and Functioning of the Council of Minister;
- Having seen the Royal Kram No. 0196/05 dated 24 January 1996, promulgating the law on the establishment of the Ministry of Interior;
- Having seen the Royal Kram No. 0301/05 dated 19 March 2001 promulgating the Law on the Administration and Management of Commune/Sangkat;
- Having seen the Royal Decree No. 0806/355 dated 18 August 2006 on the Establishment of the National Committee for the Management of Decentralization & Deconcentration Reform;
- Having seen the Sub-Decree No. 94 dated 20 September 2006 on the Establishment of working group of the NCDD;
- Having seen the Sub-Decree No. 16 dated 25 February 2002 on the Establishment of the C/S Fund;
- Having seen the Sub-Decree No. 26 dated 02 April 2002 on the C/S Financial Management System;
- Having seen the Inter-Ministries Prakas No. 2423 dated 03 July 2007 on the formulation of the C/S Development Plan;
- Having seen the Guideline No. 881 MEF dated 29 April 2005 on the C/S procurement tasks;

Hereby Decides

Article 1

To promulgate “The Second Revision of C/S Fund Project Implementation Manual” for implementing the Commune/Sangkat Fund Projects.

Article 2

The C/S Councils and involved officials in the process of implementing development projects shall comply with guidelines and procedures defined in this Manual.

Article 3

This Decision is effective from the date of its signature.

Phnom Penh, 14 January 2009

**National Committee for the Management of
Decentralization & Deconcentration Reform
Chairman**

Signature and Seal

Sar Kheng

Copy to:

- Members of NCDD Ministries and Institutions
 "For information"
- NCDD Secretariat
- NCDD Program Support Team
- PRDC of all Provinces/Municipalities
 "For implementation"
- Document and Chronicle

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Part 1

OVERVIEW

Part 1 OVERVIEW

1.1. What is this Manual about?

This Manual describes the guidelines and procedures that Commune/Sangkat (C/S) Councils must follow when they implement development projects using the Development Component of the C/S Fund.

For projects funded by other sources of revenue than the C/S Fund, but where the project owner is the C/S Council, these guidelines may also be applied.

1.2. What does the Project Implementation Manual Describe?

The Project Implementation Manual describes the correct procedures to be followed for projects implemented using the capital expenditures budget line of the Local Development Component of the C/S Fund.

The Manual does **not** describe the procedures for spending the Administration Component of the Fund.

The Manual describes all the stages of C/S Fund development project implementation that includes project preparation, procurement, project implementation and project monitoring and evaluation. The Manual does **not** describe the process of C/S Development Planning Process and C/S Investment Program. The C/S Development Planning Process and the C/S Investment Program are described in other Manuals.

The Manual is divided into four Sections. Each section is divided into chapters. Standard forms that are described in each chapter are included at the end of the Manual, (**Annex 1**).

Part 1 : Overview

This section provides an overview, the purpose and the contents of the Manual. This section also includes information on what kinds of project are eligible for funding under the C/S Fund guidelines.

Part 2 : Project Preparation and Technical Clearance

This section describes the procedures that must be followed by the C/S Councils from the time of including a project in the draft of the C/S Investment Program up to the time the project receives Technical Clearance. After Technical Clearance, the C/S Chief may begin procurement for contracts to implement the project.

Part 3 : Procurement and Contract Management

This section describes the procedures for procurement of the contract, (preparation of bidding documents, bidding and contract award for works, goods and services), and the procedures for implementing contracts after the contractor, service provider and goods suppliers have been selected. The section also describes the procedures for supervision of contracts and certification of the quality and quantity of work done by the contractor, service provider and goods suppliers.

Part 4 : Monitoring and Evaluation of C/S Fund Projects

This section describes how implementation of C/S Fund projects is monitored and how the results of the projects are evaluated at the Commune, Provincial and National levels.

1.3. Who will use this Manual?

The Manual will be used by everybody concerned with the implementation of C/S development projects. In particular, users will include:

- the C/S chiefs, who are responsible for project implementation in their communes;
- technical staff and consultants who are employed to advise the Communes on project implementation;
- Program staff of National Committee for Decentralization and Deconcentration (NCDD) at Provincial level who provide support to the C/S councils;
- staff at Provincial and Ministry level who are responsible for monitoring and evaluating the projects of the C/S Fund;
- Non-Governmental Organizations (NGOs) and others who want to understand the development work of the C/S Councils;
- Contractors, service providers and goods suppliers who intend to contract C/S Fund projects.

1.4. What is the Manual based upon?

Most of the Manual is based on the laws and guidelines that have been developed by the National Committee to Support Commune/Sangkat (NCSC). The purpose of the Manual will be to bring these guidelines together in one place, where they can be easily read and understood.

The table below shows the most important regulations that have been consulted in preparation of this Manual.

Number	Issued by	Title	Date
NS/RTM/0301/05	King	Royal decree on the promulgating of the Commune/Sangkat Administration Law.	19/03/01
2423 PRK	MoI and MoP	Inter-Ministerial Prakas on C/S Development Planning and C/S Investment Program.	03/07/2007
16 O.N.Kr.B.K	Royal Government	Sub-decree on the Establishment of the Commune/Sangkat Fund	25/02/2002
26 O.N.Kr.B.K	Royal Government	Sub-Decree C/S Financial Management System	02/04/2002
331 MEF. PRK	MEF	Guideline on preparation and implementation of C/S Budget	29/04/2002
937 PRK	MEF	Guidelines on C/S Procurement	31/12/2002
172 MEF.PRK	MEF	Prakas on Amendment of C/S Procurement Guidelines	28/03/2003
881 MEF.PRK	MEF	Prakas on Amendment of C/S Accounting Forms, Budget Classification and Chart of Account	27/10/2003
231 MEF.PRK	MEF	Prakas on Amendment of C/S Procurement Guidelines	29/04/05

1.5. Dissemination of this Manual

All C/S Councils must have a copy of this Project Implementation Manual available at the C/S Office. Anybody who needs to see the guidelines in this Manual should be able to read them at the C/S Office.

Provincial/Municipal Local Administration Units (P/MLAU) are responsible to ensure that this Project Implementation Manual and all other guidelines and regulations about implementation of C/S Fund projects, are distributed to all of the C/S Council offices.

1.6. What is the Commune /Sangkat Fund?

The C/S Fund is a Fund, which transfers money from the Royal Cambodian Government to the C/S Councils. The Fund includes both tax revenues and development partner contributions. The Fund includes a “**General Administration**” component for administration of the C/S Council and a “**Local Development**” component for local development expenditures.

1.6.1. The General Administration Component

The General Administration Component is for recurrent and investment expenditures incurred by the C/S Councils in the performance of their general administrative duties. They may cover the costs of:

- Allowances to Councilors;
- Salaries of local staff and other personnel expenses;
- Purchase or rental of Council’s premises;
- Furniture and office equipment for the Council’s or administration’s facilities;
- Repair and maintenance of administrative facilities;
- Utility charges;
- Purchase or rental of vehicles;
- Fuel, lubricants and vehicles maintenance;
- Other consumables and miscellaneous items.

1.6.2. The Local Development Component

The Local Development Component is for recurrent and investment expenditures incurred by the C/S Council for the development of local infrastructure, (with the exception of administrative facilities), and the delivery of local economic and social, (but not administrative), services.

The C/S Council can use a share of their Local Development Allocation to cover the following expenditures:

- The survey, design, construction, repair and maintenance of roads, bridges, markets, educational and health care facilities, community centers, irrigation networks and structures, agricultural storage facilities, water and power supply and other economic and social infrastructure. These costs are appropriated under the **budget line 68: Local Development Investment**.
- Local infrastructure costs including maintenance and minor repairs, and any other costs that are necessary for the operation of local infrastructure and the delivery of related services. These costs are appropriated under the **budget line 62: Local Services Costs**.
- Costs of the preparation and updating of the Commune/Sangkat development and investment plan and such as the collection of socio-economic data, popular consultations, reproduction and dissemination of the development and investment plan documents. These costs are appropriated under the **budget line 61: Administration Cost**.
- Costs relating to supporting community development programs managed by local NGOs and community-based organizations, such as local education and information campaigns for women and youth, environmental protection and natural resources management and other programs impacting on the welfare of local population. These costs are appropriated under the **budget line 64: Social Intervention**.

Note: For a service project that includes various activities or outputs that link and support each other to achieve a project objective: these costs are appropriated under the **budget line 64: Local Development Investment**.

1.7. C/S Fund Projects

1.7.1. Project and Output

A project is a group of outputs that go together to achieve just one objective. An output is something produced by the project, that we can count or measure. A project can be for:

- Different outputs in the same location (for example, a dam, a water gate and a canal that make an irrigation project);
- Similar outputs in different locations (for example, wells in 5 villages).

Projects to be implemented using the C/S Fund Local Development Component shall be included in the C/S Investment Program. Funds that are allocated to these projects shall be included in the C/S Annual Budget.

A project must have:

- A **name**. It is very important to give a project a name that distinguishes it clearly from all other projects.
- A project **type**: e.g. "Rural water supplies;" "Rural Transport."
- A **time frame and a budget** – from the C/S Investment Program.
- At least one **location**. Usually the location will be a village, or more than one village.
- At least one **output**.

An output has:

- An output **type**;
- A **location**. For Commune/Sangkat projects, an output is defined as being located in one village. If the project has the same activity in two villages, we count two outputs.
- A **unit of measurement**.
- A **quantity**.

Note that:

- In general, projects can only have one project type. If one output in the C/S Investment Program is a laterite road, and another output is pump wells, the outputs must be put into two different projects: i.e. a Rural Road Project and a Rural Water Supplies Project.
- For some service projects there may be more than one type of activities which are included in the project. To achieve the main objective of the project, service projects can include services, goods and/or small scale construction.
- Different outputs that go together to achieve the same objective should be put together in one project. For example:
 - Construction of culverts and a bridge and the placement of laterite on one road should be put together in one project.
 - A small-scale integrated farming system project that includes outputs (i) **services** - farmers received trainings, (ii) **small scale civil works** such as the construction of fish ponds, compost hut and animal houses; (iii) **goods** such as seeds, fingerlings, animals and materials supplied to the farmers for construction. These outputs are put into one project because these outputs put together can achieve the objective of the project, i.e. a small-scale integrated farming system project with the objective of increasing people's livelihoods.

Examples of projects and outputs:

Project Type	Outputs
Rural Transport	8 Culverts, 1 bridge and 5 km of laterite on one line of road through 3 villages. – Culverts at 2 places, 1 bridge and laterite road 2 km in Village “A” – Culverts at 4 places and laterite road 2 km in Village “B” – Culverts at 2 places and laterite road 1 km in Village “C”
Rural Water Supplies	8 Ring wells in 3 villages and 12 pump wells in 4 villages.
Education	Two classrooms, furniture for 2 rooms, 1 well and 2 latrine rooms at one school.
Adult Education	Literacy classes in 3 villages
Community Fishery	Formulate structure and statutes of a community fishery group, mapping of community, community boundaries set by 300 concrete poles, community registration and agreement, community development planning (e.g. Flooded forest protection, Fishery development, Eco-tourism, etc.)

Please note that!

- Administrative activities of the Council are **not** projects;
- Operation or maintenance of the output of a C/S investment project is not a new project, it is a continuing activity of the investment project;
- Operation or maintenance of infrastructure that is not an output of a C/S investment project should be treated as a “project” in the first year. However, the next year the operation and maintenance is a continuation of the same project, not a new project;
- Services should be treated as a new project in the first year that they are implemented. Continuation of the same services with the same beneficiaries in subsequent years should be regarded as a continuation of the same project, not as a new project;
- The time for implementation of a project can be more than one year. If the project is too big for the Commune to implement it in one year, the Council can decide to implement part of the project each year for two or three years.

1.7.2. Definition of a Local Infrastructure Project

Local infrastructure means a durable physical asset that is fixed in one place and generally it can be used by all the people in the local area.

The “local area” can mean the whole commune, (for example, a road project), or a part of one village, (for example, a well), but it cannot mean just one house. The parts of the infrastructure that are used by just one house, (for example, the wire connecting one house to the electricity system), should be paid for by the house owner.

Examples of local infrastructure are:

- Roads that provide access from the villages in the Commune or Sangkat to local services, (markets, schools, health centers, etc.), or roads that link the villages, or that lead to the District or Provincial centre, and bridges, culverts and other structures on these roads;
- Water supplies such as wells, ponds, reservoirs, or piped water schemes, for houses in the local area;
- The public parts of sanitation and drainage systems;
- Irrigation systems, except for mobile pumps;

- Electricity generation and distribution systems for the houses in the commune;
- Market buildings or market places;
- School buildings;
- Health centers;
- Community buildings meaning any type of building used to provide public or community services and not used for political or religious purposes, or for Council administration or as a private dwelling;
- Water supplies and sanitation at public buildings such as markets, schools, health centers, etc.;
- Construction for waste disposal, (for example, an incinerator at the market);
- Construction used to support schemes for environmental protection and natural resource management;
- Other types of building or structures can also use C/S Fund development component.

Examples of local infrastructure projects that cannot be included:

- Buildings or other structures used for local administration by the Council, or by the police and other security forces;
- Buildings or other structures used mainly by political parties.

Many infrastructure projects are for the repair of existing infrastructure, instead of building new infrastructure. Some kinds of infrastructure repair projects should be considered as capital expenditure.

The following types of infrastructure project are capital expenditure projects:

- New construction or repairs that will not need to be done again for at least 5 years. This includes periodic maintenance of roads;
- Emergency repairs, for example when damage is caused by flooding.

1.7.3. Definition of a Service Project

A Service Project is an activity or set of activities that are linked and support each other to achieve an objective of the project. Examples include: human resources development, income generation activities, provision of materials equipment and goods, provision of seeds, community formation and small-scale construction, etc.

For example: for a small-scale integrated farming system project the objective of the project is to increase the people's livelihoods. Various activities for this project could be:

- Formation of group and group statutes;
- Training;
- Digging or repairing a fish pond;
- Building a compost hut;
- Building an animal house;
- Provided seeds, fingerlings, animals and materials for construction;
- Monitoring and follow up.

1.7.4. Outline of Project Implementation

- **The project preparation** includes project studies, detailed project design and technical clearance;
- The next stage after Project Preparation is called **Procurement**. This means hiring a contractor to implement works contracts, or choosing a service provider for services, or choosing goods suppliers to implement works contracts or choosing

- For investment projects, the next stage will be **contract implementation**. The C/S chief will be responsible for contract management, with the assistance of a technical supervisor and project management committee;
- The last stage is **Operation and Maintenance**. For some types of project the C/S Council will hand over operation and maintenance responsibilities to a user group. However, for other projects, and most importantly for roads, the C/S Council will continue to be responsible for maintenance of the project output and must pay maintenance costs from the C/S budget.

There are three main ways in which project outputs can be implemented:

- **Works Contracts.** These are contracts between the C/S Council and a private contractor, to do construction or maintenance work. Example: a school construction contract.
- **Service Contracts.** These are contracts between the C/S Council and a service provider who will perform a particular service. Examples: literacy classes, small-scale-scale integrated farming system.
- **Purchase Orders.** The C/S Council uses a Purchase Order to buy equipment. Example: a water pump.

1.7.5. Contract

- A contract is identified in the C/S Annual Budget;
- A contract has a contract code number;
- A contract is normally planned to be implemented in only one year;
- A contract can include:
 - All the outputs from one project;
 - Some of the outputs from one project;
 - Outputs from more than one project of the same type.
- A contract can **NOT** include outputs from more than one project if the projects are different types.

Example: Khum Thmei has four projects.

Name of Project	Type of Project	Outputs
Tbong Road Project	Rural Transport	5 culverts and laterite supply, placement and compaction on a road in Phum Tbong.
Kandal to Cheung Road Project	Rural Transport	1 bridge and laterite on a road from Phum Kandal to Phum Cheung.
Khum Thmei Water Project	Rural Water Supplies	Ring wells in 6 villages.
Small-scale integrated farming system project	Agriculture	20 families of farmer in 5 villages apply integrated farming techniques.

The Technical Assistant advises the council to make a separate contract for the laterite supply, placement and compaction. This is because there are many contractors who can make ring wells, culverts and bridges, but only a small number of contractors who have equipment for laterite digging, transportation, placing and compaction.

The wells must be a in a different contract from the road activities, because the wells are a different project type (Rural Water Supplies).

Therefore, the Council decides there will be four contracts:

- Contract 1: Culverts in Phum Tbong and Bridge on Kandal-Cheung Road.
- Contract 2: Laterite in Tbong, Kandal and Cheung
- Contract 3: Ring wells
- Contract 4: Small-scale integrated farming system.

However, if two different contractors are implementing contracts in the same place at the same time this may cause conflict between the contractors. In this example, one contractor is building culverts on a road and another contractor is trying to spread laterite. The culvert construction obstructs the laterite contractor's machines. To prevent this problem, the Commune Council should plan the implementation so that the culvert construction is completed before the laterite spreading starts.

If there are only one or two culverts on the road to be covered in laterite, it will be better to put the laterite and the culverts together in one contract so that just one contractor will implement both.

For service contracts, Communes and Sangkats could prepare their contracts following individual activities or outputs or contracts in a package. (It means to include all activities or outputs in a contract). If Communes and Sangkats prepare their contracts in individual activities or outputs they must prepare a precise work plan and ensure that each activity or output is completed in sequence, otherwise such contracts may be difficult to manage and may end up in failure.

For example: a small-scale integrated farming system project that includes (i) trainings, monitoring and technical support, (ii) the provision of materials and (iii) the construction of a fish pond. The Commune/Sangkat could prepare a contract in a package for a small-scale integrated farming system project with a single contractor/organization. But the Communes/Sangkat can also prepare separate contracts such as:

- A service contract for training and monitoring with a service supplier;
- A goods supply contract for materials with a supplier, or
- A civil works contractor for small scale construction with a contractor.

1.8. Technical Clearance

Before the Commune/Sangkat Council can start to implement the project, information about the project design must be sent to the P/MLAU. P/MLAU will send information to the technical department for the sector (for example, the Department of Water Resources for an irrigation project) for technical clearance.

- The technical department will have the right to object to project designs that do not meet the correct technical standards.
- For some projects P/MLAU will ask for an environmental analysis to be carried out as part of the technical clearance process.
- For some projects P/MLAU will ask for a land study report as part of the technical clearance process.
- For some projects P/MLAU will ask for a report on special steps in connection with the involvement of Highland People

1.9. Technical Assistance

The C/S Council will need technical assistance at three stages of the project:

1. Technical assistance on project preparation and design;
2. Technical assistance on the procurement process;
3. Technical assistance on contract supervision.

In this Manual, the person who provides technical advice on project preparation and on the procurement process is called the **Technical Assistant**. The person who provides advice on contract supervision is called the **Technical Supervisor**. The Technical Assistant and Technical Supervisor are appointed by the C/S Chief. Technical Assistants are persons from different institutions such as Government officials, NGO staff and engineers from the private sector, etc. They may be appointed by the Commune/Sangkat chief to act as a Technical Assistant or as a Technical Supervisor.

A). The Technical Assistant

Technical Assistants are responsible to assist Commune and Sangkat chiefs in project preparation and the procurement process.

Technical Support Officials (TSO) and Provincial Facilitation Team/District Facilitation Team, (PFT/DFT), may be requested by the C/S Chief to provide technical assistance in project preparation and procurement. The Technical Support Official (TSO) and PFT/DFT play the role as the Technical Assistant. In this case, Commune/Sangkat Council does not pay for the services of the TSO and PFT/DFT.

B). The Technical Supervisor

The Technical Supervisor is named in the contract between the C/S Council and the Contractor. The Technical Supervisor has a special responsibility to supervise implementation of the contract and to certify the quantity and quality of work done by the contractor.

When TSO and PFT/DFT are requested by C/S Chief to provide contract technical supervision, TSO and PFT/DFT will play the role of Technical Supervisor. In this case, the Commune/Sangkat Council does not pay for the services of the TSO and PFT/DFT.

1.10. Project Signboards

Project Signboards are erected at the project site to tell people who is the project owner, and who funded the project. Signboards are to be installed at the project site within **15 days** of the contract starting date.

All capital investments that result in a fixed output, (Infrastructure, Fish pond, Community forestry, Eco-tourism, etc.), must have project signboards.

Projects that only have routine maintenance activities or service projects do **not** need project signboards.

For C/S projects, the project signboards have an important function. The C/S Council was chosen by the people in the election, and the people participate in the planning process to decide which development activities have the highest priority in their commune. The signboards are a way to let the people know what the C/S Council has done.

Therefore, we can say that the most important purpose of the project signboards is to provide information to the people who live in the C/S.

The information that is provided by the signboard should be:

- The name of Commune/Sangkat;
- The name of the project and the year of implementation;
- The amount of funds from the C/S Fund;
- The amount of funds from local contributions;
- The amount of funds from other sources, if there are any;
- Total amount of the funds.

The recommended layout of the signboard is:

Commune (or Sangkat):	
Name of the Project:	
Year:	
Commune/Sangkat Fund:	..... riels
Beneficiary Contribution:	..... riels
Other funds:	..... riels
Total of Funds:	..... riels

Where to put the signboard?

Signboards should be put in a place where:

- People will be able to see the sign and read it;
- The sign will not be damaged easily (e.g. away from the edge of the road);
- At the project output site.

For some types of output, (for example, a well), the sign can be put on a concrete post in the ground. For other types the sign can be put directly on the output, (for example, a sign can be fixed to the wall of a school).


There is no need to make more signs than are really needed. For example, one sign at the beginning of a road may be enough – there is no need to put a sign next to every culvert. Signboards will be provided by the contractor who constructs the project. Therefore, the contractor must know what signboards will be required before he bids for the contract. Signboards should be prepared at a reasonable cost.

Option: The C/S Council can decide to allow the contractor to put his own name on the signboard. This will give the contractor an incentive to do good quality work, because he will not want his name on a project that becomes broken or is of a bad quality.

1.11. Record Keeping

The C/S Council is responsible to keep all the documents relating to the implementation of a C/S Fund project. Original documents of each project should be kept in project file that is kept in the C/S Office. The file should be kept in the office for at least **five years** after the project is completed. All bidding documents, (including documents for the unsuccessful bids and documents for contracts that are re-bid), must be stored in the C/S office for at least **Five years** after the project is completed.

In this Manual, there are important reminders about documents that must be stored in the

Project file. These reminders are marked .

1.12. Complaints to Provincial/Municipal Accountability Working Group

Any person and any stakeholder has the right to complain to the Provincial/Municipal Accountability Working Group (PAWG) on any issues of irregular use of C/S Funds and any irregularities they observe in the C/S Fund project preparation, project procurement and project implementation by placing a written complaint in the “**Accountability Box**” located near to their house or by making a verbal report, including phone calls, to any one of the

PAWG members. The PAWG member who receives such a phone call shall prepare a written report/minute of the complaint. The complaints and the minutes are submitted to the PAWG meeting for discussion and resolution.

The procedures for solving the irregular issues and complaints will follow the procedures described in the Guidelines on the Establishment of the PAWG and the Procedures described in the NCDD guidelines.

Part 2
PROJECT PREPARATION AND
TECHNICAL CLEARANCE

Part 2

PROJECT PREPARATION AND TECHNICAL CLEARANCE

2.1. Roles and Responsibilities in Project Preparation

2.1.1. The Commune/Sangkat Council (C/S Council)

The C/S Council is the decision making body. The C/S Council will meet to make the following decisions:

- Approving the C/S Development Plan and any amendments to the C/S Development Plan;
- Approving the C/S Investment Program and any amendments to the C/S Investment Program;
- Approving the draft Budget and any amendments to C/S budget plan;
- Monitoring the process of project preparation;
- Setting up mechanisms to ensure the greatest possible participation of the community in preparation and implementation of projects.

2.1.2. The Planning and Budgeting Committee (PBC)

The Planning and Budgeting Committee is an advisory committee, which helps the C/S Chief to draft the Development Plan, the Investment Program and the Budget in order to submit to C/S councilor for approval. In project preparation, the Planning and Budgeting Committee will help the C/S Chief to collect local contribution.

2.1.3. The C/S Chief

The C/S Chief is responsible for implementing the projects identified in the Development Plan, the Investment Program, and the Budget.

- At the Project Preparation stage, the C/S Chief will be responsible to manage the project studies and to coordinate the work of all the people who have a role in preparing the project.
- When project studies are completed, the C/S Chief will send information about the project and all relevant documents to the P/MLAU for comments.

2.1.4. The Project Management Committee

For every C/S project, the C/S Chief must establish a Project Management Committee (PMC), by the C/S decision. The role of the Project Management Committee is to help and advise the C/S Chief and to participate in project preparation.

The C/S Chief can invite field staff from development agencies or local organization representatives to be observers at the PMC meetings who are involved with projects such as a school building project, a health post building project, public infrastructure or service projects.

The members of the Project Management Committee are:

- The C/S Chief;
- The member of C/S Procurement Committee;
- One beneficiary from each village that has a project output located in their village. If there is a community group that will become the owner of the project output, the village representative should come from the user group.

In the case of a school, health post, or other public infrastructure that will eventually be handed over to another government agency, (Department of Health, Department of Education), a local staff member from that agency may be invited to join meetings of the PMC as observers.

Technical Assistant and DFT will attend meetings of the Project Management Committee as observers.

During Project Preparation, the Project Management Committee will hold meetings to:

- Organize roles and responsibilities for project preparation;
- Agree the project design.

Minutes of these meetings should be reported to the C/S Council.

In addition to these meetings, the members of the PMC will have important individual roles to perform as representatives of the C/S Chief.

2.1.5. Responsibility for Operation and Maintenance

Capital investment projects produce outputs that need to be operated and maintained. If responsibility for operation and maintenance is not clear, the project is not sustainable. Therefore, for every project, responsibility for operation and maintenance of the project output must be clearly identified.

A). C/S Council

For some types of project the C/S Council will be directly responsible for operation and maintenance of the project output and the costs of operation and maintenance will be paid from the C/S Budget. In general, these projects will be:

- Public infrastructure projects, that benefit the whole community;
- Service projects, that benefit the whole community;
- For any other projects where no government agency is responsible.

B). Government Agency

For some types of project, another government agency will be responsible for operation and maintenance. For example, the Department of Education will be responsible to pay teacher salaries, pay for teaching material costs and pay for building maintenance for a school, and the Department of Health will be responsible to operate health posts. In this case, the role of the C/S Council is only to fund the investment. The C/S Council must agree clearly with the other agency about responsibilities for operation and maintenance costs.

C). User Group

For some types of project, the owner of the project output will be a user group, (for example, a Farmer Water User Community for an irrigation scheme, or a Water and Sanitation User Group for a well). The C/S must form the User Group, before the project is implemented or started or before sending project information to P/M LAU.

In the project preparation process, User Groups perform activities such as:

- Data collection for design projects;
- Identify project locations (For example: locations of wells);
- Collect local contributions.

2.1.6. The Community and the Project Beneficiaries

The Community means a group of people living together in one place, relating to each other and having a common interest or benefit.

The term "direct project beneficiaries" means those people who will directly use the project output, and their families.

For example:

- The direct beneficiaries of a well are all the people in the households that use the well, not just the people who go to the well to collect the water.
- The direct beneficiaries of a school are only the students that learn in that school, not the families that send children to the school.
- The direct beneficiaries of training are all the people that attended the training (trainees).

The direct beneficiaries and communities should participate as much as possible in choosing the design for the projects and in monitoring the implementation of the projects.

2.1.7. The Technical Support Unit

For most projects the Technical Support Unit (TSU) will assign Technical Support Officials (TSO) to perform the role of Technical Assistant to the C/S Chief in project preparation. The tasks of the Technical Assistant are to:

- Project Safeguards screening for environmental impact analysis, land survey, and highland people;
- Prepare work plan for project study;
- Carry out project studies;
- Assist Commune/Sangkat on land studies, environmental analysis, as well as prepare the report on highland people's safeguards measures;
- Prepare project designs;
- Estimate project costs;
- Complete the Technical Information sections of the Project Information Form;
- Together with the C/S Chief, the Technical Assistant will sign the Project Information Form. He or she must state on the form that the technical design of the project is correct.

2.1.8. The Provincial/ Municipal of Local Administration Unit (P/M LAU)

For service projects, P/M LAU will assign PFT/DFT to perform the role of Technical Assistant to assist Commune and Sangkat in project preparation as requested from the C/S Chief.

P/M LAU will receive the Project Information Form and related documents from the C/S Chief. P/M LAU will check that:

- The C/S Chief has supplied all the necessary information;
- The project is consistent with the Commune Development Plan;
- The project does not conflict with criteria for using the C/S Fund;
- The project does not conflict with any other law or regulation.

After checking, P/M LAU will then send a copy of the Project Information Form and related documents to the Line Department responsible for the sector, for Technical Clearance.

P/M LAU must make sure that when entering project information into the Project Implementation Database (PID) it is done following the Guidelines on entering project information into the PID of the NCDD.

For some types of project that could cause an environmental impact and/or require taking of land or assets that are currently being used for private purposes and/or cause an impact to highland people, the P/MLAU will arrange to carry out the Environmental Analysis, and/or the Voluntary Land Contribution Report or the Land Acquisition Report and/or safeguard measures on highland people.

PFT's and DFT's provide capacity building and support to the C/S Chief, in carrying out project preparation.

The roles of the DFT's and PFT's are only to advise the C/S Chief, they should not carry out project preparation activities by themselves.

The DFT's and PFT's, (or other Provincial staff), must not be involved in any activities to do with collecting local contributions to project costs at all.

2.1.9. Technical Line Departments

A). Assistance in Project Preparation

For some types of project, the technical line department responsible for the sector should be asked to assist in preparation of the project. Types of assistance that the Department may provide include:

- Technical advice on the design of the project, if TSO or PFT/DFT do not have the capability to provide technical assistance in project preparation, the PRDC/ExCom will request the relevant technical departments to assist the Commune and Sangkat. For example, project preparation for an irrigation project may require technical skills that the Technical Support Official does not have. The Technical Support Unit should ask PRDC/ExCom to request the Provincial Department of Water Resources to assist.
- Agreement on arrangements for operation and maintenance of the project output. This is particularly important for project types where a Department will be responsible for some of the operation costs. For example, the Council should not proceed with a school construction project, unless the Education Department has agreed to provide teachers and support.

The C/S Chief should discuss with the line department about the technical matters related to C/S project preparation with support from the Technical Support Official and PFT/DFT.

B). Technical Clearance

Technical Line Departments will be responsible for Technical Clearance of all C/S development projects related to their sector. For some cases, a project could require Technical Clearance from one or more than one Technical Departments, for example a service project or a project that has overlapping sectors from several responsible departments.

2.1.10. Executive Committee (ExCom) of PRDC

The role of ExCom is to support Communes and Sangkats. ExCom does not have any direct role in preparation and approval of C/S projects.

2.1.11. Working Group of NCDD Secretariat

The Safeguards Working Group of the NCDD Secretariat is a mechanism that is established for checking and providing comments on:

- the process of impact analysis on environment and highland peoples
- the reports of environmental analysis and highland peoples Safeguards measures.

The Safeguards Working Group of the NCDD Secretariat will prepare an **Environment Watch-List**, (a list of communes located in areas which are environmentally sensitive) and **Highland People Watch-List** (where more than 5% of the people are Highland People), and submit to NCDD for approval. The NCDD would provide a copy of these lists to concerned Provinces/Municipalities and post on the NCDD website. When receiving these lists, Province/Municipality must provide these lists to all concerned Communes and Sangkats, LAU and TSU.

The Safeguards Working Group of NCDD must update the Environmental Watch-List and Highland People Watch-List.

The Environmental Watch-List will be updated against the criteria as below:

- The whole or half of commune/Sangkats territory are covered by natural forest.
- Landscape type – 10% or more of the area of the commune is covered by natural or semi-natural forest or wetland.
- Nationally or provincially designated protected areas – the commune contains a protected area, protected forest, re-growing forest or community forest, marine or fisheries reserve, or an archeological reserve.
- Biodiversity areas – Commune contains areas that are known to support endangered wildlife species or threatened habitat types (as declared by the Ministry of Environment).
- Any other commune where a previous C/S Fund project has been documented as resulting in major negative impacts upon the environment.
- Communes where Highland people represent more than 5% of the total commune population.

For all communes on the Environment Watch-List, the Safeguards Working Group of NCDD Secretariat will:

- review the screening of all projects located in these communes to confirm the potential for environmental impacts of those projects; and
- Check the project sites, advise on environmental analyses, and check environmental analysis reports and environment management plans for projects with potentials environmental impacts (especially all road projects, new irrigation system projects, new canals, new dams, new water reservoirs or new water ways) prior to submit the project to line-departments for technical clearance.

For all communes on the Highland People Watch-List, the Safeguards Working Group of NCDD Secretariat will:

- review the screening of all projects located in these communes to determine the potential impact on Highland People of those projects; and
- Check whether the report on Safeguards measures for Highland People have been properly prepared.

Safeguards Working Group of NCDD will conduct annual study and evaluation on land impact that caused by C/S fund project implementation.

2.2. C/S Fund Project Preparation

Project preparation is made after the project is included in the C/S Investment Program and before the start of the bidding process. Project Preparation is a study and collection of all needed information for preparing project design.

Project preparation includes:

- Project Safeguards screening for environmental impact analysis, land survey, and highland people;

- Formation of a Project Management Committee;
- Formation of Users Group;
- Preparing a work plan for the project study;
- Preparing a project map;
- Study and collection of general information and technical information;
- Study and analysis of environmental impact;
- Land study (Voluntary Land Contribution Report and/or Land Acquisition Report);
- Safeguards measures in connection with Highland People;
- Preparing project design;
- Cost estimation;
- Making an operation and maintenance plan;
- Preparing an output form and project estimate cost;
- Project design approval;
- Project information checking by P/MLAU;
- Technical clearance.

2.2.1. Project Safeguards Screening

The Technical Assistant must check all C/S projects to identify all projects that require an environmental analysis, land study and highland people.

The projects that require environmental impact analysis are:

- The project that when it is implemented could cause damage or have a negative impact on the environment or cultural sites;
- The project that when it is implemented could cause damage or have a negative impact to water sources used for community water supplies;
- New road projects;
- Projects which widen an existing road by more than 25% in width;
- New dams, canals and basin projects (e.g. new irrigation systems);
- New man-made canals for waterways and/or water supplies.

Note: In Environment Watch-List communes, all project types, whether or not in the list above, require special screening for potential environmental impacts. For those projects screened as having potential for environmental impacts (especially all road projects and those project types in the above list) the Safeguards Working Group of NCDD will assign its focal points to check the project site, advice on the process for carrying out the environmental analysis and planning for environmental management.

In addition, P/MLAU must send by e-mail the Environment Analysis Report and Environmental Management Plan, (if required), in electronic copy to the Safeguards Working Group of NCDD Secretariat for prior checking before submitting these reports to the Provincial Department of Environmental for technical clearance.

If the checks find that the Environment Analysis Report and EMP have some mistakes that need to be corrected or there is missing information that needs to be added, the Safeguards Working Group of NCDD Secretariat must inform the provincial responsible officials by e-mail within **10 working days**. P/M LAU shall not send project information to the Technical Line Departments unless P/M LAU received approval from the Safeguards Working Group on NCDD Secretariat.

Projects that require a land study are as follows:

- Small areas of private land and assets where the affected users of the assets and land have agreed to give their land and other assets as a voluntary contribution to the project. No individual or family will lose more than **5%** of their land, or other assets worth more than **400,000 Riels**. For this type of project, the Commune Chief should prepare a report showing that the land users have been fully informed about the project, and about their right to refuse to give their land and other assets without compensation. This report is called the “**Voluntary Land Contribution Report**”.
- For instance in which persons do not agree to give less than 5% of their land, or less than 400,000 Riels in other assets, without compensation, or instances in which one or more persons would lose more than 5% of their land or assets worth more than **400,000 Riels**. For this type of projects a **Land Acquisition Report** is required.

Projects requiring residential or commercial structures to be removed or demolished on land being used for private purposes (whether it is public or private land) are not eligible for financing from the C/S Fund.

Projects that require a report on HP measures are the projects located in villages on the Highland People Watch-List.

Form 1

Safeguards Screening Environmental Analysis, Land Study and Highland People for C/S Fund Projects

Province / Municipality	District/Khan	Commune /Sangkat
Name of Project :		
Does the project need environmental analysis (EA)?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If not, reason why?.....		
.....		
Does the project need land study?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If not, reason why?.....		
.....		
Does the project need Report on Safeguard Measures in connection with highland people?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If not, reason why?.....		
.....		
.....		

Date.....

C/S Chief

Date.....

Technical Assistant

2.2.2. Formation of a Project Management Committee

For every C/S project, the C/S Chief must establish a Project Management Committee by C/S decision. In the project preparation process, the role of the Project Management Committee is to help and advise the C/S Chief and participate in project preparation. The members of the Project Management Committee are:

- The C/S Chief;
- The member of C/S Procurement Committee;
- One beneficiary from each village that has a project output located in their village. If there is a community group that will become the owner of the project output, the village representative should come from the user group.

2.2.3. Formulation of User Group

All C/S projects must have a user group responsible to use and maintain the project outputs. For some of projects, the user group will be formed by a line department. For projects that have not formed a user group yet, C/S must form user group in the beginning stage of the project preparation.

2.2.4. Preparation of Workplan for Project Study

After the C/S Investment Plan (CIP) is approved, the C/S Chief should discuss the projects in the CIP with the Technical Assistant to prepare a work plan for the project study (Form 2). The work plan should be updated every year after the CIP is approved.

The work plan should be for all the projects that are in the CIP and that are planned to be funded from:

- C/S Fund and
- Other resources in the C/S annual budget plan.

If there is any lack of clarity about which projects need to be included, the Technical Assistant must discuss and agree with the C/S Chief. It is very important to understand that:

- The Technical Assistant must carry out project studies according to this work plan, based on the CIP. He must not wait for the C/S Budget to be approved before he starts the project studies;
- All Technical Assistants must have a work plan for one year for each C/S showing that the work plan has been prepared and then showing progress against the work plan. The TSO's preparation of the work plan and the progress against the plan are important parts of the performance evaluation of the TSO.

For every project the work plan must show:

- Proposed outputs of the project;
- What study activities are required?
- Is there a need for assistance from somebody with special technical knowledge, for example from a line department?
- Is the project likely to need an Environmental Analysis?
- Is the project likely to need a Land Study Report?
- Is the project likely to need a Report on Safeguards Measures for Highland Peoples?
- How many workdays will be needed to complete the studies?
- What is the planned completion date for the studies?
- Any other comments.

The Technical Assistant and the C/S Chief should sign the plan. The C/S Chief should keep one copy of the plan.



The work plan should be kept in a project file at the C/S Office.

REMEMBER: The Technical Assistant does not do the project study by himself. The C/S Chief is responsible to make sure that there are project beneficiaries available to help the Technical Assistant do the project study.

For some projects, the time for project studies will be very short. For example, if the project is to construct a new classroom at an existing school, the project studies may be completed in just one or two days. However, if the project is to construct a new irrigation scheme, the project studies and project preparation time may be more than one year.

- The Technical Assistant may do project study activities at any time of year, depending on what is appropriate and when he has time available.
- The Technical Assistant should make a complete study for the **whole** project and should not do the project study only according to the available budget.
- If a project has activities in more than one year, there is no need to do the Project Preparation two times or more.
- Operation and maintenance of the outputs of old projects does not need project preparation.
- C/S service projects only need project preparation for the first year. After that, the service is a continuation of the old project, not a new project.

Form 2

Work plan for Project Studies Year.....

Province: <i>Kandal</i>	District: <i>Kandal Steung</i>	Commune: <i>Bakou</i>	Technical Assistant Name: <i>Muok Seila</i>	Date: <i>02/01/08</i>
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Project Name	Proposed Outputs	Study activities required	Needs EA?	Need Land study?	Needs HP SGM?	Workdays	Planned completion date	Comments
<i>Khum Chhngay Road Project.</i>	<i>Laterinte Road 1 concrete bridge Culvert 4 places</i>	<i>Road condition Flood depth Survey places for Culvert</i>	<i>No</i>	<i>Yes</i>	<i>No</i>	<i>4</i>	<i>09/01/08</i>	<i>No HP in Kandal province</i>
<i>Phum Sreov Irrigation Project.</i>	<i>Construct canal 1.5 km 1 Water gate 2 Culverts</i>	<i>Topographic survey Get data from DoW&EAM on water availability in main canal Measure area of fields Survey places for structures</i>	<i>Yes</i>	<i>Yes</i>	<i>No</i>	<i>15</i>	<i>04/07/08</i>	<i>Leave enough time for EA and LAR</i>
<i>Water Supplies in 6 Villages</i>	<i>25 well locations</i>	<i>Study each well location</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>5</i>	<i>14/01/08</i>	<i>Complete studies this year and the can construct some well in 2009 if enough budget.</i>
<i>Community pre-school class in Kantuon village</i>	<i>1 class, 25 students</i>	<i>Survey the number of drop-out children from grade 1, location of state pre-school and the community support to teacher.</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>10</i>	<i>9/01/08</i>	

C/S Chief

Technical Assistant

2.2.5. Project Map

The Project Map should be a map of the C/S showing the location of the outputs of the project, which have received technical clearance and the villages that the project beneficiaries live in. The project map must be imprinted with the PRDC stamp.

Only outputs shown on this project map must be included in the contract for implementing. If the C/S council wants to change the location of project outputs or increase the amount of the project outputs, the C/S Council must apply for technical clearance for the changed and added output locations.

2.2.6. Study and Collect General Information and Technical Information

The Technical Assistant will assist the Project Management Committee to study the technical aspects of the project at the project site in close cooperation with the User Groups and local community organizations to collect important and necessary information for filling in the Project Information Form and Technical Information form.

The general information and technical information will be used to prepare the project design. The technical information for each project may be different according to the type of project. Technical information will be filled in on the Technical Information forms which are in the NCDD Technical Manual for infrastructure projects and the Technical Manual for service projects.

2.2.7. Environmental Impact Assessment

For C/S projects that may cause a negative impact to the environment or cultural sites, a special study will be needed called an **Environmental Analysis**. Provincial focal persons will cooperate with stakeholders to conduct environmental analysis at the project sites or nearby sites that may be affected by the project with the full participation from local people. The detailed procedures for environmental analysis are described in the **Environmental Analysis Guidelines (Section 2.8)**.

It is very important that the C/S Chief and the Technical Assistant think carefully before they answer the questions in the Assessment Forms. Do not just write "No impact" even though there may be a problem. If we do not think about these problems during project preparation, and find a good solution, perhaps somebody will raise the problem after the contractor starts work, and this will make a big headache for everybody.

NOTE: Even though some outputs of the project are funded by C/S Fund and other outputs are funded by other funds, these projects may also need to conduct an environmental impact assessment. For example, a private donor agrees with the C/S Council that he will build a road, and the C/S Council will build culverts. If the road is a new line of road, an environmental impact assessment must be carried out, even though the road itself is not funded by the Council.

2.2.8. Land Study

Some C/S Project will use some land that is used for private purposes (whether it is public or private land). In this case Land users will lose the right to use the land and fixed assets on the land, because of the project. The C/S Council must get the agreement of the Land Owners or Land Users before the project will be implemented.

In relation to land users, there are three kinds of projects which are allowed:

1. Projects that will be built only on public land that is not being used for private purposes. Example: a school building on an existing school site.

2. Projects that will use a little land that is used for private purposes (whether it is public or private land). In such a case, no individual or family will lose more than **5%** of the land their farm, or other assets worth more than **400,000 Riels**. The affected land users have agreed to give their land and other assets as a voluntary contribution to the project. Example: a road project, which will use a little land from the rice fields by the side of the road. For this type of project, the Commune Chief should prepare a report showing: (a) that the land users have been fully informed about the project, and about their right to refuse to give their land and other assets without compensation; (b) a land survey map showing the location and amount of land to be contributed; (c) the amount of land to be contributed, in absolute terms and as a percentage of the persons land holdings, and the amount and value of other assets to be contributed; and (d) a thumb print or signature confirming their voluntary contribution. This report is called **“Voluntary Land Contribution Report”**.
3. Projects that will use a little land that is used for private purposes (whether it is public or private land). Any land user will lose the right to use more than **5%** of the land he/she is using now, or assets worth more than **400,000 Riels**; and projects in which any land user refuses to give his land and other assets without compensation. Example: a school building on a site that is rice fields now. For this type of project, a special report called a **Land Acquisition Report** is needed. If financial compensation for lost land will be given, the **Calculation and Payment of Compensation Form** must be completed.

Any type of projects, those requiring residential or commercial structures on land being used for private purposes (whether it is public or private land) to be removed or demolished, are not allowed and ineligible for financing from the C/S Fund.

Detailed procedures about the Voluntary Land Contribution Report, Land Acquisition Report and Calculation and Payment of Compensation are described in the **Guideline on Land Study Report Preparation (Section 2.9)**.

NOTE: Even though some outputs of the project are funded by C/S Fund and other outputs are funded by other funds, these projects may also need to conduct a land study. For example, a private donor agrees with the C/S Council that he will build a road, and the C/S Council will build culverts. If the road will be constructed on land that is used for other private purposes at present, the C/S Council must prepare a Voluntary Land Contribution Report and assess whether a Land Acquisition Report is needed, even though the road will be built without using C/S funds.

2.2.9. Highland People Safeguards Measures

All C/S Fund Projects within the villages where located in the Watch-List of Highland People (more than 5% Highland People of total concerned village population), the Safeguards Measures for HP have to be applied. The procedure of safeguards measures are as explain in **the section 2.10**.

2.2.10. Project Design Preparation

After information and data collection is completed, the Technical Assistant will assist the C/S to prepare the project design.

For infrastructure projects, the project design will include drawings, specification and a construction site location plan. In general, the construction drawings are described in the NCDD Technical manual for Infrastructure Projects.

For service projects, the project design will include planned activities plan for project implementation, specification and may contain drawings, if needed.

Good project design will provide project outputs that:

- Achieve the objectives;
- Are not expensive for operation;
- Are not difficult to operate and have a low cost for operation and maintenance;
- Will not need large land acquisition;
- Are not harmful to the environment.

The Technical Assistant will prepare the project design but the C/S chief is responsible to approve the project design.

2.2.11. Project Cost Estimate and Detail Project Output Information

After the project design preparation is completed, the Technical Assistant will estimate the project cost based on the cost estimation guidelines. To estimate the project cost, first estimate each of the outputs of the project and then sum all the estimated costs of the outputs into a total for the output project. The total estimated cost of all outputs gives the estimated cost of the project.

After estimating each project output cost the Technical Assistant will help the C/S chief to fill out the form for the project output and project estimated cost. Then the C/S chief will check the form and make a decision about the estimated cost of the project.

2.2.12. Operation and Maintenance Plan

Every project should have an operation and maintenance plan. This plan should show:

a). Operation Tasks

- What operation tasks are will be needed;
- Who will be responsible to organize the operation tasks;
- How the cost of the operation tasks will be paid.

b). Routine Maintenance tasks (once per year or more often)

- What routine maintenance tasks will be needed;
- Who will be responsible to organize the routine maintenance tasks;
- How will the cost of the routine maintenance tasks be paid.

c). Periodic Maintenance Tasks (needed more than once per year)

- What periodic maintenance tasks will be needed;
- Who will be responsible to organize the periodic maintenance tasks;
- How will the cost of the routine periodic maintenance be paid;
- What is the average cost per year of operating and maintaining the project output, (not including costs that will be paid from a Government budget, for example teacher's salaries);
- How much will be the Council's yearly budget for the maintenance.

2.2.13. Check and Approval of Project Design

When the Project Information Form is complete and all the attachments have been prepared, the C/S Chief should call a meeting of the Project Management Committee. The purpose of the meeting is to review the project design and to make sure there is full understanding of the project and the expected impacts. If possible, the meeting should be held in public at the project site.

Remember that the design may be different from the first idea in the C/S Investment Program. Before the C/S Chief signs on the project information form, the key questions below have to be answered:

- If the design has changed, will the project still achieve the original objectives?
- Will the project beneficiaries be satisfied with the results?
- Is there agreement about the estimated cost?
- Are there any problems about land for the project? That is, will the project be located on land which is currently being used for private purposes and/or contains assets that are used for private purposes?
- Will there be any serious environmental impacts?
- Will there be any potential impact on highland people?
- Is the operation and maintenance plan realistic?
- Will the project users be happy to pay the maintenance costs?

It is much better to have agreement on all these points before the C/S Chief signs the form, than to have problems arise later.

When all the problems have been solved, the Technical Advisor signs the form to show that all the information on the form is correct. The C/S Chief signs the Project Information Form to show that he has approved the project information.

2.2.14. Project Information Checking by P/M LAU

The Provincial/Municipality of Local Administration Unit (P/M LAU) will receive the Project Information Form from the C/S Chief. The P/M LAU will check that:

- The C/S Chief has supplied all the necessary information;
- The project is consistent with the C/S Development Plan;
- The project does not conflict with criteria for using the C/S Fund;
- The project does not conflict with any laws or regulations.
- The safeguards screening has been done in accordance with the procedures in the PIM

P/M LAU will sign the Project Information Form, to show that they have checked it and that all the information is complete. **This signature does not mean that the project has received technical clearance.** The line department responsible for the sector must have the opportunity to check the project before technical clearance is completed.

After checking, P/M LAU will then send a copy of the Project Information Form and related documents to the Line Department responsible for the sector, for Technical Clearance.

If the project needs an Environmental Analysis, and this has not already been done, P/M LAU will arrange for an Environmental Analysis. If the environmental analysis indicates either a big or a medium impact the P/M LAU will assign a responsible official to prepare the environmental management plan.

For Communes/Sangkats on the Environment Watch-List, the P/M LAU will ensure that the environmental analysis and environmental management plan has been checked by the Safeguards Working Group of NCDD Secretariat before the P/M LAU sends the project information to the concerned technical department for technical clearance.

If the project needs a Voluntary Land Contribution Report and/or a Land Acquisition Report, and this has not already been done, P/M LAU will arrange for a Voluntary Land Contribution Report or Land Acquisition Report to be prepared according to the guidelines.

All projects in the Highland People Watch-List, the P/M LAU will ensure that the safeguards measures on highland people has been checked by the Safeguards Working Group of NCDD Secretariat before the final approval made by P/M LAU.

P/M LAU should keep a register in a log book to show:

- What date they received the project information;
- What date EA report, EMP were received
- What date VLCR, LAR were received
- What date report on Safeguards Measure on HP was received
- What date the reports were cleared by the Safeguards Working Group of NCDD
- When each of these were passed on to a line department for Technical Clearance;
- When Technical Clearance is received, and

2.2.15. Technical Clearance

P/MLAU will send the Project Information to the relevant Technical Line Departments. The Department will review the Project Information.

The Technical Line Departments have no right to approve a project at all, but only to give Technical Clearance.

The Department should only object to the project if:

- There is a technical problem with the project design, that will cause the project to fail to achieve the project objective;
- There is a conflict between the Commune plan and the sector plan of the Department. For example, if a Commune wants to build a school in Village A, but the Department of Education has a plan to build a school in village B, for children from both villages. If there is a conflict of this kind, the sector must discuss with Commune Councils to solve this problem.

The Line Department has the right to object to the project within **15 calendar days** after they receive the Project Information Form. If the Line Department wants to object, they must inform P/M LAU, and P/M LAU will inform the C/S Chief.

If there is no objection within **15 calendar** days, the project is automatically technically cleared and the Commune Chief may begin the process of procurement.

For a project that requires a land study report (Voluntary Land Contribution Report or Land Acquisition Report) or an Environmental Analysis, this will be considered as an automatic “**objection**” until the land study report or Environmental Analysis Report and Environmental Management Plan, (if needed), have been completed and approved. If the project involves HP this will be considered as an automatic “**objection**” until safeguards measures on highland people report has been completed and approved. The objection will be removed when:

- Environmental Analysis Report has been approved for projects that need an Environmental Analysis;
- Environmental Analysis Report and Environmental Management Plan have been approved for projects that require an Environmental Analysis and Environmental Management plan;
- Voluntary Land Contribution Report has been checked and approved for the project that require a voluntarily land contribution.
- Land Acquisition Report has been approved and compensation arrangements have been implemented for the project that require land acquisition with compensation.
- Safeguards Measures on HP have been checked and approved for the projects that involve highland people.

P/M LAU should notify the C/S Council when the Technical Clearance procedure has been completed. A suitable form for this notice is shown below **(Form 3)**.

A Project Map with the PRDC stamp must be attached to the Notice of Technical Clearance. This Project Map shows the outputs that have received Technical Clearance. Only outputs shown on this Project Map can be included in the contract for implementation, either before bidding or afterwards. If the C/S Council wants to change output locations or add more outputs, they must apply for technical clearance again and get the revised Project Map stamped again by the PRDC.



The notification of Technical Clearance, including the PRDC Stamped Project Map, must be kept in the Project File at the C/S Office.

Form 3

C/S Project Notice of Technical Clearance			
Province: <i>Kampong Cham</i>	District: <i>Sreisanthor</i>	Commune: <i>Roseisrok</i>	C/S Code: <i>123456</i>
Name of Project: <i>Khum Roseisrok Road Project</i>			
Date Project Information and other related documents Submitted to P/M LAU			<i>28/01/08</i>
Date Environmental Analysis Report and Environmental Management Plan sent to Safeguard Working Group (SWG) of NCDDSD Date.....			No screening required by SWG of NCDDSD <input checked="" type="checkbox"/>
Did Safeguards Working Group respond within 10 days? <input type="checkbox"/> No, did not respond; <input type="checkbox"/> Yes, sent approval; <input type="checkbox"/> Yes, sent objection			
Date Report on Safeguard Measures for HP sent to SWG of NCDDSD Date.....			No screening required by SWG of NCDDSD <input checked="" type="checkbox"/>
Did SWG respond within 10 days? <input type="checkbox"/> No, did not respond; <input type="checkbox"/> Yes, sent approval; <input type="checkbox"/> Yes, sent objection			
Date Environmental Analysis Report and Environmental Management Plan submitted to Department of Environment Date.....			Environmental Analysis not needed <input type="checkbox"/>
Did Department respond within 15 days? <input type="checkbox"/> No, did not respond; <input checked="" type="checkbox"/> Yes, sent approval; <input type="checkbox"/> Yes, sent objection			
Date Report on Safeguard Measures for HP submitted Technical Department (e.g. Provincial Department of Rural Development) Date.....			Report on Safeguard Measures for HP not needed? <input checked="" type="checkbox"/>
Did Department respond within 15 days? <input type="checkbox"/> No, did not respond; <input type="checkbox"/> Yes, sent approval; <input type="checkbox"/> Yes, sent objection			
Date Voluntary Land Contribution Report Approved Date.....			Voluntary Land Contribution Report not needed <input checked="" type="checkbox"/>
Date Land Acquisition Report Approved Date.....			
Date Land Acquisition compensation completed Date.....			Land Acquisition Report not needed <input checked="" type="checkbox"/>

Technical Department Responsible	<i>DRD</i>
Date Project Information and related supporting documentations submitted to Technical Department	<i>28/01/08</i>
Did Department respond within 15 days? <input type="checkbox"/> No, did not respond; <input checked="" type="checkbox"/> Yes, sent approval; <input type="checkbox"/> Yes, sent objection	
Technical clearance for this project is complete, and the C/S Council can start the procurement process.	

Date:.....

P/M LAU

2.3. Local Contributions

2.3.1. Local Resource Element of Project Costs

For **all** C/S Council investments, part of the cost should be paid from local resources. This rule is in the Article 17 of Sub-Decree No 16 on the C/S Fund, issue date 25 February 2002. Local resources can include either:

- Local taxes, paid by all the people in the C/S, or
- Voluntary local contributions.

At present, C/S Councils do not have any powers to collect taxes, although it is likely that they will have these powers in the future. Therefore, at present the local resources part of the project cost is the **Local Contribution**.

The Local Contribution is a voluntary contribution of cash by residents of the commune. It is deposited in the C/S account at Provincial Treasury and is used to pay part of the cost of implementing the project. All C/S Fund projects must be paid for in part by a local contribution of this type.

The reasons for collecting a Local Contribution are as follows:

- 1). To increase the amount of money available for the project.
- 2). To make sure that the projects are ones which the users really want. If they do not want the project, they will not pay the local contribution and the project cannot be implemented.
- 3). To make sure that the users understand that the project output belongs to them. This is particularly important if the users will be responsible for operation and maintenance costs.
- 4). To make sure that the C/S Council has informed the people about the project. People will not pay the local Contribution unless they understand about the project.

Before the C/S Council decides how to collect the Local Contribution, it must identify:

- Who are the beneficiaries of the project? Is it possible to identify people who will benefit, and people who will not benefit, or will the project benefit the whole population?
- Who will be responsible for operation and maintenance of the project output? Will it be the C/S Council, or will a user group be responsible?

2.3.2. Guideline for Collection of Local Contribution

The following guidelines for mobilization of Local Contribution shall apply:

1. For all **capital** development expenditure by the C/S Council, part of the cost must be paid by a Local Contribution.
2. For all **recurrent** development expenditure by the C/S Council, part of the cost must be paid either by Local Contribution or by user fees charged to users of the service provided.
3. Local Contribution means cash collected from C/S residents and deposited in the C/S account at Provincial Treasury.
4. The total amount of Local Contribution will be decided by the C/S Council before preparation of the C/S Annual Budget. In deciding the amount, the C/S Council should consider the economic situation of the Commune/Sangkat, the type of development activities proposed, and the number and living condition of the families.
5. The Local Contribution will be collected one time in each calendar year. C/S Council will decide the time for collecting Local Contribution.
6. The C/S Council will decide the appropriate mechanisms for collecting local contribution. These may include:
 - Household contributions, either equal amounts per household or adjusted according to the wealth of the households;
 - Fund raising events;
 - Contributions from specific groups, such as transport business owners in the case of a road project. However, it is important to note that all households that will benefit from the project, are asked to make a contribution.
7. The C/S chief will prepare a local contributions receipt book (**Form 4**) with each receipt uniquely pre-numbered sequentially for all villages. One or two books will be needed per village depending on the village size. The receipt number should have four digits, (for example 0001, 0002, etc.). On the receipt must show the amount of contributed funds (in numbers and words) and the purpose that the funds will be used for.
8. The C/S chief will prepare a list of contribution/allocation of receipt books for local contribution following the form below (**Form 5**) by recording clearly the number of receipts per each village. The C/S chief will also record the amount of used receipts, unused receipts and damaged receipts, (if any).
9. The village leaders and village representatives on the Planning and Budgeting Committee (PBC) should take responsibility for organizing the collection of local contribution in their village. In case there is already a user group, (for example, a Farmer Water User Community), supporting the project, it may be appropriate for the community group to help in collecting the Local Contributions.
10. When local people pay their contributions, the Village Chief must provide a receipt to each contributor confirming receipt of their contributions, (**Form 4 which is provided by the C/S**), and a second original receipt for C/S. Only the receipts which are provided by C/S must be used for collecting local contributions for the project.
11. The village chief will prepare a local contribution list for his own village following the format shown below (**Form 6**). Three copies will be needed; one copy will be provided to the C/S, one copy will be kept in the village chief office and one copy will be posted in a public place where the villagers can see the information. When handing over the collected local contribution to C/S, the Village Leader will attach

- with the Local contribution list and the receipts, (used receipts, remaining receipts and damaged receipts).
12. When receiving cash collected from village Leader, the C/S chief will prepare **Cash Receipt Vouchers**. Three copies of cash receipt voucher will be prepared; one copy will be provided to the village chief, one copy will be kept in the C/S Office and other one copy for provincial/municipal Treasury. After that the C/S will make a record in the **Revenue Collection Books**. The C/S will also prepare a list of the local contributions which will follow the form below (**Form 7**), recording the name of the village, number of families and the total amount of the cash from each village, (which will be extracted from the local contribution list from each village).
 13. When the local contribution cash is deposited in the C/S account at the Provincial/ Municipal Treasury, the C/S must prepare **Cash Payment Voucher** and **Deposit Slip** and attach with **Cash Receipt Vouchers, Revenue Collection Books, C/S Local Contributions List** and **Local Contribution Receipt**. The C/S accountants must safely keep these documents.
 14. The local contribution is a voluntary contribution and is not a legal obligation on any individual.
 15. In the case that any household agrees to contribute land or other assets for the project, that household should not be asked for Local Contribution cash.
 16. District or Provincial Officials assigned to assist the C/S Council must not take part in the collection of the local contributions. However, they may advise the C/S Council or the Community Group on how to collect the contributions and may assist in disseminating information about the Local Contributions.
 17. The C/S Chief shall be responsible to report to the community the total amount collected and number of contributed households by posting on the C/S Council notice board (**Form 7**).

Form 4

Kingdom of Cambodia Nation Religion King Local Contribution Receipt For Development Project Year.....	
Name of project..... C/S:..... Village:..... No:.....	
Received from:..... Sex:..... Address: #..... St:..... Group.....	<div style="border: 1px solid black; padding: 5px;"> Cash Amount: </div>
Amount in words..... <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Contributor</div> <div style="width: 45%;">Received Date:</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"></div> <div style="width: 45%; text-align: center;">Receiver</div> </div>	

Kingdom of Cambodia Nation Religion King Local Contribution Receipt For Development Project Year.....	
Name of project..... C/S:..... Village:..... No:.....	
Received from:..... Sex:..... Address: #..... St:..... Group.....	<div style="border: 1px solid black; padding: 5px;"> Cash Amount: </div>
Amount in words..... <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Contributor</div> <div style="width: 45%;">Received Date:</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%;"></div> <div style="width: 45%; text-align: center;">Receiver</div> </div>	

Kingdom of Cambodia
Nation Religion King

Province/Municipal:.....
District/Khan:.....
Commune/Sangkat:.....

[illegible]

Form 6

Province/Municipal:.....
 District/Khan:.....
 Commune/Sangkat:.....
 Village:.....

Kingdom of Cambodia
 Nation Religion King

List of Local Contributors, Year.....

No	Name of Contributor	Address	No. Receipt	Cash Total
Total				

Date:.....
Village Chief

Form 7

Province/Municipal:.....
 District/Khan:.....
 Commune/Sangkat:.....

Kingdom of Cambodia
 Nation Religion King

List of Local Contributions, Year.....

No	Name of Village	Number of Households	Total of Local Contribution
Total			
Amount of local contribution allocated for contract.....			
.....			
Amount of local contribution allocated for contract.....			
.....			
Amount of local contribution allocated for contract.....			
.....			

Date:.....

C/S Chief

2.4. Standard Materials Price List for Infrastructure Projects

2.4.1. Introduction

The study of the materials prices of each of the specific areas in the province/municipality so that the standard materials price list can be prepared for these specific areas is very important and needed for estimating the cost of C/S Fund projects accurately. The specific areas in the province/municipality must be identified according to the geography and price.

Generally, the standard materials price list must be renewed in **October** each year. This list will be updated when there are significant and drastic changes of material prices.

2.4.2. Objectives

The objectives of creating the standard materials price lists are as follows:

- To determine the construction material prices, earthwork costs, labor costs and transportation costs in each particular local area in the province/municipality;
- To accurately estimate the costs of C/S Fund projects;
- To disseminate to all of the people who are involved in Commune/Sangkat Fund project implementation;
- To ensure transparency and accountability in estimating the costs of C/S fund projects.

2.4.3. Roles and Responsibilities

The TSU is responsible to conduct the material prices survey in main markets in the provinces/ municipalities, prepare a draft of the standard materials price list, and then submit it to the Executive Committee (ExCom) of the Provincial Rural Development Committee (PRDC) for approval. The TSU shall carry out the survey every year in **October**.

The ExCom of PRDC should check and approve the standard price list **not later than 30th November** of each year. When there are significant and drastic changes of material prices, ExCom/PRDC will check and decide to update the standard materials price list. This updated list will be also check and approved by ExCom/PRDC.

2.4.4. Procedure for Creating the Standard Price List

A). Preparation of the Materials List

Materials whose cost needs to be surveyed should be clearly defined:

- Which materials are needed?
- What kind of materials (specifications, quality, where they are made, size, power, etc.)

Then, a list of these materials should be prepared for collecting the prices at the **markets (Form 8)**. The price list can be prepared in separate parts to make it easier in collecting the prices:

- Construction materials sold in construction materials shop;
- Construction materials sold in quarries (for example sand, aggregates, laterite, earth, etc.);
- Fuel;
- Labor;
- Earthworks;
- Transportation.

B). Identification of Locations or Markets for Conducting Price Survey

Locations or markets for price survey shall be identified based on:

- geographical location;
- prices of construction materials, cost of earthwork, cost of transportation and labor cost;
- markets that sell all or almost kinds of construction materials

C) Conducting Price Survey

The Technical Support Official (who is assigned to conduct the survey) and C/S Chief or one C/S Councilor of the located market for conducting price survey will start interview by explaining clearly to interviewees about objective of the price survey, is to prepare an actual materials price list for estimating the cost of the C/S Fund projects. These actual prices are the prices by which those materials can be purchased.

The TSO must directly conduct the interview and ensure that the surveyed prices are the actual prices.

- **Construction materials that are sold in construction materials shop**
These construction material prices must be surveyed from at least three shops or stores selling construction materials in markets located in urban areas in the province/municipality (urban markets in commune/Sangkat, district/Khan and province/municipality). Shops or stores which will be selected for price survey are the shops or stores that sell largest quantities of construction materials.
- **Construction materials that are sold at quarries**
Prices of these construction materials must be surveyed from all quarries located in the province/municipalities.
- **Fuel**
The cost of fuel must be surveyed from fuel stations or places selling fuel in province/municipality.
- **Labor**
The cost of labor should be surveyed from contractors and groups of workers at all urban markets in province/municipality.
- **Earthworks**
The cost of earthworks must be calculated as following:

1). Site Clearance for road works

No.	Site Conditions	Land Clearance Cost per m ² (Riels)
1	Easy: rough existing surface, no bushes, no tree on both sides of the existing road	$(0.01 \times D) + 40$
2	Medium: existing narrow rough road surface with bushes, bamboos, trees on both sides of the road	$(0.02 \times D) + 80$
3	Difficult: No existing road, a lot of bushes, trees, bamboos	$(0.07 \times D) + 280$

Where **D** is diesel price per liter in Riels.

2). Excavation

No.	Site Conditions	Excavation Cost per m ³ (Riels)
1	Easy: Natural soils with no gravel or rocks	$(0.27 \times D) + 1,200$
2	Medium: Natural soils with the presence of some gravels	$(0.35 \times D) + 1,400$
3	Difficult: Natural soils with the presence of some pieces of rocks	$(0.43 \times D) + 1,800$

3). Compaction (spreading, watering and compacting)

No.	Site Conditions	Compaction Cost per m ³ (Riels)
1	Easy: soils with no gravel or rocks	$(0.28 \times D) + 1,400$
2	Medium: gravelly soils	$(0.40 \times D) + 2,000$
3	Difficult: gravels or crushed rocks	$(0.80 \times D) + 4,100$

- Transportation**

The cost of transportation should be calculated as following:

1). Materials transportation cost

No.	Road Conditions	Transport Cost per Tonne per km (Riels)			
		less than 20 km	20 km -35 km	35 km – 50 km	more than 50km
1	Good road condition (average speed 50 km/h)	$(0.10 \times D) + 200$	$(0.09 \times D) + 200$	$(0.08 \times D) + 200$	$(0.07 \times D) + 200$
2	Medium road condition (average speed 25 km/h)	$(0.15 \times D) + 400$	$(0.14 \times D) + 400$	$(0.12 \times D) + 400$	$(0.11 \times D) + 400$
3	Bad road condition (average speed 15 km/h)	$(0.17 \times D) + 600$	$(0.15 \times D) + 600$	$(0.14 \times D) + 600$	$(0.12 \times D) + 600$

2). Soils/laterite transportation cost

No.	Road Conditions	Transport Cost per m ³ per km (Riels)			
		less than 20 km	20 km -35 km	35 km – 50 km	more than 50km
1	Good road condition (average speed 50 km/h)	$(0.05 \times D) + 100$	$(0.045 \times D) + 100$	$(0.041 \times D) + 100$	$(0.037 \times D) + 100$
2	Medium road condition (average speed 25 km/h)	$(0.07 \times D) + 200$	$(0.063 \times D) + 200$	$(0.057 \times D) + 200$	$(0.051 \times D) + 200$
3	Bad road condition (average speed 15 km/h)	$(0.08 \times D) + 300$	$(0.072 \times D) + 300$	$(0.065 \times D) + 300$	$(0.058 \times D) + 300$

After interviewing, the completed material price survey list (**Form 8**) must be copied and sent to only those communes/Sangkats nearby the market. The Commune/Sangkat shall review and recommend on the price of these materials whether those material prices are correct or not. If not, the Commune/Sangkat shall provide comments back to the TSU within **five working days** after receiving the list. Overdue this period, if the Commune/Sangkats do not make any response to the TSU, it is considered that Commune/Sangkats agree with the price of the materials.

D). Preparation of a Draft of the Standard Price List

After receiving comments from Commune/Sangkat, the TSU will prepare the draft of the standard materials price lists (**Form 9**) and then present this draft list in ExCom meeting for reviewing and approval.

E). Approval of Standard Price List

The TSU will report on procedures and results of the preparation of the standard price list to the PRDC ExCom meeting.

The PRDC ExCom meeting will review and approve this standard price list.

F). Dissemination of Standard Price List

Each year at the beginning of December, the standard price list of each area must be sent to all Communes/Sangkat located in those areas for use (one copy for one commune/Sangkat).

The standard price list must be distributed to the four units of PRDC ExCom.

The standard price list can be provided to Provincial/Municipal line departments, contractors, organizations and other people concerned upon request. The TSU can ask those people who are requesting the standard price list to pay for the photocopying cost of the document, but no additional costs can be charged.

Note:

- The material prices in the standard price list are the actual prices at the legal market or legal selling places. This means that all required taxes and royalties have already been included in all the material prices.
- For the standard price list of agricultural seeds, animal breeds, materials and tools of service projects, the province/municipality can prepare this kind of standard price list based on actual conditions and the needs of each province/municipality. The procedure for preparing this standard price list is similar to that of infrastructure projects. P/MLAU is responsible for preparing the price list of agricultural seeds, animal breeds, materials and tools for service projects and submits it to PRDC ExCom for approval. In cases where the province/ municipality thinks that the standard materials price list for service projects is needed, then P/M LAU is responsible to prepare this list and submit it to ExCom/PRDC for approval.

Form 8**NCDD**

ExCom Province/Municipality:.....
 Technical Support Unit

Kingdom of Cambodia
 Nation Religion King

Material Price Survey List, Year.....

Market:.....C/S:.....District/Khan:.....Province/Municipality:.....

No.	Description	Unit	Unit Cost
I. Materials for concrete and mortar works			
1	Cement (elephant)	Bag	
2	Cement (star)	Bag	
3	Cement (diamond)	Bag	
4	Cement (K)	Bag	
5	Cement TPI	Bag	
.....	
.....	Sand for plastering (No. 1)	m ³	
.....	Sand (No. 2)	m ³	
.....	Sand (No. 3)	m ³	
.....	
.....	Aggregate 10 x 20	m ³	
....	Aggregate 40 x 60	m ³	
.....	
.....	Steel bar AI (6 or 8-mm)	kg	
.....	Steel bar All (more than 10)	kg	
.....		
II. Materials for Steel Structures			
1.	Tube 100x50x2.3	piece	
2.	Tube 25x50x2	piece	
3.	Tube 25x25x3	piece	
4.	Tube 25x25x2	piece	
...	
....	Steel plate 100x6	piece	
....		
....	Steel V 30x30x2.3	piece	
....	
....	Steel C 125 x 2.5	piece	
....		
III. Materials for Brick Works			
1	Solid bricks	piece	
2	Hollow bricks	piece	
...	
IV. Materials for roof works			
1	Sraka Neak roof tiles	piece	
2	Square roof tiles (Khmer)	piece	
3	Square roof tiles (Vietnam)	piece	
4	Square roof tiles (Thai)	piece	
5	Fibro cement 550 x 1200	piece	
6	Fibro cement 550 x 1500	piece	
7	Zinc 1.00 m x 0.5 m (Vietnam)	piece	

No.	Description	Unit	Unit Cost
8	Zinc 1.00 m x 0.5 m (Thailand)	piece	
9	Zinc 1.00 m x 0.5 m (.....)	piece	
...		
V. Fuel			
1	Diesel	liter	
2	gasoline	liter	
3	.....	.....
VI. Wood			
1	Timber grade 1	m ³	
2	Timber grade 2	m ³	
3	Timber grade 3	m ³	
4	Bamboo	m	
.....		
VII. Other Materials			
1.	.....	
2.	.....	
VII. Earthworks			
1	Earth Transportation (good condition less than 20 km)	m ³ /km	
2	Earth Transportation (good condition from 20 to 35 km)	m ³ /km	
3	Earth Transportation (good condition from 35 to 50 km)	m ³ /km	
4	Earth Transportation (good condition more than 50 km)	m ³ /km	
5	Earth Transportation (medium condition less than 20 km)	m ³ /km	
6	Earth Transportation (medium condition from 20 to 35 km)	m ³ /km	
7	Earth Transportation (medium condition from 35 to 50 km)	m ³ /km	
8	Earth Transportation (medium condition more than 50 km)	m ³ /km	
9	Earth Transportation (bad condition less than 20 km)	m ³ /km	
10	Earth Transportation (bad condition from 20 to 35 km)	m ³ /km	
11	Earth Transportation (bad condition from 35 to 50 km)	m ³ /km	
12	Earth Transportation (bad condition more than 50 km)	m ³ /km	
13	Site clearance (easy condition)	m ²	
14	Site clearance (medium)	m ²	
15	Site clearance (difficult)	m ²	
16	Excavation (easy condition)	m ³	
17	Excavation (medium)	m ³	
18	Excavation (difficult)	m ³	
19	Compaction (easy condition)	m ³	
20	Compaction (medium)	m ³	
21	Compaction (difficult)	m ³	
22	.....	
IX. Labors			
1	unskilled labor	p-day	
2	semi-skilled labor	p-day	
3	skilled labor	p-day	
X. Materials Transportation			
1	Materials Transportation (good condition less than 20 km)	t/km	
2	Materials Transportation (good condition from 20 to 35 km)	t/km	
3	Materials Transportation (good condition from 35 to 50 km)	t/km	
4	Materials Transportation (good condition more than 50 km)	t/km	
5	Materials Transportation (medium condition less than 20 km)	t/km	
6	Materials Transportation (medium condition from 20 to 35 km)	t/km	
7	Materials Transportation (medium condition from 35 to 50 km)	t/km	

No.	Description	Unit	Unit Cost
8	Materials Transportation (medium condition more than 50 km)	t/km	
9	Materials Transportation (bad condition less than 20 km)	t/km	
10	Materials Transportation (bad condition from 20 to 35 km)	t/km	
11	Materials Transportation (bad condition from 35 to 50 km)	t/km	
12	Materials Transportation (bad condition more than 50 km)	t/km	

Date:.....

Surveyed by:

Name.....

Name.....

Position.....

Position.....

Form 9**NCDD**

ExCom Province/Municipality:.....

Technical Support Unit

Kingdom of Cambodia
Nation Religion King**Standard Material Prices List**

Province/Municipality:.....Year:.....

No.	Description	Unit	Average Unit Price	Unit Price		
				Market:..	Market:..	Market:..
I. Materials for concrete and mortar works						
1						
2						
3						
...						
II. Materials for steel roof frames						
1						
2						
...						
III. Materials for brick works						
1						
2						
...						
IV. Materials for roof works						
1						
2						
3						
...						
V. Fuel						
1						
2						
3						
...						
VI. Wood materials						
1						
2						
3						
...						
VII. Materials						
1						
2						
3						
...						
VIII. Earthworks						
1						
2						
3						
...						
IX. Labor						
1						
2						

No.	Description	Unit	Average Unit Price	Unit Price		
				Market:..	Market:..	Market:..
3						
...						
X. Transportation of materials						
1						
2						
3						
...						

Date:.....
Technical Support Unit

Seen and Approved
Date:.....
Executive Committee

2.5. How to Complete the Project Information Form

2.5.1. Who should complete the form?

The responsible persons to fill in the project information form are:

- The C/S Chief, who is responsible to organize collection of information for the form, and for sending the form to P/MLAU;
- The Technical Assistant, who is responsible for making sure that the technical information on the form is accurate;
- P/MLAU, who must check that the information supplied is complete.

The Technical Assistant will complete the parts of the form that contain technical information. The C/S Chief will usually complete the parts that are not technical himself, or delegate the task to his deputies or to the Commune Clerk. However, as the C/S Chief represents the Project Owner, he is responsible for the whole content of the form, not just for the parts he has written himself.



The project information form and all related documents must be kept in a project file at the C/S Office.

2.5.2. Where will the information on the form come from?

Part 1: General Information	
1.1 Name of Project	From the Commune/Sangkat Investment Plan (CIP)
1.2 Date Studies Completed	The date on which the Technical Assistant completed field studies for the project
1.3 Name of Technical Assistant	
1.4 Who to be a Technical Assistant	Can be: TSO, PFT/ DFT, Line Department, Private Consultant, etc.
1.5 Objective of the project	Concrete objective of the formed project when the form is filled in.
1.6 Sector	This is the sector in CIP (Economics, Social, Natural Resources and Environment Management (NREM), Public Administration Services & Security and Gender).
1.7 Type	The Project Type shows in a list of the sectors, types of projects and which departments are involve. Examples are below.
1.8 Proposed Outputs	Copied directly from the CIP.
1.9 Proposed Outputs After Study	The study may result in a change to the proposed outputs. For example, the CIP may say, "1 bridge," but after the study this may change to "2 culverts." If there is no change, write "no change."
1.10 Estimated cost in CIP	This is the project cost estimate shown in the CIP
1.11 Estimated cost after study	This is the project cost estimate after the Technical Assistant has made the design and the cost estimate.
1.12 Beneficiaries of the Project	The direct beneficiaries are the local people who will actually use the project output. They should be listed by the number in each village, the number of women, and the number of households.
Part 2: Operation and Maintenance, and Beneficiary Contribution	
2.1 Responsibility for operation and maintenance	This should show who will be responsible to manage the operation and maintenance of the project output. The choices can be: <ul style="list-style-type: none"> • Line department (example: a school)

	<ul style="list-style-type: none"> • C/S Council (example: a road) • User group that exists already • User group that will be formed • Private sector operator (example: a piped water supply) • ... etc.
Part 3: Local Resources and the Environment	
3.1 Is the commune in the watch list	NCDD provides the Environmental Watch-List of communes in sensitive areas to pay special attention on potential environmental impacts.
3.2 Will implementation of the project cause any damage to any place that is important for environmental or cultural reasons	For example, forest, flood forest, aquatics fish, aquatics plants, top and under ground mines, a wildlife park or a temple or a new road in the national park of the Angkor temples.
3.3 Will implementation of the project cause any damage to water supplies used by people?	Example: a road project is close to a stream. Further down the stream, people take water for household use. If the road is built in the rainy season, dirty water will flow from the road into the stream, so that people cannot use the water.
3.4 Is any output of the project a new line of road, or an existing road that will be made much wider than it is now?	If new road or an existing road that will be made wider by 25% or more, there must be an Environmental Impact Assessment.
3.5 Is the output of the project a new dam or a new line of canal (new irrigation system)?	New canals or dams will need environmental impact assessments.
3.6. Is the output of the project a new line of inland waterway for travel or water supply?	If new line of inland waterway then an environmental impact assessment is needed.
Part 4: Land Ownership	
Land Ownership	The C/S Chief must give a truthful answer to this question. It is not important whether people hold official title deeds to their land or not – a “land owner,” is the person who uses the land for private agriculture or other purposes. A Participatory Land Survey must be conducted to obtain accurate information before this section can be filled in.
4.1 Only on land that is public land and is not used for private purposes.	Example – a new school building on an existing school site.
4.2 Some land being used for private purposes will be used. All the land users have agreed to give their land as a contribution to the project. No land user will have to give more than 5% of his farmland, or other assets worth more than 400,000 riels, for the project. No private buildings or places of business will be moved or destroyed.	Example – a road project that will make an existing road wider. The C/S Chief must organize a public meeting and explain about the project. Land owners must understand that they do not have to give their land for the project. The C/S Chief and the land owners may agree that people who lose land do not need to give any other local contribution. The C/S Chief should make a Voluntary Land Contribution Report and it submitted to P/M LAU with the Project Information Form.

4.3	Some land being used for private purposes will be used. Some land users have not agreed to give their land as a contribution, OR some land users will have to give more than 5% of their land or other assets worth more than 400,000 riels, But no private buildings or places of business will be moved or destroyed.	In this case, there should be a special Land Acquisition Report completed by P/M LAU. This is so that we can be sure that no landowner is being treated unfairly.
Part 5. Safeguard Measures on Highland People		
	Is the project located in the village where is in the Watch List of Highland People?	NCDD prepares Highland People Watch-List (All villages that have more than 5% of highland people of the total village population are living). If the project location is in this Watch List the safeguards measures report is needed.
Part 6. Summary of Information		
6.1	Is there any reason why this project may not be successful? (Answer by Technical Assistant)	Obviously the Technical Assistant will expect the project to be successful – he has made the design. However, he may want to use this box to note down some important aspect, for example: “The project can be very successful, but only if the Farmer Water User Committee is strong and maintains the project output well.”
6.2	5.2. Has all the project study information been provided?	This is just a list to check that all the information is complete. The Technical Assistant should put a tick in each box to make sure that the information is on the form or is attached. P/MLAU will check the list using the second box, before the project is sent for Technical Clearance.
	Signatures	The C/S Chief and the Technical Assistant sign the form to show that they have completed it fully and correctly. P/MLAU sign to show that they have seen the form and that they have checked that the information is complete.
Attachments		
	Project Map	This should be drawn on to a copy of the Commune Map from the CDP or CIP. The type and location of the project outputs should be shown using simple symbols.
	Technical Information and Site Plans	The type of technical information will depend upon the type of project. The Technical Assistant will be responsible to provide this information, which will be inserted into the Project Information Form. Some example Technical Information Forms are included here.
	Technical Designs	Any technical designs that will be used for the project, should be attached.
	The details of project cost estimation	This is a form showing estimated cost of each project output or the whole of project output according to the type of project.
	Project Outputs and Estimated Costs	This is a form showing each project output and the estimated cost. The Technical Assistant will help to complete this form.
	Project Locations Form	This shows where the outputs of the project will be located, using GPS coordinates. This form will be completed by the Technical Assistant.

Operation and Maintenance Plan	This shows the plan for operation and maintenance of the project output.
Land study report	This form shows the affected private land and private assets.
Environmental analysis report	This form shows the environmental impact that is caused by project implementation and environmental management plan.
Report of safeguards measures on highland people	The report form show measures to protect safeguard concerned Highland People and Mitigate Risk Plan on Highland People.

2.5.3 List of Sectors, Type of Project and Responsible Departments

No	Sector	Type	Departmental responsibility
1	Social	Rural domestic water supplies	Provincial Department of Rural Development (PDRD)
2	Social	Urban domestic water supplies	Department of Industry, Mines and Energy (DIME)
3	Social	Domestic sanitation	PDRD
4	Economic	Rural transport	PDRD
5	Economic	Urban transport	Department of Public Works and Transport (DPWT)
6	Social	Education	Department of Education
7	Social	Adult Education	DoE
8	Social	Health	Department of Health
9	Economic	Agriculture	Department of Agriculture
10	Social	Culture and Religion	Department of Culture and Religion
11	NREM	Environmental Management	Department of Environment
12	Social	Interventions	Department of Social Action / Department of Women's Affairs
13	Economic	Irrigation	Department of Water Resources and Meteorology (DoWRAM)
14	Economic	Drainage (rural areas)	DoWRAM
15	Economic	Drainage (urban areas)	DPWT
16	Economic	Market infrastructure	PDRD, if market owner will be the Commune Council
17	Economic	Waste disposal	DPWT
18	Economic	Electricity	DIME
19	Economic	Enterprise development	DIME
20	NREM	Community forestry	Agriculture
21	Economic	Tourism development	Tourism

Examples

Type	Constructions and equipment	Services	Community support
Rural Domestic water supplies	Wells	Water testing	Water use and sanitation group
	Piped water supply		
	pond		
Urban domestic water supplies	Piped water supply		
Domestic sanitation	Sewage system	Hygiene education	

Type	Constructions and equipment	Services	Community support
Rural transport	Road	Bus service	
	Bridge		
	Culverts		
	Ferry landing		
	Ferry boat		
Urban transport	Street paving		
	Street lights		
Education	School building	Teacher salary	School Support committee
	School furniture		
	School well		
	School latrine		
Adult Education		Literacy classes	
Health	Health post	AIDS awareness	
	Health centre equipment	Condom supplies	
	Health centre water supply		
	Health centre latrine		
Agriculture	Farmer training centre	Rice seed	Pig raising coop
		Extension services	
Culture and Religion	Musical instruments	Music lessons	
Environmental Management		Noise abatement	
Social interventions		Domestic violence awareness	
Irrigation	Water gate	Fuel for water pump	Farmers Water Users Committee
Drainage (rural areas)	Culverts for land drainage		
	Flood refuge		
Drainage (urban areas)	Storm drains		
Market infrastructure	Market building	Market cleaning	
	Pave market area		
	Market water supplies		
	Market sanitation		
Waste disposal	Waste disposal site	Waste disposal service	
Electricity	Electrical system		
Enterprise development			Small business group
Community forestry	Forest boundary marking		
Tourism development	Visitor center		

2.5.4. Example Project Information Form (Form 10)

Project Information	
Province/Municipality <i>Kompong Cham</i>	Commune/Sangkat <i>RoseisroK</i>
District/Khan <i>Sreisanthor</i>	C/S Code <i>123456</i>

Part 1: General Information

Name of Project <i>Khum RoseisroK Road Project 2008</i>			
Date Study Completed <i>03/01/08</i>	Name of Technical Assistant <i>Muak Seila</i>	Status of Technical Assistant <i>TSO</i>	
Objective of the Project: <i>At the end of 2008, people will have a road to travel from village "A" to Village "B"</i>			
Sector: <i>Economic</i>		Type: <i>Rural Transport</i>	
Infrastructure project <input checked="" type="checkbox"/>	Service project <input type="checkbox"/>	Purchase order <input type="checkbox"/>	
Proposed Outputs (From C/S Investment Plan) <i>3.5 km of road and culverts in 4 places</i>		Proposed Outputs After Study <i>5.55 km earth road and culverts in 6 places</i>	
Estimated Cost In Plan <i>130,000,000 Riels</i>		Estimated Cost after Study <i>200,974,092 Riels</i>	
Year	2008	2009	2010
Outputs by year	<i>3.55 km earth road and culverts in 4 places</i>	<i>2 km earth road and culverts in 2 places</i>	
Estimated cost by year	<i>129,151,516 Riels</i>	<i>71,822,576 Riels</i>	

Beneficiaries of Project

No	Village Name	Number of Beneficiaries		Number of Households
		Total	Women	
1	<i>Tnaut Leu</i>	<i>2,000</i>	<i>1,200</i>	<i>530</i>
2	<i>Tnaut Krom</i>	<i>1,900</i>	<i>800</i>	<i>500</i>
3	<i>RoseisroK Leu</i>	<i>1,500</i>	<i>600</i>	<i>300</i>
4	<i>RoseisroK Krom</i>	<i>1,600</i>	<i>700</i>	<i>400</i>
Total		<i>7,000</i>	<i>3,300</i>	<i>1,730</i>

Part 2: Responsibility for Operation and Maintenance

Who will be responsible to manage operation and maintenance of the project output?	
Line Department	<input type="checkbox"/>
Commune Council	<input checked="" type="checkbox"/>
User Group that exists already	<input type="checkbox"/>
User Group that will be formed before the project is implemented.	<input type="checkbox"/>
Private sector operator	<input type="checkbox"/>
Other	<input type="checkbox"/>

Part 3: Environmental Impact

3.1.	Is the commune in Environmental Watch-List?	
		<i>No</i>
3.2.	3.2. Will construction of the project cause any damage to any place that is important for environmental or cultural reasons (for example, forest, a wildlife park or a temple?)	
		<i>No</i>
3.3.	Will construction of the project cause any damage to water supplies used by people?	
		<i>No</i>
3.4.	Is any output of the project a new line of road?	<i>Yes</i>
3.5.	Is the output of the project a new dam or a new line of canal?	<i>No</i>
3.6.	Is the output of the project a new line of inland waterway for travel and for water supplies?	<i>No</i>

Note:

- A new line of road means a road or part of a road where there was no road before. A laterite road on the line of an oxcart track is an old line of road. If the line of the old road is changed to make the road straight, that part will be a new line of road.
- If the road will be wider than it is now by 25% or more (e.g. the road is 2 m wide now and it will be more than 2.5 m after the project) it is considered as a new road (this for road only).
- If the answer to any of questions 3.1 to 3.6 is "yes", the P/MLAU should carry out an Environmental Impact Assessment.

Part 4: Land Ownership

The information provided in this section is based on a Participatory Land Survey which was completed on (give date):..... *03/01/08*.....

The project output will be built on: (Choose one answer)

1	Only on land that is public land and is not used for private purposes.	
2	Some land used for private purposes will be used. All the land users have agreed to give their land and other assets as a contribution to the project. No land user will have to give more than 5% of his farmland, or assets worth more than 400,000 Riels , for the project. No private buildings or places of business will be moved or destroyed.	<i>✓</i>
3	Some land used for private purposes will be used. Some land users have not agreed to give their land and other assets as a contribution, OR some land user will have to give more than 5% of his land or land or assets worth more than 400,000 Riels , BUT no private buildings or places of business will be moved or destroyed.	

Note:

- If answer (1) is chosen, the project does not need land study report.
- If answer (2) is chosen, the C/S Chief should prepare a Voluntary Land Contribution Report to show that the land owners have agreed to contribute their land for the project.
- If answer (3) is chosen, the Provincial/Municipal Office of Local Administration should prepare a Land Acquisition Report.

Part 5: Safeguard Measures on Highland People

The project output will be built: (Choose one answer)

1	Project is the village where appear on the Watch List of Highland People (more than 5% of Highland People of the village population are living).	
2	Project is outside the village where appear on the Watch List of Highland People.	

Note:

- The report of safeguards measures on highland people is required if choose answer 1.
- Contrary, the report safeguards measure on highland people is not required if choose answer 2.

Part 6: Review before signing:

6.1. Is there any reason why this project may not be successful? (Answer by Technical Assistant)			
1. <i>Recommend to include the remaining outputs,(2 km earth road and culverts in 2 places at an estimated cost of 71,822,576 Riels), in 2009 CIP.</i>			
2. <i>Sometimes big trucks use this road. C/S Council must control traffic and prevent big trucks from using the road or it will be destroyed.</i>			
6.2. Has all the project study information been provided?			
No	Information	Answer by C/S Chief	Checked by P/M LAU
1	Objective	✓	✓
2	Sector	✓	✓
3	Project Type	✓	✓
4	Beneficiaries	✓	✓
5	Project Map	✓	✓
6	Technical Information (depending on project type)	✓	✓
7	Technical Design	✓	✓
8	Detailed Estimate of Project Cost	✓	✓
9	Project Outputs and Cost Estimate	✓	✓
10	Project Output Location	✓	✓
11	Operation and Maintenance Plan	✓	✓
12	Voluntary Land Contribution Report	✓	✓
13	Land Acquisition Report	<i>Not needed</i>	<i>Not needed</i>
14	Environmental Analysis Report	✓	✓
15	Report on safeguard measures for PH and Risk Mitigation Measures	<i>Not needed</i>	<i>Not needed</i>
Date:..... P/M LAU		Date:..... C/S Chief	
		Date:..... Technical Assistant	

2.6. Guidelines for Cost Estimation

2.6.1. What is the estimated cost for?

After the C/S Chief and the Technical Assistant agree the design for a project, the next step is to estimate the cost. The C/S Council will include the estimated cost of the project in the C/S Budget.

The bidders will be told the estimated cost of the project during the advertising of bidding.

The bidding documents provided to the bidder will include the Detailed Cost Estimation for each output. The bidders will calculate their bid price by adjusting the cost estimation, based on the prices that they will pay for materials and labor. Then the bidder will write his own calculated cost for each output on the Bid Form. This method ensures that all the bidders understand fully what the costs of implementing the project will be.

Because it is important that the cost estimation is transparent and reliable, the estimated cost must be calculated using the method described here. It is not permitted for the Technical Assistant to use a different method.

The Technical Assistant will usually prepare the cost estimate, but the C/S Chief will approve it. If the C/S Chief thinks that the estimated price is wrong, he does not have to accept it. C/S chief can:

- Compare the list of material prices with the real price in the market;
- Compare the estimate with the real price of past or present similar projects (the Technical Assistant must give the Commune/Sangkat a list of these prices);
- Ask the TSU Chief to check the price;
- Ask a private engineer to check the price.

When the C/S Chief is happy that the estimated price is correct, he must sign on the Detailed Cost Estimate form, and on the Project Outputs and Estimated Cost form, to show he has approved the estimated cost.

2.6.2. Direct Costs, Indirect Costs and Profit

Estimated Cost = Direct Cost + Indirect Cost + Profit
--

A). Direct Costs

Direct costs are the costs the contractor must pay to implement the project. Different types of direct cost are:

- Materials, for example cement, sand and stone to make concrete;
- Waste Materials, for example formwork wood, cement that is spilled on the ground, pieces of steel that are too small to be used again, and so on;
- Labor Costs;
- Equipment Costs, for example the cost of using a cement mixer;
- Transport Costs.

We can calculate the direct costs of the project accurately.

B). Indirect Costs

Indirect costs are costs that the contractor must pay so he can be a contractor, but do not result directly from the project.

Examples of indirect costs are:

- The cost of the contractor's office;
- The cost of any permanent staff, (who are paid even if the company has no contract);
- The cost of the contractor's car, for example for going to bidding meetings;
- All relevant business taxes.

We also include the cost of interest on any money the contractor borrows as an indirect cost.

C). Profit

If the contractor implements the project according to the contract he has the right to make a profit. Therefore, we include a percentage for the contractor's profit in the estimated cost.

D). Stages in Calculating the Estimated Cost

In the C/S Fund projects, one output is defined as one kind of thing in one village.

For example:

- two culverts of the same size in Village A is one output;
- one culvert in Village A and one culvert in Village B is two outputs;
- two culverts of different sizes in Village A are two outputs.

On the Detailed Cost Estimation Form, write:

- the village name,
- the output description,
- the quantity and the unit for the output.

Step 1: Calculate the Direct Costs

For outputs such as wells and culverts, calculate the cost for 1 unit first and then multiply by the quantity to get the output cost.

Examples:

- One single culvert 0.6m diameter;
- One bridge 4m long.

For outputs such as roads and canals it is usually easier to calculate the cost for the whole unit of output although those roads or canals pass through several villages. Example: 2.5 km of laterite road passes through Villages "A", "B" and "C".

Step 2: Calculate the Indirect Costs and the Profit

Because we do not know the indirect costs exactly, we calculate a percentage of the direct costs as the indirect cost and the profit. The recommended percentage is 10%.

Indirect costs and profit = Direct Costs x 10%

So

Total cost for one unit of output = Direct Costs + Indirect Costs and Profit

Note:

- The cost estimation calculation must not include the VAT. This cost estimate is used for bidding. Real regime tax or estimated regime tax is included in the contract at the contract signing based on the tax-payment category of the contractor. Whereas other required taxes (e.g. Patent tax, contract stamp tax etc.) and royalties are the responsibility of the contractors. This means that the contractors must take all tax-related costs and royalties into consideration in their bidding prices except real regime or estimated regime tax.

- Each Commune/Sangkat must reserve their budget about **10%** of the total project estimated cost for calculating tax to be included in the contact cost after bidding.

Step 3: Multiply the cost for one unit by the number of units (for each kind of output)

For example, if the unit cost for 1 culvert is 3,703,000 Riels, and the quantity is 3 culverts, the total cost for the output is $3 \times 3,703,000 \text{ Riels} = 11,109,000 \text{ Riels}$

If the cost estimation is for the whole output, (for example, 2 km of earth road), we do not need to do this step. However, we may want to calculate the average cost per unit by dividing the cost estimate for the whole output by the total length or number of output.

For example, if the total cost for 2 km of earth road is 64,400,000 Riels, the average cost per unit = $64,400,000 \text{ divide by } 2 = 32,200,000 \text{ Riels per kilometer}$.

Then we add all the output costs together to find the total cost of the project.

2.6.3. Calculating the Direct Costs of Infrastructure Projects

We can divide the tasks for implementing rural infrastructure projects into two types: **Construction Tasks and Earthworks Tasks**. The cost estimation procedure for the construction tasks and the earthwork tasks is different.

For construction tasks, such as schools, culverts, bridges and other buildings, the biggest part of the cost is usually the cost of materials, (for example concrete, sand, stone, steel, bricks, roof tiles).

For earthworks tasks, such as earth roads, laterite roads and dams, the materials, (for example, earth and laterite), are not so expensive. The biggest part of the cost for an earthworks task is usually:

- transport costs, if laterite or earth must be transported to the site;
- machinery operation costs, such as excavating, spreading, shaping, watering and compacting, if the project is implemented using earthworks machines;
- labor costs, if the project is implemented using labor methods.

Therefore, we have two different methods of calculating the cost, one method for construction tasks and one method for earthworks tasks.

A). Calculating Direct Costs for Construction Tasks

Step 1: Find the quantity of each construction task to make one unit of the project output

If we use a design from the NCDD Technical Manual for infrastructure projects, the quantities of each task are shown in a table on the drawing.

For example, the construction materials to make one single culvert, 5m long and 0.8m diameter, are:

- 5 culvert pipes 0.8m diameter;
- 3.4 m^3 of concrete;
- 44 kg of steel;
- 1.4 m^3 of sub foundation gravel;
- 18 m^2 of formwork

Note that these are quantities of construction tasks, not quantities of materials. The construction task includes labor and waste materials, as well as the materials that will remain in the finished construction.

Step 2: Calculate the quantities of materials and labor for each task

Use the Table of Material Quantities in the NCDD Technical Manual for infrastructure projects to find the quantities of materials that the contractor will have to buy, and how much labor he will need.

Example 1: 1 m³ of concrete (1:2.5:4)

1). Materials

- 6.2 bags of cement;
- 0.55 m³ of sand;
- 0.9 m³ of stone

2). Labor

- 0.5 person-day of skilled labor
- 0.5 person-day of semi-skilled labor
- 4 person-days of unskilled labor

Example 2: 1 tonne of reinforcement steel (1000 kg)

1). Materials

- 1,100 kg of steel
- 2 kg of wire

2). Labor

- 1 person-day of skilled labor
- 1 person-days of semi-skilled labor
- 6 person-days of unskilled labor

Example 3: 1m² of formwork

1). Waste materials

- 0.01m³ of wood
- 0.12 kg of nails

2). Labor

- 0.1 person-day of skilled labor
- 0.25 person-day of semi-skilled labor
- 0.05 person-day of unskilled labor

Step 3: Calculate the cost of the materials and labor

The cost for each material = quantity × price (from the price list)

Calculate the cost for each kind of material and add up a total cost for materials.

Calculate the cost for each kind of labor and add up a total cost for labor.

Step 4: Calculate the cost for transport

We calculate the transport cost per tonne of materials, Riels T / tonne.

Transport cost = Total weight of materials in tonnes x T.

T depends on the distance from the market to the project site, and on whether the road condition is good, medium or bad. The TSU should use the formulae given in section 2.4 to calculate a standard transport cost (per tonne) for each Commune/Sangkat in the province/ municipality

Example, for diesel price **D = 5,750 Riels/liter (23 July 2008)**, the transport unit costs are as follows:

No.	Road Conditions	Transport Cost per Tonne per km (Riels)			
		less than 20 km	20 km -35 km	35 km – 50 km	more than 50 km
1	Good road condition (average speed 50 km/h)	775	718	660	603
2	Medium road condition (average speed 25 km/h)	1,263	1,205	1,090	1,033
3	Bad road condition (average speed 15 km/h)	1,578	1,463	1,405	1,290

Example: Commune A is 20 km from the market on a medium road. The cost per tonne per km for transport is 1,263 Riels/tonne/km (take from above table).

The transport cost for Commune A is $1,263 \times 20 = 25,260$ Riels/tonne

The total weight of materials for one culvert is 15.5 tonnes

So the cost for transport = $15.5 \times 25,260 = 391,530$ Riels

However, for some Communes/Sangkats there will be special costs to consider. For example, there may be a ferry crossing, or there may be a toll barrier used to collect fees for road maintenance. These costs must be added to the value of **T** for those Commune/Sangkats. For some projects, the cost of transport to the project site will be different from the standard cost for the Commune/Sangkat.

Step 5: Calculate the small equipment cost

We calculate the cost for small equipment, (for example hoes, cement mixers), as a percentage of the labor costs.

$$\text{Small equipment cost} = \text{Labor Cost} \times 3\%$$

Now we can calculate the total direct cost for one unit of output:

$$\text{Direct Cost} = \text{Materials Cost} + \text{Transport Cost} + \text{Small Equipment Cost}$$

Step 6: Calculate the Indirect Cost and Profit (10%)

$$\text{Indirect Cost} = \text{Direct Cost} \times 0.1$$

$$\text{Total Cost} = \text{Direct Cost} + \text{Indirect Cost}$$

Step 7: Calculate the total cost for the whole output

For example, if the output is 3 places of culverts, the total cost for the output will be 3× the cost for 1 unit of output (1 culvert).

Example of Cost Estimation for Construction Output (Form 11)

C/S Fund Project					
Detailed Cost Estimation Form for Construction Output					
Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>	
Project Name: <i>Khum Roseisrok Earth Road Project</i>				C/S Code: <i>1234567</i>	
Village: <i>Phum Tnaot Leu</i>		Description of Output: <i>3 places Single pipe culvert 0.8m diameter and 5m long</i>			
Cost Estimation for 1 Unit of Output					
No.	Description	Unit	Quantity	Price/unit	Total (R)
1	<i>Cement</i>	<i>bags</i>	<i>20</i>	<i>20,500</i>	<i>410,000</i>
2	<i>Sand</i>	<i>m3</i>	<i>2.6</i>	<i>30,000</i>	<i>78,000</i>
3	<i>steel bars</i>	<i>kg</i>	<i>48</i>	<i>5,000</i>	<i>240,000</i>
4	<i>Stone 10 x 20</i>	<i>m3</i>	<i>3.1</i>	<i>140,000</i>	<i>334,000</i>
5	<i>Stone 40 x 60</i>	<i>m3</i>	<i>1.4</i>	<i>80,000</i>	<i>112,000</i>
6	<i>Culvert ring 800 mm diameter</i>	<i>Culvert</i>	<i>5</i>	<i>120,000</i>	<i>600,000</i>
7	<i>Formwork</i>	<i>m3</i>	<i>0.2</i>	<i>1,600,000</i>	<i>320,000</i>
8	<i>Nail</i>	<i>kg</i>	<i>0.2</i>	<i>6,800</i>	<i>1,360</i>
9	<i>Wire</i>	<i>kg</i>	<i>0.4</i>	<i>6,500</i>	<i>2,600</i>
	Transport cost of materials and equipments to the site	tonne	<i>15.5</i>	<i>25,260</i>	<i>391,530</i>
	Transport cost of equipments from the site	tonne	<i>1.2</i>	<i>25,260</i>	<i>30,312</i>
	Unskilled labor	per day	<i>34</i>	<i>15,000</i>	<i>510,000</i>
	Semi-skilled labor	per day	<i>7</i>	<i>20,000</i>	<i>140,000</i>
	Skilled labor	per day	<i>3</i>	<i>25,000</i>	<i>75,000</i>
	Small Tools (% of labor cost)			3%	<i>21,750</i>
Sub-total (Direct Cost)					<i>3,366,552</i>
Indirect Costs and Profit				10%	<i>336,655.20</i>
Total Cost					<i>3,703,207.20</i>
Cost for Whole Output					
Description	Unit	Quantity	Price/Unit	Total (R)	
<i>Culvert</i>	<i>Place</i>	<i>3</i>	<i>3,703,207.20</i>	<i>11,109,621.60</i>	
Market name: <i>Phsar Thom</i>			Haul distance: <i>20 km (Medium road)</i>		

Date:.....
C/S Chief

Date:.....
Technical Assistant

B). Calculating the direct costs for earthworks tasks**Step 1: Unit Cost Calculation for Earthworks****1). Tasks carried out by Machinery and Equipment**

Earthwork tasks are not things that we can buy in the market. The biggest part of the cost is the cost of operating machines. The procedure for calculating the unit standard cost of earthworks is described in **Section 2.4**.

For example, with the price of diesel of 5,750 Riels/liter (23 July 2008), the soils/laterite transportation cost per m³ per km is as follows:

No.	Road Conditions	Transport Cost per m ³ per km (Riels)			
		less than 20 km	20 km -35 km	35 km – 50 km	more than 50 km
1	Good road condition (average speed 50 km/h)	388	359	336	313
2	Medium road condition (average speed 25 km/h)	603	562	528	493
3	Bad road condition (average speed 15 km/h)	760	714	674	634

Site Clearance for roadwork

No.	Site Conditions	Site Clearance Cost per m ² (Riels)
1	Easy: rough existing surface, no bushes, no tree on both sides of the existing road	98
2	Medium: existing narrow rough road surface with bushes, bamboos, trees on both sides of the road	195
3	Difficult: No existing road, a lot of bushes, trees, bamboos	683

Excavation

No.	Site Conditions	Excavation Cost per m ³ (Riels)
1	Easy: Natural soils with no gravel or rocks	2,753
2	Medium: Natural soils with the presence of some gravels	3,413
3	Difficult: Natural soils with the presence of some pieces of rocks	4,273

Compaction (spreading, watering and compacting)

No.	Site Conditions	Compaction Cost per m ³ (Riels)
1	Easy: soils with no gravel or rocks	3,010
2	Medium: gravelly soils	4,300
3	Difficult: gravels or crushed rocks	8,700

2). Tasks carried out by labor

Some kinds of earthworks tasks are always done by labor. Some kinds of earthworks tasks, (for example, digging earth), can be done either by labor or by machines.

For tasks done by labor we use a labor norm. **The labor norm** means the amount of work that one person will do in one day.

To calculate the standard price for a labor task:

- Labor Cost = (Cost of labor for 1 person-day) / (labor norm)
- Small tools cost = 3% of Labor Cost

$\text{Standard Price} = \text{Labor Cost} + \text{Small Tools Cost}$

If there are any materials costs, (for example, if the contractor will need to buy grass for grass planting), we have to add the material cost as well

$\text{Standard Price} = \text{Labor Cost} + \text{Small Tools Cost} + \text{Materials Cost}$

Example: Standard Price for Planting Grass

- Labor Norm for Planting Grass = 30m² per person per day
- Cost of Unskilled Labor = 15,000 Riels per person per day (July 2008)
- Labor Cost for 1m² = 15,000 Riels / 30 = 500 Riels/m²
- Small tools cost for 1m² = (0.03 x 500 Riels) = 15 Riels/m²
- Cost of Grass Planting for 1m² = 500 Riels + 15 Riels = 515 Riels/m²
- Standard Price for Grass Planting = 515 Riels + (price of grass) / m²
- For most projects the price of the grass will be zero since the grass turf can be cut locally

Thus, the standard price per grass planting: 515 Riels/m²

Step 2: Calculate the quantity of each task

The calculation of soils volume, or quantity, is to calculate the volume, or quantity, of **uncompacted** soils. Generally, the quantity, or the volume, of soils transported for road construction is reduced about 30% after compacting. Thus, to obtain the required quantity or volume of soils calculated based on the drawings, we need the quantity of uncompacted soils of $Q = V \times CF$

Where:

- Q: uncompacted soils volume (m³)
- V: calculated compacted soils volume (m³)
- CF: 1.3 is the compaction factor

For example:

- A laterite road is 2,000m long, 4m wide and the laterite will be 0.15m thick **after** compaction. **$Q = 2,000 \times 4 \times 0.15 = 1,200 \text{ m}^3$**
- The total volume of laterite **before** compacting is: **$Q = V \times CF = 1,200 \times 1.3 = 1,560 \text{ m}^3$**
- The haul distance for the laterite is 10 km (quarry to site). Thus, the transport unit cost of 1m³ laterite for 10 km on medium road condition is : **$T = 603 \text{ Riels} \times 10 \text{ km} = 6,030 \text{ Riels/m}^3$**

The quantities of each standard task will be:

- Site Clearance (clearing the existing earth road surface) : $2000 \times 4 = 8,000 \text{ m}^2$
- Quantity of "Excavated laterite" = $1,560 \text{ m}^3$
- Quantity of "Transported laterite (0-20 km)" = $1,560 \text{ m}^3$
- Quantity of laterite for "Spreading, watering and compacting" = $1,560 \text{ m}^3$
- Quantity of grass planting = 0 m^2 (Since the grass has grown up well on the slopes of the road during the earth road construction, no grass planting is required for laterite topping of the same road).

Step 3: Multiply the quantity by the standard cost

After calculating the unit price of earthworks and the quantity of earthworks we can estimate the direct cost for earthworks by multiplying the unit price by the quantity.

$$\text{Machine Cost} = \text{Total Cost of all the tasks that will be done by machines}$$

Example:

Description	Unit	Quantity	Standard Price	Cost (Riels)
Excavate Laterite	m ³	8,000	98	784,000
Transport Laterite 0-20 km	m ³ . km	1,560	3,413	5,324,280
Spread and Shape Laterite	m ³	1,560	6,030	9,406,800
Water and Compact Laterite	m ³	1,560	4,300	6,708,000
Total Cost for earthworks tasks				22,223,080

Step 4: Calculate the cost of transporting the machines to the site

We do this in exactly the same way we calculate the material transport cost for construction tasks.

Find the transport cost, Riels T / tonne, for the Commune or Sangkat where the road is to be built using the transportation price list in the section 2.4 of this manual.

For a small earthworks project, assume the cost of transporting the machines is equal to the cost of transporting 20 tonnes of construction materials.

$$\text{Machine Transport Cost} = 20 \times T \text{ (Riels)}$$

$$\begin{aligned} \text{Direct cost} &= \text{Total Cost of Machine Tasks} \\ &+ \text{Total Cost of Labor Tasks} \\ &+ \text{Machine Transport Cost} \end{aligned}$$

Step 5: Calculate the Indirect Cost and Profit (10%)

$$\text{Indirect Cost and profit} = \text{Direct Cost} \times 0.1$$

$$\text{Total Cost} = \text{Direct Cost} + \text{Indirect Cost}$$

Example of cost estimation for earth road:

A Commune wanted to upgrade the existing narrow road in the commune. The existing conditions of the road are as follows:

- total road length is 2050 m
- road width varies from 2.5 m to 3 m wide
- road thickness varies from 0.1 m to 0.15 m
- road is on the rice field with flooding level approximately 0.1 m
- no trees or bushes on both sides of the road

Commune is willing to upgrade the road to 4 m wide and 0.5 m above the flood level. After surveying, the Technical Assistant calculated the detailed quantities of the works as follows:

- Site clearance area: 13,8167m². This road is considered to be an easy condition, the cost of site clearance: 98 Riels/m²
- Quantities of soils to be backfilled: 6,626 m³ x 1.3 = **8,614 m³**. Soils excavation (easy condition) : 2,753 Riels/m³

- Quantities of soils for spreading, watering and compacting = **8,614 m³**. The cost for spreading, watering and compacting (easy condition): 3,010 Riels/m³
- Quantities of soils for transportation = **8,614 m³**. The cost of transportation soils about 0.7 km distance (bad road condition with average speed 15 km/h):
- T = 0.7 x 760 = 532 Riels/m³**.
- Total area for grasses planting: 5,977m². The cost for grass planting: 515 Riels/m²
- 20-tonnes of equipment will be transported to the site on 30-km good road condition and 10-km on medium road condition:
- Equipment transport cost: **T = (30 km x 718 Riels) + (10 km x 1263 Riels) = 34,170 Riels**

Example of Cost Estimation for Earthworks Output (Form 12)

C/S Fund Project Detailed Cost Estimation Form for Earthworks Output					
Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>	
Project Name: <i>Khum Roseisrok Road Project</i>				C/S Code: <i>123456</i>	
Village: <i>Phum Tnaot Leu</i>		Description of Output: <i>2.05 km earth Road 4m wide</i>			
Cost Estimation for Whole Output					
No.	Description	Unit	Quantity	Price/unit	Total (R)
1	<i>Site clearance</i>	<i>m²</i>	<i>13,817</i>	<i>98</i>	<i>1,354,066</i>
2	<i>Earth excavation</i>	<i>m³</i>	<i>8,614</i>	<i>2,753</i>	<i>23,714,342</i>
3	<i>Earth transportation (0.7 km)</i>	<i>m³</i>	<i>8,614</i>	<i>532</i>	<i>4,582,648</i>
4	<i>Earth compaction</i>	<i>m³</i>	<i>8,614</i>	<i>3,010</i>	<i>25,928,140</i>
5	<i>Grasses planting</i>	<i>m²</i>	<i>5,977</i>	<i>515</i>	<i>3,078,155</i>
6	<i>Transporting equipment to the site</i>	<i>tonnes</i>	<i>20</i>	<i>34,170</i>	<i>683,400</i>
7	<i>Transporting equipment from the site</i>	<i>tonnes</i>	<i>20</i>	<i>34,170</i>	<i>683,400</i>
Direct cost					<i>60,024,151</i>
Indirect Costs and Profit				10%	<i>6,002,415</i>
Total Cost of Output Including Tax					<i>66,026,566</i>

Cost for One Unit of Output				
Description	Unit	Quantity	Total Cost	Cost / Unit
<i>Earth road 4m x 2050 m (additional thickness: 0.45 to 0.5m)</i>	<i>km</i>	<i>2.05</i>	<i>66,026,566</i>	<i>33,280,081</i>

Market name: <i>Phsar Thom</i>	Haul distance: <i>0.7 km (bad road)</i>
---------------------------------------	--

Date:.....
C/S Chief

Date:.....
Technical Assistant

2.6.4. Calculation of Estimated Cost of Service Projects

A). Calculation of direct cost

Direct cost is the cost for implementing the activities and the cost of materials or goods to support the implementation of project activities. Thus, before calculating the cost, the Technical Assistant, whose task is to help C/S chief in calculating the estimated cost of the project, should clearly identify project activities and materials or goods that are required for project implementation. Activities and materials of service projects include:

- Formation of the beneficiary group and development of group Statutes;
- Conducting training (Number of courses, number of trainees, training materials...);
- Establishing demonstration plots (number of sites and materials required);
- Organizing farmer's field day;
- Provide and distribute materials for project implementation;
- Follow up and assist target farmers in site preparation such as nursery preparation, pond rehabilitation, land preparation, compost pits, animal pens, etc.);
- Distribute seeds, piglets, seedlings, fingerlings, etc. for the project implementation;
- Monitoring and follow up field activities during the project implementation till the end of the project. Sometimes this activity is continuously done until the target farmers have acquired enough capacity;
- Seeds, materials and farm tools required:
 - Materials for the preparation and establishment of project sites;
 - Farm tools;
 - Seeds and seedlings;
 - Animal stocks.

After identifying the project activities and materials as well as the goods, we should start to calculate cost of each activity and materials or goods. For the activities of forming groups, preparing training and training materials, proving technical support and field work the cost can be calculated for farmer groups. For example the cost for twenty farmers is calculated by dividing the total estimated cost with the number of target farmers.

Example: An Integrated Farming System (IFS) project includes vegetable gardens and fish raising for 20 families.

The activities and materials for this project include:

1. Training on IFS (home garden and fish raising)

- | | | |
|--|------------------------------|--------------|
| • Training materials | : 20 persons x 4,000 R | = 80,000R |
| • Training handouts | : 20 persons x 12,000 R | = 240,000R |
| • Refreshment for meeting and training | : 20 prs x 16 times x 4,000R | = 1,280,000R |
| • Training fees and technical support | : 16 times x 120,000 R | = 1,920,000R |
| • Organize farmer field's days | | = 200,000R |

2. Home garden demonstration (Materials):

- | | | |
|--------------------------------|----------------------|-------------|
| • Morning glory seeds | : 40 cans x 5,000 R | = 200,000 R |
| • Cucumber seeds | : 40 cans x 5,000 R | = 200,000 R |
| • Green mustard seeds | : 40 cans x 5,000 R | = 200,000 R |
| • Long-yard been seeds | : 40 cans x 5,000 R | = 200,000 R |
| • Chinese radish seeds | : 40 cans x 5,000 R | = 200,000 R |
| • Hoes | : 20 hoes x 20,000 R | = 400,000 R |
| • Water sprinklers (15 liters) | : 20 sets x 30,000 R | = 600,000 R |

3. Fish raising demonstration (Materials):

- Dig or rehabilitate fish ponds : 20 ponds x 100,000 R = 2,000,000R
- Lime : 20 families x 10 kg x 1,000 R = 200,000R
- Nets : 20 families x 20 m x 2,000 R = 800,000R
- Fingerlings : 20 families x 500 fingerlings x 200R = 2,000,000R

B). Calculation of indirect cost and profit

Indirect cost and profit = direct cost x 10% or (0.10)

Total cost = direct cost + indirect cost and profit

Indirect cost and profit is calculated for non-profit firms or organizations. Whereas non-profit organization such as non-governmental organization, associations and community based organizations will not have indirect costs and profits but they may have administrative and management costs. The administrative and management cost is calculated as below:

- Administrative and management expenses = direct cost x 10%

Total cost = direct cost + admin & management expenses

Example: Estimated cost for service project (Form 13)

C/S Fund project Detailed Estimated Cost Form for Service Project					
Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>	
Project Name: <i>Integrated Farming System through vegetable home garden and fish rearing of Rosei Srok commune</i>				C/S code: <i>1234567</i>	
Village: <i>Thnoat Leu and Thnoat Krom</i>		Description of project outputs: <i>20 families benefited from Integrated Farming System (IFS) through home garden and fish rearing.</i>			
No.	Description	Unit	Quantity	Unit cost	Total (R)
1	<i>Training on IFS (vegetable and fish)</i>				
	<i>Training materials</i>	<i>Persons</i>	<i>20</i>	<i>4,000</i>	<i>80,000</i>
	<i>Training handouts</i>	<i>Persons</i>	<i>20</i>	<i>12,000</i>	<i>240,000</i>
	<i>Refreshment for meeting and training</i>	<i>P/day</i>	<i>320</i>	<i>4,000</i>	<i>1,280,000</i>
	<i>Training fees and technical support</i>	<i>times</i>	<i>16</i>	<i>120,000</i>	<i>1,920,000</i>
	<i>Organize farmer field's days</i>	<i>Lump sum</i>	<i>1</i>	<i>200,000</i>	<i>200,000</i>
Direct cost for output 1					<i>3,720,000</i>
Indirect cost and profit				<i>10%</i>	<i>372,000</i>
Sub-total cost of output 1					<i>4,092,000</i>
2	<i>Home garden demonstration (Materials)</i>				
	<i>Morning glory seeds</i>	<i>cans</i>	<i>40</i>	<i>5,000</i>	<i>200,000</i>
	<i>Cucumber seeds</i>	<i>cans</i>	<i>40</i>	<i>5,000</i>	<i>200,000</i>
	<i>Green mustard seeds</i>	<i>cans</i>	<i>40</i>	<i>5,000</i>	<i>200,000</i>
	<i>Long-yard been seeds</i>	<i>cans</i>	<i>40</i>	<i>5,000</i>	<i>200,000</i>
	<i>Chinese radish seeds</i>	<i>cans</i>	<i>40</i>	<i>5,000</i>	<i>200,000</i>
	<i>Hoes</i>	<i>hoes</i>	<i>20</i>	<i>20,000</i>	<i>400,000</i>
	<i>Water sprinklers (15 liters)</i>	<i>sets</i>	<i>20</i>	<i>30,000</i>	<i>600,000</i>
Direct cost for output 2					<i>2,000,000</i>
Indirect cost and profit				<i>10%</i>	<i>200,000</i>
Sub-total cost of output 2					<i>2,200,000</i>
3	<i>Fish raising demonstration (Materials)</i>				
	<i>Dig or rehabilitate fish ponds</i>	<i>ponds</i>	<i>20</i>	<i>100,000</i>	<i>2,000,000</i>
	<i>Lime</i>	<i>kg</i>	<i>200</i>	<i>1,000</i>	<i>200,000</i>
	<i>Nets</i>	<i>m</i>	<i>400</i>	<i>2,000</i>	<i>800,000</i>
	<i>Fingerlings</i>	<i>fingerling</i>	<i>10,000</i>	<i>200</i>	<i>2,000,000</i>
Direct cost for output 3					<i>5,000,000</i>
Indirect cost and profit				<i>10%</i>	<i>500,000</i>
Sub-total cost of output 3					<i>5,500,000</i>
Grand total					<i>11,792,000</i>

Date:.....

C/S Chief

Date:.....

Technical Assistant

2.6.5. Filling in the Project Outputs and Cost Estimate Form

The Project Outputs and Cost estimate forms (**Form 14 and Form 15**) show:

- Each output of the project, its location and size;
- The estimated cost of each output
- The total estimated cost of the project.

A). Village

One output can only be in one village. For example, there is a road 4.0 km long with 2.5 km in Village A and 1.5 km in Village B. There are 3 culverts in village A and 1 culvert in Village B. We must split this into 4 outputs:

- Village A: 2.5 km of road
- Village A: 3 culverts
- Village B: 1.5 km of road
- Village B: 1 culvert km of road.

We do this so that we can:

- Monitor what benefits each village has received.
- Monitor the locations of the project outputs easily.

B). Output ID and Description

Every kind of output has a standard code, called the output ID. These codes are shown in the List of Standard Outputs, attached below. For example, the Output ID for an earth road is 1010101 and the Output ID for a single pipe culvert with 0.8 diameter is 1010302.

C). New, Repair, Upgrade or Routine (for infrastructure projects)

An output can be new or it can be a repair of something that was already there. There are three types: new, repair or upgrade.

- **New** means that the output was not there before. Example: a road constructed across rice fields;
- **Repair** means that the output already exists but is in bad condition. It will be repaired to be as good as (but not better than) when it was new. Example: new laterite on a road that has had laterite before.
- **Upgrade** means that the output already exists, but after the project it will be better than it was when it was first constructed. Example: putting laterite on an earth road for the first time.

Note: a project output is always something that will be used to provide a direct benefit to the project beneficiaries. Some projects include construction that will improve or protect an existing output, but will not provide any benefit separate from the existing output. Example: constructing a fence around a drinking water pond. The output is NOT a new fence (the fence will not provide any direct benefit). The output is an upgraded pond.

D). NCDD Design (for infrastructure projects)

If the output uses a design from the NCDD Technical Infrastructure Manual, put “Yes.” This is just so we can monitor how often the NCDD designs are used. The C/S Council and the Technical Adviser can choose to use a NCDD Design, or another design, so long as the technical standard is appropriate.

E). Quantity and Unit

Every output has a standard unit of measurement. We can find this standard unit on the List of Standard Outputs. For example: a laterite road is measured in kilometers, not in meters or in cubic meters of laterite. A school with two rooms is measured as “2 rooms,” not “1 school.”

F). Dimension 1 and Dimension 2 (For Infrastructure Project)

Dimension 1 and Dimension 2 for each project should be extracted from List of Standard Outputs. If a Project Output is not on the List of Standard Outputs then the Province/Municipal level should request the National level to add a new project output on the List of Standard Outputs.

G). Estimated Cost of outputs

The estimated costs of a project output is divided into two parts: Estimated cost per unit of each project output and estimated cost of each total project output. Example:

- The estimated cost per unit for a laterite road is the cost for 1 km of road.
- The estimated cost per unit for a school is the cost for one classroom.

The estimated cost per unit and the total cost for the output are shown on the Detailed Cost Estimation Form. Copy these figures into the correct column in the Project Outputs and Estimated Cost Form.

H). Estimated cost of project

The estimated cost of the project is the total estimated cost of all the outputs.

Form 14

Project Outputs and Cost Estimate Form for Infrastructure

Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>		Project Name: <i>Khnum Roseisrok Earth Road Project</i>							
No	Village	ID	Description	New/ Repair/ Upgrade	NCDD Design Y/N	Quantity	Unit	Dimension 1		Dimension 2		Estimated Cost	
								Type	Size	Type	Size	Per Unit	Total
<i>1</i>	<i>Tnautleu</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>Yes</i>	<i>2.05</i>	<i>km</i>	<i>Width</i>	<i>4m</i>	<i>Quantity soil</i>	<i>8,614m³</i>	<i>32,208,081</i>	<i>66,026,566</i>
<i>2</i>	<i>Tnautkrom</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>Yes</i>	<i>1.5</i>	<i>km</i>	<i>Width</i>	<i>4m</i>	<i>Quantity soil</i>	<i>6,303m³</i>	<i>32,208,081</i>	<i>48,321,122</i>
<i>3</i>	<i>TnautLeu</i>	<i>1010302</i>	<i>Single Culvert</i>	<i>New</i>	<i>Yes</i>	<i>3</i>	<i>place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,703,207</i>	<i>11,109,261</i>
<i>4</i>	<i>Tnautkrom</i>	<i>1010302</i>	<i>Single Culvert</i>	<i>New</i>	<i>Yes</i>	<i>1</i>	<i>place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,703,207</i>	<i>3,703,207</i>
Total Estimated Cost of Project													<i>129,151,516</i>

Note: Only outputs which have budget available will be recorded on this form.

Date:.....
C/S Chief

Date:.....
Technical Assistant

Form 15

Project Outputs and Cost Estimate Form for Service Project

Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>		Project Name: <i>Integrated Farming System through vegetable hoe garden and fish raising.</i>		
No.	Village	Output Code	Description	New/ Strengthen	Quality	Unit	Unit Price	Total (R)
1	<i>Thnoat Leu</i>	<i>2010111</i>	<i>Training on IFS (vegetable and fish raising)</i>	<i>New</i>	<i>10</i>	<i>Person</i>	<i>204.600</i>	<i>2.046.000</i>
2	<i>Thnoat Krom</i>	<i>2010111</i>	<i>Training on IFS (vegetable and fish raising)</i>	<i>New</i>	<i>10</i>	<i>Person</i>	<i>204.600</i>	<i>2.046.000</i>
3	<i>Thnoat Leu</i>	<i>2010122</i>	<i>Home garden demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>Family</i>	<i>110.000</i>	<i>1.100.000</i>
4	<i>Thnoat Krom</i>	<i>2010122</i>	<i>Home garden demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>Family</i>	<i>110.000</i>	<i>1.100.000</i>
5	<i>Thnoat Leu</i>	<i>2010430</i>	<i>Fish raising demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>Family</i>	<i>275.000</i>	<i>2.750.000</i>
6	<i>Thnoat Krom</i>	<i>2010430</i>	<i>Fish raising demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>Family</i>	<i>275.000</i>	<i>2.750.000</i>
Total Estimated Cost of Project								11.792.000

Note: Only outputs which have budget available will be recorded on this form.

Date:.....
C/S Chief

Date:.....
Technical Assistant

2.6.6. Filling in the Project Outputs Location Form

Project output form (**Form 16**) shows:

- Output code
- Figures of Axis X (the number shown on the screen of GPS)
- Figures of Ordinate Y (the number shown on the screen of GPS)
- Comments

Form 16

[illegible]

2.6.7. List of Standard Outputs

This list is NOT a list of all the kinds of output the C/S Councils are allowed to implement. The purpose of the list is to make a standard way of measuring outputs so that we can monitor the total output of the whole program: for example, how many kilometers of road constructed using the C/S Fund each year.

If the C/S Council wants to implement a project with outputs that are not on the list, the Technical Adviser should consult with P/M LAU and ask for a new standard output number to be issued for that output from the national level.

The list of standard of outputs is in the **Annex 2**.

2.7. Operation and Maintenance

2.7.1. What is Operation and Maintenance?

Operation and Maintenance of an infrastructure project means all the activities the Project Owner must perform, or that the Project Owner must give somebody else the responsibility to perform, to ensure the sustainability of the project after it is constructed.

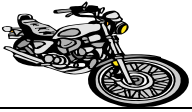
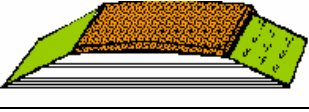
A). Operation

Operation means any activity concerned with using the project output that must be done or managed collectively (not by the individual users). For some types of project operation tasks are very important. For other types of project there will not be any important operation tasks.

Examples of operation tasks	
Type of project	Operation tasks
School building	Teaching
Piped water scheme	Pumping water Collecting user fees
Drilled wells with hand pumps	No operation tasks
Canal and water gates	Opening and closing the water gates at the correct time.
Road	May not be any operation tasks Stopping heavy traffic during rains?

B). Maintenance

Maintenance is either preventive maintenance or repairs. Preventive maintenance is done to prevent the project from becoming damaged. Repairs are carried out after damage has occurred.

	Motorbike	Road
		
Preventive Maintenance	Changing the engine oil	Cleaning the drains
Repairs	Replacing the tires	Filling potholes

However, with rural infrastructure we usually classify maintenance according to **when** we do it. We can talk about three kinds of maintenance: routine maintenance, periodic maintenance and emergency maintenance.

1). Routine maintenance is a number of small activities that must be done often. Usually routine maintenance should be done at least one time per year. However, for the C/S Fund projects, any activity that will be done more than one time in five years is defined as routine maintenance. Routine maintenance is often preventive maintenance. For example, if a school calls a carpenter to check and make small repairs to the furniture at the end of each year, we can call that routine maintenance.

2). Periodic maintenance means bigger tasks that we have to do regularly but with a long period, (for C/S Fund projects, not more than 1 time per 5 years), between each time. For example, if the school building must be painted one time per 5 years, that is periodic maintenance.

3). Emergency maintenance means repairs that have to be done after damage has been caused by some unusual event. For example, if the school roof is damaged by a storm, repairing the roof would be emergency maintenance.

The table below shows examples of routine, periodic and emergency maintenance for a road project.

Type of Maintenance	How often	Examples
Routine Maintenance	<ul style="list-style-type: none"> 1 time per year (or more often) 	<ul style="list-style-type: none"> Pothole filling Drain cleaning Repair embankment slope Bridge inspection
Periodic Maintenance	<ul style="list-style-type: none"> 1 time every 5 years 1 time every 10 years 	<ul style="list-style-type: none"> Place new laterite New wood for bridge deck
Emergency Maintenance	<ul style="list-style-type: none"> When damage occurs 	<ul style="list-style-type: none"> Repairs to road after a flood.

2.7.2. Who is Responsible for Operation and Maintenance of C/S Fund Infrastructure Projects?

We can divide operation and maintenance activities into Planning, Management, Financing, and Implementation.

The C/S Council is responsible to ensure that C/S Fund projects are sustainable. That means there must be an operation and maintenance plan that can be implemented. Therefore, the C/S Council is responsible for planning of operation and maintenance for all C/S Fund projects.

Management, financing and implementation may be done directly by the C/S Chief on behalf of the C/S Council, or another person or agency may be responsible. Different allocations of these responsibilities will be appropriate for different projects.

A). Management

For some types of project, the C/S Council may allocate investment funds to build infrastructure, which will be managed by another government agency. For example, the C/S Council may build a school building, but the Department of Education is responsible for managing the school, including the operation and maintenance tasks. We will not discuss this type of project any more here.

For projects where there is no other Government agency involved, (above the level of the C/S Council), we can distinguish two types of management responsibility:

- **Projects managed directly by the C/S Council**
Road projects are an example of this type of project. Usually the C/S Council will create a sub-committee to perform the management tasks needed. For example, the Commune roads are managed by a Commune Road Maintenance Sub-Committee.
- **Projects managed by a User Group**
For example a Farmer Water User Community, (for an irrigation scheme), or a Water and Sanitation User Group (for a well).

B). Financing

There are three main ways in which operation and maintenance of local infrastructure can be financed:

- Money from the main C/S Council budget (the C/S Fund or local taxes);
- Money, (or other things, such as labor), from community contributions, for operation and maintenance for a specific project;
- Money from user fees paid by users of the project output.

For road maintenance, the funds will come mainly from the C/S Fund Development Component and from other revenues in the C/S Budget. When the C/S Council plans a road project, they must consider the recurrent cost of maintenance, every year after the project is constructed.

Routine Maintenance activities should be included in the Recurrent Expenditure section of the C/S Budget.

Periodic Maintenance activities should be included in the Capital Expenditure section of the C/S Budget.

C). Implementation

This Manual includes guidelines for implementation of maintenance activities which are managed and funded by the C/S Council. These activities will be implemented by contractors. The contractor will have a contract with the C/S Council and will be paid from the C/S account at Provincial Treasury, (or a commercial bank), in the same way as a construction contractor.

Because maintenance contracts are often very small and technically simple, it is highly suitable for the maintenance contractors to be local small contractors or local community based organizations.

2.7.3. Appropriate Operation and Maintenance Responsibilities for Different Types of Project

The table below shows the operation and maintenance systems that is most appropriate for each type of project. The recommendations in the table are not rules: the most appropriate method should be chosen in each individual case. This table is intended as a flexible guideline.

Project	Appropriate Operation and Maintenance System			
	Management	Financing	Implementation	
			Operation	Maintenance
Ring Wells	Water and Sanitation User Group	Community contributions	None	Community
Hand pump wells	Water and Sanitation User Group	Community contributions	None	Local hand pump repair man (could be done as maintenance contract)
Piped water supply with pump	C/S Council or user group	User fees paid to contractor	Operation and maintenance contract	
Road project (routine maintenance)	C/S Council roads sub-Committee	Community contributions	Direct (very few activities)	Contractor (works contract or maintenance contract)
Road project (periodic maintenance)	C/S Council roads sub-Committee	C/S Fund or local taxes		Contractor (works contract)
Canal and water gate	Farmer Water User Community	User fees or community contributions	Community	Community or contractor (works contract)
Pumped irrigation	Farmer Water User Community	User fees	Operation and maintenance contract	
Electricity	C/S Council or user group	User fees	Operation and maintenance contract	

2.7.4. How to fill in the Operation and Maintenance Plan Form

The Operation and Maintenance Plan Form (**Form 17**) must be submitted with the Project Information to P/MLAU. If the project does not have an Operation and Maintenance Plan it will not receive technical clearance.

The Operation and Maintenance Plan shows who is responsible for management, implementation and financing of the operation and maintenance of the project output, and how much the cost will be.

1). Description of the Project

Fill in the commune location and a description of the project.

2). Management Responsibility

Fill in the management responsibility. For example, if a Farmer Water User Community will be responsible to manage the project output, write "Farmer Water User Community."

3). Implementation Plan

Divide the activities that will be needed into Operation, Routine Maintenance and Periodic Maintenance activities.

Write down each activity that will be needed, and how often the activity will be done.

Write down who will do the activity. For example, if a contractor will do the work, write "contractor."

4). Cost

Estimate the cost of each activity, each time it is done. Calculate the cost per year. For example, if the cost of routine maintenance of a road is 1,600,000 Riels per time and the activity must be done 2 times per year, the cost per year for routine maintenance is:

$$2 \times 1,600,000 \text{ Riels} = 3,200,000 \text{ Riels per year.}$$

For example, if the cost of periodic maintenance of the road is 64,000,000 Riels, and we must do periodic maintenance 1 time per 5 years, the cost per year for periodic maintenance is:

$$64,000,000 \text{ Riels} / 5 = 12,800,000 \text{ Riels per year.}$$

Add up the total maintenance cost per year

5). Financing Plan

For each activity, write down how the money will be collected. For example, in a piped water scheme the cost of operation and maintenance may be paid by "User fees to the contractor." For a road project, routine maintenance may be paid for by local contribution, and periodic maintenance may be paid from the Commune/Sangkat Fund.

Form 17

C/S Project Operation and Maintenance Plan

Commune: <i>Khum Roseisrok Srok Sreisanthor Khet Kompong Cham</i>			Description of Project Outputs: <i>4 km of laterite road in Phum Tnaot Leu and Phum Tnaot Krom and 2 wooden bridges</i>			Date: <i>01/06/08</i>	
Who is responsible for management of the project outputs? <i>Commune Council</i>							
Implementation Plan				Cost and Financing Plan			
No.	Activity	How Often?	Who will do?	Cost (Riels)		Source of funds	Other things needed
				Per Time	Per year		
1. Operation Plan							
	<i>No operation activities</i>						
2. Routine Maintenance							
<i>1</i>	<i>Fill in potholes</i>	<i>1 time per year</i>	<i>Community</i>	<i>1,600,000</i>	<i>1,600,000</i>	<i>Local transporters</i>	<i>Community labor to fill in holes and compact</i>
<i>2</i>	<i>Small repairs to bridge</i>	<i>2 times per year</i>	<i>Local craftsman</i>	<i>40,000</i>	<i>80,000</i>	<i>Community contribution</i>	
3. Periodic Maintenance							
<i>1</i>	<i>Replace laterite</i>	<i>1 per 5 years</i>	<i>Contractor</i>	<i>64,000,000</i>	<i>12,800,000</i>	<i>C/S Fund</i> <i>Local taxes</i>	
<i>2</i>	<i>Repair bridge deck</i>	<i>1 per 4 years</i>	<i>Local craftsman</i>	<i>3,000,000</i>	<i>750,000</i>		
Total Cost per Year					<i>15,230,000</i>		

C/S Chief

Representative of agency responsible for operation and management

Technical Assistant

C/S Project Operation and Maintenance Plan

Commune: <i>Khum Theay Srok Baphnom Khaet Prey Veng</i>				Description of Project Outputs: <i>Pumping station. 3 km of canal and 2 water gates.</i>			Date: <i>01/06/08</i>	
Who is responsible for management of the project outputs? <i>Farmer Water User Community</i>								
Implementation Plan				Cost and Financing Plan				
No.	Activity	How Often?	Who will do?	Cost (Riels)		Source of funds	Other things needed	
				Per Time	Per year			
1. Operation Plan								
<i>1</i>	<i>Pumping</i>	<i>2 crops / year</i>	<i>Company</i>	<i>20,000,000</i>	<i>40,000,000</i>	<i>User fees</i>		
<i>2</i>	<i>Operating gates</i>	<i>When needed</i>	<i>FWUC</i>					
2. Routine Maintenance								
<i>1</i>	<i>Maintain pump engine</i>	<i>When needed</i>	<i>Company</i>		<i>500,000</i>	<i>User fees</i>		
<i>2</i>	<i>Repair field canals</i>	<i>1 time per year</i>	<i>Farmers</i>				<i>Farmers own labor</i>	
3. Periodic Maintenance								
<i>1</i>	<i>Repair main canal 1 time peer 3 years</i>	<i>1 per 5 years</i>	<i>Company</i>	<i>9,000,000</i>	<i>3,000,000</i>	<i>User fees</i>		
Total Cost per Year					<i>43,500,000</i>	<i>Company will charge user fee 200,000 riels per hectare per harvest x 2 harvests x 110 ha =44 million riels/year</i>		

C/S Chief

Representative of agency responsible for operation and management

Technical Assistant

2.7.5. Project Preparation for Maintenance Activities

C/S Funds can be used for maintenance of any public infrastructure that the C/S Council is responsible for. The infrastructure may be outputs of the C/S Fund investments, or it may be infrastructure constructed by some other agency.

A). Routine Maintenance of outputs of C/S Fund projects.

Routine maintenance of the output of a C/S Fund project is regarded as a new output of the original project.

For example:

In 2007 the C/S Council for Commune A places laterite on 5 km of road that was previously earth road.

- **Output:** laterite road (upgraded); quantity 5 km.

In 2008, the C/S Council agrees to carry out routine maintenance of the road to keep it in good condition.

- **Output:** laterite road (routine maintenance); quantity 5 km.

Therefore routine maintenance of C/S Fund project outputs does not need:

- A Project Information Form;
- Technical Clearance;

Routine maintenance of C/S Fund project outputs does need:

- A technical inspection to determine the present condition of the project output;
- Cost estimation.

B). Routine Maintenance of infrastructure that is not C/S Fund output.

For infrastructure that was not constructed using C/S Funds, the first time C/S Funds are used to maintain this infrastructure will be treated as a new project.

In following years, further routine maintenance will be treated as a continuation of the same project.

For example, an NGO has funded construction of a laterite road 4 km long in Commune B. The work was completed in 2006 and by 2008 the surface of the road has become damaged. The C/S Council agree to include funds for maintenance of the road in the C/S Annual Budget.

In 2008, the C/S Council prepare a Project Information Form and submit it to P/M LAU for Technical Clearance. The output of the project is:

- **Output:** Laterite road (routine maintenance) 4 Km.

The C/S Council agree to continue to maintain the road in 2009. They do not submit another Project Information Form, because the work will be a new output for the same project:

- **Output:** Laterite road (routine maintenance) 4 km.

C). Project Preparation for Periodic Maintenance

Periodic Maintenance of infrastructure using C/S fund is treated as a new project. The output is "repair" of the existing infrastructure. Example: Laterite road (repair) 5 km.

So in this case a Project Information Form and Technical Clearance are needed.

2.7.6. Technical Survey for Routine Maintenance

The Technical Adviser should work with the C/S Council to survey the project output. The purpose of the technical survey for routine maintenance is to find out what kind of maintenance activity is needed, and how much.

The steps of the technical survey are:

- Decide what the indicators of “good condition” are. The indicators must be defined in such a way that it is possible to measure them.
- Measure the present condition of the infrastructure in relation to these indicators.

Indicators for routine maintenance of a road

Indicator	Target condition (Good condition level)	Minimum acceptable condition	Method of measurement
Camber	7%	5%	<ul style="list-style-type: none"> • Use a straight wood beam 2.5m long, laid on the road surface, to measure camber and pothole or rut depth • Estimate the quantity of soil/laterite for filling potholes or ruts.
Pothole depth	No potholes	No potholes more than 5 cm deep	
Ruts	No ruts	No ruts more than 5 cm	
Side slopes	Side slopes protected by grass cover everywhere No erosion damage	No areas bigger than 1m ² without grass No holes more than 10 cm deep	Inspection
Side drains and culverts	Water can flow freely in side drains and culverts	No obstructions in drains or culverts	Inspection

Survey the road and assess the condition of each section as “good,” “fair,” “poor,” or “bad” according to the following definitions:

- **Good:** All indicators at target condition.
- **Fair:** All indicators at least at minimum acceptable condition.
- **Poor:** Some indicators below minimum acceptable condition.
- **Bad:** Major repair or “periodic maintenance” is needed. If a large part of the road in this condition, the road is not suitable for routine maintenance. For a laterite road, if the average thickness of laterite is less than 80 mm, the road needs periodic maintenance.

Example result of Technical Survey of Road

From	To	Condition	Comments
0m	180m	Fair	Some small obstacles in drains need clearing
180m	500m	Poor	Camber 2% - 5%. Potholes up to 60 mm deep cover about 30% of the road.
500m	1200m	Fair	830m: Culvert is blocked and needs to be cleared 950m: Side slope is damaged by cows
1200m	1260m	Bad	Road damaged by flooding. New laterite needed in this section
1260 m	1550m	Fair	Ruts cover about 10% of the road surface

2.7.7. Cost Estimation for Routine Maintenance

Cost estimation for routine maintenance should follow the same guidelines as for other types of activity.

We can divide the maintenance work into two types of activity:

- 1). Activities that the contractor will do one time, to bring the condition from “poor” to “good.” We can call these “one time activities.”
- 2). Activities that the contractor will have to do many times, to keep the condition “fair” or “good.”

Not all maintenance contracts will have both types of activity. For example:

- C/S Council “A” implements a contract to construct a new road and to maintain it for six months, using the standard construction contract. At the end of the maintenance period, the C/S Council decides to make a new contract to maintain the road in good condition. This contract will only have continuing activities;
- There are many earth roads in Commune “B”. At the end of the wet season these roads are in poor condition. The C/S Council makes a contract to repair these roads to good condition one time. The next year the council will make a new contract for the same activity. So this contract will have only “one time” activities.

Because C/S Fund contracts cannot be for more than one year, most routine maintenance contracts will be for “one time” activities only.

The maintenance cost of each activity for earth and laterite road can be estimated as follows:

A). Estimate the quantity of works:

- Estimate the quantity of soils or laterite to be placed on damaged side slopes;
- Measure the area of damaged side slopes to be repaired and planted with grass;
- Measure the length of drains and culverts to be cleaned;
- Estimate the quantity of soils or laterite to fill in the potholes and ruts;
- Restore Camber to 7% by grading and compacting.

B). Calculate the unit cost for each activity:

- **The unit cost of laterite and soils can be obtained from the standard price list.**
- **The unit cost of excavation can be also obtained from the standard price list.**
- **Cost of planting grass and side slope repairs can be calculated as follows:**

Example: Standard Price for side slope repair and grass planting

- Labor Norm for repairing and planting Grass = 10 m² per day per person
- Cost of Unskilled Labor = 15,000 Riels per day (July 2008)
- Labor Cost for 1m² = Riels 15,000 / 10 = 1,500 Riels/m²
- Small tools cost for 1m² = (0.03x 1500) = 45 Riels/m²
- Cost of side slope repair and grass planting for 1m² = 1500 Riels + 45 Riels = 1545 Riels/m²
- Standard Price for repairing and grass planting = 1545 Riels + (price of grass)/m²
- For most projects the price of the grass will be zero since the grass turf can be cut locally.

Thus, the Standard Price for side slope repair grass planting: 1545 Riels/m²

- **The cost for cleaning the drains and culverts can be calculated as follows:**

Example: Standard Price for cleaning drains and culverts

- Labor Norm for cleaning drains and culverts = 30 m per day per person
- Cost of Unskilled Labor = 15,000 Riels per day (July 2008)
- Labor Cost for km = $(15,000 \text{ Riels} / 30\text{m}) \times 1000 = 500,000 \text{ Riels/km}$
- Small tools cost for 1 km = $(0.03 \times 500,000) = 15,000 \text{ Riels/Km}$
- Cost of cleaning drains and culvert per 1 Km = $500,000 \text{ Riels} + 15,000 \text{ Riels} = 515,000 \text{ Riels/Km}$

Thus, the Standard Price for cleaning drains and culverts: 515,000 Riels/km

- **The unit cost estimate for filling the potholes and ruts, grading watering and compacting:**

☞ **The unit cost estimate for filling the potholes and ruts, grading, watering and compacting by machine operation can be calculated using the following formula:**

No.	Soils Type	Unit Cost for Filling, Grading and Compacting (Riels/m ²)
1	Soils with no gravel or rocks	$300 + 0.06 \times D$
2	Gravelly soils (laterite)	$400 + 0.08 \times D$

Where **D** is diesel price per liter in Riels.

Example: Maintenance Cost Estimate for 3 km long and 4m wide Laterite Road: After conducting survey, the Technical Assistant estimated the quantities of maintenance works as follows:

- Quantity of soils to be placed on the damaged side slopes: 30 m³
- The area of side slopes to be repaired and planted with grass: 300 m²
- Length of drains and culverts to be cleaned : 3 km
- Quantity of laterite to be used to fill in potholes and ruts: 100 m³
- Area of grading and compacting: 12,000 m²

Unit costs:

- Soils can be freely obtained. Thus, the cost of the soils is only the sum of the excavation cost and transport cost. For medium road condition:
 $603 + 2753 = 3356 \text{ Riels/m}^3$
- Cost for repairing side slopes and planting grass: 1545 Riels/m²
- Cleaning drain and culverts: 515,000 Riels/km
- Laterite cost (including excavation): 6,000 Riels/m³
- Transport laterite on medium road condition with distance 8 km: 528 Riels/m³
- Grading and compacting: $400 + 0.08D = 400 + 0.08 \times 5,750 = 860 \text{ Riels/m}^2$
- Transporting equipment to the site (50 km on good road) : $T = 603 \times 50 = 30,150 \text{ Riels/tonne}$

☞ **Unit Cost Estimate for Filling and Compacting Potholes and Ruts grading, watering and compacting using Labor can be calculated as below:**

Example: the average pothole size is 0.5m x 0.5m with 0.2 m depth and the number of potholes for 1 km of earth road is 250:

- Labor Norm for filling and compacting potholes = 10 potholes/day/person
- Cost of Unskilled Labor = 15,000 Riels per day (July 2008)

- Labor Cost for one pothole = Riels 15,000 / 10 = 1500 Riels/pothole
- Small tools cost for one pothole = (0.03x 1500) = 45 Riels/pothole
- Cost for filling and compacting one pothole = 1500 Riels + 45 Riels = 1545 Riels/pothole

The Standard Price for filling and compacting one pothole: 1545 Riels/pothole.

Thus, the cost for filling and compacting potholes per 1 km is: 250 x 1545 Riels = 386,250 riels/km

C/S Fund Project Detailed Cost Estimation Form for Earthworks Output					
Province: <i>Kompong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>	
Project Name: <i>Khum Roseisrok Road Project</i>			C/S Code: <i>123456</i>		
Village <i>Phum Tnaot Leu</i>		Description of Output: <i>Routine maintenance of 3.0 km Laterite Road 4m wide</i>			
Cost Estimation for Whole Output					
No.	Description	Unit	Qty	Price/unit	Total
1	<i>Excavation and transport of soils for side slopes repairing</i>	<i>m³</i>	<i>30</i>	<i>3,356</i>	<i>100,680</i>
2	<i>Repairing side slopes and planting grasses</i>	<i>m²</i>	<i>300</i>	<i>1,545</i>	<i>463,500</i>
3	<i>Cleaning drain and culverts</i>	<i>km</i>	<i>3</i>	<i>51,5000</i>	<i>1,545,000</i>
4	<i>Laterite to be filled in potholes and ruts</i>	<i>m³</i>	<i>100</i>	<i>6,000</i>	<i>600,000</i>
5	<i>Transporting laterite</i>	<i>m³</i>	<i>100</i>	<i>528</i>	<i>52,800</i>
6	<i>Grading and compacting</i>	<i>m²</i>	<i>12,000</i>	<i>860</i>	<i>10,320,000</i>
7	<i>Transporting 20t equipment</i>	<i>t</i>	<i>20</i>	<i>30,150</i>	<i>603,000</i>
Sub-total					<i>13,684,980</i>
Indirect Costs and Profit				10%	<i>1,368,498</i>
Total Cost					<i>15,053,478</i>

Cost for One Unit of Output				
Description	Unit	Quantity	Total Cost	Cost / Unit
<i>Laterite Road 4m x 0.15m</i>	<i>km</i>	<i>3</i>	<i>15,053,478</i>	<i>5,017,826</i>

Market name: <i>Phsar Thmei</i>	Haul distance: <i>40 km (medium)</i>
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Date:..... C/S Chief	Date:..... Technical Assistant
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Note: In case that the maintenance contract will be implemented by a Local Community Based Organization we do not include the benefit and tax, but we include administration and management cost of **10%** of the total cost.

2.8. Guidelines for Carrying Out Environmental Analysis

2.8.1. What is an Environmental Analysis?

An Environmental Analysis is a study to find out the impact a project will have on the environment, before the project bidding and project implementation. For all Communes/Sangkats on the Environment Watch-List, the Safeguard Working Group of NCDD Secretariat will review the screening of all projects located in these Communes/Sangkats to confirm the potential for environmental impacts of those projects and require doing an Environmental Analysis.

Environmental Watch List is a list showing the location of the Communes/Sangkats that located in the wetland areas and the other protected areas where sensitively impact on the environment.

2.8.2. Who should do the Environmental Analysis?

The Environmental Analysis should be carried out by a provincial official who has been trained to do this work and with the participation of the people who will be affected by the project. Ordinary people should be encouraged to take part, not just the C/S Chief or other people who are involved in promoting the project. It is best if many different types of people participate – young people and old people, women and men, farmers, monks, etc.

For all Communes/Sangkats on the Environment Watch-List with projects screened as having potential for environmental impacts, the Safeguard Working Group of NCDD Secretariat will check the project sites and advise on environmental analysis as well as environmental management plan.

2.8.3. Where should the Environmental Analysis be done?

The Environmental Analysis (EA) should be done near the project site, at a public location where it is convenient for people to participate. For some projects it will be necessary for the official responsible for the analysis to walk over the project site together with local people.

2.8.4. How to begin the Environmental Analysis

The official should begin by making sure that the people who participate in the analysis know about the project. They should know clearly how the project will be implemented, what the outputs will be and what the expected benefits, (the reason for doing the project), are. Then the official should explain the reason why it is necessary to carry out an environmental analysis for this project. The official should make sure that the people understand that the result of the analysis will be recommendations only – sometimes it may happen that recommendations are made during the analysis, but it is not possible to follow the recommendations fully.

2.8.5. Environmental Map

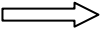


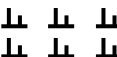


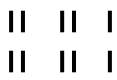


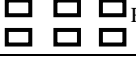

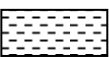


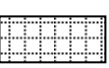


The first stage of the environmental impacts analysis is to make an environmental map of the project. This should be based on the project map in the Project Information Form. The environmental map should be drawn on big paper first so that the local people can see and participate. The official should copy the map onto smaller paper (A4) for the report later.

The important information to show on the map is:

- 1). Topography: Steep slope, slight slope or flat land, with direction of slope;
- 2). Soil types: that be easily eroded, slightly eroded or not easily eroded;
- 3). Vegetation and land use, especially wetlands and forest areas;

- 4). Important cultural sites;
- 5). Access routes to the site;
- 6). Water courses;
- 7). Extents of seasonal inundation;
- 8). Areas of human habitation and type of domestic water supply;
- 9). National and Provincial protected areas;
- 10). Biodiversity conservation areas issued by Ministry of Environment;
- 11). Areas where Highland people live.

The following symbols should be used on the map:

Symbol	Meaning
	Steep slope (more than 5%) Arrow points down hill
	Slight slope (less than 5%) Arrow points down hill
 Silt	Highly erodable soil: silt or dispersive clay
	Paddy fields
	Fields for annual crops
	Fruit Tree crops
	Grass land
	Forest with small trees
	Forest with big trees
 Ring wells	Area of houses. Write down what kind of water supply.
	Water all year
	Water part of the year
	Cultural site
	Access route to site
	National and Provincial protected areas
	Biodiversity conservation areas issued by Ministry of Environment
	Areas where Highland people live

2.8.6. Checklist of Environmental Impacts Analysis

The environmental impacts analysis list is a checklist of common types of environmental impact caused by the implementation of C/S Projects. A checklist of common types of environmental impacts divides into types; a long term environmental impacts and short term environmental impacts.

For each problem on the list, the official should explain the meaning to the local people and agree with them if this problem will occur. For each problem on the list, the official should mark it as “Big impact,” “medium impact,” or “small impact or no impact.” Big and medium impact means that the problem is big enough that some change must be made to the project, to solve the problem.

For problems marked as “Big impact,” or “medium impact,” the places where the problems will occur should be marked on the map. Each place should be marked by a letter. For example, damage will be caused by excavating soil at Place A and Place B. Write, “A, B” in the column on the form and mark the places A and B on the map.

While conducting the environmental impacts analysis, the responsible officials and local people should consider and judge about the scales of environmental impact.

If the implementation of the project causes potentially big impacts, this project needs to be reconsidered and a decision made as to whether the project should be cancelled and/or at least substantially redesigned.

If the implementation of the project causes potentially medium impacts these may often be remedied with design changes and or other preventive measures in the Environmental Management Plan (EMP).

If the implementation of the project causes small impacts, these projects can be implemented with the environmental management activities described in contractor's or service provider's work plan and environment management plan.

The judgment for indicating **big and medium impacts** are as follows:

A). Long Term Environmental Impacts

- **Increased threats to endangered wild animals known to live in the area:** If the projects directly threaten the survival or likelihood of survival of any individual animals which are listed as endangered species; this is a big impact which necessitates canceling or redesigning the project.
- **Damage to the fisheries resources or fisheries stocks:** If the project threatens the survival of a species and/or poses a serious risk of materially damaging the livelihoods of fishing communities, this is a big impact which must be avoided. Less serious risks may be of Medium intensity and may be, at least partially, overcome by EMP measures. For instance, introduced aquaculture projects which are conducted within the natural lakes or nearby the lakes, because the new imported species of fingerling may go to the lake and destroy the natural species of fish.
- **Damage to the forests (especially in bio-diversity area):** If the project causes increased damage to forests or increases the use of forest products such as increased production of charcoal, or cutting firewood. This is considered as a big impact which must be avoided. For example, a road improvement project connecting to a village that passes through forested area, (especially bio-diversity area, protected area, dense forest). This project therefore should not be implemented because it causes a big impact both directly and indirectly by increasing access to the forest area. However, the road project can only be implemented by rerouting to lowest densely forest area or non-forested area and putting measures in place to ensure that increased access to the area does not result in a significant increase in clearing of the forest area. In this case, the impact is considered as medium and the project can be implemented by formulating preventive measures in the EMP such as installing poles to prevent big trucks passing along the road and/or other effective protection measures.

- **Impact on sustainability of wetlands or water sources (especially in protected or bio-diversity areas):** The construction of roads and canals in wetlands, (especially protected and bio-diversity areas), should not be undertaken. The construction of irrigation projects and waterway projects adjacent to wetlands should be well evaluated to ensure no impacts or tolerable levels of impacts on the wetlands.
- **Long term damage to agricultural land:** If a project may potentially cause the degradation of land fertility, this may be considered as a big impact or medium impact depending upon the intensity of damage and size of the affected area. Examples of such potential degradation may be top soil erosion because of inadequate protection from upstream water gate structures or drying of soil due to water insufficiency caused by an upstream dam project.
- **Erosion caused by changes to alignment or size of streams:** Opening waterways improperly may create high velocity water streams that damage river or canal embankment to cause erosion. These are generally medium impacts that can be overcome with redesign and/or preventive measures in the EMP.
- **Erosion caused by removing vegetation:** Such erosion is generally considered a small to medium impact which can be addressed with redesign and or simple measures in the EMP like re-grassing, replanting of trees, etc.
- **Flooding:** Dam project construction causes the upstream catchments area of the dam to be flooded. In this case, in the project design a comparison of the size and value of agricultural production in the flooded area should be made with the size and value of agricultural production in the proposed irrigated area. If the value of the agricultural production in the upstream catchments area which is to be flooded is lower than the value of agricultural production in the downstream irrigated area then a judgment should be made on whether the project can proceed or not. In addition, a preventive measure to protect unexpected floods should also be prepared.
- **Damage to water quality due to chemical pollution:** All projects that encourage farmer to utilize chemical fertilizer and drain the liquid waste from rice fields into natural streams or lakes used as sources for human drinking water should be considered as big impacts and should be avoided.
- **Long term impact causing by dust, noise and safety problems:** All laterite road projects located in a densely populated area where the traffic is busy for the whole day will generate dust, noise and safety risks. These can be considered as medium impacts or small impacts which can be ameliorated with measures to be included in the EMP.
- **Damage to valuable cultural sites:** Projects which physically damage cultural sites or cause degradation of the surrounding environment or which affront the beliefs and sensibilities of local people should be considered as big impacts and are to be avoided.
- **Damage to the livelihood, living environment or customs of indigenous people:** Projects which cause damage to the livelihoods, living environment or customs of indigenous people or projects which push the indigenous people away from their living place, these projects should be considered as big or medium impacts.

B). Short Term Environmental Impacts

- **Short-term environmental impacts** mostly occur during the project implementation. Generally, small-scale infrastructure projects rarely pose short-term big impacts but may cause medium or small short-term impacts. Short-term

environmental impacts can be ameliorated by implementing the environmental management activities described in contractor's or service provider's work plan and environment management plan.

Outside the list, there can many problems. At the end of checklist there is a place to describe any bad impacts on environment which can occur due to project implementation.

C/S Projects can provide a diversity of positive impacts on the environment. The checklist is also a place to describe the expected **positive** impacts of the project.

2.8.7. Environmental Management Plan

The environmental management plan shows what changes to the project are recommended to reduce the bad impacts on the environment.

All the problems shown as having a "Big and medium impact" should be listed on the environmental management plan. Recommendations are divided into:

- changes in the project design (for example, changing the place for a bridge);
- changes in the way the project is implemented (for example, show which access road the contractor must use to bring materials and equipment to the site); and
- changes in the way the project is operated and maintained (for example, opening water gates slowly to reduce erosion).

Changes in the way the project is implemented should be included in the Contractor or Service Provider's Work plan before the contractor or service provider starts work.

For each recommendation, estimate the cost of implementing the recommendation, and any operational costs that will occur. Write down who will be responsible for implementing the recommendations.

For each problem, write down how severe the problem will be, if the recommendation is implemented (big impact, medium impact, small or no impact). Write down any other comments.

The environmental management plans should be discussed with the local people who will be affected by the project. Then the plan should be presented to the C/S Council for approval.

2.8.8. Recommendation

The last part of the form is a place for the official responsible for the analysis to make a summary of the findings and to make his recommendation.

There are four recommendations the official can make:

- The project will not have any unacceptable big or medium impacts on the environment;
- The project will have medium environmental impact, but this impact is mitigated through the implementation of environmental management plan (EMP).
- The project design should be changed to avoid unacceptable big or medium impact on the environment;
- The project should not be implemented, because the impact on the environment will be bigger than the benefit from the project.

After the environmental impacts analysis report is done the responsible officials must sign the Environmental Analysis Report and send the completed form to P/M LAU. P/M LAU then send the Environmental Analysis Report to the Provincial Department of Environment for technical clearance and make a copy of the report for the C/S Chief.

2.8.9. Approval of the Environmental Analysis

P/M LAU will check that the Environmental Analysis report whether it has been completed according to the guidelines. P/M LAU will send a copy of the report to the Provincial Department of the Environment (DoE) for Technical Clearance. The process for Technical Clearance of the Environmental Analysis will be the same as for the Project Information. Provincial Department of the Environment has the right to object within **15 days** after they receive the Environmental Analysis.

If Provincial Department of the Environment wants to object, they must inform P/M LAU, and P/M LAU will inform the commune.

If there is no objection within **15 days**, the project is automatically technically cleared and the C/S Chief may begin the process of procurement.

For projects which are located inside the area of the Environmental Watch List, P/MLAU must send the Environment Analysis Report and Environmental Management Plan, (if required), in electronic copy to the Safeguards Working Group of NCDD Secretariat for prior checking before submitting these reports to the Provincial Department of Environmental for technical clearance. The Safeguards Working Group of NCDD Secretariat has **10 working days** to check after receiving the Environment Analysis Report and Environmental Management Plan. If the checks find that the Environment Analysis Report and Environmental Management Plan have some mistakes that need to be corrected or there is missing information that needs to be added, the Safeguards Working Group of NCDD Secretariat must inform the provincial responsible officials by e-mail within **10 working days**. The project cannot be sent to the Concerned Provincial Line Departments for technical clearance until the no objection clearance is provided by the Safeguards Working Group of NCDD Secretariat.

2.8.10. Monitoring

The final part of the Environmental Analysis report is a monitoring plan. There are two kinds of monitoring we can do:

- Monitor compliance of the project owner and the contractor with the recommendations of the EA report;
- Monitor the actual effects on the environment.

The official responsible for the Environmental Analysis should monitor the implementation of the recommendations and report to P/M LAU on this.

The C/S chief should arrange for monitoring of the impact of the project on the environment. The Monitoring Plan shows how this will be done. The Monitoring Plan shows:

- **What** is to be monitored? For example, “dust from traffic,” “water quality,” etc.
- **Where** to monitor;
- **How** to monitor? For some kinds of problem it may be possible to make actual measurements – for example, the maximum depth of flooding at a particular location. However, for other kinds of problem, for example dust in the air, we can only measure by asking the people affected, for example, “worse than before/the same as before/ better than before.”
- **When** to monitor? For example, “one time per month,” “every day during construction,” etc.
- **Who** will monitor? Who will be responsible to carry out the monitoring work?

2.8.11. Filling in the Environmental Analysis Report Form**Form 18.1**

C/S Fund Project Environmental Analysis Report	
Province: <i>Kampong Cham</i>	Commune: <i>Roseisrok</i>
District: <i>Sreisanthor</i>	C/S Code: <i>123456</i>
Name of Project: <i>Khum Roseisrok Road Project</i>	
Date of participatory environmental analysis <i>21/01/08</i>	Name/position of official responsible for analysis <i>Neak Kunrath / PFT</i>
Place of doing the analysis <i>Sala Khum Roseisrok</i>	How many local people took part in the analysis (attach a list) <i>20</i>

1. Reason for carrying out Environmental Study (can be more than one)

Project may damage area that is important for environmental or cultural reasons	
Project may cause damage to domestic water supplies	
A new road project	✓
A new irrigation system project	
A new inland waterway for travel and water supply	

2. Recommendation

No	Descriptions	Check 1
1	If the project is implemented following the project design, there will not be any unacceptable impact on the environment.	✓
2	The project will have medium impact on the environment. However, this impact can be ameliorated by implementing the environmental management plan	
3	The project design is changed to avoid unacceptable big and medium impact on environment	
4	Project is cancelled because trade-offs between benefits of the project outputs and bad impact is acceptable.	

Date:.....
Responsible Official

Attachments:

- Environmental map
- List of Environmental Impact Analysis
- Environmental Management Plan
- Environmental Monitoring Plan
- List of participants in Environmental Analysis
- Minutes of Environmental Analysis Meeting

Form 18.2**List of Environmental Impact Analysis****1. Long Term Impacts on the Environment**

Problem	Severity		Locations on map
Increased threats to endangered wild animals known to live in the area	Big impact		
	Medium impact		
	No/small impact	✓	
Damage to the fisheries resources or fisheries stocks	Big impact		1
	Medium impact		
	No/small impact	✓	
Damage to the forest (especially in bio-diversity areas)	Big impact		2
	Medium impact	✓	
	No/small impact		
Impact on sustainability of wetlands or water sources (especially in protected or bio-diversity area)	Big impact		
	Medium impact		
	No/small impact	✓	
Long term damage to agricultural land	Big impact		
	Medium impact		
	No/small impact	✓	
Erosion caused by changes to alignment or size of streams	Big impact		
	Medium impact		
	No/small impact	✓	
Erosion caused by removing vegetation	Big impact		
	Medium impact		
	No/small impact	✓	
Flooding caused by project implementation	Big impact		
	Medium impact		
	No/small impact	✓	
Damage to water quality due to chemical pollution	Big impact		
	Medium impact		
	No/small impact	✓	
Long term impact causing by dust, noise or safety problems	Big impact		3, 4
	Medium impact	✓	
	No/small impact		
Damage to valuable cultural sites	Big impact		
	Medium impact		
	No/small impact	✓	
Damage to the livelihood, living environment or customs of indigenous people.	Big impact		
	Medium impact		
	No/small impact	✓	
Other long term problem (describe)	Big impact		
	Medium impact		
	No/small impact		
Other long term problem (describe)	Big impact		
	Medium impact		
	No/small impact		

2. Short-term Impacts on the Environment

Problem	Severity		Locations on map
Damage will be caused by vehicles transporting materials to the site	Medium impact	✓	1
	No/small impact		
Dust problem during construction	Medium impact	✓	3 (village school) and 6
	No/small impact		
Noise problem during construction	Medium impact	✓	3 (village school) and 6
	No/small impact		
Contamination of water resources during construction	Medium impact		
	No/small impact	✓	
Damage to home gardens and fruit trees	Medium impact		
	No/small impact	✓	
Short-term damage to agricultural land	Medium impact		
	No/small impact	✓	
Damage to domestic water supplies	Medium impact		
	No/small impact	✓	
Other short-term problem (describe)	Medium impact		
	No/small impact		
Other short-term problem (describe)	Medium impact		
	No/small impact		

Describe any good impact of the project on the environment

Form 18.3

Environmental Management Plan

Problem	Mitigation measure	Cost		Who is responsible		Impact remaining with mitigation (Big/Medium/None)	Priority (H, M, L)	Comments
		Installation	Operation	Installation	Operation			
1. Recommended changes to the design of the project								
Dust from traffic causes health problem	<ul style="list-style-type: none">width restriction postsSpeed bumpsTraffic sign	\$100 Small		Contractor		Medium	High	Also have safety benefit
2. Recommended changes to the way the project will be constructed								
Noise and dust from construction traffic will disrupt classes in village school	Make trucks go by a different road during school times	Small		C/S Chief and Contractor		None	Medium	
3. Recommended changes to the way the project will be operated or maintained								
Long term impact caused by dust, noise or safety problems	Watering the road surface, especially places in front the houses	Small		C/S Chief		None	Medium	

Form 18.4

Environmental Monitoring Plan

What	Where	How	When	Who
What will be monitored?	Place for monitoring?	How to monitor?	Times when monitoring will be done?	Who will be responsible to monitor?
<i>Dust from traffic in village</i>	<i>Village school</i>	<i>Teachers report if dust problems worse or better than before project</i>	<i>During construction After completion (at end of year)</i>	<i>CC roads sub-committee and teachers</i>

List of participants in Environmental Analysis

[illegible]

2.9. Guidelines for Preparing a Land Study Report

2.9.1. Who should make the Report?

There are two types of land study report: **Voluntary Land Contribution Report** prepared by C/S Chief and **Land Acquisition Report** prepared by Provincial/Municipal Official who has been trained to do this work.

The land survey work that is needed to make the report should be done with the participation of the people who will be affected by the project and should be completed before the Project Information Form is completed and submitted to the P/M LAU. Also, other people in the community should be encouraged to take part, not just the C/S Chief or other people who are involved in promoting the project. It is best if many different types of people participate – young people and old people, women and men, farmers, monks, etc.

2.9.2. Disclosure meeting on the rights of land users, land owners

The first step of the Land Study Report is to ensure that all the people who will be affected by the project know about the project proposal, and know what their rights are as land users.

There should be a public meeting in each village where people live, who will be affected by the proposal. At the meeting, the official should explain about the project, about the rights of land users, and about the procedure that will be followed for making the land acquisition report. The project map and the Statement of Land User's Rights should be fixed to a notice board or other suitable place in each village.

The disclosure meeting must be conducted at least **2 weeks** before the meeting with people affected by the project people to discuss and agree with them on voluntarily contribution and compensation of their lost land and/or other assets. This is so that the local people who will not all attend the disclosure meeting have time to find out about the proposal and to consider how it will affect them, and to discuss it amongst themselves.

2.9.3. Participatory Land Survey

A). Collection of information related to the affected land and assets

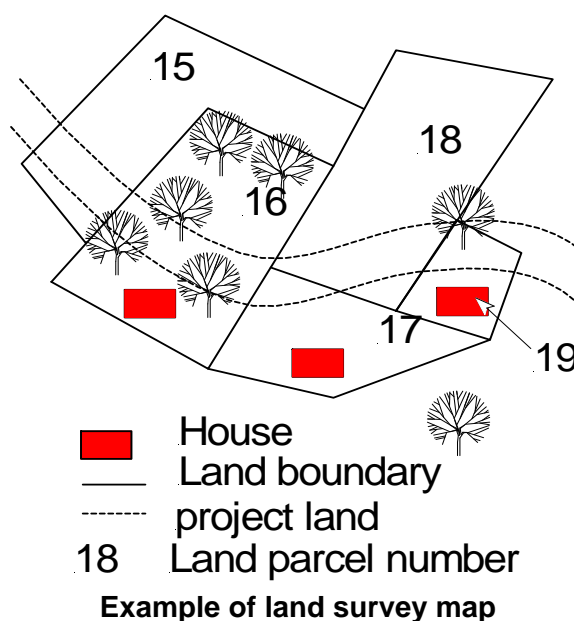
Following the disclosure meeting on the rights of land users, the responsible official must conduct a survey and record the land and assets and identify each parcel of land that will be affected by the project implementation. In this survey, the responsible officials and the related persons must inform land users and land owners about the size and locations of the land and assets that will be affected by the project implementation so that the affected villagers can discussed the project affects with their families.

Responsible official do not carry out land surveys alone. He/she will conduct land surveys with assistance from PFT, DFT, TSO, provincial or municipality facilitators, district facilitators, technical supporting officials, villagers, especially land users and land owners.

B). Preparation of land survey map and schedule of land acquisition

After collected the information related to land and assets which will be affected by project implementation, the responsible official, with assistance from the related persons, will prepare a land survey map and a schedule of land acquisition.

The land survey map shows each parcel of land that will be affected, and each parcel of land should be given a code (a letter or number).



The Schedule of Land Acquisition shows the following information about each parcel of land:

- The name of the land owner or user;
- The area of land that will be lost;
- The total area of land used by that land user;
- The area that will be lost as a percentage of the total area;
- What kind of annual crops are growing on the land now, (for example, paddy rice);
- What date the crops will be harvested;
- The number of crop trees (trees used for any economic or household purpose) that will be lost;
- The number of mature forest trees that will be lost;
- Information about any other kind of assets that will be lost.

It may be difficult to get exact information about the total area of land used by each land user. However, in most cases approximate information will be sufficient. For example:

- Mr. A will lose 200 m² (= 0.02 hectares). Mr. A has three rice fields of “about half a hectare,” each one, in different parts of the village. So his total land is more than one hectare and it is easy to see that he will lose less than 5%.
- Mrs. B will lose 0.1 hectares from her garden, which is 0.25 hectares total. She does not have any other land. So it is clear that she will lose more than 5%. If the percentage estimated for any land user is close to 5%, it will be necessary to measure the total land used by the land user carefully to check if it is more or less than 5% of the total.

C). Meeting with villagers for discussion and agreement

After preparing the land survey map and schedule of land acquisition and **2 weeks** after the disclosure meeting on the rights of land users and land owners, the responsible officials must arrange the public meeting nearby project site. Villagers, especially villagers that their land and assets will be affected by the project should be invited to the meeting. In this meeting the responsible officials must:

- Present the land survey map and schedule of land acquisition to clearly inform the villagers about the size of land and assets that will be affected by project construction.

- Discuss and agree with each of the affected families, family by family. In this discussion and agreement, the responsible officials must make sure that there are no pressures to the affected-families to contribute their land and assets to the project. Commune/Sangkat has no right to take land or assets from local people unless they voluntarily contributed without any pressure and they confirm with a thumb-print or a signature on the **List of Voluntary Contribution of Land and other Assets to the Project**.

2.9.4. Preparing Land Acquisition Agreements

The Schedule of land acquisition shows land users that agree and do not agree to contribute their land and assets to the project.

The C/S Chief must write a list all these land users that agree to voluntarily contribute their land and assets to the project. The list must show how much land and assets they have agreed to contribute to the project and ask them to sign or provide a thumb-print on the list.

For the land users who will receive compensation, the C/S Chief should make a Land Acquisition Agreement using the form. The Land Acquisition Agreement shows:

A). Who the land user is (name, ID number, sex, age, occupation and address);

B). Details of the land that will be lost

- Description, area and map code (parcel number) of the affected land, and impact of the project;
- What annual crops are growing on the land, and when the crop will be harvested;
- Trees that will be destroyed, divided into fruit trees, sugar palms, other types of tree that are used for economic or domestic purposes, and mature forest trees;
- Other assets (for example, fence, well) that will be lost or must be moved.
- Any temporary impacts that will result from construction of the project.

C). Compensation that is offered

Details of compensation offered, divided into:

- land that will be provided in compensation, with present owner, area and map code on land survey map;
- Date on which the compensation land will be transferred to the new owner (this must be before procurement starts);
- Other type of compensation that is offered;
- Any work that the contractor will do, for example repair fence that will be damaged.

In case a land user will be compensated in cash or in-kind, Commune/Sangkat must follow the following procedure:

- Communes/Sangkats must establish a compensation valuation committee for the affected land, as well as the value of any fixed assets that also would be lost.
- This committee will consist of Commune/Sangkat Chief, a Commune/Sangkat Council, head of related villages, and one/two representatives of affected families.
- This committee will determine prices of land and other loss assets in the basis of the current land and other loss assets value in the respective commune/sangkat.
- In case the compensation in-kind, the committee will determine the size of land or asset to be compensated.
- Committee must schedule date of the compensation.
- The costs of such compensation will be added to the budget of the proposed project.
- The affected person(s) will consider the offer and accept or reject this.

- The agreed composition amount and the actual payment of such compensation must be record in the Form for Calculation and Payment of Compensation **(Form 20.4)**.

District/Khan Facilitation Team shall assist this committee in the process of determining land and other loss assets value that are affected by the project implementation.

D). Land User's Acceptance of Compensation

If the land user agrees to accept the compensation offered for his land and/or his assets, he or she should sign on the Land Acquisition Agreement. If the land user does not agree the compensation of his affected-land and/or assets, he or she should not sign on the Land Acquisition Agreement.

2.9.5. Preparing the Land Study Report

A). Preparing the Voluntary Land Contribution Repot

For projects with voluntary contribution of land, the Commune/Sangkat Chief must prepare a voluntarily land contribution report. The report consists of:

- Voluntary land contribution report (VLCR);
- Land Survey Map;
- Schedule of Land Acquisition;
- List of Voluntary Contributions of Land and other assets;
- List of participants in Land Survey;
- Two meeting minutes: Minutes of disclosure meeting about the right of land users and Minutes of the meeting to discuss and make agreement.

B). Preparing the Land Acquisition Repot

For projects that require a Land Acquisition Report the official responsible will prepare the Land Acquisition Report. The report consists of:

- Land Acquisition Report;
- Land Survey Map;
- Schedule of Land Acquisition;
- Land Acquisition Agreement;
- List of Voluntary Contributions of Land and other assets;
- Schedule for activities to be completed before procurement for the project can begin;
- Schedule of activities that must be included in the construction contract;
- List of participants in Land Survey;
- Two meeting minutes: Minutes of disclosure meeting about the right of land users and Minutes of the meeting to discuss and make agreement.

2.9.6. Approval of the Land Study Report

The Land Study Report (Voluntary Land Contribution Report and/or Land Acquisition Report) will be submitted to P/M LAU. P/M LAU will check that the report is completed correctly. P/M LAU will also check that the proposed compensation arrangement conform to the guidelines. If the report is not correct or does not conform to the guidelines, P/M LAU may ask the official responsible for the report to agree a revised version with the C/S Chief and to re-submit the report.

If there are any Land Users who have indicated that they are not satisfied with the compensation offered for their land, the project cannot proceed until this issue has been resolved. P/M LAU must notify the Provincial or Municipal Governor about this problem. The Governor will then arrange for a review of the compensation arrangements. The Governor

does not have the right to reduce the amount of compensation offered to any land user. The Governor may instruct that the project cannot proceed, unless the amount of compensation offered is increased.

When the report has been accepted and the compensation arrangements finalized, P/M LAU should notify the C/S Chief to begin the bidding the compensation arrangements.

2.9.7. Monitoring of Compensation Arrangements

A). Compensation in land or money, or other type to be paid before procurement

When the compensation is in the form of replacement land or money, or other types except for activities that will be included in the contract, have been completed, the C/S Chief should submit a report. The report should include a list of the amount of compensation paid to each land user and the signature of the land user to P/M LAU.

P/M LAU should ask the official who completed the land acquisition report to visit the commune and check that the compensation arrangements have been completed. This should include visiting some or all of the land users to make sure that they are satisfied that the compensation process has been completed fairly.

B). Compensation activities to be included in the contract

Where it is planned that compensation activities, following the completion of the contract especially the end of construction, (for example, the reconstruction of a fence that will be destroyed during construction), are also included in the contract, these activities must be described clearly in the contract documents. The official who prepared the Land Acquisition Report should check the contract documents to make sure that this has been done.

The Official should then make a short report to P/M LAU stating that the conditions related to land acquisition for granting Technical Clearance, have been fulfilled.

The Official should make one further visit to the project site on completion of the contract, in order to verify that no further issues relating to land acquisition have arisen during project implementation. The Official should make a short written report of this visit to P/M LAU.

All the reports and other documents relating to land acquisition should be retained by P/M LAU for later inspection, if needed.

C). Removal of objection to Technical Clearance

When the official responsible for the Land Acquisition Report has notified P/M LAU that all compensation activities have either been completed, or are included in the contract documents, P/M LAU should notify the C/S Chief that the objection to Technical Clearance is now removed, and procurement for the contract can proceed.

2.9.8. Statement of Land User's Rights (Form 19)

A). Description of project

(Fill in a brief description of the project here)

B). Who is an affected land user?

For any land that will be used by the project, any person who owns the land, or uses the land for residence, business or agriculture at present, (even if they do not have a land title), is an affected land user.

C). Land User's right to information

All land users who will be affected by the proposed project have the right to be fully informed about the project proposal, and about proposed compensation for loss or damage. All land users have the right to know about grievance procedures and to use the grievance procedures without any cost to themselves.

D). Voluntary contribution of land and assets to the project

The C/S Council may ask land users to make voluntary contributions of small amounts of land and other assets to the project. The C/S Council must not ask any land user to contribute more than 5% of the land owned or used by that land user. The Commune Council must not ask any land user to contribute other assets with a value of more than 400,000 Riels.

The land user has the right to refuse to make a voluntary contribution. The C/S Council may not take any contribution of land and other assets unless the land user has signed or provided a thumb-print to show that he or she agrees to make the contribution. If a land user contributes land voluntarily, the land user will not be asked to make a money contribution to the cost of the project.

E). Right to compensation

If the C/S Council takes any private land for the project, except small voluntary contributions of land or other assets, the C/S council must compensate the land user for loss of the land and assets on the land.

The C/S Council does not have any right to take private land if this will cause a house where people live to be moved or destroyed, or a building used for business to be moved or destroyed.

Agricultural land must be compensated by other land of equal value, or else the value of the land and the assets on the land in money. If compensation is in money, the amount must be the full cost of buying land of the same area and quality, (taking into account location, fertility, source of irrigation water and any other relevant factors), as the land that is lost. The full compensation amount must be paid to the land user with no deductions for taxes, fees or administrative costs of any kind.

If there are seasonal crops growing on the land, the land user has the right to harvest the crops before construction of the project begins. If crops are destroyed the C/S Council must pay the value of the crops to the land user. If trees are destroyed, the C/S Council must pay the land user the value of the trees.

➤ **Temporary loss of land:**

No land may be taken temporarily during construction except by voluntary arrangement between the landowner and the contractor. The contractor will be responsible to repair any damage to the land before giving it back to the land user.

➤ **Loss of other assets:**

Where fixed assets other than land, (such as fencing), will be lost, replacement of these should be negotiated with the owner and should then form part of the contract for construction of the project.

➤ **Grievance procedures:**

Any land user who feels that he or she has not been treated fairly or given enough compensation for the loss of his or her land or assets, may complain verbally or in writing to the C/S Chief. If this does not solve the problem, the land user may

complain to the District Facilitation Team member responsible for the Commune/Sangkat. If this does not solve the problem, the land user may complain verbally or in writing to the Provincial/Municipal Governor. If this does not solve the problem, the land user may complain verbally or in writing to the National Committee for the Management of Decentralization and Deconcentration (NCDD) Secretariat which is located in the General Department of Local Administration, Ministry of Interior in Phnom Penh. The Secretariat of National Committee for the Management of Decentralization and Deconcentration will facilitate and solve the problem.

At any level, the land user has the right to receive a written reply to their complaint, within **10 days** after making the complaint.

The land user does not have to pay any charge of any kind in order to make a complaint under this grievance procedure.

2.9.9. Compensation in Cash before Procurement Process

Compensation in cash, which is conducted before the procurement process and uses C/S budget, C/S Chief prepares the documents below:

- payment order
- cover letter of payment order
- cover letter of supporting document: Land Acquisition Report
- Cambodian ID card of the person who will receive the compensation (copy)

2.9.10. Filling in Land Acquisition Report Form**Form 20.1**

C/S Fund Project Land Acquisition Report Form	
Province <i>Kompong Cham</i>	Commune <i>Svay Such Phnom</i>
District <i>Sreisnathor</i>	C/S Code <i>123456</i>
Name of Project: <i>Svay Such Phnom School Project</i>	Proposed construction start date: <i>03/03/08</i>
Description of project: <i>Construct a 2 room school. Old school site is not big enough so Commune plan to take 0.4 ha of fields to make the school site bigger</i>	
Name of official responsible for report <i>Neak Veas Stung</i>	
1. Public Disclosure	
Describe how the people who will be affected by the project were informed about the project proposal and about their rights as affected land users. <i>A village meeting was held and the project was explained to the villagers. The rights of land users was explained and questions answered. The Statement of Land User's Rights was fixed to the village notice board and to a tree at the project site.</i>	
Date of Public Disclosure	<i>08/01/08</i>
Number of participants (attached with list of participants)	<i>21 persons</i>
2. Participatory Land Survey	
Date of collection of affected-land and other assets	<i>08/01/08</i>
Date of meeting for discussion and agreement	<i>23/01/08</i>
Number of participants (attached with list of participants)	<i>25 person</i>
Total amount of voluntarily land contribution	<i>0.25 ha</i>
Total amount of land for compensation	<i>0.15 ha</i>
Total land affected	<i>0.40 ha</i>
Value of voluntarily assets contribution	<i>400,000 Riels</i>
Value of assets for compensation	
Total value of affected assets	<i>400,000 Riels</i>

Date.....

Responsible Official**Attached with:**

- Land survey map
- Schedule of land acquisition
- Agreement of land acquisition
- Calculation and Payment of Compensation
- List of voluntarily land and other asset contributors
- Schedule of activities to be completed before procurement for the project can begin.
- Schedule of activities that must be included in the contract
- List of land survey participants
- Minutes of village meeting

Form 20.2

Schedule of Land Acquisition

Map Code	Name of owner	Land Area lost	Total land owned by this land user	% of land that will be lost	Annual crops on land	Harvest date	Number of trees that will be destroyed		Other assets that will be lost	Value of assets that will be lost
							Crop trees	Forest trees		
1	Mr A	0.1 ha	1.3 ha	7.7%	rice	11/08	0	0	0	
2	Mrs. B	0.2 ha	4.5 ha	4.4%	rice	11/08	0	0	Concrete fence	200,000 riel
3	Mrs. C	0.05 ha	3 ha	1.7%	none		2 mango trees	0	0	200,000 riel
4	Mr D	0.05 ha	0.5 ha	10%	rice	11/08	0	0	0	

Form 20.3**Land Acquisition Agreement Form**

Name of land user: <i>Mr A</i>		ID Card Number: <i>123456789</i>	
Sex: <i>Male</i>	Age: <i>43</i>	Occupation: <i>Farmer</i>	
Address: <i>House 55, Phum Svay Leu, Khum Svay Sach Phnom, Srok Sreishnathor, Kompong Cham.</i>			
Description of land that will be taken by the project: <i>Rice field on south side of existing school site</i>		Area affected: <i>0.1 ha</i>	
		Map Code: <i>1</i>	
Annual crops growing on the land now: <i>Wet season rice</i>		Next harvesting date: <i>11/08</i>	
Trees that will be destroyed	Type	Number	
Fruit trees		<i>None</i>	
Trees used for other economic or household purposes		<i>None</i>	
Sugar palm trees		<i>None</i>	
Mature forest trees		<i>None</i>	
Describe any other assets that will be lost or must be moved to implement the project: <i>None</i>			
Describe any temporary impacts of construction of the project: <i>No impact because construction will be in the dry season when field is not used</i>			
Land that will be provided in compensation: <i>Empty land on north side of village. New canal makes this land suitable for farming</i>		Present Owner: <i>no owner</i>	Area: <i>0.6 ha</i>
			Map code: <i>15</i>
Date on which ownership of the compensation land will be transferred to the landowner:			<i>01/11/08</i>
Other type of compensation that will be provided before construction of the project begins <i>None</i>			
Work that will be carried out by the construction contractor to compensate for damage to existing property <i>None</i>			
Compensation in land or money, or other type to be paid before procurement			
No.	Description	Unit	Quantity
<i>1</i>	<i>Total affected land</i>	<i>m²</i>	<i>50</i>
<i>2</i>	<i>Mango tree</i>	<i>Tree</i>	<i>1</i>
<i>3</i>	<i>Coconut tree</i>	<i>Tree</i>	<i>2</i>
	<i>.....</i>		
Total compensation to be paid			
Date of compensation to be paid			
Compensation activities to be included in the contract			
No.	Description	Unit	Quantity
<i>1</i>	<i>Concrete fence</i>	<i>m²</i>	<i>50</i>
<i>2</i>	<i>Ring Well</i>	<i>Point</i>	<i>1</i>
<i>3</i>	<i>.....</i>		
Date of compensation to be paid			

Date:.....

C/S Chief

Date:.....

Affected Person

Form 20.4

C/S Fund Project Calculation and Payment of Compensation					
Province/Municipality:		District/Khan :		Commune/Sangkat:	
Project name:				C/S Code:	
Name of affected person					
Amount of land lost (m ²)					
Type of land lost					
Land price and other assets on the land:					
A). Compensation in cash before procurement					
No.	Description	Unit	Quantity	Unit Price	Total Price
1	<i>Total affected land</i>	<i>m²</i>	<i>50</i>		
2	<i>Mango tree</i>	<i>Tree</i>	<i>1</i>		
3	<i>Coconut tree</i>	<i>Tree</i>	<i>2</i>		
				
Total compensation to be paid					
Date of compensation to be paid					
B). Compensation activities to be included in the contract					
No	Description	Unit	Quantity		
1	<i>Concrete fence</i>	<i>m²</i>	<i>50</i>		
2	<i>Ring Well</i>	<i>Point</i>	<i>1</i>		
3	.....			
Date of compensation to be paid					
Basis of valuation: <i>Prices of recently sold land determined by Committee.....per square meter.</i>					
Date of meeting of committee which determined value					
Participants in the meeting (attached with attendant and minutes)					
Date of acceptance of value by affected person					
Committee certify that the payment of the agreed value of the land has been made in full to the affected person:					
Name of comittee's member		Signature		Date	

Form 20.5

List of Voluntary Contributions of Land and Other Assets to the Project

By signing or providing thumb-print on this form the land users agree to contribute their land and other assets to the project. The contribution is voluntary. If the land user does not want to contribute land and other assets to the project, he or she should refuse to sign or provide thumb print, and ask for compensation instead.

No	Name	Village	Occupation	Map Code	Area	Value of Assets	Signature
1	Mrs. B	Teal Thom	Businesswoman	2	0.2 ha	200,000 rielss	B
2	Mrs. C	Teal Thom	Farmer	3	0.05 ha	200,000 rielss	C

Form 20.6

Schedule of Activities to be Completed before Procurement Begins

Activity	Planned Date	Means of verification
Provide empty land in compensation for Mr A and Mr C	01/02/08	P/M LAU official will come to check

Date:.....
Official Responsible for Report

Form 20.7**Schedule of Activities to be Included in the Contract**

The Construction contractor will carry out the following activities as part of the contract to compensate land owners for loss or damage to their property, and to repair temporary damage during construction.

Place	Description of loss or damage	Work to be done by contractor
<i>Along the road east of the existing school</i>	<i>Concrete fence 40m long will be destroyed by construction</i>	<i>Build a new fence which is the same as the fence that will be destroyed between the school and Mrs. B land</i>

Date:.....

Official Responsible for Report

Form 20.8

List of participants in Land Survey

Date:.....

[illegible]

2.9.11. Filling in Voluntary Land Contributions Report**Form 20.9**

C/S Fund Project Voluntary Land Contribution Report	
Province <i>Kampong Cham</i>	Commune <i>Prek Dambok</i>
District <i>Sreisanthor</i>	C/S Code <i>123456</i>
Project name: <i>Road and Bridge Project, Ampil Village</i>	Date of commencement: <i>03/03/2008</i>
Project description: <i>Earth road construction and 2000m of laterite with one bridge</i>	
1. Public Disclosure	
Describe about the way that local people are aware about information of the project proposal, about the rights of land users. <i>The meeting with the local people was made in the village.....to explain about the project and the rights of land users. All local people queries are clarified. The disclosure of land users rights were posted on the white board under the trees and project site of the village.</i>	
Date of Public Disclosure	<i>08/01/2008</i>
Number of participants (attached list of participants)	<i>30 person</i>
2. Participatory Land Survey	
Date of collection of affected-land and other assets	<i>08/01/2008</i>
Date of meeting for discussion and agreement	<i>23/01/2008</i>
Number of participants (attached list of participants)	<i>35 persons</i>
Total amount of voluntarily land contribution	<i>1.495 m²</i>
Value of voluntarily assets contribution	<i>2.000.000 Riel</i>

Date.....
C/S Chief

Attached with:

- Land survey map
- Schedule of land acquisition
- List of voluntarily land and other asset contributors
- List of land survey participants
- Minutes of village meeting

2.10. Guidelines on the Highlands People Safeguard

2.10.1. Highlands People

Highland People (Indigenous People) as the word implies, account for the most ancient inhabitants of the highland areas. Their religion and whole way of existence for centuries has been founded on their relationship with this natural resources and environment.

Highland People have their living and tradition as following:

- Customary lands and forests form the basis of upland minorities' livelihoods, including their spiritual lives.
- Belief systems have traditionally been animist in nature – that is the respect for spirits dwelling in mountains, lakes, trees and other natural objects.
- Traditional upland society is based on a powerful relationship with the land. Each village has its own customary lands and forests, with certain areas:
 - Some areas used for collecting and hunting,
 - Some areas used for cultivation, and
 - Some areas venerated as the dwelling places of spirits.
- The customary method of cultivation is rotational **swidden agriculture**. In this system, a small plot (chamkar) is cultivated for a few years before being left to fallow so that the forest can re-grow, while the family moves on to another plot within the customary village lands.
- Once the original plot has regained its fertility, the farmer can return to it and the cycle repeats. Using this method, the upland forests have remained largely in balance for centuries. Despite the rather negative view sometimes held about swidden agriculture, the consensus in the literature is that it is actually a highly evolved, very efficient style of farming, which in areas of low population density is perfectly sustainable.
- After cultivation land, the old-growth forest ecosystem is the next most important resource in the highlanders' subsistence system, providing a wide range of forest products and foodstuffs.

The Khmer majority does generally consider a set of highland people as “Khmer Loeu” with distinctive in their cultural and economic practices. These groups generally exhibit most or all of the characteristics of potential vulnerability:

- close attachment to ancestral territories and resources;
- reliance on subsistence modes of production;
- self-identification or identification by others as distinctive groups;
- use of a language different than prominent or official languages within the country;
- reliance on customary cultural and socioeconomic institutions.

Therefore, Highland People shall be paid special attention to ensure that all C/S fund project implementation will not have any negative impact to the livelihood and tradition of Highland People.

2.10.2. Rights and the Participation of Highland People

The Cambodia Constitution, Article 31 (Second paragraph) states: “Khmer citizens shall be equal before the law and shall enjoy the same rights, freedom and duties, regardless of their race, colour, sex, language, beliefs, religions, political; tendencies, birth origin, social status, resources and any position”.

Cambodian citizen is included some Cambodian ethnic minorities, such as the Highland People known as Khmer Leu.

Law on the Commune/Sangkat Administrative Management, Article 9 (Second paragraph) states: the Commune/Sangkat is a body representing citizens in its Commune/Sangkat and have missions to serve the general interests of its Commune/Sangkat.

The Inter-Ministerial Prakas No 2423 BRK, dated 03 July 2007 on C/S Development Plan and C/S Investment Program, Article 9 states: “Civil society organizations may participate in the C/S Development Plan and C/S Investment Program preparation and shall be responsible for:

- representing the interests of local communities and
- specific stakeholders groups like women, youth, the poor, ethnic minorities.

C/S Council must ensure that Highland People or representative of Highland People have been taken part in the decision making on the projects that affected to them.

2.10.3. What type of project that require the Report of Safeguard Measures on Highland People

Projects where located in villages on the Watch-List of Highland People (Village has more than 5% highland people of the total village's population) require the **report of safeguards measures on highland people (Form 21.1)**.

2.10.4. Project Dissemination Meeting to the Highland People

After project for using C/S fund was selected, Planning and Budgeting Committee (PBC) with cooperation of highland people leader shall organize a meeting to disseminate this selected project in the villages on the Highland People Watch List. Date, time and venue of the meeting must be approved by highland people leader. In this meeting, if highland people cannot understand Khmer Language must use simple method or tools and translate into language that highland people well understand.

In this project dissemination meeting, PBC must:

- Inform highland people on criteria and process of project selection;
- Inform highland people on the project location;
- Discuss with highland people on the benefit received from this project implementation;
- Discuss with highland people on the negative impact to them caused by this project implementation;
- Discuss with highland people do they agree to the implementation of this project?

PBC shall prepare a minute of meeting and participant list. They shall record all raised comments including reason, objection and non-objection...etc. The minute and participant list shall attach with report of safeguards measures on highland people as well.

2.10.5. Meeting on Project Design for Highland People

During the project preparation and before project approval the District/Khan Facilitation Team (DFT) in cooperation with Technical Support Officials (TSO) shall facilitate a separate meeting with highland people to discuss about the project design. Date and place of the meeting shall be agreed by heads of highland people of the involved villages. If highland people cannot understand the language during the meeting, they shall use simple approach and tools and interpret the language for highland people.

The meeting shall be processed as follows:

- DFT shall inform highland people about:
 - Rights and the participation of highland people
 - Project's objectives

- Project's location
- Other relevant information concerning highland people.
- TSO show and explain about the project design to highland people
- DFT, then, start discuss with highland people about:
 - The benefits from the project implementation
 - The negative impacts of the project implementation on their livelihoods
 - The natural and environmental impacts
 - Land affected, and their rights (land user's rights on voluntarily contribution and lost assets and the compensation)
 - Risks mitigation and agreement of highland people for this mitigation
 - Monitoring Plan of Safeguards Measures on Highland People
 - Agreement on the project design, risks mitigation for highland people, and the monitoring plan of safeguards measures on highland people.

The participants for this meeting are:

- C/S Chief
- Member of PBC from the concerning villages where exist highland people
- Leaders of highland people from the concerning villages
- Representative of the highland people's families
- C/S Clerk
- DFT
- TSO

C/S Clerk shall prepare a minute of meeting and participant list. They shall record all raised comments including reason, objection and non-objection...etc. The minute and participant list shall attach with report of safeguards measures on highland people as well.

2.10.6. Report of Safeguards Measures on Highland People

DFT have their responsibilities in the preparation of **report of safeguards measures on highland people (Form 21.1)** and submit to P/M LAU for approval. If P/M LAU seen this report as full compliance with the guideline P/M LAU shall send this report in electronic copy to the Safeguards Working Group of NCDD Secretariat for prior checking before submitting the Project Information Form and other relevant documents to Provincial Line Departments for technical clearance. The Safeguards Working Group of NCDD Secretariat has **10 working days** for checking after receiving the report. If Safeguards Working Group of NCDD Secretariat finds any mistakes or any inadequate that needs to be corrected or there is missing information that needs to be added, the Safeguards Working Group of NCDD Secretariat shall inform P/M LAU via e-mail within 10 working days. If there is not any respond from the Safeguards Working Group of NCDD Secretariat during 10 working days following the submission, the report will be automatically considered as no objection from the Safeguards Working Group of NCDD Secretariat.

2.10.7. Risks Mitigation for Highland People

If any risks on highland people due to project design, the project design shall have been discussed with the related highland people thoroughly and clearly to make out the ways in order to protect or mitigate those risks. These risks mitigation can lead to redesign the project.

The risks on highland people define as any negative impacts of their livelihoods, custom and tradition like as impacts on ancestor spiritual places, encroachment of forests where they rely on, areas for their agricultural cultivation etc.

DFT shall record in the **Form 21.2** "Risk Mitigation on Highland People".

2.10.8. Monitoring Plan of Safeguards Measures on Highland People

After completion of safeguards measures report and risks mitigation on highland people the DFT shall prepare the Monitoring Plan of Safeguards Measures on Highland People (**Form 21.3**). The monitoring plan indicators of safeguards measures on highland people are as below:

- **What** is to be monitored?
- **Where** to monitor?
- **How** to monitor?
- **When** to monitor?
- **Who** will monitor? Who will be responsible to carry out the work?

Form 21.1

C/S Fund Project Report on Highland People Safeguard Measures			
Province:	District:	Commune:	Commune Code:
Number of village where highland people living related project:			
Name of highland people:			
Name of project:			
1. Project Dissemination Meeting for Highland People Please describe in detail on date, venue, participants, process, comments/ideas and result of the meeting:.....			
2. Do the highland people leader agree on the date, time and venue of the meeting? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, please specify :.....(name of highland people leader, name of highland people, name of village, date of agreement)..... If no, please provide the reason why:.....			
3. Does the meeting use highland people's language and use any simple tools for their understanding? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, please specify :.....(type of language, type of tools used)..... If no, please provide the reason why:.....			
4. Meeting to discuss with Highland people on the project design: Please describe in detail on date, venue, participants, process, comments/ideas and result of the meeting:.....			
5. Do the highland people leader agree on the date, time and venue of the meeting? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, please specify :.....(name of highland people leader, name of highland people, name of village, date of agreement)..... If no, please provide the reason why:.....			

6. Does the meeting use highland people's language and use any simple tools for their understanding?Yes ☐ No ☐If yes, please specify :.....(*type of language, type of tools used*).....

If no, please provide the reason why:.....

7. Attached Documents:

- Risks mitigation on highland people
- Monitoring plan of safeguards measures on highland people
- Minutes of meeting with highland people
- List of highland people participants

Date.....

P/M LAU

Date.....

DFT

Form 21.2

Risks Mitigation for Highland People

Risks	Priority (high, medium, small)	Mitigation measures	Who will be responsible to carry out the work?	Impacts exist after mitigation
<i>Road construction causes damage the ancestor spiritual place of highland people</i>	<i>High</i>	<ul style="list-style-type: none"> <i>Changing alignment location at a section which cause ancestor spiritual place of highland people</i> <i>Redesign to avoid this damage</i> 	<ul style="list-style-type: none"> <i>Highland People and their heads participate to define the location of the road alignment.</i> <i>Technical support officers and chief of commune</i> 	<ul style="list-style-type: none"> <i>Still has remaining negative impact, but very small</i>

Form 21.3

Monitoring Plan of Safeguards Measures on Highland People

What to monitor?	Who to monitor?	How to monitor?	When to monitor?	Where to monitor?
<ul style="list-style-type: none"> <i>Changing the alignment of road at the place to impact</i> <i>Project design</i> 	<ul style="list-style-type: none"> <i>Heads of highland people</i> <i>Commune Councils and Chief of Commune</i> 	<ul style="list-style-type: none"> <i>Inspect project sites at the places to impact</i> <i>Check project design</i> 	<ul style="list-style-type: none"> <i>During feasibility study and project implementation</i> <i>During project approval</i> 	<ul style="list-style-type: none"> <i>At project sites</i>

Part 3
PROCUREMENT AND
CONTRACT MANAGEMENT

Part 3

PROCUREMENT AND CONTRACT MANAGEMENT

3.1. Introduction to Procurement and Contract Management

Implementation of C/S Development Projects means the process of turning a project into real outputs. In the C/S planning system, the C/S Council will approve development projects in the C/S Investment Program. The Council will also allocate funds to these projects through the annual C/S Budget for turning these projects into real outputs that will provide benefits to the people living in the Commune/Sangkat.

There are three main stages in implementation:

Stage 1: Project Preparation

Project Preparation was described in Part 2 of this Manual.

Stage 2: Procurement

Procurement means selecting a contractor, a service provider or a supplier, and making a clear agreement about what the contractor, service provider or supplier will do, when they will do it, what the price will be, and what other conditions apply. The result of the procurement process will be a contract document signed by the C/S Chief, and the contractor or service provider or supplier. All expenditures under the Development Component of the C/S Budget, (except for petty cash expenditures), must be supported by one of these types of document.

Stage 3: Contract Management

After the procurement process is complete, the contractor or service provider must implement the contract. The C/S Chief and the Technical Assistant will be responsible to monitor implementation of the contract, to solve any problems that occur during implementation and to approve payments to the contractor. These activities continue until the end of the maintenance period, for a works contract, or until the services have been provided and all payments made, for a service contract. This part of project implementation is called contract management.

3.1.1. Procurement

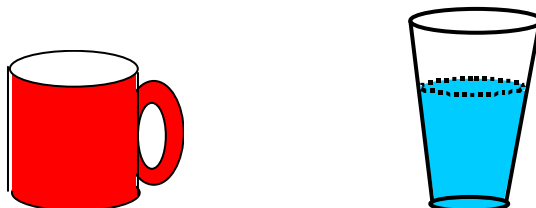
A). Principles of Procurement

Three main principles apply to the procurement process:

- Procurement of works, goods and services is carried out in the most transparent, most economical way possible;
- Suppliers and contractors are given adequate opportunity to participate in the bidding process under conditions of fairness and equality;
- The result of the bidding is made public.

Transparency is very important in a decentralized government system. Transparency means not only that correct procedures are followed, but that everybody can see and know for sure that correct procedures are followed.

Illustration of what transparency means: The trainer must hold up a ceramic cup and ask whether the water in the cup is dirty or clean. The trainees cannot see the water in the cup, so they do not know. Now the trainer holds up a clear glass of water. The water is the same water as in the cup, but this time the trainees can see that it is clean.



The money that the C/S Council spends is money that belongs to the people in the Commune. The people have a right to know what the C/S Council does and how it spends their money.

If we did not do bidding, the C/S Chief might choose a good contractor and negotiate a price that is the same as the price from the bidding meeting. So the real result for the project would be the same. But in this case, nobody would know why that contractor was chosen and not another one. Nobody would know whether the price was the best price, or not. There would be no transparency.

B). Types of Procurement

The C/S Councils will carry out three main types of procurement: Procurement of Works, Service and Goods. The results of these three types are called works contracts, service contracts and Purchase Orders.

1. **Works contract** is for the construction, repair or maintenance of any kind of infrastructure or building. Sometimes a works contract may also include supplying some equipment, (for example, building a school and providing furniture for it). A works contract is implemented by a **works contractor**.
2. **Service contract** is for providing services. This may include activities such as education and training, organizing community groups, agricultural services etc. A contract for survey and design work for infrastructure projects is also a service contract (this type is called engineering services). A service contract is implemented by a **service contractor or a service provider**. Service Contracts may include supply of goods or equipment and small-scale civil work that together support the activities of those services and contribute to achieve the objective of the project. The service contract is procured competitively taking into account the total bid price.

For example:

- Literacy project consists of the supply of goods, e.g. whiteboards, whiteboard markers, books, etc., for a literacy trainer.
 - Small-scale aquaculture project consists of training, group formulation, digging pond, providing materials, (fish food, vegetable seeds, hoes), and providing regular technical back stopping.
3. **Purchase Order** is used to buy any kind of goods or equipment. The **supplier** does not have to do anything except supply the goods to the C/S Council. When the goods have been delivered, the C/S Council must pay the supplier, and the purchase is complete. If there is any kind of activity that the supplier must do over a period of time after the goods are supplied, the Council must make a Works Contract or a Service Contract with the supplier.

C). Methods of Procurement

There are three methods of procurement:

1. **Competitive Bidding** shall be used for all contracts of (i) Capital Expenditures for Local Development regardless of contract value, (ii) contracts of Recurrent Expenditures for Local Development when the contract value is equal **2 Million Riel** and above and (iii) for other activities when the value of the contract is equal to 2 Million Riel and above.
2. **Domestic Canvassing** shall be used for contracts of (i) recurrent Expenditures for Local Development when the contract value is less than 2 Million Riel and for (ii) expenditures of any activities other than Local Development that have a value from 400,000 Riel to less than 2 Million Riel.
3. **Direct Purchase or Direct Contracting (“Negotiation”)** is used only on exceptional basis to be justified and documented with prior approval of the Governor when it is not possible to use Competitive Bidding or Domestic Canvassing as per circumstances described in section **3.10** of this manual. It may also be used when the C/S Council decides to fund service provision or routine maintenance activities through a Community Based Organization (CBO).

3.1.2. Roles and Responsibilities

1). The C/S Chief

The C/S Chief is responsible for the procurement of works, goods and services on behalf of the C/S Council.

The roles of the C/S Chief include:

- Appointing the Technical Supervisor for the contract;
- Chairperson of the Procurement Committee;
- Ensure the preparing the bidding documents (with the help of the Technical Assistant);
- Organizing the bid opening meeting, bid evaluation meeting and bidding result announcement meeting;
- Make bidding reports and contract information and submitting these to P/M LAU after the bidding is finished;
- Selecting the contractor or supplier according to the result of the bidding meeting;
- Agreeing the contractor's work plan;
- Signing the contract;
- Supervise the contractor (or appointing somebody else to do this);
- Organizing Project Management Committee meeting;
- Signing the Payment Orders.

The C/S Chief may delegate some or all of his roles to somebody else. If he does this, he must inform to concerned institution in writing.

2). The Procurement Committee

The role of the Procurement Committee is to advise the C/S Chief about the procurement process. The members of the Procurement Committee are:

- The C/S Chief (Chairperson);
- Two members of the Commune Council, to be selected by the Council;
- C/S Clerk will act as secretary to the Committee, but he or she cannot vote.

The C/S Chief must invite a TSO and Provincial Facilitation Team (PFT)/ District Facilitation Team (DFT), appointed by the Governor, to serve as assistant to the Committee. The TSO and PFT/DFT can advise the Committee, but he or she cannot vote.

3). The Technical Support Official

The Technical Support Official (TSO) is an official selected from a Provincial Department and appointed by the Governor to advise the C/S Procurement Committee. The Technical Support Official will also report to the Governor that the procurement process was followed correctly.

The roles of the Technical Support Official are:

- to advise the Procurement Committee how to follow the procurement procedure correctly before bid evaluation;
- to observe the bidding process;
- to write the Bidding Report that will be sent to the Provincial Governor and copied to Commune/Sangkat.

The TSO may only give advice relating to individual bids if the C/S Chairperson requests him to do so. If the Procurement Committee wants to make a decision that is clearly against the rules, the TSO will write in his bidding report, that “**the rules were not followed**”. However, a TSO must not attempt to persuade the Procurement Committee to accept or reject any bid. If the Procurement Committee believes that the TSO is trying to persuade them to favor one bidder over another, this is a very serious matter which they must report to P/M LAU.

4). The Technical Assistant

The Technical Assistant will help the C/S Chief to:

- prepare the bidding documents;
- check the contractor's work plan or service provider work plan;
- prepare contract documents.

5). The Technical Supervisor

The Technical Supervisor will help the C/S Chief to:

- supervise the contract;
- certify the quality and quantity of work carried out.

6). The Works Contractor, Service Provider or Supplier

The Works Contractor, Service Provider or Supplier may be a person, a company or an agency (such as an NGO). The Contractor is responsible to make sure that the contract is implemented correctly. The Contractor may do the work himself, or he may employ his staff to do the work, or he may use sub-contractors to do part of the work, but he is fully responsible for the work that these other people do.

7). Sub-Contractors

Sub-contracting of the whole of the works is not allowed. Sub-Contractors may be employed by the main contractor to carry out part of the work, provided that this is agreed to by the Project Owner. The sub-contractor has a contract with the main contractor, not with the Project Owner. If the sub-contractor makes any mistake, the main contractor is responsible to make sure that the mistake is corrected. The Project Owner does not have to solve any problem with the sub-contractor directly.

For works contract, the main contractor may sub-contract part of the works up to a maximum of 40% of the value of the contract with the prior approval of the Project Owner. The sub-contractors must be on the pre-qualification list in the appropriate class for the sub-contracted task.

8). The C/S Council

The C/S Council does not have a direct role in procurement or in contract management. However, the C/S Council does have the following important roles:

- appoints two members to be Procurement Committee members;
- reviews the list of contractors who are eligible to bid. Acceptance of this list must be recorded in the minutes of the C/S Council meeting;
- approve the appointment of the Technical Supervisor, if the Technical Supervisor was selected from the private sector;
- oversee the work of the C/S Chief and check that he has carried out the project implementation activities correctly;
- Monitor and evaluate the progress, the result and the impact of C/S projects.

9). The Project Management Committee

The Project Management Committee will help the C/S Chief to monitor the work of the contractor. Individual members of the Committee should be appointed to monitor different parts of the work, or to monitor at different times. The Project Management Committee will meet all together at the work site to review and compare the result of actual contract implement against with the progress reports or end of contract report and give advice to C/S Chief on the approval of payments to the contractor.

10). The Works Manager (For Civil Works)

The Works Manager (*mei-ka*) may be the Contractor, or a person working for the Contractor. He is responsible to manage the actual work on the site (in a works contract). He or she must be present all the time when there is work in progress. The Contractor must write the name of the Works Manager on the Contractor's Work Plan. The C/S Chief has the right to approve or to reject the person named by the contractor, and to ask for the Works Manager to be replaced if the quality of his work or his conduct is not good.

11). Provincial Facilitation Team (PFT) and District Facilitation Team (DFT)

PFT and DFT do not have a direct role in procurement and contract management. However, they have role to advise and help the C/S Chief and the council in order to carry out procurement smoothly. PFT and DFT must understand the process for procurement and for contract management.

12). Provincial/Municipal Local Administration Unit (P/M LAU)

P/M LAU is responsible to:

- Coordinate the date of C/S bid-Opening meeting;
- Monitor C/S procurement process and contract implementation;
- Receive the report on the bidding process and the contract information from the C/S Chief;
- Write the report and give advice on C/S procurement process and contract implementation to the Provincial/Municipal Governor;
- Facilitate the process of C/S contract implementation;
- Collect evaluations of contractor from C/S councils;
- Help Communes/Sangkat to organize a meeting with service providers at province/ municipality or district/khan for disseminating the service projects (if needed).

13). The Provincial or Municipal Governor

The Governor is responsible to manage a list of contractors who can bid for contracts with the C/S Councils. Private sector engineers providing engineering services to the C/S Councils must also be registered with the Governor. The Pre-Qualification Sub-Committee will advise the Governor about the contractor list.

The Governor has the right to stop the C/S Chief from signing the contract if there is any problem with the procurement process, based on the bidding report and on any complaints from bidders. If the Governor does not object within 7 working days of receiving the bidding report, the C/S Chief can sign the contract.

If there is any dispute between the Project Owner and the Contractor during implementation of the contract, the Governor may be asked to help solve the problem.

In this case the Governor shall appoint an investigation team to study/investigate the issues. This team shall make investigation report to Governor. The Governor shall decide on how to solve the problem based the report from the investigation team, the report from P/M LAU and the report from TSU.

3.1.3. Who can be a Contractor or a Supplier?

A). Who can be a Works Contractor?

The persons can be the works contractor of C/S contract are all contractors who are named in the contractor list approved by Governor.

The provincial/municipal Governor shall recognize the contractors who are named in the contractor list approved by Governor of each province or municipality. However, the provincial/municipal Governor also has a right to not allow the contractors who, on the basis of documented historic records, have failed in the past to sign the contract or have implemented a previous contract with that Council but who have failed to respect the conditions of the contract. Contractors who have been determined to be involved in fraud, corrupt and collusive practices and are under official notification of debarment at the time shall be ineligible to bid. Each province or municipality must prepare an ineligible contractor list (Black listed contractors) and this list must be available at the bid opening meeting. The reasons of rejection of contractors must be recorded and documented.

The C/S Council shall recognize the contractors who are named in the contractor list approved by Governor. However, a C/S council also has a right to not allow the contractors who, on the basis of documented historic records, have failed in the past to sign the contract or have implemented a previous contract with that Council but who have failed to respect the conditions of the contract. Contractors who have been determined to be involved in fraud, corrupt and collusive practices and are under official notification of debarment at the time shall be ineligible to bid. Each Commune or Sangkat must prepare an ineligible contractor list (Black listed contractors) and this list must be available at the bid opening meeting. The reasons of rejection of contractors must be recorded and documented.

B). Who can be a Supplier?

Any private company, person or trader who is in the established business of supplying the required goods and is capable of supplying the correct type of goods at the time when they are needed can be a supplier. The only exceptions are if that the Supplier:

- has been determined to be involved in fraud, corruption and collusive practices and is under official notification of debarment at the time, and therefore is ineligible to be a Supplier.

- has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such Supplier can also be excluded.

C). Who can be a Service Provider?

Skilled individuals, Companies, State institutions, NGO/International Organizations (IO), Associations and CBO (Community Based Organizations), who can provide services conforming to the technical standards and which are delivered on time can be a Service Provider. If possible, the Province or Municipality should make a list of service providers to help C/S Councils in implementing the service projects. This list should show clearly the name of the service provider, the name of the institution, the type of services provided and full address details.

However, anyone who has been determined to be involved in fraud, corruption and collusive practices and is under official notification of debarment at the time, is ineligible to be a Service Provider. If a Service Provider has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such contractor can also be excluded.

Skilled individuals, State institutions, NGO/IO, Associations, CBO and Non-profit organization do not need a Patent (business) license and do not need to pay tax. They will not be classified as Self Assessment Taxpayers (or Real Regime Taxpayers) or Estimated Assessment Taxpayers (or Estimated Regime Taxpayer).

Note:

- Public servants, national police, military police and military are not allowed to be a contractor or service provider or a supplier for C/S Fund contracts.
- C/S Councilors, employees of the C/S, or Planning and Budgeting Committees (PBC), may be contractors or suppliers or service providers to other C/S but must not bid for contracts, supply and services in the C/S where they live and work.

3.1.4. Steps in Process of Procurement

Procurement can begin after the project preparation phase has been completed. This means that the project has received Technical Clearance, and an allocation for project activities, (the whole project, or part of the project), has been approved in the C/S budget.

Procurement Process and Steps:

Stage 1: Preparation of Bid

- Step 1: Set up Procurement Committee and confirm contractor list;
- Step 2: Preparation of bidding documents;
- Step 3: Date for bid-opening meeting agreed with P/M LAU;
- Step 4: Advertisement of the bidding;
- Step 5: Dissemination of bidding documents;
- Step 6: Filling in bidding documents by Bidders.

Stage 2: Bid Opening Meeting

- Step 7: Submission of bids or quotations;
- Step 8: Proclamation of bid opening meeting;
- Step 9: Opening of bids or quotations and preparation of bid opening record.

Stage 3: Bid Evaluation Meeting

- Step 10: Evaluation of bids or quotations and preparation of evaluation record.

Stage 4: Bidding Results Announcement Meeting

- Step 11: Announcement of bidding results and recording of results.

Stage 5: Preparation of contract implementation

- Step 12: Bidding report submitted to P/M LAU;
- Step 13: Agree on Contractor or Service Provider work plan. (Works contracts and service contracts);
- Step 14: Contract Information Form completed and submitted to P/M LAU.

3.1.5. Special Advice for Implementing Contracts in Remote Areas

In remote parts of the country it is sometimes difficult to implement contracts following the normal procedures.

The main problems in remote areas are:

1. There may be no contractors or service providers or suppliers based in remote districts.
2. Contractors or service providers or suppliers from outside may not want to go to work in remote districts.
3. Materials have to be transported over long distances on bad roads, so transport costs are very high.
4. The work of the Technical Supervisor is very difficult as he has to travel long distances to supervise the contract.

The provincial/municipal Governor will identify the remote Commune/Sangkats based on the actual situation.

1). Communes in remote areas

Communes in remote areas should make a special effort to identify local contractors or service providers or suppliers who have the capacity to implement the contract. If there is no contractors or service providers or suppliers in the District, and contractors or service providers or suppliers from outside do not want to go to work there, consider whether the project users can form a **Local Community Based Organization** to implement the project themselves. The Local Community Based Organization is non-profit organization. They are allowed to do this provided that:

- No C/S Council member is a director of the group, or receives any direct benefit from it;
- The Local Community Based Organization is recognized by the Governor.

The C/S Council may invite the Local Community Based Organization to bid as contractor or as service providers or as suppliers.

2). Local contractors

Local contractors or local service providers may find it difficult to obtain materials on credit from material suppliers. The Disbursement schedule should include a first payment, for example 10% of the cost, to be paid when materials have been delivered to the site. The conditions for release of this payment should be:

- Materials delivered to the site have a value at least equal to the payment;
- The contractor or service provider has started to implement the contract.

3.2. Guidelines for Formation of the Pre-qualified Contractor List

3.2.1. Purpose of the Contractor List

The main purposes of the contractor list are:

1. To let the C/S Procurement Committees know that the bidders for a contract have enough technical capacity to implement the contract.
2. To make it easy for Executive Committee (ExCom) of Provincial Rural Development Committee (PRDC) to monitor the performance of contractors.
3. To ensure that contractors comply with the terms of their contracts, or face the sanction of removal from the contractor list.
4. To ensure that all contractors, and particularly small-scale local contractors, have fair and equal access to employment opportunities.
5. To build the capacity of the private contracting sector.

Principles of the Contractor List

The following principles must be respected in the management of the contractor list:

1. Every legal contractor who has enough technical capacity must have the opportunity to bid for C/S Council projects. The contractor list must be managed in a way to create maximum opportunities for all contractors, and especially for small-scale local contractors, in accordance with their capacity. It must not be managed in a way that makes it difficult or expensive for some contractors to be on the list.
2. Contractors must not pay any fee to be on the contractor list. The costs of the evaluation process and of managing the list are paid by the ExCom/PRDC.
3. The C/S Councils should have a major role in the evaluation of contractors who have carried out work for them.
4. Management of the list must be transparent. There must be clear reasons given for all decisions to add a contractor to the list or to remove a contractor from the list. The contractors themselves, the C/S councils and the public are allowed to know these reasons.

3.2.3. Roles and Responsibilities

The **Provincial or Municipal Governor** and, as Chairman of ExCom/PRDC, is responsible to manage the contractor list. The Governor will approve the list and will sign it based on the recommendation of the pre-qualification sub-Committee. The Governor will establish the **Pre-qualification sub-Committee**. The Pre-qualification sub-Committee should have the following members:

- The Permanent Member of ExCom/PRDC;
- The Deputy Chief of TSU;
- A representative of P/M LAU;
- Representatives of the C/S Councils;
- Other members and advisers approved by the Governor.

The **pre-qualification sub-Committee** will evaluate the technical capacity of contractors and maintain the pre-qualified contractor list.

The **pre-qualification evaluation of a contractor** means that the contractor has proved that they have enough technical capacity to implement C/S contracts.

The **Technical Support Unit** will be responsible for evaluating the capacity of contractors who apply to be on the list (Class 1, 2 or 3), and reporting to the pre-qualification sub-Committee.

The **P/M LAU** will be responsible to collect evaluations of contractors from the C/S Councils independently of the TSU.

3.2.4. Structure of the Contractor List

Contractors on the list will be divided into **three** classes, as follows:

1. General Construction Contractors;
2. Earthworks Contractors;
3. Specialist Contractors.

Any contractor may apply to be listed in more than one class: for example, a Specialist Contractor may also be listed as a General Contractor.

C/S Councils may decide to negotiate the contract directly with the **Local Community Based Organizations** (LCBO) for a contract for recurrent expenditures of development activities of value less than **2 million Riels**.

C/S Councils may invite the **Local Community Based Organizations** in accordance with the provisions of Clause 3.1.5-1 (communes in the remote areas) to submit the bid.

The rules for this type of Local Community Based Organization are:

- Is a not-for-profit organization consisting of members who are residents of the Commune/Sangkat;
- It implements programs which contribute to the objectives of the C/S development plan;
- No C/S Councilor is a director of the organization, or receives any form of remuneration from the organization;
- It is recognized as a legitimate Local Community Based Organization by the Provincial/Municipal Governor.

Class 1: General Construction Contractors

General Construction Contractors are eligible to bid for all civil works and construction contracts, except for earthworks contracts and contracts requiring specialist skills and equipment.

Examples of the kinds of work that Class 1 Contractors can do include:

- construction of brick school buildings;
- construction of concrete bridges;
- construction of water gates;
- construction of pipe and box culverts;
- construction of concrete roads.

The C/S Council must allow any Class 1 contractor to bid for contracts of these types. The only exceptions are if that the contractor has been determined to be involved in fraud, corruption and collusive practices and is under debarment at the time. If a contractor has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such contractor can be excluded from the pre-qualification list.

Class 2: Earthworks Contractors

Earthworks Contractors are contractors who can demonstrate a capacity to implement small earthworks contracts, either by labor based or machine based methods.

Examples of types of contract which an Earthworks contractor must be able to implement to a satisfactory standard are:

- construction of a rural road with laterite pavement;
- construction of canals and small earth dams.

The C/S Council must allow any Class 2 contractor to bid for contracts of these types. The only exceptions are if that the contractor has been determined to be involved in fraud, corruption and collusive practices and is under debarment at the time. If a contractor has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such contractor can be excluded from the pre-qualification list.

Class 3: Specialist Contractors

Specialist Contractors are contractors who have equipment and technical ability for special types of work. The most common type of specialist contractor will be well drilling contractors.

The C/S Council must allow any Class 3 contractor to bid for contracts of these types. The only exceptions are if that the contractor has been determined to be involved in fraud, corruption and collusive practices and is under debarment at the time. If a contractor has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such contractor can be excluded from the pre-qualification list.

So, being on the contractor list as a Class 1, Class 2 or Class 3 contractor gives a contractor a special right to submit her/his bid for all C/S Fund contracts according to their eligible classes in the whole of Cambodia, except contractors who have been rejected by C/S Councils or by the pre-qualification sub-Committee of those provinces/municipality because he/she has been determined to be involved in fraud, corruption and collusive practices and is under debarment at the time. If a contractor has failed to sign contract or failed to respect conditions of contract, and there are historic records available to demonstrate it, then such contractor can be excluded from the pre-qualification list.

3.2.5. Eligibility for the Contractor List

In general, any contractor is eligible to be on the contractor list provided that:

- the contractor can demonstrate sufficient technical capacity;
- the contractor fulfills the legal requirement to conduct his/her businesses as a private sector;
- the contractor implementing contracts for C/S Councils will not lead to a conflict of interest.

Public servants, national police, military police and military are not eligible to be listed in the Contractor list.

C/S Councilors, employees of the C/S or Planning and Budgeting Committees, may be listed, but are not eligible to bid for contracts in the Commune/Sangkat where they live or work because of conflict of interest.

3.2.6. Procedures for Formation of the Contractor List

A). Advertisement for Contractors to apply to join the contractor list

A-1). Secretariat of NCDD

The Secretariat of NCDD (NCDDS) must advertise for applications of contractors to be on the list of contractors not later than **31** August of each year in national newspapers using Form 22. The advertisement must also be displayed on the notice board of the Secretariat of NCDD and posted on the NCDD website.

A-2). Province/Municipality

The Province/Municipal Governor must advertise for contractors to be on the list of pre-qualified contractors not later than 30 September of each year by any suitable means e.g. radio or TV announcements using Form 23. The advertisement must also be displayed on the ExCom/ PRDC information board.

The contractor who wishes to apply should submit his/her application to TSU or P/M LAU in his/her permanent business province or municipality.

For contractors who are already on the list, they must also apply to remain on the list for the following year.

The TSU is responsible for preparing the list of contractors who have applied and the TSU must post this list on the ExCom/PRDC information board.

Any contractor who has applied, but who does not find his/her name on the list, should notify the omission to the pre-qualification sub-Committee within 10 working days after the list is posted.

The application form (**Form 24**) can be obtained from PLAU and TSU free of charge.

The application form shall have the following information:

- Name of company or name of the contractor;
- Whether the contractor is an individual or a company;
- Address of company or contractor;
- Which class or classes the contractor is applying for;
- List of similar construction contracts successfully completed during the last 5 years, demonstrating experience of the contractor;
- Technical qualifications of senior staff;
- Equipment;
- Qualification criteria and procedures for evaluation of contractor.

The Governor, as Chairman of ExCom/PRDC, shall make a decision on the contractor list within one month after advertising.

The pre-qualification sub-Committee shall review and prepare contractor lists and submit to Governor for approval. The contractor list should be approved and made public not later than 31 December of each year, so that C/S Councils can begin the procurement process in January of the following year.

The contractors must apply for joining the contractor list in their place of permanent business Province or Municipality. A Patent License is not required for application to be on the contractor list.

However, before a contractor can sign a contract with the C/S Council, the contractor must have a Patent License from the province or municipality where the contract is to be performed. The contractor must provide a copy of their Patent License when they sign the contract.

B). Pre-qualification of new contractors

The Pre-qualification sub-Committee will be responsible to check the details of applications submitted by new contractors.

The pre-qualification sub-Committee will ask the TSU to carry out of checking and make a report of checking. TSU carry out **two steps of** checking:

B.1). The first stage of checking:

The first check is to examine that the information entered in the form by the contractors fulfills the qualification criteria (**Form 25**). For example, if a contractor has stated he has completed only one contract for the type of class applied for but the minimum qualification criteria is for two contracts he will be considered to have not qualified and therefore the next step of inspection does not need to be done. The reason for not being pre-qualified must be written on **Form 25**.

B-2). The second stage of checking:

The second check is to verify/inspect the construction works of the past contracts completed by the contractor on the site, the equipments at the equipments keeping places and the staff at the office of the contractor. This verification uses **form 26** and carried out as below:

- An on-site inspection of at least two examples of construction works completed by the contractor, of the same type that he/she is applying to be pre-qualified. For example, evaluation of a Class 2 Contractor must include the inspection of at least two earthworks contracts. If the contractor wants to be listed in Class 1 also, the inspection must include at least 2 construction contracts more.
- A physical inspection of the equipments listed in his application at the contractor's office, warehouse or sites (or to confirm the lease agreements he has submitted);
- At the Contractor offices to confirm that the staff listed on the contractor's application form are employed by the Contractor and their qualifications meet the criteria.

C). Assessment of Contractor Past Performance

The P/M LAU must ask C/S Councils to submit a brief report on the performance of contractors who implemented contracts during the previous year. The C/S Councils must examine and evaluate contractor's performance (Form 27) in each of the following categories and any negative determination will be required to be supported by documentary evidence of past records:

- Honesty of the Contractor (implementation of a project following the design and not trying to cheat), rated as good, acceptable or not acceptable;
- Quality of contractor's cooperation with the CS Council, Project Management Committee and the local people, rated as good, acceptable or not acceptable;
- Timeliness of contractor's work, rated as good, acceptable or not acceptable;
- Quality of contractor's performance, rated as good, acceptable or not acceptable;
- Quality of maintenance during the maintenance period, rated as good, acceptable or not acceptable.

In addition, the report should allow the C/S Council to mention any special incidents or problems which must be brought to the attention of the Pre-qualification sub-Committee. These special incidents and problems must be attached with documentary evidence.

The P/M LAU will make a summary report based on these reports from the C/S Councils and provide recommendations for the Pre-qualification sub-Committee (Form 28).

In the case where the contractor has performed a contract in a province other than the province/Municipality where the contractor is registered, the P/M LAU in the province/Municipality where the contract has been performed must send the Contract Performance Evaluation prepared by C/S Councils (Form 27) with supporting documentary evidence to the P/M LAU where the contractor is registered. Then the P/M LAU where the contractor is registered will use this information for reference purposes only and this information shall not effect the evaluation of the contractor's pre-qualification unless there is a documented historic record already available that clearly attributes the past performance or integrity issues

exclusively to the contractor and in such case rejection of a contractor on such grounds shall require approval of the Governor of the Province/Municipality where the contractor is registered.

D). Checking and Approval of Contractor List

After they receive the evaluation reports from TSU and the reports from the P/M LAU, the Pre-qualification sub-Committee will hold a meeting to make recommendations and prepare a qualification evaluation report (**Form 29**). Then, the Pre-qualification sub-Committee must prepare disqualified contractor list (**Form 30**) and the pre-qualified contractor list (**Form 31**) and submit to Provincial/Municipal governor for approval.

The Governor can refer the list back to the pre-qualification sub-Committee for further consideration, but he/she cannot make any changes to the list himself/herself. Only contractors who applied before the deadline and whose names were on the list that was posted on the notice-board, can be on the final list.

Contractors on the list of their permanent business Province/Municipality can submit their bids in all Provinces/Municipalities.

E). Dissemination of the Contractor List

E-1). National Level

After the Contractor list is approved by the provincial/municipal governor, the ExCom/PRDC of each province/municipality must send this list to the Secretariat of NCDD in the form of a scanned document. Then the Secretariat of NCDD will compile all of the contractor lists from all of the provinces and municipalities into one single national list.

NCDD Secretariat must disseminate this compiled single national list broadly and publicly **twice** in national newspaper and post on the NCDD website. NCDD secretariat must bind the contractor lists from all the provinces into a single contractors' list book. The contractors' list book will be kept at NCDD Secretariat and one copy will be distributed to each province.

E-2). Province/Municipality Level

After approval by the provincial/municipal governor, the contractor list must be announced publicly by posting on a notice board at the Provincial/Municipal ExCom Office.

TSU must make photocopy the contractors' list book received from the NCDD Secretariat and distribute to each commune (1 copy per 1 commune) and keep the book at a publicly accessible location in the ExCom/PRDC for any contractor or member of the public to read. TSU should reserve some extra copies available for pre-qualified contractors or anybody else who want to have a copy of the book. Contractors or people who request such extra copy must pay only the actual copying cost of the book

Contractor can inspect the book and make a copy of the book from the NCDD Secretariat, ExCom/PRDC or the C/S office.

3.2.7. Removal of a Contractor from the Pre-qualified Contractor List (Blacklisting)

The Provincial/Municipal Governor can remove contractors from the pre-qualified contractor list ("the contractor list"), for any of the following reasons to be documented with supporting past records:

- a). attempting to unfairly influence the result of a bidding process, by any means whatsoever including fraud, corrupt or collusive practices.
- b). withdrawing his/her bid after bid opening;
- c). failing to sign a contract after winning a bidding;

- d). failing to implement a contract after signing;
- e). failing to respect the conditions of a contract with a C/S Council;
- f). failing to produce work of acceptable quality.

In the cases of **a, b, c, and d** listed above and subject to adequate supporting past records being available, the Provincial/Municipal Governor must immediately remove such contractor from the contractor list for a limited period, or permanently after receiving a written report on this matter. In the cases of **e** and **f** listed above according to the **summary performance assessment report from by PLAU**, the Provincial/ Municipal Governor may decide to remove a contractor from the contractor list for a limited period, or permanently.

Removal of a contractor from the contractor list can only be done by a **DECISION** of the Province/Municipality governor. Contractors removed from the list are blacklisted contractors.

From the date of removal from the contractor list, the removed contractors have no rights to submit bids for C/S Fund projects.

For the contracts that were awarded prior to the date of blacklisting, the blacklisted contractors can sign and continue to implement the contracts. In this case, the TSO has to pay extra attention on the technical supervision of the contracts.

TSU must be responsible for preparing and updating the blacklisted contractors list (**Form 32**).

3.2.8. Capacity Building of Contractors

In each Province or Municipality, ExCom will organize the following activities to improve the capacity of the contractors on the contractor list.

At least **two times** per year, a meeting of all contractors on the contractor list will be held with TSU, P/MLAU, Provincial Treasury staff, Provincial Taxation Staff and other concerned officials, for information dissemination and feedback.

At least one time per year, a contractor-training course will be held, covering the following topics:

- Orientation on the C/S fund project implementation system;
- The procurement process for C/S works projects;
- The standard form of contract and the contract implementation system;
- The Technical Manual on Infrastructure Projects of NCDD.

Other capacity building trainings may be requested by the contractors and should be provided by the TSU as appropriate.

All contractors on the contractor list must be provided with a copy of the Technical Manual on Infrastructure Projects of NCDD.

Note: Each province/municipality can prepare the list of service providers based on real situation of the province/municipality in order to help C/S to find service providers. P/M LAU is responsible to prepare this list.

Form 22

NCDD
Secretariat
 No.

Kingdom of Cambodia
Nation Religion King

Date.....

Advertisement on
The Preparation of Pre-Qualified Contractor List, Year.....

Secretariat of NCDD would like to inform all the contractors that in (*month, year*) all provinces/municipalities in Cambodia will prepare the pre-qualified contractor list for the year..... for bidding C/S Fund projects 20... . The contractors on the pre-qualified contractor list have a right to submit bids for all C/S Fund projects in the whole of Cambodia.

Contractors can be classified into three classes:

- Class 1: General Construction Contractors (buildings and concrete works, etc.)
- Class 2: Earthworks Contractors (canals, dams, earth roads, laterite roads etc.)
- Class 3: Specialist Contractors (contractors who have special skill and equipments, e.g.: Well Drilling, etc.).

Contractors must have relevant and sufficient equipment and staff as specified in the Application for Pre-qualified Contractors List to conduct the works for which they seek pre-qualification and must have implemented at least two similar contracts during the last five years in each class for which they seek pre-qualification. The Pre-qualification sub-Committee will inspect and evaluate the technical capacity of the contractor based on the qualification criteria specified in the Application for Pre-qualified Contractor List, and also assess the quality of the contractor's performance, the timeliness of the contractor's work, the honesty of contractor and quality of contractor's cooperation with the client based on past documented records. The Pre-qualification sub-Committee will submit the results of this evaluation to the governor and being a chief of ExCom/PRDC for approval.

In this regard, if contractors are willing to register on the Pre-Qualified Contractor List, they are requested to submit their application in their permanent business province/ municipality as soon as possible. For contractors currently on the Pre-Qualified Contractor List from last year they are also asked to reapply to remain on the list. Contractors can obtain the application forms, without charge, from the offices of the Technical Support Unit and also the Provincial Local Administration Unit, PRDC/ExCom.

A separate advertisement for each pre-qualification announcement will be posted in ExCom Information board in each province.

Secretariat

Form 23

NCDD
ExCom of Province
 No.

Kingdom of Cambodia
Nation Religion King

Date.....

Advertisement on
The Preparation of Pre-Qualified Contractor List, Year.....

ExCom/PRDC of province/municipality will prepare a pre-qualified contractor list for the year..... for bidding C/S Fund Projects 20... . The contractors on the pre-qualified contractor list have a right to submit bid for all C/S project in the whole of Cambodia.

Contractors can be classified into three classes:

- Class 1: General Construction Contractors (buildings and concrete works, etc.)
- Class 2: Earthworks Contractors (canals, dams, earth roads, laterite roads etc.)
- Class 3: Specialist Contractors (contractors who have special skill and equipments, e.g.: Well Drilling, etc.).

Contractors must have relevant and sufficient equipment and staff as specified in the Application for Pre-qualified Contractors List to conduct the works for which they seek pre-qualification and must have implemented at least two similar contracts during the last five years in each class for which they seek pre-qualification. The Pre-qualification sub-Committee will inspect and evaluate the technical capacity of the contractor based on the qualification criteria specified in the Application for Pre-qualified Contractor List, and also assess the quality of the contractor's performance, the timeliness of the contractor's work, the honesty of contractor and quality of contractor's cooperation with the client based on past documented records. The Pre-qualification sub-Committee will submit the results of this evaluation to the governor and being a chief of ExCom/PRDC for approval. Contractors who have been determined to be involved in fraud, corruption or collusion and are under an official notification of debarment at the time of their application shall be ineligible for consideration in the Pre-qualified Contractors List.

In this regard, if contractors willing to register in the Pre-Qualified Contractor List, please submit their application to Technical Support Unit and Provincial Local Administration Unit, PRDC/ExCom from the date of this advertisement till date..... at.....PM. For contractors currently on the Pre-Qualified Contractor List are also asked to reapply. Contractors can obtain the application form, without charge, from the offices of the Technical Support Unit and also the Provincial Local Administration Unit, PRDC/ExCom, at the address(insert address).....

ExCom/PRDC

Form 24

Province:.....

Kingdom of Cambodia
Nation Religion King**Application for Pre-qualified Contractor List**

Name of Company:		Photograph (4 x 6)	
Type of Business	Person <input type="checkbox"/> Company <input type="checkbox"/>		
Name of Director:			
ID Card Number:	Sex:		
Telephone Number:			
E-mail Address:			
Address:			
The classes which you wish to be pre-qualified (<i>Tick relevant box(es)</i>):			
Class 1: General Construction Contractor: Buildings and concrete works etc.			<input type="checkbox"/>
Class 2: Earthworks Contractor: Canals, Dams, road earthworks, laterite roads, etc.			<input type="checkbox"/>
Class 3: Specialist Contractor: (contractor who has special equipment and special technical capacity e.g. "Well Drilling")			<input type="checkbox"/>
Are you applying to be pre-qualified for: First time <input type="checkbox"/> Change of class <input type="checkbox"/> Renewal <input type="checkbox"/>			
1. Contractor's experience: List at least 2 similar contracts for each class that is being applied for implemented by your company during the last five years to demonstrate the experience to implement C/S Fund contracts. The contract outputs will be inspected by Technical Support Unit staff. Photocopy of contract documents must be attached to this application form.			
Description and location of Contract	Name and contact details of Client	Year	Value
Class 1:			
1.			
2.			
Class 2:			
1.			
2.			
Class 3:			
1.			
2.			
2. List of equipment (The equipment will be inspected by Technical Support Unit staff)			
Type	Capacity	No.	Address where equipment is kept (or lease statement)
Class 1:			
1. Concrete mixer			
2. Concrete vibrator			
3. Electricity generator			
.....			

Class 2:					
1. Compacting roller					
2. Excavator					
3. Bulldozer/motor grader					
4. Dump truck					
.....					
Class 3:					
1. Well drilling ring					
.....					
3. List of all key technical staff (Additional pages may be attached to this form to list all staff.)					
Name	Role in Company	Qualification and year (Attach copies of qualifications, if available)	Age	Years with company	No. of professional years Experience
Class 1:					
Class 2:					
Class 3:					
Qualification criteria for pre-qualification of applications: The minimum required qualification criteria for pre-qualification of applicants are as below:					
1. Contractor's experience: Satisfactory completion of at least 2 similar contracts during the last five years for each class that is being applied for.					
2. Equipment: Evidence of ownership or, in the case of leasing, evidence of agreement with leasing company.					
<ul style="list-style-type: none"> • Class 1: One each of: concrete mixer, concrete vibrator, electricity generator. • Class 2: One each of: compacting roller, excavator, motor grader/bulldozer, dump truck. • Class 3: One set of drilling equipment. 					
3. Technical Staff: At least one Technician-level qualified construction manager with a minimum of 2 years of practical experience in the type of work for the class that is being applied for.					
Pre-qualification Procedures: <ul style="list-style-type: none"> • TSU will prepare the list of contractors who have applied. This list will be posted on the ExCom's information board. Any contractor who has applied, but who does not find his/her name on the list, should notify the omission to the pre-qualification sub-Committee within 10 working days after the list is posted. • The Pre-qualification sub-committee will evaluate qualification of contractor strictly in accordance with qualification criteria set out and disclosed in this Application for pre-qualified Contractor List. No other criteria shall be used. • TSU will review all information provided in the application and must inspect the offices of the contractors, the equipments at the equipments keeping places and the construction works of the past contracts, in the same class(es) for which the contractor seeks pre-qualification, completed by the contractor on the site in order to verify the qualification 					

information provided in the contractor's prequalification application.

- CS Councils will assess the performance of the contractors on honesty of contractor, quality of contractor's cooperation, timeliness of contractor's work, quality of contractor's works and the quality of works maintenance of the contractors. This information will be used for reference purpose only and shall not effect the evaluation of the contractor's pre-qualification unless there is a documented historic record already available that clearly attributes the past performance or integrity issues exclusively to the contractor and in such case rejection of a contractor on such grounds shall require approval of the Governor of the Province/Municipality where the contractor is registered.
- Contractors who have been determined to be involved in fraud, corruption or collusion and are under an official notification of debarment at the time of their application shall be ineligible for consideration in the Pre-qualified Contractors List.
- PLAU will compile the contractor performance assessment report prepared by C/S Council.
- Based on reports of contractor evaluation from PLAU and TSU, the Pre-qualification sub-Committee will prepare the pre-qualified contractor list with recommendations and then submit to Governor for approval.
- The pre-qualified contractor lists approved by Governor will be posted on the ExCom/PRDC's information board and on the NCDD's Website. NCDDS will also advertise twice the list of pre-qualified contractors in national newspapers. The pre-qualified contractors list will be compiled into a book and kept at the NCDDS, at the Provincial/ Municipal ExCom/PRDC's Offices and at the CS Offices.

Declaration and signature

I declare that all the information on this form is true and correct. I understand that if it is found that any untrue information is on this form in a deliberate attempt to mislead that will result in automatic rejection of the whole application.

Date:.....

Signature and Name of Applicant

Form 25.1

Contractors Screening based on Qualification Criteria
Class 1 Contractor: General Construction Contractors, Province/Municipality:

[illegible]

Note:

- Application form must be attached with this form
- All the minimum criteria must be fulfilled. If any of the criteria cannot be fulfilled, site inspection is no longer necessary

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Contractors Screening based on Qualification Criteria
Class 2 Contractor: Earthworks Contractors, Province/Municipality:

[illegible]

Note:

- Application form must be attached with this form
- All the minimum criteria must be fulfilled. If any of the criteria cannot be fulfilled, site inspection is no longer necessary

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Form 25.3

Contractors Screening based on Qualification Criteria
Class 3 Contractor: Specialist Contractors, Province/Municipality:

[illegible]

Note:

- Application form must be attached with this form
- All the minimum criteria must be fulfilled. If any of the criteria cannot be fulfilled, site inspection is no longer necessary

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Form 26.1

Verification of Information Provided by the Contractors
Class 1 Contractor: General Construction Contractors, Province/Municipality:.....

[illegible]

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Form 26.2

Verification of Information Provided by the Contractors
Class 2 Contractor: Earthworks Contractors, Province/Municipality:.....

[illegible]

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Form 26.3

Verification of Information Provided by the Contractors
Class 3 Contractor: Specialist Contractors, Province/Municipality:.....

[illegible]

Date:.....
Technical Support Unit

Date.....
Signature of Examiner

Form 27

Contractor Past Performance Assessment Report by C/S Council

Province:	District:	Commune:	Contract No.:	Contract Value:
Description of Contract:			Company name:	Contractor Name:
Class of Contractor: Class 1 <input type="checkbox"/> Class 2 <input type="checkbox"/> Class 3 <input type="checkbox"/>			Name of registered province:	
Status of Contract (Tick the box that applies)		Construction not complete yet <input type="checkbox"/>	In maintenance period <input type="checkbox"/>	Completed <input type="checkbox"/>
Evaluation of Contractor Work (For each of the following categories, give the contractor a rating: "A: Good", "B: Acceptable", "C: Not acceptable")				
No.	Category	Rating	Reasons for given rating and documented record evidence	
1	Honesty of the Contractor (implement following the design and not try to cheat)			
2	Quality of contractor's cooperation with the CS Council and the local people			
3	Timeliness of contractor's work			
4	Quality of contractor's performance			
5	Quality of maintenance during the maintenance period			
Other Comments:				
Recommendation: Do you recommend that this contractor should be included in the list of pre-qualified contractors for CS Fund contracts for the next year?				Yes <input type="checkbox"/> No <input type="checkbox"/>

Note: The information in this assessment report will be used for reference purpose only and shall not effect the evaluation of the contractor's pre-qualification unless there is a documented historic record already available that clearly attributes the past performance or integrity issues exclusively to the contractor and in such case rejection of a contractor on such grounds shall require approval of the Governor at the time of the preparation of the Contractor list. The C/S Council will use the information supported by documented historic records in this form if deciding to reject the bid of a contractor submitted in their Commune/Sangkat.

Date:.....
C/S Chief

Form 28

Contractor Performance Assessment Reports Compiled by PLAU

Province/Municipality:

No	Company Name	Rating	Summary of Ratings based on Performance Assessment by each CS															Recommendations of PLAU (Results/reasons for being not recommended by C/S)	
			Honesty			Cooperation			Timeliness			Work Quality			Maintenance				
			1	2	3	1	2	3	1	2	3	1	2	3	1	2	3		
		A																	
		B																	
		C																	
		A																	
		B																	
		C																	
		A																	
		B																	
		C																	
		A																	
		B																	
		C																	

- Note:**
- 1,2,3 represent the contractor class 1, class 2 and class 3, respectively
 - Contractor performance assessment reports by communes must be attached with this form
 - The information in this assessment report will be used for reference purpose only and shall not effect the evaluation of the contractor's pre-qualification unless there is a documented historic record already available that clearly attributes the past performance or integrity issues exclusively to the contractor and in such case rejection of a contractor on such grounds shall require approval of the Governor at the time of the preparation of the Contractor list.
 - A: Good, B: Acceptable, C: Not acceptable.

Date.....
P/M LAU

Form 29

Evaluation Report on the Contractor Pre-Qualification

Province:	Date of the Meeting:	Number of Attended Pre-qualification Sub-committee:
------------------	-----------------------------	--

No.	Company Name	Applied class	Date of Application	Type of Application			Evaluation based on qualification criteria		Recommendations by TSU	Recommendations by PLAU	Decision of the Evaluation Sub-committee/ Reason for each class applied
				New Application	Change Class	Renewal	Pass	Fail			

Note: Class 1: General Construction Contractor, Class 2: Earthworks Contractor and Class 3: Specialist Contractor

Date
Pre-qualification Sub-Committee

Kingdom of Cambodia
Nation Religion King

**NCDD
ExCom**
Province:

Disqualified Contractor List, Year.....

[illegible]

Note: Class 1: General Construction Contractor, Class 2: Earthworks Contractor and Class 3: Specialist Contractor

Date.....
Governor and Chairman of ExCom/PRDC

Kingdom of Cambodia
Nation Religion King

Pre-qualified Contractor List, Year.....

[illegible]

Date.....
Governor and Chairman of ExCom/PRDC

Form 32

List of Blacklisted Contractors, Year.....

Province/Municipality:.....

[illegible]

Note: This list shall be updated periodically upon receiving written reports from C/S substantiated with documented evidence.

3.3. Preparation for Bidding

The following are the main activities in preparing for bidding:

- Establishment of a Procurement Committee
- Confirmation of the Contractor List by C/S Council
- Preparation of the Bidding Documents
- Setting the Date for the Bid Opening Meeting
- Bid Announcement
- Dissemination of Bid Documents

3.3.1. Establishment of Procurement Committee

The Procurement Committee must be established by a meeting of the C/S Council. Normally, the C/S Chief will be the Chairperson of the Procurement Committee. However, he can delegate the position to the Deputy Chief or to another Councilor. The whole Council must choose two councilors to be members of the Procurement Committee.

The Procurement Committee has 2 tasks:

- To evaluate bids from contractors, service providers and suppliers;
- To make recommendations to the C/S Chief on award of contracts or purchase orders.

The Procurement Committee is responsible to implement the competitive bidding for all contracts and purchase orders for:

- All expenditures under the Development Component of the budget with value more than 2 Million Riel for recurrent expenditure and unlimited value for capital expenditure.
- Expenditure for other activities with value more than 2 Million Riel for each contract.

The Council meeting must instruct the Procurement Committee to proceed with procurement for all the contracts and purchase orders for which budget approval and Technical Clearance has been given.

The Procurement Committee must plan to carry out the procurement process on time each year, for all the contracts together. If possible, the Procurement Committee should organize one bid opening meeting for all contracts. The Procurement Committee should not organize one bid opening meeting for each contract.

3.3.2. Confirmation of the Contractor List by C/S Council

In the C/S Council meeting the C/S Council should review the pre-qualified contractor list. The C/S Council should confirm:

- which class(es) of contractor are eligible to bid for their contracts;
- that among all contractors on the pre-qualified contractor list, C/S Council has the right to decide not to accept a bid from a contractor who:
 - on the basis of documented historic records, has failed in the past to sign the contract or on the basis of documented historic records, has implemented a previous contract with that Council but who has failed to respect the conditions of the contract.
 - has been determined to be involved in fraud, corrupt and collusive practices and are under official notification of debarment at the time shall be ineligible.

The reason for not accepting the bid must be recorded and substantiated with documented evidence.



The C/S Council decisions about the Procurement Committee and about the contractor list must be recorded in the minutes of the C/S Council meeting. A note of the date of this meeting should be placed in the Project File.

3.3.3. Preparing Bidding Documents

Before the bid documents are prepared, the following conditions must be met:

- Project information and other project documents must be completed and approved by the C/S Chief.
- The contract budget has to be included and approved in the C/S budget.
- The Technical Clearance must be completed. If the Technical Line Department which is responsible for the technical clearance has made an objection, the problem must be solved.
- If an Environmental impact analysis is required, the Environmental Management Plan and Environmental Monitoring Plan must be checked by P/M LAU and approved by the Provincial Department of Environment.
- If a Land Acquisition Report or a Land Voluntary Contribution Report is required, the official responsible for the Land Acquisition Report or a Land Voluntary Contribution Report must conform to P/M LAU that the compensation arrangements have been completed, (except for work that will be done as part of the contract). Land users who will receive replacement land, or money compensation, must have their compensation before procurement can start.
- If a report on the Highland People Safeguards Measures is required, this report must be checked and approved by P/M LAU.

The bidding documents show the most important information that can help the bidder to decide the price of his/her bid. The following is a list of the bidding documents:

- Conditions of Contract
- Time allowed for completing the works and supplying goods
- Disbursement schedule for contractor, service providers and suppliers
- The detailed estimated cost
- Specifications
- Drawings (for Physical outputs)
- Project Sign board detail
- Bid Form
- Statement on Ethical Conduct and Fraud and Corruption

A). The Contract Conditions

C/S must have standard contract conditions for implementing C/S contracts, (the works contracts, service contracts and contract for supplying goods). It is very important that the bidders read and understand the contract conditions before they bid. Contract conditions must be attached with the bidding documents.

B). Time allowed for completing the works and supplying goods

The C/S Chief and the Technical Assistant must decide how much time will be allowed for:

- the contractor to complete the construction;
- the service provider to complete the services;
- the supplier to supply the goods.

The time allowed for the contractor, service provider and supplier to complete his/her tasks must not be too short. The allowed time must be written in the bidding document. Remember that if the time is short, the price may be higher and the quality of the performance may not be so good, because the contractor, service provider and supplier will be hurrying to finish on time.

For most works contracts, the time allowed for construction must be at least 3 months. However, if there is a strong reason why the contract must be completed quickly, (for example, if the contract must be completed before the wet season), the C/S Chief may decide to make the time shorter.

A simple way to estimate the amount of time the contractor will need to construct the infrastructure project is:

- Earth road (by machine) : about 30 days plus 10 days per kilometer;
- Laterite road (by machine) : about 30 days plus 5 days per kilometer;
- Drilled wells : about 30 days plus 5 days per well;
- Other types of construction : 30 days plus 10 days more per 4,000,000 Riels (\$1,000) of contract value.

Example: a contract to construct 10 ring-wells at 1,400,000 Riels each. Contract price 14,000,000 Riels so time needed = 30 + 35 = 65 days.

Example: a school building with estimated cost Riels 40,000,000: time needed = 130 days

C). Disbursement Schedule

The Disbursement Schedule shows:

- The amount of each payment that will be made to the Contractor, Service Provider and Supplier as a percentage of the total contract;
- Date when payment can be made;
- The conditions which the Contractor, Service Provider and Supplier must fulfill before he can receive the payment. The payment will be made on the due date, when these conditions are fulfilled.

It is very important that the bidders understand the Disbursement Schedule clearly before submitting their bid.

The C/S must never make advance payments to a Contractor, Service Provider or Supplier. Payment is made only for work that is already completed according to the contract conditions. Because of this rule, the C/S cannot lose money if the Contractor, Service Provider and Supplier does not complete the contract.

However, C/S can provide an advance to contractors or service providers who are non-profit organizations such as line department/offices, CBO, NGOs, etc., in order to them able to start the work. The amount of advance must be less than 20% of the total cost of the contract.

C-1). Disbursement Schedule for Infrastructure Projects

C/S can prepare the disbursement schedule as follows:

- Contracts with a value less than 5,000,000 Riels, the payment can be made one time after the construction/service/goods supply is completed.
- Contracts over 5,000,000 Riels, the payment must be made at least two times:
Example:
 - First payment : 80% payment when the construction 100% complete.
 - Final payment : 20% payment at the end of the maintenance period.
or
 - First payment :% payment when the construction% complete.
 - Second payment : % payment when the construction is 100% complete.
 - Final payment : 20% payment at the end of the maintenance period.

When a contract is implemented by a Local Contractor who does not have a lot of capital, the C/S Chief may agree to make a first payment of 10% after the first materials are delivered to the site. The Technical Supervisor should certify that:

- the value of the materials delivered to the site is more than the value of the payment;
- the contractor has started to construct the project.

C-2). Disbursement Schedule for Service Project

C/S can prepare the disbursement schedule as follows:

- If the contract is to provide services on a monthly basis, the payment will be made when the services of each month were provided.
 - For the contracts less than 5,000,000 Riels, the payment can be made one time after the services were provided.
 - For the contracts over 5,000,000 Riels, the payment must be made at least two times: **Example:**
 - First payment : 80% payment when the services 100% provide.
 - Final payment : 20% payment at the end of the monitoring and technical support period. This period is according to each Service project, thus the C/S has to discuss with the Technical Assistant.
- or
- First payment : less than 20% as an advance after signing one week (for non-profit organization only).
 - Second payment : % payment when completion of activity.....
 - Third payment : % payment when completion of activity.....
 - Final payment : 10% payment when completion of activity.....

C-3). Disbursement Schedule for Supplying goods

C/S can prepare a disbursement schedule for suppliers when the goods were provided at the place that is stated in the contract and the goods were provided as in the purchase order and in the required condition.

Note: Percentage of each payment must be less than the percentage of work completed. C/S can prepare the payment schedule according to real situation of the C/S. For construction contract, the final payment must be 20% at the end of maintenance period.

D). The detailed cost estimate

The estimated cost is the cost of the contract, included in the C/S budget. The detailed estimates of output costs will be provided to the bidders as information.

E). Specifications

For infrastructure projects and service projects, specifications are technical documents that describe how to implement the projects and technical requirement to ensure the quality of the work. For example, the drawing may show "Concrete," but the specification will say how many bags of cement must be in the concrete, what kind of stone, and how the concrete must be mixed.

For supplying goods, the specification is a technical document that describes the specification of the goods to ensure the quality of goods.

For most infrastructure projects, the specification will be in the NCDD Technical Manual on infrastructure projects. For service projects, the specification will be in the NCDD Technical Manual on service projects.

The specification must be attached to the bidding documents.

F). Drawings (for physical outputs)

The design drawings are a part of the bidding documents. Usually these will be prepared by the Technical Assistant. It is very important that the drawings are clear and that the bidders can calculate the cost of constructing the project from the details on the drawings.

The drawing must be attached with project map with PRDC that show clearly the location of **all** of the contract outputs. The Project Map must have the stamp of PRDC.

G). Project Signboards

For all construction contracts and some service contracts, contractors and service providers will be responsible to provide the project signboards. Therefore, it is important that the bidders know how many signboards will be required, and what type and size of signboard they will be. Information that needs to be included on the Signboard is given in **Section 1.10**.

No signboards are needed for maintenance contracts.

H). Bid Form

The Bid Form is the form that the bidder will fill in when he/she submits his/her bid.

H-1). Bid form for works contract

Bid form for a works contract must show:

- A description of each output;
- The village where each output will be constructed;
- The unit and quantity for each output.

The bidder will fill in:

- The price per unit for each output;
- The total price for each output;
- The total bid price for the contract.

The reason for asking the bidder to write the price for each output separately is that:

- It is easy to compare with the cost estimate to see if the bidder has made any big mistakes in his/her price;
- If the Commune wants to change the quantity after the bidding, for example there is some money left so they want to add one more culvert or one more wells, they can just follow the unit price on the bidding form.

The outputs are listed by village because the contractor may want to ask for a higher price for an output in a village that is far away, compared to a village that is easy to access.

H-2). Bid form for service contract

Bid form for a service contract must show:

- A description of each output;
- The village where each output will be implemented;
- The unit and quantity for each output.

Note: Bid forms for works contract and service contract: In case the estimated cost of each output and the condition of two or more villages for that output is the same or similar then in the description of the output the name of the two or more villages should be combined and the names of those villages that have the output.

H-3). Bidding Form for Purchase Order

For a purchase orders, the C/S Chief should prepare a simple form that shows the description and quantity of the goods. Usually, there will be no need for any additional documents.

For some types of order, it may be necessary to write a detailed specification, (for example, for a particular type of equipment such as a generator), or to prepare a drawing, (for example, for furniture). In this case, these documents should be disseminated together with the quotation form.

I). Statement on Ethical Conduct and Fraud and Corruption

All bidders must read and clearly understand the Statement on Ethical Conduct and Fraud and Corruption before submit the bids. Bidders must sign on this statement and placed in the envelope together with the filled bid forms.

3.3.4. Setting the Time and Date for Bid Submission Deadline and Bid-Opening Meeting

For all C/S Fund contracts, the C/S Chief must discuss the time and date for the bid submission deadline and bid-opening meeting with P/M LAU. The reason for this is that if two or more C/S hold bid-opening meetings at the same time, the contractors, service providers and suppliers cannot go to all of those bid-opening meetings to bid. For example, if one Commune that is very far from the provincial town and one commune that is close to the town both hold a bid-opening meeting on the same day, it is likely that all the contractors, service providers and suppliers will decide to go to the bid-opening meeting near the town and the bid-opening meeting far away will not be successful.

After agreeing with the C/S Chief, P/M LAU has to make public the consolidated schedule of the bid-opening meeting of their Province/Municipality by posting it on the notice board of the ExCom/PRDC, District/Khan and C/S Office. P/M LAU must send this bid-opening meeting schedule of their province/municipality to the Secretariat of NCDD. Immediately after receiving the bid opening meeting schedule from each Province/ Municipality, Secretariat of NCDD must immediately announce the bid opening schedules by posting it on the NCDD website and by announcement in national newspapers.

For some contracts where the C/S already knows that the contract cannot be implemented after bidding because the site contract is inaccessible, (e.g. due to flooding or due to other obstacles), the C/S Chief should not invite bids for these projects until the contracts can be implemented. He/she should then discuss with P/M LAU to organize a bid-opening meeting before the contract can start. The C/S Chief should be careful to schedule the bid-opening meeting so that the contract can start as soon as the site is accessible.

3.3.5. Bidding Announcement and Advertisement

C/S Chief has to announce the bidding for inviting all the contractors, service providers or suppliers, who are eligible to submit bids.

The advertisement for a works contract or a service contract must show:

- What the outputs of the contract will be;
- Which type of contractors or service providers is allowed to bid;
- Where to obtain bidding documents;
- The estimated price (this is the cost of the contract in the Commune Budget);
- The deadline for submission of the bids;
- The time and place of the bid opening.

The advertisement for a purchase order must show:

- Description of the goods to be purchased;
- Where to obtain the bidding documents;
- The estimated price;
- The deadline for submission of the bids;
- The time and place of the bid opening.

The advertisement for the bidding must be openly announced in public and posted on the notice board of the C/S Council and on the notice board of the ExCom/PRDC. If some contractors, service providers or suppliers are based in District towns, the advertisements must be posted on the District notice board as well as the C/S and the Province/Municipality. The advertisements must be posted at least **2 weeks** before the deadline for submission of bids.

Some examples on how to fill in the Bid Announcement forms for works contracts, supply of goods and service projects are shown below:

A). Bid Announcement for Works Contract (Form 33)

Bid Announcement for Work Contract of C/S Council	
Province: <i>Kompong Cham</i>	District: <i>Sreisanthor</i> Commune: <i>Roseisrok</i>
Description of contract outputs: Construction: <i>3.55 km of Earth road with 4 places of single pipe.</i>	
Maintenance Report: <i>6 months</i>	
Estimated price	<i>129,151,516 riels (One hundred twenty nine millions one hundred fifty one thousand five hundred sixteen riels)</i>
Who is invited to bid	<i>Contractor class 1 Contractor class 2</i>
Bid document obtained	<i>Sala khum Chey or P/M LAU office</i>
Place of bid-opening meeting	<i>Primary school of Touch village, Chey commune</i>
Date of bid-opening meeting	<i>25 March 2008</i>
• Deadline of bid submission	<i>08:00AM</i>
• Time of bid opening	<i>08:10AM</i>

Note:

- The contractor is responsible to maintain and repair the output of contract to be in good condition for a maintenance period after completion of contract.
- Contractors must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any contractor has colluded or involved in fraud or corruption activities with other contractors, those contractors will be permanently removed from the contractor list and will not be allowed to submit for any C/S projects in the **whole** of Cambodia.

Date: *10 March 2008*

C/S Chief

(Signature and Stamp)

(Name)

B). Bid Announcement for Supply of Goods (Form 34)

Bidding Announcement for Purchase Order of C/S Council		
Province: <i>Kompong Thom</i>	District: <i>Kampong Svay</i>	Commune: <i>Chey</i>
Description of goods Supply: <i>5 mobile water pumps, 12 h.p capacity, New condition. Delivered to Khum Chey office by 10 March 2003.</i>		
Guarantee Period: <i>1 year</i>		
Estimated price	<i>4,000.000 riels (Four millions riels)</i>	
Bidding document obtained	<i>Khum Chey office or P/M LAU office</i>	
Place of bid-opening meeting	<i>Primary school of Touch village, Chey commune</i>	
Date of bid-opening meeting	<i>25 March 2008</i>	
• Deadline of bid submission	<i>08:00 AM</i>	
• Time of bid opening	<i>08:10 AM</i>	

Note:

- Supplier must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any supplier has colluded or involved in fraud or corruption activities with other suppliers, those suppliers will be not allowed to submit bids for any C/S projects in the **whole** of Cambodia.

Date: *10 March 2008***C/S Chief***(Signature and Stamp)**(Name)*

C). Bid Announcement for Service Contract (Form 35)

Bid Announcement For Service Contract of C/S Council	
Province: <i>Kompong Cham</i>	District: <i>Sreisanthor</i> Commune: <i>Roseisrok</i>
Description of contract outputs <i>Organize and conduct demonstration on Small-scale Integrated Farming System (vegetable garden and aquaculture) for 20 families in Tnoutleu and Tnoutkrom villages, Roseisrok Commune, including group formulation, 16-day training and providing vegetable seeds, fingerlings, lime and hoes. After training, service provider will conduct monitoring and technical backstopping at least 2 times/month for each family during 6 months.</i>	
Estimated price	<i>11,792,000.00 Riels (Eleven millions seven hundred ninety two thousand Riels only)</i>
Who is invited to bid	<i>Person with experience in integrated farming systems</i>
Bid document obtained	<i>Sala khum C Roseisrok or LAU office of Kompong Cham province</i>
Place of bid-opening meeting	<i>Primary school of Tnoutleu village, Roseisrok commune</i>
Date of bid-opening meeting	<i>25 March 2008</i>
• Deadline of bid submission	<i>08:00AM</i>
• Time of bid opening	<i>08:10AM</i>

Note:

- Service provider must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any Service provider has colluded or involved in fraud or corruption activities with other Service providers, those Service providers will be not allowed to submit bids for any C/S projects in the **whole** of Cambodia.

Date: *12 March 2008***C/S Chief***(Signature and Stamp)**(Name)*

3.3.6. Dissemination of Bidding Documents

Contractors, service providers and suppliers must be able to obtain copies of the bidding documents in the following ways:

- from the office of the C/S Council. (The Council may ask the contractor, service providers and suppliers to pay the cost of photocopying the document, but no more);
- from the office of P/M LAU. In this case the cost of photocopying will be paid from ExCom/PRDC funds, so the P/M LAU must not ask the contractor, service providers and suppliers to pay anything. If P/M LAU asks the contractor, service providers and suppliers to pay, this is a very serious mistake of PLAU and the contractor, service providers and suppliers must report the mistake to the Governor or to provincial/municipality Accountability Working Group or write it down and put it in the accountability box.

Note: The contractors whose names are on the contractor list and who have not been rejected by C/S Council and/or provincial/municipality Governor, are eligible to submit the bid.



The Bid Announcement and a full set of the Bidding Documents must be placed in the Project File in the C/S Office.

3.4. Filling in Bid Form

3.4.1. Works Contract

When receiving bidding documents, bidders must study the project clearly and fill the bid form correctly as follows:

- Name of the bidder, name of company and ID card number of bidder;
- Unit price and total price of each output. Total price of each output must be equal to the unit price multiplied by the quantity;
- Total bid price. Total bid price must be equal to the sum of all the total prices of the outputs;
- Total price in figures must be equal to the total in words;
- Dating, Signature and writing name of bidder below the signature;
- After completing bid form, put this bid form into an envelope, seal the envelope and then write on the back of the envelope as below:

Project name.....	
Name of bidder.....	Name of company.....
Registered in Province/Municipality,	
Bidder's number on the pre-qualified list of contractors.....	

The Bid is a secret document of each bidder. So before the C/S procurement Committee opens the bid envelope, no one must know the bid price on the bid form except the bidder him/herself. If any bidder who releases his/her unit price and total bid price to other bidders or any person related in the C/S project implementation, then that bidder must be considered as having colluded and will be banned from bidding. The bidders must fill the bid forms and put it in the envelope and seal the envelope before the time of bid-opening meeting. Filling bid forms at the bid opening meeting venue is not allowed

The name of the company that is written on the envelope must be same as on the list of pre-qualified contractors.

The bidders have to then read and sign on the statement of Ethical Conduct, Fraud and Corruption (**Form 39**). This signed and dated statement must be put in the envelope together

with the bid form. In case the bidders do not obey this statement they will be permanently removed from the contractor list and will not be allowed to submit for any C/S projects in the **whole** of Cambodia.

3.4.2. Service Contracts

When receiving their bidding documents, bidders must complete the Company/Organization Profile (**Form 40**). Then, bidders have to put their Profile into an envelope, seal the envelope and then write on the back of envelope as follows:

Company or Organization Profile	
Name of the project.....	
Name of company/organization.....	

After that, bidders must correctly fill the bid forms (bid form filling procedure for service contracts is similar to that of construction contracts) and bidders must read and sign the Statement on Ethical Conduct, Fraud and Corruption (**Form 39**). These bid forms and the Statement must be put into the envelope together, then seal the envelope and write on the back of envelope as below:

Bid Form	
Name of the project.....	
Name of company/organization.....	

The bidders must fill the bid forms and put it in the envelope and seal the envelope before the time of bid-opening meeting. Filling bid forms at the bid opening meeting venue is not allowed

These two envelopes must then be put into another envelope, seal the envelope and write on back of the envelope as below:

Name of project.....
Name of bidder....., Name of company/organization.....

In case the bidders do not obey this Statement, they will not be allowed to submit for any C/S projects in the **whole** of Cambodia.

3.4.3. Examples of Filling Bid Forms

A). Bid Form for Works Contract (Form 36)

Bidding Form For Works Contract of C/S Council						
Province: <i>Kompong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>		
Name of Project: <i>Earth Road Project in Tnaoutleu and Tnaotkrom villages, 3.55Km long and 4 places of single culvert.</i>						
Name of bidder: <i>Neak Thort</i>		Name of Company: <i>Neak Touch</i>		ID card number: <i>012345678</i>		
No	Descriptions	Village	Qty	Unit	Unit/Cost	Total (Riels)
<i>1</i>	<i>Earth road 4m wide added thick from 0.45-0.50m</i>	<i>Tnaotleu & Traotkrom</i>	<i>3.55</i>	<i>Km</i>	<i>30,600,000</i>	<i>108,630,000</i>
<i>2</i>	<i>Single culvert 0.80m diameter 5m long.</i>	<i>Tnaotleu & Traotkrom</i>	<i>4</i>	<i>Place</i>	<i>3,500,000</i>	<i>14,000,000</i>
Total Bid Price						<i>122,630,000 Riels</i>
(In words.....<i>one hundred twenty two millions six hundred thirty thousand Riels only.....</i>).						

- I, the undersigned bidder, have read and understood the contract, the drawings and the specifications. I agree to construct the work according to the contract, and within the time allowed, and to maintain the works in good condition for 6 months after construction is complete.
- Contractors must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any contractor has colluded or involved in fraud or corruption activities with other contractors, those contractors will be removed from the contractor list and will not be allowed to submit for any C/S projects in the **whole** of Cambodia.
- Some mistakes can be corrected by the procurement committee. If a contractor does not accept the corrections, the procurement committee will reject bids and consider such bid as an invalid bid.

Note: The bid has **45 days** validity from the date of the bid-opening meeting.

Date: *20 March 2008*

Signature and Name of Bidder

B). Bid Form for Purchase of Goods (Form 37)

Bidding Form for Purchase Order of C/S Council					
Province: <i>Kompong Thom</i>		District: <i>Kampong Svay</i>		Commune: <i>Chey</i>	
No.	Descriptions	Qty	Unit	Unit/Cost	Total
<i>1</i>	<i>Mobile water pumps, 12 h.p capacity, Diesel engine. New condition.</i>	<i>5</i>	<i>Pump</i>	<i>1,000,000 riels</i>	<i>5,000,000 riels</i>
<i>2</i>	<i>Water hose 60 mm diameter</i>	<i>200</i>	<i>m</i>	<i>5,000 riels</i>	<i>1,000,000 riels</i>
<i>3</i>					
<i>4</i>					
Total quotation price in number					<i>6,000,000 riels</i>
Total quotation price in word		<i>Six millions riels only</i>			
Place of delivery		<i>Office of Kbos commune</i>			
Date of delivery		<i>10 April 2008</i>			
Guarantee period		<i>1 year from delivery date</i>			
Payment method		<i>From Kompong Thom Provincial Treasury by 14 April 2008</i>			
Name of bidder		<i>Neak Thort</i>			
Name of company		<i>Neak Touch</i>			
ID Card Number		<i>012345678</i>			

- Supplier must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any supplier has colluded or involved in fraud or corruption activities with other suppliers, those suppliers will be not allowed to submit bids for any C/S projects in the **whole** of Cambodia.
- Some mistakes can be corrected by the procurement committee. If a contractor does not accept the corrections, the procurement committee will reject bids and consider such bid as an invalid bid.

Date: *08 March 2008*

Signature and Name of Bidder

C). Bid Form for Service Contract (Form 38)

Bidding Form For Service Contract of C/S Council						
Province: <i>Kompong Thom</i>		District: <i>Kampong Svay</i>		Commune: <i>Chey</i>		
Name of Project: <i>Demonstration on small scale integrated farming system, vegetable garden and aquaculture for 20 families in Tnoutleu and Tnoutkrom village.</i>						
Name of bidder:		Name of Company:		ID card number:		
No.	Descriptions	Village	Qty	Unit	Unit/Cost	Total (Riels)
<i>1</i>	<i>Group formulation, training and technical backstopping</i>	<i>Tnoutleu & Tnoutkrom</i>	<i>20</i>	<i>Families</i>	<i>204,600</i>	<i>4,092,000</i>
<i>2</i>	<i>Home garden demonstration (materials)</i>	<i>Tnoutleu & Tnoutkrom</i>	<i>20</i>	<i>Families</i>	<i>110,000</i>	<i>2,200,000</i>
<i>3</i>	<i>Fish raising demonstration (materials)</i>	<i>Tnoutleu & Tnoutkrom</i>	<i>20</i>	<i>Families</i>	<i>275,000</i>	<i>5,500,000</i>
Total Bid Price						<i>11,792,000</i>
(In words..... <i>Eleven millions seven hundred ninety two thousand Riels only</i>).						

- I, the undersigned bidder, have read and understood the contract, the drawings and the specifications. I agree to provide the services according to the contract, and within the time allowed, and to conduct technical backstopping to the beneficiaries to carry out demonstration activities.
- Service provider must bid competitively without collusion and shall not be involved in fraud or corruption activities. If any Service provider has colluded or involved in fraud or corruption activities with other Service providers, those Service providers will be not allowed to submit bids for any C/S projects in the **whole** of Cambodia.
- Some mistakes can be corrected by the procurement committee. If a contractor does not accept the corrections, the procurement committee will reject bids and consider such bid as an invalid bid.

Note: The bid has **45 days** validity from the date of the bid-opening meeting.

Date: *20 March 2008*

Signature and Name of Bidder

Form 39**Kingdom of Cambodia
Nation Religion King****Statement on
Ethical Conduct and Fraud and Corruption**

I as a contractor, service provider or supplier, would like to declare that:

1. I, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and their relatives do not have any relationship that could be regarded as a conflict of interest as set out in the bidding documents.
2. If we become aware of the potential for such a conflict of interest, we will report it immediately to one or more of the following: Commune/Sangkat Procurement Committee, Provincial/Municipal Governor, Provincial/Municipal Accountability Working Group.
3. I, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives have not entered into corrupt, fraudulent, coercive or collusive practices in respect of my bid.
4. We understand our obligation to allow the Government and/or the funding agencies to inspect all records relating to the preparation of our bid or proposal and any contract that may result from such irrespective of if we are awarded a contract or not.
5. In connection with this procurement exercise and any contract that is awarded, I, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives have not any paid in cash or payment in kind to any of the staff, consultants, associates or relatives of such who are involved with any stage of the procurement process, contract award and implementation, and the issuance of progress payments.

In case, I do not obey this statement, I confirm that I understand that, as a contractor, service provider or supplier I will not be allowed to submit for any C/S projects in the **whole** of Cambodia.

Date.....

Signature and Name of Bidders

Form 40**Company/Organization Profile**

Name of company/organization:					
Type of business: Company <input type="checkbox"/>			Non-profit organization <input type="checkbox"/>		
Name of director:			ID card number:		
Telephone number:			E-mail:		
Address:					
List of skilled/professional staff:					
Name	Role in company or organization	Qualification and year (attached with certificate if available)	Age	Years with company	Years with professional experience
List of skilled/professional staff that company/organization planed for implementing the submitted bid project:					
Name	Role in company or organization	Qualification and year (attached with certificate if available)	Age	Years with company	Years with professional experience
Experiences: names of at least three contracts/projects that company or organization has implemented so far that relate to the project that company or organization is submitting its bid.					
Description of the contract	Name and contact address of project owners		Year	Contract Value	
1.					
2.					
3.					
...					
Documents and equipments of the company or organization for implementing the project that company or organization submit its' bid.					

Date.....

Director of Company/Organization

3.5. The Bid-opening Meeting

3.5.1. Overview of the Bid-opening Meeting

Normally, the Procurement Committee will organize a bid-opening meeting for all the works contracts, service contracts and purchase orders which are planned in the Commune Budget. Each C/S will have one Bid-opening Meeting each year. The time needed for the bid-opening meeting is about one half day. The Bid-opening Meeting should take place at the C/S Office, or at a suitable public building such as a school.

3.5.2. Who should attend the Bid-opening Meeting?

The Bid-opening Meeting is a public meeting of the Procurement Committee. The members of the Procurement Committee must be present. Only the members of the Procurement Committee will decide the results of the bidding. The C/S Clerk must be present to record the results of the meeting. The TSO assigned by the Governor and DFT must also be present in the bid-opening meeting. If there is a Technical Assistant who is not the TSO, he/she must also attend the bid-opening meeting.

The bid-opening meeting is a public meeting and any member of the public who wants to attend, can attend, but only to observe.

For all procurements, the bidders must attend the bid-opening meeting. In the case that the Chief of the company cannot attend the bid opening meeting in order to submit the bid on behalf of company, the representative of the company must bring to the meeting a delegation letter from his/her Chief or acting Chief.

The C/S Chief has to invite the representatives of NGO, CSO (Civil Society Organization) or Community Based Organizations (CBO) that are working in Commune or Sangkat to participate in the bid-opening meeting as observers. These participants should be invited to sign their names and organizations in the Attendance List.

3.5.3. Submission of Bids

At the official time for submission of bids, the C/S procurement Committee must start to receive the bids until the deadline for bid submissions. During the period of bids submission it is not permitted for bidders to fill in the bid form. Bidders must give their bid envelopes to the C/S Clerk. A bidder can submit only one bid for one contract.

The C/S Procurement Committee must not stop to receive bid envelopes before the end of deadline that is mentioned in the bid announcement. Before the end of bid submission, the Chief of the procurement Committee has to confirm with the bidders that "Have any bidders not yet submitted their bid?" At the end of the time for bid submissions, the C/S Clerk must count the number of the bid envelopes and then report to the Chief of the procurement Committee on the total of received bid envelopes.

Bidders are not allowed to change their bid price after the bid submission deadline.

3.5.4. C/S Chief Proclamation

When the bid envelopes have been handed to the C/S Clerk, the Procurement Committee Chair must declare that the **Bidding** has now officially begun. He/she must announce the following **main principles of the bidding**:

- The envelopes will be opened in public.
- The procurement Committee will make two checks:
 - First, check that the bid form is submitted by the eligible contractors.

- Second, check that the bid form is correctly filled in and signed, and that the arithmetic on the bid form is correct.

“The procurement Committee will reject the invalid bid”.

- The winning bid is a valid bid and lowest priced bid.
- The winning bidder is obliged to accept the contract. If any bidder is offered a contract and does not accept the contract, or signs the contract and then fails to implement it, this awarded bidder will not be allowed to submit bid for all C/S projects.
- **All bids should be valid for forty five (45) days** from the date of the bid opening meeting. This means that if the winning bidder refuses to sign the contract, the option of awarding the contract to the next lowest evaluated bidder within forty five days after the bid opening meeting, can still be considered.
- The winning bidder must implement the contract exactly according to the drawings, the specifications and the contract conditions, or he will not be paid. For works contract, the contractor is obliged to maintain the contract output for **six months** after completion, or the final payment of 20% will be forfeit.
- All the bidders must sign on the statement on **Ethical Conduct and Fraud and Corruption** to show that they accept and will follow this statement.
- Any bidder who does not accept these conditions must now ask to withdraw his bid.

It is mandatory for the Procurement Committee Chair to make this announcement at the opening of the bidding. If the Procurement Committee Chair does not make this announcement, the bid-opening meeting is not valid.

3.5.5. Opening of Bids

There must be at least **three bids**. One bidder can submit **only one bid for each contract**.

If there are **less than three bids** the Procurement Committee can decide:

- to cancel the bidding and re-advertise the bids; or
- to request a waiver in writing from the Provincial/Municipality Governor:
 - **in case two bids are received**, to continue with the bidding process leading to award of contract if the bid price is within the cost estimate; **or**
 - **in case only one bid is received**, to continue with the bidding process by opening the bid and proceed further using the Direct Contracting, (Negotiations) procedure, (as described in Section 3.10 of the PIM), with the single bidder.

If there are no bids received, the Procurement Committee must cancel the bidding process and invite all contractors from the relevant class, (or classes), who are on the pre-qualified list in that Province/Municipality to submit bids. If there is no response to this invitation then the Procurement Committee can invite contractors who are not on the pre-qualified list to submit bids. If this invitation results in only one bid being received then Direct Contracting (Negotiations) procedures can be conducted with that single bidder after obtaining a waiver from the Provincial/Municipality Governor. The decision of the Procurement Committee will be recorded in the Minutes of Bidding.

All three members of the Procurement Committee must be present when the bids are opened. They must make all efforts to attend the meeting. If any member is absent, the opening of bids should be postponed. The reason for postponement will be recorded in the minutes and kept in project file. The revised date, time and place of the postponed bid opening meeting should be set up and will be announced. For the second time of opening of bids, there must be at least two Procurement Committee members present, and one of the two members present must be the Chief of the Procurement Committee.

The Procurement Committee Chair must take each envelope in turn. He/she must read out the bidder name, company name and total bid price. The C/S Clerk must write these information on the white board or flipchart (**Form 41**).

The bidders must confirm that the price is the true price they have submitted and they must sign the Bidding Report Form and Attendance List to confirm this.

The Chair will then ask all the bidders and participants to go out of the meeting room so that the Procurement Committee can evaluate the bids in private.

Note: The same bid-opening procedure should be followed for a service contract or for a purchase order.

Recording Table for Bid-opening and Bid Evaluation

Province/Municipality:	District/Khan:	C/S:	C/S Code:
Name of Contract:		Cost Estimate:	

[illegible]

- Note:**
- Column 1, 2, 3, and 4 must be filled during bid-opening
 - Column 5 and 6 must be filled during bid-evaluation
 - This Form must be attached with minute and bidding report and posted on the information board at the bidding place one hour after completing bids evaluation.

Date:.....
Procurement Committee Chair

3.6. Bid Evaluation Meeting

Immediately after the bid-opening meeting and after informing all bidders and participants to leave the meeting room, the procurement committee must conduct bid evaluation. The bid evaluation meeting is a secret meeting where only the procurement committee members and C/S clerks can participate in this meeting. Officials whose duties are to support the Procurement Committee can attend the bid evaluation meeting if they are requested to do so.

3.6.1. Works Contracts

There are **two stages** for works contract bid evaluation:

First stage, the Procurement Committee must make sure that the bid is valid. To check the validity of the bid, the Procurement Committee shall focus on two points:

- **The bid is submitted by the bidder who is entitled to bid or not?**
The entitled contractor is the contractor in the contractor list in the correct class and has not been rejected by the C/S Council and the governor of the bidding province.
- **The bid is correctly fulfilled or not?**
The bid form must be correctly filled as follows:
 - 1). The bidder must enter a unit cost against **each** output;
 - 2). The bidder must enter a total cost for **each** output, and the total cost must equal the unit cost multiplied by the amount;
 - 3). The total bid price must equal the total of the costs for each output;
 - 4). The bid price written in words must be the same as the total price in figures;
 - 5). The form must have the bidder name, signature of bidder, and date;
 - 6). The form must have the company name;
 - 7). The form must have ID card number of bidder.

The procurement Committee must reject all invalid bids. The invalid bid is a bid which is submitted by a bidder who is not entitled to bid or the bid **does not fulfill condition Nos. 1, 5 and 6 above**. The exact reason for rejecting the bids should be recorded carefully by the C/S Clerk.

In the case that a contractor is rejected by decision of C/S Council or the Governor, the reason for rejecting must be recorded.

Mistakes that can be corrected by the Procurement Committee:

- The bidder has not entered his/her ID card number. In this case, the Procurement Committee invites the bidder to fill in his/her ID Card number on the bid form.
- The form shows a correction made by the bidder, other than correction of price and arithmetic errors which still has a clear meaning but was not initialed by the bidder. In this case the Procurement Committee will write down with a red pen the statement: "Corrected.....(*details of correction*)....." Procurement Committee Chair and the Bidder will both sign below or beside the correction and write his/her name next to the correction confirming his/her agreement to the correction.

Correction of arithmetic errors will be done by Procurement Committee as follows:

- The total amount in words is missing one word but the meaning can still be clearly understood. Example 12,354,000 Riels in words **Twelve three hundred fifty four thousand Riels only** (missing word "**million**") or **Twelve million three fifty four thousand Riels only** (missing word "**hundred**"). In this case, the procurement Committee writes in red pen the missing word and inserts the symbol "X" under word to show the correction, and then the Procurement Committee Chair and later the Bidder will sign below or beside the correction.

- If there is a discrepancy between the total bid amount in figures and the bid amount in words, the amount in **words** shall govern, unless the amount expressed in words is related to an arithmetical error. In the case that the total amount in words is not correct according to the calculations, the total amount in figures that is corrected according to the calculations shall govern. The Procurement Committee must correct by writing down with a red pen that “Corrected.....
(*details of correction*).....,” and then Procurement Committee Chair and later the Bidder sign below or beside.
- If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall govern. Procurement Committee must correct the total price of the output by writing down with red pen and then Procurement Committee Chair and later the Bidder must sign below or beside.
- If there is an obviously gross misplacement of the decimal point in the unit price, the total price of the output shall govern. Procurement Committee must correct the unit price by writing down with red pen and then Procurement Committee Chair and later the Bidder sign below or beside.
- If the unit price is not correct by placing decimal point in the wrong place, the total cost governs. The procurement committee must correct the unit price by writing down with red pen. Then, the Procurement Committee Chair and later the Bidder will sign below or beside the correction.
- If there is a discrepancy between the sub-total and the total resulting from adding the sub-totals, the sum of the sub-totals shall govern. The Procurement Committee must correct this by writing down with a red pen and then Procurement Committee Chair and later the Bidder sign below or beside.

If the bidder does not accept the corrected amount of the bid, the procurement Committee must reject the bid and it means that the bid is invalid.

Mistakes that can be accepted:

- The writing style in numerals follows the English System. In Cambodia, the writing style in numerals follows the French System. Example 3,354,000.00 Riels, in fact it must be written **3.354.000,00** Riels.
- The written price in words is not correct according to the C/S financial System. Example 3.354.000,00 Riels in words “Three Millions Three Sen Five Moeun Four Thousand Riels Only”, in fact it must be written **Three Millions Three hundred Fifty Four Thousand Riels Only**.
- The written price in numbers of each output has an error, (compared to the calculated price), of less than **100 Riels**. Example Laterite road 1.55 Km x 9,456,567 Riels = 14,657,678.85 Riels but the contractor writes **14,657,678 Riels** or **14,657,679 Riels** or **14,657,700 Riels** or **14,657,600 Riels** all these options are acceptable.

In these cases, the Procurement Committee must accept the bid without any correction.

Mistakes that cannot be accepted:

- The name of the bidder has not been filled in
- The name of the Company has not been filled in
- The bid has not been signed or dated by the bidder
- The bid has not been dated by the bidder.

In these cases the Procurement Committee must reject the bids.

Second stage: The Procurement Committee makes comparison of bid prices.

The winning bidder is the bidder with the valid and lowest priced bid. The Procurement Committee must confirm this decision and the C/S Clerk must record it. **The Procurement Committee does not have any authority to make any other decision.** The winning bidder is the bidder with the valid and lowest priced bid. The Procurement Committee must confirm this decision and the C/S Clerk must record it. **The Procurement Committee does not have any authority to make any other decision.** The procurement committee may provide recommendations to the CS chief to award the contract to the next lowest evaluated bidder if the next lowest bid price is **within the estimated cost (equal or less than estimated cost)** in the case that the winning contractor refuses to accept the contract. A bidder's refusal to sign the contract shall be recorded in the minutes of the contract signing meeting and the C/S Chief will request the Provincial/Municipal Governor to include this contractor on the Blacklist Contractor.

If the lowest bids are the same (equal) price, the Procurement Committee must ask all the bidders who have bid the same lowest price to submit new bids. The lowest priced bidder in this new round is the winner.

No bidder is allowed to change his/her bid price during the bid evaluation stage.

If the lowest bid is higher than the estimated price, the Procurement Committee may recommend to reject all of the bids. However, they may also decide to accept the lowest bid, but reduce the quantities of the outputs so that the total price is less than, or equal to, the budget for the contract.

If the lowest bids are the same (equal) price, the Procurement Committee must ask all the bidders who have bid the same lowest price to submit new bids. The lowest priced bidder in this new round is the winner.

Example:

Contract for 10 drilled wells. Estimated price is 1,000,000 Riels per well, so estimated price is $10 \times 1,000,000 \text{ Riels} = 10,000,000 \text{ Riels}$.

Lowest bid is 1,100,000 Riels per well, so bid price $10 \times 1,100,000 \text{ Riels} = 11,000,000 \text{ Riels}$.

Procurement Committee recommends to accept the lowest bid, but reduce the quantity to 9 wells, so the contract price will be $9 \times 1,100,000 \text{ Riels} = 9,900,000 \text{ Riels}$.

The Procurement Committee must ensure that in the bidding process of C/S projects there has not been any collusion between bidders. So that after bid evaluation and before making the announcement of the result of the bidding to the meeting, the procurement Committee, with assistance from TSO and PFT/DFT, must check and make a conclusion on the bidding process and the results of the bidding to confirm if there has been any collusion or not.

3.6.2. Procurement of Service Contracts

There are **three stages** of bidding evaluation process for a service contract:

First stage: Evaluation of the recognizing and capacity of service provider.

The Procurement Committee must check on two points:

- Is the service provider officially recognized? For NGOs they must be registered in Ministry of Interior, for CBOs they must be recognized by provincial/municipality Governor, for profit organizations they must have a valid Patent (Business) License.
- Does the service provider have enough capacity to provide the services? The procurement Committee evaluates the working experiences and skilled staff based on company/organization profile and the CVs of the skilled staff.

Second stage: Evaluation of validity of bid.

The Procurement Committee must check that the bid is correctly fulfilled or not. The bid form must be correctly fulfilled as following:

1. The bidder must enter a unit cost against **each** output;
2. The bidder must enter a total cost for **each** output, and the total cost must equal the unit cost multiplied by the quantity;
3. The total bid price must equal the total of the costs for each output;
4. The bid price written in words must be the same as the total price in figures;
5. The form must have the bidder name, signature of bidder, and date;
6. The form must have the company name;
7. The form must have the ID card number of bidder.

The procurement Committee must reject all invalid bids. The invalid bid is a bid which is submitted by a bidder who is not entitled to bid or the bid **does not fulfill condition Nos. 1 5 and 6 above**. The exact reason for rejecting the bids should be carefully recorded by the C/S Clerk.

Mistakes that can be corrected by the Procurement Committee:

- The bidder has not entered his/her ID card number. In this case, the Procurement Committee invites the bidder to fill in his/her ID Card number on the bid form.
- The form shows a correction made by the bidder, , other than correction of price and arithmetic errors which still has a clear meaning, but was not initialed by the bidder. In this case the Procurement Committee will write down with a red pen the statement: "Corrected.....(*details of correction*)..... " Procurement Committee Chair and the Bidder will sign" below or beside and write his/her name the correction confirming his/her agreement to the correction.

Correction of arithmetic errors will be done by Procurement Committee as follows:

- The total amount in words is missing one word but the meaning can still be clearly understood. Example 12,354,000 Riels in words **Twelve three hundred fifty four thousand Riels only** (missing word "**million**") or **Twelve million three fifty four thousand Riels only** (missing word "**hundred**"). In this case, the procurement Committee writes in red pen the missing word and inserts the symbol "X" under word to show the correction, and then the Procurement Committee Chair and later the Bidder will sign below or beside the correction.
- If there is a discrepancy between the total bid amount in figures and the bid amount in words, the amount in **words** shall govern, unless the amount expressed in words is related to an arithmetical error. In the case that the total amount in words is not correct according to the calculations, the total amount in figures that is corrected according to the calculations shall govern. The Procurement Committee must correct by writing down with a red pen that "Corrected.....," and then the Procurement Committee Chair and later the Bidder sign below or beside.
- If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall govern. Procurement Committee must correct the total price of the output by writing down with red pen and then Procurement Committee Chair and Bidder sign below or beside. If there is an obviously gross misplacement of the decimal point in the unit price, the total price of the output shall govern. Procurement Committee must correct the unit price by writing down with red pen and then the Procurement Committee Chair and later the Bidder sign below or beside.
- If the unit price is not correct by placing decimal point in the wrong place, the total cost governs. The procurement committee must correct the unit price by writing down with red pen. Then, the Procurement Committee Chair and later the Bidder will sign below or beside the correction.

- If there is a discrepancy between the sub-total and the total resulting from adding the sub-totals, the sum of the sub-totals shall govern. The Procurement Committee must correct this by writing down with a red pen and then the Procurement Committee Chair and later the Bidder sign below or beside.

If the bidder does not accept the corrected amount of the bid, the Procurement Committee must reject the bid and it means that the bid is invalid.

Mistakes that can be accepted:

- The writing style in numerals follows the English System. In Cambodia, the writing style in numerals follows the French System. Example 3,354,000.00 Riels, in fact it must be written **3.354.000,00** Riels.
- The written price in words is not correct according to the C/S financial System. Example 3.354.000,00 Riels in words “Three Millions Three Sen Five Moeun Four Thousand Riels Only”, in fact it must be written **Three Millions Three hundred Fifty Four Thousand Riels Only**.
- The written price in numbers of each output has an error, (compared to the calculated price), of less than **100 Riels**. Example Laterite road 1.55 Km x 9,456,567 Riels = 14,657,678.85 Riels but the contractor writes **14,657,678 Riels** or **14,657,679 Riels** or **14,657,700 Riels** or **14,657,600 Riels** all these options are acceptable.

In these cases, the Procurement Committee must accept the bid without any correction.

Mistakes that cannot be accepted:

- The name of the bidder has not been filled in
- The name of the Company has not been filled in
- The bid has not been signed or dated by the bidder
- The bid has not been dated by the bidder.

In these cases the Procurement Committee must reject the bids.

Third stage: The Procurement Committee makes comparison of bid prices.

The winning bidder is the bidder with the valid and lowest priced bid. The Procurement Committee must confirm this decision and the C/S Clerk must record it. **The Procurement Committee does not have any authority to make any other decision.** The procurement committee may provide recommendations to the CS chief to award the contract to the next lowest evaluated bidder if the next lowest bid price is **within the estimated cost (equal or less than estimated cost)** in the case that the winning contractor refuses to accept the contract. A bidder's refusal to sign the contract shall be recorded in the minutes of the contract signing meeting and C/S Chief will request the Provincial/Municipal Governor to include this Service Provider on the Blacklist of Service Providers.

If more than one bidder has bid the (equal) lowest price, the Procurement Committee must ask all the bidders who have bid that price to submit a new bid. The lowest priced bidder in this new round is the winner.

No bidder is allowed to change his/her bid price during the bid evaluation stage.

If the lowest bid is higher than the estimated price, the Procurement Committee may recommend to reject all of the bids. However, they may also decide to accept the lowest bid, but reduce the quantities of the outputs so that the total price is less than or equal the budget for the contract.

The procurement Committee must ensure that the bidding process of C/S projects will not have any collusion between bidders and bidders. So that after bid evaluation and before announcement the result of the bidding to the meeting, Procurement Committee with assistance from TSO and PFT/DFT must check and make a conclusion on process and result of the bidding having any collusion or not.

3.6.3. Purchase Order for Goods

There are two stages for evaluating the quotations for a purchase order:

- **First**, the Procurement Committee must make sure that the type of goods the supplier proposes to supply is correct. For most types of goods this will be simple. However, if there is any doubt about the type of goods, the Procurement Committee may want to question the suppliers. It would be easier if the goods suppliers attend the meeting.
- **Second**, the Procurement Committee must recommend to order the goods from the supplier quoting the lowest price.

When conducting evaluation of the quotations, the Procurement Committee has to confirm to the suppliers about the ways that will be used to evaluate the quotes, either the total price will govern, or the single item price will govern or the price of a group of items will govern.

The Procurement Committee must ensure that in the bidding process of C/S projects there will be no collusion between bidders and bidders. So that after bid evaluation and before announcement of the result of the bidding to the meeting, the Procurement Committee, with assistance from TSO and PFT/DFT, must check and make a conclusion on the process and result of the bidding if there has been any collusion or not.

3.7. Bidding Results Announcement Meeting

Bidding result announcement is the public meeting. Immediately after completing bids evaluation, the Procurement Committee must invite bidders, the representatives of NGO, CSO (Civil Society Organization) or Community Based Organizations (CBO) and all other participants get back into the room. Then the Procurement Committee Chair must announce the result of the bidding to the meeting as below:

In the bidding of project..... (*full name of the Project*).....

- The winning bidder, name..... name of company..... with the total bid price..... is the lowest bid price among all valid bids. Please stand up.
- The second lowest bidder, name..... name of company..... with the total bid price..... is the second lowest bid price among all valid bids. Please stand up.
- The third lowest bidder, name..... name of company..... with the total bid price..... is the third lowest bid price among all valid bids. Please stand up.
- Continue until the above information on all bidders has been announced.

In case that the lowest price bidder withdraws his bid or fails to sign the contract or does not implement the contract after signing, C/S Chief can consider to award the contract to the next lowest bidder within 45 days period after the bid-opening meeting date. Then the C/S Chief must report on what happened to the Governor by copying to P/MLAU to delete the name of contractor from the contractor list or services provider list. For provinces where a service providers list was not established, the governor must include the contractor/service provider on the blacklist.

Note:

- The Minutes and bidding report (original) must be kept at C/S Office. C/S must send a copy of the minute and the bidding report to P/M LAU. C/S must also post the minute and bidding report on the project information board in their own office.
- The Minutes of the bidding must clearly show the three kinds of meeting (bid-opening meeting, bid-evaluation meeting and bidding result announcement) and the process of decision making. The Minutes must clearly state the reason for the decision being made. The Minutes must also record the number of participants in each meeting.
- Participant list of the bidding must be attached with the Minutes and bidding report.

3.8. What to do if the Bidding is not successful?

A bidding may be unsuccessful because:

- Less than **3 valid bids** are submitted;
- The lowest bid price is higher than the estimated price of the contract budget.

If the bidding is not successful, the C/S Chief may have two options:

1. Re-announce the bid or
2. Make a Waiver Request to the Provincial or Municipal Governor. That means, asking for permission for use of Direct Purchase or Direct Contracting (Negotiation) Procedure to negotiate a price directly with one contractor, service provider or supplier. The exceptional circumstances under which Direct Purchase or Direct Contracting procedure may be used and the process for requesting a Waiver are specified in **Section 3.10 below**.

3.9. Domestic Canvassing Procedure

Domestic Canvassing means obtaining minimum of three (3) quotations from domestic suppliers. This method is allowed in supply contracts when buying off-the-shelf items, materials or supplies, spare parts, or small machinery that are available from domestic suppliers or through local representatives, dealers or authorized agents of foreign suppliers. It can be used also for works contracts, repairing contracts and service contracts which have a small value. Domestic Canvassing may be used for contracts of recurrent Expenditures for Local Development when the contract value is less than **2 Million Riels** and can be used for contracts of other expenditures, (besides the local development activities), with value **from 400,000 Riels to less than 2 Million Riels**.

Therefore, domestic canvassing is similar to competitive bidding, except that the C/S Council does not need to advertise the bidding. The C/S Chief and the Technical Supervisor must prepare an invitation for quotation. This will be similar to the bidding documents in the normal procedure.

The Procurement Committee will then invite **at least** three eligible contractors, service providers or suppliers to submit quotations. The Procurement Committee will evaluate the quotations using the same procedure as for competitive bidding. The contract must be awarded to the contractor, service provider or supplier who submits the lowest quotation.

3.10. Direct Purchase or Direct Contracting Procedure (Negotiation)

Direct Purchase or Direct Contracting is the method that implies dealing or negotiating directly with a single supplier or service provider or contractor and is used in any of the following circumstances:

- The cost of goods or services, civil work and repair does not exceed **400,000 Riels** (activities other than Local Development).

- The recurrent expenditures for Local Development Activity, of cost **less than 2,000,000 Riels**, where the proposed contractor is a Local Community Based Organization and support to a community development program is a specific objective of the contract.

The C/S Chief may solicit in written the Governor authorization to waive the competitive procurement requirements and use instead the direct purchase or contracting procedure for the following cases (regardless of the transaction amount):

- Procurement of supplies, services and works for which, after completing the standard competitive procedures, no suitable supplier or service provider or contractor has been once identified.
- Procurement of supplies, services and works that, for demonstrated technical reasons, can be obtained only from a specific contractor or supplier.
- Procurement of supplies, services and works that, because of the extreme urgency generated by unforeseen circumstances, cannot be subjected to the normal delay imposed by the standard competitive procedures.
- Procurement of supplies services and works to be required for expansion or repair of existing equipment.
- It is a repeat order of an item previously procured through competitive bidding and it is unlikely that lower prices will be obtained through another bidding.
- The purchase is to be made from another Government agency or that works will be done through force account.

In special cases, the use of procurement methods for contract values deviating from those mentioned in the above shall be subject to the Governor decision, on a case-by-case.

For example, the C/S Council may decide to negotiate directly with a Local Community Based Organization for a contract for routine maintenance of a road or other infrastructure. If the Governor gives permission to follow the Direct Contracting, the C/S Chief must prepare document for negotiation with help from the Technical Assistant. This will be similar to the bidding documents in the normal bidding procedure.

The Procurement Committee will then invite one contractor or service provider or supplier to submit a quotation. If the price quoted is lower than the estimated price, the Procurement Committee may recommend to accept the quotation. If the price is higher than the estimated price, the Procurement Committee may negotiate with the contractor or service provider or supplier, to bring the price down to the estimated price or less. If the negotiation is not successful, the Procurement Committee may invite a second contractor or service provider or supplier to submit a quotation, and follow the same procedure again.

Note: For individual service providers such as a pre-school teacher, or a person for maintenance of a irrigation system, the recruitment of the individual service provider must follow the C/S Administration Manual prepared by National Committee for Support to C/S. In this case, the cost of this service project must put under the **budget line 62 "Local Services Cost"**.

3.11. Collusion in Bidding

Collusive practices means a scheme or arrangement between two or more bidders, designed to establish bid prices at artificial, non-competitive levels or to influence the action of any party in the procurement process or the execution of a contract. If there is collusion in any bidding of C/S project, the Procurement Committee must cancel the bidding. So that after bid evaluation and before announcement of the result of the bidding to the meeting, the Procurement Committee, with assistance from TSO and PFT/DFT, must check the conclusions of the bidding.

The indicators of the collusion are difficult to identify/determine and are different from place to place. So that Procurement Committee and persons who have duty to help the Procurement Committee must check and make a conclusion on the process and result of the bidding as to whether there has been any collusion or not.

3.12. Preparing to Implement the Contract

3.12.1. Bidding Report

The C/S Clerk must complete the bidding report form (**Form 42**), including the recommendation of the Procurement Committee and the reasons for the recommendations. The C/S Chief must sign the bidding report form to show that he accepts the recommendation of the Procurement Committee. One copy of the bidding report must be sent to P/M LAU and one copy must be posted on the C/S notice board.

The Technical Support Official is responsible to make his own report (**Form 43**) to the Governor, through P/M LAU.



The Bidding Report, Minutes of bidding, all written documentation of both successful and unsuccessful biddings and **ALL** the bid forms and their submissions by bidders must be kept in the Project File in the C/S Office with a copy kept at the Provincial/Municipal office for at least five years after contract completion.

Any bidder who feels that he was treated unfairly in the bidding has the right to complain to the Provincial Governor. He must make his complaint in writing **within 2 working days** after the result of the bidding is announced. He must also send a copy of his complaint to the C/S Chief. The Governor will make a final decision on the complaint **within 5 working days**.

If the Governor does not oppose the award of the contract, based on the recommendation of the Procurement Committee, within **7 working days** after the Bidding Report is received by P/MLAU, the C/S Chief may sign the contract with the winning bidder.

During these **7 working days** the Governor has the right to instruct the C/S Chief not to sign the contract, if there is any problem.

Form 42

Bidding Report

District	<i>Sreisanthor</i>	Place of Bidding Meeting: <i>Sreisanthor District Office</i>		Date: <i>25/03/08</i>		
Commune	<i>Roseisrok</i>	Member of Procurement Committee	Name	Signature		
Name of Project: <i>Roseisrok Commune Road Project</i>		1. Chairperson	<i>Sam Bour</i>	<i>SB</i>		
		2. Member				
		3. Member				
		4. Secretary				
Description of Contract Outputs: <i>Earth road 3.55 km with 3 single culverts.</i>						
Estimated Price	<i>129,151,516 Riels (One hundred twenty nine millions one hundred fifty one thousand five hundred sixteen Riels only)</i>					
List of bids received						
No	Name of bidder	ID card	Name of Company	Bid Price	Signature	Comments of Procurement Committee
<i>1</i>	<i>Boran</i>	<i>775475001</i>	<i>Boran</i>	<i>129,000,000</i>	<i>KTP</i>	
<i>2</i>	<i>Sak Meay</i>	<i>889782002</i>	<i>Sak Meay</i>	<i>122,630,000</i>	<i>NT</i>	<i>Lowest acceptable bid</i>
<i>3</i>	<i>Vithou</i>	<i>282828003</i>	<i>Vithou</i>	<i>122,750,000</i>	<i>BS</i>	<i>Second Lowest acceptable bid</i>
<i>4</i>	<i>Vicheth</i>	<i>384785004</i>	<i>Vicheth</i>	<i>122,900,000</i>	<i>CW</i>	<i>Third Lowest acceptable bid</i>
<i>5</i>	<i>SoK Khom</i>	<i>596977005</i>	<i>SoK Khom</i>		<i>SS</i>	<i>The contractor is not eligible to bid</i>
Recommendation of Procurement Committee, with reason: <i>The contractor, SoK Khom, won contract 123456/07/01 in this commune, The implementation was poor quality and long delay. Therefore the C/S Council meeting on 02 January 2008 reviewed the contractor list and agreed that SoK Khom is not allowed to bid again in this commune. The Procurement Committee recommended to Award the contract to Sak Meay, because his bid is the lowest that can be accepted.</i>						
Signature of C/S Chief:				Date: <i>25/03/08</i>		

Form 43

TSO Bidding Monitoring Report

Province: <i>Siem Reap</i>			District: <i>Chi Krong</i>		TSO Name: <i>Muak Seila</i>				Were correct procedures followed Yes/No	Comments
Commune	Bidding Meeting		Contract No.	Type	Estimated Cost (Riels)	Number of Bidders	Was bidding successful Yes/No	Winning Bid Price (Riels)		
	Date	Place								
<i>Pong Rô Leiou</i>	<i>20/03/08</i>	<i>Sala Khum</i>	<i>1234569/08/01</i>	<i>Education</i>	<i>46,000,000</i>	<i>5</i>	<i>Yes</i>	<i>42,000,000</i>	<i>Yes</i>	
<i>Pong Rô Krom</i>	<i>20/03/08</i>	<i>Sala Khum</i>	<i>1234567/08/01</i>	<i>Rural Transport</i>	<i>47,000,000</i>	<i>8</i>	<i>Yes</i>	<i>42,500,000</i>	<i>Yes</i>	

Date:
TSU

Date:
TSO

3.12.2. Changes to the Output Quantities

There are two cases in which the C/S Council may decide to change the quantity of the contract outputs after the bidding and before the contract is signed:

- The winning bid price is **higher** than the estimated price. The C/S Council reduces the quantity so that the total contract price is not more than the budget;
- The winning bid price is **lower** than the estimated price. The C/S Council increases the quantity of the outputs using the money that is saved.

In either case, the unit price for each output must be the unit price shown on the winning bid form. **Therefore the C/S Council cannot add a new kind of output to the contract.**

Any **additional** outputs need Technical Clearance. They must be shown on the Project Map that has the PRDC Stamp showing that technical clearance has been received. So the C/S Council can only add outputs if they are outputs that have already received technical clearance, but have not been included in the bidding.

If the C/S Council cannot increase the quantities following these rules, extra money left over from bidding can be:

- Used for maintenance activities that do not require technical clearance;
- Carried over to the following year.

3.12.3. Filling in the Contract Outputs and Contract Cost Form

The Contract Outputs Form (**Form 44 and Form 45**) shows:

- Each output of the contract, its location and size;
- The cost of each output;
- The total cost of the project.

1). Village

One output can only be in one village. Therefore, if there is a road 1 km long with 0.6km in village "A" and 0.4 km in village "B", we must split this into 2 outputs:

- Village A: 0.6 km of road
- Village B: 0.4 km of road.

We do this so that we can monitor what benefits each village has received.

2). Output ID and Description

Every kind of output has a standard code, called the output ID. These codes are shown in the List of Standard Outputs, attached below. For example, the Output ID for an earth road is 1010101 and the Output ID for a single pipe culvert with 0.8m diameter is 1010302.

3). New, Repair or Upgrade Output

An output can be **new** or it can be a **repair** or **upgrade** of something that was already there. There are three types: **new, repair, upgrade**:

- **New** means that the output was not there before. Example: a road constructed across rice fields;
- **Repair** means that the output already exists but is in bad condition. It will be repaired to be as good as when it was new;

- **Upgrade** means that the output already exists, but after the project it will be better than it was when it was first constructed. Example: putting laterite on an earth road for the first time.

Note: A project output is always something that will be used to provide a direct benefit to the project beneficiaries. Some projects include construction that will improve or protect an existing output, but will not provide any benefit separate from the existing output. Example: constructing a fence around a drinking water pond. The output is NOT a new fence because the fence will not provide any direct benefit. The output is an upgraded pond.

4). Quantity and Unit

Every output has a standard unit of measurement. We can find this standard unit on the List of Standard Outputs. For example, a laterite road is measured in kilometres, not in metres or in cubic metres of laterite. A school with two rooms is measured as “2 rooms,” not “1 school”. A community forestry is measured as two communities not in numbers of people that participated in the community forestry.

The Contract Output Form shows:

- The output quantity on the bid form;
- The final output quantity in the contract.

Example: The C/S Council has decided to add one more culverts in one village, where there were no culverts listed on the bid form. So the quantity on the bid form for this output is **Zero**, and the final quantity is one. Because the bid form included the same type and size of culvert, (but in a different village), the winning bid form includes a unit price for this output and so this is permitted.

5). Dimension 1 and Dimension 2 (For infrastructure projects)

Dimension 1 and Dimension 2 for each output project must be extracted from the standard output list. For project outputs that are not on the standard output list, the provincial and municipal level can ask the national level to add such project output in the output standard list.

6). Unit cost and output cost

The cost per unit for a laterite road is the cost for 1km of road. The cost per unit for a school is the cost for one classroom. Each output cost is the product of multiply the unit cost and unit output in the contract.

The cost per unit **MUST** be the same as a unit cost shown on the winning bid form.

7). Total cost of contract excluding tax

The cost of the contract excluding tax is the total cost of all the outputs.

8). Tax calculation that needs to be included in the contract cost

One of two classes of tax will need to be included into the contract cost. These are the “self-assessment” taxpayer (“real regime” taxpayer) and the “estimated-assessment” taxpayer (“estimated regime” taxpayer). Each contractor, service provider or supplier will be classified into one of these two classes. The bidder must provide a copy of their business patent as evidence to show which class of taxpayer they are, i.e. if they are a “self-assessment” taxpayer or an “estimated-assessment” taxpayer. The calculation of these taxes is as follows:

- For a **self assessment taxpayer**, the amount of the tax will be the bid price multiplied by 10% divided by 110%, or in short-cut form the tax will be the bid price **divided** by 11
- For an **estimated-assessment taxpayer**, the amount of the tax will be the bid price multiplied by 3 divided by 100, or in short-cut form the tax will be the bid price **multiplied** by 0.03.

9). Total cost of contract including tax

The total cost of the contract will be the bid price plus the tax amount. This total cost of the contract must be shown on the Contract.

For example, the bid price for a contract to 10 drilled wells is 10,000,000 Riels.

If the bidder is a **Self assessment taxpayer**, then his contract price will be:

Bid Price:		= 10,000,000
Tax:	= 10,000,000/11	= 909,091
Contract Price:		= 10,909,091

If the bidder is an **Estimated-assessment taxpayer**, then his contract price will be:

Bid Price:		= 10,000,000
Tax:	= 10,000,000 x 0.03	= 300,000
Contract Price:		= 10,300,000

Form 44

Example 1

Contract Outputs and Contract Cost for Construction Work

Province: <i>Kampong Cham</i>			District: <i>Sreisanthor</i>			Commune: <i>Roseisrok</i>			Contract Number: <i>123456/08/01/01</i>				
No	Village	Output Code	Descriptions	New/ Repair/ Upgrade	Quantity		Unit	Dimension 1		Dimension 2		Unit	Total (Riels)
					On bid form	Final		Type	Size	Type	Size		
<i>1</i>	<i>Tnaoutleu</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>2.05</i>	<i>2.05</i>	<i>Km</i>	<i>Width</i>	<i>4m</i>	<i>Volume</i>	<i>8,614m3</i>	<i>30,600,000</i>	<i>62,730,000</i>
<i>2</i>	<i>Tnaoutkrom</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>1.5</i>	<i>1.5</i>	<i>Km</i>	<i>Width</i>	<i>4m</i>	<i>Thickness</i>	<i>6,303m3</i>	<i>30,600,000</i>	<i>45,900,000</i>
<i>3</i>	<i>Tnaoutleu</i>	<i>1010302</i>	<i>Single pipe culvert</i>	<i>New</i>	<i>3</i>	<i>3</i>	<i>Place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,500,000</i>	<i>10,500,000</i>
<i>4</i>	<i>Tnaoutkrom</i>	<i>1010302</i>	<i>Single pipe culvert</i>	<i>New</i>	<i>1</i>	<i>1</i>	<i>Place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,500,000</i>	<i>3,500,000</i>
Total cost of the contract excluding tax													<i>122,630,000</i>
Self Assessment Taxpayer <input checked="" type="checkbox"/> or Estimated Taxpayers <input type="checkbox"/> (Patent License No.)												10%	<i>11,148,182</i>
Total cost of the contract including tax													<i>133,778,182</i>

Date:.....

C/S Chief

Date:.....

Technical Assistant

Example 2**Contract Outputs and Contract Cost for Construction Work**

Province: <i>Kampong Cham</i>			District: <i>Sreisanthor</i>		Commune: <i>RoseisroK</i>			Contract Number: <i>123456/08/01/01</i>					
No	Village	Output Code	Descriptions	New/ Repair/ Upgrade	Quantity		Unit	Dimension 1		Dimension 2		Unit	Total (Riels)
					On bid form	Final		Type	Size	Type	Size		
<i>1</i>	<i>Tnaoutleu</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>2.05</i>	<i>2.05</i>	<i>Km</i>	<i>Width</i>	<i>4m</i>	<i>Volume</i>	<i>8,614m3</i>	<i>30,600,000</i>	<i>62,730,000</i>
<i>2</i>	<i>TnaoutKrom</i>	<i>1010101</i>	<i>Earth road</i>	<i>Upgrade</i>	<i>1.5</i>	<i>1.5</i>	<i>Km</i>	<i>Width</i>	<i>4m</i>	<i>Thickness</i>	<i>6,303m3</i>	<i>30,600,000</i>	<i>45,900,000</i>
<i>3</i>	<i>Tnaoutleu</i>	<i>1010302</i>	<i>Single pipe culvert</i>	<i>New</i>	<i>3</i>	<i>3</i>	<i>Place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,500,000</i>	<i>10,500,000</i>
<i>4</i>	<i>TnaoutKrom</i>	<i>1010302</i>	<i>Single pipe culvert</i>	<i>New</i>	<i>1</i>	<i>1</i>	<i>Place</i>	<i>Diameter</i>	<i>0.8m</i>	<i>Length</i>	<i>5m</i>	<i>3,500,000</i>	<i>3,500,000</i>
Total cost of the contract excluding tax													<i>122,630,000</i>
Self Assessment Taxpayer <input type="checkbox"/> or Estimated Taxpayers <input checked="" type="checkbox"/> (Patent License No.)												3%	<i>3,678,900</i>
Total cost of the contract including tax													<i>126,308,900</i>

Date:.....
C/S Chief

Date:.....
Technical Assistant

Form 45

Contract Outputs and Contract Cost for Service Work

Province/Municipal: <i>Kampong Cham</i>			District/Khan: <i>Sreisanthor</i>		Commune/Sangkat: <i>RoseiSrok</i>		Contract Number: <i>123456/08/02/01</i>		
No	Name of Village	Output Code	Descriptions	New or Strengthens	Quality		Unit	Cost (Riels)	
					In Bidding	In Contract		Unit	Total
1	<i>Thnoat Leu</i>	<i>2010111</i>	<i>Training on IFS (vegetable and fish raising)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Person</i>	<i>204.600</i>	<i>2.046.000</i>
2	<i>Thnoat Krom</i>	<i>2010111</i>	<i>Training on IFS (vegetable and fish raising)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Person</i>	<i>204.600</i>	<i>2.046.000</i>
3	<i>Thnoat Leu</i>	<i>2010122</i>	<i>Home garden demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Family</i>	<i>110.000</i>	<i>1.100.000</i>
4	<i>Thnoat Krom</i>	<i>2010122</i>	<i>Home garden demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Family</i>	<i>110.000</i>	<i>1.100.000</i>
5	<i>Thnoat Leu</i>	<i>2010430</i>	<i>Fish raising demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Family</i>	<i>275.000</i>	<i>2.750.000</i>
6	<i>Thnoat Krom</i>	<i>2010430</i>	<i>Fish raising demonstration (Materials)</i>	<i>New</i>	<i>10</i>	<i>10</i>	<i>Family</i>	<i>275.000</i>	<i>2.750.000</i>
Total cost of the contract excluding tax									<i>11,792,000</i>
Self Assessment Taxpayer <input type="checkbox"/> or Estimated Taxpayers <input checked="" type="checkbox"/> (Patent License No.)								3%	<i>353,760</i>
Total cost of the contract including tax									<i>12,145,760</i>

Date:.....
C/S Chief

Date:.....
Technical Assistant

3.12.4. Contractor and Service Provider Work Plan

A). Contractor Work plan

Immediately after the contractor has agreed to sign the contract he/she must submit his work plan (**Form 46**) for implementing the contract. The Technical Assistant must help the Contractor and C/S Chief to make the work plan. The work plan must be approved by the C/S Chief.

The work plan must show the following information:

- The name of the Works Manager;
- The names of any sub-contractors, and the part of the work they will be responsible for;
- The date when the contractor will start to implement the contract;
- The date when the contractor will start each part of the work;
- The date when each part of the work will be complete;
- The date when the whole of the work will be complete;
- How the contractor will prevent damage to the environment during construction.

The Technical Assistant should discuss the work plan with the Contractor. The Technical Assistant should inform the Contractor of important stages of the work, which the Technical Supervisor will inspect and approve before the next stage of the work begins. The times when the Contractor expects to complete these stages, and when the Technical Supervisor will inspect, should be shown on the Work Plan.

The C/S Chief must approve the work plan before he signs the contract.

Environmental Management in the Contractor's Work Plan

The Contractor's Work Plan should have a section on environmental management. This should not be very long, but it should include the following subjects:

- Identify any environmental problems that may occur during construction;
- Show what the contractor must do to solve these problems.

Example: Environmental Management Plan for School Construction (A new building at an existing school)	
Problem	Solution
Road damaged by trucks transporting materials	Agree which road the contractor will use. The contractor will not transport materials when it is raining.
Dust from the construction will blow into the classrooms in the existing school	The contractor will spray water to reduce the dust when the weather is dry.
Noise from the construction will disturb the classes in the existing school	The contractor will try to do the noisy jobs when the children are not studying
Sanitation for the workers at the construction site	The contractor will provide temporary sanitation (toilets) for the workers
Waste materials and hazardous materials (fibro-cement, fuel, oil, cement etc.).	The contractor will guard the materials to prevent the children playing with them.
Cleaning the site after construction	The contractor will clean the site carefully and remove and safely dispose of all the waste materials including the hazardous materials.

Form 46

Contractor Work Plan

Province: <i>Siem Reap</i>		District: <i>Chi Krang</i>		Commune: <i>Kampong Kdei</i>		Name of Project: <i>Laterite Road and culvert Project</i>		
Name of Contractor: <i>Neak Thort</i>			Telephone: <i>012 007 007</i>		Name of Works Manager: <i>Chiang Chas</i>		Telephone: <i>012 006 006</i>	
Contract Start Date: <i>01/04/08</i>					Contract Completion Date: <i>30/11/08</i>			
Description of Works	% of Contract Value	Start Date	Finish Date	Key Stage for Technical Monitoring	Name of Subcontractor	Environmental Management		
						Problems	Solutions	
<i>Single 1m culvert Chainage 400m</i>	<i>6%</i>	<i>05/05/08</i>	<i>12/05/08</i>	<i>1. Finished digging holes for foundations</i>	<i>Chea Toch</i>	<i>Dirty water from construction flowing into irrigation canals</i>	<i>Contractor will make a temporary canal for water to flow past</i>	
<i>Double 0.8m culvert Chainage 750m</i>	<i>8%</i>	<i>10/05/08</i>	<i>24/05/08</i>					
<i>Single 1m culvert Chainage 1200m</i>	<i>6%</i>	<i>12/05/08</i>	<i>26/05/08</i>		<i>Neak Srok</i>	<i>Waste left by construction workers</i>	<i>Contractor will clean site carefully</i>	
<i>Single 0.6m culvert Chainage 1500m</i>	<i>5%</i>	<i>20/05/08</i>	<i>25/05/08</i>					
<i>Single 0.6m culvert Chainage 2300m</i>	<i>5%</i>	<i>23/05/08</i>	<i>02/06/08</i>					
<i>Laterite chainage 0 to 1,200 m</i>	<i>30%</i>	<i>03/06/08</i>	<i>16/06/08</i>	<i>1. Compact earth before filling laterite.</i>		<i>Spill oil from machines</i>	<i>Any spilled oil will be cleaned up carefully</i>	
<i>Total for first payment</i>	<i>60%</i>							
<i>Laterite chainage 1,150 to 3,000m</i>	<i>40%</i>	<i>16/06/08</i>	<i>30/06/08</i>					<i>2. Laterite complete</i>	Dusty for people using road	Contractor will stop work when road is very busy

Date:.....

C/S Chief

Date:.....

Contractor

B). Service Provider Work plan

Immediately after the Service Provider has agreed to sign the contract he/she must prepare a work plan (**Form 47**) for the contract implementation and submit the work plan to the C/S Chief for approval. The Technical Assistant must help the service provider and C/S Chief to develop the work plan.

The work plan must show the following information:

- The name of the service provider, company or institution or organization;
- The date when the service provider will start to provide the services;
- The date when the service provider will start each part of the services;
- The date when each part of the services will be complete;
- The date when the whole of the services will have been provided.

The Technical Assistant should discuss about the work plan with the Service Provider. The Technical Assistant should inform the Service Provider of important stages of the services, which the Technical Supervisor will inspect and approve before the next stage of service provision begins. The times when the Service Provider expects to complete these stages, and when the Technical Supervisor will inspect, should be shown on the Work Plan.

The C/S Chief must approve the work plan before he signs the contract.

Form 47

Service Provider Work Plan

Province: <i>Kampong Cham</i>		District: <i>Sreisanthor</i>		Commune: <i>Roseisrok</i>		Date of contract implementation	
Name of Service Provider: <i>Sen Makara</i>		Telephone: <i>012 001 001</i>		Name of Organization: <i>Khmer Helps Khmer</i>		Start: <i>21/04/08</i>	Completion: <i>24/10/08</i>
Name of Project: <i>Integrated Farming System through vegetable home garden and fish raising.</i>							
No	Activity	Implementation Location	Project Output	Date for project activities		Percent of Work	
				Start	Completion		
1	<i>Meeting with target group and form farmer groups.</i>	<i>Thnot Leu and Thnot Krom</i>	<i>2 groups (1 course)</i>	<i>21/04/08</i>	<i>22/04/08</i>	<i>2%</i>	
2	<i>Training on: importance of IFS, site selection and land preparation.</i>	<i>Thnot Leu</i>	<i>4 courses</i>	<i>28/04/08</i>	<i>30/04/08</i>	<i>8%</i>	
3	<i>Provide materials and follow up on land preparation.</i>	<i>Thnot Leu and Thnot Krom</i>	<i>20 demonstrations</i>	<i>01/05/08</i>	<i>15/05/08</i>	<i>30%</i>	
	<i>First payment</i>				<i>15/05/08</i>	<i>40%</i>	
4	<i>Training on: seed selection, seed store, growing technique and fish raising technique.</i>	<i>Thnot Leu</i>	<i>4 courses</i>	<i>20/05/08</i>	<i>23/05/08</i>	<i>8%</i>	
5	<i>Provide seeds and fingerlings</i>	<i>Thnot Leu and Thnot Krom</i>	<i>20 demonstrations</i>	<i>01/06/08</i>	<i>06/06/08</i>	<i>32%</i>	
	<i>Second payment</i>				<i>06/06/08</i>	<i>40%</i>	
6	<i>Training on: crop and fish management, protection and harvesting.</i>	<i>Thnot Leu</i>	<i>5 courses</i>	<i>16/06/08</i>	<i>17/10/08</i>	<i>10%</i>	
7	<i>Organize farmer field days</i>	<i>Thnot Leu and Thnot Krom</i>	<i>50 farmers (2 courses)</i>	<i>23/10/08</i>	<i>24/10/08</i>	<i>10%</i>	
	<i>Final payment</i>				<i>24/10/08</i>	<i>20%</i>	

Date:
C/S Chief

Date:
Service Provider

3.12.5. Signing the Contract

A). Construction Contracts

The C/S Chief has to invite the representatives of NGO, CSO (Civil Society Organization) or Community Based Organizations (CBO) that are working in the Commune or Sangkat to participate in the Contract signing meeting as observers.

It is very important to make sure that every detail about the contract is written down clearly in the contract documents, and that everybody, (the C/S Chief, the Contractor and the Technical Supervisor), understand the contract documents clearly.

When the contract is signed, the Contractor is confirming that he has read the contract documents carefully and has understood them, and that he agrees to the contract. The Contractor cannot complain later that he did not know about, or did not understand, something written in the contract.

There are **six** parts to the contract documents for a construction contract:

- 1). The Form and Conditions of Contract (**Form 50**);
- 2). The Contract Drawings and the Technical Specification;
- 3). The Project Map with the PRDC stamp;
- 4). The winning bid form;
- 5). The Contract Outputs and Cost Form;
- 6). The Contractor Work Plan.

The C/S Chief and the Contractor must sign three copies of the **Conditions of Contract**. They must sign two copies of each of the other documents, except the Project Map Bidding Form, and Output and Cost of the Contract.

The contractor should sign on **every** page of the **Conditions of Contract**, (not just at the end), and also on every page of one copy of the **Drawings**.

The C/S Chief keeps one full set of the original contract documents. The Contractor also keeps one full set of the original contract documents.

The C/S Chief must send to the Provincial/Municipal Treasury:

- A letter confirming the decision to appoint the contractor (**Form 48**);
- Conditions of Contract;
- The Contract Information Form.



The C/S Chief must keep a set of the original contract documents in the Project File at the C/S Office. These documents must **never** be taken for use in field monitoring. The Contractor is responsible to provide copies of the drawings for the C/S Chief, and his representatives, to use in monitoring the implementation of the contract.

The Technical Specification is also part of the Contract. However, if a standard specification is used, (for example, the specifications in the NCDD Technical Manual for Infrastructure Project), there is no need to make a copy of this for the contract documents. In this case the contract or the drawings must make clear what specification applies to the contract.

B). Services Contract

The C/S Chief has to invite the representatives of NGO, CSO (Civil Society Organization) or Community Based Organizations (CBO) that are working in the Commune or Sangkat to participate in the Contract signing meeting as observers.

It is very important to make sure that every detail about the contract is written down clearly in the contract documents, and that everybody such as C/S Chief, the Service Provider and the Technical Supervisor understand the contract documents clearly.

When the contract is signed, the Service Provider is confirming that he has read the contract documents carefully and has understood them, and that he agrees to the contract. The Service Provider cannot complain later that he did not know about, or did not understand, something written in the contract.

There are **six** parts to the contract documents for a service contract:

- 1). The Form and Conditions of Contract (**Form 51**);
- 2). The Contract Drawings (If any);
- 3). Technical Specification;
- 4). The Project Map with the PRDC stamp;
- 5). The winning bid form;
- 6). The Service Provider's Work Plan.

The C/S Chief and the Service Provider must sign three copies of the **Conditions of Contract**. They must sign two copies of each of the other documents, except Project Map and Bidding Form.

The Service Provider should sign on every page of the **Conditions of Contract** (not just at the end) and also on every page of one copy of the **Drawings** (if any).

The C/S Chief keeps one full set of the original contract documents. The Service Provider also keeps one full set of the original contract documents

The C/S Chief must send to the Provincial/Municipal Treasury:

- A letter confirming the decision to appoint the contractor (**Form 49**);
- An original copy of the Form and Conditions of Contract;
- The Contract Information Form;



The C/S Chief must keep a set of the original contract documents in the Project File at the C/S Office. These documents must never be taken for use in field monitoring. The Service Provider is responsible to provide copies of the drawings for the C/S Chief, and his representatives, to use in monitoring the implementation.

The Technical Specification is also part of the Contract. However, if a standard specification is used, (for example, the specifications in the NCDD Technical Manual for Service Projects), there is no need to make a copy of this for the contract documents. In this case the contract or the Technical Specification must make clear what specification applies to the contract.

Note:

- Usually a director of a company or institution or organization signs all the contracts and relevant documents. But in case the director is absent when the contract is signed the representatives of companies or institutions or organizations can sign on behalf of the company or institution or organization **provided that they have a letter signed and dated by the director** which authorizes them to sign on the director's behalf to commit the company or institution or organization to the contract. This letter must be included in the contract documents kept by the C/S Chief. In the contract documents the name of the director of the company, (as shown on the Patent License), or the name of the director of the institution or organization must be used because the C/S will issue the Payment Order to the director of the company or institution or organization.
- In signing the contract, the contractor or service provider which is a profit organization must bring a photocopy of their valid Patent License issued by the province/municipality from where the contract has been awarded for attachment to the contract document. This Patent License will be used to calculate the tax to be included in the contract cost. In case the contract implementation is over more than one year, the tax calculation will still be based on the Patent License when the contract was signed.

Form 48

Kingdom of Cambodia
Nation Religion King

Province/Municipal:

District/Khan:

Commune/Sangkat:

No: SCN

Date:

To:
Director of Company

Subject : Providing Contract Decision**Reference** : Bidding report date.....

As above statement in the subject and reference, I have the honor to inform you, Director of company..... my Commune (Sangkat) has decided to award the contract..... (Name of Contract)..... as per your bid dated..... and received at time..... on date in..... to your company for implementation.

Based on above information, I would like invite you to attend meeting for contract signing on date..... in..... and bring the implementation contract work plan and copies of the A3 size format drawings. If you do not attend the signing on the date, your company will forfeit your right to be awarded this contract and your company will be removed from the pre-qualified contractors list.

Yours Sincerely,

C/S ChiefCopy to:

- Province/Municipal hall.....
- P/M Treasury.....
- P/M LAU.....
For information
- Filing

Form 49

Kingdom of Cambodia
Nation Religion King

Province/Municipal:

District/Khan:

Commune/Sangkat:

No: SCN

Date:

To:
Director of Company.....

Subject : Providing Contract Decision**Reference** : Bidding report date.....

As above statement in the subject and reference, I have the honor to inform you, director of company that my Commune (Sangkat) have decided to provide the contract to (Name of Contract)that was bid or negotiated on date in to your company for implementation.

Based on above information, I would like invite you to attend meeting for contract signing on dateand time..... in and bring implementation contract work plan. If you do not attend the signing on the date, your company will forfeit your right in contracting and not allow bid for next C/S projects.

Yours, Sincerely

C/S ChiefCopy to:

- Province/Municipal hall.....
- P/M Treasury.....
- P/M LAU.....
- For information
- Filing

3.12.6. Conditions of Contract

A). Construction Works (Form 50)

Province/Municipal : *Seam Reap*
 District/Khan : *Chikreng*
 Commune/Sangkat : *Pong Ror*
 Contract Title : *Khum Pong Ror Road Project*
 Contract Code : *1234567/08/01/01*
 Budget Line : *68-02-01*

This contract is made this *01 April 2008* between *Mr. Bun Han* the Commune Chief of *Pong Ror*, referred to below as the “**Project Owner**”, and *Mr. “A”,. Director of Company “A”* ID Number *987654321* Telephone:..... and address....., referred to below as the “**Contractor**”.

Two parties agree with condition as below:

Article I: General Provisions

1. The Project Owner has appointed*Muak Seila*..... to be the Technical Supervisor who will supervise implementation of the contract.
2. The Bid Form submitted by the Contractor, the Conditions of Contract, the Contractor's Work Plan, the Drawings and the Technical Specification together form the Contract. The Contractor confirms that he has examined, read and understood fully all the Contract Documents.
3. The Project Owner has approved the Work Plan submitted by the Contractor, including the Works Start Date, the Works Completion Date, the start and completion Dates of each part of the works and the person who will act as Works Manager.
4. The Contract shall be amended only by written agreement between the Project Owner and the Contractor.
5. In the case of a dispute arising from the implementation of the Contract, the Provincial Governor of....*Siem Reap*.... will be asked for assistance and advice in settling the dispute. If the dispute is not settled in a manner acceptable to both parties, within **60 days** from the date of referring the dispute to the Provincial Governor, then the case will be referred to the proper court in Cambodia for adjudication.

Article II: Project Owner's and Contractor's obligations

6. The two parties (the Project Owner and the Contractor) now agree as follows:
 - The Project Owner pledges to pay the Contractor the Contract Price, *45,600,000 Riels Forty Five Million Six Hundred Thousand Riels*. This amount is for the full quantity of work shown on the Drawings, including materials, transport to the site, labor and profit.
 - The Contractor pledges to construct the following works: *3 Km of Road with Earth filling and Laterite. New Culverts Across Roads Five Places and Repair 1 Place* and to maintain these works in good condition for **six months** after the construction is complete.
 - The locations of the works are shown on the Project Map. The Contractor understands that no payment will be due for any works constructed at any location except for those shown on the Project Map, or on an amended Project Map issued as a written Amendment to the Contract. On or before the Works Start Date, the Technical Supervisor will assist the Contractor to set out the positions of the works at the locations shown on the Project Map.

Article III: Conditions for Execution of the Works

7. The Contractor shall not sub-contract the whole of the works. The Contractor shall not, without the written consent of the Project Owner, sub-contract any part of the Works. In the event the Project Owner approves the sub-contracting, such consent shall not relieve the Contractor of his obligations under the Contract.
8. The Contractor will start implement the works on *03/04/08* and shall complete the whole of the works not later than *30/05/08* (*Insert Works Completion Date from Contractor's Work plan*). If implementation of the Contract is delayed due to any circumstances or event, which could not have been foreseen by an experienced contractor, the Contractor must inform the Technical Supervisor immediately about the delay. If the Technical Supervisor considers that an extension of time for the Contract is justified, the Contractor must submit an amended Work Plan, agreed with the Technical Supervisor, for approval by the Project Owner.
9. If, **15 days** after the Works Start Date, the Contractor has not started to implement the project, the Project Owner has the right to cancel the contract. If, at any time, implementation of any part of the Works is delayed by more than **30 days** beyond the dates shown in the Work Plan, the Project Owner has the right to cancel the contract.
10. The Project Owner has the right to reduce the payment to the Contractor by **0.1%** of the total price of the project for every day after the Works Completion Date shown in the Contractor's Work Plan, until the work is complete. The reduction is up to a maximum of **10%**.
11. The contractor will provide the Project Owner with photocopies of the design drawings on A3 size paper. The number of copies provided will not be less than one copy for each village where a project output is located, plus one additional copy.
12. The Works Manager will be present on site all the time that work is in progress. The Works Manager will keep a Works Notebook from the start date of the works and keep it at construction site for recording progress of the works. The Project Owner and the Technical Supervisor may inspect the Works Notebook and may use the Works Notebook to record instructions issued to the Contractor. When recording in the Works Notebook, the recorder and the Works Manager should date and sign to certify that the Works Manager accepts and clearly understands the instructions. At the project site meeting, the Works Manager must provide the Work Notebook to the Project Owner. The Project Owner will use the Works Notebook for recording any faults identified and instructions to carry out repairs by the Contractor during the maintenance period.
13. The Project Owner, or any person named as a representative by the Project Owner, has the right to monitor all activities connected with the works, inspect materials delivered to the site, inspect the Works at any time, and to record comments in the Works Notebook. The Project Owner also has the right to instruct the Contractor to stop work for up to **2 full working days**, to allow the Technical Supervisor to come to inspect the Works.
14. The Technical Supervisor may inspect the work at any time. The Technical Supervisor may instruct the Contractor to provide samples of materials for quality testing. The Technical Supervisor may instruct the Contractor to dig inspection holes in completed sections of the work in order to allow inspection. The Contractor will cooperate with the Technical Supervisor and allow the Technical Supervisor to use the Contractor's staff and equipment as necessary to carry out inspections of the work.
15. The Technical Supervisor may issue instructions to the Contractor to ensure compliance with the Drawings and the Specification. The Technical Supervisor can not agree with the Contractor to make any changes, unless those changes with written agreement of the Project Owner.
16. The Contractor's Work Plan shows stages of work that must be inspected and approved by the Technical Supervisor. When these stages are reached, or when the Project Owner instructs the Contractor to stop work to allow inspection as provided for in Clause

- 13 above, the Contractor must not proceed further with the work until the Technical Supervisor has given his approval. If the Contractor proceeds with the work without waiting for the Technical Supervisor to inspect, so that the work to be inspected has been covered over, the Technical Supervisor may instruct the Contractor to destroy that part of the work and construct again.
17. The Contractor agrees to ensure that the work is carried out in a safe manner and with the minimum disturbance to people living close to or passing by the site, or damage to the environment. The place of disposing of excavated earth, dirty water or other waste materials must be approved by the Project Owner before disposal starts.
 18. On completion of the works the contractor shall be responsible for removing all plant, surplus materials and wastes from the site and for restoring the site to a clean and tidy condition.
 19. The Contractor shall erect a permanent project signboard in each village that has a project output, within 15 days of the construction starting date. The type and layout of the signboard will be agreed with the Project Owner but the information on the signboard will include:
 - the name of the Commune/Sangkat;
 - the name of the project, size of project and the year of implementation;
 - the amount of funds from the C/S Fund;
 - the amount of funds from local contributions;
 - the amount of funds from other sources, if any.
 21. The Contractor is responsible to maintain the works and project signboard in good condition for ...6... months, starting from the date of completion of construction, the date that C/S Chief decided that the construction is completed. During this period the Contractor is fully responsible to improve and repair any defect that appears due to quality of materials or workmanship and any defect that appears as a result of normal use of the works.
 22. If disaster makes completion of the contract impossible, the Contractor may ask the Project Owner to release him from the Contract. The Contractor may request payment for that part of the works that is complete and intact at the time the request for release is made.

Article IV: Payment Provisions

23. When the Contractor wishes to apply for payment he must submit a written Request for Payment to the Project Owner. The Project Owner will then ask the Technical Supervisor to prepare a contract progress report and Completion Contract Report. This report will verify the quantity of work completed and will check that the quality of the materials used and the quality of the Contractor's workmanship is in line with the Contract. The Technical Supervisor will also check that the construction is following the Drawings and any instructions given by the Technical Supervisor to the Contractor. The Technical Supervisor shall then either:
 - a). Issue a Progress Report or Completion Contract Report certifying that the conditions for release of the payment have been met, or;
 - b). Issue a Progress Report detailing further work that must be done to meet the conditions for release of the payment.
24. On receiving a Progress Report (or Completion Contract Report) from the Technical Supervisor, indicating that the conditions for release of any payment have been met, the Project Owner will call a meeting of the Project Management Committee at the work site. If the Project Management Committee approves the report of the Technical Supervisor, the Project Owner will then issue a Payment Order.

25. Payments will only be made in Cambodian Riels at.....*Siem Reap*... Provincial/Municipal Treasury on or after the due date shown in the schedule below.

Disbursement Schedule			
Steps of Payment	Amount	Scheduled Date	Payment Conditions (% Completed Works)
<i>Payment No 1</i>	<i>18,240,000</i>	<i>11-17/06/08</i>	<i>50%</i>
<i>Payment No 2</i>	<i>18,240,000</i>	<i>1-7/07/08</i>	<i>100%</i>
<i>Retention fund (20%)</i>	<i>9,120,000</i>	<i>01/01/09</i>	
<i>Total Contract</i>	<i>45,600,000</i>		

26. Time allowed for processing of payments will be as follows:
- Technical Supervisor will inspect the Works and report to the Project Owner not later than **1 week** after receiving the Request for Payment;
 - If a satisfactory progress report is issued before the scheduled date for payments, the Project Owner must issue a Certificate for Payment on the scheduled date. If the satisfactory progress report is issued after the scheduled date for payment, the C/S Chief will be issue a Payment Order not later than 1 week after receiving progress report from Technical Supervisor.
 - The provincial/Municipal Treasury will disburse to the Contractor not later than **1 week** after receiving Payment Order.

Therefore the Due Date for Payment will be **3 weeks** after the date of Request for Payment.

27. If any payment is delayed for more than 1 calendar month after the Due Date for Payment, the Project Owner will pay to the Contractor at the rate of **2%** of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of days during which the payment is delayed will automatically be added on to the time for completion of the project.
28. If the Contract is cancelled because of the fault of the Contractor, the Project Owner has the right to take over the Works and complete them by any other method. No payment will be made to the Contractor until the Works have been completed. Payment to the Contractor will be limited to the difference between the Contract Price and the cost to the Project Owner of completing the part of the work that was not implemented by the Contractor.

Article 5: Ethical Conduct

29. I am as contractor, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives confirm that we do not have any relationship that could be regarded as a conflict of interest as set out in the bidding document.
30. If we become aware of the potential for such a conflict of interest, we will report it immediately to one or more of the following: Commune/Sangkat Procurement Committee, provincial/municipal governor, provincial/municipal Accountability Working Group.
31. I am as a Contractor, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives confirm that we have not entered into corrupt, fraudulent, coercive or collusive practices in respect of my bid.
32. We understand our obligation to allow the Government and/or the funding agencies to inspect all records relating to the preparation of our bid or proposal and any contract that may result from such, irrespective of whether we are awarded a contract or not.

33. In connection with this procurement exercise and any contract that is awarded, I am as contractor, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives confirm that we have not any paid in cash or payment in kind to any of the staff, consultants, associates or relatives of such who are involved with any stage of the procurement process, contract award and implementation, and the issuance of progress payments.

Article 6: Special Condition

..... *Technical specifications in the Technical Manual will apply to this contract. Maximum size of truck allowed for transport of laterite is 7 cubic meters. Contractor will repair damage to all roads that are damaged by the contractors and his supplies trucks*

In witness of what has been agreed above, the signatures of the authorized representatives of the Project Owner and Contractor are affixed below on the date shown.

Project Owner		Contractor	
_____		_____	
Name	: _____	Name	: _____
Position	: _____	Position	: _____
Date	: _____	Date	: _____

B). Contract for Service project in Package (Form 51)

Province/Municipal :
 District/Khan :
 Commune/Sangkat :
 Contract Code :
 Budget Line :

This contract is made this *Date*..... between Mr./Mrs. the C/S Chief of referred to below as the “**Project Owner**”, and Mr./Mrs. as..... ID Number..... and address.....,referred to below as the “**Service provider**”.

Two parties agree with condition as below:

Article I: General Provisions

1. The Project Owner has appointed..... to be the Technical Supervisor who will supervise implementation of the contract.
2. The contract is including Bid Form, the Conditions of Contract, Technical specification, the Service Provider's Work Plan together form the Contract. The Service Provider confirms that he has examined, read and understood fully all the Contract Documents.
3. The Contract shall be amended only by written agreement between the Project Owner and the Service Provider.
4. In the case of a dispute arising from the implementation of the Contract, the Provincial Governor of..... will be asked for assistance and advice in settling the dispute. If the dispute is not settled in a manner acceptable to both parties, within **60 days** from the date of referring the dispute to the Provincial Governor, then the case will be referred to the proper court in Cambodia for adjudication.

Article II: Project Owner's and Service Provider's obligations

5. The Project Owner pledges to pay the Service Provider the Contract Price..... (In Words), to implement all tasks of the contract and this includes all services, materials, transport, labor, and profit.
6. The Service Provider pledges to implement completed works.....

7. The locations of the works are shown on the Project Map. The Service Provider understands that no payment will be due for any services performed at any location except for those shown on the Project Map, or on an amended Project Map issued as a written Amendment to the Contract.

Article III: Conditions for Execution of the Services

8. The Service Provider shall not sub-contract the whole of the works. Before the Service Provider sub-contract any part of the Works, he must obtain the written consent of the Project Owner. In the event the Project Owner approves the sub-contracting; the Service Provider is responsible for all of his obligations under the Contract including all those of any approved sub-contractor.

9. The Service Provider will start implement the services on date..... and shall complete the whole of the services not later than..... (*Insert Services Completion Date from Service Provider's Work plan*). If implementation of the Contract is delayed due to any circumstances or event, which could not have been foreseen, the Service Provider must inform the Technical Supervisor immediately about the delay. If the Technical Supervisor considers that an extension of time for the Contract is justified, the Service Provider must submit an amended Work Plan, agreed with the Technical Supervisor, for approval by the Project Owner.
10. If, **15 days** after the Contract Start Date, the Service Provider has not started to implement the Contract, the Project Owner has the right to cancel the contract. If, at any time, implementation of any part of the Services is delayed by more than **30 days** beyond the dates shown in the Work Plan, the Project Owner has the right to cancel the contract.
11. The Project Owner has the right to reduce the payment to the Contractor by **0.1%** of the total price of the project for every day after the Services Completion Date shown in the Service Provider's Work Plan, until the services are complete. The reduction is up to a maximum of **10%**.
12. The Technical Supervisor may provide instructions to the Service Provider to ensure compliance with the Technical Specification. The Technical Supervisor can not agree with the Service Provider to make any changes, unless those changes with written agreement of the Project Owner.
13. If disaster makes completion of the contract impossible, the Service Provider may ask the Project Owner to release him from the Contract. The Service Provider may request payment for that part of the services rendered that is complete and accepted at the time the request for release is made.

Article IV: Payment Provisions

14. When the Service Provider wishes to apply for payment he must submit a written Request for Payment to the Project Owner. The Project Owner will then ask the Technical Supervisor to prepare a contract progress report. This report will verify the quantity of work completed and will check that the quality of the materials used and the quality of the Service Provider is in line with the Contract. The Technical Supervisor will also check that the implemented task is following the technical specification and any instructions given by the Technical Supervisor to the Service Provider. The Technical Supervisor shall then either:
 - a). Issue a Progress Report (or Completion Contract Report) certifying that the conditions for release of the payment have been met, or;
 - b). Issue a Progress Report detailing further work that must be done to meet the conditions for release of the payment.
15. On receiving a Progress Report, (or Completion Contract Report), from the Technical Supervisor, indicating that the conditions for release of any payment have been met, the Project Owner will call a meeting of the Project Management Committee at the location where the services have been provided and confirm with those who have received the services that the services have been satisfactory. If the Project Management Committee approves the report of the Technical Supervisor, the Project Owner will then issue a Payment Order to the Service Provider.
16. Payments will only be made in Cambodian Riels at..... Provincial/ Municipal Treasury on or after the due date shown in the schedule below.

Disbursement Schedule			
Steps of Payment	Amount (Riels)	Scheduled Date	Payment Conditions (% Completed Works)
<i>Payment No 1</i>			
<i>Payment No 2</i>			
<i>Payment No 3</i>			
.....			
<i>Total Contract</i>			

17. Time allowed for processing of payments will be as follows:

- Technical Supervisor will confirm that the services have been delivered according to the requirements of the Contract and report to the Project Owner not later than **1 week** after receiving the Request for Payment;
- The Project Owner will be issue a Payment Order not later than 1 week after receiving progress report from Technical Supervisor. If a satisfactory progress report is issued before the scheduled date for payments, the Project Owner must issue a Payment Order on the payment scheduled date.
- The provincial/Municipal Treasury will disburse to the Service Provider not later than **1 week** after receiving Payment Order from Service Provider.

Therefore the Due Date for Payment will be **3 weeks** after the date of Request for Payment.

18. If any payment process is delayed for more than 1 calendar month after the Due Date for Payment, the Project Owner will pay to the Service Provider at the rate of **2%** of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of days during which the payment is delayed will automatically be added on to the time for completion of the project.
19. If the Contract is cancelled because of the fault of the Service Provider, the Project Owner has the right to take over the Services and complete them by any other method. No payment will be made to the Service Provider until the Services have been completed. Payment to the Service Provider will be limited to the difference between the Contract Price and the cost to the Project Owner of completing the part of the services that was not implemented by the Service Provider.

Article 5: Ethical Conduct

20. I am as service provider, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives do not have any relationship that could be regarded as a conflict of interest as set out in the bidding document.
21. If we become aware of the potential for such a conflict of interest, we will report it immediately to the Commune/Sangkat Procurement Committee, or the provincial/ municipal governor or the provincial/ municipal accountability working group.
22. I am as service provider, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives have not entered into corrupt, fraudulent, coercive or collusive practices in respect of my bid.
23. We understand our obligation to allow the Government and/or the funding agencies to inspect all records relating to the preparation of our bid or proposal and any contract that may result from such irrespective of if we are awarded a contract or not.

24. In connection with this procurement exercise and any contract that is awarded, I am as service provider, my employees, my consultants, my associates/partners, my agents, my shareholders, my relatives and their associates and relatives have not any paid in cash or payment in kind to any of the staff, consultants, associates or relatives of such who are involved with any stage of the procurement process, contract award and implementation, and the issuance of progress payments.

Article 6: Special Condition

.....

In witness of what has been agreed above, the signatures of the authorized representatives of Project Owner and Service Provide are affixed below on the date shown.

Project Owner		Service Provider	
_____		_____	
Name	: -----	Name	: -----
Position	: -----	Position	: -----
Date	: -----	Date	: -----

C). Conditions of Contract for Maintenance Works (Form 52)

Province/Municipal : *Pursat*
 District/Khan : *Kandieng*
 Commune/Sangkat : *Kandieng*
 Contract Title : *Phum Tmey Road Maintenance*
 Contract Code : *250102/08/02/01*
 Budget Line : *62-01*

This Contract is made this *01/04/08* between *Mr. Sok Chamroeum* the C/S Chief of *Kandieng* referred to below as the “**Project Owner**” and *Mrs. Touch Sothavy, the representative of PhumThei Maintenance Group* ID card number *010226657* and address *#20 Phum Tmey, Kandieng Commune, Kandieng District, Pursat Province*, referred to below as the “**Contractor**”.

Two parties agree condition as below:

1. The contractor shall being to carry out works on *04 April 2008* and shall complete works on *31 March 2009*.
2. The Contractor pledges to carry out maintenance work on the..... *Laterite Road 3 Km with 5 culverts in Phum Tmey*..... The location and condition of the Works are described on the Schedule of Maintenance attached. Maintenance work will consist of :
 - Restore the Works to good condition as defined on the Schedule of Maintenance;
 - Maintain the Works in good condition for a period of *10 months* from *June 2008 to March 2009*.
3. The Project Owner pledges to pay the Contractor the total Contract Price, consisting of *4,400,000 Riels (Four million and four hundred thousand Riels only)* which is:
 - *2,400,000 Riels (Two million and four hundred thousand Riels only)* for One Time Works. The Contractor will get the payment when the restoration work is complete and is accepted by the Project Management Committee;
 - *2,000,000 Riels (Two million Riels only)* for continuing maintenance for *10 months*, which is *200,000 Riels (Two hundred thousand Riels only)* per month. The Project Owner will pay to the Contractor at intervals of **3 months**, dependent upon approval by the Project Management Committee.
4. The Project Owner will provide the Contractor with the following equipment and materials to be used in implementation of the contract *5 hoes, 10 carrying baskets, 5 carrying sticks, and 5 flashlights*
5. The Contractor will be One Time work not later than*31 May 2008*.
6. The Project Owner has the right to cancel the contract in the event that:
 - **15 days** after the Start Date, the Contractor has not started work;
 - **30 days** after the Restoration Completion Date, the Works are not yet in good condition;
 - At any time during the Continuing Maintenance Period, the Works are not in good condition for a period of more than 30 days.
7. In the case of a dispute arising from the implementation of the Contract, the Provincial/ Municipal Governor of *Pursat* will be asked for assistance and advice in settling the dispute.

In witness of what has been agreed above, the signatures of the authorized representatives of the Project Owner and Contractor are affixed below on the date shown.

Project Owner		Contractor	
Name	: -----	Name	: -----
Position	: -----	Position	: -----
Date	: -----	Date	: -----

3.12.7. Schedule of Maintenance Works

- Definition of the Works:**Maintenance of Road from Kandeing Commune Office to Takry bridge at Phum Thmei..... (Describe the Works and attach a map showing the location).....
- Size of the Works:**..... Laterite road 3.5 km long and 4m wide..... (Provide enough information so that the Contractor can estimate how much work is needed).....
- Definition of Good Condition** (Enter all the indicators of good condition that will be monitored by the Project Management Committee)

Indicator	Target condition	Minimum acceptable condition	Method of measurement
<i>Camber</i>	<i>7%</i>	<i>5%</i>	<ul style="list-style-type: none"> <i>Use a straight wood beam 2.5m long, laid on the road surface, to measure camber and pothole depth</i> <i>Estimate % of surface covered by potholes.</i>
<i>Pothole depth</i>	<i>No potholes</i>	<i>No potholes more than 5 cm deep</i>	
<i>Side slopes</i>	<i>Side slopes protected by grass cover everywhere No erosion damage</i>	<i>No areas bigger than 1 m² without grass No holes more than 10 cm deep</i>	<i>Inspection</i>
<i>Side drains and culverts</i>	<i>Water can flow freely in side drains and culverts</i>	<i>No obstructions in drains or culverts</i>	<i>Inspection</i>

- Present Condition of the Works** (Describe the present condition against the same indicators as in Part 3)

From	To	Condition	Comments
<i>0m</i>	<i>180m</i>	<i>Fair</i>	<i>Some small obstacles in drains need clearing</i>
<i>180m</i>	<i>500m</i>	<i>medium</i>	<i>Camber 2% - 5%. Potholes up to 60 mm deep cover about 30% of the road.</i>
<i>500m</i>	<i>1,200m</i>	<i>Fair</i>	<i>830m: Culvert is blocked and needs to be cleared 950m: Side slope is damaged by cows</i>
<i>1,200m</i>	<i>1,260m</i>	<i>Bad</i>	<i>Road damaged by flooding. New laterite needed in this section</i>
<i>1,260</i>	<i>1,550m</i>	<i>Fair</i>	

5. Other Relevant Information (Enter any other information that is relevant)

For a road maintenance contract this should include an estimation of the amount of traffic on the road expressed as:

- Bicycles, motos, Cow's carts, Horse's carts: 200 per day
- Cars and small trucks (less than 5T): 20 per day
- Big trucks (more than 5T): non

3.12.8. The Contract Information Form

The Contract Information is a summary of the contract that is submitted to P/M LAU by the C/S Chief. P/M LAU will use the Contract Information for monitoring and reporting. The Contract Information will be entered in a database of C/S development projects.

The Contract Information is following:

1. Contract Code Number

This number will be of the form: **XXXXXX / YY / NN/SS**

- **XXXXXX** will be the full GIS code of the Commune or Sangkat
- **YY** will be the year (for example 08 for 2008)
- **NN** will be a number for the contract (For example, 01 for Number of contract 1)
- **SS** will be number of times a contract is signed. For example 01 represents the first time of contract signing by the first contractor, and 02 represent that the same contract has been signed by the second contractor.

Example: The first time a contract is awarded the first contract issued by the commune with C/S Code 987654 in year 2008 will be Contract number: 987654/08/01/01. If the first contractor gives up, the second contract signed with a new contractor will have the contract number 987654/08/01/02.

After the C/S Chief has given a code number to the contract, this code number must be used on all reports and payment requests relating to the contract. The Provincial/ Municipal Treasury must use this code number to record payments under the contract.

2. Name of Contract

3. Sector

4. Project Type

5. Type of Contract (This can be either "Construction works or Services).

6. Name of implementer. Write the name of the contractor or Service Provider.

7. Name of implementing agency: Name of Company or Institution and Organization.

8. Name, Status and Institution of Technical Supervisor

Write the name, status and institution of the Technical Supervisor (Example: "TSO," "DoWRAM," "Private Engineer", etc.

9. Contract Conditions

Most works contracts will use the standard works contract conditions document. Tick one option, either "Standard Contract Conditions," or "Other Contract Document."

10. Technical Specification

The specifications in the NCDD Manual will apply to the contract (there are two NCDD Technical Manuals: Technical Manual for infrastructure projects and Technical Manual for services project), tick this option. There is no need to attach the technical specifications to the contract. However, if a different specification is used, tick this option and attach a copy of the specification with the form.

11. Start Date

This is the date on which the contract starts, and the contractor or service provider will start to work.

12. Completion date.

This is the date on which the contractor or service provider must finish his work. (Note that the contractor or service provider can make a work plan to finish earlier than this date, if he wants to).

13. Maintenance period for construction contract

This is the length of the maintenance period after the contractor has finished construction. For Commune/Sangkat construction contracts, the maintenance period must be **6 months**.

14. Payment Schedule, Contract Price and Source of funds

This section shows the payment schedule. For each payment, it shows:

- The date when the payment will be due;
- The conditions for the payment;
- Amount from the C/S Fund and/or Amount of C/S Budget
- Amount from Local Contribution;
- Amount from any other source. Write in the source and amount of funds.
- Total Contract Price: All the money from all sources added together must equal the total amount of the contract.

15. Signature

The C/S Chief and Technical Supervisor sign the Contract Information Form.

16. Dissemination

- One copy of the Contract Information Form is sent to P/M LAU;
- One copy of the Contract Information Form is sent to Provincial Treasury;



One copy of the Contract Information Form must be placed in the Project File at the C/S Office.

Form 53

Contract Information						
Province: <i>Kampong Thom</i>			Commune: <i>Kampong Svay</i>			
District: <i>Kampong Svay</i>			Contract No: <i>987654/08/01/01</i>			
Description of Contract: <i>Road Construction</i>						
Sector: <i>Economy</i>			Type of Project: <i>Rural Transportation</i>			
Works Contract: <input checked="" type="checkbox"/>			Service Contract: <input type="checkbox"/>			
Name of implementer: <i>Sok Mongkol</i>			Name of implement agency: <i>Sok Mongkol Company</i>			
Name of Technical Supervisor: <i>Muok Seila</i>			Status: <i>TSO</i>			
Method of selecting the contractor			Bidding <input checked="" type="checkbox"/>		Negotiation <input type="checkbox"/>	
Date of bidding meeting: <i>25/03/08</i>			Number of bidders: <i>8 persons</i>			
Contract Conditions		Standard Contract Document			<input checked="" type="checkbox"/>	
		Other Contract Document				
Technical Specifications		NCDD Technical Manual			<input checked="" type="checkbox"/>	
		Other Technical Specification (attached)				
Start Date: <i>01/04/08</i>		Completion Date: <i>30/11/09</i>		Maintenance Period: <i>6 months</i>		
Payment Schedule, Contract Price and Source of Funds						
No	Description	Amount	Sources of Fund			
			C/S Budget	Local Contribution	Others	
		Amount			Source	
1						
2						
3						
Total Contract Price						

Date:.....
C/S Chief

Date:.....
Technical Supervisor

3.12.9. Amendments

The C/S Chief and the Contractor or Service Provider have the right to agree to an amendment to the contract. The following details of the contract can be the subject of an amendment:

- The quantities of outputs;
- The locations of outputs (provided that the new locations have received technical clearance);
- The time for completion of the contract;
- The payment schedule;
- The name of the Technical Supervisor;

Amendments must be recorded on the Contract Amendment Form. The Contract Amendment Form must be added to the contract documents. It does not replace any part of the original contract documents. The original contract documents stay exactly the same, but the amendment form is added to them.

If the Amendments change the contract information and contractor, or service provider's, work plan, C/S Chief, Technical Supervisor and Contractor, or Service Provider, must review:

- Contract information should be compatible with the amended contract and the title of the form should read: "**Amendment No....**" (Amended Contract Information No....). The Amended Contract Information will be prepared in three copies with one copy kept in the project files in the C/S Office, one copy will be sent to P/M Treasury and one copy will be sent to P/M LAU.
- The Contractor or Service Provider's Work Plan should be compatible with Amended Contract and entitled: "**Amendment No....**" (Amended Contractor or Service Provider's Work Plan No....). Two copies of the Amended Contractor or Service Provider's Work Plan will be prepared. One copy will be kept in the project files in the C/S Office and one copy will be kept by the Contractor or Service Provider.

The following items **cannot** be the subject of an amendment:

- The type of outputs;
- The technical quality of the outputs (although minor changes that will not affect quality can be agreed);
- The unit cost of the outputs.

If, after the bidding, the C/S Council wants to change any of these details, they must cancel the contract and begin procurement again.

Note: The unit prices shown on the Contract Amendment Form must be the same as the unit prices on the winning bid form.



There are 3 original copies of the amendment:

- One copy is kept in the Project File at the C/S Office
- One copy is kept by the contractor or Service Provider and
- One copy shall be sent to Treasury

Form 54

C/S Contract Amendment Number....(1st, 2nd)....						
Province:		District:		Commune:		
Name of Contract:				Contract Number:		
Reason for Amendment of the contract:						
Items that are amended				Changed	Stay the same	
Quantity of outputs						
Locations of outputs (attach Location Plan)						
Time for Contract Implementation						
Schedule of Payments						
Technical Supervisor						
Amended Contract Outputs						
No.	Description	Village	Qty	Unit	Cost/Unit	Total
Total Amended Contract Price						
Amended Time for Contract Implementation						
Starting date:				Completion date:		
Amended Schedule of Payments						
Steps of Payment		Amount	Scheduled Date		Payment Conditions	
Name of Technical Supervisor:				Position:		

Date:.....
C/S Chief

Date:.....
Contractor

3.13. Contract Supervision and Payments

3.13.1. Start of Work Meeting

A). Works Contract

The C/S Chief will organize a meeting of the Project Management Committee at the construction site before starting the contract implementation. The Contractor, the Works Manager, the Technical Supervisor and DFT must attend this meeting. The purpose of the meeting is:

- So that the Project Management Committee, Work Manager and Technical Supervisor all know each other.
- To make sure about the correct position where the project output will be constructed.
- To solve any small problems there may be.

B). Service Contract

The C/S Chief will organize a meeting of the Project Management Committee at the project site before starting the contract implementation. The Service Provider, the Technical Supervisor must attend this meeting. PFP/DFT should also attend this meet. The purpose of the meeting is:

- So that the Project Management Committee, Service Provider and Technical Supervisor all know each other.
- To make sure about the correct position where the project output will be implemented.
- To solve any small problems there may be.



The minutes of the Start of Work meeting and all other meetings of the Project Management Committee, must be kept in the Project File at the C/S Office.

3.13.2. Monitoring of Implementation

A). What is monitoring of implementation?

Monitoring means following, (checking), the work of the contractor day by day and making sure that the contractor or service provider implements the project according to the drawings, the specifications and work plans. In any construction projects and service projects, there will be small problems to solve and decisions to make during the process of project implementation. The contractor or service provider **implements** the contract, the C/S Chief **monitors**, and the Technical Supervisor **supervises**. However, the C/S Chief, the Technical Supervisor and the contractor or service provider must all work together as a team to make the project successful.

B). Role of the Project Owner's Representative

The Project Owner's representative, (he is the member of the Project Management Committee for the village), monitors the contract implementation every day on behalf of the C/S Chief. The Project Owner's representative will use a Technical Check List provided by Technical Supervisor to monitor and check the contract implementation of Contractor or Service Provider. The Technical Supervisor can teach Project Owner's Representative to do some contract implementation supervision tasks.

Examples: Tasks the Project Owner's Representative can do in construction contract such as:

- Count the number of bags of cement the contractor uses,
- Count how many times the contractor compacts soil or laterite with the roller, and
- How thick and wet the layers of soil or laterite are.

Examples: Tasks the Project Owner's Representative can do in a service contract:

- Check the number of training courses that service provider gave;
- Check the quantity and quality of materials, animals and seeds;
- Check the number of demonstrations.
- ...etc.

The most important job of the Project Owner's Representative is to call the Technical Supervisor when he thinks it is necessary. Under the contract, the Project Owner's Representative has the right to tell the Contractor to stop work for 2 working days so that the Technical Supervisor can come to inspect.

C). Role of the Technical Supervisor

The Technical Supervisor is responsible for the technical supervision of the implementation of the Contract. He has **four** important tasks:

- Advise the C/S Chief and the contractor or service provider about technical matters;
- Provide Technical Check Lists according to the project and explain on how to use this check list. The technical check list is in the NCDD Technical Manual.
- Train the Project Management Committee or Project Owner's Representative on technical aspects of their role in contract monitoring;
- Prepare progress reports certifying the quantity and quality of work done according to the key technical stages and work plan and according to the request from C/S Chief.

The Technical Supervisor should visit the site as often as possible and should **always** know the progress of the contract.

The Technical Supervisor should identify stages of the work where he will inspect to check the quality, before work can continue. These stages should be shown on the work plan. When the contractor or service provider reaches these stages, he must stop work and wait for the Technical Supervisor to come and inspect.

Example: For the construction work the Technical Supervisor should check the depth of the excavation for a foundation, before the contractor constructs the foundation. The Technical Supervisor should inspect the diameter and the spacing of reinforcement steel, the distance between the steel and the mould, the strength and position of the mould, etc. before the contractor pours the concrete.

Example: For the service contract the Technical Supervisor should check the quality and numbers of the seeds or seedlings before service provider distributes to project beneficiaries.

If the Contractor or Service Provider does not wait for the Technical Supervisor to inspect the work at the stages shown on the work plan, or if the Contractor or Service Provider does not stop work when the Project Owner's Representative instructs him to stop, for the construction work the Technical Supervisor can instruct the Contractor to destroy the work and construct it again. For service project the Technical Supervisor can instruct service provider to collect the unsuitable materials or seeds and replace them with acceptable materials or re-provide the services.

Even if the construction is the correct quality, the contractor or service provider is wrong because he must wait for the Technical Supervisor to inspect and approve the work.

The Technical Supervisor does not have right to agree any changes to the work. Only the C/S Chief has the right to agree any changes to the work.

3.13.3. Construction Plans (for construction work)

The Work Manager, the Project Owner's representative and the Technical Supervisor must each have a copy of the plans. These copies are the "Working Copies" they will be used to look at to check the progress of the construction. The Contractor is responsible to make the Working Copies of the construction plans and to distribute them to the people who need them in the Start of Work Meeting.

The "Working Copies" of the plan are in addition to the record copies attached to the construct document. There are 3 Working Copies for using in working and 2 record copies for attachment with the contract, making 5 copies.

If any changes are agreed to the design, the changes must be shown clearly on all copies of the drawings.

3.13.4. Site Works Notebook (For Construction Work)

The Work Manager must have a Site Works Notebook which he always keeps with him at the site. It is written in the contract conditions that the contractor must provide this book.

The Project Owner's representative has the right to read the notebook and write the observations in this notebook.

The Technical Supervisor can read the notebook and also use it to write down instructions and advice given to the Work Manager. Then the Work Manager will not forget what the Technical Supervisor has told him. Technical Supervisor must write the comments or instructions, date and sing of all his/her site visit the construction.

When completion of construction, Work Manager must provide this used site works notebook to C/S Chief in the completion of work meeting and C/S Chief must keep it in the project documents.

3.13.5. Certifying of Works and Approval of Payment

A). What is Certifying of works and approval of payment?

The Contractor or Service Provider cannot get any payment in advance. Non-profit organizations can get payments in advance. The Contractor or Service Provider can only be paid for work he has already completed to an acceptable quality.

The Technical Supervisor is responsible to certify the quantity and the quality of work performed by the Contractor or Service Provider. The Technical Supervisor prepares the progress report of the contract implementation and the end of contract report to the C/S Chief. The C/S Chief must hold a meeting of the Project Management Committee at the project site to review and evaluate the work or services by comparing the actual outputs with the progress report or end contract report before approving the payment for the contractor or the service provider.

B). The Progress Report

The Progress report is a report of the results of the works (Quantity and quality) that have been achieved in time of reporting compared with the work plan. This progress report is made by Technical Supervisor to the C/S Chief. The Progress Report shows:

- the general progress of the works;
- the estimated percentage of the total value of the works, that has been completed;
- is the quality of the materials used acceptable, or not;
- is the quality of the contractor workmanship acceptable, or not; or the services provided by the service provider meet the specification;

- for construction contracts, the contractor follow the design, (including any changes that have been agreed to);
- any other comments.

This report is **not** required to be attached with the payment order for release of payment/cash from the provincial/municipal Treasury.



The Progress Report must be placed in the Project File at the C/S Office.

C). Approval of Payment Meeting

If the above conditions are fulfilled, the C/S Chief will call for a meeting of the Project Management Committee. This meeting must be held in public at the work site. The Technical Supervisor must attend this meeting. PFT/DFT should attend as observers and facilitators. The Contractor or Service Provider should also attend.

At the meeting, the C/S Chief, the Project Management Committee and members of the public will have the opportunity to question the Technical Supervisor about his report, and to express their own opinions about the quality of the work. The minutes of this meeting must be recorded by the C/S Clerk. If the result of the meeting is an agreement that payment is now due, the C/S Chief must now issue a Certificate for Payment to Contractor or Service Provider.

The original minutes of the meeting must be attached to the Payment Order and send to province/municipality Treasury.

Note that if any payment is delayed for more than 1 calendar month after the Due Date for Payment, the C/S Chief will pay to the Contractor or Service Provider at the rate of **2%** of the amount of the payment due for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of days during which the payment is delayed will automatically be added on to the time for completion of the project. This applies even if the delay is caused because there is not enough money in the C/S account at Provincial Treasury.

In case the C/S Chief has to pay to the Contractor or Service Provider for late payment the C/S Chief can use money to pay for this late penalty from:

- C/S funds remaining from the bidding;
- C/S funds remaining from other budget lines by amendment of C/S budget

C/S Chief should follow the procedure as below:

- Call for a meeting of the C/S councilors to check the cause of delay and decide the budget for payment to Contractor or Service Provider.
- Issue a Payment Order based on actual amount of payment due to the Contractor or Service Provider and attach the C/S Council meeting minutes.



The minutes of the Approval of Payment meeting must be placed in the Project File at the C/S Office.

3.13.6. Delays

Under the contract, the Contractor or service provider must complete the work within the time shown on the Contractor or Service Provider's Work Plan. If the work is delayed, the Project Owner can reduce the payment to the Contractor or Service Provider by **0.1%** of the total price of the project for every day after the Works Completion Date shown in the Contractor's Work Plan, until the work is complete. The reduction is up to a maximum of **10%**.

Before reaching the decision to deduct the late completion penalty of 0.1% of the contract price per day, the C/S Chief should inform the Contractor or Service Provider to start or continue contract implementation.

The late completion penalty cash paid from the Contractor or Service Provider C/S Chief is to be kept in the same budget line of the contract. The funds can be used for:

- Increasing output of the contract;
- Other project activities. In this case C/S Chief should amend the budget plan and prepare a project follow the usual project design procedures;
- Keep for using future activities.

If a delay is caused by an unusual event which the Contractor could not have foreseen when he signed the Contract, the Contractor or Service Provider can apply for an Extension of Time. The C/S Chief will ask the Technical Supervisor to advise on whether an Extension of Time is justified. If they agree, the C/S Chief should prepare an Amendment to the contract, using the Contract Amendment Form, to approve the extension.

For Example:

- A flood in January is an unusual event. It is an event which the Contractor could not have foreseen.
- Rain in June is not an unusual event. The Contractor or Service Provider could have foreseen this event when he signed the contract. It is not a reason to approve an extension of time.

The Contractor or Service Provider must apply for the extension of time as soon as the event that causes the delay happens. The Contractor or Service Provider must not wait until the time of the contract has already finished.

3.13.7. Completion of Work Meeting

A). Construction Contract (Meeting at Construction Site)

When the works are 100% complete there will be another Approval of Payment meeting following the procedure described above. If the payment is approved, the date of this meeting will be considered as the actual completion date of the works. The maintenance period will start from this date.

B). Service Contract

When the services are 100% complete there will be another Approval of Payment meeting following the procedure described above. If the payment is approved, the date of this meeting will be considered as the actual completion date of the services.

3.13.8. Monitoring during the Maintenance Period (For Construction Contract)

The contract is not complete when the Works are complete. The Contractor is responsible for maintenance during the maintenance period. All C/S construction projects must have a maintenance period. There is no kind of construction that does not need a maintenance period. The final payment of the contract value is not just a guarantee. It is enough to cover the cost of maintenance during this period. If maintenance is needed and the Contractor does not carry out the work, the C/S Chief can cancel the contract and use this money to pay another contractor to do the maintenance by other means.

It is important to understand what kind of damage the Contractor is responsible to repair during the maintenance period. Under the Standard Contract Conditions, the Contractor is only to repair damage that is caused by a fault of the Contractor; or that is caused by normal use of the project output. The Contractor is not responsible to repair damage that is caused by a mistake in the project design or unusual events that occur during the maintenance period.

For example, the design shows a road embankment is 1m high. The Contractor builds the embankment 1m high, the same as in the design. In the wet season the water rises up more than 1m and the road is damaged. That is an unusual event and it is not the mistake of the Contractor and he is not responsible for the cost of repairing the damage.

The C/S Chief is responsible to monitor the contract output during the maintenance period. If there is a problem, he must call the Technical Supervisor to come and inspect the works. If the Technical Supervisor agrees that the damage is caused by the poor workmanship or poor materials of the Contractor, the C/S Chief must contact the Contractor and instruct him to come back and repair the damage immediately.

3.13.9. End of Contract Report

A). Construction Contract

At the end of the maintenance period the C/S Chief and Technical Supervisor should inspect the works again. The Technical Supervisor must make a Contract Completion Report. This report will be discussed and approved by a meeting of the Project Management Committee, in public at the works site, following the same procedure as for the other Progress Reports.

B). Service Contract

When the activities set out in the contract and the work plan are completed, the C/S Chief and Technical Supervisor should inspect the services, (and also goods if these form part of the service contract) again. The Technical Supervisor must make a Progress Report. This report will be discussed and approved by a meeting of the Project Management Committee, in public at the works site, following the same procedure as for the other Progress Reports.

3.13.10. Implementation of Purchase Orders

For a purchase order, the C/S Chief must issue a purchase order to the Goods Supplier recommended by the Procurement Committee. The Goods Supplier must deliver the goods to the place specified in the purchase order, on the date specified in the purchase order.

If the Goods Supplier does not deliver the goods on the date specified, or within 5 working days for purchases less than 2,000,000 Riels (Two million riels) or 10 working days for purchases over 2,000,000 Riels (Two million riels) the C/S Chief has the right to cancel the order and to order the goods from a different Goods Supplier.

When the goods are delivered, the C/S Chief and the Technical Supervisor must inspect the goods. They must check that:

- The Goods Supplier has delivered the correct type of goods;
- The Goods Supplier has delivered the correct quantity of goods;
- The goods are in good condition and are not damaged in any way;
- If the goods are equipment, the equipment functions correctly;
- Any other conditions for the purchase have been fulfilled.

The Technical Supervisor must make a Receipt of Goods Report to the C/S Chief. If the report shows that everything is correct, the C/S Chief shall issue payment order for Payment.

3.13.11. Fill in the Progress Report**A). Contract Progress Report for Construction Work (Form 55)****Example 1**

Contract Progress Report of the Construction Work		
Province: <i>Siem Reap</i>	District: <i>Krolanh</i>	Commune: <i>Srey Snom</i>
Name of Project	<i>Khum Srey Snom Road Project</i>	
Contract Number	<i>987654 / 08/01/01</i>	
Name of Contractor	<i>Neak Thort</i>	
Name of Technical Supervisor	<i>Muok Seila</i>	
Date of Measurement	<i>16/05/08</i>	
1. Describe the progress of the works: <i>All culverts completed and good condition.</i> <i>1.2 km of Laterite complete.</i>		
2. Percentage of Completion		<i>50%</i>
3. Is the quality of materials used acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
4. Is the quality of the contractor's workmanship acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
5. Is the contractor following the design or not? (If not, explain what is incorrect.)		<i>Yes</i>
6. Any other comments? <i>Completed conditions for release of first payment.</i>		

Date:.....
Technical Supervisor

Example 2

Contract Progress Report of the Construction Work		
Province: <i>Siem Reap</i>	District: <i>Krolanh</i>	Commune: <i>Srey Snom</i>
Name of Project	<i>Khum Srey Snom Road Project</i>	
Contract Number	<i>987654/08/01/01</i>	
Name of Contractor	<i>Neak Thort</i>	
Name of Technical Supervisor	<i>Muok Seila</i>	
Date of Measurement	<i>30/05/08</i>	
1. Describe the progress of the works: <i>All culverts completed and in good condition. 3.0 km of Laterite complete. Tests show average thickness of Laterite only 120 mm from chainage 1,000m to 2,000m. Not acceptable (Should be 15 mm thick).</i>		
2. Percentage of Completion		<i>95%</i>
3. Is the quality of materials used acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
4. Is the quality of the contractor's workmanship acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
5. Is the contractor following the design or not? (If not, explain what is incorrect.) <i>Thickness of Laterite must be 150 mm according to the drawings and specification.</i>		<i>No</i>
6. Any other comments? <i>Contractor must put more Laterite to increase until thickness 150mm. We will test again before next payment is approved.</i>		

Date:.....
Technical Supervisor

Example 3

Contract Progress Report for Construction Work		
Province: <i>Siem Reap</i>	District: <i>Krolanh</i>	Commune: <i>Srey Snom</i>
Name of Project	<i>Khum Srey Snom Road Project</i>	
Contract Number	<i>987654 /08/01/01</i>	
Name of Contractor	<i>Neak Thort</i>	
Name of Technical Supervisor	<i>Muok Seila</i>	
Date of Measurement	<i>05/06/08</i>	
1. Describe the progress of the works: <i>Average thickness of Laterite only 140 mm over 10 tests.</i>		
2. Percentage of Completion		<i>100%</i>
3. Is the quality of materials used acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
3. Is the quality of the contractor's workmanship acceptable, or not? (If not, explain what is defective.)		<i>Yes</i>
4. Is the contractor following the design or not? (If not, explain what is incorrect.)		<i>Yes</i>
6. Any other comments? <i>Contractor has transported equipment and materials off the project site and the project site has been cleaned following the requirements of the contract. Contractor has completed conditions for release of second payment.</i>		

Date:.....
Technical Supervisor

B). Contract Completion Report for Construction Work (Form 56)

Contract Completion Report for Construction Work (To be completed at end of the maintenance period)		
Province: <i>Siem Reap</i>	District: <i>Krolanh</i>	Commune: <i>Srey Snom</i>
Name of Project	<i>Khum Srey Snom Road Project</i>	
Contract Number	<i>987654/08/01/01</i>	
Name of Contractor	<i>Neak Thort</i>	
Name of Technical Supervisor	<i>Muok Seila</i>	
Date of Measurement	<i>12/12/09</i>	
1. Describe the condition of the works: <i>All works complete and maintained in good condition to end of maintenance period. Contractor carried out maintenance one time at end of maintenance period.</i>		
2. Works to be completed by Contractor before making final payment.		
3. Any other comments? <i>The Contract completed final condition for Final payment and should now be released.</i>		

Date:.....
Technical Supervisor

C). Progress Report of the Service Contract (Form 57)

Contract Progress Report for Service Contract		
Province:	District:	Commune:
Name of Project		
Contract Number		
Name of Service Provider		
Name of Technical Supervisor		
Date of Measurement		
1. Describe the progress of the services:		
2. Percentage of Completion		
3. Is the quality of material/seed used the same contract condition? (If not, explain what is defective.)		
4. Is the quality of the services implemented same as the contract condition? (If not, explain what is defective.)		
5. Any other comments?		

Date:.....
Technical Supervisor

D). Contract Completion Report of the Service Contract (Form 58)

Contract Completion Report for Service Contract		
Province:	District:	Commune:
Name of Project		
Contract Number		
Name of Service Provider		
Name of Technical Supervisor		
Date of Measurement		
1. Describe the progress of the services:		
2. Percentage of Completion		
3. Is the quality of material/seed used the same contract condition? (If not, explain what is defective.)		
4. Is the quality of the services implemented same as the contract condition? (If not, explain what is defective.)		
5. Any other comments?		

Date:.....
Technical Supervisor

Part 4
MONITORING AND EVALUATION
OF COMMUNE/SANGKAT FUND
PROJECTS

Part 4

MONITORING AND EVALUATION OF COMMUNE/SANGKAT FUND PROJECTS

4.1. Purpose of monitoring and evaluation

Before we can talk about how to organize Monitoring and Evaluation (M&E), it is a good idea to give a definition of what we mean by monitoring and what we mean by evaluation.

A). Monitoring

Monitoring is the process of collecting information about the progress of the project. This information is collected all the time, as long as the work goes on. Collecting the information is a normal part of day-to-day work. The purpose of doing that is to help decide whether activities are being done as planned. The information is used to make decisions about improving the management and implementation of the project.

B). Evaluation

Evaluation is a process to measure if a project has the result that was desired: does it do what we intended it to do? We can learn lessons from evaluation we can use in the future. Evaluation is done by examining if the project objectives – the reasons why this project was done – were achieved. Project evaluations are separate activities, usually done at the end of a project.

This section is mainly concerned with monitoring. Evaluation of the results of the project is carried out as part of the overall evaluation of the performance of the C/S Council towards the end of its term of office. In 2006, the Ministry of Interior issued guidelines to the C/S on how to do this. However, the effectiveness of certain parts of the system will be evaluated in order to improve their effectiveness. This includes:

- overall evaluation of the technical standards achieved;
- evaluation of the capacity and performance of contractors;
- evaluation of the capacity and performance of the Technical Assistant and Technical Supervisors.

This section is not only concerned with monitoring and evaluation of C/S Fund Projects. It can also be used for the projects which were implemented by C/S Councils using other sources of funds.

4.2. Roles and Responsibilities

4.2.1. The Commune/Sangkat Council

The C/S Council is responsible to monitor the implementation of the C/S Development Plan. Overall monitoring of the process of project implementation is part of this process.

***Remember that the C/S Chief is responsible for implementation of the plan.
The role of the Council is to monitor implementation.***

The whole Council is responsible to approve the Annual Report of the C/S Council, prepared by the C/S Chief.

Individual Councilors may also take part directly in monitoring tasks. In particular, one member of the Council and one member of the Planning and Budgeting Committee will be nominated as the Commune/Sangkat Focal Point for Monitoring and Evaluation.

4.2.2. The Commune/Sangkat M&E Focal Point

The C/S M&E Focal Point is responsible to:

- coordinate all monitoring and evaluation activities in the Commune/Sangkat.
- cooperate with relevance institutions to train the other C/S Councilors and Planning and Budgeting Committee (PBC) in the basics of C/S monitoring and evaluation in their Commune/Sangkat.
- regularly monitor the progress of contracts in their Commune/Sangkat. She or he should visit the project site at least one time per week and should discuss with the Technical Supervisor and the Project Owner's Representative, in order to monitor the progress of the contract.
- encourage people living in the Commune/Sangkat to take part in monitoring and evaluation activities.
- report on the progress of implementation and indicate if there are problems to C/S Council or the PBC in the regular meetings.

4.2.3. The Project Owner's Representative

The task of the Project Owner's Representative is to monitor the activities of the contractor in implementation of the contract. This role is described fully in Part 3, section 3.6 on Contract Supervision and Payments.

4.2.4. The Commune/Sangkat Chief

The C/S Chief is responsible for preparing monthly and annual Reports of the C/S Council. The C/S M&E Focal Point will assist the C/S Chief in the preparation of these reports.

4.2.5. The Technical Support Unit (TSU)

The Technical Support Official (TSO) performs some key monitoring tasks on behalf of the Provincial/Municipal Governor. In the role of Technical Adviser to the Commune/Sangkat, the TSO help to prepare the information on the Project Information Form and the Contract Information Form for infrastructure projects. The TSO will also report to the Governor on the conduct of the bidding process of all C/S projects to certify that this was carried out correctly. In many cases, the TSO will also perform the duties of the Technical Assistant and Technical Supervisor for infrastructure projects.

The Chief or Vice Chief of the Technical Support Unit must conduct periodic field inspections of selected Projects to inspect:

- The quality of construction: "Does the quality of construction follow the technical standards?"
- The performing of the roles and duties of the TSO: "Did the TSO perform their roles and duties correctly?"

4.2.6. The Technical Supervisor

The job of the Technical Supervisor is to supervise the implementation of the contract and to certify the quality and quantity of the work carried out. This job is concerned mainly with contract management, not with monitoring and evaluation. The Technical Supervisor must prepare the progress reports that show the quantity and quality of the work carried out by the contractor or service provider according to the main technical stages shown in the work plan and according to the requests of the C/S Chief. The Progress Reports made by the Technical Supervisor will be used to record progress in the Project Implementation Database (PID).

4.2.7. The Provincial/Municipal of Local Administration Unit (P/MLAU)

P/MLAU is responsible to oversee the implementation of monitoring and evaluation of C/S Councils in accordance with approved guidelines from the Ministry of Interior.

P/MLAU also assists the C/S Councils and in particular the M&E Focal Point in carrying out monitoring and evaluation tasks.

P/MLAU monitor the progress of all C/S contracts implementation by comparing the progress reports information with the provincial/municipal treasury monthly cash situation summary reports and reporting the results of this comparison to the Ministry of Interior.

P/MLAU is responsible to manage the Project Implementation Database (PID) according to the procedures of PID Manual.

The District Facilitation Team or the Provincial Facilitation Team (DFT/PFT) performs monitoring tasks for C/S Services contract implementation on behalf of the Provincial/Municipal/Governor.

The Chief or Vice Chief of the P/MLAU must conduct periodic field inspections of selected Projects to inspect:

- the quality of service provision: "Does the quality of service provision follow the technical standards?"
- the performing the roles and duties of DFT/PFT: "Did the DFT/PFT perform their roles and duties correctly?"

P/MLAU will collate information on the performance of contractors from the C/S reports and consolidate these reports for the contractor pre-qualification sub-committee.

4.2.8. The Technical Audit Committee

The Technical Audit Committee is a sub-Committee of ExCom which monitors the technical quality of C/S fund projects and the effectiveness of land acquisition and environmental safeguards.

The membership of the technical audit committee will be decided by ExCom. However, the membership should include:

- one ExCom member;
- one member from TSU (for infrastructure projects);
- one member from P/M LAU;
- other members or advisers as necessary.

The Technical Audit Committee will carry out technical audits of a proportion of C/S Fund projects. Technical Audits will be carried out after a contract has been completed and payments have been made.

ExCom may also ask the Technical Audit Committee to investigate if there is a problem or a dispute during the implementation of a contract and if the problem cannot be solved between the C/S Chief, the Contractor or Service Provider and the Technical Supervisor.

4.2.9. Department of Local Administration and Ministry of the Interior

The Ministry of the Interior is responsible to report on the monitoring of the performance of the C/S Councils in the utilization of the C/S Fund's resources, and for reporting to the C/S Fund Board. P/M LAU will collect information on the implementation of projects and report to Mol/DoLA (Department of Local Administration), using written reports and the Project Information Database, as part of this task. However, monitoring and evaluation of C/S Fund projects also allows lessons to be learned and problems to be identified and corrected at the Commune/Sangkat and at the Provincial levels.

4.3. Monitoring of C/S Fund Project Implementation

The main monitoring activities for the C/S Fund Projects are set out in the table on the next page.

The table shows what is monitored, who is responsible, how the monitoring is done (monitoring instrument), how the data is recorded, and when the monitoring is done.

Most of these activities have been described in detail in other sections of this Manual. The section describing the activity is identified in the first column of the table. However, the process of Technical Audit has not been described already, so this is described in Section 4.4 below.

4.3.1. Monitoring of Commune/Sangkat Fund Projects

What is monitored	Who monitors	Instrument	Recording	When
Project Information	P/MLAU	Project Information Form	PID	Completion of project studies
Procurement process	TSU	Observation of bidding meeting	Report to P/MLAU	All bidding meetings
Procurement outcomes	P/MLAU	Contract Information Form	PID	Completion of procurement
Contract Implementation	Project Owner's Representative, Project Management Committee /M&E Focal Point	Monitoring of Contractor and Service Provider activities	C/S Council Monthly Report	During implementation of contract
Quantity and quality of works	Technical Supervisor	Supervision and measurement of works	Progress Report PID	
Land Acquisition compensation plan	Trained official	Discussion with stakeholders	Report to P/MLAU	Before procurement After completion of works
Environmental Management Plan	Trained official	Discussion with stakeholders and site visits	Report to P/MLAU	Completion of contract
Technical Quality	Technical Audit Committee	Physical inspection	Technical Audit Report	Selected contracts, after completion
Effectiveness of safeguards		Discussions with stakeholders	PID	
Contractor and Service Provider Performance	Commune Council / M&E Focal Person		C/S Council Annual Report*	End of year
TSU and PLAU Performance				

4.3.2. Evaluation of Commune/Sangkat Fund Projects

What is evaluated	Who evaluates	Data required	Action taken	When
Performance of Contractors and service provider	Pre-Qualification sub-committee	<ul style="list-style-type: none"> C/S Council Annual Reports Contract Completion Reports Technical Audit Reports 	Revision of contractor list	Annually
Performance of TSU	ExCom	<ul style="list-style-type: none"> C/S Council Annual Reports Annual Report of TSU PID reports on workload of TSOs Technical Audit Reports 	<ul style="list-style-type: none"> Staff management actions Reallocate workload or recruit new staff, if some TSO have too much work 	Annually
Results vs. Objectives	CC			End of Council mandate

4.4. Technical Audit

4.4.1. What is a Technical Audit?

A Technical Audit is an investigation of a completed contract. The purpose is to evaluate the process of contract implementation and to identify if there are any aspects that could be improved in the future.

A Technical Audit is not part of contract supervision. Contract Supervision is the role of the Technical Supervisor. However, the Provincial/Municipal Governor may ask the Technical Audit Committee to investigate and report when there is a problem in implementation of a contract that cannot be solved by the C/S Chief, the Contractor or Service Provider and the Technical Supervisor.

4.4.2. When is a Technical Audit carried out?

A Technical Audit is carried out after a contract has been completed. There will not be enough time to carry out technical audits of all contracts, so the Technical Audit Committee should choose a percentage of contracts. The Committee should not choose which contracts to audit, until after the contract has been completed and the final payment has been approved. One reason for this is that when the Technical Supervisor makes the contract completion report, he will know that the Technical Audit Committee may come to check that what he has written is true.

A Technical Audit for a C/S Fund project should normally take about one morning or one afternoon.

4.4.3. Who should be on the Technical Audit Committee?

The membership of the technical audit committee will be decided by ExCom. However, the membership should include:

- one ExCom member;
- one member from TSU (for infrastructure projects);
- one member from P/M LAU;
- other members or advisers as necessary.

4.4.4. Process for Technical Audit

The process of technical audit may vary according to the type of project. However, the main steps that should be followed are:

Step 1: Desk Study

The Technical Audit Committee should be clear about the contract that they are going to audit. They should know what the contract outputs are, what time was allowed, and any special conditions. They should examine the Progress Reports, the Contract Completion Report and the minutes of Project Management Committee meetings. The Technical Audit Committee should do this before they go to the field to audit the contract.

Step 2: Site Visit

The Technical Audit Committee should visit the project site to inspect the completed works. The time of the visit should be arranged in advance so that all the stakeholders can be present. The stakeholders who should be there during the visit include:

- The C/S Chief;
- The C/S M&E Focal Point and Assistant Focal Point;
- The Contractor or Service Provider;
- The Technical Supervisor;
- The TSO (if he or she is not the Technical Supervisor for the contract);
- The DFT/PFT (if he or she is not the Technical Supervisor for the contract);
- Representatives of civil society organizations (e.g. CBO, NGO, User Group);
- Beneficiaries.

The Technical Audit Committee should inspect the completed works and discuss with the stakeholders. Matters that should be investigated include:

- the quantity and quality of the completed works, compared with the contract;
- the time taken to complete the works, compared with the time allowed in the contract;
- any problems that arose during contract implementation;
- any environmental impacts from the contract implementation;
- the quality of the contractor's or Service Provider's work;
- the quality of service provided by the Technical Supervisor;
- implementation of the Environmental Management Plan, if there was one;
- implementation of land compensation arrangements, if there was a Land Acquisition Report.

If they can not be clear about some aspects of the contract, by inspecting the works and talking to all the stakeholders together, the Technical Audit Committee should arrange to talk to some of the stakeholders alone and in private, in order to find out their true opinions. If it is not possible to do this at the time of the site visit, the Committee should try to do this another time.

4.4.5. Reporting of Technical Audit

The Technical Audit Committee should make a report on a standard form (see next section). Copies of the report should be sent to:

- ExCom
- P/M LAU
- TSU
- The Contractor or Service Provider
- The C/S Council

4.4.6 Example Technical Audit Report (Form 59)

Technical Audit Report								
Province: <i>Kompong Cham</i>			District: <i>Sreisanthor</i>			Commune: <i>Roseisrok</i>		
A. Information About the Contract								
Project Name: <i>Khum Roseisrok Road Project 2007</i>								
Contract Number: <i>123456/07/01/01</i>					Contractor: <i>Neak Thort</i>			
Name of Technical Supervisor: <i>Muak Seila</i>						TSO		<input checked="" type="checkbox"/>
						DFT/PFT		
						Line Department		
						Private		
Description of Project Outputs: <i>3.55 km of earth road and single 0.8m culverts in 4 places</i>						Contract Cost: <i>126,308,900 riel</i>		
No.	Description	Village	Quantity		Quality			Comments
			Planned	Achieved	Good	Fair	Bad	
1	<i>Earth road</i>	<i>Tnaot Leu</i>	<i>2.05km</i>	<i>2.05km</i>		<input checked="" type="checkbox"/>		<i>Some traffic damage</i>
2	<i>Earth road</i>	<i>Tnaot Krom</i>	<i>1.50km</i>	<i>1.50km</i>		<input checked="" type="checkbox"/>		
3	<i>Single 0.8m pipe culvert</i>	<i>Tnaot Leu</i>	<i>3</i>	<i>3</i>	<input checked="" type="checkbox"/>			
4	<i>Single 0.8m pipe culvert</i>	<i>Tnaot Krom</i>	<i>1</i>	<i>1</i>			<input checked="" type="checkbox"/>	<i>Headwall not correct shape</i>
Completion Date								
Planned Date: <i>30/09/07</i>			Actual Date: <i>10/10/07</i>		Comments: <i>Work delayed by heavy rain</i>			
Describe any problems that occurred during construction of the works: <i>Earth was too thin in some places, but contractor repaired it to the correct thickness</i>								
Evaluate the work of the contractor service provider: <i>OK except for some small mistakes</i>						Good		
						Acceptable		<input checked="" type="checkbox"/>
						Unacceptable		
						Evaluate the quality of service provided to the Commune/Sangkat by the Technical Supervisor						Good		☒
						Acceptable		
						Unacceptable		
						B. Environmental Issues		
Was an Environmental Analysis carried out for this Project?						Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
If Yes, has the Environmental Management Plan been correctly implemented?						Yes <input checked="" type="checkbox"/>		No <input type="checkbox"/>
Comments: <i>Teachers at school report no dust problems except when big cars go fast along the road.</i>								
Have there been any bad impacts on the environment as a result of the project?						Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>
Comments:								

C. Land Ownership Issues			
Was a Land Acquisition Report prepared for this project?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If Yes, were the land compensation agreements implemented correctly?		Yes <input type="checkbox"/>	No <input type="checkbox"/>
Comments			
Has any land user made any complaint about losing land because of implementation of this project? <i>No</i>			
D. Overall Assessment of the Project			
How much benefit will this project bring for the people in the commune? Give a score from 0 (no benefit) to 10 (very high benefit). <i>Villagers are very pleased with the result of the project</i>			Score <i>8</i>
E. Recommendations for Action			
Action to be taken	Reason for action	Who is responsible?	
<i>Protect road from big cars</i>	<i>Some big cars are using the road as a short cut</i>	<i>Commune Council</i>	
<i>Organise routine maintenance activity during 2004</i>	<i>Some small potholes and damage caused by ox carts</i>	<i>Commune Council</i>	
F. Who was consulted during the Technical Audit?			
C/S Chief	<input checked="" type="checkbox"/>	Contractor	<input checked="" type="checkbox"/>
C/S M&E Focal Point	<input checked="" type="checkbox"/>	Technical Supervisor	<input checked="" type="checkbox"/>
Others: <ul style="list-style-type: none"> <i>Villagers living beside the road.</i> <i>Village development committee</i> <i>Head teacher of school</i> 			
G. Members of the Technical Audit Committee and Signatures			
Name	Position	Signature	
Date of the Technical Audit:			

4.5. The Project Implementation Database

4.5.1. What is the Project Implementation Database?

The Project Implementation Database is a database of information on C/S Fund projects and the progress of C/S project implementation.

4.5.2. Who is responsible for the Project Implementation Database?

At Provincial level, P/M LAU is responsible for maintaining the database in collaboration with the Technical Support Unit. P/MLAU will prepare regular database progress reports on C/S contract implementation for submission to the ExCom and the Provincial/Municipal Governor. However, as much of the information in the database will be collected by the TSU, P/MLAU may agree with TSU that TSU are responsible for data entry, when this is appropriate.

At National level, the database will be maintained by the Department of Local Administration (DoLA) of Ministry of Interior. DoLA will provide up to date copies of the database to Secretariat of NCDD.

4.5.3. What information will be recorded in the Project Implementation Database?

1). Project Information

- The name and code of the Commune/Sangkat;
- The name of the project;
- The year when the CIP and project were approved;
- The sector/project type;
- The villages that will benefit from the project;
- The number of beneficiary households;
- The name of the Technical Assistant who helps the C/S Council to prepare the project.

2). Operation and Maintenance, and compliance criteria

- Estimated service life of the project outputs;
- Estimated periodic maintenance interval;
- Estimated cost of periodic maintenance;
- Estimated annual cost of routine maintenance;
- Estimated annual cost of operation;
- Does the project require an Environmental Impact Assessment?
- If yes, has an Environmental Impact Assessment been carried out?
- Does the project require land study?
- If yes, has a Land Study Report been prepared?
- Does the project require report of highland people Safeguards measures?
- If yes, has a report of highland people Safeguards measures been prepared?

3). Contract Information

- Type of contract (infrastructure or services or goods or integrated);
- Name of the Contractor or Service Provider;
- Name of the Technical Supervisor;
- Total price of the contract by sources of funds;
- Was the contract awarded by competitive bidding?
- If yes, what was the date of the bidding meeting?
- Date the contract was signed;

- Start date of the contract;
- Planned completion date of the contract;
- Maintenance period;

4). Outputs

- Location of each output (village, with option to input GPS coordinates);
- Type of each output (using a standard list of output codes);
- Estimated unit cost of each output;
- Actual unit cost of each output.

5). Progress

- Date of progress report;
- Percentage completion on progress report date;
- Are materials of acceptable quality?
- Is the quality of works or quality of service provision acceptable?
- Is the construction following the design?
- Date of actual completion of the project (inspection by C/S Chief and TSU);
- Was any work carried out under the maintenance period (guarantee)?
- Date of final inspection (end of maintenance period);
- Condition of outputs at the end of the maintenance period.

6). Payments

- Actual date of payments;
- Actual amount of payments;
- Sources of fund;
- Payment description.

7). Evaluation of Contractor and TSU

➤ From the Contract Completion Report of the Technical Supervisor:

- Skills level of contractor (high, medium or low);
- Honesty of contractor (high, medium, low);
- Quality of contractor's cooperation with C/S Council, Project Management Committee and local people (high, medium, low).

➤ From the Annual Report of the C/S Council:

- Success rating of project outputs compared with project objective (high, medium, low);
- Performance of contractor (high, medium, low);
- Quality of service provided by Technical Support Official (high, medium, low).

For detailed operation of the database please read the Project Implementation Database Manual.