



# Kingdom of Cambodia

# FAO COUNTRY PROGRAMMING FRAMEWORK 2016 – 2018









### Kingdom of Cambodia FAO Country Programming Framework 2016 to 2018

#### **Joint Statement**

The Country Programming Framework (CPF) for 2016-18 of Food and Agriculture Organization of the United Nations (FAO) in Cambodia defines the development objectives for collaboration between FAO and the Royal Government of Cambodia in the period 2016-18 in support of the achievement of the priorities of the Royal Government. The document describes the outputs to be achieved and the resources and partnerships required.

The CPF is thus aligned with the priorities of the Royal Government as expressed in the Rectangular Strategy for Growth, Employment, Equity and Efficiency (Phase III) and the National Strategic Development Plan 2014-18. It is also aligned with the strategic objectives of the United Nations System in Cambodia as reflected in the United Nations Development Assistance Framework 2016-18.

Through the co-signature of the CPF 2016-18, the Royal Government of Cambodia and FAO commit to continue the fruitful collaboration to achieve the objectives stated in the document, subject to the availability of the necessary human and financial resources.

On behalf of:		
Ministry of Agriculture Forestry and Fisheries Royal Government of Cambodial	United Nat	nd Agriculture Organization of the ions
Signature	Signature:	CHA OF
Name: OUK RABUN, PhD.	Name:	Alexandre Huynh
Title:	Title:	FAO Representative in Cambodia
Date: 17 March 2016	Date:	17 March 2016

#### I. Introduction

This Country Programming Framework (CPF) sets out three country priority areas to guide FAO partnership with and support to the Royal Government of Cambodia (RGC) – promoting innovative international best practices and global standards through the provision of national, regional and international expertise during three years from 2016 to 2018.

The CPF was prepared following consultations with the Ministry of Agriculture, Forestry and Fisheries and its various departments and institutions, the Ministry of Environment, the Council for Agricultural and Rural Development of the Council of Ministers, the Ministry of Health, the Ministry of Women's Affairs, the Ministry of Commerce and the Ministry of Water Resources and Meteorology. The draft was shared for comments with these institutions and with the main Development Partners and Non-Governmental Organizations including the Asia Development Bank, Australia, the European Union, the Japan International Cooperation Agency, Oxfam, the Netherlands Development Organization and the US Agency for International Development through the Technical Working Group on Agriculture and Water mechanism.

#### II. Country context and priorities

#### General context

Cambodia's GDP in real terms increased at a rate of 8.5 percent per year on average from 1993 until the global economic slowdown in 2008<sup>1</sup>. This was followed by a slight contraction, but GDP growth resumed after that at an average rate of 7 percent per year from 2010 to 2014<sup>2</sup>, driven by the garment industry, construction, the service sector, in particular tourism, and agriculture as well as public sector investments in rural and urban infrastructure. The forecasts for the next years point to a continued growth rate at the same level.

The proportion of the population living below the national poverty line fell from 50.2 percent in 2004 to 17.7 percent in 2012<sup>3</sup> (slightly less than 3 million out of a population of 15 million) and unpublished figures indicate that the poverty level may have fallen below 14 percent in 2014. This constitutes an impressive result and makes Cambodia an overachiever in terms of meeting and exceeding MDG1.

Moreover, the poverty gap index, which is defined as the average percentage shortfall in income of those below the poverty line, declined from 7.6 percent in 2004 to 0.97 percent in 2012. This implies that the poor are now clustered much closer to the poverty line than they were in 2004. At the same time, the number of people living only marginally above the poverty line is very high leading to a high level of vulnerability. A shock equivalent to an income loss of USD 0.30 per day would more than double the poverty rate, highlighting the importance of initiatives that improve resilience and consolidate the escape from poverty. Equitable economic growth, coupled with measures to strengthen social protection can completely eliminate extreme poverty by 2030, the terminal year of the Sustainable Development Goals.

It should also be noted that while the wave of economic growth has lifted all Cambodians, it is clear that it has lifted some more than others and that more remains to be done to improve the

<sup>&</sup>lt;sup>1</sup> World Development Indicators, downloaded 12 Nov 2015. GDP in constant Local Currency Units (Riel). Growth rates are exponential rates.

<sup>&</sup>lt;sup>2</sup> World Bank, Clear Skies-Cambodia, Economic Update, October 2014

<sup>&</sup>lt;sup>3</sup> World Development Indicators, downloaded 12 Nov 2015. Poverty headcount ratio at national poverty line.

distribution of the benefits of the wealth both geographically and socially. This translates for FAO into promoting initiatives that will address the needs of the remaining poor, 90 percent of whom reside in rural areas, and that will sustain and reinforce the efforts of the near-poor to move permanently beyond the grasp of poverty.

In this regard, it is worth recalling that the poverty reduction was driven to a large degree by increases in rice prices which benefitted poor rural producers, and by expansion of the cropped area. While the production, productivity and export of rice remain a main national priority, rice prices are no longer rising and the markets for the rice surplus are limited. Rice cannot be counted upon as a vehicle for poverty reduction and it would be environmentally unsustainable to continue the conversion of land to agriculture. The growth rate in agriculture has fallen to below 2 percent per year in recent years. The sector is unlikely to resume its role as a driver of national poverty reduction but it will continue to be a crucial source of livelihood for a large majority of the population for many years to come. The RGC recognizes the importance of diversification and FAO's main attention must thus be on promoting interventions, both its own and those of others, that raise the income of, and generate assets for poor and near-poor producers and processors in a manner that does not increase the pressure on the natural resources of the country and takes account of climate change.

Women play a very important role in agriculture and in food and nutrition security. Over 75 percent of women are employed in the agricultural sector compared to 69 percent of men<sup>4</sup>. Women are active both in self-employment and wage employment in the agricultural sector and 22 percent of small-scale agricultural households are female-led<sup>5</sup>. Women participate actively in all phases of the cropping cycle, play the lead role in food processing and are responsible for feeding their families, but the lack of gender-disaggregated data hampers informed decisions on how to optimize the development contribution of the female labour force in the agricultural sector. Awareness is slowly growing within the RGC of women's key contribution to the agricultural sector and the rural economy more broadly, but gender inequalities in access to productive resources, services and markets remain widespread. FAO has a role to play in encouraging the implementation of the RGC's policies to reduce the gender inequalities and unleash the potential of rural women.

The population of Cambodia is young with 50 percent of the population below the age of 22. Many in the young generations do not view agriculture as an attractive future and seek better prospects in other sectors, in the cities and in neighbouring countries, particularly Thailand. The pull of the cities and the push out of rural areas are unavoidable and a reduction of the number of people relying on subsistence agriculture will, in the longer run, improve the profitability of agriculture and thus its contribution to vulnerability reduction. In the short run, however, the rural migration is contributing to reducing the growth rate of the sector as the average age of farmers' increases and the availability of rural labour decreases. At the same time, it is of concern that the young people are largely unskilled and that the migration to the cities is creating a new set of challenges of unor underemployment and increasing urban poverty and vulnerabilities. Although the rural migration cannot be stopped, efforts are required, including by FAO, to slow it down by making agriculture and the related value-chains more profitable and creating off-farm employment opportunities in rural areas.

#### **National priorities**

The national development priorities of the RGC are described in the Rectangular Strategy for Growth, Employment, Equity and Efficiency - Phase III for 2014-18 (RS III). The overall strategic objectives of the RS III under the technical mandate of FAO are to

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<sup>&</sup>lt;sup>4</sup> Cambodia Gender in Agriculture Assessment – World Bank 2015

<sup>&</sup>lt;sup>5</sup> Final report of the 2013 Census of Agriculture

- maintain a rate of economic growth of 7 percent per annum. This growth should be sustainable, inclusive, equitable and resilient to shocks through, inter alia, a diversification of the economic base of the country;
- create employment opportunities especially for young people; and
- reduce the poverty rate by one percentage point per year while meeting the MDGs and giving high priority to sustainable management of natural resources.

Rectangle 1 of the RS III entitled "Promotion of Agriculture Sector" is the most directly relevant to FAO's mandate and reflect the priority of the RGC on improved productivity, diversification and commercialization, the promotion of livestock farming and aquaculture, land reform and the sustainable management of natural resources. Nevertheless, irrigation system management under Rectangle 2 "Development of Physical Infrastructure" and health, nutrition, social protection and gender equity under Rectangle 4 "Capacity Building and Human Resource Development" fall within the technical competence and priority of FAO.

The RS III is operationalized in the National Strategic Development Plan 2014-18 and complemented by sector strategies and plans of which the main ones of relevance to FAO are:

- the Agriculture Sector Strategic Development Plan (2014-18), including its strategic framework for climate change in the agriculture sector;
- the Strategic Planning Framework for Fisheries (2010-19) and the Strategic Plan for Aquaculture Development (2014-2030);
- the National Forest Programme (2010-2029);
- the Strategic Planning Framework for Livestock Development (2015-24) (under finalization);
- the National Strategy for Food Security and Nutrition (2014-18);
- the National Social Protection Strategy for the Poor and the Vulnerable (2011-15) (being updated);
- the Intended Nationally Determined Contribution (INDC) for UNFCCC post-Kyoto agreement.

#### **FAO** Regional priorities

Key priorities identified by member countries during the 32<sup>nd</sup> FAO Asia-Pacific Regional Conference held in 2014 mirror the priorities of the RGC. These include

- strengthening food and nutrition security through interventions to improve food availability, access, utilization, stability and information management on these issues;
- fostering agricultural production, in particular of rice, but also of other commodities such as fish through expanded aquaculture and rice-fish systems;
- developing local value chains, including through preventing post-harvest losses and waste;
- enhancing equitable and sustainable growth and development, through reduced natural resource degradation and implementation of the "Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security" (VGGT) and the "Voluntary guidelines for securing sustainable small-scale fisheries";
- coping with the impacts of climate change and natural disasters, and reduce vulnerability including through the promotion of climate smart agriculture, Disaster Risk Reduction and the creation of alternative livelihoods.

Although Cambodia is not covered by the FAO Regional Initiative on "Asia and the Pacific's Zero Hunger Challenge", the RGC launched its Zero Hunger Challenge in May 2015 and the National Action Plan based on existing strategies and policies will facilitate the pursuance and monitoring of the Sustainable Development Goals.

#### **UNDAF** priorities

The CPF seeks to ensure that the activities of FAO in Cambodia contribute to the outcomes identified in the UNDAF 2016-18 and thus to support further poverty and vulnerability reduction, the transition from subsistence to commercial agriculture and the transition of the Cambodian workforce from the informal to the formal sector and from agriculture towards the industrial and service sectors of the economy. The UNDAF outcomes are described in Annex 2 while information on the UNDAF outcomes to which the CPF contributes is included in the Results Matrix in Annex 1.

#### III. FAO's contribution and expected results

Based on an analysis of the areas of intersection between 1) the priorities of the RGC as expressed in the governmental priority setting documents mentioned above, 2) the FAO corporate Strategic Objectives, 3) the FAO Regional Objectives for Asia and the Pacific, and 4) the outcomes identified under the 2016-18 UNDAF, the present CPF for Cambodia will revolve around three Country Outcomes:

- 1. Increased productivity, diversification and commercialization of agriculture, including crops, livestock and aquaculture for poverty reduction and food and nutrition security.
- 2. Equitable and sustainable management of natural resources.
- 3. Reduction of vulnerability and improved resilience to shocks at national, community and household level.

Several key issues are cross cutting throughout the CPF, including gender, youth, climate change, nutrition, capacity development and governance.

The overarching goal of FAO's programme in Cambodia is to contribute to the eradication of poverty, food insecurity and malnutrition and to the sustainable management and use of the country's natural resources. This goal can be reached only through a coordinated and programmatic approach in collaboration with all stakeholders. The three priority areas above are thus interlinked and will be pursued in a coherent manner, within the constraints of availability of funding. The Results Matrix containing outputs and indicators can be found in Annex 1 which also provides an overview of the funding requirements.

Country Outcome 1: Increased productivity, diversification and commercialization of agriculture, including livestock and aquaculture, for poverty reduction and food and nutrition security

Food availability is not a constraint at the national level but chronic or seasonal access to food is a challenge in pockets within regions and in marginalized social groups such as women, indigenous peoples, the landless and the land poor, youths and children. Where problems exist, they are linked to poverty and low agricultural productivity and diversification, limited access to and unsustainable use of forestry and fishery resources, landlessness, and insufficient off-farm income-generation opportunities in rural areas.

Furthermore, although progress is being made in Cambodia on food utilization and nutrition, concerns remain particularly among children under five and women. Stunting, underweight, and wasting rates of under-five children were measured in 2014 at 32 percent, 24 percent, and 10 percent, respectively, and the prevalence of anaemia in mothers and children remains high. However, this is a marked improvement over 1996, the earliest year for which reliable data exist, when the corresponding figures were 59 percent, 43 percent and 13 percent. Moreover, the

available evidence indicates that malnutrition in boys and girls declined at almost the same rate from 1996 to 2014.

In addition to low purchasing power, reasons for malnutrition include low availability of nutritious alternative foods to rice, limited knowledge and capacity to preserve food, unawareness of the importance of a balanced diet, especially for small children, low levels of food safety and quality, and low standards of water quality, sanitation and hygiene.

Fish, particularly freshwater fish, constitute an essential source of protein for Cambodians. Given the finite quantity of freshwater and marine fisheries resources and the threat posed by the construction of hydroelectric plants and unsustainable fishing practices, aquaculture will become increasingly important. The growth of this sector is dependent on the creation of the necessary supporting services, including availability of seeds (fingerlings, etc.), feeds and extension services, and an enabling environment for the private sector.

The livestock sector is dominated by small-scale, extensive animal husbandry, but productivity is low due to poor husbandry practices and zoonotic diseases. Consumption of meat by Cambodians is slowly rising, however, creating interesting market opportunities for producers.

The entire agriculture production and processing sector is challenged by a lack of skills in modern agricultural and animal husbandry methods and techniques on the part of producers, including young farmers. They also lack knowledge of the needs of the domestic and export markets, and of SPS and food safety issues. At the same time, more attention and financial resources are needed for research, development and extension activities.

Smallholders are poorly organized, reducing their bargaining power and their ability to support each other. Some farmer organizations exist (e.g. cooperatives, fishery communities, forestry communities, protected area communities, etc.), but they need reinforcement to improve effectiveness.

Although Cambodia's economy has undergone a significant structural change over the past two decades, agriculture continues to be the single most important sector in terms of employment. However, it is increasingly recognized that agriculture cannot remain the main source of employment and income if rural poverty and vulnerability is to be reduced and if productivity is to increase both per hectare and per unit of labour. Diversification into both farm and non-farm income opportunities, as well as more stable and less informal and casual forms of employment in rural areas are needed to reduce poverty and distress out-migration, especially of young people.

In this context, it is noted that many children are employed as child labourers, thus reinforcing a vicious cycle of poverty and undermining the employment prospects of future young generations. About 85 percent of all child labour in Cambodia is in agriculture<sup>6</sup> and the share of children in hazardous work both in rural and urban areas is increasing.

The RGC recognizes the above challenges and has adopted a wide spectrum of policies, strategies and action plans to raise the competitiveness of the agricultural sector, *largo sensu*, to improve the quality of the agricultural outputs, to diversify the agricultural production toward more high value commodities and to improve the nutritional status of the population, in particular the children. Consequently, FAO's interventions under Outcome 1 of the CPF will aim to support the implementation of the RGC's strategies and action plans and in particular to accomplish the following:

<sup>&</sup>lt;sup>6</sup> Cambodia Labour Force and Child Labour Survey 2012

- smallholder farmers and other small-scale producers, men, women and youths in targeted areas, have access to knowledge, technologies and decent employment opportunities to increase productivity, diversify the production, increase value addition in rice and other products, improve access to markets, and improve their income and living standards, including their nutritional status;
- pro-poor policies are available to the RGC for implementation, and productive, safe and gendersensitive on- and off-farm employment and income generation opportunities have been identified;
- access for the poorest to rural services, including micro-credit, is improved and their capacity to reduce post-harvest losses is increased;
- participatory approaches to promote innovative practices are available i) in key value chains, including the multiplication of vegetable seed, management of rice-field fisheries, and animal health and production; ii) for capacity development such as support to the training of veterinarians, promotion of school gardens and the use of Farmer Field/Junior Farmer Field and Life Schools and other training methods; and iii) to increase value-addition and market access;
- initiatives are promoted that increase the knowledge and implementation of food-based approaches to nutrition, improve the recognition of the role of women in agriculture and the mainstreaming of gender considerations into agricultural policies and plans, and identify and encourage vulnerability reducing livelihood options for women and youths, while also protecting children from labour, in particular the worst forms of child labour;
- national and subnational institutions and stakeholders are enabled to design and implement gender-sensitive legislative frameworks, policies, strategies and action plans related to food security and nutrition, including food safety and plant and animal health, in line with international norms and standards. Attention will be paid to increasing the capacity of government institutions to formulate policies and to monitor and analyse the impact on food systems of policies and interventions related to trade, social protection, food and agriculture;
- the coordination mechanisms established by the RGC in the areas falling under the mandate of the Organization, including the Technical Working Groups and their subsidiary bodies, are supported to facilitate policy discussion and decision, planning, information management and monitoring.

#### Country Outcome 2: Equitable and sustainable management of natural resources.

Cambodia's rapid economic development is having serious, far-reaching impacts on its environment and natural resources base.

As mentioned above, the wild capture fish resources are under threat from habitat loss and over exploitation. Flooded forests and mangroves, which regulate water quality, check soil erosion and serve as nurseries for fish and other aquatic species, continue to be degraded. This threatens the survival of these aquatic animals and the livelihoods that depend on them. The development of hydroelectric dams, large irrigation schemes, uncontrolled use of pesticides and other pollutants, and illegal and unsustainable fishing practices all increase the pressure on Cambodia's fish and water resources.

Similarly, forestry resources are under tremendous pressure. Although consensus figures are not available, the levels of deforestation and forest degradation are very high due to agricultural expansion, illegal logging, and economic land concession activities. In addition to the impact on forest dependent livelihoods, this destruction of habitats is leading to the disappearance of biodiversity and wildlife at alarming rates and affects watersheds with adverse impacts on the quality and availability of water resources and increased erosion.

Tenure, including user rights to common goods, is a particularly challenging issue in Cambodia. Smallholder farmers, fishermen, indigenous people and other marginalized social groups, are threatened by eviction from their lands and forests by the allocation of tracts of land to companies under economic land concessions and by illegal exploitation of forest and fisheries resources. While a legal framework and recourse and safeguard mechanisms exist to regulate and resolve tenure issues, the RGC is struggling with their implementation and many conflicts in Cambodia revolve around tenure.

In this context and building on the initiatives of the RGC and its partners to harness the potential of the natural resources of Cambodia for the benefit of the entire population present and future, FAO will seek to achieve the following under Outcome 2:

- the capacity of concerned stakeholders to undertake data collection, analysis and application related to forest inventory, Green House Gas emissions, land degradation assessment, soil mapping, land use and agro-ecological zoning and to manage land tenure has been increased; through Cambodia's inclusion in the Global Strategy to Improve Agricultural and Rural Statistics, capacity is created to plan for gender-disaggregated data and information collection and analysis across different agricultural subsectors following the 2013 National Census of Agriculture;
- targeted Forestry, Fisheries and Protected Area Communities, with particular attention to their
  female members, are enabled to manage their livelihoods and natural resources through the
  design and implementation of gender-sensitive integrated and multi-sectoral strategies for ecosystem management and for restoration of degraded agricultural land and forests, in a manner
  that takes account of the impact of climate change.

Country Outcome 3: Reduction of vulnerability and improved resilience to shocks at national, community and household level.

Given the vulnerability of a large part of the Cambodian population living under or just above the poverty line and the high dependence on subsistence agriculture, food stability is easily disrupted by shocks such as illness in the family, price fluctuations and natural disasters (e.g., floods, drought, heat stress, storms, plant pests and animal diseases).

In addition, Cambodia is extremely vulnerable to the impacts of climate change as much of the national territory is low lying, as the livelihoods of a large majority of population depend on predictable weather patterns and as the capacity of the RGC to respond to climate change is limited.

Against this background, FAO will work with national institutions and other partners to monitor threats and provide early warning. FAO also aims to build the capacity of rural men and women and of other stakeholders at all levels to prevent and mitigate threats and crises through the identification and dissemination of best practices for Disaster Risk Reduction.

## IV. Implementation, monitoring and reporting arrangements

The estimated resource requirement for the implementation of the CPF is USD 23.1 million over three years of which USD 8.3 million are available, mainly through the Global Environmental Facility (GEF), Government resources (Unilateral Trust Fund) and the FAO Technical Cooperation Programme (TCP). Of the USD 14.8 million to be mobilized, approximately USD 2 million are expected provided through the TCP, of which approximately 1 million in 2016-17 as outlined in Annex 3, leaving a funding gap of USD 12.8 million. Based on a Resource Mobilization Strategy and in partnership with the concerned ministries, this gap will be sought closed through the mobilization of financial resources from the RGC and its Development Partners, including in the context of UN Joint

Programmes under the UNDAF, Unilateral Trust Fund arrangements, GEF and advocacy for access to un- or slightly earmarked financial resources mobilized by FAO headquarters. FAO will also seek to facilitate South-South Cooperation arrangements as appropriate.

The CPF will be implemented in the broadest possible partnerships and in alignment with the joint efforts of the RGC and its development partners for enhanced coordination and aid effectiveness. This coordination will take place bilaterally between FAO and partner ministries and between FAO and Development Partners as well as through the active participation of FAO in the aid coordination mechanisms established by the Government, in particular the Technical Working Groups and their subsidiary and associated structures and mechanisms.

The FAO Representation in Cambodia bears the main responsibility for the planning and implementation of the CPF in close collaboration with the RGC. An annual review of progress will be carried out in the last months of each year under the responsibility of the FAO Representation in Cambodia in consultation with concerned partners and FAO staff. The result of the review will constitute an input of FAO to the monitoring of the UNDAF. Modifications to the CPF Results Matrix will be undertaken, if required, based on the outcome of the annual review. The conclusions of the review and any proposals for major revisions at the level of outputs will be submitted to the Technical Working Group on Agriculture and Water which constitutes the aid coordination body for discussions related to the sector. The Group is chaired by two Secretaries of State of Ministry of Agriculture, Forestry and Fisheries and the Ministry of Water Resources and Meteorology, facilitated by FAO, and composed of representatives from the relevant ministries, departments, Development Partners and NGOs.

A Monitoring and Evaluation Plan will be developed to allow for tracking of implementation and progress against the CPF indicators and outcomes, and the contribution to the UNDAF outcomes. The Monitoring and Evaluation Plan will take account of the need for monitoring against the Sustainable Development Goals starting in 2015. As the duration of the CPF is only three years, no mid-term evaluation will be carried out.

#### Annexes:

Annex 1: CPF results and resource requirements matrix

Annex 2: UN-system linkage Annex 3: TCP indicative pipeline Annex 4: TCP General Provisions

#### Annex 1: CPF Results and Resource Requirements for 2016 to 2018

Country outcome 1: Increased productivity, diversification and commercialization of agriculture, including livestock and aquaculture for poverty reduction and food and nutrition security.

**UNDAF Outcome 1:** Sustainable, inclusive growth and development, including indicator 1.1.: Percentage share of national consumption by households in the two lowest quintiles, and outcome 2"Social development, social protection and human capital, including indicator 2.4: Nutrition and WASH **Regional Priority:** Zero Hunger Challenge

		Indicative Resource Requirements (USD)					- Implementing
		Total		Resource mobiliz	ation target		partners
Output and indicator	Indicator target <u>by end-2018</u>	estimated resources required	Available funding	Voluntary (Including UTF)	SSC or other Partnerships	ТСР	(Government actors and other)
Output 1.1.: Increased access of the poor and marginalized, including women and youths, in target areas to appropriate knowledge, methods, technologies, markets for improved production, income and nutritional status.  Corporate output 3.1.3: Support to improve access of poor rural producers and households to appropriate technologies and knowledge, inputs and markets.	2 activities that raise awareness, build capacities and implement pro-poor, gender sensitive knowledge, science and technologies with FAO's technical and policy assistance (e.g. pro-poor policies on vegetable production and income generation, workshops on gender equity for sustainable rural development)	500,000	60,000 GCP/RAS/ 276/ IFA	280,000		160,000	Ministry of Agriculture, Forestry and Fisheries (MAFF), Ministry of Environment (MoE), Ministry of Women's Affairs (MoWA), subnational entities
Output 1.2: Increased capacity of targeted stakeholders to develop sustainable and profitable value chains.  Corporate output 4.2.3: Value chain actors are provided with technical and managerial support to promote inclusive, efficient and sustainable agrifood chains.	2 activities to create knowledge and capacity of stakeholders to identify and develop value chains supported by FAO (e.g. mainstreaming principles of the Save Food Campaign into relevant projects and programmes, support to promotion of niche products)	500,000	50,000 GCP/RAS/ 281/ FRA	350,000		100,000	MAFF Ministry of Commerce (MoC), Ministry of Education, Youth and Sports (MoEYS)
Output 1.3: Improved capacity of targeted stakeholders, in particular women and youth, in selected value chains to promote and use improved production techniques and technologies.  Corporate output 2.1.1: Innovative	5 FAO-supported initiatives that use inclusive and participatory approaches to validate and facilitate uptake of innovative practices for sustainable agricultural production (e.g.	1,700,000	1,700,000 GCP/RAS/ 229/ SWE TCP/CMB/ 3503 TCP/CMB/				MAFF, MoEYS, schools, WFP

practices for sustainable agricultural production (including traditional practices that improve sustainability, such as those listed as Globally Important Agricultural Heritage Systems) are identified, assessed and disseminated and their adoption by stakeholders is facilitated.	Integrated Pest Management, climate change adaptation methods using Farmer Field Schools/Junior Farmer Field and Life Schools, promotion of school gardens, capacity development of school teachers on nutrition, improved community management of fish refuges, vegetable seed production, restoration of degraded forests and landscapes)		3504 TCP/CMB/ 3506 GCP/CMB /036/ LDF FMM/GLO /112/MUL Baby 5			
Output 1.4: Improved capacity of targeted stakeholders to formulate and adopt legislations, regulations, standards and implementation arrangements in line with international and regional standards. Corporate output 4.1.4: Public sector institutions are supported to improve their capacity to design and implement better policies and regulatory frameworks, and to provide public services related to plant and animal health, food safety and quality.	3 institutions provided with trainings, technical advice and analyses by FAO to design and implements policies, action plans and regulatory frameworks for plant and animal health and food safety (e.g., General Directorate of Agriculture, Department of Animal Health and Production, Royal University of Agriculture)	500,000	162,000 TCP/CMB/ 3505	298,000	40,000	MAFF, MoE, MoC, Ministry of Health (MoH), Royal University of Agriculture (RUA), WHO
Output 1.5: Increased capacity of targeted stakeholders to formulate coherent and gender-sensitive policies and strengthen governance, coordination and monitoring mechanisms related to food and nutrition security and sustainable agriculture. Corporate output 1.1.1: Improving capacities of governments and stakeholders for developing sectoral and cross-sectoral policy frameworks and investment plans and programmes for food security and nutrition.	3 capacity development activities implemented by FAO to establish and institutionalize the ability of government institutions to monitor and analyse policies (e.g. policy advisor, integration of climate change adaptation into national agriculture and food security policies and planning, implementation of the Voluntary Guidelines on Sustainable Small-Scale Fisheries )	1,500,000	1,460,000 GCP/CMB /036/ LDF GCP/INT/2 44/EC (FIRST)		40,000	MAFF, MoE Council for Agricultural and Rural Development (CARD), UNICEF, WFP
Output 1.6: Effective dialogue mechanism between Government and Development Partners related to agriculture in place.	3 dialogues and other coordination processes facilitated by or contributed to by FAO in which	0	0			MAFF, CARD, other ministries, Development

Corporate output 1.2.1: Improving capacities of governments and stakeholders for strategic coordination across sectors and stakeholders for food security and nutrition.	decision makers capitalize on the advantages of bringing together different sectors and stakeholders for policy discussion (e.g. meetings of the TWG-AW in which discussions of policy issues take place)					Partners
Output 1.7: Increased access of the rural poor, especially youth and women, to decent farm and non-farm employment opportunities and prevention of child labour.  Corporate Output 3.2.2: Policy support to extend the application of International Labour Standards to rural areas.	2 initiatives supported by FAO that raise awareness and build capacities of stakeholders to formulate and implement policies related to decent work and women and youth empowerment and to , prevention and reduction of child labour (e.g. assessment of constraints of women and youth in targeted areas and initial livelihood options identified, capacity development of the Fisheries Administration on prevention of child labour)	1,200,000	950,000 GCP/CMB /036/ LDF	250,000		Ministry of Agriculture, Forestry and Fisheries (MAFF), Ministry of Women's Affairs (MoWA), subnational entities
Output 1.8: Increased access of the poor and marginalized, including women and youths, in target areas to rural services and infrastructure.  Corporate Output 3.1.4: Support to innovations in rural services provision and infrastructure development accessible to the rural poor.	1 initiative that generates and disseminates knowledge of propoor and gender-sensitive rural service delivery with FAO technical support and that builds the capacity of stakeholders including rural institutions and government authorities (e.g.functioning rural finance system in target areas)	500,000	425,000 UTF/CMB/ 038/ CMB	75,000		Ministry of Agriculture, Forestry and Fisheries (MAFF), subnational entities
Total resource requirements for Outcome 1		6,400,000	4,807,000	1,253,000	340,000	7//////////////////////////////////////

Country outcome 2: Equitable and sustainable management of natural resources.

**Related UNDAF Outcome:** Sustainable, inclusive growth and development, including indicator 1.4.: Environmental Performance Index of Cambodia, and indicator 1.5: Index for Cambodia Policies and Institutions for Environmental Sustainability

**Regional Priority:** Enhancing equitable and sustainable growth and development, through reduced natural resource degradation and implementation of the voluntary guidelines on tenure and small scale fisheries

		Indicative Resource Requirements (USD)					lman la man amtim a
		Total		Resource mobilization target			Implementing partners
Output and indicator	Indicator target <u>by end-2018</u>	estimated resources required	Available funding	Voluntary (Including UTF)	SSC or other Partnerships		(Government actors and other)
Output 2.1: Increased capacity of targeted stakeholders to carry out inventories and assessments of natural resources, the impact of climate change and to monitor and report.  Corporate output 2.4.3: Capacity development support is provided to institutions at national and regional levels to plan for and conduct data collection, analyses, application and dissemination.	3 relevant data/information products are produced by stakeholders with capacity development support by FAO (e.g. forest inventory, methodology for land use and agro-ecological zoning, Activity Data, Emission Factors, GHG inventory and reporting, plan for surveys in the post-agriculture census period)	5,000,000	100,000 MTF/RAS/ 372/MUL	4,550,000		350,000	MAFF, MoE, CARD, Ministry of Economy and Finance (MEF), Ministry of Planning (MoP)
Output 2.2: Strengthened regulatory frameworks and institutional capacity for sustainable and gender equitable management of natural resources, including tenure Corporate output 2.2.1: Countries are supported to analyse governance issues and options for sustainable agricultural production and natural resources management.	3 initiatives supported by FAO aimed at building capacity to analyse governance issues and options for integrated agricultural and natural resources sector sustainability (e.g. awareness raising on the VGGT, action plan to strengthen forest tenure policies, capacity building related to FLEGT)	350,000	200,000 TCP/RAS/ 3506 GCP/GLO/ 395 /EC	150,000			MAFF, MoE, Ministry of Land Management, Urban Planning and Construction (MoLMUPC)
Output 2.3: Improved capacity of Forestry, Fisheries and Protected Area Communities and other stakeholders in targeted areas to design, approve and implement natural resources management plans that reflect	2 FAO supported initiatives conducted to identify, document and facilitate uptake of integrated and multi-sectoral strategies for sustainable	7,000,000	0	6,700,000		300,000	MAFF, MOE, subnational entities

livelihood and ecosystem considerations.	ecosystem management,					
Corporate output 2.1.2: Integrated and	restoration and climate change					
multi-sectoral approaches for ecosystem	adaptation and mitigation (e.g.					
valuation, management and restoration are	Fisheries, Forestry and Protected					
identified, assessed, disseminated and their	Area Communities in at least four					
adoption by stakeholders is facilitated.	provinces supported)					
Total resource requirements for Outcome 2		12,350,000	300,000	11,40,000	650,000	

Additional considerations on FAO's assistance: There are two main challenges for the implementation of this priority area. The first is the availability of financial resources, while the second is the will and capacity of the concerned national counterparts to effectively contribute financially and in-kind to activities related to the gathering, analysis and dissemination of information on natural resources. It is considered that if the latter can be resolved, the former will be a lesser problem.

Country outcome 3: Reduction of vulnerability and improved resilience to shocks at national, community and household level.

**Related UNDAF Outcome:** Sustainable, inclusive growth and development, including indicator 1.8: Share of population identified as multidimensionally poor according to the Multidimensional Poverty Index (MPI)

**Regional Priority:** Coping with the impacts of climate change and natural disasters, and reduce vulnerability including through the promotion of climate smart agriculture, Disaster Risk Reduction and the creation of alternative livelihoods

		Indicative R	Indicative Resource Requirements (USD)				
		Total		Resource mobilization target			partners
Output and indicator	Indicator target <u>by end-2018</u>	estimated resources required	Available funding	Voluntary (Including UTF)	SSC or other Partnerships	ТСР	(Government actors and other)
Output 3.1: Best practices for the prevention and mitigation of threats and crises available to selected communities and other stakeholders, in particular women.  Corporate output 5.3.1: Improving capacities of countries, communities and key stakeholders to implement prevention and mitigation good practices to reduce the impacts of threats and crises.	3 integrated and/or sector specific standards, technologies and measures for risk prevention and mitigation developed and disseminated in target areas with FAO support (e.g. control of transboundary animal diseases, integrated watershed management, climate-smart agriculture, Disaster Risk Reduction)	3,900,000	2,900,000 EPT-2 GCP/CMB /036/LDF	1,000,000			MAFF, MoE, MoWA, National Committee for Disaster Management (NCDM), WFP, UNICEF, UNDP

Output 3.2: Particularly disaster affected farmers and their households enabled to resume food production.  Corporate output 5.4.3: Strengthening capacities of national authorities and stakeholders in crisis response.	Percentage of people affected by a crisis impacting agriculture to whom FAO provided timely and gender responsive crisis response.	TBD	0		MAFF, MoE, NCDM, UN Agencies
Output 3.3: Early warning and analytical work to underpin resilience-related programming available. Corporate output 5.2.2: Improving capacities to assess vulnerabilities and resilience determinants of community/livelihood groups.	1 threat monitoring mechanism/system supported by FAO to enhance delivery of early warning (e.g. IPC)	400,000	300,000 GCP/INT/2 45/EC (INFORME D)	100,000	MAFF, CARD, Ministry for Water Resources and Meteorology (MoWRAM), MoE, NCDM, WFP, UNICEF
Total resource requirements for Outcome3		4,300,000	3,200,000	1,100,000	

**Additional considerations on FAO's assistance:** The availability of financial resource, in particular from GEF, is the main possible constraint as the GEF is facing a funding shortfall. The risk will be mitigated to the extent possible through the submission of project proposals to other donors.

#### Annex 2: UN-system linkage

In line with the principles of effective aid coordination, the members of the United Nations Country Team (UNCT) in Cambodia coordinate their support to the Royal Government through the United Nations Development Assistance Framework (UNDAF) under the leadership of the Resident Coordinator.

An UNDAF for 2016-18 was prepared in 2014 and early 2015 to replace the 2011-15 UNDAF, based on a Common Country Assessment. Given the wish of the UNCT to align with the programming schedule of the Government, it was decided to synchronise the UNDAF and the individual agency planning to the RS III and the NSDP and thus to prepare a three-year UNDAF to terminate at the same time as these national priority setting documents. Consequently, the FAO CPF has been formulated to coincide with the UNDAF and is therefore only of a three year duration.

The 2016-18 UNDAF has been formulated at the outcome level only. The three outcomes are:

- Outcome 1 Sustainable, Inclusive Growth and Development: By 2018, people living in Cambodia, in particular youth, women and vulnerable groups, are enabled to actively participate in and benefit equitably from growth and development that is sustainable and does not compromise the well-being, natural and cultural resources of future generations.
- Outcome 2 Social development, Social Protection, and Human Capital: By 2018, more people, especially vulnerable, poor and marginalized groups, are equitably benefiting and contributing from affordable, sustainable and quality social services and protection and have gained enhanced skills to achieve and contribute to social and human development
- Outcome 3 Governance and Human Rights: By 2018, national and subnational institutions are
  more transparent and accountable for key public sector reforms and rule of law; are more
  responsive to the inequalities in the enjoyment of human rights of all people living in Cambodia;
  and increase civic participation in democratic decision-making.

FAO and UNDP are lead agencies for Outcome 1, co-authored the relevant text of the UNDAF and decided on the selection of indicators. FAO also contributed actively to the formulation of Outcome 2, especially as regards nutrition. The monitoring of the UNDAF will be undertaken by a Monitoring and Evaluation Group established under the oversight of the UNDAF Advisory Group and the overall responsibility of the UNCT. Progress in the implementation of the UNDAF is reported annually to the RGC.

Joint fund raising in support of the UNDAF in the form of formulation of Joint Programmes in areas of common concern is being undertaken and FAO participates in these initiatives with WFP, UNICEF, UNDP, ILO and others.

# **Annex 3: TCP Indicative Pipeline**

Country*	Cambodia				
CPF implementation cycle *	Start: Year 2016 Month January End: Year 2018 Month December				
Time frame for the Indicative TCP pipeline*	Start: Year 2016 M	lonth January	End: Year 2017	Month December <sup>7</sup>	
Ref. to CPF priority and output*	TCP contribution to CPF result - Title (TCP and TCP facility)*)	TCP Scope/type of interventions (TCP and TCP facility)*	Indicative biennium for resource allocation *	Indicative resource requirements/ range (US\$)	Implementing Government institution/ partner
Country priority 1: Increased proc nutrition security	ductivity, diversification and	commercialization of agriculture,	including livestock	and aquaculture for	poverty reduction and food and
Output 1.1: Increased access of the poor and marginalized, including women and youths, in target areas to innovative rural services and to appropriate knowledge, methods, technologies, markets and decent employment opportunities for improved production, income and nutritional status.	Capacity development for improved analysis and awareness raising of the role of gender in agriculture	Full TCP, capacity development	2016/17	160,000	Ministry of Agriculture, Forestry and Fisheries
Output 1.2: Increased capacity of targeted stakeholders to develop sustainable and profitable value chains.	Support to the identification and promotion of niche products	TCP Facility, technical assistance	2016/17	100,000	Ministry of Agriculture, Forestry and Fisheries, Ministry of Education
Output 1.4: Improved capacity of targeted stakeholders to formulate and adopt legislations, regulations, standards and implementation arrangements in line with international and regional standards.	Assistance for the development of laws and regulations	TCP Facility, policy advice	2016/17	40,000	Ministry of Agriculture, Forestry and Fisheries, Ministry of Commerce

 $<sup>^{7}\,</sup>$  The TCP requirements for 2018 will be determined in 2017.

Output 1.5: Increased capacity of targeted stakeholders to formulate coherent policies and strengthen governance, coordination and monitoring mechanisms related to food and nutrition security and sustainable agriculture.	Assistance related to the formulation of policies and support to the strengthening of coordination and monitoring systems	TCP Facility, technical assistance	2016/17	40,000	Council for Agriculture and Rural Development
Country Priority 2: Equitable and	sustainable management of	f natural resources			
Output 2.1: Increased capacity of targeted stakeholders to carry out inventories and assessments of natural resources and to monitor and report.	Preparation and testing on methodology for establishment of soil Information and Land Resource Management System Strengthen capacity in GHG inventory development for preparation of the first Biennial Update report	Full TCP, technical assistance, capacity development  TCP Facility, technical assistance, capacity development	2016/17	300,000 50,000	Ministry of Agriculture, Forestry and Fisheries, Ministry of Environment  Ministry of Agriculture, Forestry and Fisheries, Ministry of Environment
Output 2.3: Improved capacity of Forestry, Fisheries and Protected Area Communities and other stakeholders in targeted areas to design, approve and implement natural resources management plans that reflect livelihood and ecosystem considerations.	Formulation of GEF and GCF proposals	Full TCP, technical assistance	2016/17	300,000	Ministry of Environment, Ministry of Agriculture, Forestry and Fisheries

#### **Annex 4: TCP General Provisions**

- 1. The achievement of the objectives set by the project shall be the joint responsibility of the government and FAO.
- 2. As part of its contribution to the project, the government shall agree to make available the requisite number of qualified national personnel and the buildings, training facilities, equipment, transport and other local services necessary for the implementation of the project.
- 3. The government shall assign authority for the project within the country to a government agency, which shall constitute the focal point for cooperation with FAO in the execution of the project, and which shall exercise the government's responsibility in this regard.
- 4. Project equipment, materials and supplies provided out of Technical Cooperation Programme funds shall normally become the property of the government immediately upon their arrival in the country, unless otherwise specified in the agreement. The government shall ensure that such equipment, materials and supplies are at all times available for use of the project and that adequate provision is made for their safe custody, maintenance and insurance. Vehicles remain the property of FAO, unless otherwise specified in the agreement.
- 5. Subject to any security provisions in force, the government shall furnish to FAO and to its personnel on the project, if any, such relevant reports, tapes, records and other data as may be required for the execution of the project.
- 6. The selection of FAO project personnel, of other persons performing services on behalf of FAO in connection with the project, and of trainees, shall be undertaken by FAO, after consultation with the government. In the interest of rapid project implementation, the government shall undertake to expedite to the maximum degree possible its procedures for the clearance of FAO personnel and other persons performing services on behalf of FAO and to dispense with, wherever possible, clearance for short-term FAO personnel.
- 7. The government shall apply to FAO, its property, funds and assets, and to its staff, the provisions of the Convention on the Privileges and Immunities of the Specialized Agencies. Except as otherwise agreed by the government and FAO in the Project Document, the government shall grant the same privileges and immunities contained in the Convention to all other persons performing services on behalf of FAO in connection with the execution of the project.
- 8. With a view to the rapid and efficient execution of the project, the government shall grant to FAO, its staff, and to all other persons performing services on behalf of FAO, the necessary facilities including:
  - i) the prompt issuance, free of charge, of any visas or permits required;
  - ii) any permits necessary for the importation and, where appropriate, the subsequent exportation, of equipment, materials and supplies required for use in connection with the project and exemption from the payment of all customs duties or other levies or charges relating to such importation or exportation;
  - iii) exemption from the payment of any sales or other tax on local purchases of equipment, materials and supplies for use in connection with the project;

- iv) payment of transport costs within the country, including handling, storage, insurance and all other related costs, with respect to equipment, materials or supplies for use in connection with the project;
- v) the most favourable legal rate of exchange;
- vi) assistance to FAO staff, to the extent possible, in obtaining suitable accommodation;
- vii) any permits necessary for the importation of property belonging to and intended for the personal use of FAO staff or of other persons performing services on behalf of FAO, and for the subsequent exportation of such property;
- viii) prompt customs clearance of the equipment, materials, supplies and property referred to in subparagraphs (ii) and (vii) above.
- 9. The Government shall appoint a National Project Coordinator (NPC), as envisaged in the Project Document, to carry out the functions and activities specified in the agreement. In some cases, it may be necessary for FAO to request, in writing, the NPC to incur specific commitments or obligations or to make specific payments on behalf of FAO. In such cases, the project may advance to the NPC project monies, up to the amounts allowed by and in accordance with current FAO rules and regulations. In this event the Government agrees to indemnify FAO and to make good to it, any losses that may arise from any irregularity in the maintenance of the advanced FAO's monies on the part of the NPC.
- 10. The government shall deal with any claim which may be brought by third parties against FAO or its staff, or against any person performing services on behalf of FAO, and shall hold them harmless in respect of any claim or liability arising in connection with the project, unless the government and FAO should agree that the claim or liability arises from gross negligence or wilful misconduct on the part of the individuals mentioned above.
- 11. The persons performing services on behalf of FAO, referred to in paragraphs 6, 7, 8 and 10, shall include any organization, firm or other entity, which FAO may designate to take part in the execution of the project.



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