



# Grant Implementation Manual

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Project Number: 42164  
Grant Number: 9133-CAM  
September 2009

## Cambodia: Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor (Financed by the Japan Fund for Poverty Reduction)

The Grant implementation manual is an active document, progressively updated and revised as necessary, particularly following any changes in Grant costs, scope, or implementation arrangements. This document, however, may not reflect the latest Grant changes. This GIM shall be read along with the Grant Assistance Report and Letter of Agreement. This GIM incorporates agreements reached between CARM and Executing Agency as of 1 October 2009. In case of discrepancy, the Letter of Agreement shall prevail.

Asian Development Bank

## CURRENCY EQUIVALENTS

(01 October 2009)

Currency Unit	-	Riel (KR)
KR1.00	=	\$0.0002394
\$1.00	=	KR4,176

## ABBREVIATIONS

ADB	=	Asian Development Bank
BTOR	=	Back-To-Office Report
CARDI	=	Cambodia Agriculture Research and Development Institute
CARM	=	Cambodia Resident Mission
CBO	=	Community-Based Organization
CDS	=	Community Development Specialist
DGTVET	=	Directorate General Technical Vocational Education and Training
DMF	=	Design and Monitoring Framework
EA	=	Executing Agency
ESDP	=	Education Sector Development Program
FY	=	Fiscal Year
GIM	=	Grant Implementation Manual
ICM	=	Implementation Completion Memorandum
ICS	=	Individual Consultant System
JFPR	=	Japan Fund for Poverty Reduction
JICA	=	Japan International Cooperation Agency
KR	=	Khmer Riel
MAFF	=	Ministry of Agriculture, Forestry and Fishery
M&E	=	Monitoring and Evaluation
MEF	=	Ministry of Economy and Finance
MFI	=	Micro-Finance Institution
MIS	=	Management Information System
MIME	=	Ministry of Industry, Mines and Energy
MoEYS	=	Ministry of Education, Youth and Sport
MoLVT	=	Ministry of Labor and Vocational Training
NCB	=	National Competitive Bidding
NGO	=	Non-Government Organization
NPIC	=	National Polytechnic Institute of Cambodia
NQF	=	National Qualification Framework
NTB	=	National Training Board
NTF	=	National Training Fund
NTTI	=	National Technical Training Institute
OVOP	=	One Village, One Product
PCR	=	Project Completion Report
PHT	=	post harvest technology
PPTA	=	Project Preparatory Technical Assistance
PTB	=	Provincial Training Board
PTC	=	Provincial Training Center
SBP	=	Skills Bridging Program
SOE	=	Statement of Expenditure
TA	=	Technical Assistance
TTC	=	Technical Training Center
TVET	=	Technical Vocational Education and Training
VSTP	=	Voucher Skills Training Program

## **NOTES**

- (i) The fiscal year of the Government of Cambodia and its agencies ends on 31 December. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY 2008 ends on 31 December 2008.
- (ii) In this report, "\$" refers to US dollars.

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## GRANT PROCEEDING HISTORY

- |    |                                 |   |                         |
|----|---------------------------------|---|-------------------------|
| 1. | Submission of Application       | : | 21 May 2008             |
| 2. | Fact-Finding                    | : | 27 June to 18 July 2008 |
| 3. | Staff Review Committee meeting  | : | 13 August 2008          |
| 4. | Approval                        | : | 20 April 2009           |
| 5. | Signing of Letter of Agreement  | : | 2 July 2009             |
| 6. | Grant Closing Date <sup>1</sup> | : | 1 July 2012             |

## LIST OF ADDRESSES AND PERSONNEL CONCERNED

### A. ADB Staff

- |   |   |   |
|---|---|---|
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<sup>1</sup> This date will be closing date for withdrawals from the Grant account. Goods must have been delivered and services rendered on or before this date to be eligible for payment by the Bank. No payments from the grant can be made after the Grant closing date. The Grant account may still be kept open of three months beyond the Grant closing date in order allow the Executing Agency time to collect and submit documentation and invoices pertaining to expenditure incurred before the Grant closing date.

**B. EXECUTING AGENCY & IMPLEMENTING AGENCY**

**Executing Agency** : Ministry of Labor and Vocational Training (MOLVT)

**Grant Implementing Agency Contact Persons**

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## DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p><b>Impact</b> Reduce the degree of poverty in the target communes in Cambodia</p>	<p>Poverty incidence in the targeted communes reduced by 5%, by 2012</p> <p>Improved income-generating opportunities for trained villagers and youth</p> <p>Improved sense of wellbeing of project beneficiaries</p>	<p>Government socioeconomic survey</p> <p>Project impact assessment report</p> <p>Family satisfaction survey</p>	<p><b>Assumptions</b> Strong commitment by the Government to poverty reduction</p> <p>Government provides required level of inputs and resources</p> <p><b>Risk</b> Lack of coherent TVET strategy and policy in addressing poverty and unemployment issues</p>
<p><b>Outcome</b> Increased net income and greater employment opportunities among rural poor with improved knowledge and skills</p>	<p>3,000 agricultural producers in 44 targeted communes received PHT training (storage, processing, and packaging) and around 80% of them apply PHT skills by 2012</p> <p>Family income increased by 20% through improvements in the variety and quality of processed and packaged food products, by 2012</p> <p>700 unemployed youth and or school leavers in targeted locations graduate from the TVET skills bridging program by 2012</p> <p>50% of graduates entered further training at the certificate level in TTCs, and the remaining 50% employed by 2012</p>	<p>Baseline survey</p> <p>Midterm and final review and project</p> <p>Project impact assessment report</p> <p>Project completion report</p>	<p><b>Assumptions</b> Strong commitment of farmers and youth to PHT training and TVET skills bridging programs</p> <p>Local and national markets buy improved and diversified local products</p> <p>Skills standards are in place and accepted by employers</p> <p>TVET certificate valued by trainees and accepted by employers.</p> <p><b>Risks</b> Increase in prices of goods used to improve products may offset gains Skills bridging programs not accepted by trainees and employers due to limited outcomes and impact</p>
<b>Output 1: PHT skills development program successfully pilot tested in the four project locations</b>			
<p>1. Identification of demand-based PHT technologies for targeted communes</p>	<p>PHT needs assessment completed by the first month of project implementation (April 2009)</p>	<p>PHT needs assessment report</p>	<p><b>Assumptions</b> Training will be organized on schedule.</p> <p>Qualified trainers will be available and willing.</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p>2. Curriculum, learning materials and handbooks development for identified PHT skills</p> <p>3. Construction and upgrading of food safety-testing buildings in targeted TTCs</p> <p>4. Enhancing skills and competencies of agricultural producers to apply PHT skills</p>	<p>PHT curriculum, learning materials, and handbooks developed and printed by the third month of project implementation (June 2009)</p> <p>Food safety testing facilities (maximum 200 square meters on floor, slab-on-grade) constructed and, or upgraded in targeted TTCs by July 2009</p> <p>PHT required equipment provided by August 2009</p> <p>First PHT skills-development plan endorsed by June 2009</p> <p>PHT skills training program started by July 2009</p> <p>3,000 agricultural producers trained (50% of whom are women), and 80% of them apply PHT skills and techniques by 2012</p>	<p>TA report TTCs' reports DGTVET quarterly progress report</p> <p>TA report TTCs' reports DGTVET quarterly progress report</p> <p>PHT skills-development plan implemented</p> <p>TA reports TTCs' regular reports</p> <p>DGTVET quarterly progress report Mission reviews</p>	<p>Materials and labs will be ready.</p> <p>Participants are available.</p> <p>Effective PHT skills development program implementation and financial management system</p> <p><b>Risks</b> Participants too busy to apply new skills to their own produce</p> <p>Delay in PHT needs assessment and in curriculum development</p> <p>Trained farmers will not receive cash and, or in-kind incentives.</p> <p>Too many products in the market may lower price of goods.</p> <p>Trainers have limited capability</p> <p>Insufficient incentive for retention of trained and committed staff</p>
<b>Output 2: TVET skills bridging program successfully pilot tested in the four project locations</b>			
<p>1. Entry-level academic skills for TVET certificate-level development</p> <p>2. Development and upgrading of curriculum and learning materials for TVET certificate level</p> <p>3. Development and adoption of</p>	<p>Entry-level academic skills for TVET skills bridging program agreed within the first month of project implementation (April 2009)</p> <p>TVET skills curriculum and learning materials developed, and, or upgraded by June. 2009</p> <p>Standards assessment instrument adopted by July 2009</p>	<p>TA report DGTVET report</p> <p>TA report TTCs' reports DGTVET quarterly progress report</p> <p>TA report TTCs' reports</p>	<p><b>Assumptions</b> Training will be organized on schedule.</p> <p>Qualified trainers will be available and willing.</p> <p>Curriculum and materials will be ready.</p> <p>Participants are available.</p> <p>Skills bridging program</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p>standards assessment instrument</p> <p>4. Improvement of employability skills and competency of out-of-school youth</p>	<p>First TVET skills bridging plan endorsed by July 2009 TVET skills bridging program started by August 2009</p> <p>700 youth (50% of whom are females) graduated. About 50% of graduates have entered further training at the certificate level in TTCs, and the remaining 50% employed by 2012</p>	<p>DGTJET quarterly progress report</p> <p>TVET skills bridging plan implemented TA reports TTCs' regular reports DGTJET quarterly progress report Mission reviews</p>	<p>implementation and financial management are effective.</p> <p><b>Risks</b> Trainers have limited capability Insufficient incentive for retention of trained and committed staff Produce abundant, given supportive climate conditions</p>
<b>Output 3: DGTJET effectively managing project implementation</b>			
<p>1. Development of program management and financial and monitoring systems</p> <p>2. Enhancement of DGTJET and TTCs staff, CBOs and, or NGOs, and commune councils</p> <p>3. Dissemination of lessons and development of recommended policy</p> <p>4. Development of exit strategies for DGTJET and TTCs</p>	<p>Grant implementation manual (GIM) developed by the first month of project implementation (April 2009)</p> <p>Effective grant reporting and accounting processes established</p> <p>Capacity-building training provided to around 80 people (30% of whom are women), including staff of DGTJET, TTCs, and contracting CBOs and NGOs by June 2009, and throughout the project implementation</p> <p>Annual participatory policy dialogue and lesson sharing among the Government and stakeholders in various workshops, seminars, including ADB's brownbag event Business plan that enables TTCs to operate in a commercially sustainable manner after project completion endorsed by TTCs and MOLVT within 6 months prior to project completion</p> <p>Recommended policies and strategies are incorporated into the regular TVET program</p>	<p>GIM endorsed by ADB TA report DGTJET quarterly progress report</p> <p>TA report DGTJET quarterly progress report</p> <p>Training reports Mission reviews Lessons for NTB regular meeting</p> <p>Lessons for MOLVT annual congress DGTJET annual report TA reports Approved business plan Approved exit strategy (recommended policies and strategies)</p>	<p><b>Assumptions</b> Grant implementation manual endorsed by the project steering committee and ADB Continued MOLVT and stakeholder commitment to the Project Recommended TVET policy and strategy supported by the Government and Development Partners All stakeholders willing to replicate the strategy and lessons Sustained revenue generation by TTCs to run the programs.</p> <p><b>Risk</b> Inadequate capacity hinders effective implementation</p>

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<b>Activities with Milestones</b>			<b>Total Inputs: 2,320,000</b>
<b>Output 1</b>			<b>JFPR: 2,000,000</b>
1.1	Conduct PHT needs assessment in targeted provinces—within the first month of project implementation (April 2009).		Civil works
1.2	Develop/review and print curriculum, training materials and handbooks based on PHT needs assessment—within the first 3 months of project implementation (June 2009).		Equipment and supplies
1.3	Construct three food safety testing buildings in three provincial TTCs, and upgrade one food safety testing building in NPIC (July 2009).		Training workshop
1.4	Procure the required equipment and supplies for basic post-harvest technologies—within the first 6 months of project implementation.		Consulting services
1.5	Commence operations—within 9 months of project implementation.		Grant management and coordination
1.6	Develop and endorse PHT skills development plan—by June 2009.		Contingency
1.7	Commence first PHT skills training program—by July 2009.		
<b>Output 2</b>			<b>Government: 200,000</b>
2.1	Prepare entry-level academic skills for TVET bridging program, submit for approval, and issue parkas (ministerial order) for implementation by April 2009. The academic skills for TVET bridging program will be consistent with the development of the NTQF.		In-kind (including functioning office spaces for the project, consultants, and staff, car for project monitoring by ADB staff and DGTJET)
2.2	Develop and, or review and print TVET skills curriculum and learning materials—by June 2009.		
2.3	Develop and test standards assessment instrument, and submit for approval, and issue parkas (ministerial order) for implementation—by July 2009.		Revolving-funds for trained farmers and, or youth
2.4	Develop and endorse of TVET skills bridging plan—by July 2009.		
2.5	Start first TVET skills bridging training program—by August 2009.		
<b>Output 3</b>			Land for labs in three provinces, and building for lab in NPIC
3.1	Recruit consultants in the first 2 months of project implementation (April 2009).		
3.2	Produce grant implementation manual, submit for approval and endorse in the first quarter of project implementation (April 2009).		<b>NGOs and, or CBOs:120,000</b>
3.3	Provide capacity building to staff of DGTJET and TTCs, and contracting CBOs and NGOs by June 2009, and throughout project implementation.		In kind (including matching funds from contracting NGOs and, or CBOs in the form of services).
3.4	Prepare procurement plan and documentations for ADB's approval in the second quarter (Q2) of 2009 (May 2009)		
3.5	Produce baseline survey reports—by April 2009.		
3.6	Submit semi annual progress reports between 2009 and 2012.		
3.7	Submit external financial audit reports for FY2009, FY2010, and FY2011.		
3.8	Conduct annual participatory policy dialogue and lesson learned sharing among the Government and stakeholders in Q1 2010 and Q1 2011.		In-kind (including participation in training, organizing initiation consultation meetings or workshops, forming producer networks or alliances
3.9	Submit the approved exit strategies for TTCs and DGTJET to MOLVT and ADB—within 3 months of project completion.		Project activities implemented on schedule.
3.10	Produce independent poverty impact assessment—within 3 months of project completion.		

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
			Funds and other resources available.  <b>Risk</b> Strong interest and support continue throughout project implementation

*ADB = Asian Development Bank, CBO = community-based organization, DGTVET = Directorate General Technical Vocational Education and Training, JFPR = Japan Fund for Poverty Reduction, MOLVT = Ministry of Labor and Vocational Training, NGO = nongovernmental organization, NPIC = National Polytechnic Institute of Cambodia, NTQF = national qualification framework, PHT = post-harvest technology, Q = quarter, TA = technical assistance, TTC = technical training center, TVET = technical vocational education and training.*

## I. GRANT DESCRIPTION

### A. Grant Area and Location

1. The Project will target 44 of the 100 poorest communes covered under the second Education Sector Development Program's (ESDP II)<sup>2</sup>-voucher skills training program (VSTP), in 4 locations: Kampot, Battambang, Siem Reap, and Phnom Penh. Cambodia's urban areas—in particular Phnom Penh and Siem Reap—are rapidly shifting to labor intensive industries such as garment factories and construction, resulting in significant rural-urban migration. The majority (about 55.4%) of the economically active population is engaged in agriculture, but agriculture sector growth declined from 13.4% in 2005 to 4.4% in 2006. There are an increasing number of new entrants into the labor force—an average of 300,000 people (30% of whom lack a specific skill or education) have entered the labor market each year from 2003 to 2007—but only around 150,000 new jobs have been created annually.

### B. Grant Objectives

2. The Project will help to reduce poverty among the rural poor in Cambodia by improving the post-harvest skills of agricultural producers and enhancing the knowledge and technical skills of youth to meet the demands of industry. The immediate objectives are to (i) increase the value added to agricultural produce through post-harvest (PH) skills development and training, and (ii) meet the needs of diversified enterprises through a technical vocational education and training (TVET) skills bridging program for youth. The Project will create new earning and income opportunities for poor agricultural producers in pilot communes both on and off-farm seasons, and create business opportunities and access to training and employment for out-of-school youth through improvements in their knowledge and skills that respond to the increasing demands of the labor market.

### C. Grant Components

3. The components, monitorable deliverable and, or outcomes, and implementation timetable are described as follows:

<b>Component A</b>	
Component Name	<b>Pilot Testing of Post-Harvest Technology Skills Development Program</b>
Cost (\$)	\$1,155,000 (excluding contingencies)
Component Description	This component aims to: (i) determine appropriate food storage, processing, and packaging technologies; (ii) develop a demand-based curriculum, learning materials, and design training modules in each selected post-harvest technology (PHT); (iii) construct and/or upgrade buildings in the target TTCs, <sup>3</sup> and equip them with the required equipment for the basic PHT skills development

<sup>2</sup> ADB. 2004. *Report and Recommendation of the President to the Board of Directors on Proposed Loans and Technical Assistance Grant to the Kingdom of Cambodia for the Second Education Sector Development Program*. Manila (Loan 2121/2122-CAM). A program loan of \$20 million equivalent supports a policy reform agenda; a project loan of \$25 million provides facilities development for secondary education and skills training for out-of-school youth.

<sup>3</sup> TTCs, in this project paper, include provincial training centers (PTCs), the National Technical Training Institute (NTTI) and the National Polytechnic Institute of Cambodia (NPIC). They are line institutions of MOLVT in the four project locations.

	<p>program; and (iv) provide training to eight PHT trainers (two from each TTC) to deliver PHT training to 44 PHT commune assistants (one from each participating commune) to further train and provide continuing support to a target group of 3,000 agricultural producers in 44 target communes, and bring product samples to TTC-based labs for food safety testing.</p> <p>The PHT skills development grant will be provided to TTCs (at a maximum of \$180,000/TTC for a 3-year period) for the PHT skills development program. They will receive a mobilization grant of 20% of the contract amount and progress payments based on approved budgets, work program and performance. There will be a 10% holdback to be paid on submission of a satisfactory progress report and assurance of deliverables and outputs.</p> <p>The grant will be used for (i) training of PHT and community development specialist (CDS) trainers; (ii) training of 3,000 agricultural producers to apply PHT techniques, including advanced food safety and hygiene requirements, and marketing; (iii) promotional activity on local products, including trade fairs; and (iv) follow-up support to trained agriculture producers.</p> <p>TTCs are expected to provide matching funds (in kind, cash and/or other services) of around 10%–15% of the JFPR inputs to the institutions. Before receiving JFPR grants the TTCs will be required to (i) submit a PHT skills development plan developed in consultation with participating commune councils and endorsed by the Directorate General TVET (DGTVET), and (ii) sign a memorandum of agreement on the use of these funds based on the Handbook for Financial Management of the Project training Fund developed for this JFPR.</p>
<p>Monitorable Deliverables/Outputs</p>	<ol style="list-style-type: none"> <li>1. Demand-driven PHT identified, based on baseline information.</li> <li>2. Curriculum, learning materials and handbooks in Khmer developed and, or upgraded.</li> <li>3. TTCs building facilities (200 square meters on one floor) upgraded and/or constructed and equipped with the required equipment for basic PHT technology.</li> <li>4. Around 3,000 agricultural producers trained to select and apply available and usable PHT processing and packaging techniques.</li> </ol>
<p>Implementation of Major Activities: Number of months for grant activities</p>	<ol style="list-style-type: none"> <li>1. Baseline survey and PHT needs assessment completed—within the first month of project implementation.</li> <li>2. PHT curriculum, learning materials, and handbooks developed and printed—within the first quarter of project implementation.</li> <li>3. Food safety testing facilities (200 square meters, one floor, slab-on-grade) constructed and/or upgraded in targeted TTCs—within the first 5 months of project implementation.</li> <li>4. PHT required equipment provided to constructed and/or renovated labs—within the second quarter of project implementation</li> <li>5. First PHT skills development plan submitted by TTCs and endorsed by DGTVET—within the first quarter of project implementation.</li> <li>6. PHT skills training program started—by the sixth month of project implementation.</li> </ol>

<b>Component B</b>	
Component Name	<b>Pilot Testing of the Technical Vocational Education and Training Skills Bridging Program</b>
Cost (\$)	\$360,000 (excluding contingencies)
Component Description	<p>This component aims to help the Government of Cambodia and MOLVT introduce a TVET training model to address the issue of out-of-school youth and the unemployed who have never enrolled in secondary education or have at least than grade 7 education, and cannot re-enter school or progress with formal education for economic and/or academic reasons.</p> <p>This component aims to provide TVET skills bridging grants to MOLVT Institutions, CBOs, NGOs, and private skills providers to organize a TVET skills bridging program for 700 youth in targeted geographical locations. The TVET skills bridging grant will be small (a maximum of \$42,000/TTC for a 2-year period) for TVET skills bridging classes. The contracting institutions will receive a mobilization grant of 20% of the contract amount and progress payments based on approved budgets, work program and performance. There will be a 10% holdback to be paid on submission of satisfactory progress report and assurance of deliverables or outputs.</p> <p>TTC staff will support and monitor implementation of activities, including oversight of any teaching quality issues. The contracting institutions and community are expected to provide matching funds (in kind, cash and/or other services) of around 10%–15% of the JFPR expense inputs to the institution. Before receiving JFPR grants the institutions will be required to (i) submit a TVET skills bridging plan, to the Project Management Unit (PMU) (ii) sign a memorandum of agreement on the use of these funds, as set out in the Handbook on Financial Management of the Program Training Fund, Appendix2.</p>
Monitorable Deliverables/Outputs	<ol style="list-style-type: none"> <li>1. Entry-level academic skills developed for TVET certificate course.</li> <li>2. Curriculum and learning materials in mathematics, science and Khmer developed or upgraded to move registrants, who may study on a part-time basis, from basic literacy to the entry-level standards for certificate level.</li> <li>3. Standards assessment instruments for trainee achievement designed and field tested.</li> <li>4. Employability skills curriculum and learning materials developed or upgraded with full input and acceptance by employers.</li> <li>5. Graduation of around 700 youth from the TVET skills bridging courses (50% of whom will be recruited by employers, with the remaining 50% enrolled in TVET institutions for further skills training).</li> </ol>
Implementation of Major Activities: Number of months for grant activities	<ol style="list-style-type: none"> <li>1. Approval of entry-level academic skills for TVET skills bridging program—(advanced action by the executing agency).</li> <li>2. Development and, or upgrading of TVET skills curriculum and learning materials—within the first quarter of project implementation.</li> <li>3. Approval of standards assessment instrument—within the second quarter of project implementation.</li> <li>4. Defining criteria for contracting institutions—(advanced action).</li> <li>5. Submission of first TVET skills bridging plan by contracting</li> </ol>

	institutions, and endorsement by TTCs and DGTVET—by the third month of project implementation. 6. Starting the TVET skills bridging program—by the sixth month of project implementation.
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<b>Component C</b>	
Component Name	<b>Capacity Building and Project Management and Monitoring</b>
Cost (\$)	\$421,000 (excluding contingencies)
Component Description	<p>This component aims to build the management capacity of officers of the commune councils, CBOs and, or NGOs, TTCs, and the DGTVET through targeted training programs and logistical support for the selection, monitoring and data collection, and management and financial accounting of component A: Pilot testing of PHT skills development program, and component B: Pilot testing of TVET skills bridging program.</p> <p>MOLVT, via the DGTVET and TTCs, will disseminate experience and lessons through media and stakeholder workshops, and will initiate a policy dialogue between the Government, development partners, and civil society, including the private sector, on (i) inclusion of PHT in agriculture production and employment policies for long-term economic development, and (ii) TVET skills bridging as a permanent component of TVET programming.</p> <p>DGTVET and MOLVT will be responsible for development of policy and strategy recommendations, ensuring the sustainability of the program through provision of microcredit<sup>4</sup> to trained farmers and youths to start and improve their businesses, and allocation of the recurrent MOLVT budget for PHT and TVET programs after project completion.</p>
Monitorable Deliverables/Outputs	<ol style="list-style-type: none"> <li>1. Program management, financial and monitoring systems designed and MOLVT staff trained in systems management.</li> <li>2. Capacity of the staff of the five TTCs and project-related stakeholders (a total of around 80 people, 30% of whom are women) to implement the program management systems and manage the programs enhanced.</li> <li>3. Policy dialogue organized and lessons disseminated to government institutions and stakeholders through various workshops and seminars.</li> <li>4. Exit strategies developed for DGTVET and TTCs to ensure sustainability of the programs after project completion.</li> </ol>
Implementation of Major Activities: Number of months for grant activities	<ol style="list-style-type: none"> <li>1. Completion of grant implementation manual, and submission to ADB for approval—within the first quarter of project implementation.</li> <li>2. Establishment of effective grant reporting and accounting processes.</li> <li>3. Capacity-building training to around 80 people, including the staff of DGTVET and TTCs, and contracting CBOs and NGOs—initiated within the first quarter of project implementation, to</li> </ol>

<sup>4</sup> The Self-Employment Generation Fund (SEGF) created under ADB. 1995. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Kingdom of Cambodia for Basic Skills Project*. Manila (Loan 1368-CAM, approved on 30 August) will be used to support trained beneficiaries. DGTVET, through TTCs and contracting institutions, ensures microcredit training is provided to trained beneficiaries (by microfinance institutions or TTC trainers) before credit is provided.

	<p>continue throughout project implementation.</p> <p>4. Organizing of annual participatory policy dialogue and lesson sharing among the Government and stakeholders—through various workshops and seminars, including ADB’s brownbag events at the end of project implementation.</p> <p>5. Development and endorsement of an exit strategy in the form of a business plan for TTCs and MOLVT for program sustainability—6 months before project completion.</p>
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**II. FINANCING PLAN & ALLOCATION OF GRANT PROCEEDS**

4. The total cost of the Project is approximately \$2,320,000 equivalent, including physical and price contingencies. The JFPR grant of \$2,000,000 equivalent will finance 86% of the total project cost. The remaining \$320,000, or 14%, will be provided through in-kind, cash and/or service contributions by the Government, together with aid agencies, NGOs, CBOs, and communities.<sup>5</sup> The executing agency (EA) finances the salaries of regular project staff, rental of office spaces, and taxes or duties. Detailed Cost Table and Funds Flow Arrangement are in **Appendix 1**.

5. The financing plan for the Project to be supported by JFPR is shown in Table 1.

**Table 1: Financing Plan**

<b>Financier</b>	<b>Amount (\$)</b>
JFPR	2,000,000
Government	200,000
Other Sources (aid agencies, NGOs, CBOs, and community)	120,000
<b>Total</b>	<b>2,320,000</b>

CBO = community-based organization, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization.

6. The allocation of grant proceeds is shown in the Table 2 below.

**Table 2: Categories, Amounts, and Percentage of Expenditures**

<b>Category</b>	<b>Amount of Grant Allocated in \$</b>	<b>Percentage of Expenditures</b>
1. Civil Works	165,000	8
2. Equipments, Goods and Consumable Supplies	182,000	9
3. Training, Workshops, and Seminars	65,000	3
4. Consulting Services	497,000	25
5. Project Management, Monitoring and Evaluation	121,000	6
6. Other Project Inputs to contracting Institutions (TTCs/NGOs/CBOs)	906,000	46
7. Contingencies	64,000	3
<b>Total</b>	<b>2,000,000</b>	<b>100</b>

<sup>5</sup> MoLVT will use its self-employment generation fund (SEGF), created under the Basic Skills Project (Loan 1368-CAM), to support trained beneficiaries. In addition, microfinance institutions will be contracted by TTCs to provide small business and microcredit management training to Project beneficiaries.

### III. IMPLEMENTATION ARRANGEMENTS

#### A. Executing Agency

7. The executing agency (EA) for the Project will be the Ministry of Labor and Vocational Training (MOLVT), which is responsible for formulating national technical vocational education and training (TVET) policies and strategies. MOLVT is also the EA for the ESDP II, and the proposed project preparatory technical assistance on strengthening TVET<sup>6</sup>. The Project will establish a steering committee, chaired by the secretary of state of MOLVT, will provide general policy guidance, oversee project management and implementation, facilitate coordination with concerned ministries and institutions including representatives from Ministry of Agriculture, Forestry and Fishery (MAFF), Ministry of Industry, Mines, and Energy (MIME), Ministry of Economy and Finance (MEF), One Village, One Product (OVOP), and the Cambodia Agriculture Research and Development Institute (CARDI), private sector, and TVET private skills providers.

#### B. Implementing Agencies

8. The Directorate General Technical Vocational Education and Training (DGTJET) and its technical training centers (TTCs), nongovernment organizations (NGOs), and community-based organizations (CBOs) will be the implementing agencies (IAs).

9. DGTJET will be responsible for overall project management, coordination, administration, and technical support, as well as disseminating lessons. It will ensure participation and cooperation from technical departments and the targeted TTCs in undertaking overall project management and (i) preparing the annual work plan and budget; (ii) making logistical arrangements for training and workshops; (iii) monitoring and evaluate progress of project implementation; (iv) preparing project disbursement and procurement; (v) conducting the baseline survey, and preparing project progress reports and an independent impact evaluation; and (vi) maintaining project accounts and complete financial records for auditing the Project. The assignment of full-time core staff to the DGTJET is a condition of project commencement. The Terms of Reference of each staff member are to be prepared and submitted to the Asian Development Bank (ADB).

10. It will contract subcomponents of the post-harvest technology (PHT) skills development program and the TVET skills bridging program to TTCs, NGOs, CBOs, and other skills providers. Detailed implementation arrangements are in the Handbook on Financial Management of the Program training Fund. Project Implementation Arrangement is in **Appendix 2**.

#### C. Participatory Approach

11. The Project will be implemented in a participatory manner that utilizes collaborative decision making. The planning, managing, and implementation of the PHT and Skills Bridging Program (SBP), including the design of training programs, will be undertaken with full participation by agricultural producers and youth groups, NGOs, CBOs, representatives from private sector, TTCs, and government and aid agencies during planning, managing, and implementation of PHT and TVET programs. The design and planning phase will be highly participatory and address how beneficiaries and contracting institutions will be selected, and

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<sup>6</sup> ADB. 2008. *Preparing the Strengthening Technical and Vocational Education and Training Project* (TA7116-CAM).

how the funds are disbursed and accounted for by contracting institutions. Criteria for Selection Institution, Communes, Trainees, Trainers, and advisors for PHT are in **Appendix 3**, and Criteria for Selection Institutions, Communes and Trainers for SBP are **Appendix 4**. Staff from relevant institutions, including commune councils, will have the opportunity to build their capacity with respect to these tasks at the start of the Project. The preparation of the PHT and SB programs by relevant institutions will be undertaken in a participatory manner to generate ownership of the programs and ensure sustainability and mutual accountability.

12. The Project will utilize the existing commune council mechanism under the Voucher Skills Training Program (VSTP) for (i) identification of training needs, (ii) identification and selection of training providers and participants, (iii) coordinating of training schedules and locations, and (iv) mobilization of community support. Agricultural producers and youths associations in respective provinces will be mobilized and consulted regarding the planning and implementation of PHT and TVET programs, and capacity building provided by the Project will assist these groups carry out activities in association with contracting institutions.

13. The Project will promote donor coordination and harmonization by mobilizing strained staff from key external funding agencies, including International Labor Organization (ILO), Japan International Cooperation Agency (JICA), United Nations Education, Scientific and Cultural Organization (UNESCO), and other public institutions, and sharing experiences and lessons, and provide leverage to introduce the needed policy dialogue and reform.

#### **IV. IMPLEMENTATION SCHEDULE**

14. The implementation period will be for 3 years commencing with the signing of the Letter of Agreement on 2 July 2009 and ending on 1 July 2012. A Quarterly Project Implementation Schedule is in **Appendix 5**.

#### **V. PROCUREMENT**

15. All ADB-financed goods, works and services procured for the Project will be in accordance with ADB's *Procurement Guidelines (2007, as amended from time to time)* and with ADB's *Guidelines on the Use of Consultant (2007, as amended from time to time)*, and other arrangements satisfactory to ADB. DGTNET, assisted by the civil works specialist and team leader will ensure that the appropriate government-financing arrangement is in place in order to ensure that the constructed civil works and goods procured are well maintained during their economic life. Contract variations shall be subject to ADB's prior approval. Indicative Procurement Package is in **Appendix 6**.

##### **A. Goods**

16. Equipment, goods, and consumable supplies procured for the Project will consist primarily of office and training equipment, motorcycles, and basic PHT laboratory equipment and SB training equipment and tools. No contract package is expected to exceed \$500,000 and international competitive bidding is not envisaged under the Project. Each contract costing between \$100,000 and \$500,000 will be awarded through national competitive bidding (NCB). Minor equipment and materials costing less than \$100,000 will be procured through shopping.

## **B. Civil works**

17. No work contract packages are expected to exceed \$500,000. Works under component A will be awarded by the EA on the basis of NCB. Procurement Plan for Civil Works is in **Appendix 7**.

## **C. Consulting Services**

18. The Project will be supported by approximately 94 person-months of consulting services (21 person-months of international and 73 person-months of national services). The consulting services are designed to provide technical support to project management and implementation, and will build long-term institutional capacity for planning, management, and delivery of the two pilot programs. The consultants will be recruited by ADB on the basis of individual consultant qualifications. ADB will advertise the required positions on its website. The EA will be requested to provide clearance of the short list, and staff of the EA and, or implementing agency (IA) are not allowed to be recruited as project consultants. DGTVET will call for expressions of interest for project impact evaluation and external financial audit specialists in accordance with Asian Development Bank (ADB) procedures. DGTVET will be responsible for providing guidance and supervising the work of consultants for smooth program implementation. The Terms of Reference for Project Implementation Consultants is in **Appendix 8**.

# **VI. DISBURSEMENT PROCEDURES**

## **A. Imprest Account (I/A)**

19. To expedite project implementation through the timely release of ADB funds for eligible expenditures, a dollar impress account will be established by MOLVT at a bank endorsed by the Ministry of Economy and Finance (MEF) and acceptable to ADB. The initial amount to be deposited into the imprest account shall be based on 6 months estimated expenditure to be funded from the imprest account, or 10% of the total Grant amount. The MEF will delegate the authority to operate the imprest account to the EA in order to facilitate access to project funds to implement project activities. The imprest account shall be established, managed, replenished and liquidated in accordance with ADB's "Loan Disbursement Handbook" dated January 2007, as amended from time to time. For expenditures incurred at the provincial level-including investments in small-scale civil works and other goods and services-funds will be channeled directly to the Provincial Training Centers' subaccount, through a commercial bank in the three project target provinces to finance activities under component A and B. The initial advance to the subaccount will be based on the first 3-month activity plan and budget. Replenishment of subaccounts will be based on monthly submission of full supporting documents to DGTVET. Payment of NGOs and CBOs will be made from subaccounts in accordance with the approved work plan and contracts.

20. Interest earned on the imprest account can be used for the Project, subject to ADB approval, within the approved total amount of the JFPR project. Any unutilized interest should be returned to the JFPR account maintained at ADB. If the remittance fee and other bank charges are higher than the amount of interest earned, such interest does not need to be returned upon completion of the Project and before closing the JFPR account.

## **B. Statement of Expenditure (SOE)**

21. The statement of expenditure procedures will be used for reimbursement of eligible expenditures for the JFPR Project and to liquidate advances provided into the imprest account, in accordance with ADB's Loan Disbursement Handbook" dated January 2007, as amended from time to time. Any individual payment to be reimbursed or liquidated under the SOE procedure shall not exceed \$10,000, and for payment and transactions in excess of \$10,000 equivalent, supporting documents should be submitted.

22. Disbursement procedures, to include establishing and operating the imprest account, preparing withdrawal applications and financial reporting, including SOE forms are in **Appendix 9**, and Instruction for Preparing Withdrawal Application is in **Appendix 10**.

## **VII. REPORTING REQUIREMENTS**

### **A. Quarterly Progress Report (QPR)**

23. MOLVT will prepare quarterly reports on project implementation and submit them to ADB within 30 days of each quarter. The reports will be in a format acceptable to ADB and will indicate, among other things: (i) progress against established targets, both technical and financial; (ii) status of performance indicators; (iii) problems encountered during the quarter, and steps taken and proposed to be taken to resolve problems identified or to improve the implementation; and (iv) project activities proposed for the succeeding quarter, including management actions to implement audit opinions on the use of JFPR funds. The progress report includes sufficient information in summary form to be useful to ADB as a funding agency. The purpose of the report is to enable the EA, IA, and ADB to monitor the latest progress, become aware of current problems, and assess whether the project's immediate objectives will be met. Framework and Guidelines in Calculating Project Progress is shown in **Appendix 11**. More detailed reports are prepared by consultants or contractors for the EA's management. These reports are held at DGT VET and are made available for ADB review. Any report of major change in scope of implementation and targets will be subject to review and approval by the ADB. A format of the Quarterly Progress Report is shown in **Appendix 12**.

### **B. Performance Monitoring and Evaluation**

24. Baseline studies of targeted communes and of participants will be undertaken at the beginning of the Project. The Monitoring and recording system and procedures will be developed and trained by technical consultants. The TTCs (in PHT) and the contracted partners in skills bridging will provide monthly monitoring data to the DGT VET, addressing key project impact indicators, outcomes and outputs. This will be consolidated by the DGT VET. Performance Monitoring Guideline is shown in **Appendix 13**. During the implementation, MOLVT shall carry out benefit monitoring and evaluation activities under the Project, as agreed with ADB (see the project's design and monitoring framework). A project impact assessment will be undertaken by an independent institution within 3 months of project completion. The impact assessment will examine the extent to which the project has fulfilled its stated objectives at the end of the project period. The Terms of Reference will be developed by DGT VET with approval by ADB.

### **C. Project Completion Report (PCR)**

25. Based on the project impact assessment, a Project Completion Report (PCR) will be submitted by MOLVT to ADB within 3 months after physical completion of the project. A PCR format and is shown in **Appendix 14**.

### **D. Implementation Completion Memorandum (ICM)**

26. An Implementation Completion Memorandum (ICM) will be prepared by ADB Project Officer with contributions from DGTEVT, and submitted to ADB within 6-months of physical completion of the project. The format for the ICM is shown in **Appendix 15**.

## **VIII. PROJECT REVIEW**

27. **Regular and Midterm Review.** ADB and MOLVT will jointly undertake half-yearly project reviews to assess progress in each component, identify constraints, and determine ways to overcome them. Before each review, MOLVT will make available the latest technical and financial progress reports which will be used by the review mission. A Midterm review will also be jointly conducted during the third quarter of 2010 to inform planning and implementation for the second half of the project. The midterm review will (i) review the scope, design, and project implementation arrangement; (ii) identify change needed; (iii) assess performance against targets and benchmarks; (iv) review lessons and experiences in post-harvest technology skills development and skills bridging program, focusing on the increased net income and greater employment opportunities among rural poor, and skills bridging system; (v) recommend changes in project design and, or implementation arrangements. The findings will be discussed at a midterm workshop to be attended by representatives from the project steering committee, the consultants, ADB and other concerned stakeholders.

## **IX. ACCOUNTING AND AUDITING**

28. MOLVT shall (i) maintain, or cause to be maintained, separate accounts for the JFPR project; (ii) have such accounts and related financial statements audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB; (iii) furnish to ADB, as soon as available but in any event not later than 6 months after the end of each related fiscal year or project closing date, whichever is first. The audit report should include certified copies of the audited accounts and financial statements, and the report of the auditors relating to the mentioned statements, including the auditor's opinion on the use of the JFPR funds. Separate opinions will be issued on the use of imprest account and statement of expenditures procedures. Audit Requirements and Guidelines are in **Appendix 16**.

## **X. CONTRACT AWARDS AND DISBURSEMENTS**

29. DGTVET can contract implementation of subcomponents on PHT skills development and TVET skills bridging programs, needs and skills assessments, and facilities development to local and international NGOs, research institutes, or consultants in accordance with Asian Development Bank (ADB) procedures. DGTVET will also contract with independent impact evaluation and audit specialists.

30. To effectively monitor project implementation, it is necessary to have accurate projections of contract awards/commitments and disbursements. A comparison of such

projections with the actual achievements will reveal impediments to smooth implementation and help determine the remedial measures. For this purpose, annual projections of contract awards and disbursements with quarterly breakdowns for each contract for the entire project period shall be prepared and submitted every 1<sup>st</sup> December during project implementation.

## XI. COVENANTS

31. MOLVT shall carry out the JFPR Project with due diligence and efficiency, and shall cause the JFPR Project to be carried out with concerned stakeholders in accordance with the arrangement described in the Letter of Agreement dated 2<sup>nd</sup> July 2009 shown in **Appendix 17**, which is available upon request.

## XII. APPENDIXES

No	Title	Cited on (page, para.)
1	Detailed Cost Table and Fund Flow Arrangement	p.12, para. 4
2	Project Implementation Arrangement	p.13, para.10
3	PHT Criteria for Selection: Institutions, Communes, Trainees, Trainers, and Advisors	p.14, para.11
4	SBP Criteria for Selection: Institutions, Communes and Trainees	p.14, para.11
5	Quarterly Implementation Schedule	p.14, para.14
6	Indicative Procurement Packages	p.14, para.15
7	Procurement Plan for Civil Works	p.15, para.17
8	Terms of Reference for Project Implementation Consultants	p.15, para.18
9	Disbursement Procedures	p.16, para.22
10	Instructions for Preparing Withdrawal Application	p.16, para.22
11	Framework and Guidelines in Calculating Project Progress	p.16, para.23
12	Quarterly Progress Report Format	p.16, para.23
13	Performance Monitoring System Guideline	p.16, para.24
14	Project Completion Report	p.17, para.25
15	Implementation Completion Memorandum	p.17, para.26
16	Audit Requirements and Guidelines	p.17, para.28
17	Letter of Agreement (hard copy is available upon request)	p.18, para.31

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PHT = Pots Harvest Technology, SBP = Skills Bridging Program,

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Component A: Pilot Testing of Post-Harvest Technology Skills Development Program</b>			<b>Subtotal</b>		<b>1,275.00</b>	<b>1,155.00</b>		<b>70.00</b>	<b>50.00</b>
<b>1.1</b>	<b>Civil Works</b>				<b>165.00</b>	<b>165.00</b>		<b>0.00</b>	<b>0.00</b>
1.1.1	Building food safety testing facilities (maximum 200 square meters)	Lab	3	55.00	165.00	165.00	NCB	0.00	0.00
<b>1.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>98.00</b>	<b>98.00</b>		<b>0.00</b>	<b>0.00</b>
1.2.1	Equipment for labs	Lump sum (LS)	4		80.00	80.00	Shopping	0.00	0.00
1.2.2	Motorcycle vehicles (for community development specialists and community monitoring)	unit	6	1.60	9.60	9.60	Shopping	0.00	0.00
1.2.3	Office supplies and materials	LS			8.40	8.40	Shopping	0.00	0.00
<b>1.3</b>	<b>Training, Workshop, and Seminars</b>				<b>15.00</b>	<b>15.00</b>		<b>0.00</b>	<b>0.00</b>
1.3.1	Training/workshop for TTCs, NGOs, CBOs, Commune Councils, and seminars	LS			15.00	15.00		0.00	0.00
<b>1.4</b>	<b>Consulting Services</b>				<b>139.00</b>	<b>139.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
1.4.1	Civil works specialist	Person-months	5	1.8	9.00	9.00		0.00	0.00
1.4.2	Post-harvest technology specialist	Person-months	6	15	90.00	90.00		0.00	0.00
1.4.3	Post-harvest technology specialist	Person-months	12	1.4	16.80	16.80		0.00	0.00
1.4.4	Post-harvest technology marketing specialist	Person-months	8	1.5	12.00	12.00		0.00	0.00
1.4.5	Travel and per diem for consulting services (include international roundtrip flight)	LS			11.20	11.20		0.00	0.00
<b>1.5</b>	<b>Project Management and Coordination</b>				<b>78.00</b>	<b>8.00</b>		<b>70.00</b>	<b>0.00</b>
1.5.1	Community project management and monitoring support	LS			8.00	8.00		0.00	0.00
1.5.2	TTC director (EA counterpart staff)	36 months	4	6.12	24.48	0.00		24.48	0.00
1.5.3	TTC coordinator (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
1.5.4	M&E, MIS officer (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
1.5.5	Electricity and water bills	36 months	4	0.58	2.32	0.00		2.32	0.00
<b>1.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>780.00</b>	<b>730.00</b>		<b>0.00</b>	<b>50.00</b>
1.6.1	TTCs to implement PHT skills development grants	Per TTC	4	192.5	770.00	720.00		0.00	50.00
1.6.2	Curriculum printing and translation	LS			10.00	10.00	Shopping	0.00	0.00

## DETAILED COST TABLE

Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Component B: Pilot Testing of Technical Vocational Education and Training Skills Bridging Program</b>			<b>Subtotal</b>		<b>450.00</b>	<b>360.00</b>		<b>50.00</b>	<b>40.00</b>
<b>2.1</b>	<b>Civil Works</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>2.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>44.00</b>	<b>44.00</b>		<b>0.00</b>	<b>0.00</b>
2.2.1	Equipment for TVET skills testing	unit	4	9.00	36.00	36.00	shopping	0.00	0.00
2.2.2	Office supplies and materials	LS			8.00	8.00	shopping	0.00	0.00
<b>2.3</b>	<b>Training, Workshop, and Seminars</b>				<b>15.00</b>	<b>15.00</b>		<b>0.00</b>	<b>0.00</b>
2.3.1	Training and, or workshop for TTCs, NGOs, CBOs, commune councils, and seminars	LS			15.00	15.00		0.00	0.00
<b>2.4</b>	<b>Consulting Services</b>	LS			<b>117.00</b>	<b>117.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
2.4.1	TVET skills bridging specialist	person-months	6	15	90.00	90.00		0.00	0.00
2.4.2	TVET skills bridging specialist	person-month	12	1.4	16.80	16.80		0.00	0.00
2.4.3	Travel and per diem for consulting services (include international roundtrip flight)	LS			10.20	10.20		0.00	0.00
<b>2.5</b>	<b>Project Management and Coordination</b>				<b>58.00</b>	<b>8.00</b>		<b>50.00</b>	<b>0.00</b>
2.5.1	Community project management and monitoring support	LS			8.00	8.00		0.00	0.00
2.5.2	TTC contract officer (EA counterpart staff)	36 months	4	5.40	21.60	0.00		21.60	0.00
2.5.3	TTC cashier (EA counterpart staff)	36 months	4	3.24	12.96	0.00		12.96	0.00
2.5.4	M&E, MIS assistant (EA counterpart staff)	36 months	4	3.24	12.96	0.00		12.96	0.00
2.5.5	Electricity and water bills	36 months	4	0.62	2.48	0.00		2.48	0.00
<b>2.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>216.00</b>	<b>176.00</b>		<b>0.00</b>	<b>40.00</b>
2.6.1	NGOs and CBOs to implement TVET skills bridging grants	project location	4	52	208.00	168.00		0.00	40.00
2.6.2	Curriculum printing and translation				8.00	8.00		0.00	0.00

## DETAILED COST TABLE

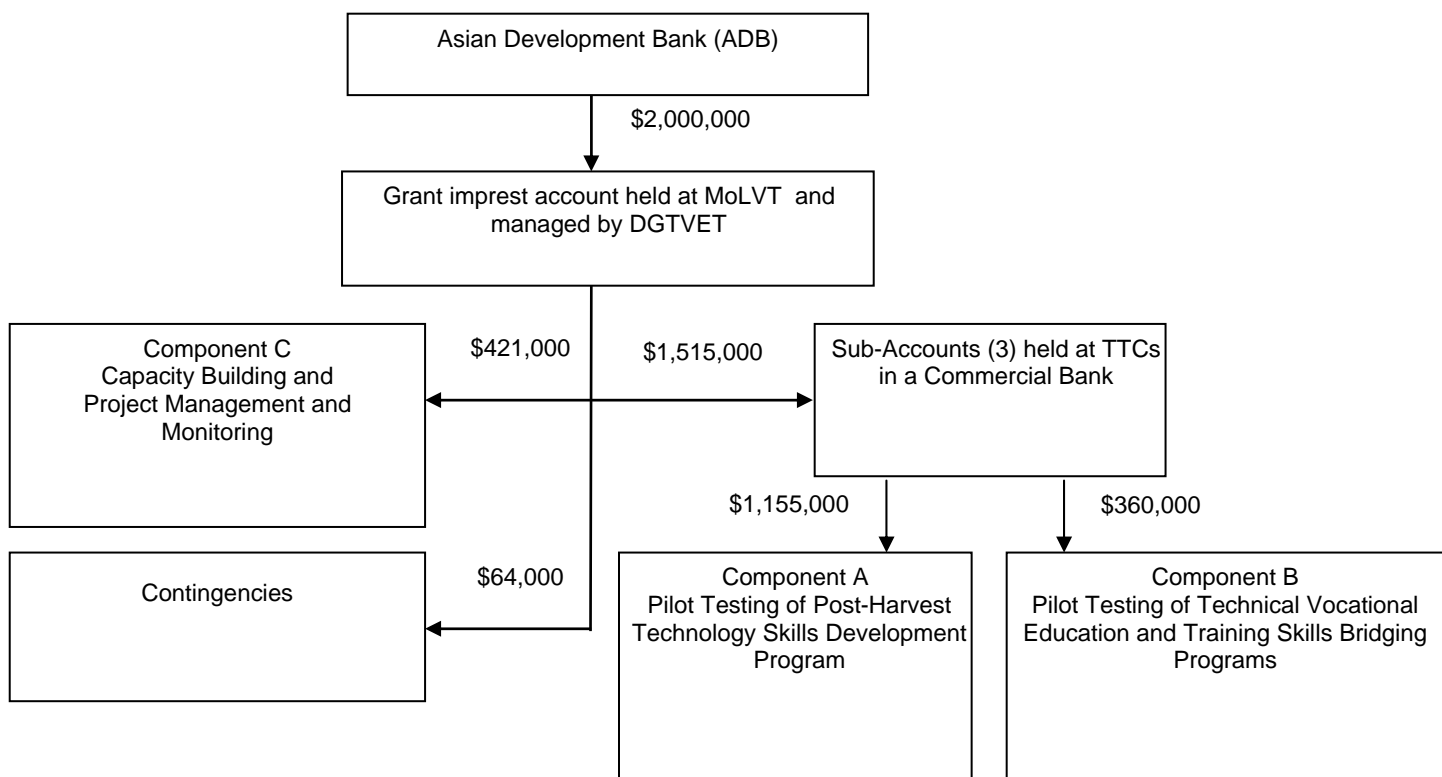
Code	Supplies and Services Rendered	Unit	Costs			Contributions			
			Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Component C: Capacity Building and Project Management and Monitoring</b>			<b>Subtotal</b>		<b>531.00</b>	<b>421.00</b>		<b>80.00</b>	<b>30.00</b>
<b>3.1</b>	<b>Civil Works</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>3.2</b>	<b>Equipment, Goods, and Consumable Supplies</b>				<b>40.00</b>	<b>40.00</b>		<b>0.00</b>	<b>0.00</b>
3.2.1	Office supplies and materials for DGTVET	LS			40.00	40.00	shopping	0.00	0.00
<b>3.3</b>	<b>Training, Workshop, and Seminars</b>				<b>65.00</b>	<b>35.00</b>		<b>0.00</b>	<b>30.00</b>
3.3.1	Training, workshop, seminar, meeting	LS			25.00	10.00		0.00	15.00
3.3.2	Annual workshop on good lessons	LS			25.00	10.00		0.00	15.00
3.3.3	Annual information dissemination on good practices and policy dialogue	LS			15.00	15.00		0.00	0.00
<b>3.4</b>	<b>Consulting Services</b>				<b>241.00</b>	<b>241.00</b>	ICS	<b>0.00</b>	<b>0.00</b>
3.4.1	TVET institutional and policy development, and community capacity building specialist (TL)	person-months	9	18	162.00	162.00		0.00	0.00
3.4.2	TVET institutional development, and community capacity building specialist (DTL)	person-months	36	1.5	54.00	54.00		0.00	0.00
3.4.3	Travel and per diem for consulting services (include international roundtrip flights)	Ls			25.00	25.00		0.00	0.00
<b>3.5</b>	<b>Project Management and Coordination</b>				<b>185.00</b>	<b>105.00</b>		<b>80.00</b>	<b>0.00</b>
3.5.1	DGTVET project management, monitoring and coordination	Ls			76.80	40.00		36.80	0.00
3.5.2	Project director (EA counterpart staff)	per month	36	0.25	9.00	0.00		9.00	0.00
3.5.3	Project manager (EA counterpart staff)	per month	36	0.23	8.28	0.00		8.28	0.00
3.5.4	Accounting/procurement officer (EA staff)	per month	36	0.18	6.48	0.00		6.48	0.00
3.5.5	M&E, MIS officer (EA counterpart staff)	per month	36	0.18	6.48	0.00		6.48	0.00
3.5.6	Secretary (EA counterpart staff)	per month	36	0.10	3.60	0.00		3.60	0.00
3.5.7	Cleaner (EA counterpart staff)	per month	36	0.06	2.16	0.00		2.16	0.00
3.5.8	Electricity and water bills	per month	36	0.20	7.20	0.00		7.20	0.00
3.5.9	Baseline survey, PHT/TVET needs assessments and project impact evaluation	per study	2	10.00	20.00	20.00	CQS	0.00	0.00
3.5.10	External financial audit	per fiscal year	3	15.00	45.00	45.00	LCS	0.00	0.00
<b>3.6</b>	<b>Other Project Inputs to Contracting Institutions</b>				<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>

### DETAILED COST TABLE

Code	Supplies and Services Rendered	Costs			Contributions				
		Unit	Quantity Units	Cost Per Unit	Total Amount	JFPR Amount	Method of Procurement	Govt. (in-kind/cash) Amount	NGOs/CBOs/Community (in-kind) Amount
<b>Subtotal (Components A to C)</b>					<b>2,256.00</b>	<b>1,936.00</b>		<b>200.00</b>	<b>120.00</b>
<b>Contingency (maximum 10% of total JFPR contribution)</b>					<b>64.00</b>	<b>64.00</b>		<b>0.00</b>	<b>0.00</b>
<b>TOTAL PROJECT COST</b>					<b>2,320.00</b>	<b>2,000.00</b>		<b>200.00</b>	<b>120.00</b>

CBO = community-based organization, CQS = consultant qualification selection, EA = executing agency, ICS = individual consultant system, JFPR = Japan Fund for Poverty Reduction, LS = lump sum, M&E = monitoring and evaluation, MIS = management information system, NGO = nongovernment organization, PHT = post-harvest technology, PTC = provincial training center, TL = team leader, DTL = deputy team leader, TTC = technical training center, TVET = technical vocational education and training.  
Source: Asian Development Bank estimates.

**FUNDS FLOW ARRANGEMENT**

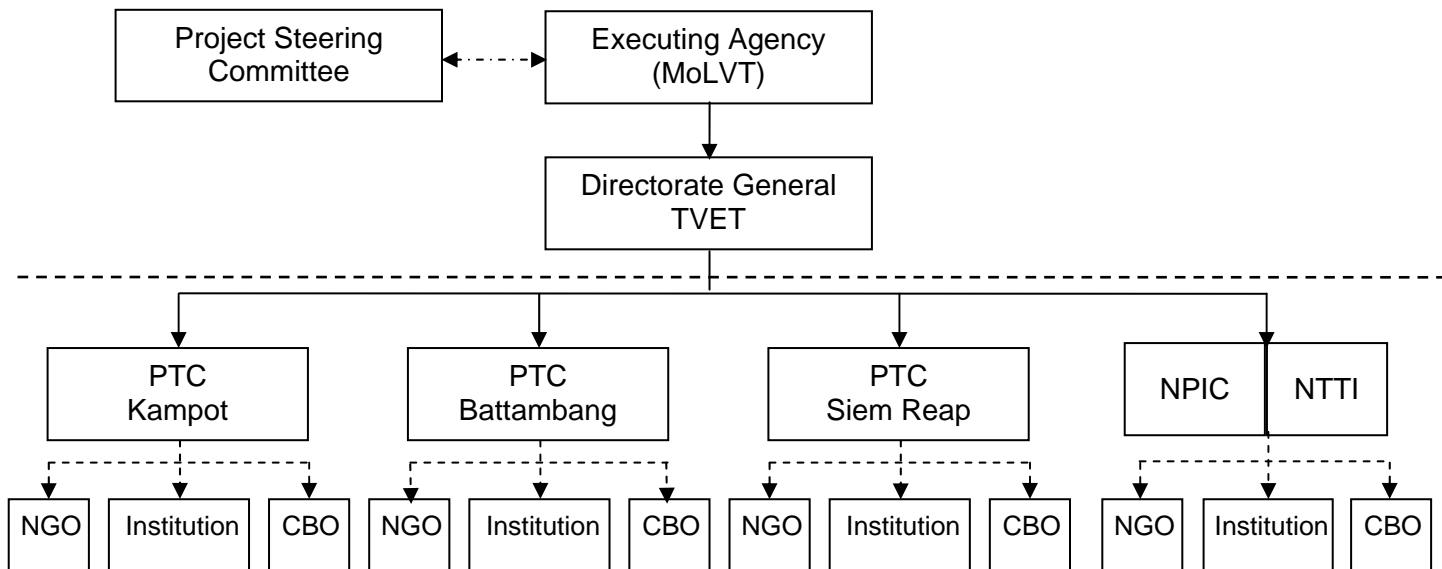


MOLVT = Ministry of Labor and Vocational Training, DGTVE = Directorate General Technical Vocational Education and Training, TVET = technical vocational education and training.  
 Source: Asian Development Bank.

## PROJECT IMPLEMENTATION ARRANGEMENT

1. The Asian Development Bank (ADB) will channel the Japan Fund for Poverty Reduction (JFPR) funds directly to a JFPR imprest account, which will be opened and maintained by the MOLVT, the EA, at a bank endorsed by MEF and acceptable to ADB. The JFPR imprest account will be managed, replenished, and liquidated in accordance with ADB's *Loan and Disbursement Handbook* (2007, as amended from time to time) and detailed arrangements agreed to by the Government and ADB.

2. The initial advance to the imprest account will be based on 6 months estimated expenditure to be funded from the imprest account, or 10% of the total grant amount, whichever is lower. The imprest account will be replenished based on the replenishment requests from DGTVET through the EA and in accordance with ADB's statement of expenditures (SOE) procedure. The SOE procedure will apply to all payments and transactions under \$10,000, and for payments and transactions in excess of \$10,000 equivalent, supporting documents should be submitted i.e. contract or purchasing order, invoice, bill, proof of payment. DGTVET will transfer part of the imprest account funds to three subaccounts, which will be held by the technical training centers (TTCs) with a commercial bank in the three project target provinces to finance activities under components A and B. The initial advance to the subaccount will be based on the first 3-month activity plan and budget. Replenishment of subaccounts will be based on monthly submission of full supporting documents to DGTVET. To ensure speedy project implementation, payment to nongovernment NGOs and CBOs will be made from subaccounts held by TTCs in accordance with the approved work plan and contracts. Detailed implementation arrangements, including administrative procedures, will be detailed in the Grant Implementation Manual (GIM).



Project Management Level  
Project Implementation Level

CBO = community-based organization, MoLVT = Ministry of Labor and Vocational Training, NTTI = National Technical Training Institute, NPIC = National Polytechnic Institute of Cambodia, PTC = provincial training center, TVET = technical vocational education and training. Source: ADB and DGTVET

**POST HARVEST TECHNOLOGY (PHT)**  
**CRITERIA FOR SELECTION: INSTITUTIONS, COMMUNES, TRAINEES, TRAINERS AND ADVISORS**

1. Only Technical Training Centers (TTC) of MOLVT in the four target locations that had graduates of Voucher Skills Training Program (VSTP) are involved in piloting the Post-Harvest Technology (PHT) as it was this group that had the difficulties with the agricultural produce surpluses. They also are familiar with the VSTP processes and have received a substantial amount of training of the institutions in these four Provinces took place during the 5 year Education Sector Development Program (ESDP) program especially in working in a community responsive training environment with Communes. The same institutions in these Provinces that were involved in ESDP II are identified again.
2. The need for training in PHT was identified by graduate trainees from the VSTP program. The trainees are the most prepared for this pilot program. The Communes in these Provinces have an agricultural surplus as required by PHT as a consequence of the VSTP program. The Grant is building small teaching/testing facilities in the 4 institutions as well, where the Commune Assistants (44) will be trained and will bring in products for quality assurance and packaging support. Equally each of these 4 institutions will have 3 staff trained (one month) in PHT to sustain the program after our project is finished.
3. Within Phnom Penh, the National Polytechnic Institute of Cambodia (NPIC) is selected by Directorate General of Technical Vocational Education and Training (DGT VET) because of its current involvement in food technology and because of the opportunity to develop and Food Technology diploma and possibly degree program within the project to sustain PHT by preparing graduates not just for industry but to be trained as teachers for DGT VET institutions after graduation. Graduates may go to National Technical Training Institute (NTTI) to train as teachers to expand the PHT concept across the system, including the training of NGOs.
4. The results of PHT component of the project will assist DGT VET in the detailed design and implementation of the project component in the proposed grant in strengthening TVET. There will be a high degree of institutional support during each step of the PHT program. Thirty three of the Communes involved in the pilot can be reached within a day drive of Phnom Penh. This will greatly increase the access of consultants and the ability to coach during implementation
5. Communes are selected by TTC based on the following criteria:
  - a. Within a one hour moto ride from the Institution;
  - b. A surplus of agricultural or fish products for the last 3 years;
  - c. A reasonable road (for transport of products);
  - d. A local market;
  - e. A Provincial market within 3 hours travel;
  - f. An active and interested Commune Council;
  - g. No annual flooding that closes roads; and
  - h. Approval of List by DGT VET

## Appendix 3

6. Trainees are selected by commune council based on the following criteria:
  - a. Live within the selected commune;
  - b. Have access through family links or commune council undertaking to surplus agricultural/fisheries products;
  - c. Have basic literacy (to read directions, safety documents and recipes);
  - e. At least 50% of the trainees shall be women;
  - f. After community mapping, identify disadvantaged and if they meet the above criteria, they shall be included where possible; and
  - g. Be nominated by the commune council.
  
7. There will be 14 trainers to be selected by TTC based on the following criteria:
  - a. Must be permanent staff from one of the 4 PTCs, NPIC or the DGTVET Institution or a provincial department of agriculture. If the trainee is with the Department of Agriculture;
  - b. Their participation must be approved by the DGTVET institution director where employed;
  - c. Hold a Degree in agricultural science, biology, technology with chemistry, or and similar;
  - d. Be available for up to one month residential training;
  - e. Have experience working on farms and with farmers;
  - f. Preferably have some English knowledge “capable to read, and understand”; and
  - g. Preferably have basic computer literacy. ( Word, Excel, PowerPoint)
  - h. Have a commitment to expand the use of food processing technologies, post-harvest and marketing skills to farmers;
  - i. Be able to drive a motor;
  - j. Willingness to work with farmers in the communes;
  - k. Dynamic and hard-working;
  - l. Good interpersonal skills;
  - m. Good attitude, discipline, and morality; and
  - n. List of recommended trainees approved by consulting team
  
8. PHT Commune Advisors will be selected by trainees based on the following criteria:
  - a. Graduate of the Commune based PHT program;
  - b. High interest in PHT and willingness to train- support others;
  - c. Access to daily transport; and
  - d. Literate, preferably with grade 12 science and math.

**SKILLS BRIDGING PROGRAM (SBP)**  
**CRITERIA FOR SELECTION: INSTITUTIONS, COMMUNES AND TRAINEES**

1. Four locations are identified in the Grant Assistance Report as the target locations for the overall Project. These are Kampot, Battambang, Siem Reap and Phnom Penh. In planning the Project, the intent was to select three different training provider mechanisms to make each pilot distinct and broaden Directorate General of Technical Vocational Education and Training (DGTVET) range of experience with bridging programs. Therefore three of the designated pilot provinces and Phnom Penh will be used in skills bridging.
2. In Phnom Penh, National Technical Training Institutes (NTTI) is selected because (i) it is accessible to a great number of potential students, (ii) it has a curriculum development capacity to assist with the development of the required self paced curriculum, (iii) it has experience in delivering a type of bridging program and of developing curriculum that integrates theory learning with measurement and language skills training. It has the mandate to train teachers for DGTVET institutions and so can sustain the outcomes of the pilots by training future DGTVET teachers to be Bridging Coaches, (iv) it is easily accessible to the consultants for daily development support, (v) it has graphics development and printing capacity to assist in enhancing curriculum and less expensive duplication, and (vi) it can pilot Bridging in an intensive urban environment.
3. Kampot was selected because of the commitment of the institution to second chance and social protection types of programming. It has a broad population base to draw from; it offers a range of certificate programs in which the graduates of the bridging program can then enroll. As a polytechnic institute, it can pilot bridging and transfer skills to the emerging system of higher level TVET institutions who are struggling with recruitment at the certificate level. Kampot will use the same trainer recruitment process as developed in ESDP II, VSTP and recruit local NGOs to actually deliver the SB training. However the Institution will manage the overall program in the Province
4. A competitive bidding process will identify an NGO in Battambang experienced in delivering training and qualified to take a leadership role in organizing and delivering the Pilot. The Institution will manage the contract with the NGO and provide support and monitoring as required by the DGTVET. Based on the experience of the first 18 months, the Project may expand to support two much smaller NGO and/or CBO pilots after the midterm of the Project with the lead NGO providing management support. Using the experience of the first pilot NGO as a base for training, a competitive bidding process will identify two further NGOs to further pilot bridging to expand the overall experience base in this form of program and further strengthen DGTVET capacity to work with private sector training providers. The competitive bidding process used will follow ADB guidelines.
6. Trainees from communes within the regular service area of the selected institutions/organizations are eligible for inclusion in the bridging program. Trainees will meet the following minimum requirements: (i) have completed at least grade 7 or be able to read and write at the equivalent level of a grade 7 graduate; (ii) have been out of school for at least one school year; (iii) be 16 years of age or older; (iv) be sufficiently motivated in the judgment of the selectors to complete the program; (v) live close enough to the bridging tutorial center to be able to easily participate in the program without additional travel expense; (vi) give evidence of sufficient family support in the provision of food to sustain them during the bridging period; and (vii) express an interest in further training on completion of the bridging at a regional Center or other recognized training institution.

## Quarterly Implementation Schedule

No	Outputs	Year 1		Year 2				Year 3				Year 4	
		3	4	1	2	3	4	1	2	3	4	1	2
1	<b>Output 1: PHT Skills Development Program successfully pilot tested in 4 project locations</b>												
1.1	Conduct PHT Needs assessment in targeted provinces (Month1)												
1.1.1	Complete baseline study of participants												
1.1.2	Complete harvest cycle chart for each Commune												
1.1.3	Complete TENA for each Commune												
1.1.4	Complete market opportunities assessment for PH for 4 Provinces and 44 Communes												
1.1.5	Identify Packaging suppliers/prices												
1.1.6	Identify possible exporters												
1.1.7	Design and implement financial management and contract management training for TTC Post Harvest Development Grant management												
1.1.8	Design and implement TTC training program for TTC Directors, CDS, DGTVET												
1.1.9	Design annual workplan for each TTC												
1.1.10	Endorse PHT Workplan												
1.2	Develop, review and print curriculum, learning materials, and handbooks based on PHT needs assessment (Month1-3)												
1.3	Construct 3 food safety testing buildings in 3 TTCs and upgrade 1 food safety testing building in NPIC												
1.3.1	Develop test procedures/protocols for labs												
1.3.2	Train TTC, Food Lab CDOs												
1.3.3	Select/Train 44 Commune assistants												
1.4	Identify required training equipment for Commune												
1.4.1	Identify required training equipment for Commune												
1.4.2	Complete contracting with TTCs												
1.4.3	Commence Commune PHT												
1.4.4	Identify required training equipment for TTC Labs												
1.4.5	Procure required equipment												
1.5	Commence Commune operations												
1.6	Commence TTC Lab operations												
1.7	Develop trade show format/PP and local												





## INDICATIVE PROCUREMENT PACKAGES

Component	No.	Unit Cost (\$'000)	Estimated Total Cost (\$ million)	Procurement Method
<b>A. Civil Works</b>				
1. Building food safety testing facilities	3	55	165	NCB
<b>Subtotal (A)</b>			<b>165</b>	
<b>B. Goods</b>				
1. Equipment for food safety testing facilities	1	80	80	Shopping
2. Equipment for skills bridging program	1	36	36	Shopping
3. Motorcycle vehicles <sup>7</sup>	1	1.6	9.6	Shopping
4. Curriculum printing and translation for PHT	1	10	10	Shopping
5. Curriculum printing and translation for TVET	1	8	8	Shopping
<b>Subtotal (B)</b>			<b>143.6</b>	
<b>C. Consulting services</b>				
1. PHT Specialist (international position)	1	15	90	ICS
2. PHT Specialist (national position)	1	1.4	16.8	ICS
3. PHT Marketing Specialist (national position)	1	1.5	12	ICS
4. Civil works Specialist (national position)	1	1.8	9	ICS
5. Skills bridging Specialist (inter. position)	1	15	90	ICS
6. Skills bridging Specialist (national position)	1	1.4	16.8	ICS
7. TVET Institutional development (inter. position)	1	18	162	ICS
8. TVET Institutional development (nat. position)	1	1.5	54	ICS
<b>Subtotal (C)</b>			<b>450.6</b>	
<b>Total</b>			<b>759.2</b>	

ICS = Individual Consultant System, NCB = National Competitive Bidding, PHT = post harvest technology, TVET = technical vocational education and training.

<sup>7</sup> To be used by TTC's community development specialists to monitor and providing follow-up support to trained farmers and youth in the 44 targeted communes. The motorcycles will be transferred to TTCs and DGTVET after project completion.

### Procurement Plan of Civil Works

<b>Project name:</b> Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor		<b>As of September 2009</b>				
<b>Contract No.</b> PHSBP/DGTVET/09/09						
ADB JFPR 9133-CAM		<b>Prior or Post Review</b> _____				
<b>Description of Goods:</b> Building and/or Renovation of 4 food safety testing facilities						
<b>Procurement Method:</b> NCB						
<b>Activity</b>		Time Period (Day)	Planned Start	Planned Finish	Actual Start	Actual Finish
<b>Preparation</b>	Specification and cost estimate prepared		19/09/09	15/10/09		
	Bidding Document drafted		19/09/09	15/10/09		
	Bidding Document Approved by Committee		16/10/09	20/10/09		
	<i>Bidding Document Submitted to Bank</i>		21/10/09	26/10/09		
	<i>NOL Issued</i>		26/10/09	28/10/09		
<b>Bidding Period</b>	Specific Procurement Notice Issued		30/10/09			
	Closing Date			30/11/09		
	Opening of Bid		30/11/09	30/11/09		
	Minutes distributed			04/12/09		
<b>Evaluation</b>	Evaluation		08/12/09	16/12/09		
	Procurement Committee Review			18/12/09		
	<i>Evaluation Sent to Bank</i>			22/12/09		
	<i>NOL Issued</i>			25/12/09		
<b>Contract Formation</b>	Contract reviewed by Committee			28/12/09		
	Contract issued			05/01/10		
	Contract Signed			10/01/10		
	Contract Effective			10/01/10		
	Goods delivered/Taking Over Cert Issued			01/05/10		
	Final Acceptance (goods)			07/05/10		
	Start of Warranty/Latent Defects			07/05/10		
	Expiry of Warranty/Latent Defects			07/05/11		

DGTVET = Directorate General Technical Vocational Education and Training, NCB = National Competitive Bidding, NOL = Non Objection Letter, PHSBP = Post Harvest and Skills Bridging Program

**Note:**

Those activities shown in *italics* are only applicable to prior review and should not be considered when the contract is subject to post review

DGTVET will prepare shopping instruction for the required equipment, goods and consumable supplies mentioned in the indicative procurement packages. The shopping instruction should include: conditions of contract for the supply of goods, price and delivery schedule, specifications, forms for price quotations, and form of contract agreement.

## TERMS OF REFERENCE FOR PROJECT IMPLEMENTATION CONSULTANTS

### A. **Team Leader, Technical Vocational Education and Training Institutional and Policy Development, and Community Capacity Building Specialist** (international consultant, 9 person-months over 3 years)

1. The team leader will have extensive experience in technical vocational education and training (TVET) and project implementation in Cambodia. He or she will have overall responsibility for guiding project activities, and expertise in (i) project management and administration; and (ii) partnership development with (a) concerned government institutions, in particular Ministry of Commerce; Ministry of Agriculture, Forestry and Fishery; Ministry of Industry, Mines and Energy; Ministry of Education, Youth and Sport; Ministry of Women's Affairs; and the Council of Ministers' One Village, One Product (OVOP) secretariat; and (b) aid agencies, in particular the Asian Development Bank (ADB); German Technical Cooperation (GTZ); Japan International Cooperation Agency; International Labor Organization (ILO); United Nations Economic, Scientific and Cultural Organization (UNESCO); World Bank; and nongovernment organizations (NGOs).

2. The team leader will (i) prepare a grant implementation manual that includes implementation arrangements such as the selection criteria for contracting NGOs; fund flow, replenishment, and administrative procedures; and overall work plan; (ii) provide capacity building on project and financial management; (iii) collaborate and network with senior officials of the Ministry of Labor and Vocational Training, and counterpart staff including technical training centers (TTCs), other relevant government agencies, the project steering committee, and NGOs; (iv) assist the Directorate General Technical Vocational Education and Training (DGTJET) to conduct a baseline survey on post-harvest technology (PHT) and skills bridging needs assessments, ensuring that the Project's targeted communes are linked to Voucher Skills Training Program communes with potential agricultural product surplus; (v) assess, set indicators, and monitor key results areas covered under the Project, including changes in income levels and the number of new businesses established and jobs created, and develop the Project's monitoring and evaluation mechanisms; (vi) manage the participating TTCs and the community planning process at the beginning of the Project, including development of PHT and TVET skills development plan guidelines for contracting institutions; (vii) develop the capacity of the TTCs in community development and demand-responsive TVET; (viii) coordinate and ensure the outputs of other team members, and ensure that each component is effectively implemented; (ix) assist DGTJET with medium and long-term financing policy priorities consistent with the financing framework (recurrent budget) of the TVET subsector; (x) work with the executing agency (EA) to develop the project completion report based on the project impact assessment, and assist DGTJET in procuring and monitoring an independent impact assessment; (xi) assist the EA and Implementing Agency (IA) in conducting conferences, seminars, roundtables, and participatory design workshops as appropriate; and (xii) assist the EA and ADB in any other assignments as may be reasonably expected within the scope of work.

### B. **Community Development and TVET Institutional Development Specialist (Deputy Team Leader)** (national consultant, 36 person-months)

3. The expert will have extensive experience in institutional and community planning and TVET development. Along with the team leader and other specialists, he or she will serve as deputy team leader and assist the management team of the TTCs and DGTJET to (i) lead the design and support the delivery of all training workshops for PHT and TVET bridging skills trainers,

community development specialists (CDSs), and commune councils; (ii) support the project in developing commune links and processes; (iii) design and manage the project baseline survey and, or training needs assessments and monitoring and impact evaluation process; (iv) assist in the organization of TTC and OVOP fairs; (v) ensure the Project's gender-related targets are met and deliverables are produced; and (vi) assist the team leader and the EA and IA in any other assignments as may be reasonably expected within the scope of work.

**C. Post-Harvest Technology Specialist-Processing, Preserving, Packaging**  
(international consultant, 6 person-months; national consultant, 12 person-months)

4. The international expert will have considerable experience in PHT planning, development, and training. Along with the national expert, he or she will work with and assist DGTJET and TTCs management team to (i) identify the appropriate PHT (storage, processing, and packaging) technologies to be used; (ii) procure the required lab equipment; (iii) conduct PHT training needs assessments and identify the PHT technologies to be used in each participating commune; (iv) prepare curriculum and learning materials for the PHT skills development program; (v) provide training for the TTCs' trainers and CDSs; (vi) assist TTCs to develop a PHT skills development plan; (vii) assist TTCs to implement the PHT skills development grant; and (viii) assist the EA document lessons and develop policy development recommendations. They will report to the EA and IA, and team leader.

**D. Post-Harvest Technology Marketing Specialist** (national consultant, 8 person-months over a 1-year period)

5. The expert will have extensive experience in business marketing strategies in similar projects and, or businesses. The expert, guided by team leader, will work with TTCs and relevant stakeholders such as Ministry of Agriculture, Forestry and Fishery; Ministry of Commerce; Ministry of Industry, Mines and Energy; OVOP; the private sector; and projects associated with small and medium-sized enterprises to (i) develop a market assessment model for use by communes in assessing what products to produce and where to sell them; (ii) identify appropriate and affordable packaging for products for display and protection; (iii) identify a basic marketing model for new agricultural products; (iv) design PHT training manuals and train TTC CDSs and PHT trainers in market assessment and marketing models; (v) assist DGTJET in the organization of TTCs and OVOP trade fairs; (vi) collaborate and network with potential marketers and develop promotional activities, i.e., TV spots and websites; and (vii) provide recommendations to TTCs on developing a marketing strategy as part of their exit strategy.

**E. TVET Skills Bridging Specialist** (international consultant, 6 person-months; national consultant, 12 person-months)

6. The international specialist will have a strong background and experience in TVET skills bridging training and curriculum design, and work with DGTJET and TTCs, together with counterpart staff in the Ministry of Labor and Vocational Training and key stakeholders—particularly in the Ministry of Education, Youth and Sport's Pedagogic Research Department and the United Nations Education, Scientific and Cultural Organization (UNESCO)—to (i) determine entry standards for the skills bridging program; (ii) assist DGTJET and TTCs to conduct employment and training needs assessments through interaction with the Cambodian Federation of Employers and Business Associations and employer or industry associations to identify skills that are potentially in demand; (iii) conduct a review of curriculum and learning materials

development needs, and develop a skills-bridging program implementation schedule; (iv) develop TVET bridging curriculum and learning materials based on the review; (v) develop selection criteria for potential contracting of NGOs, CBOs, and other skills providers in the project location; (vi) assist DGTVET and TTCs to develop a TVET skills development plan for contracting institutions; (vii) provide training to tutors and managers from potential contracting NGOs, CBOs, and other skills providers in implementing the TVET skills bridging grant; (viii) provide ongoing support to TTCs' sites managers and monitors, and review the system and learning materials; (ix) develop appropriate quality assurance systems, and monitor and evaluate implementation of the pilot TVET bridging program; (x) develop a monitoring tool for TTCs to supervise implementation of the TVET skills bridging plan; and (xi) assist the EA and IA to document lessons, and develop appropriate recommendations for policy development. She or he will report to the EA/IA and team leader.

**F. Civil Works Specialist** (national consultant, 5 person-months over a 6-month period)

7. The specialist will have extensive experience in managing civil works in similar projects and have prior experience with and knowledge of ADB procurement, disbursement, and monitoring procedures. He or she will work closely with DGTVET, provincial training centers, and the team leader in (i) preparing and costing a design for the civil works package; (ii) monitoring procurement connected with civil works and goods; (iii) supervising the construction and/or rehabilitation of labs at the TTCs; (iv) corresponding with DGTVET with regard to bidding, bid evaluation, and contracting; and (v) training DGTVET and TTC staff in project procurement and financial requirements to ensure sustainability after the end of the consulting service contract.

## DISBURSEMENT PROCEDURES

1. **Establishment of Imprest Account.** The EA shall, for the purpose of this project, open and maintain an Imprest Account at a designated commercial bank for the deposit of JFPR funds and for making payments for Project expenditures, following detailed arrangements and actions agreed upon by the Government and ADB in accordance with ADS's Loan Disbursement Handbook (January 2001 revised edition). For matters not covered in this Appendix, ADB's *Guidelines on Imprest Fund and Statement of Expenditures Procedures* will apply.
2. Payments out of the Imprest Account shall be made exclusively for eligible expenditures in respect of the reasonable cost of goods and services required for the project. These payments will be financed from the proceeds of the JFPR Grant. The Imprest Account shall be denominated in US dollars.
3. **Delegation of Authority for Withdrawal Applications.** The Government delegates full authority to the EA to sign all applications for withdrawal of the JFPR Funds and to receive payment for all JFPR Funds. Such funds shall be deposited directly into the Imprest Account established by the EA.
4. All applications for withdrawal submitted by the EA shall be signed by duly authorized persons. At the start of implementation, the EA shall furnish to ADB the names and titles of the authorized signatories together with their authenticated specimen signatures.
5. DGTVET desires to withdraw any amount of the JFPR Funds, DGTVET shall deliver to the EA an application in such form and containing such statements and agreements, as ADB shall reasonably request. The EA will then forward such application for withdrawal to ADB for processing. Disbursed JFPR Funds shall be paid directly to the GIU Imprest Account.
6. DGTVET shall not be required to further seek clearance from the Government or EA for disbursement from the Imprest Account to JFPR Project beneficiaries once the application for withdrawal has been submitted to ADB by the EA. However, each payment out of the Imprest Account shall be duly authorized by the joint signatures of any two members whose names and authenticated specimen signatures have been provided to the ADB.
7. **Initial Advance and Ceiling.** Before applying for the initial deposit into the Imprest Account, the EA should submit, for ADB approval, the work plan and financial budget plan for the first six months of project implementation. When applying for the Initial Deposit, the EA needs to prepare a withdrawal application form (Appendix 10). Upon evidence satisfactory to ADB that the Imprest Account has been duly opened, JFPR Funds will be deposited to the Imprest Account in the amount of six months estimated expenditures, which will be regarded as a ceiling for replenishment purposes. This ceiling may be changed by the mutual agreement between ADB and the EA.
8. **Replenishment and Liquidation.** To avoid disruption in the project's implementation schedule, application for replenishment of the Imprest Account is to be lodged before the account balance reaches no less than one month equivalent of project expenditures (no more than two months equivalent). When applying for replenishment, the EA needs to submit a withdrawal application with statements of expenditure attached together with supporting documents deemed necessary and other evidence as ADB shall reasonably request, and showing that each payment was made for eligible expenditures. Any individual payment to be reimbursed or liquidated/replenished under the Statement of Expenditure (SOE) procedure shall not exceed the equivalent of \$10,000.

9. The EA shall also furnish to ADB statement of Imprest Account prepared by the commercial bank. Details of debit entries of such bank statements of Imprest Account should be shown on the statement of separate sheet.

10. **Accounts and Records.** The EA shall ensure that all amounts received for or in connection with the Imprest Account and amounts withdrawn are recorded in a separate account in accordance with consistently maintained sound accounting principles. Upon receipt of monthly bank statements, the EA should reconcile its records against the bank statements and follow-up on any unreconciled entries. The EA shall retain until one year after Closing Date for withdrawals from the JFPR Account or such other date as ADB may agree, all accounts and records including orders, invoices, bills, receipts and other original documents evidencing the expenditures paid out of the Imprest Account, and shall enable ADB's representatives to examine such accounts and records during disbursements and review missions.

11. On a quarterly basis, the EA will prepare a Physical Progress Report and Project Expenditures from all the implementing agencies as well as the Quarterly Project Expenditures (SOE-3 form). ADB will reserve the right not to replenish the Imprest Account if ADB has not received the latest quarterly report of the project.

12. The EA shall cause an adequate independent auditor or government auditor acceptable to ADB to periodically audit the Imprest Account above and furnish the audit report thereon to ADB not later than 6 months after the end of each fiscal year.

13. **Ineligible or Unjustified Payment.** Where any withdrawal or payment from the Imprest Account is determined by ADB (i) to have been utilized for any purposes not eligible, or (ii) not justified by the evidence furnished, the EA shall promptly upon notice from ADB and unless otherwise agreed by ADB, prior to any further replenishments, deposit into the Imprest Account an amount equal to the amount of such payment to the portion thereof not so eligible or justified, in the same currency as that in which the amount was withdrawn from the JFPR Account. Alternatively, ADB may offset the unjustified payment against new withdrawal application for reimbursement.

14. **Closing of the Imprest Account.** Upon determination that the project components to be financed with payments from the Imprest Account are near completion, ADB may reduce the amount of any replenishment as ADB may deem appropriate with a view towards gradually closing the Imprest Account.

15. In the event that (a) ADB determines that the amount outstanding in the Imprest Account will not be required to cover eligible expenditures, or (b) any amount remains outstanding in the Imprest Account after the Closing Date specified in the JFPR Agreement, the EA shall, promptly upon notice from ADB, and unless otherwise agreed by ADB, refund to ADB such amount then outstanding in the Imprest Account.

16. ADB may at any stage by notice to the EA suspend further replenishments to the Imprest Account if the EA has failed to comply with any of the provisions of this Appendix.

<b>MONTHLY PROGRESS REPORT OF RECEIPTS &amp; EXPENDITURES</b>					<i>SOE-1 FORM</i>
Name of SCCINGO: _____		From the Month of _____ to _____			
Category (1) <b>RECEIPTS</b>	Previous month (2)	This Period (3)	Cumulative total for the year (4)	Cumulative Project total (5)	Description
JFPR Funds received Government contributions Contributions from aid agencies NGOs, CBOs Contributions from community Others Donation in kind*					
<b>TOTAL RECEIPTS</b>					
<b>EXPENDITURES</b>					
Civil works Equipment, Goods, and Consumable supplies Supplies Training, workshops, and seminars Consulting services Project Management, Monitoring and Evaluation Other Project inputs to contracting institutions Contingencies Others Donation in kind*					
<b>TOTAL EXPENDITURES</b>					
<b>BALANCE</b>					
<b>BALANCE CASH ON HAND AND AT THE BANK</b>					
Prepared by:  _____		Approved by:  _____			
<b>Project Accountant</b>		<b>Project Manager</b>			
<small>This copy is retained by the GIU or EA for reference.                      If there is more than 1 payment or cheque, please list all check numbers in a separate sheet.                      * Only matching entry</small>					

(This form is submitted by the TTCs to DGTVET)

**CONSOLIDATED STATEMENT OF ACCUMULATED RECEIPTS & EXPENDITURES**

**SOE-2FORM**

From the beginning of the Project to \_\_\_\_\_ (date)

Category (1)	Previous Quarter (2)	Current Quarter (3)	Cumulative total for the year (4)	Cumulative Project Total (5)	Description
<b>RECEIPTS</b>					
JFPR Funds received					
Government contributions					
Contributions from aid agencies, NGOs, and CBOs					
Contributions from community					
Others					
Donation in kin*					
<b>TOTAL RECEIPTS</b>					
<b>EXPENDITURES</b>					
Civil works					
Equipment, Goods, and Consumable supplies					
Training, workshops, and seminars					
Consulting services					
Project management, Monitoring and Evaluation					
Other Project inputs to contracting institutions					
Contingencies					
Others					
Donations in kind"					
<b>TOTAL EXPENDITURES</b>					
<b>BALANCE</b>					
<b>BALANCE CASH ON HAND AND AT THE BANK</b>					

Prepared by:

Approved by:

\_\_\_\_\_  
**Project Accountant**

\_\_\_\_\_  
**Project Manager**

This report is based on Monthly Progress Report of Receipts and Expenditures

If there is more than 1 payment or cheque, please list all check numbers in a separate sheet.

\* Only matching entry



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**SOE-4****PAYMENT VOUCHER****No.** \_\_\_\_\_Contracting Institution Name \_\_\_\_\_  
\_\_\_\_\_Paid: \_\_\_\_\_  
(currency and amount) (amount in words)To: \_\_\_\_\_  
(name of recipient)

Purpose:

By:  cheque number  
 CashPrepared by: \_\_\_\_\_  
name and signature dateAuthorized by: \_\_\_\_\_  
name and signature dateReceived by: \_\_\_\_\_  
name and signature date  

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## **INSTRUCTIONS FOR PREPARING WITHDRAWAL APPLICATION FOR IMPREST FUND**

### **A. General Instructions**

1. Submit withdrawal application (W/A) to the Bank/Resident Mission in duplicate. Number W/As consecutively, not exceeding 5 characters followed by the last two digits of the year (e.g. 0001/09 to indicate the first W/A for 2009). When application is completed, verify completeness of supporting documentation and accuracy of details before passing to the authorized representative(s) for signature. Mistakes and omissions result in delayed payment.

### **B. Withdrawal References**

2. On the upper right hand side, enter date as signed by the authorized representative(s) and fill out JFPR Grant Number, application number (one number should be assigned for each IA consecutively beginning from A0001), and type of disbursement (initial advance, increase in ceiling or replenishment).

### **C. Estimate of Expenditures Sheet**

3. Estimated expenditures should normally be based on the financial budget approved by ADB. No supporting documents are required. However, a bank statement from the bank maintaining the Imprest Fund and the bank reconciliation statement(s) of the Imprest Fund Account must be attached.

### **D. Payment Instructions**

4. The full name and address of the payee's bank (including the designated bank, if any), must be clearly indicated, along with the account number and SWIFT code, if the payee's bank is a member. The payee's full name and address must also be indicated.

5. Where payment is to be made to a bank not located in the country of currency to be paid, indicate its full name and address, along with the account number and SWIFT code, if the payee's bank is a member.

6. For Special Payment Instructions, indicate any particulars special instructions, or references to facilitate payment or identification of payment.

7. The Name of the Executing Agency, as appears in the Letter of Agreement, is the Ministry of Labor and Vocational Training (MOLVT).

8. Only the authorized representative(s)' signature will be honored. If the authorized representative (s) has been changed, the EA should convey the change to ADB prior to lodging the W/A.



- f. For expenditures to be liquidated on the basis of a Statement of Expenditures (SOE), all authenticating documents will be retained in the location shown on the individual SOE Summary Sheet(s) and will be made available for review by auditors and Bank representatives upon request.
- g. If any funds withdrawn pursuant to this application are returned, the current value of such funds will be applied as credit to the JFPR Grant Account.

3. Payment Instructions

a. Payee's Name and Address

- Payee's Name: -----
- Payee's Address           -----

b. Name and Address of Payee's Bank and Account Number

- Bank Name:                   -----
- Bank Address               -----
- Payee's Account No.       -----
- SWIFT Code                 -----

c. Correspondent Bank (If Payee's Bank is not located in the country whose currency is claimed, enter the name and address of their bank's correspondent in the country whose currency is to be paid.)

- Bank Name:
- Bank Address
- Account No. of Payee's Bank
- SWIFT Code

d. Special Payment Instructions or References

4. This application consists of (number) page(s) including (number) page(s) of Summary Sheet(s):

The Royal Government of,  
The Kingdom of Cambodia

By: \_\_\_\_\_  
Signature(s) of Authorized Representative (s)

\_\_\_\_\_  
Print Name & Title of Authorized Representative(s)

## **FRAMEWORK AND GUIDELINES IN CALCULATING PROJECT PROGRESS**

### **A. Introduction**

1. To ensure that all implementation activities are reflected in measuring implementation progress against the project implementation schedule, the term "physical completion" in the Grant Assistant Report has been changed to "project progress."
2. Physical and pre-commencement activities are considered in calculating project implementation progress. These activities, which may include recruitment of consultants, capacity building, detailed design, preparation of bid and prequalification documents, etc., could constitute a significant proportion of overall implementation and therefore should be counted.
3. Each activity in the implementation schedule will be weighted according to its overall contribution (using time as a reference) to progress of project implementation. These weights will then be used to calculate the percentage of project progress along the entire time span of the project. This is to provide a holistic view of the pace of implementation.

### **B. Framework for Compiling Activity List and Assigning Weights**

4. As implementation activities (with corresponding weights) will vary in terms of project, and project officer will be responsible for incorporating them in the Grant Implementation Manual. The actual project implementation progress of these activities should be reported regularly through the EA's quarterly project progress report. To ensure ADB-wide consistency, the following framework has been established.
  1. **Compilation of Activity List**

5. Project officer will identify and include major implementation activities in the implementation schedule which is attached as an appendix in the Grant implementation schedule. The implementation schedule should follow the critical path of the project's major activities in project implementation taking account of various project constraints.

#### **2. Assignment of Weights**

6. Corresponding weights for each activity should be assigned to ensure that "project progress" measures the percentage of achievement (nonfinancial except when the project has credit components) for all events during the entire duration of the implementation schedule. To avoid disproportionate assignment of weights, to the extent possible these should be evenly distributed along the implementation schedule. When activities are concurrent, avoid "double counting."

#### **3. Computation of Project Progress**

7. Once all activities are identified and corresponding weights assigned, project progress should be calculated using the following steps:
  - (i) Determine the actual percentage progress (non-financial) of each activity.
  - (ii) Multiply these percentages by the assigned weight of each activity to arrive at the weighted progress.
  - (iii) Add up the resulting weighted progress of all activities to determine the project progress.

## IMPLEMENTATION PROGRESS CALCULATION

Activities	Responsibilities	(a) Assigned Weight (%)	(b) Actual Progress (%)	(a) x (b) Weighted Progress (%)
<b>Grant effectiveness</b>				
Opening Grant's Imprest Account	MOLVT//MEF	1%		
Opening sub-accounts in provinces	MOLVT/MEF	1%		
<b>Preparation phase</b>				
Procurement of consultancy services	ADB	3%		
First six month expenditure projection	MOLVT	1%		
Grant Steering Committee establishment	MOLVT	1%		
Grant implementation team formulation	MOLVT	1%		
Preparation of procurement plan	MOLVT	2%		
Preparation grant implementation manual	MOLVT	2%		
Preparation of guideline and handbook	MOLVT	2%		
<b>Implementation phase</b>				
Baseline survey	MOLVT	5%		
PHT Needs Assessment	MOLVT	2%		
TENA for each commune	MOLVT	2%		
Training Program for TTCs	MOLVT	2%		
Implementation of PHT program	MOLVT	15%		
Preparation bidding documents for civil works	MOLVT	4%		
Construction of 3 food safety testing facilities	MOLVT	10%		
Food labs' equipment procurement	MOLVT	2%		
Identify entry level requirement for bridging prog.	MOLVT	1%		
Develop skills bridging baseline study	MOLVT	3%		
Identify study skills/employability skills	MOLVT	1%		
Skills bridging tools procurement	MOLVT	10%		
Training contracting institutions	MOLVT	1%		
Capacity building for DGT VET and TTCs	MOLVT	2%		
Implementation skills bridging program	MOLVT	15%		
Impact assessment	MOLVT	5%		
Exit strategies for TTCs and DGT VET	MOLVT	2%		
Annual dialogue	MOLVT	2%		
Project closing report	MOLVT	2%		
<b>Implementation Progress</b>		<b>100%</b>		

## QUARTERLY PROGRESS REPORT FORMAT

1. **Description of Contents.** Quarterly Progress Reports on the implementation of the Project should be prepared and submitted to ADB for the period of ending September, December, March and June, not later than 30 days after the end of each reporting period, in a format comprising the following parts: (i) Summary, (ii) Technical/Project Components, (iii) Financial Reporting, (iv) Management and Operation, (v) Other Miscellaneous Matters, and (vi) Conclusion. The following paragraphs illustrate and highlight the type of information that ADB would like to receive on a semi-annual basis on the implementation of the project and the operation of the project facilities.

2. **Summary.** This part should contain a summarized version of the Project Implementation status as detailed in subsequent part for immediate and ready reference. It should report progress in implementation and actual achievements, shortfalls in terms of physical and financial targets and accomplishments, both during the reporting period and up to the next reporting period (preferably in terms of broad components of identifiable physical elements). It would also contain conclusions about the viability of the original (as indicated in the JFPR Grant document) and cost estimate.

3. **Technical/Project Components.** The purpose of this part is to provide information on significant physical activities which took place during the reporting period with an assessment of progress achieved and a projection of progress expected to be achieved in the next reporting period. This should contain information at least in the following aspects:

- (i) Physical works accomplished during the reporting period;
- (ii) Comparison of the actual progress of activities as at the end of each reporting period with that of the original forecast;
- (iii) Changes in the original/revised plan and schedules or deviations therefrom (actual or expected), except that changes requiring ADB's approval should be reported to ADB immediately and subsequently mentioned in the semi-annual report; and
- (iv) Other changes, modifications, deviations or events which affected physical progress during the reporting period which are likely to affect project implementation in the next reporting period.

4. Progress on each Project components should cover: (i) measures taken or planned to correct factors responsible for delay during the reporting period or which are likely to affect physical progress in the future; (ii) any delay or expected in the delivery of services and activities; and (iii) any unusual occurrences affecting the progress of the Project components.

5. **Financial reporting.** The annual financing plan for the Project and achievements in the financial terms during the reporting period should be supported appendix/table. The details should at least cover the following:

Amount allocated from the JFPR Project

Amount contributed by Government through the EA in the annual budget

## Appendix 12

Amount contributed by other aid agencies, NGOs, and CBOs

Amount contributed by the community

Total amount of funds received

Amount of funds utilized to date (provide supporting schedules covering each component/subcomponent of the project)

Balance of funds as at (date)

6. A review of actual achievements during the reporting period and revisions of projected schedules and amount in respect of contracts yet to be signed and activities yet to be done, with brief reasons for revisions should be made.

7. **Management and Operation.** This part meant to be descriptive and should highlight, among others: (i) actual or prospective changes in the organization of the EA and DGTVET, (ii) status of the project office, (iii) problems encountered, and (iv) measures taken and statement of the progress of such other activities, i.e. coordination with other implementing agencies, and OVOP activities.

8. **Conclusion.** The format of the Project and guideline enunciated above are for guidance only and should be adjusted keeping view of the implementation status. The report will also summarize the main issues and findings.

## PERFORMANCE MONITORING SYSTEM GUIDELINES

1. The Project performance management and evaluation system comprises Benefit Monitoring and Evaluation (BME), Performance Monitoring and Evaluation (PME) and Response Monitoring and Evaluation (RME).
2. **Benefit Monitoring and Evaluation.** BME aims to ascertain the impact of the Project on the beneficiaries. It will be carried out at the DGTVET (GIU) level. DGTVET will be responsible for the BME with assistance from all concerned IAs and will follow the ADB BME guidelines.
3. At the beginning of the Project, a baseline survey will be carried out to record benchmark information against which progress will be measured. The benchmark information will describe the average socioeconomic characteristics of target beneficiaries, and information about the existing skills training and, or income generation activities in the area.
4. The indicators sought and the information to be evaluated will include the progress in the Project implementation according to components and the work plan. Delivery constraints will be identified and solutions sought. The BME will include information from TTCs and contracting institutions under the Project.
5. **Performance Monitoring and Evaluation.** PME is built upon current performance recording and evaluation systems within DGTVET and its TTCs which record delivery of inputs and responses. PME will provide the basis for the more detailed information concerning delivery of inputs, mobilization of families and communities and their responses.
6. The information gathered through PME will be aggregated, analyzed and used for planning support service activities. Delivery activities will be recorded in terms of material applications received, materials granted and responses, surveys returned, numbers of various activities (PHT training and skills bridging activities) and other support activities carried out as well as other promotional activities such as advertisement, campaigns, community meetings, etc. Capability will be developed to record and monitor trends using key indicators, e.g. entry-level academic skills for TVET skills bridging program developed and agreed, TVET skills curriculum and learning materials developed, effective grant reporting and accounting process. The activities and respondents' data from those assisted under the Project will be collected, recorded, evaluated and used under the BME. Any issues and concerns requiring changes in the Project design and implementation plans will be identified and resolved through PME.
7. **Response Monitoring and Evaluation.** RME conducted at the community level and involving youth and families in their communities to provide a framework to monitor community's participation and response. RME, organized by the TTCs and contracting institutions, will be conducted at the community level. The process will involve both record keeping and learning from experience. A quarterly review exercise will deal with major issues identified.
8. Stakeholders will be actively engaged in the monitoring and evaluating process. PME will provide a means of integrating the particular perspective and needs of different stakeholders into the Project. Stakeholders will benefit from their participation and will develop new ways of addressing community problems and development issues. Through this process, ownership of the Project will be enhanced within the community.

9. Monitoring will be done throughout the program using project records, operational reports, complaints register, employment creation and income statistics of target communes. Specific evaluation will be associated with key project events such as delivery of training courses. Evaluation of training would include assessment of training records, trainee feedback, and follow up on post-training activities. Trainees surveys, based on the baseline survey conducted early on, will be undertaken prior to the mid-tens evaluation of the project and upon completion of the project. The indicators assess the direct benefits of implementing the various program components.

## **PROJECT COMPLETION REPORT FORMAT**

### **Basic data**

#### **Map**

#### **Executive Summary**

#### **I. Project Description**

#### **II. Evaluation of Design and Implementation**

- A. Relevance of Design and Formulation
- B. Project Outputs
- C. Project Costs
- D. Disbursements
- E. Project Schedule
- F. Implementation Arrangements
- G. Related technical Assistance
- H. Consultant Recruitment and Procurement
- I. Performance of Consultants, Contractors and Suppliers
- J. Performance of ADB

#### **III. Evaluation of Performance**

- A. Relevance
- B. Efficacy in Achievement of Purpose
- C. Efficiency in Achievement of Outputs and Purpose
- D. Preliminary Assessment of Sustainability
- E. Socio-cultural and other Impacts

#### **IV. Overall Assessment and Recommendations**

- A. Overall Assessment
- B. Lessons Learned
- C. Recommendations

### **Appendixes**

1. Project Framework
2. Comparison of Planned and Actual Key Project Outputs
3. Impact Assessment of PHT on Family Income of Participants
4. Impact Assessment of Bridging on participant Employment and Registration in TVET
5. Project Cost and Financing Plan
6. Disbursement Summary
7. Implementation Schedule
8. Capacity Building for PHT and Bridging management and Expansion
9. Consultancy Services.

**JAPAN FUND FOR POVERTY REDUCTION (JFPR)**  
**IMPLEMENTATION COMPLETION MEMORANDUM (ICM)<sup>1</sup>**

<b>I. BASIC INFORMATION</b>			
<b>1. JFPR Number and Name of Grant:</b> 9133-CAM: Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor			
<b>2. Country (DMC):</b>		<b>3. Approved JFPR Grant Amount:</b> \$	
<b>4. Grant Type:</b> <input type="radio"/> Project / <input type="radio"/> Capacity Building		<b>5-A. Undisbursed Amount</b> \$	<b>5-B. Utilized Amount</b> \$
<b>6. Contributions from other sources {convert in-kind contributions into US\$}</b>			
<b>Source of Contribution:</b>	<b>Committed Amount</b>	<b>Actual Contributions:</b>	<b>Remark - Notes:</b>
DMC Government	\$	\$	
Other Donors (please name)	\$	\$	
Private Sector	\$	\$	
Community/Beneficiaries	\$	\$	
<b>7-A. GOJ Approval Date:</b>	<b>7-B. ADB Approval Date:</b>		<b>7-C. Date the LOA was signed (Grant Effectiveness Date):</b>
<b>8-A. Original Grant Closing Date:</b>	<b>8-B. Actual Grant Closing Date:</b>		<b>8-C. Account Closing Date:</b>
<b>9. Name and Number of Counterpart ADB (Loan) Project:</b>			
<b>10. The Grant Recipient(s):</b> {Names, address, contact persons, e-mail, phone, fax numbers of the agency(ies) and/or institutions that signed the Letter of Agreement with ADB}			
<b>11. Executing and Implementing Agencies:</b> {Names, Address, Contact Persons, E-mail, Phone, Fax}			

<sup>1</sup> The ICM has to be prepared under responsibility of the ADB Project Officer with contributions from the Recipient, EA/IAs, and the grant project manager/coordinator at the DGT VET (GIU).

<b>II. GRANT PERFORMANCE ASSESSMENT</b>		
<b>12. Description</b> (Background rationale): {Extract information on background and rationale from the approved JFPR Grant Proposal and summarize}		
<b>13. Grant Development Objective and Scope:</b> {Briefly describe the Grant Development Objectives (purpose) and scope (outputs and activities). Assess the relevance of the Grant design (including appropriateness of objectives, components, implementation arrangements and schedule) and formulation (including extent of stakeholders' participation and ownership)}		
<b>14. Key Performance Indicators</b> {list each original indicator as mentioned in the approved JFPR Grant Proposal}		{rate the accomplishments, describe any changes and evaluate each indicator for its relevance, achievements and sustainability}
i)		
ii)		
iii)		
iv)		
v)		
<b>15. Evaluation of Inputs</b> (Adequacy of formulation, terms of references, inputs and performance of the Recipient(s), EA, IA(s), NGOs and ADB, performance of consultants, other inputs, review missions): {Evaluate, among others: (i) The economy of input provision (the relative cost of input provision); (ii) the productivity of the inputs (conversion into outputs); (iii) the quality of the inputs; (iv) reasons for deviating from planned inputs and activities; (v) client satisfaction with the inputs provided; (vi) the performance of ADB, the Recipient, the EA, IA(s) and NGOs as highly satisfactory (HS), satisfactory (S), partly satisfactory (PS), or Unsatisfactory (U); (vii) any other inputs.}		

**16. Evaluation of Outputs and Results**

(Reports generated, institution building, training, analysis of quality, comparison with terms of references, sustainability and exit strategy):

{Evaluate performance issues, such as (i) efficiency in the production of outputs (cost and process); (ii) effectiveness or efficacy (compare actual to planned results); (iii) quality of outputs (refer to qualitative benchmarks where possible); (iv) recipient and client (beneficiaries) satisfaction with the outputs/results; (v) timeliness of delivery of outputs; and (vi) effectiveness of the exit strategy and related transfer of activities for sustainability.}

**17. Overall Assessment and Rating (HS,S,PS,U):**

{Provide an overall assessment including the issues of sustainability, and categorize the Grant activities as highly successful (HS), successful (S), partly successful (PS), or unsuccessful (U) following OED's guidelines.}

**18. Major Lessons Learned:**

{Discuss the significant lessons learned that can help improve the formulation and implementation of similar JFPR grant investments and as an input for recommendations and for scaling-up the pilot interventions under this Grant, particularly in relation to the overall objective of poverty reduction.}

**19. Recommendations and Follow-up Actions:**

{Include project-specific and general recommendations (scaling up) of any interventions, activities and action required, and make suggestions for changes to policies and strategies that can improve the effectiveness of the counterpart loan, future JFPR grants, and/or that can generally be applicable to ADB practices.}

**20. Additional Remarks, Comments and Suggestions:**

{Present here any additional remarks, comments and suggestions that have not been dealt with or mentioned in earlier paragraphs, but which may contribute to this memorandum.}

**III. PREPARATION AND APPROVAL**

Prepared by:	Name of Person and designation / Name of Institution / Signature	Date
<b>1. Representative from the Recipient:</b>		
<b>2. Manager, JFPR-GIU<sup>8</sup>:</b>		
<b>3. Project Officer, ADB:</b> {the Project Officer consolidates the inputs from the Recipient and the PIU}		

<sup>8</sup> GIU=grant implementation unit.

<b>Approved</b>	<b>Name of Person and designation / Name of Institution / Signature</b>	
1. Director General, Department, ADB:		
2. Division/Country Director, ADB:		
3. Head of the Recipient:		
4. Head of the Executing Agency:		
5. Head of Implementing Agency:		

## AUDIT REQUIREMENTS AND GUIDELINES

### A. Audit Program

1. The audit process should closely examine the following aspects: (i) verification of any cash amount on hand (cash count included), (ii) review of the internal control system and records maintained to ascertain compliance with the agreed Imprest system, (iii) review of records and controls over daily collections, (iv) review of records and management system covering donations in kind, (v) cash receipts and payments books, (vi) review of the records and management system covering skills training activities, (vii) review on test basis the accuracy of the Bank reconciliation statements, (viii) review and provide comments on the progress financial reports, (ix) review records of fixed assets (including work-in-progress) and on test basis verify their existence.
2. **Cash Count.** A review of the cash receipts and bank records together with a cash count shall be done to determine if various funds in the possession of the Fund Custodian are accounted for. Cash on hand shall be counted in the presence of the Fund Custodian on a per fund basis, noting the various denominations and accompanying receipts for expenses taken from the fund. Review the associated cash records to determine if the fund has been used according to the stated purposes.
3. A Cash Count Form shall be accompanied by the Auditor for signing by the Fund Custodian when the counted cash on hand has been returned intact. Entries shall be adjusted for any shortage of or excess cash. Any shortage in cash on hand shall be charged to the concerned staff. Excess cash shall be considered as other income requiring the issuance of an Official Receipt (OR).
4. **Compliance with the Imprest System.** Through walk-through-tests, check whether the Imprest System is being followed. The system requires all cash received to be receipted [using the project receipt book(s)], deposited intact or latest the following banking day. Should this practice prove to be impractical, determine whether cash collections are deposited within a reasonable period, which should not be later than three days. Ensure that all withdrawals (by cheque/cash) from the Imprest Account have been duly authorized by the authorized signatories and properly supported by documented proposals from the requesting agency/IA. Arrange for direct confirmation and/verification of bank records and balances.
5. **Daily Collection Report.** Compare and verify the information in the Daily Collection Report with the entries of the Cash Receipts Book and confirm the validity of the entries from issued Official Receipts (OR). Carefully note cancelled ORs and ensure that original and duplicate copies are intact. Ensure that daily receipts have been deposited daily (or at the latest three working days from when they were dated) to the appropriate bank account and bank deposit slips retained in chronological order. Review the supporting documents accompanying all withdrawals from this account to ensure they have been used for the intended purpose(s).
6. **Donations in Kind.** Ensure that non-monetary contributions are properly accounted for in a register that will identify the name of donor, date and details. This may be further verified from Receiving Reports and Confirmation Receipts signed by donors.

7. **Cash Receipts Book.** Determine whether proper columns (credits) are maintained, Official Receipts are chronologically recorded, and accounted for. One may also be able to observe the record of deposits from this book to the bank account (check bank deposit receipts). Be sure to establish the proper cut-off points.

8. **Bank Reconciliation Statements.** Perform sample tests to check if bank statements are regularly prepared. Compare actual book balance with bank balance; ensure that cash collections are not exchanged for Third Party Checks; and ensure that collections are deposited to accounts maintained according to purpose, i.e., amount collected for payment of livelihood loans should be deposited in the livelihood fund savings account.

## B. Cash Disbursements

9. **Petty Cash or Check Voucher.** The following documents should be checked to determine whether cash disbursements have been according to Project policies and guidelines. Do sample tests to ensure the following criteria are met:

(i) Vouchers have been properly accomplished; vouchers are pre-numbered (form SOE-4) and used consecutively; documents have complete explanations and references concerning the transaction paid. These explanations should be readily understandable to any individual reading the document.

(ii) All signatures required for the release of the amount are present; a "No approval, no payment" policy is applied.

(iii) Payee/Creditor acknowledges payment made. In cases where payment is claimed by person/s other than named Payee/Creditor, proper authorization should be attached to the Voucher; payment should be supported by the proper receipts and other necessary documents that establish the legitimacy.

(iv) Disbursements are according to the approved Proposal. All disbursements are within the approved budget. In cases where disbursements have exceeded approved budget expenditures, check whether proper approval was secured.

(v) Perform a test check on cancelled or used checks. Using the Check Vouchers, determine whether the person or the company named in the voucher did cash the check.

(vi) Check and verify journal entries made on vouchers for inappropriate or improper charging accounts. Recommend adjusting the journal entries if necessary; recommend a thorough investigation on unauthorized disbursement and bring the matter to the attention of Project Management.

10. **Cash Disbursement Book.** Perform a test check to ensure that all Check Disbursement Vouchers are properly recorded and that columns in the Disbursement Book for debits and credits for the proper charging of accounts are adequate. Entries for all Check Vouchers and checks issued including the name of the Payee and a brief explanation of the payment must be accurate. The chronological recording of Check Vouchers, taking note of cancelled vouchers. All footings at month-end are entered in the General Ledger; individual accounts paid are entered in the Subsidiary Ledger.

**C. Other Financial Records**

11. **General and Subsidiary Ledgers.** Cross-check entries to the general ledger from various books of original entry to ensure accuracy. Subsidiary Ledgers must be individually maintained for: (i) Major accounts such as individual work-in-progress civil works, individual categories of fixed assets (including depreciation) such as equipment, machinery, individual consultancy costs, training materials and supplies, transportation, and local counterpart contributions in cash or kind, and Cash Advances. This will allow the monitoring of actual balances at any given time. For non-moving Receivable accounts, Project Management shall remind the concerned staff through writing and exert efforts to collect the amount. Management may also suggest a payment scheme if necessary.

12. **Report of the External Auditor.** The audit report must authenticate the reliability of the accounting records and systems on which the project's regular and annual financial reports are based, verify the actual physical progress of the project as reported from time to time and ensure that the funds provided through the JFPR project have been utilized in accordance with the project agreement. The auditors are also expected to provide an audit management report that will highlight: (i) issues identified during the current audit that each IA or the EA should address in order to improve the systems of accounting, recording, reporting and project implementation; (ii) what courses of action have been implemented by Project Management to comply with previous recommendations of the External Auditor, (iii) note any improvement that resulted from the External Auditor's recommendations, and (iii) study the External Auditor's report and discuss with Project Management existing areas of concern, e.g., uncollected accounts; long-standing, non-liquidated cash advances; or discrepancies in the External Audit Report.

13. **Lapsing Schedule or Inventory List.** Perform a sample test to determine whether property or equipment listed in the Lapsing Schedule is accounted for. Check if property and equipment can still be utilized and retire the asset from the record if it has fully depreciated. Fully depreciated assets that continue to be usable have to be reported in the Notes to the Financial Statement.

14. **Unaudited Financial Statements.** For Project Management decision-making purposes, annual Unaudited Financial Statements can be an effective tool as it provides management with a provisional report on the financial status of the Project.

15. **Bank Passbooks.** Compare withdrawals against savings and determine if deposits made to the account tally with deposit slips filed. Note Interest Income earned and check if it is reflected in the books. Determine who is responsible for keeping these documents and arrange for direct confirmation of bank balances.

## GUIDELINES FOR AUDITOR'S OPINION

### A. IMPREST ACCOUNT

1. The auditor's statement regarding the imprest account should include the following information:

- (i) That the auditor has examined the Statement of Imprest Account of ADB JFPR No. 9133-CAM: Piloting the Post-Harvest Technology and Skills Bridging Program for Rural Poor;
- (ii) The period (to include dates) that the statement covers, pursuant to the JFPR Agreement signed between the Government and the Asian Development Bank on 2 July 2009;
- (iii) A statement which indicates that the auditor's examination was made in accordance with generally accepted auditing standards emphasizing the adequacy and completeness of the supporting documents of the Imprest Account and other auditing procedures as we considered necessary in the circumstances;
- (iv) The auditor's opinion, with regard to support the application for reimbursement/payment in accordance with the Bank's requirements as set out in the JFPR Agreement;

### B. STATEMENT OF EXPENDITURE

- (i) That the auditor has examined the Statements of Expenditures submitted to the Bank during the period in support of applications for liquidation of the Imprest, pursuant to the above mentioned JFPR Agreement;
- (ii) That the auditor's examination was made in accordance with generally accepted auditing standards, and, accordingly included such tests of the accounting records, verification of assets and other such auditing procedures considered necessary;
- (iii) The auditor's opinion, that the Statement of Expenditures submitted, together with the internal control and procedures involved in their preparation, can/cannot be relied on to support the applications for liquidations in accordance with the requirements of the above mentioned Agreements;
- (iv) Auditor's signature and date.

**Letter of Agreement**  
(hard copy is available upon request)