



Midterm Review of the Tonle Sap Environmental Management Project

By Olivier Serrat
Senior Project Economist
Agriculture, Environment, and Natural Resources Division
Mekong Department

Midterm Review Mission Workshop in Cambodia

19 October 2005
Siem Reap

Asian Development Bank

The Tonle Sap Environmental Management Project was approved on 21 November 2002 in the amount of \$10.9 million.¹ Its objective is to be accomplished through three components that enhance systems and develop the capacity for (i) natural resource management coordination and planning, (ii) community-based natural resource management, and (iii) biodiversity conservation in the Tonle Sap Biosphere Reserve. The executing and implementing agencies are the Ministry of Agriculture, Forestry, and Fisheries, the Cambodia National Mekong Committee, and the Ministry of Environment. The loan became effective on 27 March 2003 and the loan closing date is 30 June 2008. The period elapsed under the loan is 51%. As of 30 September 2005, ADB had committed \$6.9 million (57% of the loan) and had disbursed \$4.0 million (33% of the loan). The overall physical progress was estimated at about 35% by the last loan review.

From loan inception, ADB has conducted six-monthly loan reviews. So far, these as well as daily project administration work in headquarters have served well to review progress in project implementation, take necessary actions, and ensure project quality. ADB also receives six-monthly progress reports from the project monitoring and coordination office, which oversees the work of the project implementation offices and the project implementation units, quarterly reports, as well as monthly progress notes from the international consultants engaged under the Project. In addition, the project steering committee has met regularly to advise on implementation, provide a mechanism for resolving problems that go beyond single ministerial mandates, and review progress.

This midterm review is an overlay to the regular review process. Hence, based on preparatory work, inclusion of the following activities will be in addition to the objectives of regular loan reviews.² Specifically, the midterm review will:

- review holistically the institutional, administrative, organizational, technical, environmental, social, economic, and financial aspects of the Project based on the assumptions and risks included in the design and monitoring framework and updated project performance report;
- look at loan covenants to assess whether they are still relevant or need to be changed, or waived due to new circumstances;
- assess the need to restructure or reformulate the Project and the effects of this on the immediate development objective and long-term goal of the Project; and

¹ The Global Environment Facility cofinanced the Project for \$3.24 million through a grant to be implemented by the United Nations Development Programme. Financing covers the near entirety of component 3. ADB also provided \$540,000 as a grant to improve the regulatory and management framework for inland fisheries. In addition, the United Nations Development Programme extended \$627,030 as a grant to strengthen the ability of members of staff of the Community Fisheries Development Office within the Department of Fisheries to engage communities in natural resource management. Moreover, the World Conservation Society determined to cofinance, for \$200,000, project activities to develop systems for monitoring and management in the core areas.

² Typically, these examine the progress of procurement and consulting services against original targets, loan disbursements, and the extent of compliance with loan covenants.

- update the Project's design and monitoring framework where restructuring or reformulation is necessary or its immediate objectives will change.

The midterm review offers a welcome opportunity for more participatory approaches so that key stakeholders have greater ownership of the Project and contribute more to its quality. To this end, we have sought from each of you, over the last two weeks, a broad range of write-ups and other analyses and sought your suggestions for issues to be addressed by the Mission. Based on these, the midterm review will:

- study all issues related to component 2, the accomplishment of which has suffered delay due to protracted negotiations between the Department of Fisheries and the Food and Agriculture Organization of the United Nations; and
- examine the contribution of the Project to the accomplishment of the Tonle Sap Initiative.

This workshop is intended to elicit early and open feedback from key stakeholders, based on which a set of recommendations will be drawn for improving project quality. The midterm review will culminate in an aide-mémoire, perhaps a memorandum of understanding, which will incorporate an action plan containing any required corrective measures, responsibilities, and a time-bound schedule for completing the necessary actions.