

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: SEAE

TA No. and Name TA 3997–CAM: Preparing the Chong Kneas Environmental Improvement Project			Amount Approved: \$997,000										
			Revised Amount: \$1,110,000										
Executing Agency: Ministry of Public Works and Transport		Source of Funding: Government of Finland	TA Amount Undisbursed \$15,700.89	TA Amount Utilized \$1,094,299.11									
<table><tr><th colspan="3">Date</th></tr><tr><th>Approval</th><th>Signing</th><th>Fielding of Consultants</th></tr><tr><td>22 November 2002</td><td>24 December 2002</td><td>1 June 2003</td></tr></table>			Date			Approval	Signing	Fielding of Consultants	22 November 2002	24 December 2002	1 June 2003	Completion Date	
			Date										
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22 November 2002	24 December 2002	1 June 2003											
Original 30 September 2003		Actual 31 July 2005											
Original 30 September 2003		Actual 13 July 2006											

Description

Chong Kneas is the major boat-landing site connecting Siem Reap with the Tonle Sap lake. Fish, cargo, fuel, domestic boat passengers, and tourists transit through Chong Kneas. When the lake is at its highest level, all transshipment activities and most of the Chong Kneas population are concentrated around Phnom Kraom, an isolated rocky outcrop rising about 140 m above the otherwise flat terrain of the seasonally flooded land bordering the Tonle Sap lake. The existing landing facilities are rudimentary and, depending on the level of water in the lake, are located at the edge of the dry season lake boundary or at various points along the existing road embankment leading south from Phnom Kraom toward the lake. The landing site moves over a distance of about 6 kilometers during the course of the year. The site is polluted by disposal of all solid and liquid wastes (in the absence of any alternative) directly to the water, to the increasing use of fish cages to supplement income, and to dependence on forest resources for fuel and building materials. The poor, through lack of access to alternative sources of income, are constrained to deplete resources and degrade the environment at rates that are incompatible with long-term sustainability.

Chong Kneas consists of eight villages with a total population of about 6,415, of whom 1,878 (29%) are of Vietnamese ethnicity. The residents live in house boats or makeshift houses made of natural materials from the surrounding forest. A few live in more substantial fixed houses of varying standards. Depending on the time of year, house boats are located either on the lake or adjacent to the embankment running south from Phnom Kraom. The entire community, apart from those in the fixed houses, moves throughout the course of the year in response to the changes in water level of the lake. Although the community contains a range of income groups, most members are poor and live in unhealthy surroundings with limited access to education, health services, and other facilities such as drinking water and sanitation. The community is ethnically diverse, comprising Khmer, Cham, and Vietnamese.

The well being of the Chong Kneas population (whose livelihoods are related either to fishing or the extractive use of other natural resources of the Tonle Sap lake) depends on sustainable management of natural resources. In addition, new livelihood opportunities are needed to reduce poverty. As a first step, the boat landing facilities need to be improved to overcome many of the negative impacts and inefficiencies of current arrangements, enable the dismantling of various exploitative practices, and create new employment opportunities. The concurrent provision of a serviced resettlement site, where people could improve their chances of escaping from insecurity, social isolation, and poverty, would greatly enhance efforts to improve environmental and social welfare.

The creation of permanent facilities at Chong Kneas in place of the makeshift landing arrangements is complicated by the seasonal variation in water level in the lake and absence of any well defined lake boundary where an anchorage and unloading/loading facilities could be installed. Any permanent structure needs to accommodate a water level variation of about 10 meters.

Expected Impact, Outcome and Outputs

The impact of the project would be sustainable management and conservation of natural resources and biodiversity in the Tonle Sap basin. The outcomes would be improved environmental conditions and reduced poverty for the community at Chong Kneas.

The outputs of the project would be (i) a harbor with navigation channel for year-round accessibility constructed, (ii) a platform of flood-free land adjacent to the harbor created, (iii) existing residents of Chong Kneas resettled within a new, fully-serviced settlement on the platform, and (iv) community-based natural resources management established and promoted. The PPTA aimed to prepare a feasibility study of investment interventions covering this range of outputs.

Delivery of Inputs and Conduct of Activities

The PPTA provided the services of 7 international consultants for 33 person-months (p-m) and 10 national consultants for 38 p-m. The consultants examined several options for locating the harbor and resettlement site in accordance with the terms of reference (TOR) for the TA. The preferred option was found to be adjacent to Phnom Kraom where the majority of the Chong Kneas community congregates during the flood season. This site is also remote from the more sensitive areas of the Tonle Sap Biosphere Reserve (TSBR). The executing agency (EA) requested that the consultants consider an option of smaller scale and with reduced resettlement of houseboat-dwelling residents. To accommodate the EA's request, a change in TA scope was made to cover increased cost (\$113,000) and extension of TA duration (1.5 months). The Government of Finland provided the additional funds as a grant. The new option, while marginally cheaper than that originally presented by the consultants, would have few of its benefits in terms of environmental improvement and poverty reduction. Its main advantage from the EA's perspective was its avoidance of resettling all of the affected 1,200 families, including 357 households of Vietnamese ethnicity. The TA consultants performed well and produced technically sound designs of the range of facilities required under the TOR. The level of consultation on site was good and the review missions were relatively frequent. The failure of the TA to produce a design acceptable to the Government was not due to the performance of the consultant, but rather to the inherently complex nature of the situation at Chong Kneas.

The EA (Ministry of Public Works and Transport) is primarily experienced in infrastructure development and, in spite of its good intentions, may not have been the most appropriate ministry to lead a PPTA with so many difficult social and environmental issues.¹ The EA's focus on maximizing economic benefits of the port and avoiding politically sensitive social issues, overrode concerns for improvement of the social and natural environment of Chong Kneas and surrounding area.² There are many stakeholder organizations interested in the welfare of the Tonle Sap lake, and some local and international NGOs and bilateral agencies expressed concern about marginalization of the poor in any modernization of facilities at Chong Kneas, potentially severe environmental impacts of a harbor (e.g., in relation to water quality within the harbor and navigation channel), assumed reluctance of many houseboat-dwellers to settle in permanent housing and give up their traditional water-based way of life,³ and perceived inequity of benefiting the poor of Chong Kneas without giving equal treatment to the many other poor fishers in other villages of the Tonle Sap.

The Government did not provide sufficient counterpart funds to meet its commitments in the TA agreement⁴ and did not have an adequate budget for per diems, travel, and accommodation costs for the counterpart staff assigned to the TA. This critically restricted the involvement of counterpart staff (including the Project Director) in TA implementation.

Evaluation of Outputs and Achievement of Outcome

The consultants produced to an adequate standard the inception report, draft final report, and final report, together with all other specific studies required in the TOR. They also prepared additional working papers as needed. They undertook detailed social and environmental analyses and reported these thoroughly. A good photographic record was made of the seasonal changes at Chong Kneas—this was done using helicopter overflights at regular intervals during the flood season. Overall, a detailed and well reported study was made of conditions at Chong Kneas. The only major weakness was in the depth and completeness of the institutional analyses and related recommendations for future management of the site. Stakeholder consultation was above average. Incorporation of comments into the final report was completed late because the Team Leader and most of the other team members were no longer available by the time comments were provided to the consultants.⁵

Overall Assessment and Rating

The TA was reasonably well implemented and its failure to provide a suitable investment project can be attributed mainly to the highly complex nature of the recommended project, involving resettlement of almost 1,200 landless poor families and construction of relatively large-scale infrastructure within the TSBR. The inclusion of ethnic Vietnamese families in the project as beneficiaries added extra dimensions of complexity and political sensitivity. The international

¹ Inland water transport and the development and management of ports on the Tonle Sap lake come under the jurisdiction of the Ministry of Public Works and Transport.

² By contrast, the Ministry of Economy and Finance (which is home to the Interministerial Resettlement Committee) is of the view that the "with resettlement" option is both desirable and practicable, providing careful attention is given to means of avoiding land speculation and other untoward outcomes of granting land titles.

³ According to the many surveys undertaken at Chong Kneas during the TA, the overwhelming majority of people at this site do not want to continue a water-based lifestyle. Most are extremely poor, have no other means of livelihood at present apart from the exploitation of diminishing aquatic resources, and would be pleased to escape from the relentlessly arduous task of moving house up to 12 times a year.

⁴ The EA was not able to provide adequate furnished office space for the TA consultant, who rented and equipped offices at a location outside the compound of the Department of Public Works and Transport.

⁵ Protracted discussions between ADB and the EA delayed provision of detailed comments on the draft final report.

prominence of Chong Kneas, the major point of entry to Siem Reap from the Tonle Sap lake, meant that any project at this site would draw rigorous scrutiny by project stakeholder organizations, including NGOs and bilateral and multilateral funding agencies. The Government was ill-prepared for dealing with the intense interest shown by such groups. Overall the TA is rated successful in terms of adherence to the TOR but only partly successful in terms of meeting the Government's expectations for a simple technical solution at the site.

Major Lessons

Any investment project located within the TSBR will draw the attention of a large range of stakeholder organizations. In such cases it would be appropriate to anticipate and design for much broader consultation, more detailed environmental and social examinations, and painstakingly slow resolution of the politically sensitive issues in suitable forums. The Government should also put the necessary resources in place to allow for full participation of suitable counterparts.

Recommendations and Follow-Up Actions

The environmental degradation and related entrenchment of poverty at Chong Kneas require that a suitable solution must be found and acted upon sooner rather than later. The international prominence of the site means that a broad range of stakeholder organizations will have to be involved in assessing and agreeing upon that solution. In considering investment options, the Government should avoid looking for quick-fix solutions that ignore the suffering of the poor, especially the poverty-environmental degradation nexus.

The improvements proposed under the TA for Chong Kneas were fundamentally sound, although possibly more elaborate than could readily have been implemented and managed by the provincial and lower level authorities. In view of this, ADB should promote the concepts and principles inherent in the TA-designed proposal for the harbor and township and, if possible, assist the Government to incorporate cost-saving modifications. These could possibly be achieved by phasing the development or cutting back on its scale. Country programming missions could reopen the discussions with the Government from time to time to gauge the interest in revising the TA products. The Government should be assisted, both financially and through TA as necessary, to put into effect legislation and practices that would help resolve the status of minorities and enable them to benefit equitably from project interventions.

From ADB's perspective, adequate time and resources should be provided in PPTAs to allow for greater participation of local stakeholders in project design, with specific provisions for translating and publishing documents and appropriate display material into local languages. The creation of a project information office during the TA would be an effective means of disseminating important information to affected persons and other stakeholders (its funding and operation should continue throughout TA implementation and loan processing).

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