

Project Administration Manual

Project Number: REG43120

Loan Number(s): {LXXXX; GXXXX; TXXXX}

June 2012

**Kingdom of Cambodia:
Trade Facilitation: Improved Sanitary and
Phytosanitary (SPS) Handling in Greater Mekong
Subregion (GMS) Trade Project**

CONTENTS

ABBREVIATIONS

I.	PROJECT DESCRIPTION	1
II.	IMPLEMENTATION PLANS	8
A.	Project Readiness Activities	8
B.	Overall Project Implementation Plan	9
C.	Technical Considerations	12
III.	PROJECT MANAGEMENT ARRANGEMENTS	14
A.	Project Participants – Roles and Responsibilities	14
B.	Key Persons Involved in Implementation	16
C.	Project Organization Structure	17
IV.	COSTS AND FINANCING	19
A.	Detailed Cost Estimates by Expenditure Category	20
B.	Allocation and Withdrawal of Loan Proceeds	21
C.	Detailed Cost Estimates by Financier (US\$ '000)	22
D.	Detailed Cost Estimates by Outputs/Components	23
E.	Detailed Cost Estimates by Year	24
F.	Contract and Disbursement S-curve	25
G.	Fund Flow Diagram	26
V.	FINANCIAL MANAGEMENT	27
A.	Financial Management Assessment	27
B.	Disbursement	30
C.	Accounting	31
D.	Auditing	31
VI.	PROCUREMENT AND CONSULTING SERVICES	32
A.	Advance Action	32
B.	Procurement of Goods, Works and Consulting Services	32
C.	Procurement Plan	34
D.	Consultant's Terms of Reference	42
VII.	SAFEGUARDS	55
VIII.	GENDER AND SOCIAL DIMENSIONS	55
IX.	PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION	58
A.	Design and Monitoring Framework	58
B.	Monitoring	62
C.	Evaluation	62
D.	Reporting	63
E.	Stakeholder Communication Strategy	63
F.	Sustainability	64
X.	ANTICORRUPTION POLICY	65
	PROJECT RISK MANAGEMENT PLAN	66
XI.	ACCOUNTABILITY MECHANISM	69
XII.	RECORD OF PAM CHANGES	70

ANNEX: PROJECT READINESS FILTER

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the Project on time, within budget, and in accordance with Government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Ministry of Agriculture, Forestry and Fisheries, Ministry of Health (Department of Drugs and Food) are wholly responsible for the implementation of ADB financed projects, as agreed jointly between the borrower and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by Ministry of Agriculture, Forestry and Fisheries (General Directorate of Agriculture, Department of Animal Health and Production), Ministry Of Health (Department of Drugs and Food), and the Royal University of Agriculture of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At Loan Negotiations the borrower and ADB shall agree to the PAM and ensure consistency with the Loan agreement. Such agreement shall be reflected in the minutes of the Loan Negotiations. In the event of any discrepancy or contradiction between the PAM and the Loan Agreement, the provisions of the Loan Agreement shall prevail.

After ADB Board approval of the Project's report and recommendations of the President (RRP) changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the PAM.

Abbreviations

ADB	=	Asian Development Bank
ADF	=	Asian Development Fund
AFF	=	Agriculture, food and forestry
AFS	=	audited financial statements
ARASFF	=	ASEAN Rapid Alert System for Food and Feed
CARM	=	ADB Cambodia Resident Mission
CIU	=	component implementation unit
CLV	=	Cambodia, Lao PDR, Viet Nam
CO	=	Component Officer
CQS	=	Consultants Qualifications Selection
CSF	=	classical swine fever
CQS	=	consultant qualification selection
CSES	=	Cambodia Socioeconomic Survey
DAHP	=	Department of Animal Health and Production (MAFF)
DMF	=	design and monitoring framework
DDF	=	Department of Drugs and Food (MOH)
ELISA	=	enzyme-linked immunosorbent assay
FMA	=	financial management assessment
FMD	=	foot and mouth disease
GACAP	=	governance and anticorruption action plan
GAP	=	good agriculture practice
GDA	=	General Directorate of Agriculture (MAFF)
GDP	=	gross domestic product
GHP	=	good hygiene practice
GIZ	=	German international cooperation
GMP	=	good manufacturing practice
GMS	=	Greater Mekong Subregion
HACCP	=	hazard analysis and critical control point
HPLC	=	high performance liquid chromatography
IARS	=	imprest account reconciliation statement
ICB	=	international competitive bidding
ICS	=	Individual consultant selection
INFOSAN	=	International Food Safety Authorities Network
IPPC	=	International Plant Protection Convention
ISPM	=	International Standards for Phytosanitary Measures
ISO	=	International Standards Organization
MAFF	=	Ministry of Agriculture, Forestry and Fisheries
MEF	=	Ministry of Economy and Finance
MOH	=	Ministry of Health
MOC	=	Ministry of Commerce
MMR	=	maternal mortality rate
OIE	=	World Organization for Animal Health
O&M	=	operations and maintenance
NCB	=	national competitive bidding
NGOs	=	nongovernment organizations
PAI	=	project administration instructions
PAM	=	project administration manual
PBME	=	project benefit monitoring and evaluation
PC	=	Project Committee
PCR	=	project completion report
PEQ	=	post-entry quarantine

PFM	=	public financial management
PFMRP	=	public financial management reform program
PMU	=	project management unit
POC	=	Priority Operating Costs
QBS	=	quality based selection
QCBS	=	quality and cost-based selection
RCSP	=	Regional Cooperation Strategy and Program
RGC	=	Royal Government of Cambodia
RRP	=	report and recommendation of the President
RUA	=	Royal University of Agriculture
SBD	=	standard bidding documents
SEACFMD	=	Southeast Asia China Foot and Mouth Disease project
SOE	=	statement of expenditure
SOP	=	standard operating procedures
SPS	=	sanitary and phytosanitary
TAD	=	transboundary animal diseases
TOR	=	terms of reference

II. PROJECT DESCRIPTION

A. Project Rationale, Location and Beneficiaries

1. The Project will strengthen institutions and operational and management capacities in the area of sanitary and phytosanitary measures (SPS)¹ in Cambodia and enhance capacities needed for operating cost-effective SPS systems that facilitate trade and protect plant, animal and human health. The Project will focus on Cambodia's trade in agriculture, food and forest (AFF) products for which SPS measures for plant health, animal health, and food safety apply. The Project will establish, strengthen and implement: (i) surveillance and inspection programs for plant health, animal health and food safety; (ii) regional cooperation and harmonization for SPS; and, (iii) enhanced education levels and university training of SPS specialists. It will selectively strengthen food safety handling capacities of private enterprises in the Cambodian tourist industry.

2. The technical rationale for the project derives broadly from the GMS Regional Cooperation Strategy and Program (RCSP), with a focus on connectivity and improved competitiveness in promoting trade between GMS countries, and from the recent GMS SPS Action Plan.² Although Cambodia's economy has enjoyed growth of up to 10% a year recently, the primary sector (on which the bulk of the population still relies,³ and from where impacts on poverty must derive) remains characterized by low incomes and limited value addition,⁴ and by a continuing reliance on bulk commodity exports of poor and variable quality.⁵ The potential for economic growth from these sources is considerable: for example, Cambodia's annual rice⁶ surplus alone is estimated (for 2008/09) at somewhere between 1.6⁷ and 3.3 million tons,⁸ and some 50,000-100,000 tons of largely unprocessed fish are presently exported (mostly to Thailand, much is informal). Although demand for AFF products in urban and tourism areas is growing rapidly, the absence of modern internal and export-oriented marketing systems (including with SPS capacities) presently helps to keep AFF product quality standards low.⁹

3. The Royal Government of Cambodia (RGC) recognizes the need to improve the conditions surrounding AFF trade. Firstly, in the *'Strategy For Agriculture And Water 2010-2013'*,¹⁰ the investments designed to upgrade SPS conditions are explicitly acknowledged¹¹ as priorities with potential to contribute to numbers of products meeting international standards. This is considered essential to facilitate export market diversification beyond Thailand and Viet Nam.¹² Secondly, RGC has chosen milled rice as a major priority for export.¹³ Identified first

¹ SPS measures are intended to protect human, animal or plant life or health against risks arising from the entry, establishment or spread of pests, diseases, disease-carrying organisms or disease-causing organisms; or to protect human or animal health against risks arising from additives, contaminants, toxins or disease-causing organisms in foods, beverages or feedstuffs; or otherwise to prevent or limit damage from the entry, establishment or spread of pests. WTO, SPS Agreement Annex A. (1994).

² ADB. 2011. *Action Plan 2010-2015 for Improved Handling of Sanitary and Phytosanitary (SPS) Arrangements in the Greater Mekong Subregion (GMS) Cross-Border Trade*. Manila.

³ Most agriculture employment is informal, but the proportion of the labor force having a primary occupation in agriculture only is still around 55% (2009).

⁴ Agroindustry currently accounts for less than 2% of GDP (ANR Assessment, Strategy And Roadmap; ADB (2010)

⁵ Around 20% of total agricultural production is exported, according to official figures: *Cambodia Statistical Yearbook*, (2008) - National Institute Of Statistics.

⁶ Official exports go through Sihanoukville port. Unofficial exports go through borders into Thailand and Viet Nam.

⁷ See *A Road Map for Cambodian Rice Exports*, Tom Slayton (Center for Global Development) (2009)

⁸ *'Policy Document on the Promotion of Paddy Rice Production and Export of Milled Rice'* MAFF (2010, draft)

⁹ For a discussion of costs from poor SPS measures see *'Cambodia's Challenges in International Trade: Evidences of Non-Tariff Barriers to Exports'*. Dourng Kakada and Sok Hach. Economic Institute of Cambodia (2005)

¹⁰ SAW Program Design Document. MAFF/MOWRAM (2010)

¹¹ See: Component 4: Market Infrastructure Is Improved. It is herein argued that numbers of products meeting international standards may rise by 20% and the value of agri-food exports increase by 10% overall.

¹² See SAW (2010) 'Market Development'; page 18

among the issues presently constraining rice export facilitation is national SPS capacity. Thirdly, the objective of promoting 'Cambodia's integration into the region and the world'¹⁴ is heavily dependent on trade services being improved, such that recent and ongoing physical infrastructure investments¹⁵ are economically justified. Lastly, the poor food safety situation in Cambodia results in important health hazards and economic losses, due to cost of illness and loss of healthy and productive life.¹⁶ The *National Strategic Development Plan Update* accordingly identifies improving public health, particularly in relation to zoonotic diseases and food safety, as priority actions for both MAFF and MOH.

4. The economic case for investment in the Project rests on the pure public goods nature of many SPS services – e.g., the control of communicable diseases, plant pests etc, and the very limited capacity of the private sector to supply even impure public goods (e.g., laboratory/testing facilities, veterinary services). The subregional context also means that Cambodia's SPS performance acts as a (presently weak) link in overall GMS AFF trade development.¹⁷ The project acts as a conduit to both export facilitation and safety in national supply chains, and is a small, but necessary constituent of a package of pipeline investments that move the sector focus away from localized livelihoods support towards wider economic value addition.

5. In more technical SPS terms, there is a shortage of human resource capacity in Cambodia to: (i) undertake surveys on crop pests and diseases; (ii) manage inspections and interceptions of imported goods; (iii) monitor the agricultural pesticide trade; and (iv) understand the risks of the spread of forest pests associated with wood products trade. There is a need to contain transboundary animal diseases (TAD), to improve surveillance of veterinary drugs, biotics and feed, to maintain the safety of animal food products, and to improve border release procedures. There is little information about (nor monitoring of) the safety of food, food handling by establishments serving the public, and about food poisoning outbreaks. Tourism is a rapidly growing sector without adequate food safety supervision. Although incentives exist for private enterprises to improve their food safety performance, there is room to strengthen these incentives. More generally, compliance with global SPS requirements needs national specialists in surveillance, risk analysis, testing, diagnostics, pest identification, standards, conformity assessment, good agricultural practice (GAP), good hygiene practice (GHP), good manufacturing practice (GMP) and quality assurance management (such as hazard analysis and critical control point) – all of which Cambodia presently lacks and which (in part at least) must come from the graduates of an upgraded national higher education system.

6. The main beneficiaries of the Project will be AFF primary producers, processors, traders, employees and/or wage earners and consumers. Most of these will be in rural areas (where poverty incidence is presently relatively high at 35%). The benefits from better food safety will be felt more widely (i.e., on Cambodian consumers, and within the tourism sector generally).

B. Impact and Outcome

¹³ Being seen as capable of generating major revenues, employment and incomes in its own right, but also as a catalyst for other crops' (e.g., cassava, rubber), export growth, and also to complement other sources of earnings (e.g., garments) which do not create as many jobs.

¹⁴ 'Rectangular Strategy, Phase 2' *National Strategic Development Plan Update, 2009-2013*. PM Office, RGC (2010)

¹⁵ For example, in Phnom Penh and Sihanoukville ports, and within the Southern Economic Corridor.

¹⁶ The absence of a coordinated program of surveillance of food borne disease at the national level makes it difficult to report morbidity and mortality arising from ingestion of contaminated foodstuffs. However, it was estimated that hospital admissions for diarrhea and dysentery syndromes represented 5% of total hospital admissions for 2002 with a fatality rate exceeding 3% for these two diseases. See: *Overview Of SPS Needs And Assistance In Cambodia*; STDF (2008).

¹⁷ This is why the Project is prepared in parallel with proposed SPS projects in Lao PDR and Viet Nam.

7. The intended impact of the Project is for Cambodia's AFF products to be: (i) safer; (ii) more efficiently produced; and (iii) traded in greater quantities. The outcome of the Project is an enhanced SPS management system in Cambodia.

C. Outputs

8. The outputs of the Project comprise: (i) strengthened surveillance and inspection programs, (for plant health, animal health, and food safety including safer food handling in the tourist industry); (ii) improved regional cooperation and harmonization in SPS management in AFF trade; (iii) enhanced education levels and university training of SPS specialists; and (iv) effective project management and monitoring.

1. Output 1: Strengthened Surveillance and Inspection Programs

9. Each of the plant, animal and food safety surveillance programs will be strengthened. Closely related to the technical work carried out by specialists, the Project will also review and - where necessary - revise, technical regulations, standard operational procedures (SOPs) and inspection manuals.¹⁸

(i) Plant Health

10. For plant health, the Project will improve pest surveillance so that it generates (on a scheduled and prioritized basis) a wider range of published pest lists and more regular reporting to GMS partners, ASEAN, APPPC and IPPC etc. This will be built upon strengthened diagnostic services to allow the verification of the taxonomic identity of pest specimens – accessing regional experts to mentor and assist in diagnostics, by the provision of training (in bacteriology, plant virology, nematology, and weed science), through twinning arrangements with regional institutions, and on upgrades in laboratories and equipment (e.g., remote microscopy equipment, a dedicated internet access to external taxonomic experts, transport for surveys etc). A greenhouse (and supporting facilities) for post-entry quarantine (PEQ) activities to strengthen import handling will be provided. Technical and English language training to better access international conventions, etc. will also be supported.

11. Secondly, support for upgrades small ancillary equipment, laboratory consumables (including standards, solvents and other chemicals, glassware, etc.) and operating costs will help sustain sampling and laboratory activities for pesticides management. The Project will: (i) invest in practical staff training at regional institutions; (ii) support study visits to learn about laboratory management, operational standards and proficiency testing; and (iii) provide English language training to help build skills and confidence.

12. The Project will help obtain a clearer picture of the phytosanitary scenario in relation to wood products for Cambodia (i.e., the forest pest situation and phytosanitary requirements imposed by importing countries). This will be based on: (i) a study to be supported by, and eventually integrated with, information from parallel studies in Lao PDR and Viet Nam; (ii) a program of passive surveillance (involving collaboration between GDA and the Forestry Department to collect and collate available information to describe and understand the forest pest situation); and (iii) regional consultations.

¹⁸ Project-supported revisions and re-drafting of technical regulations, SOPs and inspection manuals, etc will: (i) comply with international SPS principles and international good practice; (ii) where relevant, be harmonized with ASEAN and GMS countries; (iii) meet requirements of good governance; and (iv) be justifiable on social and economic grounds.

13. The Project will also provide training of phytosanitary inspectors to operate according to standard operating procedures (based on the development of an inspection manual for inspection of import consignments, and supplemented by procurement or production of handy identification guides, and small apparatus to support sampling and examination of produce) to cover pest detection, recognition of pest and disease symptoms, sampling, and collection of specimens.

14. The Project will also strengthen risk analysis capacity through the assembly and 'training-by-doing' of a core multidisciplinary team. This will lead to the categorization of risks associated with the entry of each of the major agricultural commodities imported into Cambodia. It will also provide international literature collation and English language training.

(ii) Animal Health

15. In animal health, the Project will improve DAHP capacity to survey, test and respond to selected priority diseases (i.e., FMD, CSF, HS and PRRS), and enhance import handling capability. Firstly, to strengthen surveying, testing and response for TAD, the Project will upgrade NaVRI laboratory equipment, supply testing consumables, and provide refresher/proficiency testing for target diseases.¹⁹ Technical support to develop initial surveillance program activities, staff training, vehicles and operational funding for field surveys, disease and awareness raising activities (with staff and farmers) will all be required and will be provided by the Project. Strengthened outbreak response capacity will be based on better links with SEACFMD (to support the supply of FMD vaccine for outbreak response and strategic vaccination), a database and training in its use for recording testing and surveillance activities, and on more regular visits by DAHP staff to targeted areas to strengthen reporting networks and to support provincial staff. Target provinces will be Kampong Cham, Takeo, and Svay Rieng, because of their border locations and consequently high movements of animals and incidence of TAD outbreaks. Resources will be provided to facilitate DAHP's participation in bilateral meetings on TAD and border quarantine management.

16. Secondly, in order to improve import control, there is a need to establish a list of risk products and to develop import certification standards for them. An inspection manual can then be developed for border staff and training conducted on expected standards. This would result in improved control of the risks associated with animal and animal product imports, and would also contribute to improved TAD control. The Project will provide technical support to: (i) define a list of high-risk products; (ii) establish a set of import conditions; and (iii) develop a technical manual of inspection standards for border staff. Training for DAHP staff in risk assessment methods and development of standards (through a 'learn-by-doing' approach) will be undertaken, as will training on updated technical standards for AHO and provincial border staff. Resources to enable regular surveillance visits by DAHP staff to monitor border activities will be provided. Project support will be focused in key provinces with high levels of imports and transit activity (most likely Takeo and Prey Veng, and possibly Kampong Cham and Svay Rieng). To improve the level of understanding of border control standards and procedures and emerging risks, and to facilitate harmonization of standards within GMS, support will be made available for bilateral exchange visits (e.g., with Thailand and Viet Nam).²⁰

¹⁹ Target diseases include Foot and Mouth Disease (FMD), CSF (Classical Swine Fever), Haemorrhagic septicaemia (HS) and may be broadened as needed.

²⁰ Cambodia has existing bilateral agreements with Viet Nam and Thailand, under which collaborative activities could strengthen TAD control through improved border and quarantine arrangements, including establishment of pre-export and transit quarantine facilities. Attempts have been made previously to establish a similar agreement with Lao PDR, but this has not occurred as yet.

17. Thirdly, although there is enthusiasm for establishing SPS-compliant control capacity for animal products, feed safety and veterinary drugs, current institutional and legal constraints mean that this should only be pursued at a modest level at present. Accordingly, Project support in this area includes: (i) high performance liquid chromatography (HPLC) with standards for antibiotics²¹, documentation, proficiency testing, small equipment, consumables, chemicals needed for its operation during two years; (ii) provision of rapid test kits for screening residues of biotics and antibiotics;²² (iii) in-country training for using the equipment and sample collection; and, (iv) training for the design of an annual cycle of risk-based surveillance, inspection, data storing and analysis.

(iii) Food Safety

18. For food safety, firstly, the Project will design and implement annual programs of food safety surveillance, monitoring, inspection, and response to hazards. The programs will be based on known and perceived risks about food safety hazards in particular products, locations, markets, major public events, hotels and restaurants (especially in tourism). The focus will be on both imported and domestic products.²³ Support will be provided for food testing, and for selective upgrading of testing facilities. For reasons of cost-effectiveness, and where possible, priority will be given to the use of rapid test kits. Initially the focus will be on a limited number of priority food safety parameters. Once the system is operational, additional parameters can be added as needed. The system will be established first in Phnom Penh - for reasons of logistics and the facilities presently available; in subsequent cycles, it may be extended to Siem Reap and Sihanoukville. The findings of the tests will be stored in a database system to be used for risk analysis, management support, an annual report to the public and reporting to other agencies involved such as MAFF and MIME where relevant. Support will be given to produce material for awareness raising and education, and for improving the capacity for rapid intervention in case of outbreaks. Training will be delivered to MOH staff to provide active support to outbreak investigations.

19. Secondly, improved food safety handling in restaurants in the tourist industry will be pursued by promoting GHP and GMP on the basis of enterprise grading. Through Project-supported study visits, information and experiences on the development and application of scorecard-based systems will be collected from PRC, Singapore and Thailand - where audit systems are routinely used for diagnosing weaknesses in food safety handling procedures. The Project will: (i) develop a system of upgrading safe food handling by scorecards and grading systems; (ii) raise awareness in the tourist industry; (iii) conduct training courses for private sector and government staff and inspectors; (iv) provide diagnostic assessments (i.e., pre-audits) of restaurants and hotels, and (based on results of those pre-audits) advice given (by private consultants) to enterprises for their food safety handling upgrading; and (v) audit enterprises against the scorecards and assigning grades. Once the system is established, enterprise grading services will be provided by private providers. The Government will develop adequate technical regulations that allow qualified private providers to obtain licenses as service providers, allowing the system to continue after the end of the Project. The Project will support the drafting of suitable regulations for implementation of the grading system for qualification of providers. The system will be first implemented in Phnom Penh, and later expanded to Siem Reap and Sihanoukville. In Siem Reap (in cooperation with GIZ), support will be given to set up and nurture a system for fresh produce safe sourcing.

²¹ Oxytetracyclines, aminoglycosides (e.g., gentamicin, kanamycin, neomycin, streptomycin), beta-lactams (e.g., ampicillin), chloramphenicol, beta-agonists (e.g., clenbuterol) and fluoroquinolones (eg enrofloxacin).
Antiparasitics such as avermectin and fenbendazole

²² Beta agonist, chloramphenicol

²³ The surveillance of imported goods and goods in markets will be carried out by Camcontrol, and for street markets and restaurants, it will be carried out by MOH. Findings of the surveys will be shared.

20. Thirdly, the Project will commission a study on the possibilities for Cambodia (in the framework of harmonization and cooperation among GMS countries) to use assessments by other GMS countries for first-time market access requests for processed food products.²⁴ Completion of the study will be followed by regional consultation aimed at adopting a cooperative system for sharing information about first time access assessments. Support will subsequently be given to the possible implementation of such a system within Cambodia.

21. Lastly, in addition to efforts to control imported food products through improved food safety surveillance and inspection, the Project will develop and implement improved and risk-based methods of controlling imported processed food (in line with international and ASEAN recommendations).²⁵ This will include: (i) preparing risk-profiles for different products (categorized as high, medium, and low) for which different rates of inspection can be implemented; and (ii) the design of improved inspection manuals (where possible to be harmonized with those of GMS neighboring countries).

2. Output 2: Improved Regional Cooperation and Harmonization

22. The Project will support the preparation and participation of Cambodian officials in bilateral working groups with PRC, Thailand and Viet Nam in the areas of plant protection, animal health and food safety. It will provide support to reporting to: (i) WHO's INFOSAN; and (ii) the ASEAN rapid alert system for food and feed (ARASFF).²⁶ The Project will also provide similar support for Cambodian officials to participate in a bilateral working group with Lao PDR on animal health. Such participation will deepen regional cooperation and harmonization in regional SPS.²⁷

3. Output 3: Enhanced Education Levels/University Training of SPS Specialists

23. The Project will: (i) support RUA generally through a new microbiology laboratory (i.e., building and equipment), some transport facilities (i.e., staff and student transport, field work transport), locally-provided English language training courses (to improve staff ability to access and understand reference text and teaching materials), and some modest financial resources to support better interaction between RUA and Ministry staff;²⁸ (ii) further develop academic curricula; (iii) provide some selective upgrading of faculty (i.e., agronomy, animal science and veterinary medicine, and agroindustry) laboratory and teaching facilities; and (iv) deliver a regional technical training program (i.e., short courses for academic staff and some students) to upgrade academic skills.

²⁴ Similar country-specific studies will be conducted in Lao PDR and Viet Nam (and possibly also in China and Thailand), using funds from other sources.

²⁵ Support for the implementation of Sub-Decree No. 21/ANKr.BK, dated 01 March 2006, on the Facilitation of Trade through Risk Management is not included.

²⁶ MOH is in charge of reporting to INFOSAN and CAMCONTROL to ARASFF

²⁷ The Regional TA, targeted for approval at the same as the three country level SPS project, aims to link to Project activities and will be used to support project implementation and for: (i) regional studies; (ii) regional consultations; (iii) harmonization proposals; and (iv) twinning arrangements in the areas of plant pests, TAD control, food safety, import handling, control of pesticides quality, control of veterinary drugs and feed quality, information exchange on food safety handling in the tourist industry, harmonization of market access assessments, incidence and control of forest pests, and the application of risk assessment. The regional TA will also aim at bringing SPS expertise from outside the region into the GMS. Activities funded will depend on availability of resources.

²⁸ In the forms of inviting RGC staff to RUA as guest lecturers and allowing RUA staff to participate in government workshops, participation of staff and students in surveillance, testing and diagnostics, applied research, etc.

24. In plant protection, the Project will undertake in-depth work at the microbiology laboratory (and the Weed Science Laboratory), using supplementary small equipment provided by the Project. The Project investment will extend capacity beyond rice to other crops, and - by giving attention to ISPM compliance - the laboratory will both raise the quality and coverage of plant protection teaching (and also provide support to the GDA in its pest development efforts). For the Entomology Laboratory, similar equipment support will be provided, such that the insect collection can become an important teaching resource, and data collected to accompany specimens will begin to become ISPM-compliant, and – likewise - Plant Nematology Laboratory equipment will be upgraded to teach students the extraction of nematodes from soil and plant materials and allow examination under the microscope for identification. Support will also include the appropriate apparatus set-up for extraction and examination of pests. In terms of curricula development, this will cover basic disciplines of Phytobacteriology, Mycology, Plant Virology, Plant Nematology, and Weed Science, and will include pest management principles.²⁹ Better access to literature will take the form of support for purchase of related reference books, teaching aids, etc (i.e., sets of microscopic slides of insect/plant pathogen taxa, and other electronic products). Upgrading academic skills will be achieved through twinning arrangements, where academic staff from English-speaking countries in the region teach plant protection courses for a whole semester, mentoring RUA teaching staff and helping to improve curricula and teaching materials.³⁰

25. For animal health, the Project will support technical training for both teachers and selected undergraduates at veterinary faculties in other GMS countries (or regionally).³¹ Improvement of the veterinary curriculum will include: (i) assessing the curriculum in depth; and, (ii) preparing a structured development program. This program will involve regular inputs from visiting veterinary lecturers and teacher exchanges, via twinning RUA with another veterinary faculty in Asia. Support (including veterinary field equipment) for regular field visits by students and teachers to farms, for participation in disease surveillance activities, and for visits to sites of public health interest (e.g., slaughterhouses) will be given by the Project.³² Current animal health laboratory teaching facilities will be upgraded (to enable practical demonstration and teaching in pathology, anatomy and parasitology). Regular visits for RUA students to the NaVRI laboratory with DAHP staff for demonstration of sample handling, preparation and serology/virology and other diagnostic techniques will be supported.

26. The new microbiology laboratory will be equipped with a deep freezer to keep reference microorganisms, incubators, cooled incubators, laminar flow cabinet, balances, microwaves etc. and will support food safety testing. In the agro-industry faculty, the Project support will upgrade the microbiological and chemical laboratory, and expand student experience testing by providing a laminar flow cabinet and small equipment to facilitate chemical rapid test kits use for: (i) pesticide residue analysis in vegetables and fruit; (ii) aflatoxin analysis in cereals (by using the enzyme-linked immunosorbent assay (ELISA) method; and (iii) veterinary drug residue analysis in meat samples etc. Regional and international practical training courses in microbiological testing and food hygiene will be supported, as will curriculum upgrade and expansion (to better cover the various aspects of food safety management under WTO SPS and Codex principles). The Project will support the development and preparation of course material and syllabi.

4. Output 4: Project Management and Support

²⁹ Such as integrated pest management and the use of pesticides, as well as awareness of the supporting role plant protection sciences play in global agricultural trade.

³⁰ This may be supplemented by selective longer-term academic course to existing teaching staff.

³¹ After graduation the undergraduates would be expected to return to join RUA teaching staff.

³² Ideally a veterinary teaching hospital facility would form a core part of the facilities for teaching applied veterinary skills, but – given student numbers - this is not a cost-effective option at present.

27. Project management and support will focus on establishing: (i) the Project Management Unit (PMU) within MAFF with international and national experts for SPS technical management and for financial management and procurement; and (ii) a Component Implementation Unit (CIU) within each implementation agency, which will be responsible for compiling initial work plans and budgets from the respective departments (DGA, DAHP, DDF and RUA), and for day-to-day liaison on operational matters.

III. IMPLEMENTATION PLANS

A. Project Readiness Activities

	2011	2012												
Indicative Activities	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Who Responsible
Advance actions	=====													MAFF/PMU
Establish project implementation arrangements	=====													MAFF/PMU
ADB Board approval (26-06-12)							*							SEPF/OGC
Loan signing									*					OGC/SEPF
Government legal opinion provided							=====							MAFF/MEF
Government budget inclusion							=====							MAFF/MEF
Loan effectiveness											*			SEPF/OGC

MAFF = Ministry of Agriculture, Forestry and Fisheries of Cambodia

MEF= Ministry of Economy and Finance of Cambodia

PMU = Project Management Unit

OGC = Office of the General Counsel, ADB

SEPF = Public Management, Financial Sector and Trade Division, Southeast Asia Department, ADB

B. Overall Project Implementation Plan

			2012				2013				2014				2015				2016				2017			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
A. DMF																										
1 Surveillance and inspection programs																										
1.1 Plant health program																										
1.1.1	Procure equipment pest lists, pesticides management and greenhouse					+	+	+	+					+				+				+				
1.1.2	Design, plan and implement pest surveys						+						+					+				+				
1.1.3	Develop database for storage/management of pest information									+	+															
1.1.4	Finalize pest lists at annual workshops									+			+					+				+				
1.1.5	Regional individual training on plant pests						+							+												
1.1.6	Annual seed health testing program						+							+					+							
1.1.7	Annual pesticide quality sampling and testing						+		+	+		+		+			+	+			+	+		+	+	
1.1.8	Annual analytical proficiency testing program of pesticides						+				+			+			+	+				+	+		+	
1.1.9	Participation in regional meetings pesticides							+			+				+				+				+		+	
1.1.10	Regional work attachments						+				+				+				+				+		+	
1.1.11	Conduct national pesticides management workshop							+			+				+					+				+	+	
1.1.12	Annual on-site English language course						+				+				+				+				+		+	
1.1.13	Passive surveillance forest pests, consultation with GMS partners						+				+															
1.1.14	Categorize plant import risks, develop risk-based procedures						+	+	+																	
1.1.15	Annual training, risk based border inspection										+		+		+		+		+		+		+			
1.1.16	Fully report plant health situation to GMS countries and IPPC																		+					+		
1.2 Animal health program																										
1.2.1	Supply laboratory equipment and ICT for NaVRI					+	+	+																		
1.2.2	Design, plan and implement annual surveillance programs for TAD						+				+				+				+				+			
1.2.3	Manage annual disease response program						+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
1.2.4	TAD awareness campaign						+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
1.2.5	Develop TAD information database						+																			
1.2.6	Annual bilateral TAD meetings						+				+				+				+				+			
1.2.7	Conduct provincial surveillance visits on TAD							+			+				+				+		+			+		
1.2.8	Training technical staff						+		+		+							+								
1.2.9	Training provincial staff							+	+			+	+				+	+			+			+		
1.2.10	Categorize animal product import risks, develop risk-based procedures						+	+	+		+				+			+				+		+		
1.2.11	Training technical staff							+		+																
1.2.12	Training border staff							+		+				+												
1.2.13	Procure equipment and supplies vet drug residues												+													
1.2.14	Training staff veterinary drug testing										+				+			+				+				
1.2.15	Testing of veterinary drugs residues														+	+	+	+	+	+	+	+	+	+	+	+

		2012				2013				2014				2015				2016				2017			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.3 Food safety program																									
1.3.1	Purchase testing equipment, supplies, vehicle				+	+	+							+	+	+	+	+	+	+	+	+	+		
1.3.2	Annual surveillance program for safety of street food and restaurants					+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+		
1.3.3	Annual English course					+				+				+				+							
1.3.4	Annual proficiency testing program, MOH							+				+				+				+					
1.3.5	Workshops food poisoning outbreak and response								+				+				+				+				
1.3.6	Tourist restaurant pilot audit and grading system development					+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+		
1.3.7	Application grading system to tourist establishments									+	+	+	+	+	+	+	+	+	+	+	+	+	+		
1.3.8	Annual surveillance program for safety of food in markets and import					+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+		
1.3.9	Annual proficiency testing program, Camcontrol							+				+				+				+					
1.3.10	Establish and implement food safety database					+				+				+				+				+			
1.3.11	Conduct annual surveillance workshops, publish food safety report					+				+				+				+				+			
1.3.12	Publish annual food safety report									+				+				+				+			
1.3.13	Develop food safety awareness campaign and materials								+				+				+				+				
1.3.14	First-time import access study for food products, explore harmonization										+	+				+				+					
1.3.15	Study tour in region import risk assessment										+														
1.3.16	Categorize imported food risks, develop risk-based inspection methods					+		+				+													
1.3.17	Consensus and training workshops risk-based import handling							+				+				+				+					
2 Enhanced education levels/training of SPS specialists																									
2.1	Design improved academic curricula and teaching materials					+	+		+		+		+		+		+		+		+		+		
2.2	RUA participants attend short courses								+				+						+						
2.3	Short technical training staff						+		+		+		+						+		+				
2.4	Provide on-site (i.e., at RAU) English language training					+			+				+				+				+				
2.5	Construct shared core laboratory and teaching facility						+	+	+	+															
2.6	Upgrade departmental laboratory and teaching equipment						+	+	+	+															
2.7	Upgrade faculty transport (bus, van, pickup) provisions				+		+																		
3 GMS and ASEAN regional cooperation																									
3.1	Bilateral working groups PRC, Thailand and Viet Nam - plant health				+		+		+		+		+		+		+		+		+		+		
3.2	Bilateral working groups Laos, Thailand, Viet Nam - animal health				+		+		+		+		+		+		+		+		+		+		
3.3	Bilateral working groups Thailand and Viet Nam - food safety				+		+		+		+		+		+		+		+		+		+		
4 Implementation – project management and monitoring																									
4.1	Set-up project management unit in MAFF		+	+																					
4.2	Set up Component Implementation Units GDA, DAHP, DFD, RUA		+	+																					
4.3	FM and Procurement Manual, Monitoring and Evaluation framework			+	+	+																			

			2012				2013				2014				2015				2016				2017			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
B. Management Activities																										
5 Procurement plan key activities to procure contract packages																										
		Preparation packages	+	+																						
		Advertisement	+	+																						
		Contracting			+	+																				
6 Consultant selection procedures																										
		Preparation packages	+	+																						
		Advertisement	+	+																						
		Contracting			+	+																				
7 Capacity building																										
		Training ADB/RGC procedures	+	+	+			+																		
		Training procurement			+			+																		
		training finance and administration				+		+																		
		training M&E				+		+							+											
8 Communication strategy key activities																										
		Inception workshop				+																				
		Annual stakeholder workshop					+				+				+				+				+			
		Awareness and consultative workshops				+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+		
9 Annual/Mid-term review																										
		Annual review					+				+				+				+				+			
		Mid-term review											+													
		Project completion report (31 December 2017)												+												+
note: project assumed to be effective by third quarter of 2012 and finish by August 30, 2017																										

C. TECHNICAL CONSIDERATIONS

1. Project Technical Framework

28. Overall, the project will enhance institutional capacity to address SPS management issues by strengthening surveillance and inspection systems, improving educational standards, and promoting regional cooperation. The fundamental technical areas of the Project cover plant health, animal health and food safety. This, together with regional cooperation and academic education activities (plus project management), provides the rationale for an implementation structure of five components, namely: (i) Plant Health; (ii) Animal Health; (iii) Food Safety; (iv) Academic Education, and (v) Project Management. In terms of the logic of Project design, the first three components contribute to outputs 1 and 2 (i.e., 'Strengthened Surveillance And Inspection Programs' and 'Improved Regional Cooperation and Harmonization'), while the remaining two components relate directly to the respective outputs of 'Enhanced Education Levels/University Training of SPS Specialists' and 'Project Management'.

29. MAFF will be the executing agency with three Departments therein, and the Royal University of Agriculture as implementing agencies. The Project also involves both MOH and MOC (in the form of CamControl). A notable dimension of the technical design has thus been to center the components (and sub-components) and their activities firmly on particular individual institutions. As a result: (i) plant health is the responsibility of the General Directorate of Agriculture; (ii) animal health is the responsibility of the Department of Animal Health and Production; (iii) implementation of food safety activities will be led by the Department of Drugs and Food (with CamControl in a supporting role); and (iv) RUA will implement the upgrading of academic education for SPS specialists. Despite this institutional breadth, within each component, the proposed technical interventions are broadly similar, in that they focus on strengthening surveillance and inspection systems and upgrading human resources, and involve the provision of a comprehensive mixture of technical support, training, and hardware to achieve this purpose.

2. Component Design Features

30. The composition of the Project referred initially to the *GMS SPS Action Plan*, but it has been developed from wider design considerations to reflect: (i) current realities of Cambodian absorptive capacities (i.e., to ensure that the wherewithal to make use of a 5-year investment program exists, yet to address areas where sustained support is unlikely to be available from other sources); (ii) existing legal arrangements (i.e., to avoid areas where there may be major regulatory obstacles to implementation);³³ and (iii) current RGC policy priorities (e.g., in the forms of supporting the export policy for rice and other crops, utilizing recently provided physical infrastructure, enhancing capacity to export bovine animals and products in the mid- to long term, and enhancing tourism). Overall therefore, the project focuses directly and realistically on SPS interventions (plant pest surveys and quarantine, pesticides market surveillance,³⁴ TAD control, food safety market surveillance, tourist sector food safety, and academic education) that are likely both to be implementable by RGC agencies and that will deliver economic benefits.

³³ This is critical in Cambodia, where tensions between agencies based on conflicts in mandates can be operationally problematic, either because existing legislation conflicts or because legal provisions are still evolving (e.g., with the current animal health and production draft law).

³⁴ Support for pesticides market surveillance is subject to assurances from RGC that there are no obstacles to collections of samples in markets.

31. Wider investment design considerations include; (i) the need to define quantitative targets for proposed activities (e.g., numbers of surveys to be conducted, numbers of samples to be tested, numbers of training courses to be awarded etc); (ii) awareness of the recurrent/operational costs implications of enhanced systems' capacity building (i.e., such that the extent of necessary funding – from government and/or other sources – is made quite clear to policy-makers); and (iii) the subregional context of proposed interventions (such that possibilities for bilateral and subregional engagement and support have been explored, and also that appropriate academic and other linkages are fostered, etc).

32. Among major technical design parameters have therefore been the following:

- (i) a recognition that plant, animal and food safety surveillance systems in Cambodia are starting from a very low informational and human capacity base, and that enhancing SPS capacity should in general take a very pragmatic and practical approach.
- (ii) technical design emphases should be on simple and cost-effective approaches – e.g., as applied to the use of rapid test kits where possible, an avoidance of duplication in the construction and operation of laboratory physical facilities.
- (iii) an emphasis on strengthening university teaching (as opposed to research) capacity – in order to increase national human resource capacity in SPS as quickly as possible, and
- (iv) an emphasis on supporting selective regional academic engagement with an English language orientation (to support on-going post-graduate university level access to international standard education through existing exchange arrangements).

3. Improving Surveillance and Inspection Programs

33. A major part of project activity concerns the introduction and improvement in surveillance systems for plant health, animal health and food safety. Several points are especially relevant here as regards design considerations. Firstly is the fact that the proposed programs each begin at a pilot level, so that methods for sampling, inspection etc can be refined before being up-scaled. Secondly is the fact that improving these systems, which start from such a low base at present, involves a range of activity types being undertaken, i.e., staff training (both local/in-country and regional; on-the-job and academic), SPS academic curricula improvement, and the provision of a mixture of hardware (e.g., laboratory equipment and field survey equipment). Thirdly are the recurrent cost implications of improving such surveillance systems; unlike in many projects, the annual costs of test kits, of laboratory consumables (e.g., chemicals, glassware etc), sample collection and inspection visits are a high proportion of project costs. In the absence of limited possibilities for cost recovery from fees and charges, the sustainability of such systems depends ultimately on RGC commitment to their maintenance from public revenues.

4. Subregional Characteristics

34. Although not a subregional investment *per se*, the project is one of three similar interventions in CLV, and its overall impact includes the increase in GMS AFF trade. A design focus for Cambodia has thus been to improve what is currently a weak link in regional SPS performance, on the basis that (in regional public good terms) this aggregator technology will be of benefit to the GMS as a whole.

35. One mechanism by which Cambodia's SPS performance can be raised to that of some of its neighbors is via greater regional engagement with SPS fora, regional and bilateral technical dialogue and support, contacts between educational institutions. Accordingly, the project technical design extensively supports such interactions and has a component structure and activity scope which is very similar to that of the other countries receiving parallel financing (i.e., Lao PDR and Viet Nam).

III. PROJECT MANAGEMENT ARRANGEMENTS

B. Project Participants – Roles and Responsibilities

Project Participant	Project Management Roles and Responsibilities
Ministry of Economy and Finance (MEF)	<ul style="list-style-type: none"> Signs legal agreement, including its amendments, with ADB. Reviews, endorses and signs the withdrawal application requests. Processes and submits to ADB each request for reallocation of proceeds.
Ministry of Agriculture, Forestry and Fisheries (MAFF)	<ul style="list-style-type: none"> Assumes the role of the Project executing agency. Reviews the project implementation progress. Reviews and endorses any proposed change in the project scope. Submits to ADB the withdrawal application signed by MEF. Assigns General Directorate of Agriculture to act as the IA for the plant health component. Assigns Department of Animal Health and Production to act as the IA for the animal health component. Assigns Royal University of Agriculture to act as the IA for education component
Project director	<ul style="list-style-type: none"> Formally appoints staff of the PMU and CIUs. Assumes the responsibility for overall project management and implementation on behalf of the Project executing agency.
PMU	<ul style="list-style-type: none"> Coordinates the implementation of the Project, including the work of the CIUs and act as focal point for communication with ADB and other agencies. Organizes timely provision of agreed counterpart funds for project activities. Provides public disclosure of project information. Carries out consultant recruitment and procurement activities for the approved expenditure plans. Sets up and maintains a strong project financial management system. Establishes the Project imprest account and makes timely submission to MEF of applications for direct payment, and for advance, replenishment, and liquidation of the imprest account. Facilitates timely financial audits and takes recommended actions. Complies with the covenants of the legal agreement. Takes steps to ensure sustainability of project outputs in the post-implementation phase and ensures ADB is informed of assessed development impacts. Monitors and evaluates Project activities and outputs, with periodic reviews, and identifies and reports issues and required action plans. Prepares regular quarterly progress reports and project completion report for timely submission to ADB.
Ministry of Health (MOH)	<ul style="list-style-type: none"> Assigns Department of Drugs and Food (DDF) to lead and coordinate the Food Safety component
Ministry of Commerce	<ul style="list-style-type: none"> Assigns Laboratory Department within CamControl to participate in

Project Participant	Project Management Roles and Responsibilities
	<p>the Food Safety component.</p> <ul style="list-style-type: none"> Assigns a staff member to the food safety CIU
Plant Health CIU	<ul style="list-style-type: none"> Shall be located in GDA of MAFF. Manages the implementation of the plant health component. Prepares annual, semi-annual and if needed other periodic expenditure plans. Follows administrative guidelines established for the project. Provides inputs to the contents of TORs, bidding documents, and contracts. Conducts the monitoring of component activities, and provides data to the PMU for periodic monitoring and evaluation reports.
Animal Health CIU	<ul style="list-style-type: none"> Shall be located in DAPH of MAFF. Manages the implementation of the animal health component. Other responsibilities similar to Plant Health CIU
Food Safety CIU	<ul style="list-style-type: none"> Shall be located in DDF of MOH. Manages the implementation of the food safety component. Other responsibilities similar to Plant Health CIU.
Education CIU	<ul style="list-style-type: none"> Shall be located in RUA of MAFF. Manages the implementation of the education component. Other responsibilities similar to Plant Health CIU.
Project Committee (PC)	<ul style="list-style-type: none"> PC is chaired by the Project Director and includes the following ex officio permanent members: PMU Manager (also secretary of the PC); each CIU Head; one senior representative of MEF; one representative of ADB Cambodia Resident Mission as observer; and ad hoc members can be invited whose participation in the view of the PC will be mutually beneficial. Provides management guidance to the PMU on project implementation. Reviews and advises on draft annual and quarterly plans. Ensures coordination and alignment of planning and administrative procedures between PMU and CIU. Meets at least quarterly.
ADB	<ul style="list-style-type: none"> Assists the Project director and the PMU through timely guidance at each stage of project implementation following agreed implementation arrangements. Reviews all documents that require ADB approval. Conducts semi-annual review missions, a mid-term review and a completion mission for the project. Ensures the compliance of the Government of all legal agreement covenants. Timely processing of withdrawal applications and release of eligible funds. Ensures compliance of financial audit recommendations. With assistance of PMU, regularly updates the project performance review reports. Regularly updates project information disclosure on the ADB website.

CIU = component implementation unit; GDA = General Directorate of Agriculture; DAHP = Department of Animal Health and Production; DDF = Department of Drugs and Food; RUA = Royal University of Agriculture; MOC = Ministry of Commerce; PMU = project management unit.

C. Key Persons Involved in Implementation

Executing Agency	
MAFF	<p>HE San Vanty Undersecretary of State +855-12616167 san.vanty.uss@maff.gov.kh 200, Preah Norodom Blvd</p> <p>H.E. Prak Thaveak Amida Deputy Secretary General +855 –17227746 prak.amida.dsg@maff.gov.kh, amidaau@gmail.com</p>
Implementing Agencies	
General Directorate of Agriculture	<p>HE So-Khan-Rithykun General Director kunso@camnet.com.kh +855- #56B, Road 365 Sangkat Teuk Laok II, Khan Tuol Kok, Phnom Penh</p>
Department of Animal Health and Production	<p>HE Dr. Kao Phal Director +855-12-829283 kaodahp@yahoo.com Trea village, Sangkat Stung Meanchey Khan Meanchey, Phnom Penh</p>
Department of Drugs and Food	<p>H.E. Lim Rathanak Advisor Ministry of Health Deputy Director of DDF +855-12 387957/11463333 lim_rathanak@yahoo.com #7, St. 109, Sangkat Mittapheap Khan 7 Makara, Phnom Penh</p>
Royal University of Agriculture	<p>Dr. Sok Kunthy Vice Rector s_kunthy2005@yahoo.com Chamkar Daung Village, Sangkat Dangkor Khan Dangkor, Phnom Penh</p>
ADB	
Division Director	<p>Shigeko Hattori Position: Director, SEPF Telephone No.: (+632) 02 632 6455 Email address: shattori@adb.org</p>
Mission Leader	<p>Lingling Ding Position : Principal Trade Specialist Telephone No.: (+632) 02 683 1792 Email address dingl@adb.org</p>

D. Project Organization Structure

36. MAFF will be the executing agency for the Project. MAFF will appoint the Undersecretary of State, MAFF, as the Project Director to assume the responsibility for overall project coordination and management. MAFF will also set-up a Project Management Unit (PMU) to be responsible for project coordination and management, including financial management of project accounts, procurement of goods and works, recruitment of consultants, and monitoring and reporting.

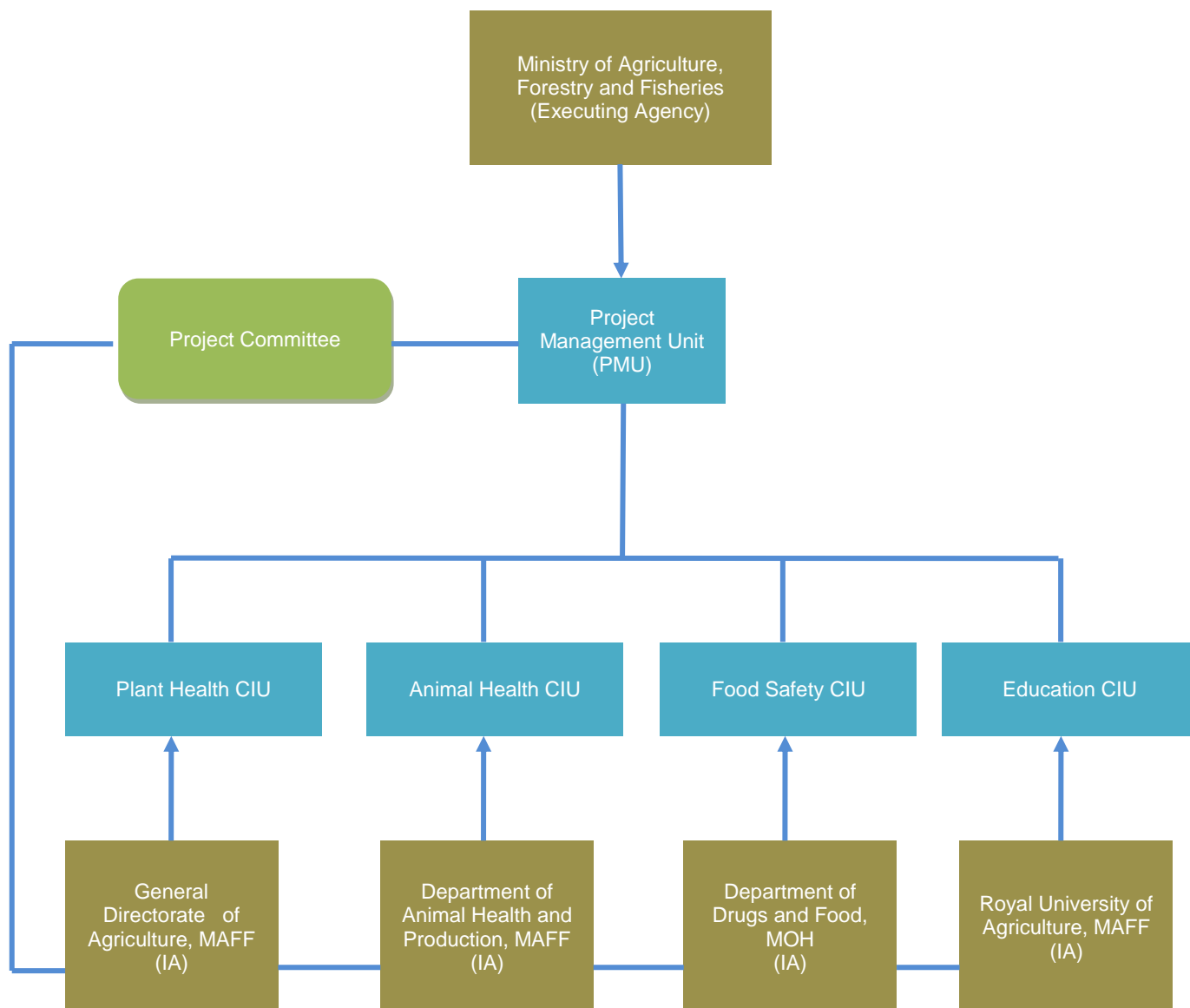
37. The PMU will be headed on day-to-day basis by a PMU Manager who will be the Deputy Secretary General, MAFF. The PMU Manager will be assisted by a Finance Officer, an Administrative Officer, a Procurement Officer, and two Project Assistants.

38. There will be four implementing agencies (IAs) under the Project. The General Directorate of Agriculture (DGA) for plant health activities, Department of Animal Health and Production (DAHP) for animal health activities, Department of Drugs and Food (DDF) of Ministry of Health (MOH) for the food safety activities, and, the Royal University Of Agriculture (RUA) for SPS education and training activities . There will be one Component Implementation Unit (CIU) in each IA. Each CIU will be headed by a Deputy Director General (in the case of GDA), a deputy director (in the case of DAHP and DDF) and a Vice Rector (in the case of RUA) and staffed by a Component Officer (CO). The CIU Head can delegate day-to-day project activities to a CIU Manager as he/she deems necessary. The CIU in DDF will also include staff from CamControl. A CIU will be responsible for planning and reporting on day-to-day implementation of components, and for forwarding documentation to PMU for financial planning and procurement.

39. A Project Committee (PC) will be established to provide guidance to the PMU on Project implementation. The Project Director will chair the PC with the PMU Manager as the secretary. The members will comprise each CIU Head, one senior representative from MEF, and one representative from ADB Cambodia Resident Mission (CARM) as an observer. The PC may also invite ad hoc members from other relevant agencies whose participation in the view of the PC will be mutually beneficial. The PC will meet at least four times a year.

40. The Project Organization Structure is shown, below.

PROJECT ORGANIZATION STRUCTURE



The Food Safety CIU will include staff from CamControl who will be implementing activities related to market surveillance.
 CIU = component implementation unit; MAFF = Ministry of Agriculture Forestry and Fisheries; MOC = Ministry of Commerce;
 MOH = Ministry of Health; IA = Implementing Agency

IV . COSTS AND FINANCING

41. The total project cost is estimated at \$11.409 million. The Government has requested a loan not exceeding 7.151 million Special Drawing Rights (SDR) from ADB's Special Funds resources to help finance the Project. This will finance civil works, equipment, and laboratory systems support, training (capacity building of various government agency staff), awareness raising, incremental administrative cost, workshops and meetings, including travel and per diem for project related training and field work³⁵, and consulting services. Interest during implementation is to be capitalized.

42. The Government will finance the equivalent of \$0.409 million for counterpart staff, office space and other in kind support and taxes and duties. ADB will finance \$0.56 million of taxes and duties from the loan. Total taxes and duties constitute about 5% of the project cost. This amount of taxes and duties: (i) does not represent an excessive share of the project investment plan; (ii) applies only with respect to ADB-financed expenditures; and (iii) the financing of the taxes and duties is material and relevant to the success of the project. ADB will finance the recurrent costs to ensure smooth Project implementation and promote longer-term capacity development.

43. The project will provide incremental administrative cost to the Government support staff working under the project. The Project has made a budget allocation of \$220,300 on this for about 24 staff. Tentatively, the allocation of staff numbers over the five components is as follows: (i) plant health 6; (ii) animal health 6; (iii) food safety 5; (iv) education 2; and (v) PMU 5.

³⁵ Staff per diem costs have been estimated in accordance with RGC/MEF Decree 2000 (2010).

A. Detailed Cost Estimates by Expenditure Category

	(RIEL Million)			(US\$ '000)			% Total
	Local	Foreign	Total	Local	Foreign	Total	Base Costs
I. Investment Costs							
A. Civil Works							
1. Building/Renovation (Teaching Facility/Office)	-	384.4	384.4	-	94.1	94.1	1
2. Greenhouse, Laboratory repair/upgrade	320.0	1,280.0	1,600.0	78.3	313.3	391.7	4
Subtotal	320.0	1,664.4	1,984.4	78.3	407.4	485.8	5
B. Equipment							
1. Vehicle	341.9	932.4	1,274.3	83.7	228.3	311.9	3
2. Other Equipment							
Office Equipment	132.7	208.1	340.8	32.5	50.9	83.4	1
Laboratory Equipment	348.0	4,918.1	5,266.2	85.2	1,204.0	1,289.1	12
ICT (Laptop/Project, etc.)	9.8	88.6	98.4	2.4	21.7	24.1	-
Subtotal	490.6	5,214.8	5,705.5	120.1	1,276.6	1,396.7	13
Subtotal	832.5	6,147.3	6,979.7	203.8	1,504.8	1,708.6	16
C. Consulting Services							
1. International Consultants	720.2	11,060.9	11,781.1	176.3	2,707.7	2,884.0	27
2. Local Consultants	887.6	-	887.6	217.3	-	217.3	2
Subtotal	1,607.7	11,060.9	12,668.6	393.6	2,707.7	3,101.3	29
D. Training and workshops/meetings							
1. Training Courses & Scholarships	566.6	2,020.8	2,587.3	138.7	494.7	633.4	6
2. Study Tours	-	163.4	163.4	-	40.0	40.0	-
3. Workshops & Meetings	255.4	808.4	1,063.8	62.5	197.9	260.4	2
4. Awareness Campaigns, Consultations, Materials	344.5	457.1	801.6	84.3	111.9	196.2	2
Subtotal	1,166.5	3,449.7	4,616.1	285.5	844.5	1,130.0	11
E. Laboratory Systems' Support							
1. Testing, Surveillance, Other Services	1,103.4	1,376.2	2,479.6	270.1	336.9	607.0	6
2. Small Laboratory Goods	173.8	2,176.7	2,350.5	42.5	532.9	575.4	5
3. Data Management	42.7	363.1	405.8	10.5	88.9	99.4	1
Subtotal	1,319.9	3,916.1	5,235.9	323.1	958.7	1,281.8	12
F. Incremental Administrative Cost	900.1	-	900.1	220.3	-	220.3	2
G. Support Staff_ Government	1,440.0	-	1,440.0	352.5	-	352.5	3
Total Investment Costs	7,586.6	26,238.3	33,824.9	1,857.2	6,423.1	8,280.3	78
II. Recurrent Costs							
A. Survey Consumables & Services	420.8	1,089.0	1,509.8	103.0	266.6	369.6	3
B. Operational and Survey Costs	2,332.2	5,490.1	7,822.3	570.9	1,344.0	1,914.9	18
Total Recurrent Costs	2,753.0	6,579.1	9,332.1	673.9	1,610.6	2,284.5	22
Total BASELINE COSTS	10,339.6	32,817.5	43,157.0	2,531.1	8,033.7	10,564.8	100
III. Contingencies							
Physical Contingencies	311.1	1,298.7	1,609.8	76.2	317.9	394.1	4
Price Contingencies	1,329.2	-848.1	481.1	325.4	-207.6	117.8	1
Subtotal	1,640.4	450.6	2,090.9	401.6	110.3	511.9	5
IV. Interest During Implementation	-	1,359.1	1,359.1	-	332.7	332.7	3
Total PROJECT COSTS	11,979.9	34,627.2	46,607.1	2,932.7	8,476.7	11,409.3	108

B. Allocation and Withdrawal of Loan Proceeds

CATEGORY				ADB FINANCING BASIS
Number	Item	Amount Allocated for ADB Financing (SDR)		Percentage and Basis for Withdrawal from Loan Account*)
		Category	Subcategory	
1	Works	316,000		100% of total expenditures claimed
2	Equipment	1,111,000		
2A	Vehicle		203,000	100% of total expenditures claimed
2B	Laboratory equipment		838,000	100% of total expenditures claimed
2C	Information Communication and Technology equipment		16,000	100% of total expenditures claimed
2D	Office equipment		54,000	100% of total expenditures claimed
3	Consulting Services	2,016,000		100% of total expenditures claimed
4	Training, awareness campaigns, workshops & meetings	735,000		100% of total expenditures claimed
5	Laboratory systems support	833,000		100% of total expenditures claimed
6	Incremental Administrative Cost	143,000		100% of total expenditures claimed
7	Recurrent costs	1,485,000		100% of total expenditures claimed
8	Interest charge	216,000		100% of total amount due
9	Unallocated	296,000		
	Total	7,151,000		

*) The above amount is inclusive of taxes and duties imposed within the territory of the Borrower.

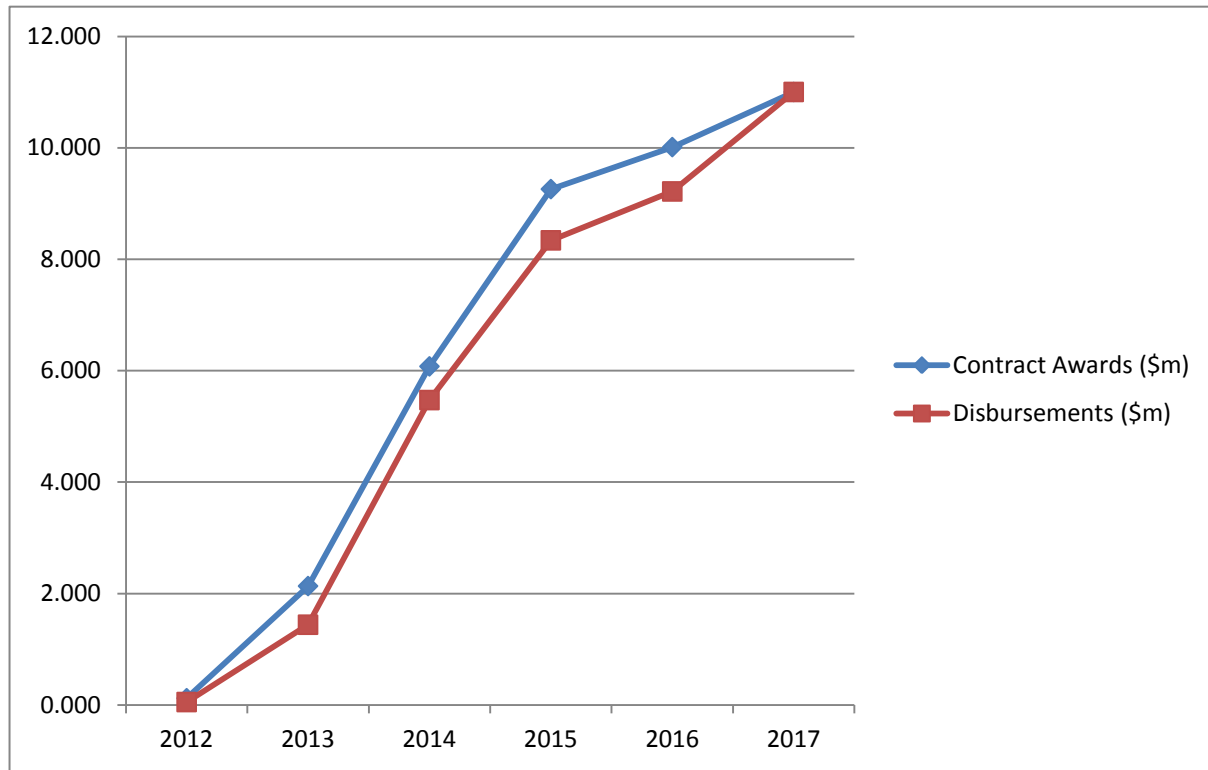
C. Detailed Cost Estimates by Financier (US\$ '000)

		The Government**		ADB	Total	
		Amount	%	Amount	%	Amount
I. Investment Costs*						
A. Civil Works						
	1. Building/Renovation (Teaching Facility/Office)			94.1	100%	94.1
	2. Greenhouse, Laboratory repair/upgrade			391.7	100%	391.7
	Subtotal			485.8	100%	485.8
B. Equipment						
	1. Vehicle			311.9	100%	311.9
	2. Other Equipment					
	Office Equipment			83.4	100%	83.4
	Laboratory Equipment			1,289.1	100%	1289.1
	ICT (Laptop/Project, etc.)			24.1	100%	24.1
	Subtotal			1,396.7	100%	1396.7
				1,708.6	100%	1708.6
C. Consulting Services						
	1. International Consultants			2,884.0	100%	2884.0
	2. Local Consultants			217.3	100%	217.3
	Subtotal			3,101.3	100%	3101.3
D. Training and workshops/meetings						
	1. Training Courses & Scholarships			633.4	100%	633.4
	2. Study Tours			40.0	100%	40.0
	3. Workshops & Meetings			260.4	100%	260.4
	4. Awareness Campaigns, Consultations, Materials			196.2	100%	196.2
	Subtotal			1,130.0	100%	1130.0
	1. Testing, Surveillance, Other Services			607.0	100%	607.0
	2. Small Laboratory Goods			575.4	100%	575.4
	3. Data Management			99.4	100%	99.4
	Subtotal			1,281.8	100%	1281.8
	F. Incremental Administrative Cost			220.3	100%	220.3
	G. Support Staff_ Government	352.5	100%		0%	352.5
	Total Investment Costs	352.5	4%	7,927.8	96%	8280.3
II. Recurrent Costs						
	A. Survey Consumables & Services			369.6	100%	369.6
	B. Operational and Survey Costs			1,914.9	100%	1914.9
	Total Recurrent Costs			2,284.5	100%	2284.5
	Total BASELINE COSTS	352.5		10,212.3	100%	10564.8
III. Contingencies						
	Physical Contingencies			394.1	100%	394.1
	Price Contingencies	56.9	48%	61	51%	117.8
	Subtotal	56.9	11%	455.1	89%	511.9
IV. Interest During Implementation						
		0.0	0%	332.7	100%	332.7
	Total Project Costs	409.4	4%	10,999.5	96%	11409.3
	* including taxes and duties of \$0.58 million to be					
	financed by Govt and ADB loan resources. ADB loans may finance					
	transportation and insurance					
	** Government contribution is in kind.					

			Total	Plant Health	% of cost category	Animal Health	% of cost category	Food Safety	% of cost category	Academic Education	% of cost category	Project Management	% of cost category
I. Investment Costs													
A. Civil Works													
	1. Building/Renovation (Teaching Facility/Office)		94.1	-	0.0%	-	0.0%	-	0.0%	-	0.0%	94.1	100.0%
	2. Greenhouse, Laboratory repair/upgrade		391.7	-	0.0%	-	0.0%	-	0.0%	391.7	100.0%	-	0.0%
	Subtotal		485.8	-	0.0%	-	0.0%	-	0.0%	391.7	80.6%	94.1	19.4%
B. Equipment													
	1. Vehicle		311.9	50.1	16.1%	70.0	22.4%	60.5	19.4%	76.0	24.4%	55.4	17.7%
	2. Other Equipment												
	Office Equipment		83.4	-	0.0%	-	0.0%	3.0	3.6%	-	0.0%	80.4	96.4%
	Laboratory Equipment		1,289.1	458.5	35.6%	207.5	16.1%	28.3	2.2%	594.8	46.1%	-	0.0%
	ICT (Laptop/Project, etc.)		24.1	-	0.0%	10.0	41.5%	14.1	58.5%	-	0.0%	-	0.0%
	Subtotal		1,396.7	458.5	32.8%	217.5	15.6%	45.4	3.3%	594.8	42.6%	80.4	5.8%
	Subtotal		1,708.6	508.6	29.8%	287.5	16.8%	105.9	6.2%	670.8	39.3%	135.8	7.9%
C. Consulting Services													
	1. International Consultants		2,884.0	615.2	21.3%	200.3	6.9%	829.7	28.8%	743.2	25.8%	495.7	17.2%
	2. Local Consultants		217.3	-	0.0%	-	0.0%	8.0	3.7%	-	0.0%	209.3	96.3%
	Subtotal		3,101.3	615.2	19.8%	200.3	6.5%	837.7	27.0%	743.2	24.0%	704.9	22.7%
D. Training and workshops/meetings													
	1. Training Courses & Scholarships		633.4	267.9	42.3%	145.0	22.9%	66.3	10.5%	130.2	20.6%	24.0	3.8%
	2. Study Tours		40.0	-	0.0%	-	0.0%	40.0	100.0%	-	0.0%	-	0.0%
	3. Workshops & Meetings		260.4	129.0	49.5%	45.0	17.3%	59.5	22.8%	-	0.0%	26.9	10.3%
	4. Awareness Campaigns, Consultations, Materials		196.2	20.0	10.2%	102.0	52.0%	61.5	31.3%	-	0.0%	12.7	6.5%
	Subtotal		1,130.0	416.9	36.9%	292.0	25.8%	227.3	20.1%	130.2	11.5%	63.6	5.6%
E. Laboratory Systems' Support													
	1. Testing, Surveillance, Other Services		607.0	43.5	7.2%	549.5	90.5%	14.0	2.3%	-	0.0%	-	0.0%
	2. Small Laboratory Goods		575.4	276.0	48.0%	-	0.0%	-	0.0%	299.4	52.0%	-	0.0%
	3. Data Management		99.4	49.5	49.8%	49.9	50.2%	-	0.0%	-	0.0%	-	0.0%
	Subtotal		1,281.8	369.0	28.8%	599.4	46.8%	14.0	1.1%	299.4	23.4%	-	0.0%
	F. Incrementational Administrative Cost		220.3	-	0.0%	-	0.0%	-	0.0%	-	0.0%	220.3	100.0%
	G. Support Staff_ Government		352.5	-	0.0%	-	0.0%	-	0.0%	-	0.0%	352.5	100.0%
	Total Investment Costs		8,280.3	1,909.7	23.1%	1,379.1	16.7%	1,184.8	14.3%	2,235.3	27.0%	1,571.3	19.0%
II. Recurrent Costs													
	A. Survey Consumables & Services		369.6	-	0.0%	-	0.0%	369.6	100.0%	-	0.0%	-	0.0%
	B. Operational and Survey Costs		1,914.9	424.0	22.1%	950.0	49.6%	127.7	6.7%	183.9	9.6%	229.3	12.0%
	Total Recurrent Costs		2,284.5	424.0	18.6%	950.0	41.6%	497.3	21.8%	183.9	8.0%	229.3	10.0%
	Total BASELINE COSTS		10,564.8	2,333.7	22.1%	2,329.1	22.0%	1,682.1	15.9%	2,419.2	22.9%	1,800.6	17.0%
III. Contingencies													
	Physical Contingencies		394.1	119.5	30.3%	133.3	33.8%	43.1	10.9%	68.9	17.5%	29.3	7.4%
	Price Contingencies		117.8	-46.4	-39.4%	22.7	19.3%	20.4	17.3%	-38.2	-32.4%	159.3	135.2%
	Subtotal		511.9	73.0	14.3%	156.0	30.5%	63.5	12.4%	30.7	6.0%	188.6	36.8%

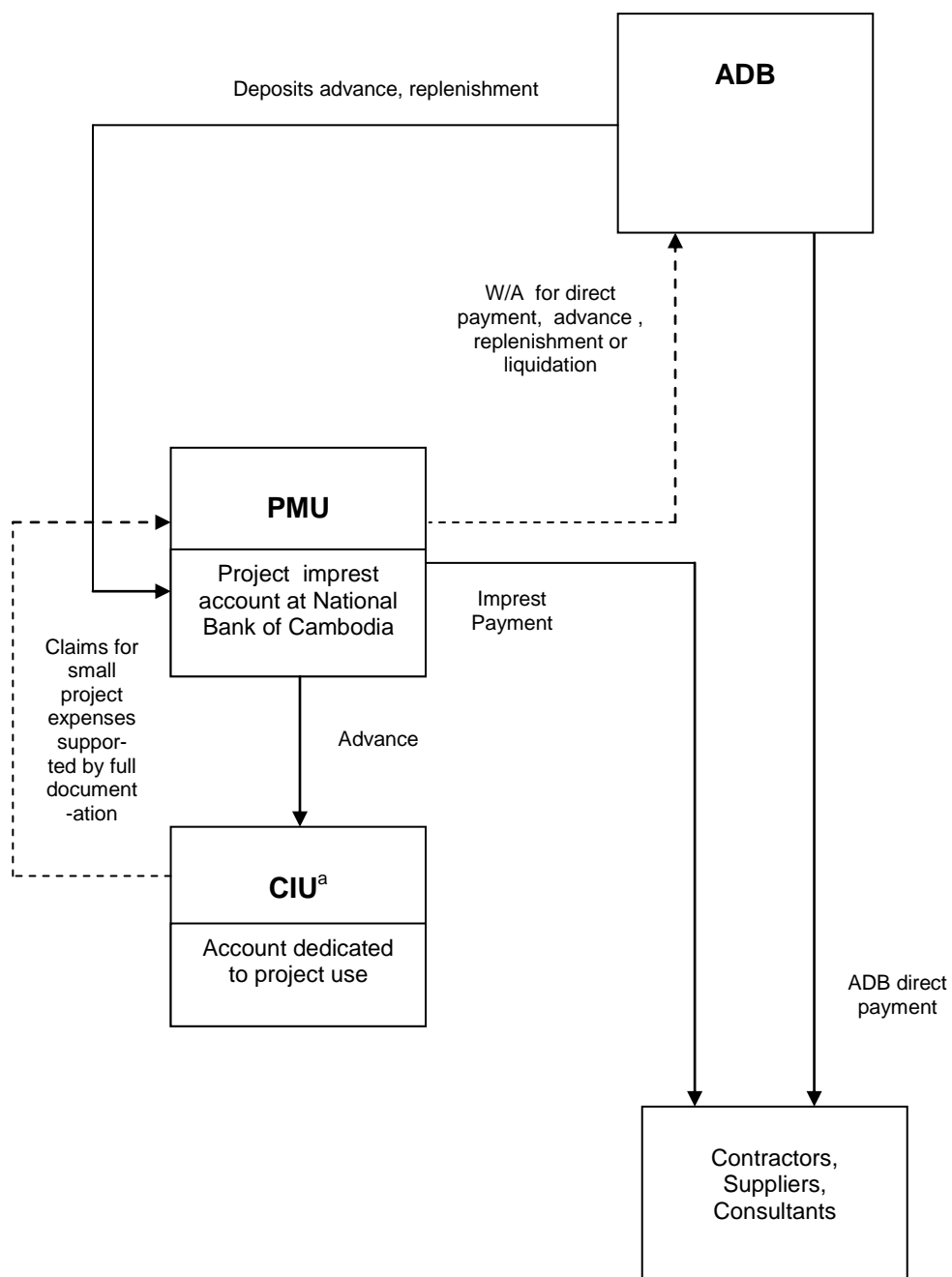
E. Detailed Cost Estimates by Year

	Total	2012	2013	2014	2015	2016	2017
I. Investment Costs							
A. Civil Works							
1. Building/Renovation (Teaching Facility/Office)	94.1	13.9	17.8	17.8	17.8	17.8	8.9
2. Greenhouse, Laboratory repair/upgrade	391.7	-	391.7	-	-	-	-
Subtotal	485.8	13.9	409.5	17.8	17.8	17.8	8.9
B. Equipment							
1. Vehicle	311.9	261.8	50.1	-	-	-	-
2. Other Equipment							
Office Equipment	83.4	70.2	5.9	2.0	3.4	2.0	-
Laboratory Equipment	1,289.1	5.0	1,161.6	122.5	-	-	-
ICT (Laptop/Project, etc.)	24.1	20.4	-	3.7	-	-	-
Subtotal	1,396.7	95.6	1,167.5	128.2	3.4	2.0	-
Subtotal	1,708.6	357.5	1,217.6	128.2	3.4	2.0	-
C. Consulting Services							
1. International Consultants	2,884.0	183.2	905.9	897.5	516.4	219.5	161.5
2. Local Consultants	217.3	22.7	56.3	39.5	39.5	33.6	25.6
Subtotal	3,101.3	205.9	962.2	937.0	555.9	253.1	187.1
D. Training and workshops/meetings							
1. Training Courses & Scholarships	633.4	19.5	203.6	159.5	116.5	97.6	36.5
2. Study Tours	40.0	-	31.0	9.0	-	-	-
3. Workshops & Meetings	260.4	16.7	53.9	57.9	53.9	49.9	28.2
4. Awareness Campaigns, Consultations, Materials	196.2	5.5	50.2	46.2	41.2	42.2	11.0
Subtotal	1,130.0	41.7	338.7	272.6	211.6	189.7	75.7
E. Laboratory Systems' Support							
1. Testing, Surveillance, Other Services	607.0	1.5	92.8	164.3	150.8	119.8	78.0
2. Small Laboratory Goods	575.4	-	112.1	124.6	124.6	124.6	89.5
3. Data Management	99.4	-	51.0	14.7	20.7	8.2	4.9
Subtotal	1,281.8	1.5	255.9	303.5	296.0	252.5	172.4
F. Incremental Administrative Cost	220.3	22.0	44.1	44.1	44.1	44.1	22.0
G. Support Staff_ Government	352.5	35.3	70.5	70.5	70.5	70.5	35.3
Total Investment Costs	8,280.3	677.8	3,298.4	1,773.7	1,199.3	829.7	501.4
II. Recurrent Costs							
A. Survey Consumables & Services	369.6	-	82.4	93.0	93.0	93.0	8.2
B. Operational and Survey Costs	1,914.9	30.9	362.2	395.7	430.0	401.1	295.0
Total Recurrent Costs	2,284.5	30.9	444.6	488.7	523.0	494.1	303.2
Total BASELINE COSTS	10,564.8	708.7	3,743.0	2,262.4	1,722.3	1,323.8	804.6
III. Contingencies							
Physical Contingencies	394.1	6.4	173.5	67.1	58.2	54.2	34.8
Price Contingencies	117.8	-4.2	-61.7	9.1	46.8	77.9	49.8
Subtotal	511.9	2.2	111.7	76.2	105.0	132.1	84.6
IV. Interest During Implementation	332.7	1.7	15.7	50.5	72.3	89.6	102.9
Total PROJECT COSTS	11,409.3	712.6	3,870.4	2,389.1	1,899.6	1,545.4	992.1
% of total	100.00%	6.25%	33.92%	20.94%	16.65%	13.55%	8.70%

F. Contract and Disbursement S-curve

Source: Asian Development Bank Estimates

G. Fund Flow Diagram



ADB= Asian Development Bank; CIU=Component Implementation Unit; MEF=Ministry of Economy and Finance; PMU=Project Management Unit; W/A=withdrawal application

^a There are three CIUs established in Ministry of Agriculture, Forestry and Fisheries and one in Ministry of Health
Source: PPTA Consultants

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

44. With appropriate capacity building action, fiduciary risk is deemed to be manageable. An in depth financial management assessment (FMA) and fiduciary risk assessment has been carried out on the proposed project arrangements. As a result of the review, a detailed risk mitigation strategy and FM Action Plan has been developed. Controls to be implemented through the Action Plan are expected to effectively mitigate risks identified at both the general environment, the EA and the project levels. There will be particular focus on staff development, project financial reporting and procurement.

45. MAFF has acted as EA for several ADB-financed projects³⁶. MAFF accounting and finances staff are familiar with country financial management framework, but will receive specific training on ADB financing reporting requirements. Training in the project accounting and financial reporting system is regarded as important and will be provided for the staff in the Project Management Unit (PMU) and Component Implementing Units (CIU). The appointment of a Project Manager with skills appropriate for responsibilities including finance and accounting, and the provision of financial and procurement experts, to help EA set up the financial reporting and auditing and internal control system, additional assurance will be obtained regarding the effective and appropriate use of project funds. As the Project will entail a number of procurement packages, including procurement of laboratory equipment and supplies, ICT equipment, etc., sound inventory management control will be further strengthened.

46. To ensure effective fiduciary risk management, the following risk mitigation measures will be implemented by the project.

Table 1. Financial Management Risk Assessment and Mitigation Measures

Risk	Risk Level before	Mitigation	Risk Level after
Financial Management Arrangements			
Control risks Utilization of public and donor funds	M	<ol style="list-style-type: none"> 1. A Project manager for day-to-day role with skills appropriate for responsibilities including finance, accounting task oversight and administration. 2. Minimum of three finance and accounting, procurement staff assigned to the project management unit for PMU project accounting and to support CIU level accounting. Each CIU will have an assigned finance/accounting staff member from its parent agency on a time-sharing basis. 3. MAFF has acted as EA and IA for previous ADB-financed projects but accounting and finance staff will be trained to ADB financial reporting requirements. Training in the project accounting and financial reporting system will be provided for the staff in 3 4. One international procurement and financial management consultant, with experience and qualifications satisfactory to ADB, to help set up 	L

³⁶ The projects include: Loan 2599-CAM (SF); Grant 0186-CAM(SF): Tonle Sap Poverty Reduction and Smallholder Development Project. 2009; (with MEF) Loan 2022 CAM: Agricultural Sector Development Program Loan. 2003; and Loan 1939 CAM: Tonle Sap Environmental Management. 2002.

Risk	Risk Level before	Mitigation	Risk Level after
		<p>internal controls and be responsible for day to day Project finance and accounting activities.</p> <p>5. One national project financial management Consultant, with experience and qualifications satisfactory to ADB, to be available full time until Project completion, first to assist the International Consultant, and later to advise and assist the Project manager.</p> <p>6. Project funds flow arrangements as illustrated in Figure G.</p> <p>7. Periodic internal audit carried out jointly by PMU and auditor under TOR satisfactory to ADB.</p> <p>8. External audit of Project annual accounts by an auditor under TOR satisfactory to ADB.</p>	
Project Specific Risk			
- Coordination of subproject implementation and management	M	Project organization will include the Project Committee as described in the PAM section on the Project management arrangements.	L
- Project funds flow complexity through high volume of small project expenditures at CIU level including out-of-pocket expenses (OPE) such as travel cost and per diem for field work	M	PMU, procurement and FM specialists to monitor out-of-pocket expenditure throughout project implementation. Training required for procedures of OPE claims. To minimize cash handling at CIU level, a separate account will be established at each CIU (4) to receive small advances on a transaction basis, supported by documentation and/or invoices for claims of small project expenses. Each CIU account will not exceed \$5000 at one time.	L
Safeguard of high technology laboratory equipment	H	FM system in place to control expenditure and control of the inventory. Sound inventory management is required through training.	M
Country Issues			
Fiduciary risk	S	<p>Public disclosure of audited project financial reports and procurement information is conducted through a project website established and maintained at least during project implementation</p> <p>Strengthened project financial management capacity</p>	M

ADB=Asian Development Bank; CIU=component implementation unit; FMA=financial management assessment; OPE=out-of-pocket expenses; PAM=project administration manual; TOR=terms of reference
 Risk rating: H=high; S=substantial; M=moderate; L=low.

47. The following action plan for project financial management will guide implementation of the above risk mitigation measures.

Table 2. Project Financial Management Action Plan

Planned Action	Output	Responsible Party	Due Date
PMU financial management function established and operational	PMU Project Manager, accounting and finance staff appointed	EA selection, in consultation with ADB	Loan negotiations.
	PMU consulting team of project financial and procurement consultants mobilized, set up project accounting and financial reporting procedures and control and conduct PMU project accounting and financial staff on the job training/refresher course.	EA recruitment with ADB assisting PMU, assisted by PMI consultants	Training conducted, and procedures elaborated upon engagement of PMI consultants.
	Project disbursement arrangements and procedures established and staff trained in their operation.	As above	As above
	TOR for annual independent and internal project auditors drafted & auditors appointed	PMU, assisted by PMI consultant for TOR; auditors selection by Government, and is acceptable to ADB. Project follows RGC and ADB agreed arrangement.	As above
Project Committee established and operational	As in Project management arrangements section of PAM	EA	Loan effectiveness
Project funds flow arrangements adopted & operational	Concerned MOF, EA, PMU and CIU staff all briefed	PMU assisted by PMI consultants	Training conducted, and procedures elaborated upon engagement of PMI consultants
Project OPE claims procedures established and operational	User units staff briefed on procedures	PMU, assisted by PMI consultants with ADB input	Training conducted, and procedures elaborated upon engagement of PMI consultants
Public disclosure of project audited financial and procurement information operational	Project website for information disclosure established and operational. This includes contract awards details, and updated procurement plan.	PMU, assisted by PMI consultants	Throughout the Project

ADB = Asian Development Bank; CIU = component implementation unit; EA = Executing Agency; PMI = project management and implementation; PMU = project management unit; TOR = terms of reference

48. Financial management risks should be considered and updated throughout the life of the project. Risk mitigation measures should also be updated accordingly.

B. Disbursement

49. The Loan proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2007, as amended from time to time),³⁸ and detailed arrangements agreed upon between the Government and ADB.

50. Pursuant to ADB's *Safeguard Policy Statement* (2009) (SPS),³⁹ ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS. All financial institutions will ensure that their investments are in compliance with applicable national laws and regulations and will apply the prohibited investment activities list (Appendix 5) to subprojects financed by ADB. The Government is reviewing the provisional POC scheme. Provided that the proposed scheme and its monitoring, administration and disbursement are acceptable to ADB, ADB will fund the POC scheme.

51. ADB direct payment procedures will generally be used to pay suppliers, contractors and consultants. With oversight of MAFF, the PMU will be responsible for (i) preparing disbursement projections; (ii) requesting budgetary allocations for counterpart funds; (iii) collecting supporting documents; and for (iv) preparing and with the endorsement of MEF sending withdrawal applications to ADB.

52. To ensure the timely release of loan proceeds and to expedite project implementation, the Government will, immediately upon project effectiveness, open and maintain a project imprest account at the National Bank of Cambodia administered by PMU for disbursement of eligible expenditures. To facilitate effective project implementation in view of the cash flow requirement and the need to make a great number of small payments, PMU will be in charge of necessary planning and documentation for a project imprest account and seeking the review and approval from MEF. To minimize cash handling for small project expenditures at CIU level, a separate account will be established at each CIU (4) to receive small advances on a transaction basis, supported by documentation and/or invoices for claims of small project expenses. Each CIU account will not exceed \$5000 at one time.

53. The maximum ceiling of the imprest account will not at any time exceed the estimated ADB financed expenditures to be paid from the imprest account for the next 6 months or 10% of the respective loan amount, whichever will be lower.⁴⁰

54. The request for initial advance to the imprest account should be accompanied by an Estimate of Expenditure Sheet⁴¹ setting out the estimated expenditures for the first six (6) months of project implementation, and submission of evidence satisfactory to ADB that the imprest account has been duly opened. For every liquidation and replenishment request of the imprest account, the borrower will furnish to ADB (a) Statement of Account (Bank Statement) where the imprest account is maintained; and (b) the Imprest Account Reconciliation Statement (IARS) reconciling the above mentioned bank statement against the EA's records.⁴²

³⁸ Available at: http://www.adb.org/Documents/Handbooks/Loan_Disbursement/loan-disbursement-final.pdf

³⁹ Available at: <http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf>

⁴⁰ Bank charges may be financed from the ADB loan

⁴¹ Available in Appendix 29 of the *Loan Disbursement Handbook*

⁴² Follow the format provided in Appendix 30 of the *Loan Disbursement Handbook*.

55. ADB's statement of expenditure (SOE) procedures may be used for reimbursing eligible expenditures and liquidating of advances to the project imprest account due to impracticality of full documentation. The maximum payment for any individual item using these procedures is \$50,000 equivalent per individual payment. Individual payments in excess of the SOE ceiling should be accompanied by full supporting documents with submitting the WA to ADB. SOE records should be maintained and made readily available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit.⁴³

56. Before the submission of the first withdrawal application, the borrower should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is \$100,000, unless otherwise approved by ADB. The borrower is to consolidate claims to meet this limit for reimbursement and imprest account claims. Withdrawal applications and supporting documents will demonstrate, among other things that the goods, and/or services were produced in or from ADB members, and are eligible for ADB financing.

C. Accounting

57. MAFF will ensure that separate project accounts and records are maintained by the PMU and CIUs for all expenditures incurred on the Project. Project accounts will follow international accounting principles and practices.

D. Auditing

58. MAFF will cause the detailed project account to be audited in accordance with International Standards on Auditing by an auditor acceptable to ADB. The cost will be paid from the ADB loan. The PMU will prepare the information required for auditing. The audited accounts will be submitted in the English language to ADB within 6 months of the end of the fiscal year by the executing agency. The annual audit report will include a separate audit opinion on the use of the imprest account, and the SOE procedures if used. The Government and MAFF have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited accounts. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

VI. PROCUREMENT AND CONSULTING SERVICES

⁴³ Checklist for SOE procedures and formats are available at:

http://www.adb.org/documents/handbooks/loan_disbursement/chap-09.pdf

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-100-Below.xls

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Contracts-Over-100.xls

http://www.adb.org/documents/handbooks/loan_disbursement/SOE-Operating-Costs.xls

A. Advance Action

59. All advance action will be undertaken in conformity with ADB's *Procurement Guidelines* (2010, as amended from time to time) and ADB's *Guidelines on the Use of Consultants* (2010, as amended from time to time). In addition all procurement under the Project will use and follow the Government's Standard Operating Procedures (SOP), as amended from time to time, for Externally Financed Projects. Should there be any discrepancy between the SOP and the ADB's Guidelines, ADB's Guidelines shall prevail. The issuance of invitations to bid under advance action will be subject to ADB approval. The Borrower, MAFF and the PMU have been advised that approval of advance action does not commit ADB to finance the Project. Procurement assessment of the EA has been conducted to underpin the proposed project implementation and procurement plan.

60. The following steps for the recruitment of the project implementation consultant (entity) can, however, be concluded in advance: (i) advertisement; (ii) short listing of consulting firms; (iii) issuance of the Request for Proposals (RFP); (iv) evaluation of technical proposals; and (v) evaluation of financial proposals and final ranking. The contract is to be signed after ADB Board approval and the loan is declared effective. It is expected that office equipment for the PMU may be required early to establish the PMU and the following steps for the procurement of goods may be undertaken in advance: (i) advertisement; (ii) issuance of bid documents; (iii) bid opening; and (iv) evaluation of bids. The contract is to be signed after the loan is declared effective. Packages planned to be procured immediately after loan effectiveness are the (i) consultants for the project management and implementation support; (ii) technical specialists; (iii) laboratory materials and equipment; and (iv) office equipment.

B. Procurement of Goods, Works and Consulting Services

61. All procurement of goods and works to be financed under the ADB loan will be undertaken in accordance with ADB's *Procurement Guidelines* and the Government's SOP. Packages for goods valued equivalent \$500,000 or more shall be procured through International Competitive Bidding (ICB). Packages for goods costing less than \$500,000 but more than \$100,000 or equivalent shall be procured through National Competitive Bidding (NCB) procedures. Packages for works costing equivalent \$100,000 or above but below \$1,000,000 shall be procured using NCB procedures. Small packages for goods and works valued at less than \$100,000 may be procured using shopping procedures.

62. Procurement of laboratory equipment and supplies is complex because it includes a broad range of goods with segmented markets. Some goods are of high technical sophistication with only one or a few global premier brands sold through dealers or a limited number of specialized traders; other market segments have more producers and traders, and consequently more competition. Part of the goods (test kits and consumables) need to be procured through supply contracts. There are virtually no local producers in the country and the retail market is underdeveloped, which means that virtually all goods need to be imported. In order to attract more bidders and to promote competition, laboratory equipment and supplies with similar characteristics (market segments and sophistication) are grouped into lots which will be combined in one ICB package.

63. An 18-month procurement plan indicating threshold and review procedures, goods, works, and consulting service contract packages is in Section C, below.

64. All consultants will be recruited according to ADB's *Guidelines on the Use of Consultants*. The proposed Project will hire an estimated 321.8 person-months (212.8 international⁴⁴ and 109 national) of consulting services required for four types of consulting services: (i) project management and support; (ii) strengthened surveillance and inspection programs, and improved regional cooperation and harmonization; (iii) enhanced education levels/university training SPS specialists; and (iv) service contracts for business services. Technical and English proficiency training will be offered under the project based on panel selection and the following criteria: (i) identified gaps in capacities of the client; and (ii) qualification of the candidates.

65. The PMU will be responsible for recruitments of consulting and specialized services for the following packages:

1. Project management (T1)

66. These management consultants support the Project Director and will be located in the PMU. Since they will help with preparation and supervision of other contracts they should be contracted with priority using QCBS recruiting procedures with a ratio of 80:20.

2. Technical consultants (T2)

67. These are technical consultants in the areas of agriculture, trade and risk analysis (mainly plant health, animal health and food safety). These consultants work individually or in a small group per sub-component. Their contribution should be coordinated with counterparts in each sub-component. Their work needs oversight from management consultants, Project Director, PMU Manager, Heads of CIU and Government staff in charge of the component. They will be engaged using Quality- and Cost-Based Selection (QCBS) recruiting procedures with a ratio of 80:20. Consultants need offices in the implementing agency, preferably at or close to the office of persons in charge of the subcomponent.

3. Food safety and GHP/GMP specialists (T3)

68. Since it is unlikely that mainstream consulting companies in the area of agriculture have experience in the GHP/GMP areas for restaurants, it seems advisable to have a separate contract for these specialists. Because of related issues in surveillance between CamControl and MOH, all consultants for the food safety component have been grouped together and they will be engaged using CQS recruiting procedures. They need office space, part of which at least must be in the respective implementing agencies.

4. University scholars from leading international universities (T4)

69. It is expected that overseas universities will bid for these contracts. In view of the specialized nature of the assignment it is considered prudent to recruit the consultants in a

⁴⁴ About two thirds of international experts may require extensive experience from the ASEAN and the GMS region in knowledge of pest, disease and food safety conditions in the region, and participation in regional professional networks.

separate package. They will be engaged using Consultants Qualifications Selection (CQS) recruiting procedures. They will need office space at the Royal University of Agriculture.

5. University scholars for teaching specialized courses in SPS (T5)

70. The need for these scholars will be identified and specified by scholars under T4, so there will be a sequence in contracting. Successful contracting of these specialists through competitive bidding will depend on whether universities in the region have an interest to organize such a team from different universities and bid for such contracts. Transaction costs could be very high and the number of candidates for most specialist posts will be limited. Individual consultants may be recruited as an alternative. Consultants under T4, given their knowledge and experience in the field, will advise on the best mode to recruit the consultants under T5 following Consultants Qualifications Selection (CQS) or Individual Consultant Selection (ICS) recruiting procedures. They need office space at the Royal University of Agriculture.

6. Service contracts (components S1, S2)

71. Specialists will provide standardized services (i) in providing group training and advice to individual enterprises for upgrading to meet well defined GHP and GMP requirements (S1) and (ii) conduct audits (S2). Service providers should have extensive experience GMP training and auditing. They often work on a fee for service base. Since there is conflict of interest between trainers and auditors, S1 and S2 cannot be combined. (Some firms provide both services, but in order to be eligible for both contracts, international good practice requires that these services should be provided by strictly separated departments in the firm). There are several potential qualified providers in the region, which makes it attractive to look for competitive bidding. The bidding should preferably be for a fee per enterprise served using FBS recruiting procedures.

72. The above consulting services and service contracts are necessary for smooth implementation of the Project. Prompt recruitment of consultants for implementation support is critical to ensure efficient implementation. Late recruitment of consultants is a significant factor in delaying project implementation and is also likely to have a negative impact on achievement of project benefits. The PMU will initiate recruitment of the above consultants and service providers and giving priority to T1 – T4. The Advance Action initiative will include issuing invitation for Expressions of Interest, shortlisting of potential firms, invitation to submit proposals and evaluation of proposal. ADB support of advance contracting does not commit ADB to approve the loan project or to finance the recruitment cost. The detailed terms of reference (TOR) for all consulting services and service providers are in Section D, below.

C. Procurement Plan

1. Basic Data

Project Name: Trade Facilitation: Improved SPS handling in GMS Trade	
Country: Kingdom of Cambodia	Executing Agency: Ministry of Agriculture, Forestry and Fisheries (MAFF)
Loan Amount: SDR 7,151,000	Loan Number: TBD
Date of First Procurement Plan: 27 March 2012	Date of this Procurement Plan: 27 March 2012

2. Process Thresholds, Review and 18-Month Procurement Plan

(i) Project Procurement Thresholds

73. Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works

Method	Threshold
International Competitive Bidding (ICB) for Goods	\$500,000 or above
National Competitive Bidding (NCB) for Works	\$100,000 or above but below \$1,000,000
National Competitive Bidding (NCB) for Goods	\$100,000 or above but below \$500,000
Shopping for Works	Below \$100,000
Shopping for Goods	Below \$100,000
Direct Contracting for Goods	Up to \$10,000

(ii) ADB Prior or Post Review

74. Except as ADB may otherwise agree, the following prior or post review requirements apply to the various procurement and consultant recruitment methods used for the project.

Procurement Method	Prior or Post	Comments
<i>Procurement of Goods and Works</i>		
ICB Goods	Prior	
NCB Works	Prior/Post	First contract subject to Prior Review*
NCB Goods	Prior/Post	First contract subject to Prior Review*
Shopping for Works	Prior/Post	First contract subject to Prior Review*
Shopping for Goods	Prior/Post	First contract subject to Prior Review*
<i>Recruitment of Consulting Firms</i>		
Quality- and Cost-Based Selection (QCBS)	Prior	80:20
Other selection methods:		
Consultants Qualifications Selection (CQS)	Prior	
Fixed Budget Selection (FBS)	Prior	
Single Source Selection (SSS)	Prior	
<i>Recruitment of Individual Consultants</i>		
Individual Consultants Selection (ICS)	Prior	

* Prior review for the first contract and subject to satisfactory execution, 'post review' for the subsequent contracts being awarded by the same PIU (Project Implementation Unit).

(iii) Goods and Works Contracts Estimated to Cost More Than \$1 Million

75. The following table lists goods and works contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value (mill. \$)	Procurement Method	Prequalification of Bidders (y/n)	Advertisement Date (quarter/year)	Comments
Laboratory materials, equipment Lot 1: Veterinary drugs residue analysis Lot 2: Microbiology equipment Lot 3: Sample preparation equipment Lot 4: microscopes and cameras Lot 5: Miscellaneous equipment and tools, including refrigerators. Lot 6: Microbiology laboratory equipment Lot 7: Plant and Animal Health Teaching and Field Equipment Lot 8: Test kits and supporting equipment Lot 9: General laboratory equipment	1.43	ICB	No	Q3/2012	One tender with multiple lots under ICB

ICB = International Competitive Bidding

(iv) Consulting Services and Service Providers Contracts Estimated to Cost More Than \$100,000

76. The following table lists consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Contract Value (mill. \$)	Recruitment Method	Advertisement Date (quarter/year)	International or National Assignment	Comments
Project management and implementation support (T1 - Management Consultants)	0.71	QCBS (80:20), STP	Q1/2012	International	23 pm International 84 pm National
Enhancing Plant and Animal Health technical capacity (T2 - Technical specialists)	0.82	QCBS (80:20), STP	Q1/2012	International	49.75 pm International 21 pm National
Enhancing Food Safety capacity (including GHP/GMP in tourist industry) (T3 - Technical specialists)	0.28	CQS	Q4/2012	International	20.5 pm International 4 pm National
Enhancing academic capacity for improved SPS education – curriculum design (T4 - Academic teachers)	0.29	CQS	Q4/2012	International	13.5 pm International
Enhancing academic capacity for improved SPS education – teaching experts (T5 - Academic teachers)	0.45	CQS/ICS	Q1/2013	international	56 pm International
Service provider contracts for training restaurants in GHP & GMP (S1 - Business service providers)	0.46	FBS	Q1/2013	International	40 pm International Highly specialized in the field and in the region
Service provider contracts for auditing restaurants in GHP & GMP (S2 - Business service providers)	0.11	CQS	Q1/2013	International	10 pm International Highly specialized in the field and in the region

CQS = Consultants Qualifications Selection; QCBS = Quality- and Cost- Based Selection, FBS = Fixed Budget Selection, ICS = Individual Consultants Selection

(v) Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000

77. The following table groups smaller-value goods, works and consulting services contracts for which procurement activity is either ongoing or expected to commence within the next 18 months.

General Description	Value of Contracts (cumulative) (mill \$)	Number of Contracts	Procurement / Recruitment Method¹	Advertisement date (Qtr/year)	Comments
Motor Vehicles	0.29	Multiple	NCB/Shopping	Q3/2012	
Office Equipment: computers, (PCs and laptops), photocopiers, software, printers, scanners, LCD projectors with screens and data base management system and data base development	0.12	Multiple	Shopping		
Office Equipment: air conditioners	0.005	Multiple	Shopping		
Office furniture	0.02	Multiple	Shopping		
University building, PEQ greenhouse, office renovation PMU/CIUs	0.48	Multiple	NCB/Shopping	Q1/2013	
Laboratory testing service abroad (reference laboratory)	0.01	Multiple	Direct Contracting (Single Source) / Service Delivery Contracts		Fixed public institution testing fee
Laboratory Consumables	0.52	Multiple	Shopping/NCB	Q1/2013	Perishable and consumable products (staggered procurements over the life of the project)
Laboratory equipment	0.19	Multiple	Shopping		For the new laboratory to be constructed in 2014

ICB = International Competitive Bidding; NCB = National Competitive Bidding

3. Indicative List of all Packages Required Under the Project

78. The following table provides an indicative list of all procurement (goods, works and consulting services) over the life of the project. Contracts financed by the Borrower and others should also be indicated, with an appropriate notation in the comments section.

General Description	Estimated Value (cumulative) (Million \$)	Estimated Number of Contracts	Procurement Method	Domestic Preference Applicable	Comments
Goods					
Laboratory materials, equipment	1.43	Multiple	ICB	No	One tender with multiple lots under ICB
Laboratory materials, equipment	0.19	Multiple	Shopping	No	Equipment to be procured for the new laboratory to be constructed in 2014
Laboratory Consumables	1.43	Multiple	Shopping	No	Perishable and consumable items (staggered procurements over the life of the project)
Motor Vehicles: 4WD (pickup), 4WD van, transport (10 seat bus)	0.29	Multiple	NCB/Shopping	No	
Office Equipment: computers, (PCs and laptops), photocopiers, software, printers, scanners, LCD projectors with screens and data base management system and data base development.	0.12	Multiple	Shopping	No	
Office Equipment: Air conditioners	0.005	Multiple	Shopping	No	
Office Furniture	0.02	Multiple	Shopping	No	
Works					
University building, including laboratory furniture and generator, PEQ greenhouse, office renovation PMU/CIUs	0.48	Multiple	NCB/ Shopping	No	

General Description	Estimated Value (cumulative) (Million \$)	Estimated Number of Contracts	Procurement/ Recruitment Method	Type of Proposal	Comments
Consulting Services					
Project management and implementation support (T1 - Management consultants)	0.71	1	QCBS (80:20)	STP	23 pm International 84 pm National
Enhancing Plant, Animal Health and Food Safety technical capacity (T2 - Technical specialists)	0.82	1	QCBS (80:20)	STP	49.75 pm International 21 pm National
Enhancing Food Safety capacity (T3 - Technical specialists)	0.28	1	CQS	BTP	20.5 pm International 4 National
Enhancing academic capacity for improved SPS education– curricular design (T4 - Academic teachers)	0.29	1	CQS	BTP	13.5 pm International
Enhancing academic capacity for improved SPS education– teaching experts (T5 - Academic teachers)	0.45	1	CQS/ICS	BTP	56 pm International
Service provider contracts for training restaurants in GP & GMP (S1 - Business service providers)	0.46	1	FBS	BTP	40 pm International Highly specialized in the field and in the region
Service provider contracts for auditing restaurants in GP & GMP (S2 - Business service providers)	0.11	1	CQS	BTP	10 pm International Highly specialized in the field and in the region
Direct purchased/Single Source Service Contracts					
Laboratory testing service abroad (reference laboratory)	0.01	Multiple	Direct Contracting (Single Source) / Service Delivery Contracts		Fixed testing fee

BTP = Biodata Technical Proposal; CQS = Consultants' Qualifications Selection; FTP = Full Technical Proposal; STP = Simplified Technical Proposal; QCBS = Quality- and Cost-Based Selection; FBS = Fixed Budget Selection, ICS = Individual Consultants Selection, ICB = International Competitive Bidding; NCB = National Competitive Bidding

4. National Competitive Bidding

(i) General

79. The procedures to be followed for national competitive bidding shall be those set forth for the “National Competitive Bidding” method in the Government’s Procurement Manual of September 2005 issued under Decree Number 14 ANKR.BK dated 26 February 2007 with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

(ii) Application

80. Contract packages subject to National Competitive Bidding procedures will be those identified as such in the project Procurement Plan. Any changes to the mode of procurement from those provided in the Procurement Plan shall be made through updating of the Procurement Plan, and only with prior approval of ADB.

(iii) Eligibility

81. Bidders shall not be declared ineligible or prohibited from bidding on the basis of barring procedures or sanction lists, except individuals and firms sanctioned by ADB, without prior approval of ADB.

(iv) Advertising

82. Bidding of NCB contracts estimated at \$500,000 or more for goods and related services or \$1,000,000 or more for civil works shall be advertised on ADB’s website via the posting of the Procurement Plan.

(v) Anti-Corruption

83. Definitions of corrupt, fraudulent, collusive and coercive practices shall reflect the latest ADB Board-approved Anti-Corruption Policy definitions of these terms and related additional provisions

(vi) Rejection of all Bids and Rebidding

84. Bids shall not be rejected and new bids solicited without ADB’s prior concurrence.

(vii) Bidding Documents

85. The bidding documents provided with the government’s Procurement Manual shall be used to the extent possible. The first draft English language version of the procurement documents shall be submitted for ADB review and approval, regardless of the estimated contract amount, in accordance with agreed review procedures (post and prior review). The ADB-approved procurement documents will then be used as a model for all procurement financed by ADB for the project, and need not be subjected to further review unless specified in the procurement plan.

(viii) Member Country Restrictions

86. Bidders must be nationals of member countries of ADB, and offered goods, works and services must be produced in and supplied from member countries of ADB.

D. Consultant's Terms of Reference

87. Human resource capacities in Cambodia's public and private sectors, both in numbers and educational levels, constitute a critical constraint to strengthening SPS management capacities; specialists are therefore needed to undertake a broad range of tasks. Consultants to be financed consist of four types: (i) management consultants to assist PMU and CIUs in planning, implementation, monitoring and reporting – they are employed to strengthen quality management capacity of PMU and CIU; (ii) technical specialists in areas of trade in agriculture, food and forestry products, plant and animal diseases, food safety, and laboratories – their role is to bring in specialized knowledge for the many areas in SPS which is not available in the country, and partly also to fill gaps in available staff; (iii) visiting scholars for upgrading university curricula – they are highly qualified university teachers from advanced universities in highly developed countries and in southeast Asia; and, (iv) business service providers.

88. All recruited consultants have dual tasks: (i) to contribute to the management and/or technical work to be done; and, (ii) to perform training – both on-the job and through workshops. In addition, there are business service providers for GHP and GMP upgrading and auditing – they provide specialized services to the private sector in areas that are typically served by private providers.

89. The employment of international consultants from the ASEAN and GMS region can in several cases prove cost-effective and contribute to economic integration, because of their experience with regional institutions, knowledge of pest, disease and food safety conditions in the region, participation in regional professional networks, and lower deployment cost. This might apply to about two thirds of the 212.8 person months of international consultants. All consultants will ensure transfer of knowledge to Government counterparts.

90. An overview of the consultancies is provided in Table 3. Seven proposed contracts have been described in section B.

Table 3: Consultancies

Code*	Job Title	Int.	Nat.	Contract
PMU				
M1	International project management consultant	15		T1
M2	International procurement and financial management specialist	7		T1
M3	National financial management specialist		44	T1
M4	Local implementation consultant on a 'need basis'		40	T1
M5	International laboratory equipment specialist	1		T1
	Total	23	84	
Plant				
P1	International consultant - pest list development	6		T2
P2	International consultants for pest diagnosis and taxonomic identification	15		T2
P3	International consultant - pesticides management	3		T2
P4	International consultant – wood and forest pests	1		T2
P5	National consultant - wood and forest pests		6	T2
P6	International consultant - risk categorization import plant products	3		T2
P7	International – develop operational manual	6		T2
P8	International consultant – Pest risk analysis	6		T2
	Total	40	6	
Animal health				
A1	International consultant - trans-boundary animal diseases (TAD)	3		T2

A2	International consultant - TAD laboratory specialist	0.75		T2
A3	National consultant - TAD control		15	T2
A4	International consultant - risk categorization of imported animal products	3		T2
A5	International consultant - veterinary drugs	3		T2
	Total	9.75	15	
Food safety				
F1	International consultant - food safety tourist industry	1.5		T3
F2	International consultant - food safety in restaurants	8.5		T3
F3	National consultant - food safety tourist industry and related food processing enterprises		4	T3
F4	International consultant - food safety surveillance	3		T3
F5	International consultant - food safety surveillance implementation	3.5		T3
F6	International consultant – food safety testing/laboratory	1		T3
F7	International consultant -assessment for granting first-time market access permit	3		T3
F8	Service provider - training restaurants for upgrading food safety handling GHP and GMP (600 enterprises)	40		S1
F9	Service provider - audits restaurants for food safety handling GHP and GMP (300 enterprises)	10		S2
	Total	70.5	4	
Education				
E1	International consultants for curricula upgrading	13.5		T4
E2	International consultants for teaching SPS courses	56		T5
	Total	69.5	0	
	Grand total	212.8	109	

* code refers to job title and code in Table 4

Breakdown broad category of consulting services

	estimated cost		international		national		share of loan amount
	(\$'000)	%	pm	%	pm	%	(%)
Grand total	3101	100	213	100	109	100	28
of which							
- Management consultants	705	23	23	11	84	77	6
- Technical specialists	1091	35	70	33	25	23	10
- Academic teachers	743	24	70	33	0	0	7
- Business service providers	562	18	50	24	0	0	5

91. Outline TORs are provided in Table 4

Table 4: Outline TORs For Consultants and Service Providers

Code and Job Title*	Outline Terms Of Reference
PMU	
M1 International Project Management Consultant/Team Leader (15pm)	<p>Under the guidance of the Project Director, the Project Manager and the ADB project officer, the international Project Management Consultant will assist in planning and implementation of the project. Specific tasks will be to:</p> <ul style="list-style-type: none"> • lead the team of international and national consultants advising and assisting the PMU • assist the PMU and CIUs in preparing annual and quarterly plans,

Code and Job Title*	Outline Terms Of Reference
	<p>procurement and contracting of consultants, monitoring and reporting</p> <ul style="list-style-type: none"> • assist the PMU and CIUs in arrangement of bilateral and multilateral cooperation and twinning • liaise with other SPS projects in Cambodia and other GMS countries • help CIUs with identification of suitable institutions for training, secondment and trainings • enhance harmonization of Cambodia SPS measures with other countries in GMS and ASEAN • assist the Project Coordinator with the supervision of consultant contracts • enhance the effectiveness of consultants by pursuing adequate preparation and follow-up of their field work <p>Qualifications: The specialist should have broad experience in managing agricultural development projects in developing countries. Knowledge about agricultural institutions and food safety would be an advantage. The candidate should have a minimum qualification of a master's degree in agriculture and at least 10 years of experience in the Mekong region in the related field.</p>
<p>M2 International Procurement and Financial Management Specialist (7pm)</p> <p>M3 National Financial Management Specialist (44pm)</p>	<p>The International Procurement and Financial Management Specialist and National Financial Management Specialist will work together to carry out the scope of work set out below. The international specialist will lead the combined effort for at least six months from the start of project implementation, and is expected to prepare the national specialist to take over the work at the end of the international specialist assignment in the project. Knowledge transfer from the international procurement and financial management specialist on procurement to EA is an important aspect of his/her scope of work.</p> <p>a. Finance and accounting</p> <ul style="list-style-type: none"> • Planning for project implementation and subsequent operation and maintenance (O&M). Develop long, medium term and annual operating plans and schedules as agreed between ADB and the EA for project implementation and subsequent O&M activities. • Accounting oversight. Develop and establish a manual and standard procedures for project accounting to standards agreed between ADB and the EA. • Internal control, funds flow management, financial reporting. Develop and make operational a manual and procedures as agreed between ADB and the EA for project financial management, for use by the PMU in project implementation and the implementing and executing agencies in subsequent O&M activities <p>b. Procurement</p> <ul style="list-style-type: none"> • Procurement planning. Advise PMU on planning of the project procurement program as agreed between ADB and the EA • Procurement processing. Advise on the conduct of the project procurement in accordance with the agreement between ADB and the EA <p>c. Audit</p> <ul style="list-style-type: none"> • Audit planning. Comply with the terms and standards agreed between ADB and the EA, prepare: one, the TOR for independent external auditors to conduct audits of the project accounts, use of imprest accounts and related disbursement procedural matters, and, two, advise and assists the EA in the recruitment of specialists to conduct internal audits of the project accounts and imprest account activities. • Audit management. Advise and assist the PMU in facilitating such

Code and Job Title*	Outline Terms Of Reference
	<p>external and internal audits</p> <p>d. Capacity building of financial and accounting staff</p> <ul style="list-style-type: none"> By following the terms agreed between ADB and the EA, plan and organize training in accounting and financial management (including planning) for PMU and implementing agencies staff assigned to the project implementation and subsequent O&M. <p>Qualifications:</p> <p>The International Procurement and Financial Management specialist should have broad experience in implementing projects in developing countries funded by International Financial Institutions, preferably including experience with ADB projects. The candidate should have a minimum equivalent of a BSc degree and at least 10 years of experience as a procurement specialist and financial management related to project implementation.</p> <p>The national Financial Management specialist should have experience in implementing projects funded by international financial institutions, preferably including experience with ADB projects.</p>
<p>M4</p> <p>Local Implementation Consultant Provision (40pm on a need basis)</p>	<p>In view of the complex nature of the project, the PMU will need added support from time to time. Since it is not possible at an early stage to envisage the nature of such requirements, a provision of 40pm of national consultants have been budgeted (\$80,000) and the cost to be included as a 'Provisional Sum' in the RFP when tendering for the Management Consultant following the QCBS procedure. Under the team leadership and advise of the International Project Management Consultant, the PMU will identify such needs from time to time and hire such consultants with the prior approval of the ADB using the funds under the 'Provisional Sum'.</p>
<p>M5</p> <p>International laboratory equipment specialist (1pm)</p>	<p>Under the guidance of the Project Manager and the international procurement specialist, the international laboratory equipment specialist will assist in procurement planning and processing of laboratory equipment and supplies. Special tasks will be to:</p> <ul style="list-style-type: none"> Provide advice on types and capacities of equipment to be procured (where relevant) Provide technical descriptions of equipment and supplies Advise on contents of different packages or lots Draft and/or review (in case potential suppliers have their own conditions) purchase and delivery conditions, including, years of warrantee, maintenance contracts, spare parts, required support by the provider for installation and training in use of the equipment, and similar Provide lists of traders and manufacturers who are potential bidders for lots Provide advice to recipients about infrastructural and climatic requirements for installation and use of new equipment (where relevant) Provide advice to technical and evaluation committees <p>Qualifications:</p> <p>The specialist should have a university degree or an equivalent in a related field with broad experience in procuring laboratory equipment preferably including experience with ADB projects or other institutions with similar procurement methods</p>
Plant Health	
<p>P1</p> <p>International Consultant for pest list</p>	<p>Support the Plant Protection & SPS Department (PP-SPSD) and Plant Protection Centre (PPC) in pest list development and post-entry quarantine. The consultant will:</p>

Code and Job Title*	Outline Terms Of Reference
development (6pm)	<ul style="list-style-type: none"> • identify priorities for pest list development in Cambodia, based on analysis of available data on crop commodities traded and their associated pest lists in the GMS region • provide guidance on the consolidation of passive and active surveillance into draft national pest lists • facilitate presentation of findings in a national workshop and their finalization • provide advice about improving quality and relevance • provide advice on the establishment of post-entry quarantine system and infrastructure • provide training on managing post entry-quarantine • enhance harmonization of Cambodia SPS measures with other countries in GMS and ASEAN • advise on the work program of the international consultants for diagnosis and taxonomic identification <p>Qualifications: A degree in a related field and at least ten years of experience in plant quarantine, pest surveillance, pest identification and pest list development, preferably in Southeast Asia. The work on pest list development and post entry quarantine handling may be conducted by different specialists</p>
P2 International Consultants for pest diagnosis and taxonomic identification (15pm)	<p>Support PP-SPSD and its Plant Protection Center in pest list development. The consultants will:</p> <ul style="list-style-type: none"> • provide on-the-job training on pest diagnosis and taxonomic identification in direct support of pest surveillance activities and in post-entry quarantine • provide advice in the development of specimen-based pest lists, including the curation of collected pest specimens • help in the conduct of annual pest list finalization workshops • help enhance harmonization of Cambodian SPS measures with those of other countries in GMS and ASEAN <p>Qualifications: A degree in a related field and at least eight years of experience in pest identification and pest quarantine in at least one of the GMS or ASEAN countries.</p> <p>The work can be conducted by specialists in different areas, such as in entomology, plant pathology, virology, nematology, etc.</p>
P3 International Consultant - pesticides management (3pm)	<p>Support PP-SPSD and National Agricultural Laboratory (NAL) in the management of pesticides. The consultant will:</p> <ul style="list-style-type: none"> • assist in the establishment of an annual program of pesticides quality testing • provide on the job training in sample collection and testing of quality of pesticides • assist in the establishment of an annual program of sample collection and testing of pesticides • assist in the establishment of an annual program of sample collection and testing of pesticides residues • pursue regional harmonization in methods adopted • establish a system of data storage for retrieval, analysis and interpretation, and for sharing with other Government agencies involved in food safety management • establish a laboratory quality management system for the Pesticides Laboratory

Code and Job Title*	Outline Terms Of Reference
	<p>Qualifications: A degree in a related field and eight years of experience in pesticides management in at least one of the GMS or ASEAN countries. Extensive regional experience is a must.</p>
<p>P4 International Consultant - wood and forest pests (1pm)</p>	<p>Support the National Plant Protection Organization (NPPO) and the Forestry Administration in collecting information on wood pests and wood pest SPS requirements. The consultant will:</p> <ul style="list-style-type: none"> • assist in the collection of data on wood and forest pests in the country • provide guidance on the collection of information on SPS requirements of importing countries on wood and forest products • advise on the conduct of passive surveillance on wood and forest pests from exporters and government agencies • liaise with studies on wood and forest pests in other GMS countries • advise on the work program for the national consultant and provide support for its implementation • enhance harmonization of Cambodia SPS measures with other countries in GMS and ASEAN • assist in the organization of a start-up consultative workshop with public and private stakeholders <p>Qualifications: A degree in relevant field and at least ten years of experience in pest quarantine and pest surveys countries and special knowledge about wood and forest pests. Preferably experience in GMS region.</p>
<p>P5 National Consultant - wood and forest pests (6pm)</p>	<p>Support the Forestry Administration and the National Plant Protection Organization (NPPO) in collecting information on wood pests and wood pest SPS requirements. The consultant will:</p> <ul style="list-style-type: none"> • collect data on wood and forest pests in the country • collect information on SPS requirements of importing countries on wood and forest products • conduct passive surveillance on wood and forest pests from exporters and government agencies • liaise with studies on wood and forest pests in other GMS countries; collate and synthesize available information • assist in the organization of two consultative workshops with public and private stakeholders <p>Qualifications: A relevant qualification in the field and adequate knowledge of wood and forest pests.</p>
<p>P6 International Consultant - risk categorization import plant products (3pm)</p>	<p>Support the PP-SPSD in the development and introduction of risk-based border handling of plants and primary processed plant products. The consultant will:</p> <ul style="list-style-type: none"> • develop a methodology for preparation of list of products based on import risk categorization (e.g. low, medium and high risk products, possibly with further differentiation) • develop differentiated import handling methods and procedures for products of different risk categories • develop an inspection manual for the implementation of risk-based import handling • pursue harmonization with practices in other GMS countries • train trainers for training of border inspectors • advise on the work program of the national consultant <p>Qualifications: A masters degree in agriculture or a related field and at least ten years of experience in risk analysis for imported plants and plant-based products; preferably with experience in Southeast Asia.</p>

Code and Job Title*	Outline Terms Of Reference
<p>P7 International Consultant – preparation operational manual (6pm)</p>	<p>Support Department of Agriculture (DOA) in development and introduction of risk-based border handling of plants and primary processed plant products. The consultant will:</p> <ul style="list-style-type: none"> • apply methodology for preparation of list of products with different import risk categorization developed by the international consultant and assign imported products to different risk categories • assist in developing a data base of lists of imported products (following HS classification) with differentiated import handling methods and procedures • develop procedures for continuous evaluation of the system, including the use of interception records • test and further develop the inspection manual for the implementation of risk-based import handling • provide training to inspectors <p>Qualifications: A degree in a related field and at least eight years of experience in risk analysis for imported plants and plant-based products in at least one GMS or ASEAN country. Extensive regional experience is a must.</p>
<p>P8 International Consultant – strengthening pest risk analysis (6pm)</p>	<p>Support the PP-SPSD in the development of capacity in the conduct of pest risk analysis in support of market access and risk management. The consultant will:</p> <ul style="list-style-type: none"> • support the identification, assembly and training of a core multi-disciplinary PRA group drawing on technical plant protection subject matter expertise into the national PRA team • support the conduct of hands-on “practice” risk analysis exercises based on major crop commodity imports, including categorization of risks associated with the entry of each of the major agricultural commodities imported into this country • mentor the national PRA team in technical market access situations • assist in the acquisition and collation of appropriate PRA learning tools and documentation from regionally and globally available sources into a reference PRA resource database to support activities of the national PRA team <p>Qualifications: A degree in a related field and at least ten years of experience in pest risk analysis in market access and risk management. Preferably with experience in Southeast Asia</p>
Animal Health	
<p>A1 International Consultant - trans-boundary animal diseases (TAD) (3pm)</p>	<p>Support Department of Animal Health and Production (DAHP) and its National Veterinary Research Institute (NaVRI) in tasks related to TAD control. The consultant will:</p> <ul style="list-style-type: none"> • assist in the development of an annual TAD surveillance program for the project target provinces (including sampling plans, visit schedules, definition of surveillance, outbreak response and reporting activities) • assist in development of annual budgets for implementation of the surveillance program • liaise with regional animal health organizations and other technical agencies to enhance coordination of resourcing to Cambodia for animal health support (such as vaccination) • provide training to DAHP staff as necessary on standards and techniques for implementing required surveillance and response activities • advise on formulation and implementation of subsequent annual surveillance plans depending upon surveillance findings and outbreak occurrence

Code and Job Title*	Outline Terms Of Reference
	<ul style="list-style-type: none"> • advise on the formulation of awareness and training materials relating to the TAD annual surveillance program • establish parameters for a system of data storage and sharing for animal health reporting and surveillance activities • advise on policy decisions regarding the effective control of TAD's (including vaccination, culling and management) • assist in development of national TAD surveillance documented procedures (covering surveillance, outbreak response and disease reporting) • provide guidance to the design of work programs for the international laboratory and local consultants <p>Qualifications: Veterinary Degree with at least 10 years of experience in the management or implementation of animal health in developing countries. Experience in the GMS region would be an advantage.</p>
A2 International Consultant - TAD laboratory specialist (0.75pm)	<p>Support Department of Animal Health and Production (DAHP) and its National Veterinary Research Institute (NaVRI) in tasks related to TAD control. The consultant will:</p> <ul style="list-style-type: none"> • review of existing laboratory testing protocols for TAD and amend as appropriate to improve compliance with international standards • assess the proficiency of laboratory staff in testing methodology and conduct upgrades in training as required with follow-up proficiency testing • advise on procurement of laboratory equipment and consumables • assist in establishing parameters for a system of data storage for animal health reporting and surveillance activities • assist in development of annual budgets for testing support for the surveillance program <p>Qualifications: Veterinary degree with at least eight years of experience in the management of animal health laboratory services. Regional experience is a must.</p>
A3 National Consultant - TAD control (15pm)	<p>Support Department of Animal Health and Production (DAHP) and its National Veterinary Research Institute (NaVRI) in tasks related to TAD control. The consultant will:</p> <ul style="list-style-type: none"> • assist in the implementation of the annual surveillance program, including the collection and entry of data from animal health reporting and surveillance • participate as necessary in project field work, training and awareness activities <p>Qualifications: Bachelor degree in veterinary medicine, agriculture or similar discipline.</p>
A4 International Consultant - risk categorization of imported animal products (3pm)	<p>Support Department of Animal Health and Production (DAHP) in tasks related to import handling for animals and animal products. The consultant will:</p> <ul style="list-style-type: none"> • develop a methodology for preparation of a list of products with different import risk categorization • development a set of appropriate import conditions for identified high risk and other products • develop a procedural manual (including inspection standards) for the implementation of risk-based import handling practices at borders • train trainers for training of border inspectors in standards and procedures • provide on-the-job training on import risk assessment methods to staff • assist in the development of awareness materials

Code and Job Title*	Outline Terms Of Reference
	<ul style="list-style-type: none"> • pursue harmonization with risk-based import practices in other GMS countries • establish parameters for a system of data storage for retrieval and sharing of information on imports of animals and animal products • advise on the formulation of annual work plans <p>Qualifications: Veterinary degree with at least ten years of experience in risk analysis for imported animals and primary processed animal products. Preferably some experience in Southeast Asia.</p>
A5 International Consultant - veterinary drugs (3pm)	<p>Support Department of Animal Health and Production (DAHP) in tasks related to the control of veterinary drugs. The consultant will:</p> <ul style="list-style-type: none"> • assist in the establishment of an annual program of residue testing for veterinary drugs in animal products • provide on the job training in testing and sampling methods and procedures • conduct follow-up proficiency assessments • assist in pursuing regional harmonization in regulation, standardization and control methods for veterinary drugs • assist in development of annual budgets for the testing program • advise on procurement of laboratory equipment and consumables <p>Qualifications: A veterinary or pharmacology graduate with at least five years of experience in veterinary drug residue testing in at least one GMS/ASEAN country. Experience in a GMS/ASEAN country is a must</p>
Food Safety	
F1 International Consultant - food safety tourist industry and food processing enterprises (1.5pm)	<p>Support the Ministry of Health (MOH) in the development and implementation of programs of improved food safety handling in the tourist industry through the use of GHP/GMP based scorecards and certification by trainers and independent auditors. The consultant will:</p> <ul style="list-style-type: none"> • analyze the results of the survey among restaurants conducted in 2011 • conduct awareness raising activities among public and private stakeholders • review existing scorecards, collect information about scorecards and ratings applied in other GMS or ASEAN countries and design GHP/GMP-based score cards for restaurants suitable for the country • design pilot program for application of scorecards among restaurants • design a scorecard-based rating system for restaurants • participate in awareness raising and training workshops among all stakeholders about the adopted programs • preparation of inspection manuals and training of GHP/GMP trainers, inspectors, and auditors • guide the application of score cards and training for groups of pilot restaurants • evaluate the pilot programs, adjust methods and scorecards where relevant and design large scale implementation programs for restaurants and groups of processing industries • assist in the specification of tenders and contract arrangements for service providers for (i) applying score cards and providing individual advice, and (ii) auditors • guide the technical supervision of service providers • provide guidance to the design of work programs for the local and international consultants for food safety in restaurants

Code and Job Title*	Outline Terms Of Reference
	<p>Qualifications: A degree in a related field and at least ten years of experience in training and auditing of GMP among small and medium-sized food processing enterprises and restaurants. Preferably experience in SE Asia.</p>
<p>F2 International Consultant - food safety in restaurants (8.5pm)</p>	<p>Support the Ministry of Health (MOH) in the development and implementation of programs of improved food safety handling in the tourist industry through the use of GHP/GMP based scorecards and certification by trainers and independent auditors. The work will be carried out under the general guidance of the international consultant. The consultant will:</p> <ul style="list-style-type: none"> • participate in awareness raising among public and private stakeholders • review existing scorecards, collect information about scorecards and ratings applied in other GMS or ASEAN countries and contribute to the design of GHP/GMP-based score cards for restaurants suitable for the country • assist in the design of a pilot program for application of scorecards among restaurants • assist in the design of a scorecard-based rating system for restaurants • participate in awareness raising and training workshops among all stakeholders about the adopted program • assist in the preparation of inspection manuals and training of GHP/GMP trainers, inspectors, and auditors • conduct the application of score cards and training for groups of pilot restaurants and enterprises • participate in the evaluation of the pilot programs, and advise on the adjustment of methods and scorecards where relevant and contribute to the design of large scale implementation programs for restaurants • assist in the specification of tenders and contract arrangements for service providers for (i) applying score cards and providing individual advice, and (ii) auditors • provide technical supervision of service providers • provide guidance to the design of work programs for the local consultant <p>Qualifications: A degree in a related field and at least eight years of experience in training and auditing of GMP among small and medium sized food processing enterprises and restaurants in at least one GMS or ASEAN country. Experience in a GMS/ASEAN country is a must.</p>
<p>F3 National Consultant - food safety tourist industry (4pm)</p>	<p>Support the Ministry of Health (MOH) in the development and implementation of programs of improved food safety handling in the tourist industry through the use of GHP/GMP based scorecards and certification by trainers and independent auditors. The work will be carried out under the general guidance of the international and international consultants. The consultant will:</p> <ul style="list-style-type: none"> • participate in the organization of workshops and meetings for awareness raising and training • collect information about restaurants • participate in the planning and logistics of all field work • keep records of all activities, store the data in a database, and participate in monitoring and evaluation activities • assist in the technical supervision of service providers <p>Qualifications: Experience with data processing. Familiarity with food safety management, and national institutions.</p>
<p>F4 International</p>	<p>Support CamControl (MOC) in the development and implementation of an annual cycle of food safety surveillance, including active and passive</p>

Code and Job Title*	Outline Terms Of Reference
Consultant – design food safety surveillance system (3pm)	<p>surveillance in domestic markets and imported products and response to identified hazards. The consultant will:</p> <ul style="list-style-type: none"> • Develop the methodology for food safety surveillance of imported products and products in domestic markets. • Assist in the design of an annual surveillance cycle which targets actual risks and perceived risks through active surveillance and inspection programs • Prepare annual design workshops in which actual and perceived risks are discussed • Prepare annual workshops in which results of the surveillance cycle are assessed. • Assist in the design of a food safety information data base to be used for risk analysis, and annual reporting • Participate in training of trainers for inspectors, sample collection, and risk-based inspections • liaise with MOH on issues of joint concern • advise on the design of an annual report on food safety in the country which includes information from MOC and MOH units • advise on active participation in INFOSAN and ARASFF • advise on the work program of the international consultant for implementation of food safety surveillance <p>Qualifications: A degree in a related field and at least ten years of broad experience in food safety management and risk analysis, including surveillance and inspection; preferably some experience in Southeast Asia.</p>
F5 International Consultant – food safety surveillance implementation (3.5pm)	<p>Support CamControl (MOC) in the development and implementation of an annual cycle of food safety surveillance, including active and passive surveillance in domestic markets and imported products and response to identified hazards. The consultant will:</p> <ul style="list-style-type: none"> • Assist in the development of the methodology for food safety surveillance of imported products and products in domestic markets. • Support the international consultant in the design of an annual surveillance cycle which targets actual risks and perceived risks through active surveillance and inspection programs • Participate in annual design workshops in which actual and perceived risks are discussed and assist in follow-up • Participate in annual workshops in which results of the surveillance cycle are assessed and assist in follow-up • Support the build-up of the food safety information data base to be used for risk analysis, and annual reporting • Provide training of trainers for inspectors, sample collection, and risk-based inspections • Liaise with MOH where relevant • Contribute to the preparation of an annual report on food safety in the country which includes information from MOC and MOH units <p>Qualifications: A degree in a related field and at least eight years of experience in food safety management and risk analysis, including surveillance and inspection, in at least one country in ASEAN or GMS.</p>
F6 International Consultant – food laboratory (1pm)	<p>Support CamControl (MOC) laboratory in food safety testing in support of its surveillance work. The consultant will:</p> <ul style="list-style-type: none"> • provide on the job training in testing and sampling methods and procedures

Code and Job Title*	Outline Terms Of Reference
	<ul style="list-style-type: none"> • advise on up proficiency testing • assist in development of annual budgets for operation of the testing program • advise on procurement of laboratory equipment and consumables <p>Qualifications: A graduate in a relevant field with at least five years of experience in food safety testing in at least one GMS or ASEAN country.</p>
<p>F7 International Consultant - assessment for granting first-time market access permit (3pm)</p>	<p>Support CamControl (MOC) in the development of capacities to assess requests for first-time market access for processed food products. The consultant will:</p> <ul style="list-style-type: none"> • describe national practices and assess capacities • cooperate with international consultant in identifying practices in other GMS countries, which will be available from study in other GMS countries • participate in study tour to study practices and capacities in PRC, Thailand and Viet Nam, and to explore options to make use of risk assessment work in these countries • organize concluding workshop • jointly with international consultant recommend follow up • provide training on regional cooperation and harmonization • set-up data-base containing products for which market-access has been granted <p>Qualifications: A graduate with at least eight years of experience in food safety management and risk analysis, in particular processed food, in at least one GMS or ASEAN country.</p>
<p>F8 International Service Provider - training restaurants for upgrading food safety handling and GMP (Entity-40 pm)(about 600 restaurants)</p>	<p>Provide special services to the MOH in implementation of upgrading safety of food handling in restaurants through the use of scorecards and training. The purpose of the work is preparation for certification. The consultant will:</p> <ul style="list-style-type: none"> • conduct awareness raising workshops among interested private sector stakeholders in restaurants and groups of processing industries • provide targeted training for all interested private enterprises in areas and segments of the industry specified by the project • follow-up with individual advice to enterprises through application of GMP-based score cards and individual advice for preparation of certification through independent audit • conduct pre-GMP audits of food processing enterprises and pre-audits of restaurants • consult on follow up GHP/GMP audits related to corrective actions and preventive actions of noncompliant <p>(methods, scorecards and quantitative targets to be specified by project)</p> <p>Qualifications: At least eight years of experience in training and auditing for application of GHP/GMP application in restaurants and food processing enterprises. The service provider has experience in at least one GMS or ASEAN country.</p>
<p>F9 International Service Provider - audits restaurants on food safety handling GHP and GMP (Entity-10pm) (about 300 restaurants)</p>	<p>Provide special services to the MOH in implementation of upgrading safety of food handling in restaurants. The purpose of the work is to conduct audits for certification. The consultant will:</p> <ul style="list-style-type: none"> • conduct audits of restaurants using scorecards provided by the project <p>(methods, scorecards and quantitative targets to be specified by project)</p> <p>Qualifications: At least eight years of experience in auditing for application of GHP/GMP application in restaurants and food handling enterprises. The service provider should have experience in at least one GMS or ASEAN</p>

Code and Job Title*	Outline Terms Of Reference
	country.
Education	
<p>E1 International Consultants - curricula upgrading (13.5pm)</p>	<p>Three international scholars in plant health, animal health and food safety will be recruited to assist Royal Agricultural University to upgrade the curriculum for teaching, mainly at bachelors level, in plant health, animal health and food safety in courses that cover main topics relevant to (i) the WTO SPS Agreement, (ii) the standards and guidelines provided by the international standard setting bodies – International Plant Protection Convention (IPPC), the International Organization of Animal Health (OIE) and the Codex Alimentarius, and (iii) relevant standards of the International Standards Organization (ISO). The consultants will:</p> <ul style="list-style-type: none"> • review present and planned new curricula and teaching material • consult with staff about ways to improve curricula <ul style="list-style-type: none"> ➢ highlight important teaching topics, as follows: (i) pests and diseases (i.e., their spread and impact in GMS, taxonomy and identification, epidemiology and pathways of their spread, plant pest and disease control, pesticides, inspection, and the international framework for plant protection and trade in plant products - WTO, IPPC); (ii) animal diseases (their incidence and impact in Cambodia and GMS, zoonoses and safety of animal products, diagnosis, epidemiology, treatment and containment, safety of feed, veterinary drugs, inspection, and the international framework for animal disease control and trade in animals and animal products - WTO, OIE), and (iii) food safety (status and hazards in GMS, food technology food safety hazards, food borne diseases, food safety testing and assurance, prevention of food hazards, supply-chain control, inspection, and international frameworks for food safety management and trade in food products - WTO, Codex Alimentarius). • provide lectures and presentations on selected topics • help to identify adequate teaching material and literature • provide advice on a program of guest lecturers from the region for areas where the Faculty lacks capacities or where staff is abroad for advanced studies and training. <p>Qualifications: The curricula specialists must have broad experience in teaching plant health, animal health and food safety in advanced universities and good understanding of university education in developing countries, preferably in Southeast Asia.</p>
<p>E2 International Consultants - teaching SPS courses (56pm)</p>	<p>A program will be established for guest lecturers in areas with gaps in expertise. (Guest lecturers will be recruited from universities in the region, based upon recommendations by curricula specialists, preference from the faculty and availability.) The guest lecturers will:</p> <ul style="list-style-type: none"> • provide* short courses and lectures; • assist in improving teaching material (syllabi etc.) and teaching methods • participate in research <p>Qualifications: highly qualified teachers in universities in Southeast Asia</p>

VII. SAFEGUARDS

92. The Project investments are in a range of hardware (e.g., laboratory equipment and consumables, small civil works, vehicles, survey equipment etc) and software (e.g., technical assistance, training, surveillance, planning, computer database and other programs, etc) within the context of overall national capacity building for improvement in SPS services.

A. Resettlement

93. The Project civil works are all small-scale and are on existing university and RCG office sites, without implications for resettlement of any persons. There are no construction activities at (for example) border sites, and all systems' upgrading takes place within existing facilities and premises, nor from the expanded scope of pest and animal disease surveys etc.

B. Environment

94. The Project has no negative environmental impact. It can be expected to have positive environmental impacts through: (i) safer use of agricultural inputs (feed and agrochemicals); (ii) less waste and spoilage of food and agricultural products; (iii) more efficient use of agricultural land; and (iv) better protection of forests and the ecosystem against imported alien pests.

C. Indigenous Peoples

95. The Project investments are made within existing institutions and premises, academic sites, laboratory facilities etc, and as such do not impact upon indigenous peoples at all.

96. To the extent that indigenous peoples are suppliers, producers of AFF products (and employees of enterprises engaged in AFF activities) they will benefit in terms of employment and income opportunities. Indigenous peoples may reap particular benefits if they are employees of tourism-related enterprises in ethnic minority areas (e.g., border areas, uplands, national parks, areas targeted by eco-tourism, etc).

VIII. GENDER AND SOCIAL DIMENSIONS

A. Gender

97. Persistent and significant gender gaps are a feature of present day Cambodia. According to Ministry Of Women's Affairs (MOWA)⁴⁵ the main gender issues across all sectors in Cambodia are as follows:

- (i) economic empowerment - gender disparities in employment are based on traditional attitudes about "appropriate" occupations for women and men. There are significant wage differentials for women with upper secondary and university levels of education. Low levels of literacy limit livelihood alternatives for women. Changes in the structure of the economy and increased economic migration are contributing to increased vulnerability of women workers, further exacerbated by the economic crisis

⁴⁵

And as summarized in ADB's (draft) CSP for 2011-2013

- (ii) education - economic considerations are a major factor in school enrollment, retention and performance, and boys continue to be given priority for education. Improved enrollment and gender equity at higher levels of education are limited to higher income groups. The ratio of girls to boys in upper secondary education was 73% in 2008;⁴⁶
- (iii) legal protection - violence against women is widely prevalent in Cambodia with indications of increasing incidence of at least some forms of gender-based violence, particularly rape. Knowledge of legal rights is low among both women and men, but women tend to be comparatively disadvantaged because they are more isolated than men. There is also a widespread culture of impunity, which protects perpetrators rather than victims of violence, corruption, and abuse;
- (iv) health - infant and child mortality rates have declined significantly in recent years.⁴⁷ However, the MDG target for maternal mortality (MMR) is seriously off-track and unlikely to be met.⁴⁸ Further, Cambodian women are a growing proportion of people living with HIV, up from 38% in 1997 to 52% in 2006; and
- (v) public decision-making and politics - women's participation in decision-making is limited by traditional beliefs and stereotype notions that women are not well suited for high positions and decision-making. The number of women at senior levels of the civil service is low, as is the number of women in the judiciary, both as judges and prosecutors.⁴⁹

98. More specifically in relation to AFF production: (i) among the farming population, over 65% are women;⁵⁰ (ii) women are responsible for 80% of national food production; (iii) women are actively involved in artisanal fisheries and they manage small livestock; and (iv) the marketing of AFF products is mainly done by women. While there are no reliable figures on female employment in tourism in Cambodia, it is certainly true that national female labor participation rates in non-agriculture (e.g., in garments) are high and growing, but also that women's employment tends to be concentrated in low-skill, low-paid and precarious jobs⁵¹ and women in tourism typically earn 10 per cent to 15 per cent less than their male counterparts. Tourism is increasingly widely recognized to be a vehicle for gender empowerment and women's equality.⁵²

99. The Project is categorized as having some gender benefits, with reference to the ADB

⁴⁶ Among Cambodian adults aged 25+, 66% of rural women have not completed primary school, as compared to 40% of urban women and 24% of urban men (Census 2008). In 2008/09 the cohort survival rate in basic education was just 33% (MDG Gap Analysis 2009). Two out of five of women aged 25-44 are illiterate (vs. one in ten men). Although improving in younger age groups, 23% of young women age 15-24 are illiterate (vs. 16% of young men). The educational level of the mother is strongly linked to child survival indicators.

⁴⁷ There has been a substantial reduction in the under-5 mortality rate from 127 deaths per 1,000 live births in 2000 to 83 deaths per 1,000 live births in 2005, and the MDG target is on track, but there are major disparities between urban and rural areas, and educated and uneducated mothers

⁴⁸ The MMR has seen an increase to 461 deaths per 100,000 live births (Census 2008) from 437 in 1997. In 2008, just over half of all births (58%) were attended by skilled health personnel (rural and urban disparities exist).

⁴⁹ There were no female provincial governors in 2009, and only 17% of the deputy governors were women. In 2009, women comprised 15% of Cambodia's commune council members, but only 4% of the commune or sangkat chiefs. NSDP Update 2009-2013. May 2010. P. 78

⁵⁰ According to FAO: see <http://www.fao.org/sd/WPdirect/WPre0106.htm>. See also 'Gender Mainstreaming Policy And Strategy In Agriculture'; MAFF (2006)

⁵¹ See: <http://mekongtourism.org/website/2011/07/empowering-women-through-tourism/>

⁵² According to the World Tourism Organization 'Global Report on Women in Tourism' (2011)

Gender Guidelines.⁵³ Gender analysis has been carried out. At present the share of female among Government staff in most SPS agencies is low and in some cases lower than 10 percent. In restaurants staffing is more gender balanced. The Government will ensure that all Project activities are designed and implemented in accordance with ADB's *Policy on Gender and Development* (1998). In particular, the Government will ensure that on average female participation for all kinds of training will at least be proportional to the share of female employed. The Government will further ensure that all monitoring and evaluation data will be disaggregated by sex.

B. Social

100. Against the backdrop of a rapid economic growth record, recent rounds of the Cambodia Socioeconomic Survey measured a fall in the headcount of the poor from 47% of the population in 1994 to 35% in 2004, to 30% in 2007. The poverty magnitude (the number of poor people) has also fallen, from about 4.3 million people in 2004 to about 3.9 million people in 2007. (However, the poverty measurement methodology in Cambodia is conservative and the resulting poverty lines are very low).⁵⁴ The poverty incidence is a great deal higher in rural areas (35% of the rural population in 2007) than in urban areas (less than 1% in Phnom Penh and 22% in other urban areas). According to the 2007 Cambodia Socioeconomic Survey (CSES), about 9 out of 10 poor Cambodians live in rural areas. Cambodian households are vulnerable to many different kinds of shocks that can drastically change a household's socioeconomic situation. A simple indicator of vulnerability is the proportion of households living above the international poverty line of \$1.25/day (PPP measure), but below \$2/day. In Cambodia this is more than a quarter of the population (28%).

101. Four groups of households are particularly vulnerable: infants and children, women of reproductive age, food insecure households, and special vulnerable groups (e.g. orphans, people living with HIV, and so on). The main sources of risks to households are: (i) crises and emergencies (including macroeconomic crises and natural disasters); (ii) low human development (including poor nutrition and poor access to education); (iii) seasonal unemployment and food insecurity; and (iv) health shocks.

102. The Project's Classification is a 'General Intervention', and does not target poverty directly, but by improving the SPS handling of AFF products in trade it will contribute to increasing agriculture sector production and productivity. It will help to make AFF trade more predictable, transparent, and with fewer transaction costs. It will thus contribute to strengthening AFF value chains (within and between countries), extending back to the on-farm production environment, thereby creating demand for on-farm and off-farm labor, primary AFF produce (agriculture and livestock products) and supporting incomes and gainful employment of poor rural households. (In all countries, poverty is now largely a rural phenomenon). The improved surveillance and outbreak response to livestock diseases will benefit rural households in specific provinces as animal morbidity/mortality is reduced. Improved national food surveillance reduces exposure to illness and time off work for all, including the poor (for whom it is relatively more important in terms of illness costs and lost work time). In the tourist industry, the grading of establishments for food handling will help to stabilize and formalize hotels and restaurants, thus indirectly sustaining employment among people with relatively low wages in food preparation, handling, serving etc. Undertaking grading visits, audits, etc as part of national food safety surveillance systems will create formal jobs.

⁵³ ADB (2010)

⁵⁴ The average national poverty line for Cambodia in 2007 was 2,473 riels per capita per day, or \$0.62.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Design and Monitoring Framework

Design Summary	Performance Targets / Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
Impact Cambodia's AFF products become safer, more efficiently produced, and traded in greater quantities	By 2020: (i) increased formal trade in AFF products to GMS (annual value up 10-15%; baseline exports 2009: \$284 million) (ii) reduced incidence of food-borne diseases and related morbidity and mortality, and loss of productive time for consumers (baseline 2004: 2843 DALY) (iii) tourism arrivals increase (5-10% annually from 2010; baseline 2009: 2.16 million) (iv) lower SPS-related border transaction costs for traders (at least 20% from 2010)	National trade statistics; WITS, UN COMTRADE Reports of food-borne disease outbreaks (from FDD) and DALYs (WHO) Ministry of Tourism records and surveys Stakeholder (traders and forwarders) consultation (2014) and survey (2016)	Assumption: Trade facilitation measures covering AFF products continue to be effectively implemented in GMS, ASEAN and other countries Risk: Lack of RGC commitment to recurrent costs funding of enhanced SPS system over medium-term
Outcome Enhanced SPS management system in Cambodia	By 2017: (i) Crop- or product-specific market access agreements based on new pest/disease information (3 – e.g., rice, cassava one other) (ii) improved animal disease outbreak response (variety of controls - vaccination, movement restrictions, quarantine; 560 visits, 14 responses per year) (iii) improved food hazard response capacity (product, violation, dispossession, compliance, enforcement knowledge gained through attendance at 7 study tours, 18 courses) (iv) improved food safety (on GHP and GMP-based grading) in 200 tourist enterprises in 3 major tourist centers (v) credible reporting systems for animal health and food safety situations are established (vi) GMS trading partners regard Cambodian plant, animal and food SPS data and practices as more reliable (timeliness and quality of reporting to partners and international organizations)	Supervision and review missions Consultations with stakeholders and development partners active in SPS (WB, JICA, etc.) Annual reports by MAFF (DGA, DAHP), MOH (DDF), RAU (inc. faculties); animal health and food safety annual situation reports GMS working group reports (CBTA); attitudinal survey of Cambodia regional trading partners (2016) Project Completion Report (2018)	Assumptions: Trading partners' continuing demand for Cambodia AFF products Provincial authorities cooperate with DAHP implementing controls Adequate cooperation (MAFF, DDF, CAMCONTROL) Regional and national tourism demand growth continues - providing private incentives Risk: Major new health hazards (e.g., SARS, avian, swine flu) emerges, resulting in re-allocation of human and financial resources for SPS activities

<p>Outputs</p> <p>1. Strengthened surveillance and inspection programs designed and implemented (for plant health, animal health and food safety)</p> <p>2. Improved regional cooperation and harmonization</p> <p>3. Enhanced education levels/university training of SPS specialists</p> <p>4. Effective project management and monitoring</p>	<p>(i) programmed annual surveys provide robust and timely pest and disease information covering priority crops; (ii) ad hoc PEQ testing of imported seed and planting materials; (iii) increased capacity of pesticide quality monitoring; (iv) forest product pest issues understood (by 2016); (v) established risk-based surveillance and awareness of TAD in target areas (2-3 provinces); (vi) active participation in SEACFMD, INFOSAN and ARASFF etc (data shared); (vii) risk-based, programmed annual food safety surveys and inspection capacity established (in Phnom Penh, then expanded to Siem Reap, Sihanoukville), with annual reports; (viii) risk-based management of plant, animal and food products imports at 2 international border posts; and, (ix) diagnostic assessments, audits and staff training in 200 tourist enterprises in Phnom Penh, Siem Reap and Sihanoukville.</p> <p>(i) bilateral working groups on plant protection and food safety (each with PRC, Thailand and Viet Nam) and animal health - with same three countries, plus Lao PDR (numbers of meetings and participants, topics discussed and agreements reached)</p> <p>(i) plant pest and disease, animal pest and disease, food safety curricula (i.e., 3 areas) upgraded, with associated teaching materials produced by 2016; (ii) short-course trainees; (iii) English language proficiency of 50% of staff and students increased; (iv) upgraded teaching and laboratory facilities (3 faculties, microbiology laboratory building and equipment) support the quality of teaching increase) by 2013; (v) institutional twinning arrangements implemented (number, country, year); (vi) collaboration between RUA and GDA/DAHP/DDF/CAMCONTROL strengthened (participation in surveillance, testing and diagnostics, teaching).</p> <p>PMU, 4 CIUs established and staffed (by end-2012); FM, Procurement and M&E systems fully operational (by 2013)</p>	<p>Project M&E reporting</p> <p>ADB review missions</p> <p>Annual reports by GDA, DAHP, DDF (MOH)</p> <p>Regional animal health and food safety institutions' reports</p> <p>Tourist industry surveys and reviews (Ministry of Tourism, and international)</p> <p>Bilateral working groups' minutes and reports</p> <p>Annual reports of RUA (and 3 faculties)</p> <p>Quarterly and annual monitoring and evaluation reporting</p>	<p>Assumptions:</p> <p>Government commitment to ongoing economic reform (national and sectoral) processes, continuing willingness of ministries to cooperate</p> <p>Active participation neighboring countries in bilateral working groups</p> <p>Government commitment to GMS and other regional processes continues</p> <p>National education policy reforms continue to support undergraduate education</p> <p>Risks:</p> <p>Technical, institutional and administrative capacity to implement the project proves insufficient</p> <p>Operational costs for monitoring, surveillance, testing and diagnostics is insufficient.</p>
---	--	--	---

Activities with Milestones: Cambodia	Inputs
<p>1. Surveillance and inspection programs</p> <p>1.1 Plant health program</p> <p>1.1.1 Procure equipment (for pest lists and pesticides management) and greenhouse (for PEQ etc) by 2013</p> <p>1.1.2 design, plan and implement time-bound pest surveys (4 per year) on priority crops (rice, corn, cassava, cashew nuts, soybean, and fruits and vegetables)</p> <p>1.1.3 develop database for storage/management of pest information (by 2013)</p> <p>1.1.4 finalize pest lists at annual workshops (annually, to 2017)</p> <p>1.1.5 send staff for regional training on plant pests (1 per year to 2014)</p> <p>1.1.6 design, plan and implement annual seed health testing program (2012-onwards)</p> <p>1.1.7 design, plan and implement annual pesticide quality sampling and testing</p> <p>1.1.8 undertake annual analytical proficiency testing program of pesticides</p> <p>1.1.9 discuss pesticide issues in one of the annual bilateral working groups on plant health 1 per year to 2016</p> <p>1.1.10 send staff for regional work attachments (5 over 5 years)</p> <p>1.1.11 conduct national pesticides management workshop (tentative 2013 and 2014)</p> <p>1.1.12 organize annual on-site English language course (one per year)</p> <p>1.1.13 conduct situational analysis of forest pests, establish passive surveillance system, and consultation meeting with GMS partners regarding mainstreaming into SPS systems (surveys 2012 onwards)</p> <p>1.1.14 categorize plant import risks, develop risk-based standard operating procedure materials, visual aids and guides, train staff in usage (2 courses per year) and develop process to capture and store data.</p> <p>1.1.15 fully report plant health situation to GMS countries and IPPC (by end-2017)</p> <p>1.2. Animal health program</p> <p>1.2.1 supply laboratory equipment and ICT for NaVRI (by 2013)</p> <p>1.2.2 design, plan and implement annual surveillance programs for animal health (TADs – FMD, CSF, HS, PRRS) in Kampong Cham, Takeo, Svay Rieng)</p> <p>1.2.3 manage annual disease response program (movement control, vaccines etc) – 2012 onwards</p> <p>1.2.4 develop TAD awareness campaign and materials (annual meetings; 60-150 per year)</p> <p>1.2.5 develop database for storage and management of TAD information (2012 onwards)</p> <p>1.2.6 bilateral country exchange meetings on TAD (3 in 2012, 6 annually thereafter)</p> <p>1.2.7 border surveillance visits (30 per year)</p> <p>1.2.8 train epidemiology staff to conduct risk assessment (tentative in 2013 and 2014)</p> <p>1.2.9 train border staff in import risk assessment (5 courses)</p> <p>1.2.10 categorize animal product import risks, develop risk-based standard operating procedure materials, visual aids and guides, SPS awareness material etc; train staff in usage and develop process to capture and store data (2012 onwards)</p> <p>1.2.11 bilateral country exchange meetings on TAD (5-6 annually)</p> <p>1.2.12 fully report animal health situation to GMS countries, and OIE (by 2017)</p> <p>1.2.13 Training border staff</p> <p>1.2.14 Procure equipment and supplies (veterinary drug residues)</p> <p>1.2.15 Training of staff (veterinary drug testing)</p> <p>1.2.16 Testing of veterinary drugs residues</p> <p>1.3. Food safety program</p> <p>1.3.1 upgrade testing facilities and supply consumables (equipment, consumables, transport and ICT; 2012 onwards)</p> <p>1.3.2 design, and plan annual surveillance programs for safety of food and food-borne diseases based on perceived risks (up to 475-2000/year samples across markets, hotels, restaurants, street vendors, food establishments; underway on pilot</p>	<p>ADB</p> <p>\$11 million equivalent ADF loan</p> <p>Government</p> <p>Counterpart support, office space, and other In-kind contribution</p> <p>\$0.409 million</p>

<p>basis 2013 onwards)</p> <p>1.3.3 conduct annual domestic workshops, national report (5), and annual reporting to INFOSAN and ARASFF</p> <p>1.3.4 develop food safety awareness campaign and materials (2012 onwards, first on pilot, expanded thereafter)</p> <p>1.3.5 tourist enterprise pilot audit and grading system development – including development of score cards, awareness raising campaign, training of government and private sector staff in GHP and GMP applications, advice to enterprises etc (2012 onwards)</p> <p>1.3.6 award of tenders for application of grading system to tourism and food enterprise establishments (2013)</p> <p>1.3.7 annual audit of restaurants (accumulated total of 315 by 2017)</p> <p>1.3.8 conduct first-time market access study for food products (2014) and explore harmonization possibilities thereafter</p> <p>1.3.9 categorize imported food risks, develop risk-based assessment profiles (for products requiring different inspection levels), develop procedural materials, visual aids and guides, etc, SPS awareness material etc; train staff in usage (annually, 2013 onwards) and develop process to capture and store data</p> <p>2. GMS and ASEAN regional cooperation</p> <p>2.1 bilateral working groups with PRC, Thailand and Viet Nam on plant health, animal health and food safety established or strengthened, and initial meetings held by 2013</p> <p>2.2 bilateral working group with Lao PDR on animal health established, and initial meeting held by 2013</p> <p>3. Enhanced education levels/training of SPS specialists</p> <p>3.1. Design and agree improved academic curricula by 2014, and provide associated teaching materials by 2017</p> <p>3.2. RUA participants attend short courses (2 each in 2013, 2014 and 2015);</p> <p>3.3 Provide on-site English language training (5-10 courses per year)</p> <p>3.4 construct shared microbiology laboratory and provide equipment (2012 onwards)</p> <p>3.5 Upgrade laboratory and teaching equipment for plant protection, animal science and agroindustry (2013 onwards)</p> <p>3.6 Upgrade RUA transport (bus, pickup) provisions (2012 onwards)</p> <p>4. Implementation – project management and monitoring</p> <p>4.1 Set-up project management unit in MAFF by mid-2012</p> <p>4.2 Set up Component Implementation Units in DGA, DAHP, DDF and RUA by mid-2012</p> <p>4.2 Financial Management Manual, Procurement Manual and Monitoring and Evaluation framework prepared by end-2012</p>	
--	--

ADB = Asian Development Bank; ADF = Asian Development Fund; AFF = agriculture, food, and forestry; CBTA = Cross border Transport Agreement; CIU = Component Implementation Unit; CSF = classical swine fever; DALYs = disability adjusted life years; CSF = classic swine fever; DAHP = Department of Animal Health Protection; DDF = Department Of Drugs And Food (MOH); DGA = Directorate General of Agriculture (MAFF); DOP = Department Of Planning (MAFF); FMD = foot and mouth disease; GMS = Greater Mekong Subregion; HS = haemorrhagic septicemia; INFOSAN = International Food Safety Authorities Network; IPPC = International Plant Protection Convention; OIE = International Organization for Animal Health; PEQ = Post-entry quarantine; PMU = Project Management Unit; SPS = Sanitary and Phytosanitary; RUA = Royal University Of Agriculture; TAD = transboundary animal disease; WHO = World Health Organization; WITS = The World Integrated Trade Solution

B. Monitoring

103. **Project performance monitoring.** A project benefit and monitoring evaluation (PBME) system will be developed and implemented by the PMU. The monitoring and evaluation (M&E) Officer (and Project Assistants) within PMU will receive training and will work with CIU staff to develop the PBME. The PBME will collect information to identify the current conditions in Cambodia AFF trade, SPS surveillance and inspection systems, academic education and regional cooperation and assess the impacts of project investments.

104. CIUs will collate and compile inputs and outputs data (e.g., on workshops conducted, courses attended, equipment delivered, civil works constructed, numbers of TAD visits, food safety inspections, samples collected, laboratory tests performed etc). The disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported quarterly through MAF's quarterly progress reports and after each ADB review mission. These quarterly reports will provide information necessary to update ADB's project performance reporting system.

105. Overall, the PBME will follow the logic and content of the DMF and be based on measurable inputs, outputs and outcomes. As well as accessing national data sources (i.e., the various agency quarterly and annual reports), the PBME system will access reports of the bilateral and subregional working groups of which Cambodia is a member.

106. The Project does not target poverty directly, but the growth in trade and tourism and the improvements in food safety will have pro-poor impacts. Where possible from agency reports, the PBME will disaggregate collected data on the basis of location, ethnicity etc. Where original data is collected – e.g., from surveys of AFF trade-related enterprises – the backgrounds of new employees will be monitored for poverty characteristics.

107. Some gender indicators and time-bound targets have been defined, and the institutional responsibility for their achievement has been defined; these will be an integral to the PBME.

C. Evaluation

108. ADB will conduct regular (i.e., at least twice per year) reviews throughout project implementation to assess implementation performance and achievement of project outcomes and objectives, examine financial progress, and identify issues and constraints affecting the Project and work out time-bound action plans for their resolution.

109. A Midterm Review will also be undertaken within 30 months of loan effectiveness. This review will include a comprehensive evaluation of project implementation arrangements, detailed evaluation of the scope and implementation process and progress of subprojects, feedback from the PBME, performance of consultants, capacity building progress, and possible reallocation of loan proceeds. During this more significant review, the impact from the pro-poor initiatives linked to infrastructure development will be assessed as will the allocation by local administrations for the maintenance of the infrastructure developed under the Project. Remedial action will be instituted as required.

110. Within 6 months of physical completion of the Project, ADB will conduct a project completion mission to carry out a preliminary assessment of the success of the Project to achieve its physical, and socio-economic developmental objectives, as well as to review compliance with ADB requirements and loan covenants.

D. Reporting

111. The PMU will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions; (c) updated procurement plan; and (d) updated implementation plan for next 12 months; and (iii) a project completion report (PCR) within 6 months of physical completion of the Project.

E. Stakeholder Communication Strategy

1. Consultation

112. Project preparation has been conducted with stakeholder agencies in the Government of Cambodia - including various departments within MAF (i.e., GDA, DAHP, DOP, and RUA), MOH (DDF), CamControl (MOC), etc. A workshop was conducted with freight forwarder private sector participants to provide information about the project and to get feedback, and another one to present the findings of a survey on food safety handling in the tourist industry. The composition of project activities also closely follows that which was agreed through the extensive national and subregional consultation process – including public and private agencies of all types and at all levels over an extended period - embedded in the GMS SPS Action Plan. Significant numbers of awareness raising, consultation and training workshops are planned throughout project implementation.

2. Participation

113. Widespread participation in project activities will most obviously involve: (i) communities with various types of livestock who will be affected by the TAD component (through vaccinations and in outbreak responses); (ii) large numbers of primary producers, traders, processors in export supply chains of corn and maize will participate in upgrading activities; and (iii) owners and workers in the hundreds of food establishments who will participate in sampling, testing, upgrading etc.

114. Obviously, significant numbers of students at RUA will be involved in academic education activities.

115. More generally, as trade-related AFF and tourism activity expands, there will be created employment opportunities in (for example) crops' products exports (involving production, processing and trade). An interesting feature of the current proposed investment is that many consumers will *de facto* participate in the project even by doing nothing; these will be persons who would have otherwise suffered the consequence of poor food safety but who are now spared such effects.

3. Awareness

116. Awareness-raising at all levels is fundamental to increasing national SPS capacity. The Project includes awareness raising for RGC agency staff on *inter alia* import handling for plant and animal products, on animal drugs and feeds, on the safety of animal food products, and good farm practice and off-farm GMP. In relation to food safety in the tourist industry, awareness raising covers significant numbers of private sector operators of all sizes and scales.

F. Sustainability

117. Sustainable use of increased SPS capacities (human, institutional, equipment) after the termination of the project will require increased Government budget and staff. The PMU will assist in assessing short-term, medium-term and long-term levels of staff and budgetary resources required for operation and maintenance of the SPS system. The Project will also assist the IAs in developing appropriate budget templates and procedures for O&M in the annual planning and budget cycle. The operational costs for SPS under the present project are summarized below.

Recurring expenditures can be broadly grouped into two categories:

I. costs that support institutions' laboratory systems

- (i) out-sourcing of testing and diagnostics to other laboratories (e.g., regional/neighboring countries),
- (ii) laboratory equipment servicing and calibration, training, documentation, proficiency testing, and accreditation; purchase of standards, columns, chemicals/reagents and glassware - which may last for a few years; and,
- (iii) the management and storage of survey data, laboratory records etc.

II. costs directly related plant, animal and food safety surveys

- (i) the purchase and collection cost of samples (i.e., plant, animal, food);
- (ii) rapid test kits (e.g., for aflatoxin, pest residues, formalin in seafood etc);
- (iii) staff travel and per diems for survey field work; and,
- (iv) other non-staff survey and inspection costs (e.g., small equipment items, stationary, communications etc).

The first category of costs need not be incurred in any particular year, and are thus not 'recurrent' in a traditional accounting sense; nevertheless, these expenditures must be incurred routinely/periodically in order to support national technical capacity. If these items of the first category are not regularly replaced and renewed and if the laboratory has no steady stream of samples to be tested (this is where category 2 costs are incurred), national capacities and proficiencies erode rapidly, and rebuilding them is expensive. Notably also, inadequate operational costs funding for university faculties implies that classroom education cannot be complemented by the necessary practical training in laboratories and in the field.

In the current Project, the first category of costs to support laboratory systems in addition to the investment costs is estimated to around \$1.2 million over the five years across all components. The costs associated directly with the surveys programs are estimated to around \$2.05 million. These figures are summarized by sector and per year in Table 5 below.

**Table 5: Supporting National SPS System Capacity:
Summary Of Likely Non-Capital Costs Per Year**

	Plant Health (DGA)	Animal Health (DAHP)	Food Safety (MOH/ CamControl)	Academic Education (RUA)	TOTAL (\$m per year)
National laboratory capacity	> \$70,000	\$110,000	< \$3,000	\$60,000	\$0.243
Operations and survey costs	\$85,000	\$190,000	\$100,000	>\$35,000	\$0.41
Total	> \$160,000	\$310,000	>\$100,000	<\$100,000	>\$0.67

Note: The potential for recovery of these costs through the charging of fees for services (e.g., testing of feeds, pesticides, food etc) is extremely limited.

X. ANTICORRUPTION POLICY

118. ADB's *Anticorruption Policy* (1998, as amended to date)⁵⁵ was explained to and discussed with MAF and DOP. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the Project. All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all Project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the Project.⁵⁶

119. Project design and implementation arrangements provide for mitigation of corruption risks. The tables below shows the Summary Project's Governance Risk Matrix and Project Risk Management Plan.

Summary Project Governance Risk Matrix

Risk Identified	Likely	Relatively Serious	Mitigating actions required	Major Risk (all 3 ticked)
A. Public Financial Management (PFM)				
1. Project Accounting and Reporting				
1.1 With the Public Financial Management (PFM) Reform Program (PFMRP) being perceived by donors to be more gradual than expected, it appears uncertain when the public accounting system will be ready to move to a more appropriate, accrual basis accounting standards. ⁵⁸ Control risks and utilization of public and donor funds need to be mitigated.	✓	✓	✓	✓
2. EA Institutional and Staff Capacity				
2.1 The EA finance and accounting staff trained in the country cash basis system of account and financial report will need to be trained to ADB financial reporting requirements.	✓	✓	✓	✓
3. External Audit and Oversight				
3.1 The National Audit Authority is reported to be constrained in capacity and resources for training, but is beginning to address select externally-financed projects. MEF is contracting audit services for externally-financed projects to private companies (mostly international), although concerns have been raised about their high cost and quality issues ⁵⁹ . Quality of project external audit needs to be addressed.	✓	✓	✓	✓
3.2 With funds flow arrangements, accounting, financial reporting and auditing forming a mutually reinforcing project financial management system, issues with the general country accounting system and audit capacity in the short and possible medium term indicate that, without the appropriate arrangements for segregating external project funds from the general public sector domestic funds, severe challenges can be expected.	✓	✓	✓	✓
B. Procurement				
1. Procurement Operations				
1.1 To achieve the project outputs there is need to recruit a variety of consultant services, and to procure a variety of laboratory	✓	✓	✓	✓

⁵⁵ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

⁵⁶ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>

⁵⁸ *National Structures and Systems for Aid Implementation in Cambodia. Part 1.* Final Draft. May 2010 accessed on 16 July 2011 at http://www.cdc-crdb.gov.kh/cdc/twg_network/national_structure_system_for_aid_imp_2010_draft.pdf
Also *National Structures and Systems for Aid Implementation in Cambodia. Part 2.* May 2010 accessed on 16 July 2011 at http://www.cdccrdb.gov.kh/cdc/twg_network/country_systems_cambodia/strengthening_national_systems/documents_for_reform/study_on_cs/national_structures_part_1_en.pdf

⁵⁹ ADB. 2011. *Cambodia Country Governance Risk Assessment and Risk Management Plan (GRAMP)*. Manila.

Risk Identified	Likely	Relatively Serious	Mitigating actions required	Major Risk (all 3 ticked)
equipment and supplies for different technical capacity building components. A serious risk will be failure to achieve timely recruitment and procurement for the complex goods and services, given an EA capacity assessed as average.				
1.2 While works and other goods present straight forward tasks for procurement operations, the procurement of laboratory goods also present a challenge in terms of specification to achieve effectiveness and value for money over the product life cycle, given the relatively scant procurement experience expected to be met among the IAs' technical staff.	✓	✓		
2. Integrity of Public Procurement				
2.1 The 2011 Country GRARMP flags a serious perception of public sector leakage occurring in and around procurement systems that apply to both domestically-and externally-financed projects. This is in particular a challenge for the project procurement packaging of the specialist laboratory equipment and supplies – critically important to the project – given the variety of specialized goods to be procured, some of which are supplied in a highly segmented market.	✓	✓	✓	✓
C. Combating Corruption				
1.1 Despite on-going Government efforts for enforcing anti-corruption, domestic perception of lower level corruption seem to have stabilized with little improvement. Cambodia is still placed among lowest in terms of various recent ranking exercises according to the 2011 Country GRARMP. Rent seeking malpractices are considered as risk of compromising procurement integrity.	✓	✓	✓	✓

Project Risk Management Plan

Major Risk	Propose Action(s)
A. Public Financial Management	
Control risks Utilization of public and donor funds	<p>A Project manager for day-to-day role with skills appropriate for responsibilities including finance, accounting task oversight and administration.</p> <p>Minimum of three finance and accounting staff assigned to the project management unit for PMU project accounting and to support CIU level accounting. Each CIU will have an assigned finance/accounting staff member from its parent agency on a time-sharing basis.</p> <p>MAFF has acted as EA and IA for previous ADB-financed projects but accounting and finance staff will be trained to ADB financial reporting requirements. Training in the project accounting and financial reporting system will be provided for the staff.</p> <p>One international procurement and financial management consultant, with experience and qualifications satisfactory to ADB, to help set up internal controls and be responsible for day to day Project finance and accounting activities.</p> <p>One national project financial management Consultant, with experience and qualifications satisfactory to ADB, to be available full time until Project completion, first to assist the International Consultant, and later to advise and assist the Project manager.</p>

	<p>Project funds flow arrangements as illustrated in Figure G.</p> <p>Periodic internal audit carried out jointly by PMU and auditor under TOR satisfactory to ADB.</p> <p>External audit of Project annual accounts by an auditor under TOR satisfactory to ADB.</p> <p><i>Responsibility and Time Line:</i> EA, with consultants support and ADB assistance.</p> <p>Throughout project implementation period.</p>
<p>Coordination of subproject implementation and management</p> <p>Project funds flow complexity through high volume of small project expenditures at CIU level including out-of-pocket expenses (OPE) such as travel cost and per diem for field work</p> <p>Safeguard of high technology laboratory equipment</p>	<p>Project management arrangements established as in PAM.</p> <p>PMU, procurement and FM specialists to monitor out-of-pocket expenditure throughout project implementation. Training required for procedures of OPE claims. To minimize cash handling at CIU level, one dedicated project account will be established at each CIU to receive small advances on a transaction basis, supported by documentation and/or invoices for claims of small project expenses. Each CIU account will not exceed \$5000 at one time.</p> <p>FM system in place to control expenditure and control of the inventory. Sound inventory management is required through training.</p> <p><i>Responsibility and Time Line:</i> EA, with consultants support and ADB assistance.</p> <p>Throughout project implementation period.</p>
Fiduciary risk	<p>Public disclosure of audited project financial reports and procurement information is conducted through a project website established and maintained at least during project implementation; This includes contract awards details, and updated procurement plan; strengthen project financial management capacity.</p> <p><i>Responsibility and Time Line:</i> EA, with consultants support and ADB assistance.</p> <p>Throughout project implementation period.</p>
B. Procurement	
Failure to achieve timely recruitment of consultant services or procurement of goods and works	<p>Advance action in consultant recruitment and critical procurement of goods has been supported by a team of advance action consultants provided by ADB. The team comprises one International Procurement Specialist, assisted by one National Procurement Specialist and key R-PPTA consultants.</p> <p><i>Responsibility and Time Line:</i> EA and ADB. Support to advance action has commenced in October 2011. The team is expected to continue support to advance action till October 2012.</p>
Risk of wrong specification of critical procurement of laboratory goods and supplies	<p>One international laboratory specialist will be included among the PMI services to assist with technical specification and technical aspects of bid evaluation.</p>

	<i>Responsibility and Time Line:</i> EA; to be recruited with advance action support as part of the PMI consultants by Q3/42012.
Lower bidding competition and greater risk of public sector leakage introduced with smaller packages	<p>ICB packaging for bidding in lots to reduce overall procurement time and more open competition for a greater chance of value for money.</p> <p><i>Responsibility and Time Line:</i> EA; adopts the ICB package with bidding in procurement plan at Loan negotiation.</p>
C. Combating Corruption	
Rent seeking malpractices threatening procurement integrity	<p>Information on recruitment and procurement with winning bid details including prices are posted on a website maintained by EA to improve transparency of procurement activities under the Project.</p> <p>A complaints handling mechanism is developed and widely advertized, with prominent posting at bid venues.</p> <p><i>Responsibility and Time Line:</i> EA; website and complaints handling mechanism in place by the start of the first tender.</p>

XI. ACCOUNTABILITY MECHANISM

120. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.⁶⁰

⁶⁰ For further information see: <http://www.adb.org/Accountability-Mechanism/default.asp>.

XII. RECORD OF PAM CHANGES

ANNEX: PROJECT READINESS FILTER

Key Project Preparation Elements	Stage of Project Preparation			
	Identification/ preparation	Appraisal/ Fact-Finding	Negotiations (Expected Status by March 2012)	Effectiveness
STANDARD PRFs				
Identification of Project Director and EA/IA project management and implementation teams to be responsible for project implementation	Done EA staff assigned to lead project preparation	Done Identified Project Director and EA/IA project management and implementation teams. Project-related TOR, and back-up arrangements defined to ensure continuity. Reflected in the PAM section on Project Stakeholders' roles and responsibilities.	Full Project management and implementation Teams assigned	Launch workshop within 3 months: the launch workshop should focus in particular on the training of staff on the detailed implementation arrangements (project administration manuals). Inception workshop. Part of advance action is for an international procurement consultant (funded from a related TA) to provide training to staff on recruitment and procurement procedures.
Risk Management plans / Good Governance Framework	Summary governance risk matrix and project risk management plan prepared	Drafted	Completed and agreed. A project staff has been assigned as focal point	
Financial Management Capacity Assessment of EA/IA	FMA prepared	Drafted	Start up actions initiated	Also as part of start up actions under advance action.
Procurement Capacity Assessment (PCA) of EA and IA	PCA prepared	Prepared.	Start up actions initiated	Also as part of start up actions under advance action.
Annual implementation plan and budget	Prepared	Drafted. Part of PAM.	Completed and agreed.	Plan and budget obtained no objection by ADB.
Program/project manuals (PAM)	Prepared	Drafted. Reviewed within ADB.	Completed and agreed.	Manuals obtained no objection by ADB
Auditing arrangements including TOR		Follow RGC and ADB agreed arrangement.	Confirmed	
Environment Impact Assessment (EIA), Social Impact Assessment and Indigenous People Action Plan and Indigenous Peoples Development Framework (where applicable)	Not applicable			
Budget & funding from ADB and RGC for the 1 st year of project implementation		Needs defined. The PAM provides project consulting and recruitment requirements for the first 18 months of implementation. Also provides expenditure accounts per year from start	Confirmed	Available

		to end of implementation (Table E of PAM)		
ADDITIONAL PRFs				
Advance Actions (AA) for 1st year Bidding Documents (BDs) for goods and works		Initiated An international Procurement Specialist has been engaged under a related TA to support advance actions in procurement of goods, i.e., preparation of bidding documents. Start date was Oct 2011.	BDs issued for some goods	Ready for signing (notably for goods)
Advance Actions for consultants	TORs for project implementation consultants drafted. This is reflected in the PAM.	An international Procurement Specialist has been engaged under a related TA to support advance actions in the recruitment of management consultants, i.e., will provide support from advertisement to evaluation of proposals . Start date was Oct 2011. TORs are to be finalized. RFP reviewed by ADB.	RFP issued.	1. Technical and financial proposals evaluated. 2. Contract negotiations done. 3. Contracts ready for signing.
Implementation of Resettlement Plan (at least for 1st year) with attention to: (i)sufficient budget for compensation and income restoration (ii)Coordination with IRC and EA Resettlement Units (iii)Updating of Resettlement Plan	Not applicable			
Identification of staff at provincial, district and commune levels	Not applicable. The project is not decentralized.			
M&E arrangements and baselines	Project Development Objective and Key results indicators identified. Reflected in the DMF	M&E arrangements agreed Collected (if sub-projects have been identified). A project staff has been assigned as focal point. Reflected in the draft PAM DMF	Confirmed	Collected within 3 months (if no identification of baselines was done during project preparation)