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Korea Engineering
Consultants Corp.

IN JOINT VENTURE WITH_



IN ASSOCIATION WITH_



Key Consultants (Cambodia) Ltd.

Consulting Services for Project Management and Implementation Support (PMIS, Package 1)

Integrated Urban Environmental Management in the Tonle Sap Basin Project (IUEMTSBP)

ADB LoanNo.3311-CAM (SF) / 8295-CAM (SCF) / Grant 0454-CAM--Contract No. PMU/MPWT/IUEMTSP/QCBS/16/001

Our Reference No. :

29 October 2019

To:

H.E. Vong Pisith, Project Director
Ministry of Public Works & Transport
Room 02, Third Floor, Western Building,
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Subject: Integrated Urban Environmental Management in the Tonle Sap Basin Project;
Submission Quarterly Progress Report No 11 for the period from 01 June to 31
September 2019

Dear Excellency,

Please find attached the Quarterly Progress Report No. 11 for the Integrated Urban Environmental Management in the Tonle Sap Basin Project (IUEMTSP) covering the period between from 01 June to 31 September 2019 for your kind perusal and comments.

Sincerely yours,



Mr. Louis Rijk
Team Leader
PMIS Consultants (IUEM-TSBP)
Korea Engineering Consultant Corp.

cc: ADB
KECC,
File: Admin
encl.: QPR No. 11

INTEGRATED URBAN ENVIRONMENTAL MANAGEMENT IN THE TONLE SAP BASIN PROJECT

QUARTERLY PROGRESS REPORT No.11 01 JULY – 30 SEPTEMBER, 2019

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ABBREVIATIONS

ADB	Asian Development Bank
AH	Affected household
AM	Aide Memoire
ASEAN	Association of Southeast Asian Nations
CMEI	Community Mobilization and Environmental Improvements
CSEC	Cambodia Socio-Economic Consensus
CBO	Community-based Organization
CDT	Capacity Development and Training
CMEI	Community Mobilization and Environmental Improvements
DEF	Provincial Department of Economy and Finance
MEF	Ministry of Economy and Finance
DMF	Design and monitoring framework
EA	Executing Agency
EMP	Environmental management plan
GMS	Greater Mekong Subregion
ICB	International competitive bidding
IDPoor	Identification of Poor Households Programme
IEC	Information, education and communication
IEE	Initial environmental examination
JICA	Japan International Cooperation Agency
MEF	Ministry of Economy and Finance
MOE	Ministry of Environment
MOWRAM	Ministry of Water Resources and Meteorology
MPWT	Ministry of Public Works and Transport
NCB	national competitive bidding
NGOs	Nongovernment organizations
OJT	On-the-job training
O&M	Operation and maintenance
PAM	Project administration manual
PDPWT	Provincial departments of public works and transport
PIU	Project implementation unit
PMIS	Project management and implementation support
PMU	Project management unit
PPCR	Pilot program for climate resilience
PMIS	Project Management Implementation and Supervision
PPP	Public Private Partnership
PSP	Private Sector Participation
RP	Resettlement plans
SWM	Solid waste management
SNA	Sub-National Authorities
SWC	Solid Waste Committee
TOR	Terms of reference
TSA	Tonle Sap Authority
UGSW	Urban Garbage and Solid Waste
USU	Urban Services Unit (Municipal)

1 EXECUTIVE SUMMARY

1.1 Background

1. The project was approved on 10 November 2015 and declared effective on 2 March 2016. The project aims to increase economic activities and environmental protection in the towns of Kampong Chhnang and Pursat in the Tonle Sap Basin. The outcome is expected to be improved urban services and enhanced climate change resilience in Kampong Chhnang and Pursat municipalities. The project has five outputs: (i) Kampong Chhnang Urban Area Improvements; (ii) Pursat Urban Area Improvements; (iii) Community Mobilization and Environmental Improvements, (iv) Strengthened Sector Coordination and Operations and (v) Strengthened Capacity for Project Implementation and operations and maintenance (O&M). The key infrastructure financed under the project includes flood protection infrastructure (embankment)¹, construction of a new landfill facility and improvement of solid waste management and community-driven environmental improvements in Kampong Chhnang; and improvement of the storm water drainage, treatment of waste water, construction of a new landfill facility improvement of solid waste management and community-driven environmental improvements in Pursat. The planned improvements of the river embankment along the Tonle Sap have been cancelled as these improvements will be financed under an EU financed project. On the 6th of February 2019 the Ministry of Economy and Finance (MEF) requested that the subproject be cancelled due to the inability to bring the subproject in compliance with the ADB SPS. However, the ADB requires set of corrective actions to ensure compliance with ADB's SPS for PAHs which have been relocated from the project area before any cancellation or scope change can be processed. As alternative investment options the construction of a sewerage system with a WWTP and the improvement/expansion of the existing drainage system for Kampong Chhnang have been identified as part of the preparation of an urban services masterplan. .

1.2 Overall Project Progress

2. The overall physical progress of project implementation can be summarized as follows:

Elapsed Time	49.98%
Physical Progress	24.06%
Contract Award Lag	36.49%
Disbursement Lag	41.44%
Project - Lag	25.92%

3. As per the revised implementation schedule (see annex 1) the actual progress is now, at the end of this reporting period (30-09-2019), about 12 weeks behind the planned progress. This is mainly due to the delays and uncertainties surrounding the implementation of the kampong Chhnang Flood Protection Embankment. MEF has requested the cancellation of this subproject but compliance with ADB's SPS for PAHs which have been relocated from the project area is required before any cancellation or scope change can be processed Therefore, it will only be possible to proceed with the implementation of the embankment or the preparation of alternative investment options if the cancellation of the embankment is confirmed, after the ADB's safeguards specialists from SEOD has validated the corrective actions and related compensation payment. It is expected that this will only be concluded in the 1st quarter of 2020. It will now only be possible to complete the construction of the Kampong Chhnang and Pursat Landfills and the Pursat drainage system with te WWTP before the present project completion date of October 2022. Implementation of the flood protection embankment or the proposed alternative investment options, construction/improvement of the Kampong Chhnang sewerage and drainage systems, (construction time, defect liability period, O&M support) will take until the end of the 2nd quarter in 2024 (see annex 1)

4. The financial progress of the project can be summarized as follows.

Allocation	46,098,067
Contracts Awarded	5,798,909
Uncontracted Loan Balance	40,299,157
Contracts Disbursed	3,668,754
Undisbursed Loan Balance	42,429,312
Undisbursed Contract Balance	2,130,155

Kampong Chhnang Urban Environmental Improvements

¹ The MEF has requested to cancel this infrastructure component, giving as reason for the cancelation that the resettlement plan for the Kampong Chhnang Embankment dated April 2015, could not be implemented

Flood Protection Embankment	The detailed engineering design for the Kampong Chhnang embankment (\$17.30m) has been completed and bidding documents prepared. Based on the outcome of the geotechnical investigations minor changes in the foundation and toe protection of the embankment will be required in the section along the Tonle Sap river bank. In its letter of 6 February the MEF has requested ADB for the cancellation of the embankment construction as the resettlement plan of April 2015 could not be implemented. ADB requires set of corrective actions to ensure compliance with ADB's SPS for PAHs which have been relocated from the project area before any cancellation or scope change can be processed. It is expected that the corrective actions will only be concluded during the 1 st quarter of 2020.
Alternative Investment Options for Kampong Chhnang	During the midterm review it was proposed that the USD 19M that would be freed up by the cancellation of the embankment could be applied to the construction of; (i) a sewerage system for urban areas in Kampong Chhnang town where the high concentration of houses does not allow for the installation of individual sanitation solutions. The sewerage system would also include the construction of a WWTP, and; the improvement of the existing drainage system with a focus on canalizing the overland runoff from higher rural and peri-urban areas that passes through the northern part of the urban area of Kampong Chhnang town. Detailed design, and preparation of safeguard documents can only be started after the cancellation of the embankment is confirmed and will require a 4 th variation of the PMIS contract.
Improved Solid Waste management	The bidding documents and invitation for bids for the landfill in Kampong Chhnang (\$2.25m) was approved by ADB on 7 September 2018. and the BER was approved by and on.13 November 2018, however the contract could not be awarded because of delays in the preparation of the DRP and the domestic IEIA. Bid validity has been extended to 31 December 2019

Pursat Urban Environmental Improvements

Improvement Drainage in Pursat Town and Waste Water Treatment	The detailed design for improvement of the existing drainage system has been completed. A first draft of the DED documents were submitted to ADB on 30 May 2019 and following feedback, were resubmitted on 6 August 2019 and approved on 23 August 2019. The IFB was published on 4 September 2019. Bid opening is scheduled for 18 October 2019. The total estimated cost of the improvements including the construction of a WWTP is estimated to be USD 12 M.
Improved Solid Waste management	The bidding documents and invitation for bids for the landfill in Pursat (\$2.25m) was approved by ADB on 7 September 2018, and the BER was approved by and on.13 November 2018, however the contract could not be awarded because of delays in the preparation of the DRP and the domestic IEIA. Bid validity has been extended to 31 December 2019

Safeguards

Environment	Updating of the IEE for the project and preparation of the EMPs for the Pursat and Kampong Chhnang landfill construction has been completed, comments have been received from ADB and have been incorporated in the documents.
Resettlement	The DDR for the Kampong Chhnang landfill has been completed and some minor issues are remaining to finalize the DRP for the Pursat landfill construction. As instructed by GDR waste pickers are not entitled to compensation if they were working on privately owned and operated dumpsites. Both of the existing dumpsites in Kampong Chhnang and Pursat are privately owned and operated. The draft DRP for the Pursat Drainage System has been submitted to ADB

Gender Action Plan	The GAP as included in the PAM has been revised as per the latest requirements of ADB
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Institutional Development

Capacity Development	Implementation of the capacity development plan was put on hold and will be continued after the way forward for the project is agreed upon.
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Establishment Urban Service Units	The establishment of the USUs will require agreement from the Provincial Government, Municipalities, MPWT and MEF. It will not be possible to convert the Project Implementation Units of the Provincial Departments of Public Works into USUs with the “authority to levy and increase” the environmental sanitation fees without changing the following laws: Articles 33 & 34 of Sub-decree 113, Articles 11 & 29 of Sub-decree 235. A national seminar on the establishment of USUs is schedule for the second week of December 2019
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Operational & Financial management

Tariff Structure Tariff Setting and Subsidy Methodology	Detailed proposals including an excel model have been developed for SWM tariff setting. The Government has issued a proposed tariff category structure which includes fifteen categories and over 100 sub-categories, including five categories for residences and fourteen sub - categories Implementation of this tariff structure will require a comprehensive census of the SWM customers. Without a census of the customers it is not possible to finalize the tariff structure for Kampong Chhnang and Pursat.If the PMIS is to be tasked for undertaking this census then the required additional resources should be added to the contract in VO 4.
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Private Sector Participation	A detailed analysis was carried out on the participation of private sector operators in waste collection in Kampong Chhnang and Pursat, including detailed discussions with the provincial, municipal authorities and sankat representatives during the 1 st quarter, no further activities have been undertaken during this quarter
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Preparation Urban Services Master Plan for the towns of Kampong Chhnang and Pursat

Completion of base maps, and base maps available in online system	The consultant has set up of the online system, developed a structured data base for the urban services infrastructure, benchmarking of services and the planning of the expansion of the drainage/ sewerage and related water supply system. The consultant has collected the drone imagery for both towns and processed/reformatted the imagery for use in the online system. The consultant has also made all open source maps as well as maps provided by the local authorities available in the online system. This included the geospatial products delivered as part of the European Space Agency (ESA)
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Completion of Urban Services Inventory and inventory available in online system Completion of Urban Services Inventory and inventory available in online system	The online system, has been developed with a structured data base for the urban services infrastructure, benchmarking of services and the planning of the expansion of the drainage/ sewerage and related water supply system. Drone imagery for both towns has been collected and processed/reformatted for use in the online system. Open source maps as well as maps provided by the local authorities have been made available in the online system. This included the geospatial products delivered as part of the European Space Agency (ESA)
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Completion of draft Masterplan and priority measures and Masterplan available in the online system	The basic concepts for sewerage and drainage improvement and extension have been developed. The details including hydraulic calculations and cost estimates will be completed during the next quarter,
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1.3 Consultant Services

5. Up to the end of this reporting period, 30 September 2019, the total person months used by the International Specialists is 49.6 person-month out of a total provision of 81 person-month² (61.3%), leaving a balance of 31.4 person-month., the total person months used by the National Specialists is 175 person month out of a total provision of 355 person month³ (49.3%), leaving a balance of 180 person month.

6. A 3rd contract variation was approved on 31 December 2019 which included (i) formal removal of the procurement and financial management support component of the consultancy (as this function has been covered by contractual staff recruited to the PMU); (ii) the addition of technical expertise; (iii) a provision for home office inputs and (iv) urban services master plans in Kampong Chhnang and Pursat. A 4th contract variation will be required to enable the consultant to provide the required services. The scope of this variation will depend on the final decision on the cancellation of the Kampong Chhnang embankment and the corresponding scope change of the project.

1.4 Targets for the next quarter

7. The targets for the next quarter can be summarized as follows:

- Once an agreement is reached on the continuation of the embankment or alternative investment options the PMIS will proposed a contract variation which will include the required resources to provide consultant services for the agreed options
- Finalizing the draft masterplans for Kampong Chhnang and Pursat and presentation of the masterplans to the responsible authorities
- Finalize the domestic IEIA and obtain the environmental licence from MEF for the 3 ongoing subprojects.
- Incorporate comments from ADB in the DDR for Kampong Chhnang landfill subproject and in the DRPs for the Pursat landfill and combined drainage/sewerage subprojects.
- Provide support, including the preparation of background and discussion documents for a national seminar on USU establishment to be organized by MEF / MPWT jointly with MIH in conjunction with the ADB urban development forum in the second week of December
- If the proposed changes in the loan covenants will be approved, this will permit the award of the landfill and Pursat drainage construction contracts. After award of the contracts the PMIS will mobilize the resident engineer and site engineers and will conduct the required pre-construction activities jointly with the contractor (pre-construction meeting, updating the contractors work schedule, joint side inspection, joint review of the detailed designs, training of the EMP, orientation on compliance with resettlement and labor safeguards

² VO3

³ VO3

2 PROJECT BACKGROUND

2.1 Background

8. The project was approved on 10 November 2015 and declared effective on 2 March 2016. The impact of the project will be increased economic activities and environmental protection in the two towns in the Tonle Sap Basin. The outcome will be improved urban services and enhanced climate change resilience in Kampong Chhnang and Pursat municipalities. The project has five outputs:

- (i) Kampong Chhnang Urban Area Environmental Improvements which will now comprise the improvement of flood protection for the low lying sectors in the Kampong Chhnang urban area through; (i) the rehabilitation and realignment of a 9.5 km flood protection embankment, and; (ii) the improvement of solid waste management through the proper closure of existing dumpsite and the construction of a new solid waste landfill together with the provision of the required equipment, institutional strengthening and community awareness creation. The MEF has requested the cancellation of this infrastructure component because the resettlement plan of April 2015 cannot be implemented. However, the ADB requires set of corrective actions to ensure compliance with ADB's SPS for PAHs which have been relocated from the project area before any cancellation or scope change can be processed. If it is decided to cancel the embankment, the construction of a sewerage system with a WWTP and the improvement/expansion of the existing drainage system could be considered as alternative investment options
- (ii) Pursat Urban Area Environmental Improvements through; (i) the improvement of the combined storm water drainage/sewerage system in the town area on the west bank of the Pursat River; (ii) the construction of a WWTP, and the construction of a new solid waste landfill site.
- (iii) Community Mobilization and Environmental Improvements, to support the Kampong Chhnang, and Pursat urban area developments through community driven environmental improvements
- (iv) Strengthened Sector Coordination and Operations and
- (v) Strengthened Capacity for Project Implementation and operation and maintenance (O&M) of urban infrastructure in general and the created infrastructure in particular.

2.2 Project Basic Data

Project Title	Integrated Urban Environmental Management in the Tonle Sap Basin Project		
Project Acronym	IUEMTBP		
Project Financing	Asian Development Bank ADF Loan	SDR 26,4M (USD 37M equivalent)	3311-CAM (SF)
	ADB Strategic Climate Fund loan	USD 5M	8295-CAM (SCF)
	ADB Strategic Climate Fund grant	USD 5M	0454-CAM (SCF)
Borrower	Kingdom of Cambodia		
Project Approval	10 November 2015	Signing of Loan	22 December 2015
Date of Effectiveness	02 March 2016	Closing Date	30 April 2023
Project Completion Date	October 2022	Overall project implementation progress	24.06%
Elapsed Period	50%	Revised Loan Closing Date	N/A
Progress on Contract Award and Disbursement	Contract Award	12.58%	Disbursement 7.96%
Project Executive Agency	Ministry of Public Works and Transport (MPWT)		
Project Director	H.E. Vong Pisith, Deputy Director General MPWT		
Consultant ISPMC	KECC in JV with NIRAS and associated with KCC		
Team Leader	Mr. Louis Rijk,		
Dep .Team Leader	Mr. Srey Socheat		
ADB Task Manager	Mr. Alexander Nash		

2.3 Document

Document Title	Quarterly Progress Report No. 11
Reporting Period	01 June to 30 September 2019
Author(s) & project role	Louis Rijk Team Leader/Municipal Engineer PIMS,

2.4 ADB Review Missions

9. Altogether ADB has fielded 10 Missions; Loan Inception Mission, Review Mission, follow up meeting, 3 Implementation Review Missions a Midterm Review Mission and 2 follow up missions on the MTR. During this reporting an implementation review mission took place from 26 February to 4 March 2019 (the mission also covered TS2 GMS2 and GMS4) The draft MOU on the MTR, including the follow up missions has been circulated on 19 September.

Table 2-1 : Details of ADB Missions

S. No.	Nature of Mission	Duration	Name and Designation of Participants from ADB	Total Nos. of Participants from ADB
2016				
1	Loan Inception Mission	7 to 14 December 2017	Sameer A. Kamal, Urban Development Specialist, SEUW/SERD (Mission Leader); Januar Hakim, Senior Portfolio Management Specialist, CARM; Genevieve O'Farrell, Environment Specialist, CARM; Melody F. Ovenden, Social Development (Resettlement) Specialist, SEUW/SERD; Tadeo R. Culla, Associate Social Development Officer, SEUW; Ludovina R. Balicanot, Associate Project Officer, SEUW and Sophy Ea, National Social Safeguards Specialist, Consultant.	7
2017				
1	Review Mission	15 to 27 March 2017	Sameer A. Kamal, Urban Development Specialist, SEUW/SERD (Mission Leader). Jan Hansen, Senior Country Economist, CARM (wrap-up meeting)	2
2	Follow up meeting	15 June 2017	Sameer A. Kamal, Urban Development Specialist, SEUW/SERD (Mission Leader).	1
3	Implementation Review Mission	August 25-29, 2017	Sameer A. Kamal, Urban Development Specialist / Mission Leader, Urban Development and Water Division (SEUW); Melody Ovenden, Social Development Specialist (Resettlement), Lao PDR Resident Mission (LRM); Genevieve O'Farrell, Environment Specialist (Safeguards), Cambodia Resident Mission (CARM); Chansouk Insouvanh, Social Safeguards Consultant, Lao PDR Resident Mission (LRM); and Sophy Ea, Social Safeguards Consultant, Urban Development and Water Division (SEUW). Januar Hakim, Senior Portfolio Management Specialist, CARM joined selected discussions. Linda Adams, Senior Social Development Specialist, SEUW and Ludovina Balicanot, Associate Project Officer, SEUW provided remote support	8
2018				
1	Portfolio Review Mission	4 April 2018	Vijay Padmanabhan Director Urban Development and Water Southeast Asia Department. Sameer A. Kamal, Urban Development Specialist.	2

S. No.	Nature of Mission	Duration	Name and Designation of Participants from ADB	Total Nos. of Participants from ADB
2	Implementation Review Mission	September 10-13 2018	Sameer A. Kamal, Urban Development Specialist / Mission Leader, Urban Development Urban Development Specialist, SEUW; Biswanath Debnath, Safeguards Consultant (Resettlement), SEUW; Ea Sophy, Safeguards Consultant (Resettlement), CARM; and Sethy Sour, Safeguards Consultant (Environment), CAR	4

2019

1	Implementation Review Mission (the mission also covered TS2 GMS2 and GMS4)	26 February to 4 March 2019	Vijay Padmanabhan Director Urban Development and Water Southeast Asia Department. Alexander Nash, Urban Development Specialist. Ms. Kim Swain, Urban Development Specialist, Javier Coloma Brotons, Rangina Nazrieva, Virginia E. Villanueva	6
2	Mid-Term Review Mission	23 May to 28 May 2019	Alexander Nash, Urban Development Specialist, SEUW; Javier Coloma Brotons, Urban Development Specialist (Water Supply and Sanitation), SEUW; Virginia E. Villanueva, Project Analyst, SEUW; Rangina Nazrieva, Social Development Specialist (Resettlement), CARM; Sethy Sour, Environmental Specialist (Safeguards), CARM; and Chandy Chea, Gender Officer, CARM	6
3	Follow up mission on MTR	21 July to 1 August 2019	Alexander Nash, Urban Development Specialist, SEUW Sophy Ea (CARM)	2
4	Follow up mission on MTR	3 to 6 September 2019	Alexander Nash, Urban Development Specialist, SEUW Tran Quy Suu (ADB safeguards consultant),	2

2.4 Compliance with actions agreed during the Special Project Administration Mission

10. In Mid-term Review Mission of ADB (23 May to 28 May 2019) and the two follow up missions the MEF, EA and ADB have agreed to comply with the following key follow-up actions. The current status of the follow-up actions as agreed and included in the Draft Missions' Aide-Memoire is given in the table below.

Table 2-2 : Follow-up Actions and the Status of their Compliance

#	Actions	Lead	Due Date	
1	CW 05: Pursat Wastewater network, Stormwater drainage and Wastewater treatment			
1.1	Finalize Detailed Resettlement Plan based on DED	GDR	30 Sept 2019 (completed)	The draft DPR has been submitted to ADB and is being finalized based on comments received from ADB
2	CW-06: Kampong Chhnang and Pursat Landfill sites			
2.1	Bid validity extension request issued to bidders	MPWT	25 Sept 2019	On 23 September 2019 the bid validity has been extended up to 31 December 2019
2.2	Obtain lease contract for existing dumpsites and confirm with legal advice the scope of what rehabilitation government <u>is required to do</u> , if any, under the terms of its lease.	PMIS / MPWT (PIUs)	30 Sept 2019	Land titles and lease contracts for the existing dumpsites have been received from the respective local authorities.

#	Actions	Lead	Due Date	
2.3	Seek legal advice on scope of rehabilitation investment government <u>is able to do</u> on private land	PMIS / MPWT	30 Sept 2019	A national legal expert will be mobilized on 1 November 2019
2.4	Estimate cost of concentration + cover of existing waste to one location on the existing dumpsites	PMIS	30 Sept 2019	This will require a new survey of the existing dumpsites (drone imagery and spot level survey including measurement of the depth of the waste layer. This can only be done if the required resources for this survey are made available through a contract variation
2.5	Estimate cost of concentrated + transportation of existing waste to new dumpsite	PMIS	30 Sept 2019	
2.6	Finalize Detailed Resettlement Plan based on DED	GDR	25 Sept 2019	The DDR for the Kampong Chhnang landfill has been completed and some minor issues are remaining to finalize the DRP for the Pursat landfill construction
2.7	Proposed Loan covenant changes for schedule 3 para. 6 and schedule 4 para 8a, 8b sent to MEF	ADB	25 Sept 2019	Changes are proposed in attachment 5 of the MTR MOU.
2.8	ADB approval of finalized RPs	ADB	30 Sept 2019	Minor issues still need to be addressed. It is expected that the DDR and DRPs will be finalized during October 2019
2.9	Bid Evaluation Report Non-objection Letter	ADB	25 Oct 2019	Bid opening is scheduled for 18 October 2019
2.10	Contract award	MPWT	30 Oct 2019	Bid evaluation and ADB approval of the BER will take two month
3	CW-09 & CS04 Kampong Chhnang and Pursat Community Driven Improvements & NGO support			
3.1	Prepare draft VO2 for Padek (CS04) to reflect changes in CW09 scope	ADB / PADEK	30 Oct 2019	It should be noted that the change of scope of CW09 will be guided by the scope change of the project. This scope change has not yet been decided and approved
3.3	Summary of infrastructure solutions to be developed in DED: <ul style="list-style-type: none"> • Pursat <ul style="list-style-type: none"> ○ Low density villages 1&2 on riverbank: Onsite solutions (low average cost) ○ High density village 3 on canal in town centre: shared public connections to newly constructed combined sewer • Kampong Chhnang <ul style="list-style-type: none"> ○ Develop decentralized collective solutions subject to land availability 	PADEK / PMIS	Concepts submitted: 30 Nov 2019 DED completed 30 December 2020	Concepts for Pursat are under preparation Concepts for the Kampong Chhnang villages can on be prepared after the scope change of the project is decided, because the improvement of sanitation will to large extent depend on the overall sanitation improvements proposed for a possible scope change of the project
4	CW-04: Kampong Chhnang Flood Protection (Embankment sub-project)			
4.1	Complete agreed corrective action plan in Attachment 3 of the MTR MOU	GDR / ADB	30 October 2019	PMIS has provided GDR with the 2017 and 2019 drone imagery of the embankment section along the Tonle Sap river and with the digitized houses in this section (see annex 9)

#	Actions	Lead	Due Date	
5	Loan Covenants			
5.1	National Seminar on USUs to be organized and convened by MEF / MPWT jointly with MIH and Provincial authorities. Proposed date: late November.	MEF / MPWT / ADB	30 Sept 2019	A national seminar on USUs is scheduled during the second week of December 2019.
5.2	USU options and draft legal agreements prepared based on existing legal framework	PMIS	30 Oct 2019	The PMIS will mobilize a legal specialist by 1 November to support the preparation of an analysis of the existing legal framework, arrangements for management of urban services in major towns around the Tonle Sap lake, and proposals for the establishment of USUs
5.3	Financial analysis completed to determine revenue requirements for sustainable operation of project assets	PMIS	30 Oct 2019	Financial analysis for SWM has been completed, the financial analysis for the O&M of the Pursat Drainage system is ongoing
5.4	Project Administration Manual (PAM) and Gender Action Plan (GAP) to be updated	ADB	30 Oct 2019	Pending
5.5	Loan covenant changes for schedule 3 para. 6 and schedule 4 para 8a, 8b (See item 2.6 above) as proposed in Attachment 5 approved by MEF	MEF	20 Oct 2019	Pending
6	Environmental Approvals			
6.1	MoE to appoint a focal point for each ADB loan project EIA process, who will work closely with the PMIS consultants to assist in the preparation of quality EIAs and provide updates on the approvals process.	MoE	30 Oct 2019	Pending
6.2	MoE requested support to develop guidelines for Water and Solid waste sector EIAs. ADB to investigate options for TA support.	ADB	30 Oct 2019	Pending

FINANCING AND FUND UTILIZATION

2.5 Financing

The project was approved on 10 November 2015 and declared effective on 2 March 2016. Financing for the \$52.6 million project includes a SDR 26,4M (USD 37M equivalent) loan from ADB (Asian Development Fund) and \$10 million (\$5 million loan and \$5 million grant) from the Strategic Climate Fund

The following table 2-1 summarizes project financing by financier

Table 2-3: Financing by financier

Financing	
Modality and Sources	Amount (\$ million)
ADB	37
Sovereign Project loan: Asian Development Fund	37
Cofinancing	10
Strategic Climate Fund - PPCR	5
Strategic Climate Fund	5
Counterpart	5.6
Government	5.4
Others	0.2
Total	52.6

Table 2-2 presents the project investment plan for the 4 components of the project as agreed in the PAM. Changes will be required as the cost of the Pursat drainage system and WWTP is expected to amount to USD 14M, and the cost for the Kampong Chhnang embankment will depend on the agreement between the Government and ADB on the way forward for the implementation of the embankment

Table 2-4 : Project Investment Plan (\$ million)

Item	Amount
A. Base Cost a	
1.Output 1: Kampong Chhnang Urban Area Improvements	22.9
2.Output 2: Pursat Urban Area Improvements	11.2
3.Output 3: Community Mobilization and Environmental Improvements	4.3
4.Output 4: Strengthened Sector Coordination and Operations	0.4
5.Output 5: Strengthened Capacity for Project Implementation, O&M	5.5
Subtotal (A)	44.3
B. Contingencies	6.9
C. Financing Charges During Implementation	1.4
Total (A+B+C)	52.6

ADB = Asian Development Bank, SCF = Strategic Climate Fund

Includes taxes and duties of \$4.55 million to be financed by the government through exemptions, ADB and ADB SCF grant.

In September 2015 prices.

Physical contingencies computed at 10% for civil works, equipment and consulting services. Price contingencies computed at 1.8% to 2.2% on foreign exchange costs and 3.5% on local currency costs; includes provision for potential exchange rate fluctuations under the assumption of a purchasing power parity exchange rate.

Includes interest estimated at \$1.40 million during implementation for the ADB loan and \$0.02 million in service charge for the ADB Strategic Climate Fund loan, which will both be capitalized as part of the loans.

Source: Asian Development Bank estimates

2.6 Fund utilization

11. The following table 2.5 presents the consolidated status of loan and grant proceeds. The details of the fund utilization are presented in annex 2. The total amount of contracts awarded as a percentage of the total loan amount

is 12.6%. The total disbursement as percentage of the total loan amount is 8% and as percentage of contracts awarded is 63.3%.

Table 2-5 : Consolidated Status of Loan and Grant Proceeds

As of 30 Sep 2019						
Loan/Grant No.	US Dollars					
	Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
	A	B	C = A - B	D	E = A - D	F = B - D
Loan 3311	36,098,067	4,593,235	31,504,831	2,726,494	33,371,573	1,866,742
Loan 8295	5,000,000	-	5,000,000	-	5,000,000	-
Grant 0454	5,000,000	1,205,674	3,794,326	942,261	4,057,739	263,413
Total	46,098,067	5,798,909	40,299,157	3,668,754	42,429,312	2,130,155
Government Contribution	5,400,000			80,353.05		
Total	51,498,067			3,749,108		
Disbursement as percentage of total loan amount				7.96%		
Contract awards as percentage of total loan amount				12.58%		

The overall status of physical and financial progress of the project can be summarized as follows

Elapsed Time	49.98%
Physical Progress	24.06%
Contract Award Lag	36.49%
Disbursement Lag	41.44%
Project - Lag	25.92%

Details of fund utilization and the Contract Award and Disbursement Projections are presented in Annex 3 and 4.

Table 2-6: Consolidated Loan Utilization

		As of 30 Sep 2019					
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01A	CW - KC Flood Protection	18,781,924	-	18,781,924	-	18,781,924	-
01B	CW - KC Solid Waste Mgt.	421,372	-	421,372	-	421,372	-
01C	CW - PS Drainage	586,911	-	586,911	-	586,911	-
01D	CW - PS Flood Protection	4,754,113	-	4,754,113	-	4,754,113	-
01E	CW - PS Solid Waste Mgt.	998,706	-	998,706	-	998,706	-
01F	CW - KC Small-scale Inf. Dev.	718,247	-	718,247	-	718,247	-
01G	CW - PS Small-scale Inf. Dev.	718,247	-	718,247	-	718,247	-
01A	CW - PS Drainage	2,460,000		2,460,000		2,460,000	-
01B	CW - KC Sanitation Improvement	510,000		510,000		510,000	-
01C	CW - PS Sanitation Improvement	510,000		510,000		510,000	-
02A	GD - KC Solid Waste Mgt.	715,511		715,511		715,511	-
02B	GD - PS Solid Waste Mgt	797,596		797,596		797,596	-
02C	GD - KC Embank. Manual Equipment	35,570		35,570		35,570	-
02D	GD - PS Flood Manual Equipment	35,570		35,570		35,570	-
02E	GD - PS Drainage Manual Equipment	35,570		35,570		35,570	-
03A	WS - Project Mgt & Implement Supp.	566,064	534,000	32,064	82,035	484,029	451,965
03B	WS - SSCD	9,577		9,577		9,577	-
02A	WS - NGO SCEI	200,000		200,000	-	200,000	-
02B	WS - CCAUD	10,000	10,000	-		10,000	10,000
04A	CS - PMIS	3,339,784	3,597,913	(258,129)	1,829,967	1,509,817	1,767,946
04B	CS - SSCD	94,398	-	94,398	-	94,398	-
04C	Survey and Investigation	63,287	135,000	(71,713)	115,350	(52,063)	19,650
03A	CS - CCAUD	200,000	200,000	-	290,496	(90,496)	(90,496)
03B	CS - NGO SCEI	810,000	829,878	(19,878)	457,765	352,235	372,113
03C	CS - Survey and Investigation	100,000	165,796	(65,796)	-	100,000	165,796
05A	IA - Office and Travel Expense	388,754	140,369	248,385	55,780	332,974	84,590
05B	IA - Vehicles	144,977	134,500	10,477	134,500	10,477	-
05C	IA - Equipment	14,202	51,453	(37,251)	41,018	(26,816)	10,435
	Interest During Implementation	1,362,131	-	1,362,131	31,845	1,330,286	(31,845)
	Service During Implementation	18,000		18,000		18,000	-
	Unallocatd	6,690,219	-	6,690,219	-	6,690,219	-
99	Imprest Account	7,335	-	7,335	630,000	(622,665)	(630,000)
				-		-	-
	Total	46,098,067	5,798,909	40,299,157	3,668,754	42,429,312	2,130,155

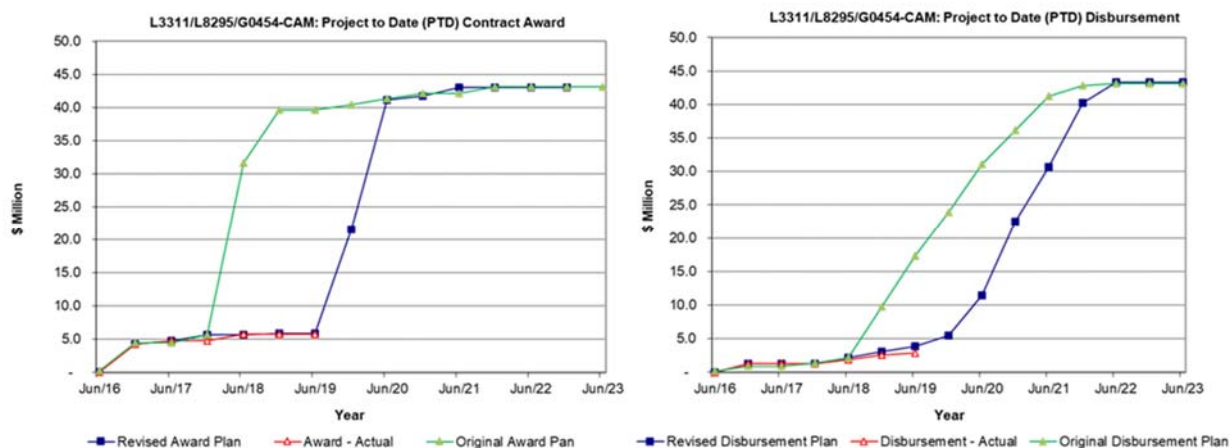
Table 2-7: Grant Utilization

As of 30 Sep 2019							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01A	CW - PS Drainage	2,460,000	-	2,460,000	-	2,460,000	-
01B	CW - KC Sanitation Improvement	510,000	-	510,000	-	510,000	-
01C	CW - PS Sanitation Improvement	510,000	-	510,000	-	510,000	-
02A	WS - NGO SCEI	200,000	-	200,000	-	200,000	-
02B	WS - CCAUD	10,000	10,000	-	-	10,000	10,000
03A	CS - CCAUD	200,000	200,000	-	290,496	(90,496)	(90,496)
03B	CS - NGO SCEI	810,000	829,878	(19,878)	457,765	352,235	372,113
03C	CS - Survey and Investigation	100,000	165,796	(65,796)	-	100,000	165,796
04	Unallocated	200,000	-	200,000	-	200,000	-
	Advance Account	-	-	-	194,000	(194,000)	(194,000)
	Total	5,000,000	1,205,674	3,794,326	942,261	4,057,739	263,413

2.7 S curves for contract awards and disbursements

Based on the revised contract awards and disbursement schedule based on the updated work plan, the resulting s curves are presented in the following figures

Figure 2-1: L3311/L8295/G0454-CAM: Project to Date (PTD) Contract Award and (PTD) Disbursement based on revised contract award and disbursement plans



2.8 Procurement Plan

12. The following table presents the procurement plan as updated 30 September 2018. The table reflects the planning as presented in the revised implementation schedule presented in chapter 4 and Annex 1. The figures in red colour represent historic data of completed procurement

Table 2-8: Procurement Plan

#	Contract Packages	Proc. Method	Advert. Date	Award Date*
Civil Works				
G07	Supply of KC and Pursat Solid Waste Management Equipment batch 1	NCB	Q3 2019	Q4 2020
G08	Supply of Pursat Solid Waste Management Equipment Batch 2	NCB	Q1 2021	Q2 2021
CW04	Construction of KC Embankment	Cancellation requested by MEF		
CW05	Construction of Pursat Drainage and WWTP ⁴	ICB	Q3 2019	Q4 2019
CW06	Construction of Kampong Chhnang and Pursat Landfills	NCB	Q2 2018	Q4 2019
CW07	Construction of Pursat River Embankment Protection	Cancelled		
CW08	Construction of KC Landfill Site	Merged with CW06		
CW09	KC and Pursat Community-driven Env. Improvements	NCB	No Data	No Data
CW10	Construction KC Sewerage, WWTP and Drainage (as possible investment alternatives if cancellation of the KC embankment is confirmed)	ICB	Q2-2020	Q3-2020
Consulting Services				
CS01	Project Management and Implementation Support	QCBS	Q4 2015	Q4 2016
CS02	Climate Change Adaptation in Urban Development	CQS		Q3 2017
CS03	Strengthening Sector Development	Will be merged with PMIS under VO3		
CS04	NGO Support for Output 3 (CMEI)	QBS	Q3 2017	Q1 2018
Goods and Works Under \$100K				
G01	Supply of 5 units 4WD double cabin pick-up trucks	NCB	Q1 2017	Q2 2017
G02	Supply of 8 motorcycles	Shopping		Q2 2017
G03	Office furniture for PMU and PIUs (KC and Pursat)	Shopping		Q3 2017
G04	Office equipment for PMU and PIUs (KC and Pursat)	Shopping		Q3 2017
G05	Equipment for Pursat Drainage and Flood Protection	Shopping		Q1 2019
G06	Manual Equipment for KC Embankment	Will depend on the agreed way forward for the embankment		
CW01	Office Repairs (PMU)	Shopping		Q2 2017
CW02	Office Repairs (PIU KC)	Shopping		Q2 2017
CW03	Office Repairs (PIU Pursat)	Shopping		Q2 2017

Green: Action concluded

Red: Decision pending

⁴ Based on present design, not assuming design changes

3 IMPLEMENTATION PROGRESS

3.1 Status of Project Implementation and Revised Project Implementation Schedule

13. Overall implementation progress is estimated at 24% compared to the elapsed implementation period of 50%. Cumulative contract awards achieved is \$5.80 million (12.6% of the total project budget), and disbursements achieved is 3.7 million (8% of the total project budget). The project is rated as “Actual Problem” per ADB’s performance monitoring criteria due to low contract awards and disbursements compared with the projection.

As per the implementation schedule revised during project inception the actual progress is now about 12 weeks behind the planned progress. This is mainly due to the delays and uncertainties surrounding the implementation of the kampong Chhnang Flood Protection Embankment. MEF has requested the cancellation of this subproject but compliance with ADB’s SPS for PAHs, which have been relocated from the embankment section along the Tonle Sap River, is required before any cancellation or scope change can be processed. Therefore, it will only be possible to proceed with the implementation of the embankment or the preparation of alternative investment options if the cancellation of the embankment is confirmed, after the ADB’s safeguards specialists from SEOD has validated the corrective actions and related compensation payment. It is expected that this will only be concluded in the 1st quarter of 2020. It will now only be possible to complete the construction of the Kampong Chhnang and Pursat Landfills and the Pursat drainage system and the WWTP before the present project completion date of October 2022. Implementation of the flood protection embankment or the proposed alternative investment options, construction/improvement of the Kampong Chhnang sewerage and drainage systems, (construction time, defect liability period, O&M support) might take until the end of the 2nd quarter in 2024. The summary of the revised implementation schedule is given in figure 4.1 and the detailed revised implementation schedule is presented in Annex 1. The estimated delays in project implementation are reflected in the implementation schedules

3.1.1 Flood Protection Embankment

Preparation of Detailed Design, BOQ and Cost Estimate (DED)	In a letter dated 6 February the MEF has formally requested the ADB for the cancellation of the embankment, giving as reason that the resettlement report of April 2015 cannot be implemented. This request was confirmed during the mid-term review. However, the ADB requires set of corrective actions to ensure compliance with ADB’s SPS for PAHs which have been relocated from the project area before any cancellation or scope change can be processed. To undertake the corrective actions ADB has agreed with GDR on an objective method to determine the exact number of households relocated, and the locations from which they were removed. This method comprises the identification of all houses that existed on the Tonle Sap river bank and the houses that were subsequently removed during the 2017 and 2018/19 relocations, with a GIS analysis using the historic Google Earth imagery and recent (2017 and 2019) drone imagery made by the PMIS. Using the results of the GIS analysis, the provincial government relocation/compensation records and the GDR DMS data, AH included in these recorded will be linked with houses that were removed from the river bank during the 2017 and 2018/19 relocations. ADB and GDR will then agree which HH are eligible for compensation under the SPS. ADB’s position, as stated during the implementation review mission in August 2017 is that given the uncertainty about the final DED for the embankment, any houses relocated from the vicinity of the embankment would be considered project affected.
Preparation of IEE & EMP	Updating of IEE and EMP has been suspended based on the decision outlined above.
Preparation of Domestic IEIA by a local consulting firm accredited with the MoE	The preparation of the domestic IEIA will for the time being not be included in the scope of services of the local consulting firm
Preparation and Implementation of a Resettlement Plan	Has been suspended since April 2018
Bidding Process and Contract Award	Was started with the submission of the draft bidding documents to ADB in August 2018, but was put on hold.

3.2 Kampong Chhnang Urban Environmental Improvements

3.2.1 Alternative Investment Options

During the midterm review it was agreed that the following alternative investment options to replace the embankment if the cancelation is confirmed could be considered. The map of the proposed improvements is shown in annex.....

Construction of a new sewerage system in the most densely build-up town area together with the construction of a WWTP	The proposed sewerage system would comprise 45 km collector lines, 3 km trunk lines and would provide for connections of about 3.400 houses or commercial establishments benefiting approximately 16.000 persons. Land filling would be constructed adjacent to the deteriorated section of the old flood protection embankment for the construction of a WWTP together with the reconstruction of this section of the existing embankment. The reconstruction of this section of the embankment would protect an estimated 330 houses from occasional flooding and 270 houses from regular flooding. The estimated total cost of the sewerage system and WWTP is USD 13.4 M
Improving the discharge of drainage water in the northern town area	The discharge of overland runoff would be improved through the construction of an open drainage canal 3 km followed by a covered canal 0.9 km, with a gated outlet at the Tonle Sap river with pumping system and balancing reservoir, together with cleaning/reshaping of 1.5 km of the drainage stream, upstream of the proposed drainage canal. The improvement of drainage water discharge will protect approximately 330 houses from flooding by overland storm water runoff. In addition the drainage improvement will comprise selective extension and capacity improvement of the existing pipe drainage network. Total cost is estimated at USD 4.7M

3.2.2 Improved Solid Waste management

Construction Sanitary Landfill

Preparation/Approval Design, EMP, IEIA, RP	Detailed designs, BOQ, cost estimate and technical specifications and EMP have been completed. DDR for the landfill has been updated including the comments received from ADB and to reflect that, based on instructions from GDR, no compensation for waste pickers due to them operating on privately owned land. Soft title landownership documents for existing dumpsites have been received from the Municipality
Bidding Process/Contract Award	The bidding documents and invitation for bids for the landfill were approved by ADB on 7 September 2018. The Bid Evaluation Report (BER) was submitted to ADB on 13 November 2018, however because of delays in the preparation of the DDR and the IEIA the contract could not be awarded. IEE, EMP and the DDR have been finalized. For the domestic IEIA, MoE has not yet issued the environmental license which allows construction to commence. On 23 August 2019 MoE held the inter-ministerial meeting to consider the IEIA for the Pursat and kampong Chhnang sites (i.e. the two lots). The bid validity period has been extended for the third time and is now valid until 31 December 2019
Construction Landfill & Ancillary Works	To be started
Liability period	Not yet due
O&M support for SWM	
Remediation and Closure of existing dump sites	Existing dumpsites are located on private land and are the responsibility of the SWM contractors. There are legal obstacles to use public funds for improvements on private properties. Suitable closure of private dumpsites should have been a contractual responsibility of the SWM contractors.

Procurement of Equipment for SWM (collection and operation of the landfill)

Procurement 1st Batch Equipment	Delivery of the 1 st batch of SWM equipment is scheduled to coincide with the completion of construction of the controlled landfill. Discussions are ongoing with the local authorities on type and number of equipment
Procurement 2nd Batch Equipment	Procurement of the 2 nd batch of equipment is scheduled 1 year after commissioning of the landfill facility and composition of the 2 nd batch of equipment will depend on experiences obtained from the use of the 1 st batch

3.3 Pursat Urban Environmental Improvements

3.3.1 Improvement Drainage in Pursat Town and Waste Water Treatment

Preparation of Detailed Design, BOQ and Cost Estimate (DED) for improvement of the combined storm water drainage and sewerage system	The detailed design for improvement of the existing drainage system has been completed and draft bidding documents have been submitted to ADB. The total estimated cost of the improvements including the construction of a WWTP is estimated to be USD 12M. During the last ADB implementation review meeting in February 2019 the possibility was discussed to apply the funds earmarked for the construction of the Kampong Chhnang embankment to the further upgrading and expansion of the Pursat Drainage and sewerage system by separating the sewerage collection from the storm water drainage system and expanding drainage and sewerage infrastructure to the urban areas on the east bank of the Pursat river and urban areas north and south of the core town area along the west bank of the river. A concept proposal for a separate sewerage and drainage system prepared by the PIMS was reviewed in during the midterm review mission, but the proposal was not accepted by the MEF.
Preparation of Detailed Design, BOQ and Cost Estimate (DED) for the Waste Water Treatment Plant	Detailed design has been completed. A small anaerobic treatment plant fed by gravity flow, will be constructed at the north-western edge of the town (along the bank of an old irrigation canal).and will comprise of an overflow unit, equalization tank, pumping unit, anaerobic tank followed by an anaerobic filter and a horizontal reed bed filter and a chlorination unit.
Preparation of IEE & EMP	Preparation of the IEE and EMP for the original combined sewerage and drainage design have been completed and comments from ADB have been incorporated in the documents.
Preparation of Domestic IEIA by a local consulting firm accredited with the MoE	For the domestic IEIA, MoE has not yet issued the environmental license which allows construction to commence. On 23 August 2019 MoE held the inter-ministerial meeting to consider the IEIA for the Pursat and kampong Chhnang sites (i.e. the two lots). It is expected that the environmental license will be issued in October
Preparation and Implementation of a Resettlement Plan	The draft DRP for the Pursat combined drainage/sewerage system has been finalized based on the original design and system layout for a combined sewerage/drainage system, with the WWTP on the original site at the north western edge of the town area adjacent the defunct irrigation canal. Comments have been received from ADB and are being incorporated in the document
Bidding Process and Contract Award	A first draft of the DED documents were received by ADB on 31 May 2019 and following feedback, were resubmitted on 6 August 2019 and approved on 23 August 2019. The IFB was published on 4 September 2019
Liability Period	Not yet due
O&M support	It is proposed to procure jetvac equipment for the future maintenance of the drainage network. It is proposed to include this equipment could be included in the contract package for the procurement of the 1 st batch of SWM equipment

3.3.2 Improved Solid Waste management

Construction Sanitary Landfill

Preparation/Approval Design, EMP, IEIA, RP Detailed designs, BOQ, cost estimate and technical specifications and EMP have been completed. DDR for the landfill has been updated to reflect that, based on instructions from GDR, no compensation for waste pickers due to them operating on privately owned land. Soft title landownership documents for existing dumpsites have been received from the Municipality

Bidding Process/Contract Award The bidding documents and invitation for bids for the landfill were approved by ADB on 7 September 2018. The bidding process has been completed. However, the contract could not be awarded as the preparation of the DDR has not yet been completed. The bid validity was extended till 15 September 2019

Construction Landfill & Ancillary Works To be started

Liability period Not yet due

O&M support for SWM

Remediation and Closure of existing dump sites Existing dumpsites are located on private land and are the responsibility of the SWM contractors. There are legal obstacles to use public funds for improvements on private properties. Suitable closure of private dumpsites should have been a contractual responsibility of the SWM contractors.

Procurement of Equipment for SWM (collection and operation of the landfill)

Procurement 1st Batch Equipment Delivery of the 1st batch of SWM equipment is scheduled to coincide with the completion of construction of the controlled landfill. Discussions are ongoing with the local authorities on type and number of equipment

Procurement 2nd Batch Equipment Procurement of the 2nd batch of equipment is scheduled 1 year after commissioning of the landfill facility and composition of the 2nd batch of equipment will depend on experiences obtained from the use of the 1st batch

3.3.3 River Bank Protection for the Pursat River

41. Local authorities have informed that the proposed improvement of the Pursat river bank will now be undertaken with funding from the European Commission.

3.4 Institutional Development

Review and determine human resource requirements and training needs. A training needs assessment has been completed for the PMU and PIUs.

Preparation of a detailed capacity development plan for the project, catering to the needs of the PMU, PIUs, and future USUs An initial capacity development plan has been prepared. No follow up actions have been undertaken during this reporting period. The capacity development plan was updated during this quarter

Implementation of the capacity development plan To be started after the way forward for the project is formally confirmed.

Preparation of a road map for the establishment of USUs An initial note on the USU road map has been prepared. In the preparation of the road map it was found that the establishment of the Urban Services Units described in Schedule 4 paras. 8a and 8b will require agreement from the Provincial authorities, Municipalities, MPWT and MEF. The mission notes that it will not be possible to convert the Project Implementation Units of the Provincial Departments of Public Works into USUs with the "authority to levy and increase" the environmental sanitation fees without changing the following laws: Articles 33 & 34 of Sub-decree

113, Articles 11 & 29 of Sub-decree 235. These sub-decrees authorize the municipality to collect environmental fees for solid waste and wastewater services, not the PIUs / Provincial Departments of Public Works. In addition, environmental sanitation fees can only be increased by inter-ministerial proclamation (Ministry of Economy and Finance, Ministry of Interior, MOE). No USU – PIU or Municipal – could currently have such authority. In the MTR it is recommended that the loan covenant schedule 4 paras. 8a and 8b be changed.

A national seminar on the operation and maintenance of urban infrastructure will be organized during the second week of December.

Preparation of a 3-year rolling corporate plan for the USUs

To be started

Support the establishment of USUs and the implementation of the corporate plan

To be started

3.5 Tariff Structure Tariff Setting and Subsidy Methodology

Review of current institutional arrangements for the provision of solid waste management, flood protection, drainage and sanitation services and review contracts currently ongoing for the different operating entities in operation of urban services

Review of current institutional arrangements for the provision of solid waste management flood protection, drainage and sanitation services and review contracts currently ongoing for the different operating entities has been completed during the 1st quarter of 2019 and was detailed in the QPR 9.

SWM is presently handled by the Municipalities and drainage by the PDPWTs. There are at present no management arrangements or fee collection for sewerage services in both project towns

Review of the financial performance of service delivery and capacity of implementing agencies regarding cost recovery, borrowing capacity, collection of fees and taxes, accounts receivable, and subsidies.

Financial performance of the provincial governments and municipalities of the project towns have been examined.

The municipalities are virtually acting as agents of the central and provincial governments. The only revenue received by the municipalities, excluding government grants, is commission from revenue collected for the provincial government through the "one window service office". The municipalities at this stage have no revenue raising powers of their own.

Development of a tariff structure, tariff setting and subsidy methodology designed to achieve financial sustainability of the related urban services.

A tariff setting and subsidy methodology has been determined in the development of the solid waste tariff model and the setting of fees. The model provides for different tariffs in a number of categories however at this stage the methodology cannot be fully developed as the Project Towns have not been able to provide full details on customer numbers in various categories.

A draft wastewater fee model has also been developed.

recommendations regarding an effective and appropriate regulatory mechanism to ensure requisite service quality and tariffs

The regulatory mechanism for solid waste fees has been examined. The Government has issued Prakas No 195 which details the maximum solid waste fee, including landfill fees, that can be charged for prescribed categories for solid waste services in Cambodia. Details have been provided in QPR 9

At present there is no mechanism to regulate wastewater fees. A similar concept to that used for solid waste fees would be suitable subject to the above comments on category numbers and basis for fee levels and fees not applying on a country wide basis.

Undertake a willingness to pay survey for solid waste collection and management and drainage services component of the targeted population.

A Draft Willingness to Pay Survey form for solid waste collection and management and drainage services has been developed

Development of a set of performance indicators and a monitoring mechanism	A draft report has been prepared on performance indicators for solid waste management and wastewater. The setting of benchmarks for performance indicators is difficult because in most cases the indicators have not been calculated widely, and in some cases not at all, in the past therefore the “norm” is unknown.
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3.6 Public Private Partnership Development

review the existing private sector contracts in solid waste management,	Detailed review of the existing contracts for SWM in Pursat and Kampong Chhnang have been reviewed and results have been presented in QPR 5 and 6.
Development of a strategy for including existing private sector into SWM	As of this date review of the available documentation was undertaken and consultations were made with the MOE, CSARO, GAEA Companies. As well as with the PIUs, municipal governments, DOE, and solid waste collectors. In addition, connections were established with project implementation consultants for GMS CDTP-1 and PPTA teams for GMS CDTP-4 and GMS Capacity Development for Border Economic Zones in Border Areas (TA-8989-REG), in an attempt to get to a more coordinated and uniform approach for SWM in ADB funded urban development projects. Details have been provided in QPR 8 and 9
Advise the PIUs/USUs and provincial authorities on the most viable modalities for SWM.	Various modalities for PPP in SWM have been analyzed based on the discussions with the local authorities. Details have been provided in QPR 8 and 9
Assist the relevant authorities with the implementation of the selected modality for SWM including providing advice on procurement and O&M of SWM equipment.	To be started after agreement on the preferred modality for SWM
Identification of Performance Milestones to be implemented.	To be started

3.7 Preparation of Urban Services Master Plans for Kampong Chhnang and Pursat

Completion of base maps, and base maps available in online system	The consultant has set up of the online system, developed a structured data base for the urban services infrastructure, benchmarking of services and the planning of the expansion of the drainage/ sewerage and related water supply system. The consultant has collected the drone imagery for both towns and processed/reformatted the imagery for use in the online system. The consultant has also made all open source maps as well as maps provided by the local authorities available in the online system. This included the geospatial products delivered as part of the European Space Agency (ESA) funded EO4SD Urban project for Kampong Chhnang and Pursat in collaboration with ADB. The consultant has also developed the required interfaces for PC and Android devices for uploading, accessing and editing data
Completion of Urban Services Inventory and inventory available in online system	The consultant has mobilized specialized international and national specialists for the collection of all data on location of urban services infrastructure, and related service activities including the benchmarking on the quality of services provided by this infrastructure and made all these data available in the online system. (http://kh.us.softavi.com)
Preparation of the draft masterplans for Kampong Chhnang and Pursat	The preparation of the drainage and sewerage master plans for Kampong Chhnang and Pursat is ongoing and will be completed by the end of October. It should be noted that the Municipal Area of Kampong Chhnang is very small and that an effective drainage system will have to cover areas outside the municipal boundaries.

3.8 Community Mobilization and Environmental Improvements (CMEI)

Detailed design and construction of sanitation improvements in 6 selected villages in Kampong Chhnang and Pursat	The DED for sanitation improvements, CW09, for ID poor households in 6 selected villages (3 in Kampong Chhnang and 3 in Pursat) were prepared by the NGO Padek and submitted to ADB in on the 9th of December 2018. The DED proposed to construct individual sanitation solutions, improved pit latrines, for each individual household, however after review of the designs by PMIS and ADB it was found that individual solutions could only be implemented in 2 villages in Pursat as only in these villages HH have titles to the land on which the house is built and the low housing density in these villages permit the construction of individual solutions at an acceptable cost. The houses in the remaining village in Pursat are located on the banks of a defunct irrigation canal at the northern edge of the town center, have no title to the land and the density of houses is very high, conditions that do not permit the construction of individual sanitation. The 3 selected villages in Kampong Chhang are all located along the Tonle Sap River, are subject to flooding for about 4 to 5 month per year, HH have no title to the land and the density of houses is too high for construction of individual solutions. Moreover 1 of the selected villages in Kampong Chhnang was affected by the relocation of HH from the Tonle Sap river bank. Moreover, the infrastructure solutions for villages that are affected by seasonal flooding were expensive and the target number of beneficiaries (5,200) could not be achieved with the budget (\$2.48m). ABD's comments on the DED were issued on 4 February 2019
Change in the design approach for sanitation improvements based on site specific conditions and possible changes in the project scope	For the villages in Kampong Chhnang onsite or decentralized solutions are being considered as options in the short-term. It was agreed that PADEK would investigate a decentralized collective solution which would lower unit costs and overcome the land-tenure issue, for Kampong Chhnang. The feasibility of this will be investigated in collaboration with the Provincial authorities and GDR (for land acquisition, if required). This would be in the case the implementation of the embankment will continue, if the embankment is cancelled and as alternative investment the construction of a sewerage system is agreed then the sanitation improvement for these 3 villages will be incorporated in design of the sewerage system.
Support for solid waste management	During the MTR it was also agreed that PADEK's scope would be increased to include some solid waste management activities, particularly the inclusion of existing waste pickers, in a subsequent variation order

Table 3-1: Status of planned activities with milestones as presented in the PAM

As Planned in the PBME	Present status
1. Kampong Chhnang urban area environmental improvements	
a) Conduct topographical and soil surveys (Q1, 2017)	Topographical surveys and geotechnical investigations completed for the new landfill site. The topographical survey work for the flood embankment has been completed
b) Update feasibility study and appraisal report for ADB and government approval (Q1–Q3, 2017).	The detailed engineering design for the Kampong Chhnang embankment has been completed and a full set of bidding documents prepared. However, in its letter dated 6 February 2019 the MEF has requested the cancellation of the embankment giving as reason for this request that the resettlement plan of April 2015 cannot be implemented
c) Issue bids, evaluate bids, and submit to ADB for no objection (Q4, 2017–Q3, 2018).	The bidding documents and invitation for bids for the two landfills (in Kampong Chhnang and Pursat) were approved by ADB on 7 September 2018.

As Planned in the PBME	Present status
<p>d) Transfer O&M and tariff collection for SWM to USU (Q4, 2017–Q2, 2018)</p> <p>e) Award landfill civil works contract, procure landfill equipment and construct landfill (Q2, 2018–Q3, 2019)</p> <p>f) Transfer O&M responsibilities for drainage and flood control systems to USU (Q3, 2018)</p> <p>g) Remediate old open dumpsites and construct controlled landfill (Q4, 2018–Q2, 2019)</p> <p>h) Award civil works contract and construct embankment (Q2, 2018–Q4, 2019)</p> <p>i) Dry season 1, Construct embankment segments A to C (Q1–Q3, 2019)</p> <p>j) Procure solid waste collection equipment (Q4, 2019)</p> <p>k) Hand over works of landfill site and defects liability period (Q4, 2019–Q4, 2020)</p> <p>l) Dry season 2, Construct embankment segments D to I (Q1–Q3, 2019 and Q1–Q3, 2020)</p> <p>m) Construct embankment segments I to M during higher lake levels (Q1, 2019–Q4, 2020)</p> <p>n) Road surfacing and supervision intermittent (Q1-Q2, 2020 and Q1–Q2, 2021)</p> <p>o) Handover embankment works and defects liability period (Q3,2021–Q3, 2022)</p> <p>p) Internal and external monitoring of safeguard documents (2017–2022, quarterly)</p>	<p>USUs to be established, the municipality has assumed the responsibility for solid waste collection and has granted concessions to 2 private contractors for management of solid waste collection</p> <p>Contract award expected by Q1 2019 as the preparation of DDRs/RPs for the landfills is delayed. It is proposed to procure the equipment in two batches, 1st batch before completion of the landfill site and 2nd batch after one year of operation. Type and number of equipment will depend on operation modalities (force account of contract)</p> <p>USU have still to be established. After the approval of VO3 the PMIS has started providing support for the preparation of a road map for establishing USUs</p> <p>Construction of landfills likely to start in July 2019, remediation of old open dumpsites is legally difficult as the dumpsites are located on private properties. To remediate these sites, the Government would have to first acquire the respective sites</p> <p>MEF has requested ADB to cancel this subproject</p> <p>See above.</p> <p>Procurement of the first batch of SWM equipment will be scheduled to have delivery of equipment coincide with the commissioning of the landfill construction works</p> <p>On track</p> <p>See above</p> <p>MEF has requested ADB to cancel this subproject</p> <p>See Above.</p> <p>See Above</p> <p>Monitoring results will be presented in the QPRs.</p>
2. Pursat urban area environmental improvements	
<p>a) Conduct topographical and soil surveys (Q1, 2017)</p> <p>b) Update feasibility study and appraisal report for ADB and government approval (Q1–Q3, 2017)</p> <p>c) Transfer O&M and tariff collection for SWM to USU (Q4, 2017–Q2, 2018)</p>	<p>Topographical Surveys and geotechnical investigations have been completed</p> <p>Detailed designs have been completed Designs might have to be changed based on a decision on the change of scope of the project resulting from the cancelation of the embankment</p> <p>USUs to be established, the municipality has assumed the responsibility for solid waste collection and is negotiating an agreement with the Youth Environmental Committee for solid waste collection</p>

As Planned in the PBME	Present status
d) Issue bids, evaluate bids, and submit to ADB for no objection (Q4, 2017–Q2, 2018)	ADB has given no objection for the award of the landfill works contract. Draft bidding documents have been submitted to ADB but approval is pending as the change of scope of the project might require redesign of the drainage and sewerage system
e) Award contract for drainage and embankment works (Q3, 2018)	Embankment works have been cancelled as this is taken up under financial assistance from the EU. Contract award for the drainage system will be delayed till Q2 2020, because of the possible required redesign. Without the redesign the contract could be awarded by Q4 2019
f) Procure landfill equipment (Q2–Q3, 2018)	It is proposed to procure the equipment in two batches, 1st batch before completion of the landfill site and 2nd batch after one year of operation. Type and number of equipment will depend on operation modalities (force account of contract)
g) Award contract for landfill construction (Q4, 2018)	Expected by Q1 2019 because of delays in the preparation of DDRs/RPs for the landfills
h) Remediate old open dumpsites and construct controlled landfill (Q4, 2018–Q3, 2019)	Contract award is pending because of delays in the preparation of the DRP. Contract award is expected by July 2019
i) Construction of riverbank protection (Q3, 2018–Q2, 2019)	Closure of existing landfill sites can only be done if ownership of these sites is transferred to the government
j) Transfer O&M responsibilities for drainage and flood control systems to USU (Q3, 2018)	Flood control will be done under EU financing. As for now the Provincial Government through the Provincial Department for PWT will assume responsibility for O&M of the drainage and sewerage systems
k) Procure solid waste collection equipment (Q4, 2019)	See above at landfill equipment
l) Hand over works for landfill and defects liability period (Q4, 2019–Q4, 2020)	Target still likely to be met
m) Construct drainage system starting at foot of system, construct pumping stations and WWTP with road rehabilitation as required (Q4, 2018–Q2, 2020) Update feasibility study b and appraisal report for ADB and government approval (Q1–Q3, 2017)	Construction will start in Q3 2020
n) Supervise start-up and commissioning of WWTP (Q3–Q4, 2020)	Delayed, possibly by Q3 2021
o) Handover of drainage and embankment works and defects liability period (Q3, 2019–Q1, 2022)	Improvement river embankment has been cancelled, handover of drainage and sewerage works by Q3 2021
p) Internal and external monitoring of safeguard documents (2017–2022, quarterly)	On track
q) Internal and external monitoring of safeguard documents (2017–2022, quarterly)	
o3. Community mobilization and environmental improvements	
a) Recruit International NGO (Q2–Q4, 2016)	NGO has mobilized, presented an inception report and undertaken a detailed survey of sanitation needs for IDPoor 1 and IDPoor 2 households. In the 6 selected villages under the CMEI component The IDPoor classification does not seem to take into account if the households have a title of the plot they
b) Train village development committee units for project briefing and output training (Q2–Q3, 2017)	
c) Climate change adaptation and sanitation needs assessments (Q1–Q2, 2017)	

As Planned in the PBME	Present status
<ul style="list-style-type: none"> d) Undertake community awareness programs (Q3, 2017–Q3, 2018 and intermittent) e) Needs assessments for small-scale infrastructure works on climate change adaptation and sanitation (Q1–Q3, 2017) f) Assist in planning, implementing, and supervising community environmental improvements (Q3, 2017–Q4, 2021) g) h) Prepare report on community environmental improvements and lessons (Q4, 2021) i) Internal and external monitoring of safeguard documents (2017–2022, quarterly) 	<p>occupy. However, it seems that Improvement of household sanitation can only be provided to HH that have a soft or hard title of their residential plot.</p> <p>Ongoing as part of the surveys and sanitation needs assessment.</p> <p>Needs assessment and small scale infrastructure has been focused on improvement of sanitation at HH level.</p> <p>Draft bidding documents for installation of HH level sanitation infrastructure have been submitted to the ADB</p> <p>Not yet due</p> <p>NGO will contribute to the safeguard monitoring, coordination between the NGO and the PIMS for safeguard monitoring will have to be developed.</p>
4. Strengthened sector coordination and operations	
<ul style="list-style-type: none"> a) Recruit and mobilize climate change resilience consultants (Q3–Q4, 2016) b) Recruit and mobilize institutional development consultants (Q1–Q2, 2016) c) Prepare, approve, establish, and strengthen USU institutions (Q2, 2016–Q3, 2022) d) Review climate change and urban development documents, and sanitation standards in building codes (Q1, 2017) e) Implement TSUADF, including revising building codes and developing the plan for climate change adaptation in urban areas (Q2, 2017–Q1, 2019) f) Plan for climate change adaptation in urban areas is endorsed, including revised building codes in Tonle Sap provinces (Q4, 2018–Q1, 2019) g) National task force for urban development meetings (Q1, 2017–Q1, 2022) 	<p>Final report on climate resilience has been submitted</p> <p>Tasks and resources under this contract have been transferred to the PMIS under VO3</p> <p>Initial note on road map for establishment of USUs prepared by the PIMS, comments from ADB are being incorporated in the document.</p> <p>Final report submitted</p> <p>No information</p> <p>No information</p> <p>No information</p>
5. Strengthened capacity for project implementation, and O&M	
<ul style="list-style-type: none"> a) Appoint and update PMU and PIU members, including grievance focal points (Q1, 2016 and Q4, 2016) b) Recruit and mobilize project management and implementation support consultants (Q4, 2015–Q4, 2016) c) Recruit external resettlement monitor (Q3–Q4, 2016) d) Develop project performance management system and capacity development plan (sex-disaggregated) (Q2, 2017) e) Undertake training programs in project and financial management, procurement, safeguards, gender mainstreaming, and others (Q1, 2017–Q1, 2022) f) Submit quarterly project progress reports (1 month after each quarter, starting in Q1, 2017) g) Prepare annual PPME reports (31 January, 1 month after close of calendar year) h) Submit Government completion and post-evaluation reports on resettlement activities (Q2, 2019 and Q1, 2020) 	<p>Ongoing</p> <p>Completed</p> <p>Not done</p> <p>Initial capacity building plan has been prepared and presented to the PMU and PIUs. Performance management system to be prepared</p> <p>To be initiated</p> <p>Ongoing</p> <p>Included in this quarterly report as only preparatory activities are ongoing, has been agreed to merge PPR and DFM data sheets for the PPME</p> <p>No yet Due</p> <p>Not yet due</p>

As Planned in the PBME	Present status
i) Submit government project completion report and resettlement report (Q3, 2022)	

4 PROJECT MANAGEMENT ARRANGEMENTS

4.1 PMU and PIUs

14. MPWT is the executing agency (EA). The implementing agencies (IAs) are the Provincial Department of Public Works and Transport (PDPWT) and Municipal Governments in Kampong Chhnang and Pursat. A Project Steering Committee (PSC) has been established by MPWT although the PSC has not been activated. The PSC would be responsible for: (i) overseeing implementation in conformity with the Project's development objectives and scope; (ii) assisting in coordination among government agencies involved in Project implementation and policy reforms (in consultation with the PCU in Phnom Penh); (iii) ensuring coordinated and efficient implementation of Project activities; (iv) monitoring the progress of achieving all outputs, in particular, measuring the development impact and outcome envisaged under the Project; and (v) provide guidance and direction towards the accomplishment of the Project's impact and outputs. The PSC should be chaired by MPWT and members include representatives from Ministry of Economy and Finance (MEF), Tonle Sap Authority (TSA), MPWT, and Ministry of Land Management Urban Planning and Construction (MLMUPC). ADB implementation review meetings have become the de-facto meetings of the PSC

15. A Provincial Coordinating Committee (PCC) has been established in each town to oversee the work of the PIUs. The PCC includes Provincial Governor (chair), deputy governors or municipality governors (deputy chair), select members of the provincial technical coordinating committee, and PMU project director (members), PIU manager (secretariat). There is one woman in each committee. The PCC has met in several opportunities

16. A project management unit (PMU) has been established with full time staff from MPWT. The PMU includes a Project Director, Project Manager, two Supervisory Engineers, Social and Resettlement Officer, Environment Officer, Office Manager, Procurement Officer, Accounting Officer, Assistant Accountant and Secretary/Office Assistant. It is aimed that at least 30% of the PMU staff are women. This target has not yet been achieved. During the midterm review the overall a restructuring of the management of the ADB financed urban development projects was discussed but this restructuring has not been further detailed or developed and is not yet implemented.

17. The project management and implementation support (PMIS) consultants is based in Phnom Penh and works directly with the PMU. The consultant team leader and PMU Procurement Officer are verifying all procurement and consulting service documents.

18. The PMU is responsible for coordinating detailed preparation and implementation of project activities. More specifically it is (i) promoting the Project to the targeted beneficiaries; (ii) assisting in subproject development and implementation; (iii) evaluating the technical, financial and economic, social, and environmental viability of proposed subprojects; (iv) undertaking Project supervision and monitoring; (v) establishing and implementing the Project Performance Management System (PPMS); (vi) preparing community action plans, bidding arrangements, and bid documents; (vii) evaluating bids; (viii) awarding and supervising construction contracts; (ix) exercising quality control; and (xi) recruiting, managing and supervising project consultants. The PMU reports directly to the General Department of Public Works (GDPW) regarding project-related matters.

19. Mr. Ya Samol, Project Engineer, was hired on April 25, 2018 for 22 person months to oversee all implementation activities under the Project Director. Mr. Samol's TOR includes close coordination on activities relating to financial management, procurement, engineering and administration with the executing and implementing agencies

20. Project Implementation Units (PIUs) are set up in Kampong Chhnang and Pursat and are operational. The PIU's are staffed jointly by the Provincial Department of Public Works and Transport and the Municipal government.

4.2 Environmental approvals

21. MoE has not yet appointed a focal point for each ADB loan project EIA process, who will work closely with the PMIS consultants to assist in the preparation of quality EIAs and provide updates on the approvals process.

4.3 Project Implementation and Management Support (PMIS) Consultant

22. The contract with the PMIS consultants, Korea Engineering Consultants Corp. (KECC) in joint venture with NIRAS A/S and in association with Key Consultants (Cambodia) Ltd., was signed on 20 October 2016 and the consultant services were started on 17 November 2017

4.3.1 Utilization Consultants' Inputs

23. Up to the end of this reporting period, the total person-months used can be summarized as follows. The details of the consultant's staff input are show in annex 7

Table 4-1: Consultant's Staff Inputs

Specialists	Total p/m	p/m used	Balance	Percentage P/M used
International	81.0	45.5	35.5	56.2%
National	355.0	160.2	194.8	45.1%
Total	436.0	205.7	230.3	47.2%

4.3.2 Urgent need for a contract variation

In the absence of a decision on the way forward for the project after the requested cancellation of the embankment by the MEF, it has not been possible to prepare a contract variation as this variation will have to be based on the agreed option for continuation of the Project (continuation of the embankment, alternative investment options for Kampong Chhnang, limit the project scope to the presently ongoing subprojects, or cancellation of the entire project).

In spite of the fact that the input for the international resettlement specialist has been exhausted, the PMIS has continued to support the preparation of the resettlement documentation for the ongoing subprojects. However, after finalizing this documentation the PMIS will not be able to continue to support the resettlement activities without increasing the input of the international resettlement expert under a contract variation.

4.4 Financial Management

Conditions	Action Taken
<p>The MPWT will pursue improved collection of fees and charges for urban environment infrastructure to recover the cost of O&M expenditures. The MPWT has applied a similar approach in Siem Reap under the Greater Mekong Subregion Mekong Tourism Development Project where a special municipal office has been established to collect user fees of the wastewater treatment plant and collection fees from private and institutional users. A similar approach will be used for the project towns. A special operating agency and account will be established and linked to contract awards for embankment protection in Kampong Chhnang and for drainage in Pursat. These units will be encouraged to introduce business plans to recover O&M costs for the services provided. An environmental sanitation fee will be introduced—reducing the risk to medium–low.</p>	<p>The municipalities in Kampong Chhnang and Pursat have assumed responsibility for SWM, but the services are carried out by means of concessions grants to private entities or civil society organizations, who are directly responsible for the collection of service fees from the customers. The different legal, institutional and administrative frameworks mandated under the several decrees for O&M of urban services will make it difficult to unite O&M for all these services under a single municipal office and establishing an all inclusive environmental sanitation fee.</p>
<p>The PIUs will draw management staff from PDPWTs and municipalities. A PMU in the MPWT will support the PIUs in project implementation. The PMU will use a project financial management system developed under previous ADB projects, and will be responsible for all procurement. It will support the PIUs, with assistance from the project management and implementation support consultants. A provincial coordination committee will guide the project in each town. Each PIU sub-account will have a ceiling of \$5,000. To ensure strict financial controls, each PIU will be required to liquidate every month. A late submission of liquidation (more than 10 days from the end of the month) will be grounds for suspension of the sub-account—reducing the risk to low–medium.</p>	<p>PIUs have been established and are fully staffed with personnel from the PDPWTs and Municipalities. The PMU has adopted the financial management system developed by ADB. A provincial coordination committee has been set up. No sub-project accounts have as yet been established for the PIUs</p>
<p>The implementation arrangements are outlined in the project administration manual. All procurement will be done from within the PMU; a representative from each PIU will be invited to participate on the procurement committee. An imprest account will be established in the PMU. A sub-account will be established in each PIU, with a ceiling of \$5,000 and requirement for monthly liquidations. The proposed fund allocation also helps minimize fund mismanagement—reducing the risk to low.</p>	<p>An imprest account has been established in the PMU. The PMU is undertaking all the required actions for procurement in accordance with the project administration manual.</p>
<p>Each government ministry has a Department of Inspectorate, whose role is to carry out the functions of an internal auditor within the ministry, and ensure that government rules and regulations are observed at all times. The MPWT has extensive experience in undertaking audits for externally financed projects. The Standard Operating Procedures for all Externally Financed Projects/Programs in Cambodia (May 2012) outline the requirements for internal audit—reducing the risk to low–medium.</p>	<p>Audits are done in accordance with the Standard Operating Procedures for all Externally Financed Projects/Programs in Cambodia (May 2012) outline the requirements for internal audit</p>
<p>The MEF will recruit an independent auditor to carry out external audits of all externally financed projects, including ADB-supported projects. The Standard Operating Procedures for all Externally Financed Projects/Programs in Cambodia (May 2012) outline the requirements for external audit—reducing the risk to low–medium.</p>	<p>The MEF has engaged an independent auditor to carry out external audits of all externally financed projects, including ADB-supported projects</p>

5 SAFEGUARDS

5.1 Environmental Safeguard Monitoring

Subproject	Status/activities	Comments
Kampong Chhnang Flood Protection Embankment Construction	MEF has requested the cancelation of the subproject	All works for the embankment have been suspended
Kampong Chhnang Landfill Construction and Operation	EMP and IEE have been finalized. Preparation draft IEIA is completed	The draft final IEIAs for the Kampong Chhnang and Pursat landfills have been submitted to the EIA department of the MoE and the inter-ministerial meeting was held in August. It is expected that the license will be issued by November 2019
Pursat Improvement of the Combined Storm Water and Sewerage System and Construction of the Waste Water Treatment Plant	EMP and IEE have been finalized. Preparation draft IEIA is completed	
Pursat Landfill Construction and Operation	EMP and IEE have been finalized. Preparation of the draft IEIA is completed	

5.2 Monitoring of the implementation of the Resettlement and Compensation Plans

Subproject	Status/activities	Comments
Kampong Chhnang Flood Protection Embankment Construction	DMS/SES has reportedly been completed for 51 AH in the village of Phsar Chhnang and in the Chong Koh Village of for 47 self-relocated AH, 46 AH relocated to the resettlement area and 143 AH to be relocated.	All works for the embankment have been suspended. MEF has requested the cancellation of the embankment. However, the ADB requires set of corrective actions to ensure compliance with ADB's SPS for PAHs which have been relocated from the project area before any cancellation or scope change can be processed
Kampong Chhnang Landfill Construction and Operation	DDR Kampong Chhang has been finalized, Final comments have been received from ADB	Land titles of the privately owned dump sites have been provided to GDR
Pursat Improvement of the Combined Storm Water and Sewerage System and Construction of the Waste Water Treatment Plant	DRP Pursat drainage has been finalized based on the latest survey results of AH and stall operators in the market area	Comments from ADB are being incorporated in the document
Pursat Landfill Construction and Operation	DRP Pursat landfill has been updated to reflect no compensation for waste pickers due to them operating on privately owned land. Final information needed from GDR on meeting minutes and date for screening approval.	The draft DRP has been finalized and comments of ADB are being addressed. The required land acquisition for the access road to the landfill has been completed together with the 3 rd party validation

5.3 Social Safeguards

5.3.1 The indigenous peoples

24. The indigenous peoples safeguard category for the project has been set as C. Kampong Chhnang flood embankment has direct impact on ethnic Cham. However, monitoring of the indigenous peoples safeguards in the Kampong Chhnang Flood Protection Embankment subproject has been suspended as the MEF has requested the ADB for cancellation of the subproject. There are no indigenous people in the other subprojects.

5.3.2 Grievance Redress Mechanism (GRM).

25. Ministry of Economy and Finance (MEF) General Department of Resettlement (RD-MEF) have set up Provincial Resettlement Sub-Committees Working Groups (PRSC-WG) in October 2017 for Kampong Chhnang

and prepared the set up for Pursat, awaiting approval of the Provincial Governor. RD-MEF has also provided guidance to the Provincial Resettlement Sub-Committees (PRSC) to operationalize Grievance Redress Mechanism (GRM) for the project in mid-October 2017. The committees for Kampong Chhnang seem not to be operational.

5.3.3 Gender Action Plan

26. The Project is classified as 'Effective Gender Mainstreaming' (EGM) under the Asian Development Bank's (ADB) guidelines (March 2010). The Project impact is increased economic activities and environmental protection in towns in the Tonle Sap Basin and the outcome of the project will be improved urban services and enhanced climate change resilience in Kampong Chhnang and Pursat municipalities. A Gender Action Plan (GAP) has been prepared in accordance with ADB's Policy on Gender and Development (1998), ADB Operations Manual Section C2/BP (2010) Gender and Development in ADB Operations, and the Government's goal to strengthen the role and social status of women through capacity building for women in all sectors, changing discriminatory social attitudes, and safeguarding women's rights to actively and equally participate in nation building.

27. The Gender Action Plan includes specific gender actions to help ensure men and women actively participate in project activities, receive project information, and have access to opportunities during project implementation. There are no changes in the status of the GAP since the previous quarterly report. The GAP monitoring table is presented in annex 5.

6 PROJECT PERFORMANCE

28. The following provides a summary assessment of the likelihood of reaching the targets set out in the DMF, and areas where the DMF needs to be changed.

Table 6-1: Design Monitoring Framework

Design Summary	Performance Targets and Indicators with Baselines	Assessment of the Project Implementation
<p>Outcome Improved urban services and enhanced climate change resilience in Kampong Chhnang and Pursat municipalities.</p>	<p>By 2023: a. At least 100,000 residents benefit from the project in Kampong Chhnang and Pursat municipalities (2013: 42,500 residents in Kampong Chhnang and 51,400 residents in Pursat). b. Households affected by floods in Kampong Chhnang reduced by 80% (2013: 5,400 households).</p>	<p>The performance targets will have to be revised as the targets derived from the PPTA are totally unrealistic. The embankment and improved SWM would have benefited approximately 16,000 to 20,000 residents while the drainage/sewerage improvement and SWM in Pursat will benefit about the same number of 20,000 residents. The impact of flooding from the Tonle Sap river was vastly exaggerated in the PPTA. Since the start of water level records in 1981 the water level reached flood level (> 11.30 m, max level 11.8 m) only in 3 years. Apart from small sections located in the vicinity of the tourist port access, the urban areas have levels of 12 m or higher. The new urban developments in the notheren part of the municipality are now most vulnerable to flooding, but protection of these areas was not included in the embankment proposed in the PPTA.</p>
<p>Outputs Outputs 1 Kampong Chhnang urban area environmental improvements</p>	<p>By 2022: (Baseline: not applicable, if not otherwise stated) 1a. At least 15.1 km of embankment and road improved and constructed to a once in 50 years frequency flood level or 1:50 year flood levels (2013: range 1:1–1:20) 1b. 365 ha of urban land in 14 villages, and 950 ha of agricultural land in 14 villages are free from flooding from Tonle Sap. <i>As alternative investment options to replace the flood protection embankment, construction of a new sewerage system with a WWTP is proposed providing sewerage disposal services to about benefiting about 3,400 houses or commercial establishments (16,000 persons), limited flood protection works protecting</i></p>	<p>MEF has requested the cancellation of the embankment</p> <p>The targets for the embankment were unrealistic, without a drainage system, retention basins and pumping stations, the agriculture land will still be flooded by runoff from the higher areas. The calculation of maximum flood levels did not take into account the change in river regime as result of the large scale construction of storage schemes in the Mekong river and its tributaries</p> <p><i>Performance targets are only indicative and have to be refined based on the detailed design of these alternative investment options</i></p> <p><i>It should be noted that the initial outcome of the drainage masterplan for Kampong Chhnang shows that a flood protection embankment is essential for effective drainage of the greater Kampong Chhnang area,</i></p>

Design Summary	Performance Targets and Indicators with Baselines	Assessment of the Project Implementation
	<p><i>approximately 270 houses, protected from regular flooding and 330 houses, from occasional flooding and drainage improvement protecting 330 houses from flooding by overland storm water runoff</i></p> <p>1c. About 10 ha is converted into a controlled landfill.</p> <p>1d. Two open dumpsites are closed and capped.</p> <p>1e. Household collection increases to at least 60% in the municipality of Kampong Chhnang (2013: 4% or 400 households)</p>	<p><i>especially for the northern urban area under development</i></p> <p>Cumulative waste collection after 10 years is estimated to be between 60.000 to 80.000 tons, which can be accommodated in one or two landfill cells with a total area of 1 ha.</p> <p>The open dumpsites are located on private land. The legal implications for closing these dumpsites which would require public investment on private property, will have to be assessed</p> <p>SWM operation modalities would focus on achieving this target</p>
<p>Output 2</p> <p>Pursat urban area environmental improvements</p>	<p>By 2022: (Baseline: not applicable, if not otherwise stated)</p> <p>2a. At least 9.89 km of drains are improved and extended (2013: 5.64 km of drains) controlled landfill.</p> <p>2f. Two open dumpsites are closed and capped (2013: 1 of 2 landfill sites is closed)</p> <p>2g. Household collection increases to at least 60% in Pursat municipality (2013: 11%)</p>	<p>During the validation of the PPTA it was found that there are 22 km of existing drains. Inconsistent levels of the existing drains combined with deferred maintenance has resulted a partial blockage of pipes and outfalls. The detailed design focused on the improvement of the existing pipelines but because of the inconsistent pipe levels and limited accessibility to the existing pipelines it was found necessary to install 19 km new pipelines to overcome to level problems in the existing pipelines</p> <p>The open dumpsites are located on private land. The legal implications for closing these dumpsites which would require public investment on private property, will have to be assessed</p> <p>SWM operation modalities would focus on achieving this target</p>
<p>Output 3</p>	<p>By 2022: (Baseline: 0)</p>	

Design Summary	Performance Targets and Indicators with Baselines	Assessment of the Project Implementation
Community mobilization and environmental improvements	3a. At least 40% of participants in output activities and training are women.	NGO has started community mobilization, for details refer to reporting by the NGO
<p>Output 4</p> <p>Strengthened sector coordination and operations</p>	<p>By 2022: (Baseline: not applicable)</p> <p>4a. A plan for climate change adaptation in urban areas around the Tonle Sap is adopted by Tonle Sap provinces</p> <p>4b. Building codes with refined latrine standards are adopted by Tonle Sap provinces.</p> <p>4c. MPWT chairs at least two coordination meetings per year</p> <p>4d. Semi-autonomous USUs in Kampong Chhnang and Pursat municipalities are established and become operational (20% of staff are women).</p>	<p>Ongoing, no progress data available</p> <p>Ongoing, no progress data available</p> <p>Ongoing, no progress data available</p> <p>Delayed, A national seminar on the establishment of USUs is scheduled during the second week of December 2019. USUs as envisaged in the PAM and loan covenants will require significant changes in the present legal framework for O&M of urban services</p>
<p>Output 4</p> <p>5. Strengthened capacity for project implementation, and operations and maintenance</p>	<p>By 2022:</p> <p>5a. At least 20% of training participants are qualified women (2013: 5%-10%)</p> <p>5b. A capacity development program is adopted by each municipality (baseline: not applicable).</p>	<p>A training needs assessment was completed and based on this assessment a capacity development plan was prepared and presented during a workshop in May 2018. The plan will be finalized once a final agreement has been reached on the way forward for the project</p>

7 LOAN COVENANTS

As outcome of the MTR, the following changes are proposed in the loan covenants:

Schedule 3, para. 6. The covenant which is a condition for disbursement this requires the “adoption” of environmental sanitation fees by 1 January 2019, determined by ADB to recover operating and capital costs, which would imply the existence of a legal framework which would allow the responsible government agencies to set the fees for Kampong Chhnang and Pursat. The covenant also implies that fees have to be set before the construction of solid waste and drainage infrastructure has been completed. The covenant refers to the PAM which in turn refers to linked documents 8 and 31 of the RRP (the financial analysis). The RRP financial analysis does not show O&M cost recovery until 2029 for Kampong Chhnang and 2024 for Pursat. Prakas 195 has set fees for solid waste collection, however no fees have been set for the sewerage and drainage services in Pursat and therefore project award for the construction of the solid waste facilities is impossible as is linked to the adoption of fees for unrelated infrastructure (drainage / flood protection). It was therefore proposed to adjust the covenant so that the adoption of fees be linked to the relevant infrastructure and be linked to asset completion. The requirement for eventual full capital cost recovery is unrealistic as there is no economic regulatory framework in Cambodia and the recovery of capital costs through the tariff is a policy choice that requires an economic regulatory framework and therefore needs to be implemented at a national level, rather than on an ad hoc project loan by project loan basis. It is therefore proposed to change the covenant as follows:

“The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the contract handover date for each solid waste management, flood control and drainage sub-project each relevant USU adopts the part of the Environmental Sanitation Fees relating to that sub project, determined by ADB to be sufficient to recover full operations and maintenance costs of the relevant sub project. Each USU shall undertake an annual assessment and will implement the aforesaid fee adjustments by January 1 of each year, starting 2021”.

Schedule 4, paras. 8a and 8b. These covenants on the establishment of USUs prior to contract award will affect, on the short term, the award of the contracts for construction of the Kampong Chhnang and Pursat landfills and the Pursat Drainage/Sewerage system cannot be complied with in the current legal framework in the country. The Project Implementation Units (PIUs), which form part of the MPWT, could in theory be converted into USUs but the only entity with the authority to collect an environmental levy as required by the covenant is the Municipality (Articles 33 & 34 of Sub-decree 113, Articles 11 & 29 of Sub-decree 235). Municipalities can set or increase service fees up to the maximum national limit. This limit can only be raised by inter-ministerial proclamation (Ministry of Economy and Finance, Ministry of Interior, MOE). No USU currently could have that authority. Any changes to the paragraphs would require approval from the government. Therefore, the following changes in the covenant are proposed

“The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the handover date of the first completed sub project for solid waste, flood protection or drainage works the PIUs in Kampong Chhnang and Pursat have been replaced by fully-operational, semi-autonomous USUs for the sustainable operations and maintenance of urban infrastructure and delivery of reliable urban services in their respective municipalities”

“The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the handover date of the first completed sub project for solid waste, flood protection or drainage works each USU is established as a special operating agency with a committee (or equivalent) with the authority to levy the Environmental Sanitation Fees.”

The above changes are subject to approval by the MEF.

29. . A summary of the covenants is presented in annex 6.

8 ASSESSMENT OF VALIDITY OF KEY ASSUMPTIONS AND RISKS

30. In the Project Design and Monitoring Framework the following risks that could adversely affect effective implementation and sustainable benefits had been identified. The present validity of those risks can be summarized as follows:

Assumptions and Risks	Validity
Outcome Improved urban services and enhanced climate change resilience in Kampong Chhnang and Pursat municipalities.	
Economic activities are adversely affected by natural disasters and lack of climate change impact mitigation. Municipalities are not prepared to collect revenues for O&M of urban infrastructure.	MEF has requested the cancellation of the Kampong Chhnang embankment which was vulnerable to damage by natural disasters. The other infrastructures under the project have a lower vulnerability to such disasters The capacity for resource mobilization by Municipalities will have to be studied in more detail. Detailed designs will take into account the initial investment cost versus O&M cost of the infrastructures.
Output 1. Kampong Chhnang urban area environmental improvements	
Project start-up delays increase the number of affected people along the embankment alignment CSOs and/or NGOs raise concerns during project implementation.	MEF has requested for the cancellation of the embankment
Output 2. Pursat urban area environmental improvements	
NGOs raise concerns during project implementation	The INGO under package 4 will close cooperate with local NGOs and timely address the concerns of affected people. Beneficiary population and the general population. The implementation of the stakeholder communication plan should timely address and mitigate these concerns.
Output 3. Community mobilization and environmental improvements	
CSOs and/or NGOs raise concerns during project implementation.	See above
Output 4. Strengthened sector coordination and operations	
A plan for climate change adaption will be difficult to formulate as short and midterm environmental impacts will mainly result from the flow alterations in the Mekong River, due to development activities in the upstream countries. These will cause negative effects for ecosystem productivity, and thus also for livelihoods of the inhabitants of Tonle Sap floodplain, who directly depend on the lake's natural resources. The projected changes in the dry-season water levels, estimated to increase the water level in Tonle Sap Lake by 0.15– 0.60 m, would, in particular, be harmful to the present ecosystem of the lake.	The Mekong River Commission has commissioned a study on Modelling of Future Land-Use, Infrastructure & Flood Behaviour across the Cambodian Floodplain, Tonle Sap and The Mekong Delta of Cambodia under different land use, development and climate change scenarios. A report with the results of the study is available
Output 5. Strengthened capacity for project implementation, and operations and maintenance	
Participants might not be fully receptive to the training and capacity building	A detailed training needs assessment has been completed, Based on detailed consultations with all the potential recipients of training activities
Financial Management Arrangements	
Municipalities are not prepared to collect revenues for O&M of urban infrastructure.	Problems in revenue collection are being identified by the municipal financing specialists Establishment of the USUs would improve the capacity of municipalities to collect revenues
The project implementation units (PIUs) in Kampong Chhnang and Pursat are new entities and may have difficulty in managing project sub-accounts and adhering to accounting policies and procedures.	The PIUs will draw management staff from PDPWTs and municipalities. A PMU in the MPWT will support the PIUs in project implementation. The PMU will use a project financial management system developed under previous ADB projects, and will be responsible for all procurement. It will support the PIUs, with assistance from the PMIS

	consultants. A provincial coordination committee will guide the project in each town.
Fund mismanagement	The implementation arrangements are outlined in the project administration manual. All procurement will be done from within the PMU; a representative from each PIU will be invited to participate on the procurement committee. An imprest account will be established in the PMU. However sub-account has not yet been established in each PIU. This cast doubt over the viability to transform the PIUs into USUs.
Inadequate internal audit	Each government ministry has a Department of Inspectorate, whose role is to carry out the functions of an internal auditor within the ministry, and ensure that government rules and regulations are observed at all times. The MPWT has extensive experience in undertaking audits for externally financed projects. The Standard Operating Procedures for all Externally Financed Projects/Programs in Cambodia (May 2012) outline the requirements for internal audit
Inadequate external audit	The MEF has recruited an independent auditor to carry out external audits of all externally financed projects, including ADB-supported projects. The Standard Operating Procedures for all Externally Financed Projects/Programs in Cambodia (May 2012) outline the requirements for external audit

9 TARGETS FOR THE NEXT QUARTER

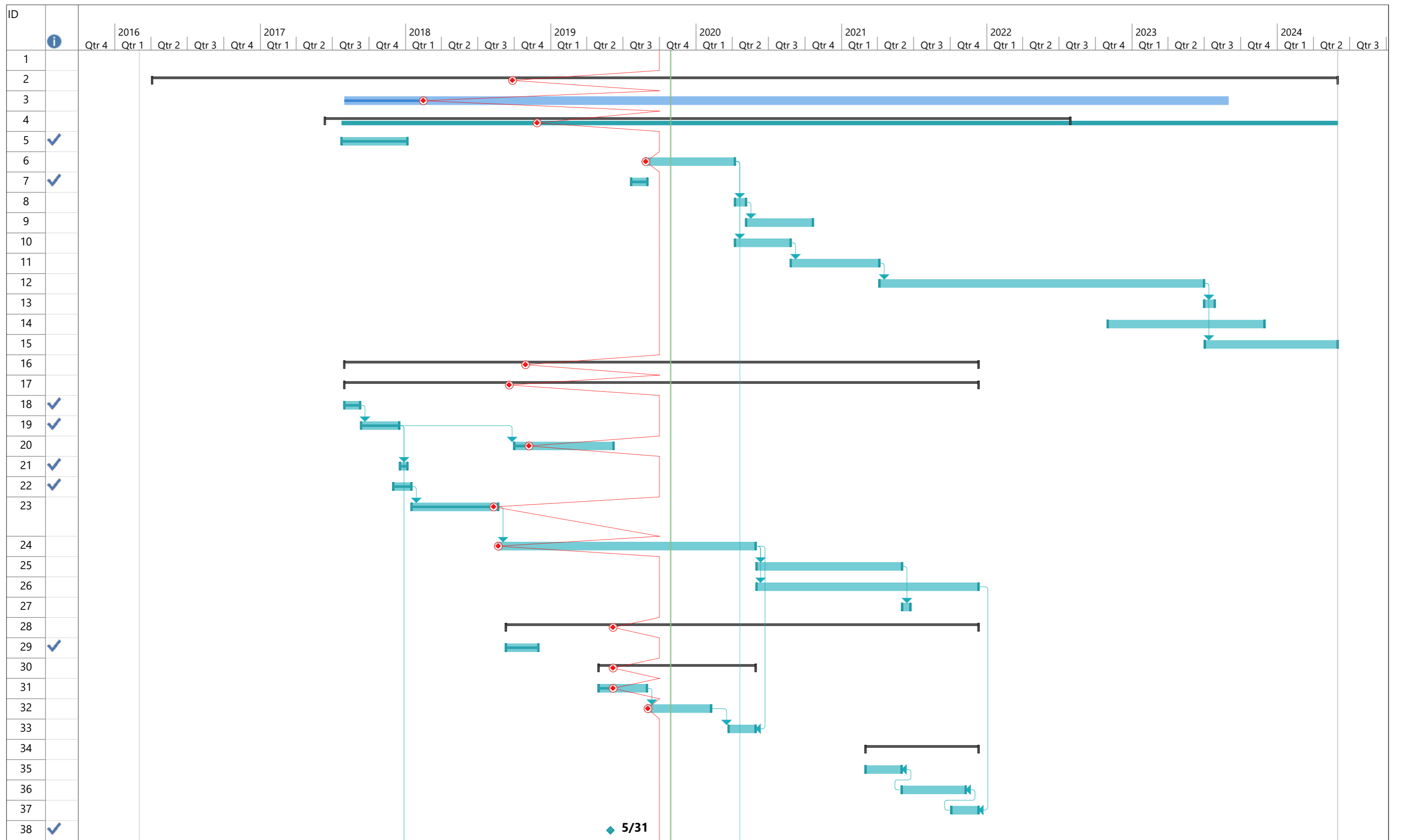
31. The targets for the next quarter can be summarized as follows:

Targets this quarter	Compliance	Targets next quarter
A final agreement will have to be reached on the selection of alternative investment options to replace the flood embankment	The PMIS has prepared and presented alternative investment options for Pursat and Kampong Chhnang	Once an agreement is reached on the continuation of the embankment or alternative investment options the PMIS will proposed a contract variation which will include the required resources to provide consultant services for the agreed options
If the alternative investment options proposed for Kampong Chhnang are confirmed a contract variation will be required for the detailed design of these options under the PMIS, or the DED will have to be procured under a new contract..	MEF has requested the cancellation of the embankment but compliance with ADB's SPS for PAHs, which have been relocated from the embankment section along the Tonle Sap River, is required before any cancellation or scope change can be processed	Preparation of a contract variation is subject to ADB and GDR reaching an agreement on corrective actions to bring the embankment in compliance with the ADB SPS as well as ADB and MEF reaching an agreement on the way forward for the project (continuation of the embankment or alternative investment options for kampong Chhnang
Continue with the preparation of the drainage masterplans for Kampong Chhnang and Pursat, with will focus on the development of tools for drainage and water supply design within the system, and the completion of draft drainage and sewerage master plans for both towns	The preparation of the masterplans was delayed due to internal problems in the JV. After resolving the problems, the preparation was resumed, with additional survey work in both towns and further development of the online system	Finalizing the draft masterplans for Kampong Chhnang and Pursat and presentation of the masterplans to the responsible authorities
Follow up on the completion and approval by MEF of the domestic IEIAs	EMPs for the landfills have been finalized	Finalize the domestic IEIA and obtain the environmental licence from MEF for the 3 ongoing subprojects
Final approval the DDR and DRP for the Kampong Chhnang and Pursat landfills and for the Pursat drainage system	The DDR and DRPs have been substantially completed. PMIS has assisted GDR in addressing the comments of ADB on the documents	Incorporate comments received from ADB in the Kampong Chhnang landfill DDR and the DRPs for the Pursat subprojects
Activities for establishment of USUs will focus on two options: (i) Option 1: Municipalities establish a USU to carry out solid waste services as per sub-decree No. 113, and; Option 2: PDPWTs establish the Wastewater Treatment System and Solid Waste Units (transfer of the PIUs) being under control of the PDPWT – as per the two Prakas (103 and 104), issued in December 2017 for Kampong Chhnang and Pursat	It was found that within the present legal framework, converting the PIUs in USUs with the authority to set and levy environmental fees is not possible. Changes in the legal framework will have to be done at national level rather than on a project specific basis.	Provide support a national seminar on USU establishment organized by MEF / MPWT jointly with MIH in conjunction with the ADB urban development forum in the second week of December. This will include the preparation of background documentation on the management or urban services within the present legal framework as well as proposals to consolidate management of urban services in USUs, including the required changes in the regulatory framework
Unless the requirement for the establishment of USUs as a special operating agency prior to award any landfill or solid waste management Works contract is relaxed it will not be	This issue was discussed during the MTR and changes to the loan covenants proposed	It is expected that the proposed changes in the loan covenants will be approved which will permit the award of the landfill and Pursat drainage construction contracts.

<p>possible to award the contract during the next quarter.</p>		
<p>A contract variation will be required to increase the input of the social development/resettlement specialists</p>	<p>No contract variation could be processed in absence of an agreement on the way forward for the project</p>	<p>It is expected that ADB and MEF reach an agreement on the way forward for the project which will allow the preparation of a contract variation. After award of the contracts the PMIS will mobilize the resident engineer and site engineers and will conduct the required pre-construction activities jointly with the contractor (pre-construction meeting, updating the contractors work schedule, joint site inspection, joint review of the detailed designs, training of the EMP, orientation on compliance with resettlement and labor safeguards</p>

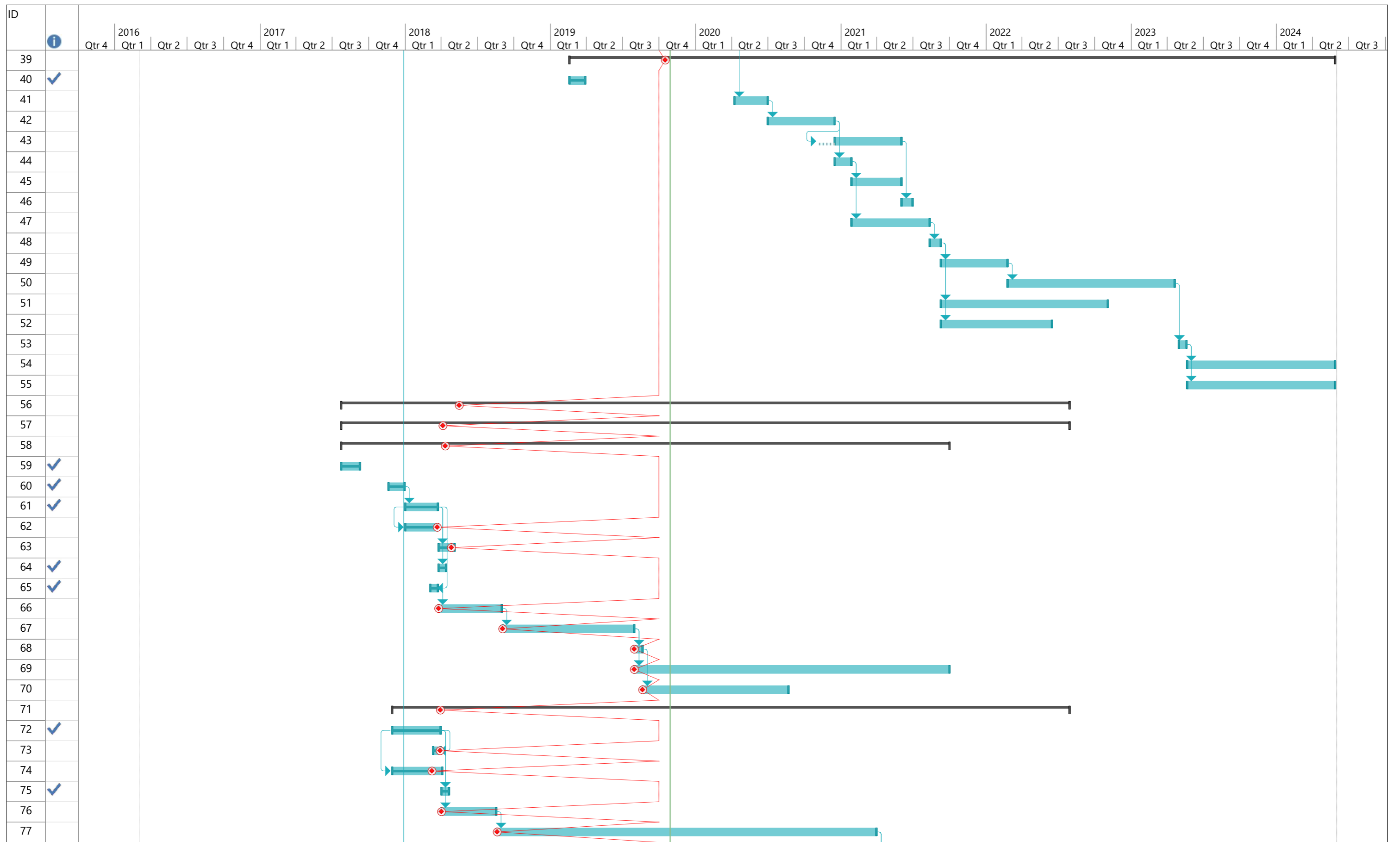
Annexes

Annex 1 : Revised Implementation Schedule

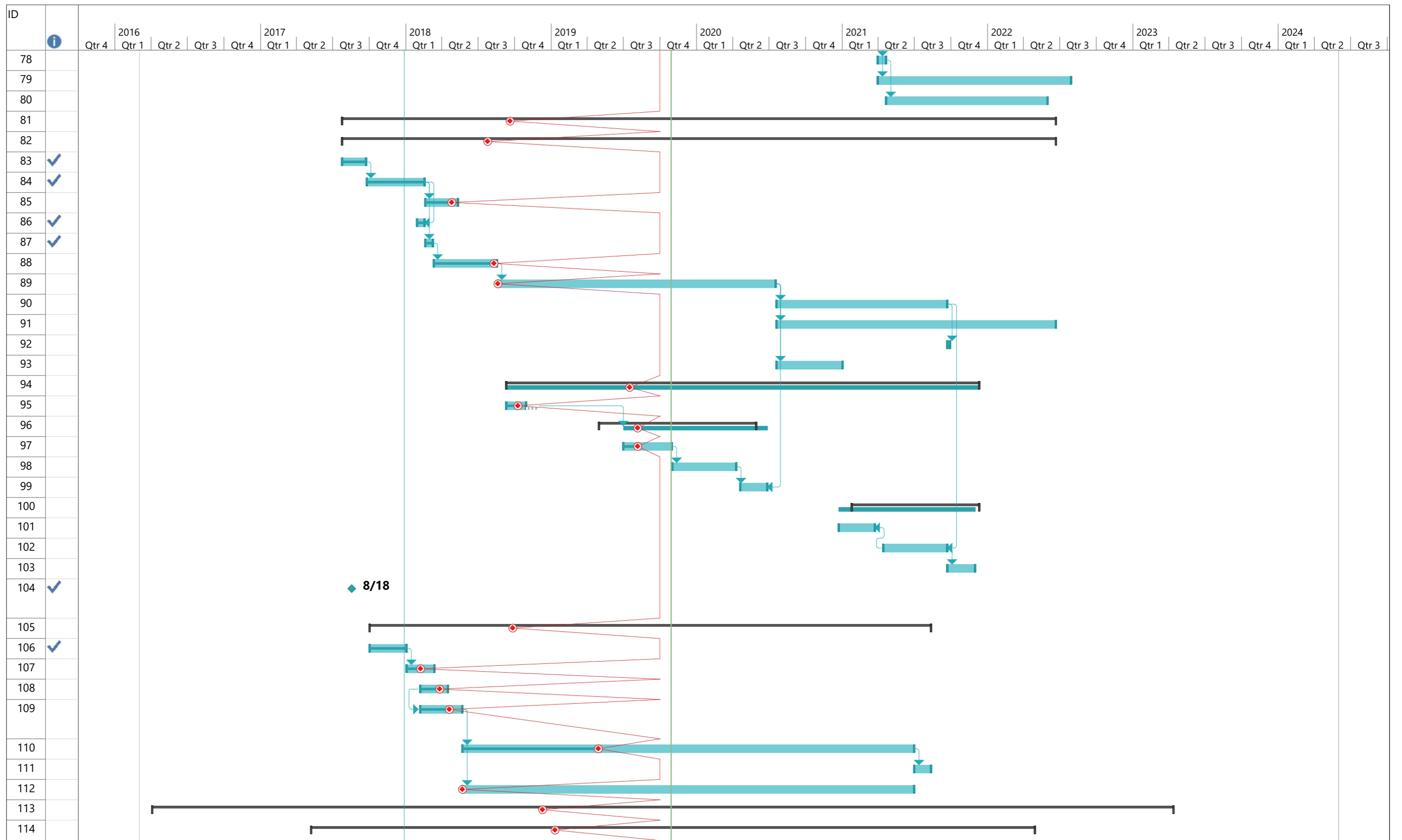


Project: Implementation schedu
Date: Tue 10/29/19

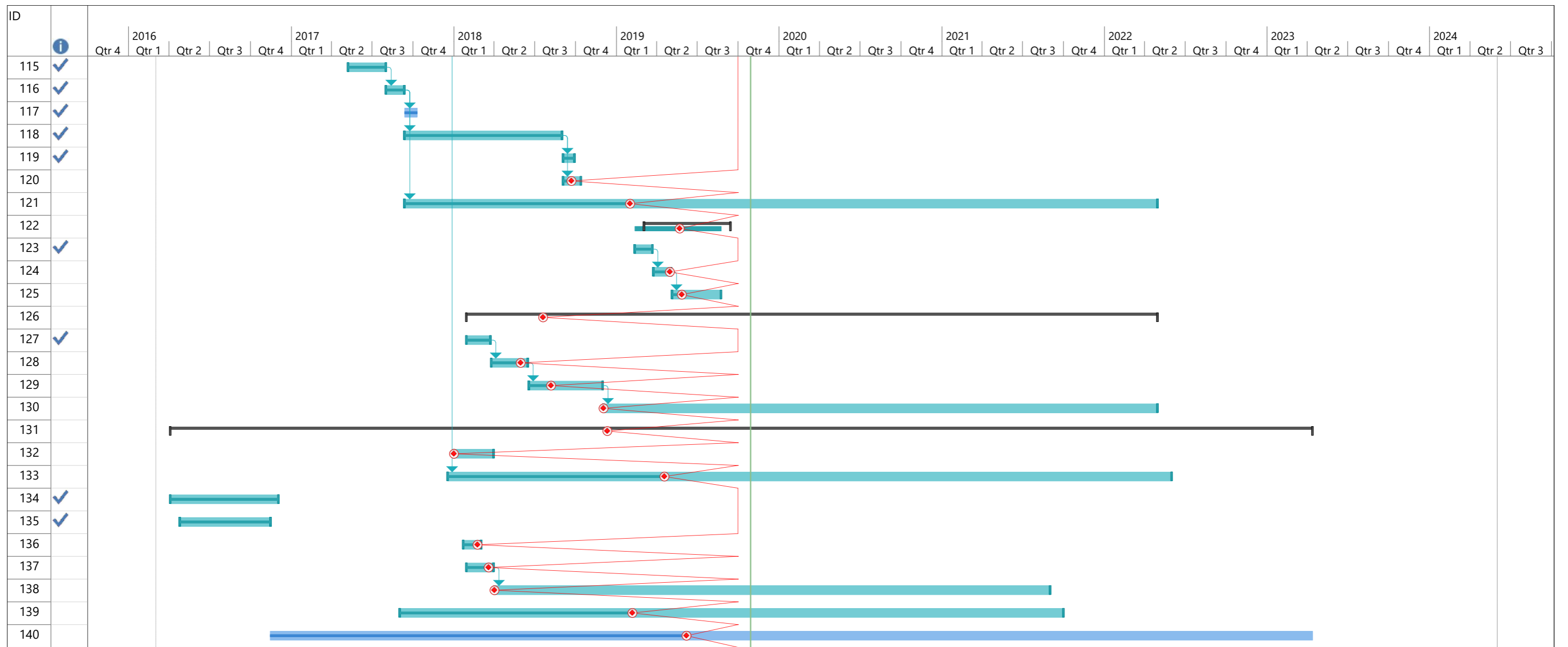
Task	Project Summary	Manual Task	Start-only	Finish-only	Deadline	Progress
Split	Inactive Task	Duration-only	External Tasks	Manual Progress	Progress	Manual Progress
Milestone	Inactive Milestone	Manual Summary Rollup	External Milestone	Manual Summary	Manual Summary	Manual Summary
Summary	Inactive Summary	Manual Summary	External Milestone	Manual Summary	Manual Summary	Manual Summary



Project: Implementation schedu Date: Tue 10/29/19	Task		Project Summary		Manual Task		Start-only		Finish-only		External Tasks		External Milestone		Deadline		Progress		Manual Progress	
	Split		Inactive Task		Duration-only		External Tasks		Manual Progress											
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress											
	Summary		Inactive Summary		Manual Summary		External Milestone													



Project: Implementation schedu Date: Tue 10/29/19	Task		Project Summary		Manual Task		Start-only		Finish-only		External Tasks		Manual Progress		Deadline
	Split		Inactive Task		Duration-only		Start-only		Finish-only		External Tasks		Manual Progress		Progress
	Milestone		Inactive Milestone		Manual Summary Rollup		Start-only		Finish-only		External Tasks		Manual Progress		Progress
	Summary		Inactive Summary		Manual Summary		Start-only		Finish-only		External Tasks		Manual Progress		Progress



Project: Implementation schedu Date: Tue 10/29/19	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			

Annex 2 : Revised Personnel Schedule

Annex F: Revised Personnel Schedule

NAME	POSITION	Field Home Office	Time Input in Person/ Month	2017												2018												2019												2020												2021												2022												Revised Time Input in Person/ Month	Difference (+/-)								
				N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O			N	D	J	F	M	A	M	J
KEY EXPERT (International)																																																				80.50	3.50																																
Louis Rijk	Team Leader & Municipal Engineer	Field Home Office	35.00 -	[Gantt chart for Louis Rijk]																																																34.50	0.50																																
Kim Dong Min,	Geotechnical Engineer	Field Home Office	4.00 -	[Gantt chart for Kim Dong Min]																																																3.50	(0.50)																																
Herikko Kristian Torssonen,	Solid Waste Management Specialist	Field Home Office	6.00 -	[Gantt chart for Herikko Kristian Torssonen]																																																4.50	(1.50)																																
Prashant Malla,	River Engineering Specialist	Field Home Office	8.00 -	[Gantt chart for Prashant Malla]																																																5.00	(3.00)																																
Rachel Wildblood	Environment Specialist	Field Home Office	4.00 -	[Gantt chart for Rachel Wildblood]																																																2.50	(1.50)																																
Teemu Jantunen	Social Development & Resettlement Specialist	Field Home Office	6.00 -	[Gantt chart for Teemu Jantunen]																																																5.50	(0.50)																																
Kerry Maxwell Blanch,	Municipal Finance Specialist/Economist	Field Home Office	6.00 -	[Gantt chart for Kerry Maxwell Blanch]																																																5.50	(0.50)																																
Eric Baye,	Private Sector Specialist	Field Home Office	3.00 -	[Gantt chart for Eric Baye]																																																3.00	-																																
Clifford Claes,	Institutional Specialist	Field Home Office	6.00 -	[Gantt chart for Clifford Claes]																																																6.50	0.50																																
Total (KEY EXPERT (International))																																																				78.00																																	
KEY EXPERTS (National)																																																				80.50	3.50																																
Position merged with DTL/Civil Engineer 2																																																				33.00																																	
Srey Socheat,	DTL/Civil Engineer-2		33.00	[Gantt chart for Srey Socheat]																																																2.00	(31.00)																																
Chea Ketia	Geotechnical Engineer		12.00	[Gantt chart for Chea Ketia]																																																64.00	31.00																																
Position merged with Senior Civil Engineer 2																																																				12.00																																	
Sim Sen,	Senior Civil Engineer-2		12.00	[Gantt chart for Sim Sen]																																																12.00	-																																
Mam Sanoun	Civil Engineer -River Hydrology		12.00	[Gantt chart for Mam Sanoun]																																																10.00	-																																
Yim Mong Toeun,	Civil Engineer - Solid Waste Management		10.00	[Gantt chart for Yim Mong Toeun]																																																12.00	-																																
Chhoun Ravann,	Resident Engineer-1		12.00	[Gantt chart for Chhoun Ravann]																																																34.00	22.00																																
Position Merged with Resident Engineer - 1																																																				12.00																																	
Chhor Ratha,	Site Engineer-1		20.00	[Gantt chart for Chhor Ratha]																																																0.00	(12.00)																																
Position Merged with Site Engineer - 1																																																				20.00																																	
Pong Veasna,	Site Engineer-3		20.00	[Gantt chart for Pong Veasna]																																																34.00	14.00																																
Position Merged with Site Engineer - 3																																																				20.00																																	
Hep Sreyleak,	Gender & Development Specialist		6.00	[Gantt chart for Hep Sreyleak]																																																0.00	(20.00)																																
Chap Samoeun,	Resettlement Specialist-1		8.00	[Gantt chart for Chap Samoeun]																																																6.00	-																																
Position Merged with Resettlement Specialist - 1																																																				16.00																																	
Task Transferred to PMU	Financial Management/Accounting Specialist		60.00	[Gantt chart for Task Transferred to PMU]																																																15.00	7.00																																
Task Transferred to PMU	Procurement Specialist		24.00	[Gantt chart for Task Transferred to PMU]																																																0.00	(16.00)																																
Chea Mong,	Environmental Specialist		12.00	[Gantt chart for Chea Mong]																																																0.00	(60.00)																																
Chan Vannak,	Municipal Finance /Tariff/Economic Specialist		24.00	[Gantt chart for Chan Vannak]																																																24.00	-																																
Houth Ratanak,	Human Resource /Training Coordinator		24.00	[Gantt chart for Houth Ratanak]																																																24.00	-																																
TBN	Legal Specialist		-	[Gantt chart for TBN]																																																2.00	2.00																																
TBN	Translator/Interpreter/Editor		-	[Gantt chart for TBN]																																																12.00	12.00																																
Total (KEY EXPERTS (National))																																																				402.00																																	
Reserved Person Month (National)																																																					-																																
Grand Total (KEY EXPERTS (National))																																																				402.00																																	
NON-KEY EXPERTS (National)																																																				321.00	81																																
Pen Tiddara	AutoCAD Operator 1		10.00	[Gantt chart for Pen Tiddara]																																																20.00	(10.00)																																
Chhay Theara	AutoCAD Operator 2		8.00	[Gantt chart for Chhay Theara]																																																18.00	(10.00)																																
Merged with AutoCAD Operator 1 and 2																																																				8.00																																	
Total (NON-KEY EXPERTS (National))																																																				26.00																																	
UNALLOCATED																																																																																					
TBN			-	[Gantt chart for TBN]																																																10.00	(10.00)																																
Total (UNALLOCATED (National))																																																				-																																	
Total (International & National)																																																				428.00	59.00																																

Continuous Field Input [Green Bar]
 Intermittent Home Office Input [Red Vertical Lines]
 Short term intermittent input (to be scheduled according to need) [Red Squares]

Annex 3 : Fund Utilization

Status of Loan Utilization (Loan 3311)							
As of 30 Sep 2019							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01A	CW - KC Flood Protection	13,799,924	-	13,799,924	-	13,799,924	-
01B	CW - KC Solid Waste Mgt.	421,372	-	421,372	-	421,372	-
01C	CW - Pursat Flood Protection	586,911	-	586,911	-	586,911	-
01D	CW - Pursat Drainage	4,754,113	-	4,754,113	-	4,754,113	-
01E	CW - PS Solid Waste Mgt	998,706	-	998,706	-	998,706	-
01F	CW - KC Small-scale Inf. Dev.	718,247	-	718,247	-	718,247	-
01G	CW - PS Small-scale Inf. Dev.	718,247	-	718,247	-	718,247	-
02A	GD - KC Solid Waste Mgt.	715,511	-	715,511	-	715,511	-
02B	GD - PS Solid Waste Mgt	797,596	-	797,596	-	797,596	-
02C	GD - KC Embank. Manual Equipment	35,570	-	35,570	-	35,570	-
02D	GD - PS Flood Manual Equipment	35,570	-	35,570	-	35,570	-
02E	GD - PS Drainage Manual Equipment	35,570	-	35,570	-	35,570	-
03A	WS - Project Mgt & Implement Supp.	566,064	534,000	32,064	82,035	484,029	451,965
03B	WS - SSCD	9,577	-	9,577	-	9,577	-
04A	CS - PM & IS	3,339,784	3,597,913	(258,129)	1,829,967	1,509,817	1,767,946
04B	CS - SSCD	94,398	-	94,398	-	94,398	-
04C	CS - Survey & Investigations	63,287	135,000	(71,713)	115,350	(52,063)	19,650
05A	IA - Office and Travel Expense	388,754	140,369	248,385	55,780	332,974	84,590
05B	IA - Vehicles	144,977	134,500	10,477	134,500	10,477	-
05C	IA - Equipment	14,202	51,453	(37,251)	41,018	(26,816)	10,435
06	Interest During Implementation	1,362,131	-	1,362,131	31,845	1,330,286	(31,845)
07	Unallocatd	6,490,219	-	6,490,219	-	6,490,219	-
	Imprest Account	7,335	-	7,335	436,000	(428,665)	(436,000)
	Total	36,098,067	4,593,235	31,504,831	2,726,494	33,371,573	1,866,742

Status of Loan Utilization (Loan 8295)							
As of 30 Sep 2019							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
1	CW - KC Flood Protection	4,982,000	-	4,982,000	-	4,982,000	-
2	Service During Implementaton	18,000	-	18,000	-	18,000	-
	Imprest Account			-	-	-	-
	Total	5,000,000	-	5,000,000	-	5,000,000	-
Status of Grant Utilization (Grant 0454)							
As of 30 Sep 2019							
Cat. Ref.	Category Name	US Dollars					
		Allocation	Contracts Awarded	Uncontracted Loan Balance	Contracts Disbursed	Undisbursed Loan Balance	Undisbursed Contract Balance
		A	B	C = A - B	D	E = A - D	F = B - D
01A	CW - PS Drainage	2,460,000	-	2,460,000	-	2,460,000	-
01B	CW - KC Sanitation Improvement	510,000	-	510,000	-	510,000	-
01C	CW - PS Sanitation Improvement	510,000	-	510,000	-	510,000	-
02A	WS - NGO SCEI	200,000	-	200,000		200,000	-
02B	WS - CCAUD	10,000	10,000	-	-	10,000	10,000
03A	CS - CCAUD	200,000	200,000	-	290,496	(90,496)	(90,496)
03B	CS - NGO SCEI	810,000	829,878	(19,878)	457,765	352,235	372,113
03C	CS - Survey and Investigation	100,000	165,796	(65,796)	-	100,000	165,796
04	Unallocated	200,000		200,000	-	200,000	-
	Advance Account	-	-	-	194,000	(194,000)	(194,000)
	Total	5,000,000	1,205,674	3,794,326	942,261	4,057,739	263,413

Annex 4 : Contract Award and Disbursement Projections

Annex 5 : Gender Action Plan Monitoring Table

GENDER ACTION PLAN MONITORING TABLE

STRATEGY	ACTIVITIES AND TARGETS	TIMELINE	RESPONSIBILITY	PROGRESS	ISSUES & CHALLENGES	
Output 1: Kampong Chhnang Urban Environmental Improvements						
Economic empowerment for women	1.1 Equal employment opportunities for female and male unskilled local labor is improved through contractors following relevant clauses on core labor standards in the special conditions of contract (equal pay for equal work, equal opportunities for employment, prioritize employment of women and the poor, providing protective gears to workers, no use of child labors, etc)	During implementation of construction contracts from Q1 2019 to Q2 2021	Contractors, with oversight from PMU, and PMIS consultants	Relevant clauses on core labor standards have been included in the special conditions of contract		
	Target 100% compliance with core labour standards included in the special conditions of contract.					
Reduction in gender inequalities and social risks	1.2 Households irrespective of income, ethnicity or gender of household head receive equal compensation and payment for any land acquisition, resettlement or livelihood losses.	Before award of the respective construction contracts Q4 2018 to Q4 2019	PMU, IRC/GDR, PMIS consultants, and Contractors	Not started		
	Target 100% compliance on equal compensation for similar losses with no gender difference.					
	1.3 Women's financial security is improved by registering household main assets in both husband and wife names.	Before award of the respective construction contracts Q4 2018 to Q4 2019				
	Target In case of relocation 100% of land titles issued in both wife and husband names					
	1.4 Safe and hygienic sanitation conditions are provided for women at work sites.	During implementation of construction contracts from Q1 2019 to				Hygienic sanitation conditions have been included in the special conditions of contract
	Target 100% of contractors provide separate toilet and washing facilities for women and men with adequate privacy for women including adequate arrangements for Menstrual Hygiene Management.					
1.5 Mitigate HIV/AIDS and human trafficking risks during civil works	During implementation of construction contracts from Q1 2019 to	Not started				
Target 100% of contractors' labor force participate in HIV/AIDS training provided by PMIS. Contractors facilitate participation of labour force during working hours.						

STRATEGY	ACTIVITIES AND TARGETS	TIMELINE	RESPONSIBILITY	PROGRESS	ISSUES & CHALLENGES
Output 2: Pursat Urban Environmental Improvements					
Economic empowerment for women	1.1 Equal employment opportunities for female and male unskilled local labor is improved through contractors following relevant clauses on core labor standards in the special conditions of contract (equal pay for equal work, equal opportunities for employment, prioritize employment of women and the poor, providing protective gears to workers, no use of child labors, etc)	During implementation of construction contracts from Q1 2019 to Q2 2021	Contractors, with oversight from PMU, and PMIS consultants	Relevant clauses on core labor standards have been included in the special conditions of contract	
	Target 100% compliance with core labour standards included in the special conditions of contract.				
Reduction in gender inequalities and social risks	2.2 Households irrespective of income, ethnicity or gender of household head receive equal compensation and payment for any land acquisition, resettlement or livelihood losses.	Before award of the respective construction contracts Q4 2018 to Q4 2019	PMU, IRC/GDR, PMIS consultants, and Contractors	Not started	
	Target 100% compliance on equal compensation for similar losses with no gender difference.				
	2.3 Women's financial security is improved by registering household main assets in both husband and wife names.	Before award of the respective construction contracts Q4 2018 to Q4 2019		Not started	
	Target In case of relocation 100% of land titles issued in both wife and husband names				
	2.4 Safe and hygienic sanitation conditions are provided for women at work sites.	During mobilization of contractors		Hygienic sanitation conditions have been included in the special conditions of contract	
Target 100% of contractors provide separate toilet and washing facilities for women and men with adequate privacy for women including adequate arrangements for Menstrual Hygiene Management.					
2.5 Mitigate HIV/AIDS and human trafficking risks during civil works	At the start of				

STRATEGY	ACTIVITIES AND TARGETS	TIMELINE	RESPONSIBILITY	PROGRESS	ISSUES & CHALLENGES
	<p>Target</p> <p>100% of contractors' labor force participate in HIV/AIDS training provided by PMIS. Contractors facilitate participation of labour force during working hours.</p>	<p>construction works and periodically during the construction activities depending on the turnover of construction labour</p>		<p>Not started</p>	
Output 3: Community Mobilization and Environmental Improvements (CMEI)					
Enhance women's involvement in planning, awareness, and commune and household level conditions on hygiene	<p>3.1 Improved household level sanitation for poor female-headed households which would focus on; (i) safe disposal of urine and faeces including desiccated and composted wastes; (ii) good personal hygiene practices; (iii) importance of clean toilets; food hygiene; (iv) access to clean drinking water and keeping stored water clean and hygienic; (v) safe disposal of wastewater; (vi) implications of inappropriate hygiene practices and associated diseases.</p>		PMU, PIUs, NGO, PDOWA and WCCC	<p>NGO has started HH surveys in villages selected during the PPTA. No survey data have been made available</p>	<p>A well structured mechanism for data sharing between the PMIS and NGO will have to be agreed upon.</p>
	Targets				
	(i) Household sanitation grants cover 100% of IDPoor 1 and IDPoor 2 female-headed households;			No data	
	(ii) clean functional toilets available for all HH			No data	
	(iii) proper maintenance with safe disposal of urine and faeces for all toilet facilities;			No data	
	(iv) all HH have access to safe drinking water;			No data	
	(v) In all HH good hygienic practices introduced.			No data	
	3.2 Women participate in identification of commune small-scale infrastructure needs and their location				
	Targets				
	(i) 40% of participants in CMEI consultations are women.			No data	
	(ii) 100% of women groups in CMEI project localities are consulted on location and appropriateness of small-scale infrastructure.			No data	
	3.3 Hygiene training and awareness campaigns benefit women			No data	
	Targets				
(i) 40% of participants in CMEI training sessions are women.		No data			
(ii) 30% of hygiene campaigns focus on menstrual hygiene and solid waste management (SWM).		No data			

STRATEGY	ACTIVITIES AND TARGETS	TIMELINE	RESPONSIBILITY	PROGRESS	ISSUES & CHALLENGES
Output 4: Strengthened sector coordination and operations					
Improve integration women's needs in institutional structures for urban area development	4.1 Semi-autonomous urban service units (USU) have women represented.	Depends on the establishment of the USUs	PMU, PIU, PMIS consultants and PDOWA	An initial note on the establishment of USUs has been prepared emphasizing the representation of women	Support for the establishment of USUs by the PMIS will require a contract variation that will transfer the responsibilities and inputs under package 3 to the PMIS
	Target				
	At least 20% of USU staff in Kampong Chhnang and Pursat are women.			Not started	
	4.2 Consultations during Master Plan studies for improvement urban services take into account women's needs.	Q4 2018 to Q1 2019		Not started	
	Targets				
	(i) 100% of women groups are consulted.			Not started	
(ii) 40% participants in general consultations are women.	Not started				
Output 5: Strengthened Capacity for Project Implementation, and Operations and Maintenance					
	Targets				
	5.1 At least 1 member of the Project Steering Committee is a woman.	Before the first meeting of the steering committee		Steering committee has not yet met	
	5.2 At least 30% of PMU and 30% of staff in both PIUs are women, preferably in decision making and technical positions; 2017 Baseline: PMU=1 woman (administration); PIU Kapong Chhnang=1 women (administration); PIU Pursat=1 women (administration).	Q 4 2019		No change in the composition of the PIUs	The present composition of the PMU and PIUs is not in compliance with the target set in the GAP/PAM
	5.3 Project management and implementation consultants include an international social development /resettlement specialist (6 person-months) and national gender specialist (6-person months).	Q4 2016		The international social development specialist has been mobilized. The national gender specialist has not yet been mobilized	
	5.4 A resettlement/social development officer is appointed in the PMU	Q1 2017		A resettlement/social development officer has been appointed in the PMU	

STRATEGY	ACTIVITIES AND TARGETS	TIMELINE	RESPONSIBILITY	PROGRESS	ISSUES & CHALLENGES
Capacity of women strengthened for project implementation, and operations and maintenance	5.5 A government community coordinator is appointed in Pursat PIU and two government community coordinators are in Kampong Chhnang PIU.	Q1 2017	PMU, PIUs and PMIS consultant	2 community coordinators have been included in the Kampong Chhnang PIU and 1 community coordinator in the Pursat PIU	
	5.6 A representative from the PDOWA is appointed to the provincial coordination committee in Pursat and Kampong Chhnang.	Q1 2017		A representative from the PDOWA has participation in meetings with the provincial coordination committee in Pursat and Kampong Chhnang	
	5.7 The annual project performance monitoring and evaluation reports will include progress against sex-disaggregated indicators. Routine monitoring will be done, and indicators and risks added to logical framework.	Q1 2019		A performance monitoring system which will include sex-disaggregated indicators is being set up	
	5.8 Progress reports (e.g., quarterly, safeguards, annual project performance monitoring and evaluation, and PPCR reports) include information on gender activities. The GAP monitoring table is updated and attached to the project progress report (twice a year)	Q4 2018		Included in this progress report	
	5.9 GAP performance included in mid-term and final project reviews.	Dates to be confirmed		Not due	
	5.10 At least 20% of technical training participants are professional staff women of PMU, PIUs and other relevant government agencies.	Q4 2021		Not started	

Annex 6 : Compliance with Loan Covenants

Ref	COVENANT	STATUS	ACTIONS	REMARKS
Covenants in the Loan Agreement				
Sched 5, para 2	Tonle Sap Urban Areas Development Framework. Within 18 months of the Effective Date, the Borrower shall ensure the adoption of the Tonle Sap Urban Areas Development Framework, an urban planning document that guides sustainable and climate resilient infrastructure development and growth of urban areas in the Tonle Sap basin.	Due in September 2017. Under review by Under Secretary of State.	Prakas to be adopted following further review by Secretary of State, Minister MPWT.	Adoption is pending
Sched 5, para 3	Roadmap for Establishing Urban Service Units: Within 12 months of the Effective Date, the Borrower shall ensure, and cause the Project Executing Agency to ensure, that the plans for establishing semi-autonomous USUs within the municipalities of Kampong Chhnang and Pursat are in place, including relevant draft ministerial <u>prakas (or ministerial decisions)</u> to be signed by MPWT for the establishment of USUs, its board of directors (or its equivalent), staffing requirements, human resource recruitment plan, office location, reporting responsibilities, financial management and audit requirements, good governance actions, assets transfer, and <u>timeline and process of conversion from a PIU to a USU.</u>	Due by 02 March 2017. Non-compliant	Ministerial Prakas (103 PRK/SK for Pursat and 104 PRK/SK for Kampong Chhnang), issued on 29 March 2017, establishes the Ministry's commitment for formally establishing a self-financed "wastewater and solid waste management unit in each of the municipalities. An Initial Note on Urban Service Unit Road Map has been prepared by the PIMS and comments from ADB are being incorporated	In the MTR, the following changes to the covenant have been proposed: <i>The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the handover date of the first completed sub project for solid waste, flood protection or drainage works the PIUs in Kampong Chhnang and Pursat have been replaced by fully-operational, semi-autonomous USUs for the sustainable operations and maintenance of urban infrastructure and delivery of reliable urban services in their respective municipalities</i> <i>The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the handover date of the first completed sub project for solid waste, flood protection or drainage works each USU is established as a special operating agency with a committee (or equivalent) with the authority to levy the Environmental Sanitation Fees.</i>

Ref	COVENANT	STATUS	ACTIONS	REMARKS
Sched 5, para 4	Environmental Sanitation Fees. Within 18 months of the Effective Date , the Borrower shall ensure, and cause the Project Executing Agency to ensure, that each USU conducts a review of existing Environmental Sanitation Fees levied in the municipalities of Kampong Chhnang and Pursat and completes a feasibility study on levying Environmental Sanitation Fees that recovers operations and maintenance costs and gradual depreciation of solid waste management, flood control and drainage, taking into account affordability for the poor.	Due in September 2017 . Non-compliant	Review ongoing under PMIS. In light of the scheduling of other activities related to the construction of solid waste and waste water/drainage infrastructure the date for the establishment of an environmental sanitation fee was premature	In the MTR the following changes to the covenant have been proposed: <i>The Borrower shall ensure, and cause the Project Executing Agency to ensure, that by the contract handover date for each solid waste management, flood control and drainage sub-project each relevant USU adopts the part of the Environmental Sanitation Fees relating to that sub project, determined by ADB to be sufficient to recover full operations and maintenance costs of the relevant sub project. Each USU shall undertake an annual assessment and will implement the aforesaid fee adjustments by January 1 of each year, starting 2021</i>
Sched 5, para 5	Project Performance Monitoring and Evaluation. Within 18 months of the Effective Date, the Borrower shall ensure, and cause the Project Executing Agency to ensure, that a project performance monitoring and evaluation is established, acceptable to ADB, to monitor and evaluate the Project performance during implementation.	Due in September 2017	Project Performance Monitoring is ongoing, it has been agreed that the PPR can be expanded, incorporating a data set for the DMF, to form the PPME	Since multiple consultant teams are involved in the implementation of the project responsibilities for and coordination of data collection will need proper coordination. And possibly the development of an online data collection system
Sched 5, para 6	Environmental Decommissioning of Open Dumpsites. The Borrower shall ensure and cause the Project Executing Agency to ensure that the open dumpsites in Kampong Chhnang and Pursat relating to the Project shall be closed and properly decommissioned according to the plans set forth in the IEEs and finally in the IEEs updated during detailed design.	Due After commissioning of the new controlled landfills	The existing open dumpsites are mainly located on private land owned or leased by the SWM contractors. The legal implications of closing these private dumpsites with public funds still have to be explored	a national legal specialist in PIMS team will be mobilized starting 1 November 2019 to assess the legal issues with regard to closing private dumpsites

Ref	COVENANT	STATUS	ACTIONS	REMARKS
Sched 5, para 7	Plan for Climate Change Adaptation. Within 36 months of the Effective Date , the Borrower shall ensure that the Project Executing Agency has adopted the plan for climate change adaptation in urban areas around the Tonle Sap and revised building codes.	Due by 02 March 2019 Non-compliant	The present status of the building code that was reported to be under revision by the Ministry of Land Management, Urban Planning and Construction is unknown	At the time of the preparation of Climate Change Adaptation in Urban Development no building code was in existence.
Sched 5, para 8	Counterpart Funds. The Borrower shall ensure that all counterpart funds necessary for the Project is provided on a timely basis.	In compliance		
Sched 5, para 9	Environment. The Borrower shall ensure, and cause the Project Executing Agency to ensure, that the preparation, design, construction, implementation, operation and decommissioning of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to environment, health and safety; (b) the Environmental Safeguards; and (c) all measures and requirements set forth in the EARF, IEEs, the EMPs, and any corrective or preventative actions set forth in a Safeguards Monitoring Report. The Borrower shall ensure, and cause the Project Executing Agency to ensure, that the foregoing is applied and implemented for all outputs of the Project described in Schedule 1, regardless of the financing source.	In compliance	Updating the EMPs and IEE for the Pursat and kampong Chhnang landfills has been finalized The preparation of the domestic IEIA is ongoing and the inter-ministerial meeting is expected to be held in August 2019	
Sched 5, para 10	Land Acquisition and Involuntary Resettlement. The Borrower shall ensure, and cause the Project Executing Agency to ensure, that all land and all rights-of-way required for the Project are made available to the Works contractor in accordance with the schedule agreed under the related Works contract and all land acquisition and resettlement activities are implemented in compliance with the RPs based on (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the applicable principles and requirements set forth in the SPS; and (c) any necessary corrective or preventative actions as agreed by the IRC set forth in a Safeguards Monitoring Report.	MEF has requested to ADB for the cancellation of the embankment giving as reason that the resettlement Plan dated 2015 cannot be implemented	The MTR has proposed a plan for the preparation and implementation of corrective measures for AH that were relocated from the bank of the Tonle Sap river.	The PMIS has provided GDR with the 2017 and 2019 drone imagery and the shape file of digitized houses along the bank of the Tonle Sap River.
	Without limiting the application of the SPS or the RPs, the Borrower shall ensure or cause the Project Executing Agency to ensure that no physical or economic displacement takes place in connection with the Project until: (a) prior to the award of any Works contract which involves involuntary resettlement impacts, the Borrower has (i) updated the agreed RPs		It was reported by the Provincial Government that 93 HH had been relocated from the Tonle Sap river bank in early 2017 in the framework of the 5-year river front beautification plan.	MEF has requested the cancellation of the embankment but compliance with ADB's SPS for PAHs, which have been relocated from the embankment section along the Tonle Sap River, is required before any

Ref	COVENANT	STATUS	ACTIONS	REMARKS
	<p>following completion of detailed design; and (ii) prepared, disclosed to affected persons and submitted to ADB the final RPs based on the Project's detailed design and obtained ADB's concurrence with such RPs;</p> <p>(b) compensation and other entitlements have been provided to affected people in accordance with the RPs; and</p> <p>(c) a comprehensive income and livelihood improvement program has been put in place in accordance with the RPs.</p>		<p>Subsequently 143 HH have been relocated from the riverbank between November 2018 and February 2019 to permit the organization of the river festival</p>	<p>cancellation or scope change can be processed</p>
<p>Sched 5, para 11</p>	<p>Indigenous Peoples. The Project, including Output 3 described in Schedule 1 hereto, shall benefit Ethnic Minorities. The Borrower shall ensure and cause the Project Executing Agency to ensure, that it adheres to applicable laws and regulations of the Borrower relating to indigenous peoples, and the Indigenous Peoples Safeguards and any corrective or preventative actions set forth in a Safeguard Monitoring Report.</p>	<p>In compliance, no indigenous people are affected by the subprojects</p>		
<p>Sched 5, para 12</p>	<p>Human and Financial Resources to Implement Safeguards Requirements. The Borrower shall ensure, and cause the Project Executing Agency to ensure, to make available the necessary budgetary and human resources to fully implement the EARF, EMPs and the RPs.</p>	<p>Implementation of resettlement plans and construction works have not yet been started and</p>		
<p>Sched 5, para 13</p>	<p>Safeguards – Related Provisions in Bidding Documents and Works Contracts. The Borrower shall ensure, and cause the Project Executing Agency to ensure, that all bidding documents and contracts for Works contain provisions that require contractors to:</p> <p>(a) comply with the measures relevant to the contractor set forth in the EARF, IEEs, the EMPs and the RPs (to the extent they concern impacts on affected people during construction), and any corrective or preventative actions set forth in a Safeguards Monitoring Report;</p> <p>(b) make available a budget for all such environmental and social measures; and</p>	<p>In compliance</p>	<p>All conditions related to safeguards compliance have been incorporated in the relevant sections of the bidding documents and no objections from ADB to the bidding documents has been received</p>	

Ref	COVENANT	STATUS	ACTIONS	REMARKS
	(c) provide the Borrower with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the EARF, IEEs, the EMPs and the RPs.			
Sched 5, para 15	<p>Safeguards Monitoring and Reporting. The Borrower shall ensure, and cause the Project Executing Agency to do the following:</p> <p>(a) no later than the commencement of land acquisition and resettlement activities, engage qualified and experienced external monitoring organization(s) (EMO), under the terms of reference(s) acceptable to the Borrower and ADB to verify information produced through the Project monitoring process and facilitate the carrying out of any verification activities;</p> <p>(b) submit quarterly Safeguards Monitoring Reports relating to implementation of and compliance with the RPs and submit semi-annual Safeguards Monitoring Reports relating to the implementation of and compliance with the EARF, EMPs, and any IPP (if it becomes applicable), in each case to ADB and disclose relevant information from such reports to affected persons promptly upon submission;</p> <p>(c) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the EARF, IEEs, the EMPs and the RPs, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan; and</p> <p>(d) report any actual or potential breach of compliance with the measures and requirements set forth in the EARF, EMPs or the RPs promptly after becoming aware of the breach.</p>	Being brought in compliance	External monitoring organization to be recruited by GDR	To be recruited

Ref	COVENANT	STATUS	ACTIONS	REMARKS
Sched 5, para 16	<p>Gender and Development. The Borrower shall ensure, and cause the Project Executing Agency to ensure, that (a) the GAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the GAP; (c) adequate resources are allocated for implementation of the GAP; (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported to ADB; and (e) key gender outcome and output targets including, but not limited to, 30% of staff in the PMU and PIUs and 20% of staff of USUs shall be composed of women.</p>	<p>No construction works have been started and USUs have not yet been established.</p>	<p>This quarterly report includes the status of compliance with the Gender Action Plan.</p>	
Sched 5, para 17	<p>Labor. The Borrower shall ensure, and cause the Project Executing Agency to ensure (i) compliance with all applicable labor laws of the Borrower on the prohibition of child and forced labor; (ii) giving of equal pay for equal work regardless of gender, ethnicity or social group; and (iii) dissemination of information on sexually transmitted diseases (including HIV/AIDS) and human trafficking to sub-contractors/employees and local communities surrounding the Project construction sites.</p>	<p>In compliance</p>	<p>All conditions related to applicable labor laws have been incorporated in the relevant sections of the bidding documents and no objections from ADB to the bidding documents has been received</p>	
Sched 5, para 18	<p>Governance and Anticorruption. The Borrower, the Project Executing Agency and the Project Implementing Agencies shall (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.</p>	<p>In compliance</p>		
	<p>The Borrower, the Project Executing Agency and the Project Implementing Agencies shall ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.</p>	<p>In compliance</p>		

Ref	COVENANT	STATUS	ACTIONS	REMARKS
Sched 5, para 19	Prohibited List of Investments. The Borrower shall ensure that no proceeds of the Loan are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of the SPS.	In compliance		

Annex 7 : Overview of the input by Key International and National Specialists

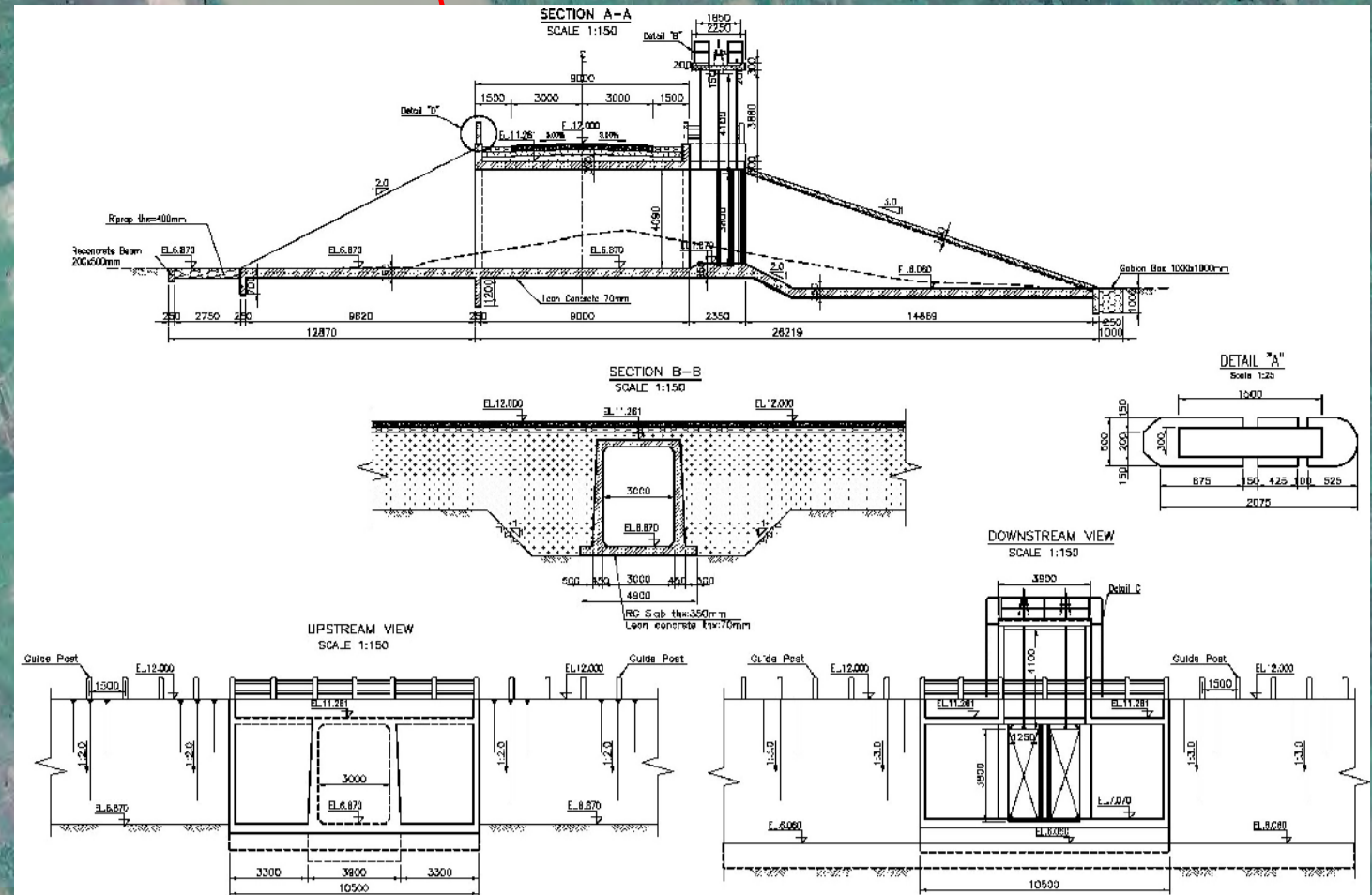
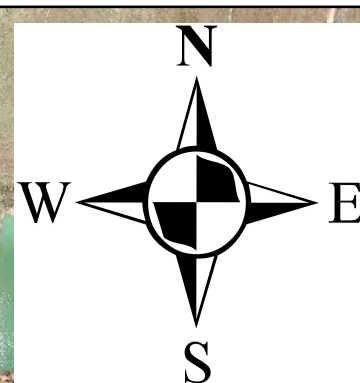
KEY EXPERT (INTERNATIONAL)

No.	Expert / Position	Original Contract + VO 1, 2, 3			Up to Last Quarter		This Quarter		Total		Balance	
		Input (Person-)		Total Inputs	Total Input (Person-Months)		Total Input (Person-Months)		Total Input (Person-Months)		Total Input (Person-Months)	
		Home	Field		Home	Field	Home	Field	Home	Field	Home	Field
A. Remuneration												
Key Expert (International)												
KI-01	Christopher Konecki/Louis RIJK <i>Team Leader / Municipal Engineer</i>	0.50	34.50	35.00		18.97	0.28	0.90	0.28	19.87	0.22	14.63
KI-02	KIM, Dong Min <i>Geotechnical Engineer</i>	0.50	3.50	4.00		2.27	-	-	0.00	2.27	0.50	1.23
KI-03	Ricky Kwan/ Prashant MALLA <i>River Engineering Specialist</i>	4.25	3.75	8.00	1.14	2.57	0.64		1.78	2.57	2.47	1.18
KI-04	Herkko Kristian Torssonen <i>Solid Waste Management Specialist</i>	1.50	4.50	6.00		2.93	-	-	0.00	2.93	1.50	1.57
KI-05	Cliff Massey/Rachel Wildblood <i>Environment Specialist</i>	1.50	2.50	4.00	0.28	2.00	-	-	0.28	2.00	1.22	0.50
KI-06	Paul Van Strijp/Teemu Antero Jantunen <i>Social Development and Resettlement Specialist</i>	0.25	5.75	6.00	0.25	5.75	-	-	0.25	5.75	-	-
KI-07	Kerry Maxwell Blanch <i>Municipal Finance Specialist/Economist</i>		6.00	6.00		5.65	-	-	0.00	5.65	-	0.35
KI-08	Eric Baye <i>Private Sector Specialist</i>	1.00	3.00	4.00		1.78	-	0.18	0.00	1.96	1.00	1.04
KI-09	Claes Clifford <i>Institutional Specialist</i>	1.50	6.50	8.00		3.33	-	0.70	0.00	4.03	1.50	2.47
	Subtotal Key Expert (International)			81.00	1.67	45.25	0.92	1.78	2.59	47.03	8.41	22.97

KEY EXPERT (NATIONAL)

No.	Expert / Position	Original Contract + VO 1, 2, 3			Up to Last Quarter		This Quarter		Total		Balance	
		Input (Person-)		Total Input	Total Input (Person-Months)		Total Input (Person-Months)		Total Input (Person-Months)		Total Input (Person-Months)	
		Home	Field		Home	Field	Home	Field	Home	Field	Home	Field
Key Expert (National)												
KN-01	Phai Sokheng <i>Deputy Team Leader/Civil Engineer 1</i>	2.11		2.11	2.11		-		2.11		-	
KN-02	Srey Socheat <i>Deputy Team Leader/Civil Engineer 2</i>	63.89		63.89	28.00		3.00		31.00		32.89	
KN-03	Ty Sopheak/Chea Ketia <i>National Geotechnical Engineer</i>	12.00		12.00	12.00				12.00		-	
KN-04	Som Kosal <i>Senior Civil Engineer 1</i>	0.00		-					-		-	
KN-05	Sim Sen <i>Senior Civil Engineer 2</i>	24.00		24.00	19.76		3.00		22.76		1.24	
KN-06	Phung Katry/ Mam Sanoun <i>Civil Engineer-River Hydrology</i>	12.00		12.00	12.00				12.00		-	
KN-07	Yim Mong Toeun <i>Civil Engineer-Solid Waste Management</i>	10.00		10.00	10.00				10.00		-	
KN-08	Chhoeum Ravann <i>Resident Engineer 1</i>	34.00		34.00					-		34.00	
KN-09	So Saran <i>Resident Engineer 2</i>	0.00		-					-		-	
KN-10	Chhor Ratha <i>Site Engineer 1</i>	34.00		34.00					-		34.00	
KN-11	Ro Rosbunnat <i>Site Engineer 2</i>	0.00		-					-		-	
KN-12	Pong Veasna <i>Site Engineer 3</i>	34.00		34.00					-		34.00	
KN-13	Vuth Ratha <i>Site Engineer 4</i>	0.00		-					-		-	
KN-14	Chhay Theara <i>AutoCAD Operator-Solid Waste Management</i>	18.00		18.00	18.00				18.00		-	
KN-15	Norm Mara <i>AutoCAD Operator-Drainage and River Bank Protector</i>	0.00		-					-		-	
KN-16	Pen Titdara <i>AutoCAD Operator-Flood Control</i>	20.00		20.00	20.00				20.00		-	
KN-17	Hep Srey Leak <i>Gender and Development Specialist</i>	6.00		6.00					-		6.00	
KN-18	Chap Samoeun <i>Resettlement Specialist 1- Pursat</i>	15.00		15.00	11.81				11.81		3.19	
KN-19	Mel Sophanna <i>Resettlement Specialist 2- Kampon Chhnang</i>	0.00		-					-		-	
KN-20	Chea Mong <i>Environment Specialist</i>	12.00		12.00	9.93				9.93		2.07	
KN-21	Ouk Monyroath <i>Financial Management/Accounting Specialist</i>	0.00		-					-		-	
KN-22	Bun Sangvar <i>Procurement Specialist</i>	0.00		-					-		-	
KN-23	Chan Vannak <i>Municipal Finance/Tariff/Economic Specialist</i>	24.00		24.00	20.53		0.33		20.86		3.14	
KN-24	Houth Ratanak <i>Human Resource/Training Coordinator</i>	24.00		24.00	4.50				4.50		19.50	
KN-26	Unallocated	10.00		10.00					-		10.00	
	Subtotal Key Expert (National)			355.00	168.64	-	6.33	-	174.97	-	180.03	-
	Total (International + National)			436.00	170.31	45.25	7.25	1.78	177.56	47.03	188.44	-

Annex 8 : Alternative Investment Options for Kampong Chhnang



Culvert with Gated Outlet
Drainage Canal

Drainage Canal
Open Canal 3 km
Covered Canal 0.9 km

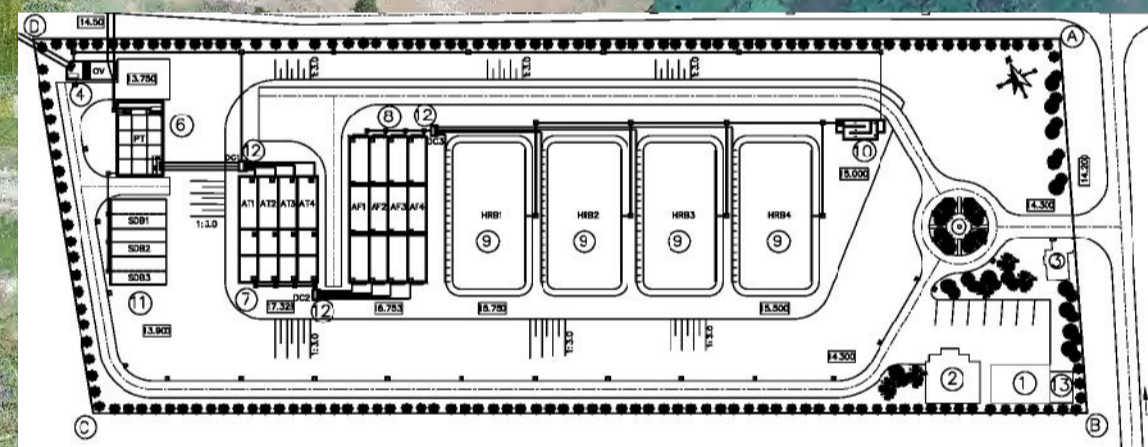
Protection from flooding by
overland storm water runoff
approximately 330 houses

Protection from occasional flooding
approximately 330 houses

Proposed Sewerage System
45 km collector lines, 3 km trunk lines
Coverage about 3,400 houses or
commercial establishments
(16,000 persons)

Cleaning/reshaping
drainage stream

Protection from regular flooding
approximately 270 houses



WWTP on backfilled area (18 ha.)

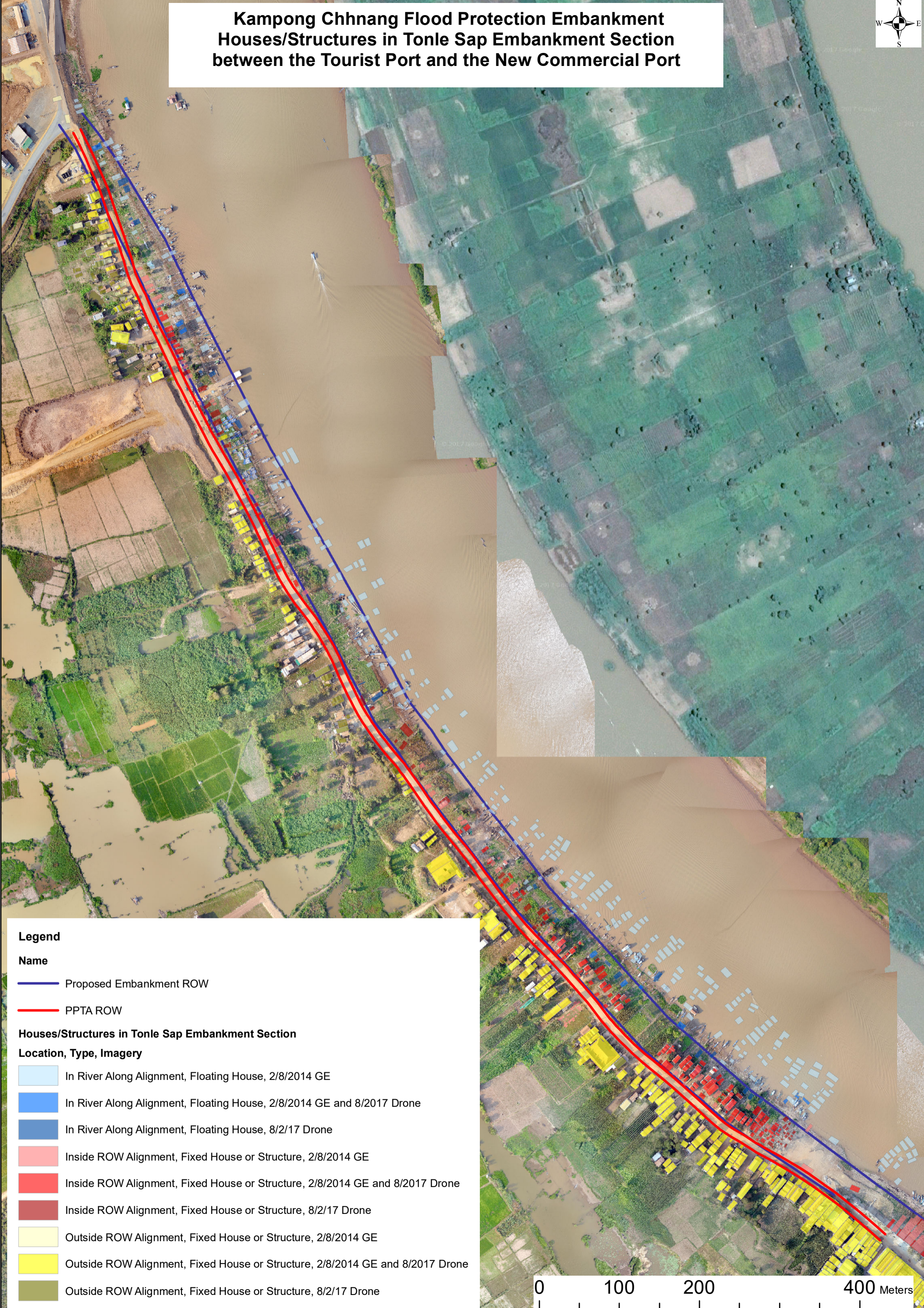
Flood protection for WWTP
and adjacent low lying areas
1.4 km embankment reconstruction
0.9 km road embankment strengthening

Works	Qty	Unit	Unit Cost	Amount (USD)
Sewer Collector Lines	45,000	m	125	5,625,000
Sewer Trunk Lines	3,000	m	350	1,050,000
WWTP	1			2,600,000
Land Filling	18	ha	120,000	2,160,000
Embankment	1,400	m	950	1,330,000
Strengthening Road Embankment	940	m	750	705,000
Drainage Canal	3,660	m	1,200	4,392,000
Outlet structure	1		250,000	250,000
				18,112,000



Annex 8 : Houses/Structures in Tonle Sap Embankment Section between the Tourist Port and the New Commercial Port

Kampong Chhnang Flood Protection Embankment Houses/Structures in Tonle Sap Embankment Section between the Tourist Port and the New Commercial Port



Legend

Name

- Proposed Embankment ROW
- PPTA ROW

Houses/Structures in Tonle Sap Embankment Section

Location, Type, Imagery

- In River Along Alignment, Floating House, 2/8/2014 GE
- In River Along Alignment, Floating House, 2/8/2014 GE and 8/2017 Drone
- In River Along Alignment, Floating House, 8/2/17 Drone
- Inside ROW Alignment, Fixed House or Structure, 2/8/2014 GE
- Inside ROW Alignment, Fixed House or Structure, 2/8/2014 GE and 8/2017 Drone
- Inside ROW Alignment, Fixed House or Structure, 8/2/17 Drone
- Outside ROW Alignment, Fixed House or Structure, 2/8/2014 GE
- Outside ROW Alignment, Fixed House or Structure, 2/8/2014 GE and 8/2017 Drone
- Outside ROW Alignment, Fixed House or Structure, 8/2/17 Drone

