

Technical Assistance Report

Project Number: 37269-054 Capacity Development Technical Assistance (CDTA) December 2014

Kingdom of Cambodia: Strengthening Resettlement and Income Restoration Implementation

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 27 November 2014)

Currency unit	_	riel/s (KR)
KR1.00	=	\$0.0002461538
\$1.00	=	KR4,062.5

ABBREVIATIONS

ADB	_	Asian Development Bank
CDF	_	community development fund
EIRP	_	Expanded Income Restoration Program
GRM	_	grievance redress mechanism
IRC	_	Inter-ministerial Committee on Resettlement
IRC-WG	_	Inter-ministerial Committee on Resettlement Working Group
MEF	_	Ministry of Economy and Finance
PRSC	-	Provincial Resettlement Sub-Committee
PRSC-WG	_	Provincial Resettlement Sub-Committee Working Group
RD-MEF	_	Resettlement Department of the Ministry of Economy and
		Finance
ТА	_	technical assistance

NOTE

In this report, "\$" refers to US dollars.

Vice-President	S. Groff, Operations 2
Director General	J. Nugent, Southeast Asia Department (SERD)
Director	H. Iwasaki, Transport and Communications Division, SERD
Team leader Team members	M. Alam, Unit Head, Project Administration, SERD G. Bade, Project Analyst, SERD R. Barba, Senior Safeguards Specialist, Cambodia Resident Mission (CARM), SERD S. Ouk, Senior Safeguards Officer, CARM, SERD A. Qadir, Senior Counsel, Office of the General Counsel

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

CONTENTS

CAP	PACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE	
١.	INTRODUCTION	1
II.	ISSUES	1
III.	THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE	3
	 A. Impact and Outcome B. Methodology and Key Activities C. Cost and Financing D. Implementation Arrangements 	3 4 4 4
IV.	THE PRESIDENT'S DECISION	5
APP	PENDIXES	
1.	Design and Monitoring Framework	6
2.	Cost Estimates and Financing Plan	8
3.	Outline Terms of Reference for Consultants	9

CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

Project Name Strengthening Resettlement and Income Restoration Implementation Country Department Income Restoration Implementation (Division SERD/SETC Country Cambodia Asian Development Bank Agency Asian Development Bank Agency 2. Sector Subsector(s) ADB Financing (\$ million 7 Transport Rail transport (non-urban) 1.4 3. Strategic Agenda Subcomponents Climate Change Information Climate Change Information Inclusive economic growth (IEG) Pillar 2: Access to economic opportunities, including jobs, made more inclusive Gender Equity and Mainstreaming Low 4. Drivers of Change Components Gender elements (NGE) Image Information Image Information (GCD) Drivers of Change Client relations, network, and partnership development to partnership development No gender elements (NGE) Image Information 5. Poverty Targeting Project I argeting Location Impact Higt 0. Strategior Categorization Not Applicable Image Information Image Information 6. Financing Modality and Sources Amount (\$ million) Mediun 6. To A Category: B Image Information Image Information 7. Safeguard Categorization Not Applicable <th>1</th> <th>Basic Data</th> <th></th> <th></th> <th></th> <th>Project Number</th> <th>. 37269-054</th>	1	Basic Data				Project Number	. 37269-054
Country Borrower Cambodia Not Applicable Executing Agency Asian Development Bank Agency 2. Sector Subsector(s) ADB Financing (\$ million) 4. Transport Rail transport (non-urban) 1.4 7. Transport Bail transport (non-urban) 1.4 3. Strategic Agenda Subcomponents Climate Change Information 1.4 Inclusive economic growth (IEG) Pillar 2: Access to economic opportunities, including jobs, made more inclusive Climate Change Information Clow 4. Drivers of Change Components Client relations, network, and partnership development to partnership driver of change institutional development No gender elements (NGE) ✓ 5. Poverty Targeting Project directly targets poverty No Executing Project directly targets poverty No Rural Urban Higt Mediun 6. TA Category: B E 1.40 Assistance Special Fund 1.40 Assistance Special Fund 1.40 Governancing No and O.000 No 0.000 0.000 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.001 0.0			Strengthening Resettlement and Income Restoration		SERD/SETC	Project Number	. 37203-034
✓ Transport Rail transport (non-urban) 1.4 Total 1.4 3. Strategic Agenda Subcomponents Climate Change Information 1.4 Inclusive economic growth (IEG) Pillar 2: Access to economic opportunities, including jobs, made more inclusive Climate Change impact on the Low Project Project Project Climate Change impact on the Low Governance and capacity development (GCD) Client relations, network, and partnership development to partnership development No gender elements (NGE) ✓ 5. Poverty Targeting Project directly targets No Rural Urban Higi Urban Higi Urban 6. TA Category: B B Total 1.40 Assistance Special Fund Amount (\$ million) Assistance Special Fund 1.40 Assistance Special Fund 0.000 0.000 0.000 0.000 None 0.007 0.007 0.077 0.077 0.077			Cambodia		Asian Develop	ment Bank	
Total 1.4 3. Strategic Agenda Inclusive economic growth (IEG) Subcomponents Pillar 2: Access to economic opportunities, including jobs, made more inclusive Climate Change Information Climate Change impact on the Project Low 4. Drivers of Change Governance and capacity development (GCD) Components Dirit relations, network, and partnership development to partnership driver of change Institutional development Gender Equity and Mainstreaming No gender elements (NGE) V 5. Poverty Targeting Project directly targets poverty No Location Impact Higt Urban 6. TA Category: B E Modality and Sources Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical Assistance Special Fund 1.40 Cofinancing 0.000 0.000 0.001 None 0.007 0.007 Government 0.07 0.07	2.	Sector	Subsector(s)			ADB Financing (\$ million)
3. Strategic Agenda Inclusive economic growth (IEG) Subcomponents Pillar 2: Access to economic opportunities, including jobs, made more inclusive Climate Change Information Climate Change impact on the Project Low 4. Drivers of Change Governance and capacity development (GCD) Components Dialettic components partnership development to partnership development Gender Equity and Mainstreaming No gender elements (NGE) Low 5. Poverty Targeting Project directly targets poverty No Rural Urban Higi Urban Higi Mediun 6. T A Category: B B T Safeguard Categorization Abelity and Sources Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical Assistance Special Fund 1.40 Sovereign Capacity development technical assistance: Technical Action Impact Conterpart Government 0.007 Outerpart 0.007 Outerpart 0.007 Outerpart	1	Transport	Rail transport (non-urban)				1.40
Inclusive economic growth (IEG) Pillar 2: Access to economic opportunities, including jobs, made more inclusive Climate Change impact on the Project Low 4. Drivers of Change Components Gender Equity and Mainstreaming No Governance and capacity development (GCD) Client relations, network, and partnership development to partnership development No gender elements (NGE) Image: Components (GCD) 5. Poverty Targeting Project directly targets poverty No Rural Urban Higt Urban 6. TA Category: B Total Amount (\$ million) ADB Amount (\$ million) Addality and Sources Amount (\$ million) ADB 1.40 Assistance Special Fund 0.00 Counterpart 0.000 0.007 0.07 Total 1.47 1.47					Tota	al	1.40
growth (IEG) opportunities, including jobs, made more inclusive Project 4. Drivers of Change Components Gender Equity and Mainstreaming Governance and capacity development (GCD) Client relations, network, and partnership development to partnership development No gender elements (NGE) 5. Poverty Targeting Location Impact Project directly targets poverty No 6. TA Category: B 7. Safeguard Categorization Not Applicable 8. Financing Modality and Sources Modality and Sources Amount (\$ million) ADB 1.40 Cofinancing 0.00 None 0.00 None 0.00 Counterpart 0.00 Government 0.07	3.	Strategic Agenda		Climate Cha	ange Information		
Governance and capacity development (GCD) Client relations, network, and partnership development to partnership development to partnership driver of change Institutional development No gender elements (NGE) 5. Poverty Targeting Project directly targets poverty No Location Impact 6. TA Category: B Rural Urban Mediun 6. TA Categorization Not Applicable Higt Urban Mediun 8. Financing Modality and Sources Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical 1.40 Assistance Special Fund 0.00 Counterpart 0.007 0.007 0.007 0.07 0.07 Total 1.47 1.47 1.47 1.47			opportunities, including jobs, made		ange impact on the		Low
capacity development (GCD) partnership development to partnership driver of change Institutional development 5. Poverty Targeting Project directly targets poverty No 6. TA Category: B 7. Safeguard Categorization Modality and Sources Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical 1.40 Assistance Special Fund 0.00 Cofunterpart 0.00 Rovernment 0.07 Government 0.07 Total 1.47	4.	Drivers of Change	Components			ning	
Project directly targets No Rural Urban High Medium 6. TA Category: B High Medium 7. Safeguard Categorization Not Applicable Image: Second Se		capacity development	partnership development to partnership driver of change	No gender e	elements (NGE)		1
poverty Ithat Ithat Medium 6. TA Category: B 7. Safeguard Categorization Not Applicable 8. Financing Modality and Sources ADB Sovereign Capacity development technical assistance: Technical Assistance Special Fund Cofinancing None Counterpart Government Total				Location Im	pact		
7. Safeguard Categorization Not Applicable 8. Financing Modality and Sources Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical 1.40 Assistance Special Fund 0.00 None 0.00 Conterpart 0.07 Government 0.07 Total 1.47			No				High Medium
8. Financing Amount (\$ million) ADB 1.40 Sovereign Capacity development technical assistance: Technical 1.40 Assistance Special Fund 0.00 Cofinancing 0.00 None 0.00 Counterpart 0.07 Government 1.47	6.	TA Category:	В	•			
Modality and SourcesAmount (\$ million)ADB1.40Sovereign Capacity development technical assistance: Technical Assistance Special Fund1.40Cofinancing0.00None0.00Counterpart0.07Government0.07Total1.47	7.	Safeguard Categorizat	ion Not Applicable				
ADB1.40Sovereign Capacity development technical assistance: Technical1.40Assistance Special Fund1.40Cofinancing0.00None0.00Counterpart0.07Government0.07Total1.47	8.	Financing					
Sovereign Capacity development technical assistance: Technical1.40Assistance Special Fund0.00Cofinancing0.00None0.00Counterpart0.07Government0.07Total1.47		Modality and Sources	l de la companya de la company		Amount (\$	million)	
Assistance Special Fund 0.00 Cofinancing 0.00 None 0.00 Counterpart 0.07 Government 0.07 Total 1.47		ADB				1.40	
None 0.00 Counterpart 0.07 Government 0.07 Total 1.47				nical		1.40	
Counterpart0.07Government0.07Total1.47							
Government 0.07 Total 1.47							
Total 1.47		•					
		Government				0.07	
0. Effective Development Oceneration		Total				1.47	
		Effective Development					
Use of country procurement systems No							
Use of country public financial management systems No		Use of country public fin	ancial management systems No				

I. INTRODUCTION

1. The proposed capacity development technical assistance (TA) will support the implementation of some of the remedial actions intended to address the decision of the Board of Directors of the Asian Development Bank (ADB) to address the recommendations of the Compliance Review Panel (CRP) final report.¹ In 2014, 11 missions have been conducted for the implementation of remedial actions.² During these missions, requisite information for TA processing has been gathered. The Mission discussed the TA with the Inter-ministerial Committee on Resettlement (IRC) of the Government of Cambodia.³ The government concurred with the impact, outcome, outputs, implementation arrangements, cost, financing arrangements, and terms of reference. Comments from the IRC have been incorporated in the TA. The design and monitoring framework is in Appendix 1.

II. ISSUES

2. ADB approved two loans amounting to \$84 million (L2288 was approved in December 2006 and L2602, as additional financing, was approved in December 2009) for rehabilitation of railway lines, construction of a container terminal and freight facilities, and capacity building for the Railway Department. The Project is co-financed by the Government of Australia (\$22.46 million), OPEC Fund for International Development [(OFID) for \$13 million], and the Government of Malaysia (in kind equivalent to \$2.8 million). Government of Cambodia financed the balance of \$20.3 million. ADB Board on 3 October 2014 approved a major change in scope to remove sections of the railway line and the freight facility from the Project scope, upon request of the Government of Cambodia. The current loans closing date is 30 June 2015.

3. An NGO, on behalf of a group of affected persons filed a complaint with the Office of the Special Project Facilitator (OSPF) in November 2011 concerning the resettlement process, information disclosure, and consultations. A course of action was discussed and agreed,⁴ and activities under the course of action were implemented between August and October 2012. One-on-one sessions were conducted with 116 affected households (AHs). OSPF also undertook small infrastructure improvements at relocation sites. OSPF closed the case in March 2014.

4. In August 2012, a request for compliance review for the Project was received by the CRP Secretariat from the same NGO who filed the OSPF complaint on behalf of a subset of OSPF requesters.⁵ The Board of Directors authorized the compliance review in October 2012.

¹ Compliance Review Panel. 2014. *Final Report on Compliance Review Panel Request No. 2012/2 on the Greater Mekong Subregion: Rehabilitation of the Railway Project in the Kingdom of Cambodia.* Manila: ADB.

² Loan review, consultation, and special loan administration missions were fielded from February to September 2014.

³ The TA first appeared in the business opportunities section of ADB's website on 7 October 2014.

⁴ The course of action was discussed and agreed in a multi-stakeholder workshop conducted by the OSPF on 22 August 2012 in Phnom Penh. The multi-stakeholder workshop included parties involved in the complaint: (i) complainant representatives from Poipet, Battambang, Sihanoukville and Phnom Penh (Toul Sangke, Trapeang Anh Chanh, and Samrong); (ii) Resettlement Department, Ministry of Economy and Finance; (iii) the Department of Foreign Affairs and Trade, Australia; and (iv) ADB.

 ⁵ Compliance review was conducted based on allegations of noncompliance with ADB operational policies and procedures on Involuntary Resettlement, Safeguard Policy Statement, Incorporation of Social Dimensions into ADB Operations, Public Communications, Gender and Development in ADB Operations, Processing Sovereign and Sovereign Guaranteed Loan Proposals, Loan Covenants and Promotion and Cooperation with NGOs.

2

5. In January 2014, the Board approved the following recommendations to ensure that the railway project complies with ADB's safeguard policies: (i) establish a compensation deficit payment scheme (recommendation 1); (ii) improve facilities at resettlement sites (recommendation 2); (iii) improve the functioning of the grievance redress mechanism (GRM), to be reflected in a time-bound and verifiable action plan (recommendation 3); (iv) develop an appropriate program to build capacity for resettlement in the IRC, to be reflected in a time-bound and verifiable action plan (recommendation 4); (v) establish a debt workout scheme to help highly indebted families repay their accumulated debts through a dedicated credit line and a debt workout facility (recommendation 5); and (vi) implement the expanded income restoration program (EIRP) in a sustained and sustainable manner (recommendation 6).⁶ The TA aims to support the implementation of remedial actions proposed to accomplish the Board-approved recommendations, in particular recommendations 3, 4, and 6.⁷

6. Grievance redress. A four-stage GRM was set out in the resettlement plan of the project, which follows Instruction No. 004 Sor-Hor-Vor of June 2006 from the Ministry of Economy and Finance (MEF).⁸ The GRM outlines the responsibilities and the timelines for resolving grievances.⁹ Data from internal project monitoring and the external monitoring organization under the project show that (i) there were delays in resolving grievances, and (ii) the responsibilities of the GRM committees were not well understood by their members. Further, there is a lack of clarity in the procedures of the GRM. The IRC also lacks capacity in handling the GRM. While the government has exerted effort at increasing training, setting up a database, and designating a focal person within the IRC, it is still not possible to diligently follow the timelines outlined in the GRM for resolving grievances. Following general elections in 2013, a number of changes have occurred in provincial and local governments, which has led to the replacement of some members of the GRM committees. New members require awareness and capacity building to ensure that roles and responsibilities are clear. The functioning of the GRM may be improved through (i) strengthening the existing system by increasing resources and capacity, particularly of the IRC; and (ii) conducting periodic external reviews of the performance of the GRM. The IRC has informed ADB that it intends to identify the actions needed to improve the functioning of the GRM. The IRC is in the process of recruiting a contract employee to coordinate and monitor the functioning of the GRM.

7. **Capacity building**. There have been several trainings and workshops on social safeguards conducted since 2001 for government agencies, nongovernment organizations, and individuals supported by ADB and other organizations. These have led to capacity building for resettlement planning and implementation. However, as resettlement issues become more complex and critical for timely implementation of projects, there is a need for continuous capacity building of staff of the Resettlement Department of the MEF (RD-MEF) to update their knowledge and skills.

⁶ The EIRP was provided to strengthen the income restoration program under the project. This includes a community development fund (CDF) intended to improve the abilities of relocated households to earn a living by making use of livelihood opportunities available near their relocation sites through the provision of relevant skills trainings, in addition to start-up capital for the relocated households wishing to engage in livelihood activities. The EIRP also includes social safety net funds that the relocated households can access in times of crisis and emergencies. The EIRP will continue until March 2015 under the Department of Foreign Affairs and Trade grant funding.

⁷ The TA follows a small-scale TA that provided consulting services aimed to support planning for remedial actions. ADB. 2014. Technical Assistance to the Kingdom of Cambodia for Capacity Development and Facilitation for Planning and Implementation of Resettlement Activities under the Greater Mekong Subregion: Rehabilitation of the Railway Project. Manila.

⁸ Kingdom of Cambodia. 2006. Resettlement Plan for GMS Rehabilitation of Railway in Cambodia. Manila: ADB.

⁹ The CRP suggested that the ADB Management review the GRM and propose interventions, including training and capacity building, as well as a greater up-front role for IRC in providing guidance on complaint handling.

8. The RD-MEF and the IRC Working Group (IRC-WG) have set up local counterparts, including the Provincial Resettlement Sub-Committee (PRSC) and the PRSC Working Group (PRSC-WG) for resettlement implementation. Each time the PRSC-WG is deployed to update and implement a resettlement plan in a given location, it is provided brief orientation sessions by the IRC-WG. Since 2006, the number of resettlement plans that the IRC and RD-MEF have planned and implemented has been increasing. The RD-MEF does not currently have a cadre of trainers that can methodically train new staff members and their counterparts in the PRSC and PRSC-WG. Instead, knowledge is gained by on-the-job and hands-on training by new staff. Capacity building for resettlement planning and implementation is crucial for project implementation (para. 4); this is particularly important given the rapid infrastructure development in Cambodia. Moreover, social safeguard issues are becoming more complex as the economy grows and evolves.¹⁰ Therefore, continuous capacity building of the IRC is essential. The IRC has informed ADB that it intends to identify the programs that are needed to build its capacity.

9. **Income restoration**. As part of the resettlement plan for the railway project (footnote 8), an Income Restoration Program was implemented that focused on skills training. The Income Restoration Program was expanded into the EIRP, which includes a community development fund that is intended to improve the ability of relocated households to earn a living by making use of livelihood opportunities available near relocation sites. The EIRP also includes a social safety net fund that the relocated households can use in times of crisis and emergencies. The EIRP in each relocation site is developed as a collaborative effort of the relocated households and is operated through self-help groups.

10. Planning activities for the EIRP started in late November 2011. The EIRP is supported through grant funds from the Government of Australia until March 2015. The Government of Australia also supports the EIRP coordinator, and the financial literacy training provided by Credit Union Foundation Australia. The EIRP is currently successful in most self-help groups, but there is a need to make the EIRP more sustainable to meet the objective of enhancing livelihood through income-generating schemes. ¹¹ Successful implementation of income restoration programs will further build the IRC's capacity in future resettlement implementation.

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

11. The impact will be enhanced capacity of the government to effectively implement resettlement activities in transport projects in Cambodia. The outcome will be enhanced institutional and staff capacity of the IRC to improve the functioning of the GRM, implement resettlement programs, and implement the EIRP in a sustained and sustainable manner.

¹⁰ The CRP noted that IRC now provides services to many projects funded by different donors and it is therefore in the interest of ADB to continue to build the capacity of the IRC by offering training and exchange visits to other places in Asia where resettlement is being carried out more successfully.

places in Asia where resettlement is being carried out more successfully.
 ¹¹ The CRP recommended that for EIRP to be more effective, funds provided to self-help groups should be increased and the maturities for loans should be lengthened. For the program to be sustainable, capacity building and financial support should be provided over an extended period, to allow self-help groups to develop into sustainable institutions and eventually into savings groups, and self-help groups systems and financial management processes to mature. In light of the vulnerabilities and high indebtedness experienced by many AHs during the resettlement process, support under the EIRP to resettled households should be continued.

B. Methodology and Key Activities

12. To achieve the expected outcome, the TA will have the following outputs: (i) strategies are developed to improve the functioning of the GRM (output 1) which will address recommendation 3, (ii) strategies are developed to build institutional and staff capacity of the IRC (output 2) which will address recommendation 4, and (iii) the EIRP is made more sustainable (output 3) which will address recommendation 6.¹²

13. To achieve outputs 1 and 2 the following activities will be undertaken: (a) the current functioning of the GRM and IRC institutional and staff capacity needs will be identified, (b) inputs to the action plans (to be developed by the government and to include study tours to countries in the region to observe and learn how resettlement has been successfully implemented) for capacity building of staff involved in the GRM and capacity building of the IRC will be provided, and (c) technical expertise for capacity building based on government-identified needs will be provided.

14. Outputs 1 and 2 will ensure that with this TA, recommended remedial actions for developing and implementing time-bound and verifiable action plans to improve the functioning of the GRM and to build capacity of the IRC are achieved. Core to the delivery of outputs 1 and 2 is supporting the necessary training to improve the GRM and build capacity.

15. To make EIRP more sustainable (output 3), the following activities will be undertaken: (a) supporting capacity building of self-help groups for managing EIRP funds and conducting planning workshops and training, (b) supporting the design of pilot exit strategies and assisting in transforming self-help groups to savings groups, (c) providing required training and capacity building, (d) mobilizing coordination and financial literacy support staff for back-stopping EIRP, (e) supporting sustained EIRP implementation and assessing further support required based on the implementation of pilot exit strategies. In addition, ADB staff will continue to discuss other options with the IRC and the RD-MEF for implementation if found appropriate to achieve the expected outcome.

C. Cost and Financing

16. The TA is estimated to cost \$1,470,000, of which \$1,400,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The government will provide counterpart support in the form of counterpart staff and other in-kind contributions. The cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

17. ADB will be the executing agency for the TA, with the Transport and Communications Division of the Southeast Asia Department implementing the TA. The RD-MEF, which acts as the secretariat of the IRC, is the counterpart institution in the government. All activities will be undertaken in consultation and coordination with the RD-MEF.

18. The TA will require input from three international consultants. The consultants will have expertise in capacity building, program coordination, and finance, and they will be engaged on an intermittent basis for 15 person-months. The TA also requires input from two national consultants with expertise in finance and program coordination. The national consultants will be

¹² Strategies will be in the form of a detailed time-bound action plan.

engaged on an intermittent basis for 16 person-months. The outline terms of reference for consultants are in Appendix 3. The consultants will be engaged by ADB in accordance with the Guidelines on the Use of Consultants (2013, as amended from time to time). Disbursements under the TA will be made in accordance with ADB's Technical Assistance Disbursement Handbook (2010, as amended from time to time).

19. Implementation of the TA will commence on 1 January 2015 and will end on 31 January 2017. Activities will correlate with the timelines outlined in the remedial actions agreed between ADB and the government.

IV. THE PRESIDENT'S DECISION

20. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,400,000 on a grant basis to the Government of Cambodia for Strengthening Resettlement and Income Restoration Implementation, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

	Performance Targets and	Data Sources and	Assumptions and
Design Summary	Indicators with Baselines	Reporting Mechanisms	Risks
Impact Enhanced capacity of the government to effectively implement resettlement activities in transport projects in Cambodia	By 2019 Increased number of trained staff in Inter- ministerial Committee on Resettlement (IRC) over time, and requiring and providing the resources for training among local authorities as part of resettlement implementation, specifically for grievance redress and income restoration in transport projects in Cambodia	Data on IRC staffing Resettlement plans and budgets for transport projects in Cambodia	Assumptions Government has continued commitment to improving resettlement implementation. Key government officials continue in their current positions.
Outcome Enhanced institutional and staff capacity of the IRC to improve the functioning of the grievance redress mechanism (GRM), implement resettlement programs, and implement the expanded income restoration program (EIRP) in a sustained and sustainable manner	By January 2017 Training and capacity building programs for IRC staff and local authorities developed, specifically for grievance redress and income restoration in the GMS: Rehabilitation of Railway in Cambodia Project. By 2016 GRM follow timelines identified in resettlement plans; and income restoration programs start simultaneously with relocation of affected households.	Capacity development technical assistance (TA) progress and completion reports	Assumption Key Resettlement Department staff and local authorities continue in their current positions.
Outputs 1. Strategies are developed to improve the functioning of the GRM	A specific and verifiable time-bound action plan is prepared, and implementation commences (Q2 2015) with 200 government staff (IRC and local authorities) trained in GRM by 2015	Capacity development TA progress and completion reports	Assumptions Key actions for improvement are accepted by all stakeholders Action plan developed is realistic Risk Insufficient resources to carry out the action plan developed
2. Strategies are developed to build institutional and	A specific and verifiable time-bound action plan is prepared, and	Capacity development TA progress and completion reports	Assumption Capacity development plan is realistic

Desime Oremany	Performance Targets and	Data Source		Assumptions and
Design Summary staff capacity of the	Indicators with Baselines implementation	Reporting Mec	nanisms	Risks
IRC	commences (Q2 2015) with 50 IRC staff (20 staff from the Resettlement Department of the Ministry of Economy and Finance and 30 staff from Provincial Resettlement Sub-Committee Working Group) trained by 2015			Risk Insufficient resources to carry out the action plan developed
3. The EIRP is made more sustainable	The EIRP is supported for an additional 12 months (Q1 2015 to Q2 2016) through the provision of backstopping, financial literacy training, and formulation of exit strategies	Capacity develo TA progress and completion repo	d l	Assumption Self-help groups maintain commitment to the EIRP
Activities with Milesto			Inputs	and a month Dealer
	eloped to improve the function ment of GRM (Q1 2015)	ing of the GRIM		evelopment Bank: al Assistance Special
1.2 Providing inputs to plan (Q1 2015)	the government-led preparation	on of an action	Fund (T	ASF-V) \$1.4 million
1.3 Provision of technic in grievance redres	al expertise and training for c s (Q1 2015)	apacity building	counterpa	rt support in the form of rt staff and other in-kind
1.4 Commence implem	entation (Q2 2015)		contributio	
2. Strategies are deve of the IRC	loped to build institutional and	d staff capacity		
2.1 Internal assessmen	t of IRC staff capacity (Q1 20	15)		
2.2 Providing inputs to plan (Q1 2015)	the government-led preparation	on of an action		
2.3 Provision of technic in grievance redres	al expertise and training for c s (Q1 2015)	apacity building		
3. The EIRP is made r	nore sustainable			
	uilding of self-help groups for p planning workshops and train			
	ilot exit strategies and assist savings groups (Q1 2015)	in transforming		
3.3 Mobilize coordination stopping EIRP (Q1	on and financial literacy suppo 2015)	ort staff for back		
and provide an ass	EIRP implementation (Q1 201 essment of further needed sup of pilot exit strategies.			

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN

(\$'000)

ltem			Amount
Asian	Dev	elopment Bank ^a	
1.	Cor	nsultants	
	a.	Remuneration and per diem	
		i. International consultants	294.66
		ii. National consultants	57.90
	b.	International and local travel	52.50
	C.	Reports and communications	7.00
2.	Tra	ining, seminars, and conferences	
	a.	Facilitators	91.00
	b.	Training program and study tours	670.00
3.	Sur	veys	5.00
4.	Mis	cellaneous administration and support costs ^b	12.00
5.	Cor	ntingencies	209.94
		Total	1,400.00

Note: The technical assistance (TA) is estimated to cost \$1,470,000, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of counterpart staff and other in-kind contributions. The value of government contribution is estimated to account for 5% of the total TA cost.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-V).

^b Office operations, support, and general administration.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Grievance Redress and Capacity Building

1. Capacity Building Specialist (international, 6 person-months)

1. The specialist should have a master's degree or equivalent, preferably in sociology, anthropology, or an applied social science. The specialist should preferably have (i) 10 years of experience in providing consulting services in capacity building, grievance redress, and social safeguards in developing countries similar to Cambodia; and (ii) 10 years of experience in the implementation of Asian Development Bank (ADB) and/or other donor-funded projects. The duties of the specialist will include the following:

- (i) use the existing framework of the grievance redress mechanism under the Greater Mekong Subregion: Rehabilitation of the Railway Project in Cambodia and develop the step-by-step time-bound procedures and guidance notes for its effective implementation;¹
- (ii) assist the Inter-ministerial Committee on Resettlement (IRC) in the governmentled preparation of a specific and verifiable time-bound action plan for improving grievance redress;
- (iii) prepare the training materials for conducting workshops to build the capacity of the various agencies and committees to understand and carry out their role in the grievance redress mechanism;
- (iv) assist the IRC in conducting workshops;
- (v) provide monthly reports on the progress of implementing the agreed capacity building program for improving grievance redress;
- (vi) based on the areas of needs identified by the IRC, assist the IRC in the government-led preparation of a specific and verifiable time-bound action plan for capacity building of the IRC;
- (vii) conduct training workshops to build capacity in areas identified in the agreed action plan;
- (viii) identify and arrange study tours in neighboring countries to showcase good resettlement practices; and
- (ix) provide monthly reports on the progress of implementing the capacity building program.
- 2. **Coordinator** (international, 6 person-months)

2. The coordinator should have a bachelor's degree or equivalent, preferably in management, economics, or an applied social science. The coordinator should preferably have 10 years of experience in the implementation of ADB and/or other donor-funded projects. The duties of the coordinator will include the following:

- (i) assist in managing consulting contracts, including engagement, monitoring, progress, and disbursements;
- (ii) take charge of all logistical requirements for the implementation of the capacity development technical assistance (TA);
- (iii) assist consultants in organizing workshops on resettlement and livelihood programs as needed;

¹ ADB. 2006. Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Loan to the Kingdom of Cambodia for the Greater Mekong Subregion: Rehabilitation of the Railway in Cambodia Project. Manila.

- (iv) disseminate TA projects reports to Transport and Communications Division staff, Southeast Asia Department management, and other relevant ADB departments; and
- (v) liaise with ADB's Department of External Relations for dissemination of information to media and civil society organizations.

B. Expanded Income Restoration Program

1. Financial Specialist (international, 3 person-months)

3. The specialist should have a master's degree or equivalent, preferably in accounting, banking and finance, financial management, or rural credit. The specialist should preferably have (i) 10 years of experience in providing consulting services in rural finance, especially for small-scale saving and credit services in developing countries similar to Cambodia; and (ii) 10 years of experience in the implementation of ADB and/or other donor-funded projects.

4. The specialist will examine in detail the status of the ongoing Expanded Income Restoration Program (EIRP) and the community development fund (CDF), and develop and implement plans to improve performance. The specialist will also assess how to potentially link the CDF with existing finance services that are available in the project areas. The duties of the specialist will include the following:

- (i) working with the EIRP coordinator and other CDF stakeholders, review the current CDF portfolio and provide recommendations on how the CDF program can be improved to be financially viable and how self-help groups can be made organizationally sustainable to serve self-help group members;
- (ii) develop various options for future directions of the CDF, including an analysis of the strengths, weaknesses, opportunities, and threats for selected options;
- (iii) assess potential links between the CDF and finance services, and develop strategies on how the CDF can be interlinked with services from commercial banking financial institutions;
- (iv) assist the project in developing strategies to ensure that the existing self-help groups can gain access to saving and lending services through commercial financial institutions;
- (v) in close coordination with EIRP stakeholders, develop detailed guidelines and an action plan to sustain saving and lending services of the self-help groups; and
- (vi) guide the national financial specialist in his or her duties, and monitor and report on progress, ensuring that all plans are implemented.

2. **Financial Specialist** (national, 8 person-months)

5. The specialist should have a bachelor's degree, preferably in accounting, banking and finance, financial management, rural credit, or equivalent. The specialist should preferably have (i) 5 years of experience in providing consulting services in finance, especially for small-scale saving and credit services; and (ii) 5 years of experience in the implementation of ADB and/or other donor-funded projects.

6. The specialist will support the international financial specialist. The duties of the specialist will include the following:

- (i) assist the international financial specialist in carrying out his or her duties;
- (ii) support sustained EIRP implementation;
- (iii) continue financial literacy programs conducted for affected households;

- (iv) conduct semiannual financial auditing of all self-help groups;
- (v) based on the audits, offer self-help groups advice on improving and strengthening systems and procedures related to bookkeeping and preparation of basic financial reporting;
- (vi) prepare appropriate training design and training kits on organizational management, including assessing and planning, implementing plans, leading and facilitation, and record keeping and reporting;
- (vii) provide mentoring support to self-help group officers to help strengthen their understanding of and skills in managing their organizations;
- (viii) design and conduct appropriate orientation seminars for members and officers of self-help groups on the value of saving and cooperation;
- (ix) design pilot exit strategies and assist in transforming self-help groups into savings groups;
- (x) assess and develop potential links between the self-help groups and the existing finance institutions, and/or formalize these groups into cooperatives and/or finance institutions;
- (xi) conduct an assessment of further needed support based on the implementation of the capacity development TA; and
- (xii) provide monthly reports on the progress of extending the EIRP, identifying issues and suggesting corrective actions where required.

3. Coordinator (national, 8 person-months)

7. The coordinator should have a bachelor's degree or equivalent, preferably in sociology, anthropology, or an applied social science. The coordinator should preferably have 5 years of experience in the implementation of ADB community development projects and/or other donor-funded projects. The duties of the coordinator will include the following:

- (i) support self-help groups in day-to-day activities ensuring the continued functioning of the CDF, the social safety net fund, and other EIRP products that may be introduced;
- (ii) facilitate training and mentoring by financial specialists;
- (iii) provide feedback to financial specialists on training and mentoring outcomes; and
- (iv) monitor the implementation of financial literacy programs, capacity building, and the piloting of exit strategies for self-help groups.