

## DEVELOPMENT COORDINATION

### A. Major Development Partners: Strategic Foci and Key Activities

1. The areas of strategic coordination for the project are climate resilience in infrastructure and in agricultural practices, irrigation development, disaster risk reduction, and sustainable economic development of the Tonle Sap Basin. The Asian Development Bank (ADB) has a continuing focus on the Tonle Sap Basin dating from as early as 1998. In the area of disaster risk reduction, ADB has provided a number of emergency loans to rehabilitate rural infrastructure damaged by extreme flooding. The additional financing for the Tonle Sap Poverty Reduction and Smallholder Development Project will coordinate in particular with the Strengthening Coordination for Management of Disasters technical assistance project, which will strengthen provincial disaster risk management structures and the overall disaster risk management policy environment, and with the Community-Based Disaster Risk Reduction Project, which will enhance disaster risk management capacity at the district and commune levels. Under the additional financing there will also be close coordination with the Climate Resilient Rice Commercialization Sector Development Program on adding climate resilience to irrigation investment, and further development of the irrigation investment under the program. It will also coordinate closely with phases 1 and 2 of the Rural Roads Improvement Project so as to adopt similar climate-resilience measures in rural road construction.

2. The World Bank's involvement in agriculture and rural development has been closely linked to building the capacity of the Ministry of Agriculture, Forestry, and Fisheries (MAFF) through its Agricultural Productivity Improvement Project. It has also been involved in land administration during the early development of the Land Act, 2002. Many investment projects financed by the World Bank have targeted governance issues and public sector financing. Its most recent initiative, through the International Finance Corporation, focused on the milling subsector and was implemented by a local nongovernment organization (NGO) that develops the business management skills of selected millers in various areas of the country. Further investments are under consideration in this area. The International Fund for Agricultural Development (IFAD) is continuing work on the extension system through the Agriculture Services Programme for Innovation, Resilience, and Extension Project, extension recommendations of which will be considered by the Tonle Sap Poverty Reduction and Smallholder Development Project.

3. IFAD is a valuable cofinancier in the current project, especially in the area of establishment of livelihood improvement groups, group revolving funds, small livestock husbandry, and small agribusiness development. For the additional financing, IFAD will provide loan cofinancing equivalent to \$10 million for agribusiness development, to be partially administered by ADB.<sup>1</sup>

4. The European Union has facilitated rural development through its Economic and Social Relaunch in the Northwest, a poverty reduction initiative focused at the grassroots to help local communities escape poverty. Many of the locally identified initiatives included the development of small infrastructure, in particular roads and irrigation facilities. More recently, it has supported the rice industry by cofinancing the Cambodia Rice Sector Support Program.

5. The Australian Agency for International Development strengthened capacity in MAFF's Department of Agricultural Extension and in the Cambodia Agricultural Research and

---

<sup>1</sup> ADB is not a lender of record and will provide partial administration of the IFAD loan for disbursement and procurement.

Development Institute. More recently, it has been active in rice value chain initiatives to improve rice seed quality and post-harvest handling through its Agricultural Quality Improvement Project and the Cambodia Agricultural Value Chain Program.

6. Agence Française de Développement (AFD) has committed significant resources to support the water sector. More recently, AFD's focus has broadened to incorporate rice expansion through support for value chain interventions and the Rural Development Bank. AFD's most relevant intervention is through a €3.5 million grant to support the Commercialization of Cambodia Rice Project, which was implemented during 2012–2015.

### Major Development Partner Projects

Development Partner	Project Name	Duration	Amount (million)
<b>Rural Infrastructure: Rural Roads, Irrigation, and Water Resources</b>			
ADB	Emergency Flood Rehabilitation Project	2001–2003	\$10.80 \$6.40
ADB/AFD	Stung Chinit Irrigation and Rural Infrastructure	2001–2006	\$23.80
AFD	Rehabilitation of Prey Nup Polders	2002–2008	€3.80
ADB/AFD	Northwest Irrigation Sector Project	2004–2010	\$22.60; €4.00
Japan	Project for the Rehabilitation of the Kandal Stung Irrigation System	2005–2008	¥1,740.00
Republic of Korea	Krang Ponley Water Resources Development Project	2006–2010	\$27.00
ADB	Cambodia Flooding 2011: Humanitarian Assistance Project	2012	\$3.00
ADB	Flood Damage Emergency Reconstruction Project	2012–2014	\$55.00
ADB	GMS Flood and Drought Mitigation and Management Sector Project	2012–2017	\$45.00
ADB	Kingdom of Cambodia: Strengthening Coordination for Management of Disasters	2015-2017	\$2.10
ADB	Cambodia: Community-Based Disaster Risk Reduction	2015-2018	\$2.50
<b>Integrated Rural Development and Environment Projects</b>			
ADB	Agriculture Sector Development Program	1996–2000	\$30.00
ADB	Tonle Sap Environmental Management Project	2003–2008	\$19.30
ADB	Northwest Rural Development Project	2003–2008	\$27.20
UK (DFID)	Natural Resource Management and Livelihoods Program	2006–2010	£13.60
ADB	Emergency Food Assistance Project	2008–2014	\$35.00
ADB/IFAD/ Finland	Tonle Sap Poverty Reduction and Smallholder Development Project	2010–2016	\$33.00
UNDP/GEF, Netherlands	Mekong River Basin Wetland Conservation and Sustainable Use Program	Ongoing	\$31.50
<b>Agricultural Development and Commercialization Project</b>			
JICA/APS/WFP	Kamping Puoy Irrigation Rehabilitation and Rural Development	1998–2006	\$5.60
Australian Aid	Agricultural Quality Improvement Project	2000–2006	A\$19.50
ADB	Smallholder Agriculture and Social Protection Support Operation	2009–2014	\$5.00
IFAD/Australian Aid/GIZ/WFP	Community Based Rural Development Project	2001–2008	\$19.80
ADB	Tonle Sap Lowland Stabilization Rural Development Project	2008–2013	\$10.00
AFD	Support to the Commercialisation of Cambodian Rice	2012–2015	€3.5
ADB	Climate-Resilient Rice Commercialization Sector Development Project	2014–2019	\$79.10
World Bank	Cambodia Agribusiness Access to Finance Project	2010–2013	\$5.00
Australian Aid	Cambodia Agricultural Value Chain Program	2010–2014	A\$45.00
<b>Policy Development Initiatives</b>			

<b>Development Partner</b>	<b>Project Name</b>	<b>Duration</b>	<b>Amount (million)</b>
IFAD	Agriculture Services Programme for Innovation, Resilience and Extension	2016-2022	\$52.40
JICA	Technical Services Centre for Irrigation Systems, Phases I and II	2001–2005 2006–2009	\$5.00
AFD	Support for the Development of Agriculture and Water Sector Policies	2006–2009	\$1.50
Australian Aid	Water Resource Management Research Capacity Development Program	2006–2011	A\$3.00
UNDP	Promoting Climate-Resilient Water Management and Agriculture in Rural Cambodia	2009–2013	\$4.10
ADB	Water Resources Management Sector Development Program	2010–2015	\$20.00

ADB = Asian Development Bank, AFD = Agence Française de Développement, APS = Associazione per la Partecipazione allo Sviluppo (Italian nongovernment organization), Australian Aid = Australian Agency for International Development, DFID = Department for International Development of the United Kingdom, GEF = Global Environment Facility, GIZ = Deutsche Gesellschaft für Internationale Zusammenarbeit (German development agency), GMS = Greater Mekong Subregion, IFAD = International Fund for Agricultural Development, JICA = Japan International Cooperation Agency, UNDP = United Nations Development Programme, WFP = World Food Program.

Source: ADB estimates.

## **B. Institutional Arrangements and Processes for Development Coordination**

7. During the project design the project preparation consultants have had multiple bilateral and multilateral consultations with development partners and NGOs who confirmed their support to the additional financing. Further, during implementation, under the proposed additional financing there can be participation in the technical working group on agriculture and water to ensure development coordination. The working group is cochaired by MAFF and the Ministry of Water Resources and Meteorology, and has participation of development partners, NGOs, and the private sector. The group meets at least three times per year, with the overall objective of supporting and strengthening sustainable agricultural and irrigation and water resources development towards inclusive economic growth, food security, increased employment opportunities, and poverty and vulnerability reduction. ADB has been a regular member of the working group and has shared information on its projects and programs, ensuring alignment with the government's priorities, contributing to and facilitating the preparation of subsector strategies and policies and promoting the necessary consultations, and developing joint monitoring indicators for the sectors and key subsectors. The working group will be a good venue for participation and contribution during implementation of the additional financing.

## **C. Achievements and Issues**

8. During preparation, the design of the additional financing for the project was discussed with MAFF to ensure alignment with the government's strategy for the agriculture, natural resources, and rural development sector. It was also confirmed that the project activities are complementary to interventions by other development partners.

## **D. Summary and Recommendations**

9. The additional financing for the Tonle Sap Poverty Reduction and Smallholder Development Project is aligned with the Agricultural Sector Strategic Development Plan 2014–2018. It is recommended that the additional financing continue to stay closely coordinated with development partners that support agricultural production infrastructure including irrigation, farm–market roads, and value chain development, as outlined in this document.