

**INTEGRATED SAFEGUARDS DATA SHEET  
ADDITIONAL FINANCING**

**Report No.: ISDSA1040**

**Date ISDS Prepared/Updated:** 03-Dec-2014

**Date ISDS Approved/Disclosed:** 03-Dec-2014

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Cambodia	<b>Project ID:</b>	P151984
		<b>Parent Project ID:</b>	P143774
<b>Project Name:</b>	Cambodia PFMMP-Additional Financing P151984 (P151984)		
<b>Parent Project Name:</b>	Cambodia PFM Modernization Project (Sodeth Ly co-TTL) (P143774)		
<b>Task Team Leader:</b>	Leah April		
<b>Estimated Appraisal Date:</b>	08-Dec-2014	<b>Estimated Board Date:</b>	26-Jan-2015
<b>Managing Unit:</b>	GGODR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Central government administration (100%)		
<b>Theme(s):</b>	Public expenditure, financial management and procurement (40%), Administrative and civil service reform (20%), Tax policy and administration (20%), Law reform (20%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	7.50	Total Bank Financing:	0.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
Cambodia Public Financial Management Partnership			7.50
Total			7.50
<b>Environmental Category:</b>	C - Not Required		
<b>Is this a Repeater project?</b>	No		

## **2. Project Development Objective(s)**

### **A. Original Project Development Objectives – Parent**

The project development objective is to enhance public financial management by strengthening: (a) revenue mobilization and (b) budget execution processes through the implementation of the Financial Management Information System (FMIS). Progress against the principal objective will be measured by the contribution made to the PFMRP's Key Performance Indicators and Targets set forth under the Stage Two of the PFMRP.

### **B. Current Project Development Objectives – Parent**

### **C. Proposed Project Development Objectives – Additional Financing (AF)**

## **3. Project Description**

The Project Development Objective, “to enhance public financial management by strengthening: (a) revenue mobilization and (b) budget execution processes through the implementation of Financial Management Information System (FMIS),” remains relevant and no changes are required.

The additional financing will address gaps in financing and scale up support to the same two main components ((1) revenue mobilization strategy and SCS operations support and (2) improving budget execution processes through the implementation of the FMIS) until the project end date. The first component is revised to “Mobilization of Revenue and Project Management Functions of the GSC” to reflect the function of the “SCS operations” corresponding to the SCS’ new name and structure within the GSC.

Component 1: Mobilization of Revenue and Project Management Functions of the GSC

This component has two sub-components under the original PFMMMP and will remain the same.

Sub-component A: Mobilization of Revenue: This sub-component aims to facilitate the preparation of a credible and sequenced Revenue Mobilization Strategy (RMS) for the RGC and monitoring the RMS implementation. The AF will enable the extension of support beyond the monitoring activities to include capacity building and implementation of revenue mobilization strategy through key general departments, namely the General Department of Economic and Public Finance Policy, General Department of State Property and Non-Tax Revenue, General Department of Customs and Excises, General Department of Taxation, and General Department of Financial Industry. Support for this sub-component is rather focused and will cover two main areas: capacity building to strengthen revenue administration and implementation support for the RMS. This sub-component will complement other donors’ support for revenue mobilization as a part of the government’s broader PFMRP under a Sector Wide Approach (SWAp).

Sub-component B: Project Management Functions of the GSC: This sub-component supports project management functions of the GSC corresponding to the original function of the “SCS operation.” Financing to support consultants and costs associated fiduciary obligations involving project management, monitoring and evaluation, and coordination and reporting under the GSC is provided to (i) support the progress and implementation of the project; and (ii) ensure that resources for the project are managed in a strategic, transparent, and effective manner. The current funding available

will last about 18 months from the start of the project and the AF will fill the financing gap for this sub-component until the project end date.

Component 2: Improving the budget execution processes through the implementation of the FMIS

This component entails two sub components in the original PFMMP, namely the acquisition of the FMIS and implementation support for the FMIS. Both of these sub-components will remain the same.

Sub-component A: This sub-component aims to strengthen budget execution processes by providing funds for the MEF to acquire the FMIS. The FMIS will modernize the financial operations of budget and treasury units and will be built around a core budget and treasury system supporting all budget execution functions starting from budget allotment, commitment to payment stages. Key general departments involving in the budget allotment and execution processes planned to be covered by the FMIS include General Department of the National Treasury (which includes the capital and 23 provincial treasuries), General Department of Budget, and General Department of Sub-National Administration Finance. The AF will support (1) budget integration and comprehensiveness under the FMIS by providing funds to refine the quality and deepen the implementation of budget strategic plans that integrate the government budget and donors' funds, (2) capacity building and training on the uniform account code structure and the use of new chart of accounts based on IPSAS, the implementation of program-based budget, and budget entity reforms.

Sub-component B: Support for the FMIS includes ongoing technical assistance for the FMIS implementation comprising of business process mapping and reengineering, FMIS project governance, contract management, and change management. Specific support under the AF will include extension of funding to cover capacity building and key FMIS functional, software, and change management experts throughout the project period.

**4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

**5. Environmental and Social Safeguards Specialists**

Peter Leonard (OPSOR)

<b>6. Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/ BP 4.01	No	The project will finance consulting services, goods, training and workshops. There are no civil works or any activities that may have negative environmental implications. The project has been categorized as C.
Natural Habitats OP/BP 4.04	No	No safeguard policies are triggered.
Forests OP/BP 4.36	No	No safeguard policies are triggered.
Pest Management OP 4.09	No	No safeguard policies are triggered.

Physical Cultural Resources OP/ BP 4.11	No	No safeguard policies are triggered.
Indigenous Peoples OP/BP 4.10	No	No safeguard policies are triggered.
Involuntary Resettlement OP/BP 4.12	No	No safeguard policies are triggered.
Safety of Dams OP/BP 4.37	No	No safeguard policies are triggered.
Projects on International Waterways OP/BP 7.50	No	No safeguard policies are triggered.
Projects in Disputed Areas OP/BP 7.60	No	No safeguard policies are triggered.

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b>
<b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b>
<b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b>
<b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b>
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>

### B. Disclosure Requirements

<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/ Audit/or EMP.</b>
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>

### C. Compliance Monitoring Indicators at the Corporate Level

<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

### III. APPROVALS

Task Team Leader:	Name: Leah April	
<b>Approved By</b>		
Practice Manager/ Manager:	Name: Robert R. Taliercio (PMGR)	Date: 03-Dec-2014