



Royal Government of Cambodia

Trade Development Support Program (TDSP)

PROPOSAL CONCEPT NOTE

(For D/ICO Use only)

File Number(see TDSP coding)	
Date Received	
TDSP Call for Proposal Batch	
D/ICO Focal Point	
Actions to Be Taken	

1. Submitting Agency Information

Date Submitted	22May 2015
Submitting Ministry/Agency	Arbitration Council Foundation
Submitting Director	Mr. MEN Nimmith, Acting Executive Director
Director Contact Information	Acting Executive Director, Arbitration Council Foundation
Address	No. 72, Street 592 (corner of St. 327), SangkatBoeungKak II, Khan TuolKork, Phnom Penh
Tel (office/mobile)	Office: (+855) 23 881 814; Mobile: (+855) 17 879 542
E-mail	nmen@arbitrationcouncil.org
Focal Point for this proposal within organization, email address and mobile phone	Mr. MEN Nimmith (see above)

2. Summary info

Proposal Title	Support for the Arbitration Council and Dispute Resolution in Cambodia
Main beneficiaries	Employers and employees in Cambodia; employers' associations (including GMAC, CAMFEBA), trade unions; industries, especially garment manufacturing
Expected StartingDate	01 July 2015
Expected Completion Date	30 June 2016 (12 months from starting date)
Estimated Cost in USD(preliminary estimate)	USD 135,055



3. Proposal development process

Date first draft version	22May 2015
Date approval byIA	
Date presentation to Pillar WG	
Date approval by Pillar	
Date final version approved	

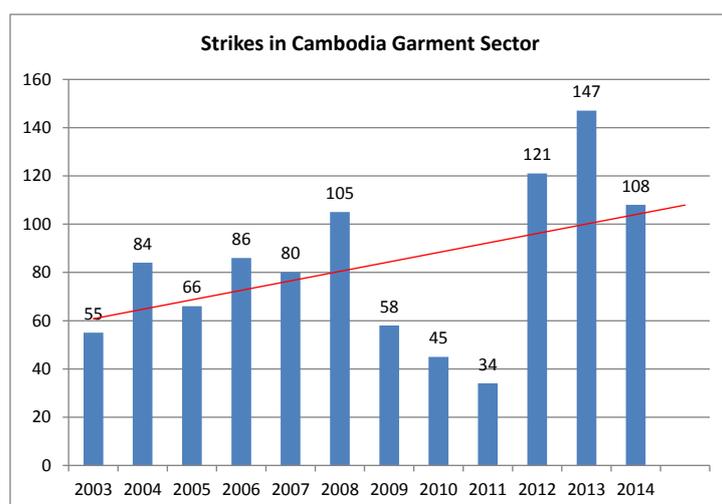
B. DETAILED REQUEST

1. Strategic Context of the Project

a) What is the problem that you will address and how was it detected (assessment, feasibility study, evaluation, please justify your answer)

The Arbitration Council Foundation (**ACF**) and the Arbitration Council present this problem analysis and proposal concept note based on over a decade of experience addressing labour disputes in Cambodia, including under the Royal Government of Cambodia/World Bank *Demand for Good Governance* (**DFGG**) Project, evaluation of labour market governance data, review of national policy, and dialogue with key industrial relations partners, including the Ministry of Labour and Vocational Training (**MoLVT**), the Garment Manufacturers Association in Cambodia (**GMAC**), trade union federations and confederations, and other partners.

Labour disputes in Cambodia have been volatile. These disputes, often resulting in strikes, demonstrations and even violence, affect the climate for investment in Cambodia as well as jeopardize social development. While labour disputes are common in countries on the process of economic transition, there has been an overall increasing trend of industrial action (strikes and lock-outs) in Cambodia and recent years have seen high levels of disputes and strike activities. Strike figures reported by GMAC rose from 31 in 2011 to 121 in 2012, then to 147 in 2013, and 108 in 2014.

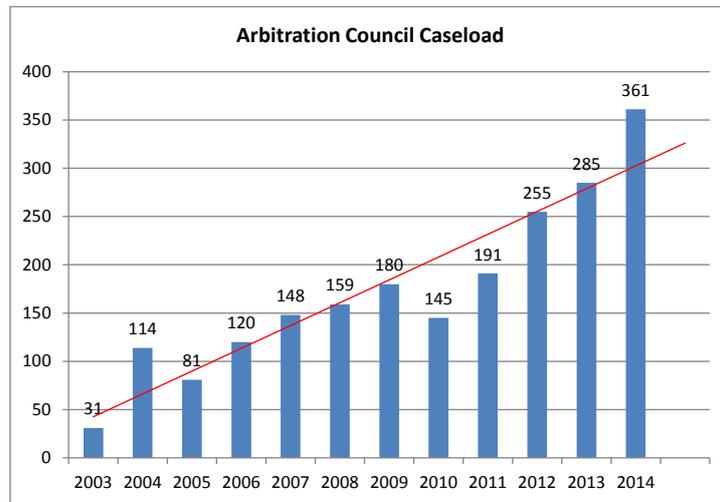


Source: GMAC

The Arbitration Council is Cambodia's national institution established pursuant to the Labour Law to resolve labour disputes. In 2003, 31 collective labour disputes were reported to the Arbitration Council; by 2014, this figure had swelled to 361. While the AC's mandate to resolve labour disputes extends across the country, from all



employment sectors covered by the Labour Law, approximately 90% of all cases received by the AC arise from the garment industry.



Source: AC

It is anticipated that the current trend in demand for labour dispute arbitration services from the Arbitration Council will continue to rise. This demand will be driven by the expected continued growth and formalisation of the economy in Cambodia. It will also be driven by the continued high level of trust and confidence in the Council.

In addition to the problem of labour disputation, there is also a lack of understanding among workers and employers about proper dispute resolution processes under the law. Once a collective dispute arises that cannot be resolved at the workplace between the employer and workers, the Labour Law calls for a 'cooling-off period' during which parties are required to undergo conciliation and arbitration before they may engage in industrial action, that is a strike or lock-out. In practice, almost all of the labour disputes that have resulted in strikes in Cambodia have failed to follow the requisite procedure, leading them to become formally 'illegal strikes'. The prevalence of 'illegal strikes' is one of the primary industrial relations complaints from investors and employers.

Minimizing the consequences of labour disputes, promoting awareness of legal processes for dispute resolution and fostering a more stable industrial relations environment, especially in the garment sector, are key elements to support Cambodia's investment climate and export competitiveness. Labour disputes which are not addressed efficiently and effectively can end up in prolonged work stoppages and intensive strikes and demonstrations, not only at the enterprise, but can also spread to sectoral and even country-wide levels. Strike stoppages in garment factories cost millions in lost sales and revenues, cancellations of orders and lawsuits over contract breaches and lost production. Helping employers and workers to resolve their labour conflicts can not only help minimize disruptions to business and production (as well as disruptions to worker incomes), but can also increase investors' confidence in the stability of Cambodia's economy and help maintain Cambodia's export growth.

b) How will this proposal add value to the trade/export regime? How will this proposed intervention diversify and leverage Cambodia's trade/export?

To address the above problems, Cambodia needs a credible and efficient labour dispute settlement system that is effectively utilised by and has the confidence of all parties. The Arbitration Council and ACF have a track record and reputation for delivering credible



dispute resolution and related services. To date, the Council had handled over 2,000 cases involving disputes directly affecting over 900,000 workers in Cambodia. Notably, the vast majority (approximately 90%) of all labour dispute cases handled by the Arbitration Council arise from the garment sector.

The garment industry is one of the main pillars of Cambodia's extraordinary economic growth. In 2014, garments and textiles accounted for 80 percent of Cambodia's total exports and were worth approximately \$5.75 billion. And according to the latest figures from the Ministry of Commerce, Cambodia's year-over-year garment exports for the first quarter 2015 grew by 11%. The sector employs more than 700,000 workers, approximately 80-90% of whom are female workers. Labour disputes and strikes are one of the main setbacks constraining the sector's development and consequently social and economic development more broadly in Cambodia. Under the Labour Law and *Prakas*, the Arbitration Council is authorized to deal directly with labour strikes, including through the issuance of return-to-work orders. As of the end of 2013, the Council had achieved a 71% overall compliance rate with such orders. The Garment Manufacturers Association in Cambodia (GMAC) has remarked on the extraordinary economic benefit of the Arbitration Council's services in Cambodia, especially with regard to the Council's effects on curtailing strikes.¹ According to GMAC, the effectiveness of the Arbitration Council's services saves the garment and footwear industry approximately **"2 to 3% of the export volume."** Based on the 2012 total Cambodian garment export value of \$4.6 billion, the economic benefit of the Arbitration Council's services for the garment and footwear industry alone is in the range of **\$92 million to \$138 million per year**.

Moreover, the Arbitration Council and ACF have contributed to improved working practices, not only in reducing workers' absenteeism due to illegal strike action, but also in fostering more collaborative and constructive negotiations to resolve labour demands at the factory level. The Council's arbitration and dispute resolution services, based on principles of law and justice, has helped improve employers' adoption and adherence to the rule of law and lawful, productive employment practices through their compliance with arbitral decisions and labour law. The Arbitration Council's clearly articulated, legally reasoned and evidence-based judgment is what makes it so effective in addressing labour disputes promptly. Prompt, efficient resolution is also a hallmark of the Arbitration Council's services: despite a rising case load, the Council has issued its arbitral decision within the statutorily mandated timeframe (15 days unless extended by agreement of both parties) in **100% of over 2,000 cases** received since its establishment; and in 2014 the average number of days from the start to the end of the arbitration process was only 17 days.

COST OF ARBITRATION COUNCIL SERVICES	
Total number of arbitrators	30 part-time arbitrators
Total number of ACF staff	23 full-time staff
Total annual expenditures, 2014	\$607,141

BENEFITS OF ARBITRATION COUNCIL SERVICES	
Total labour dispute cases handled, 2003-2014	2,070 cases handled overall
Total labour dispute cases handled in 2014	361 cases handled in 2014

¹ Presentation by Mr. Van Sou Ieng, Chairman of GMAC and President of CAMFEBA, at the Social Accountability Forum organized by the Ministry of Interior at the Intercontinental Hotel in Phnom Penh on 09 September 2014.



% of all cases arising from garment	90% of all cases, garments
Estimated economic benefit to garment sector	2-3% of export volume (or \$92-138 million in 2012)
Total workers affected by labour disputes handled by AC	Over 900,000 workers
% of affected workers, female	80-90% workers, female
% of cases successfully resolved through AC process	73% successfully resolved
% of strike successfully halted by AC orders	71% strikes halted
% of awards issued within mandated timeframes	100% timely issuance
Average number of days to resolve case	17 days
Total participants reached through ACF stakeholder outreach and training activities (2013)	567 participants

Absent the Arbitration Council's services, disputes are likely to continue escalating without resolution and economic and social progress is unlikely to be sustainable. Support for the Arbitration Council's services will also contribute to enhancing Cambodia's positive market image and to ensuring increased labour productivity by effectively dealing with disruptive industrial conflicts. **The Arbitration Council is the only body supplying Cambodia's demand for quick, fair and competent arbitration of labour disputes.** A thriving private sector, strong export competitiveness and healthy, stable industrial relations require supporting institutions like the Arbitration Council.

The Arbitration Council is specifically identified by the Royal Government of Cambodia in the **Trade Sector Wide Approach, Pillar's Road Map (March 2012)**, as one of the important actors working in the area of Core Labour Standards to ensure decent working conditions and the competitiveness and productivity of the garment industry in Cambodia. The work of the Arbitration Council is supported and facilitated by ACF, a local, non-political, non-governmental organisation duly registered with the Ministry of Interior.

This proposal seeks TDSP funds to support the labour dispute resolution work and related services of the Arbitration Council and ACF with the strategic aim of producing a more stable and productive industrial relations climate in Cambodia and improving the environment for export competitiveness. Importantly, this proposal provides for the development and implementation of strategies that will help the Arbitration Council to be a sustainable institution in the future, beyond the life of this project.

This proposal harmonizes with the programs and objectives of ACF's partner organisations, including GMAC, ILO-Better Factories Cambodia and others involved in improving industrial relations, strengthening the investment for climate and promoting socio-economic development in Cambodia.

c) Does the proposal fit in one of the Trade SWAp Pillar work programme or identified priorities? Which building blocks and KPIs of Trade SWAp Roadmap does this proposal match with?

This Proposal fits in the **Trade SWAp Pillar 1 Goal of Strengthening competitiveness in existing export industries and promoting export diversification by improving the formulation and implementation of trade policies and regulations.** The main reform area



related to this Proposal, as identified in the Royal Government of Cambodia's Trade Integration Strategy, is the area of *Core Labour Standards*.

This Proposal supports the **Trade SWAp Strategic Outcome (S.O.1.7)** of *Enhanced compliance with the Cambodian labour laws and core labour standards in the manufacturing industry*.

This Proposal matches with the **Trade SWAp Building Block (BB.1.7.3)** of *Supporting dispute resolutions and the Arbitration Council*; and the **Key Performance Indicator (KPI.1.7.3.b)**, *Percentage of labour disputes that are settled successfully through arbitration (award issued and complied with; distinguishing between binding and non-binding decisions)*.

d) In what TDSP component(s) does this proposal fit in (Com. 1: Trade Policy Formulation and Implementation (1.a: TBT & SPS, 1.b: Trade Facilitation, 1.c: Legal Reforms), Com. 2 Performance Monitoring, Com. 3: Institutional and Human Capacity, Com. 4: Implementation Support to TDSP)?

This Proposal fits in **TDSP Component 1, Trade Policy Formulation and Implementation, (1.c), Legal Reforms**.

e) Who are the stakeholders of this proposal? Have you had any coordination meeting with relevant Inter-ministries/agencies in designing this proposal? What specific coordination have you had with these ministries/agencies?

The garment industry is a particular stakeholder and beneficiary of this proposal. While the Arbitration Council's mandate to resolve labour disputes extends across the country, from all employment sectors covered by the Labour Law, approximately 90% of all cases received by the Arbitration Council arise from the garment, textile and footwear industry. Resolving labour disputes will benefit the garment industry as a whole. Other industries also expected to benefit from the proposed training program include hotel/tourism, construction and other industries.

Employers, employees and their respective representative organisations (GMAC, CAMFEBA, trade unions) are beneficiaries and stakeholders to the extent the Arbitration Council resolves labour disputes arising directly between these stakeholders in the context of their employment relationship.

The Arbitration Council and ACF have coordinated with the Ministry of Labour and Vocational Training and the Ministry of Interior, as well as the Garment Manufacturers Association in Cambodia on this proposal. Discussions were held regarding this proposal and the plan to submit such proposal for TDSP funds; and each of these Ministries and GMAC provided a letter of support on behalf of the Arbitration Council and ACF, to the Ministry of Commerce.

2. Project Description:

a) What is the impact of your proposed project

Strengthened export competitiveness and improved labour market governance for private sector and socio-economic development by enhancing the extent to which a well-functioning labour arbitration system builds confidence of investors, economic partners and industrial relations stakeholders that disputes will be resolved effectively and fairly.



b) What will be the main outcomes of your proposed project

1. Contribute to export competitiveness and private sector development in which compliance with Cambodian labour laws and core labour standards is enhanced
2. Contribute to productive and stable industrial relations system in which investors, trade partners and industrial relations stakeholders have confidence in Arbitration Council's responsive services

c) What will be the main outputs of each outcome of your proposed project

- 1.1 A quantum of labour dispute cases are resolved at the Arbitration Council
- 2.1 Adequate numbers of employers and workers are trained to have good understanding and knowledge of labour dispute resolution and related issues
- 2.2 Communications and outreach publications of Arbitration Council are produced and disseminated

d) For reaching outputs above, what activities would you undertake?

1. Mediate and arbitrate labour dispute led by experienced arbitrators and supported by Legal Services team
2. Design and publish outreach and communications materials, including labour dispute resolution information publications, and train employers and workers on legal dispute resolution processes and related issues

e) How will the propose activities address the current problem (please describe/list it)

Supplying efficient and effective resolution services through mediation and arbitration directly addresses the demand for settlement of collective labour disputes, helps stabilize industrial relations, increases investors' confidence, and promotes Cambodia's export growth.

Developing and disseminating pertinent outreach and communications materials, including labour dispute resolution information publications, and providing training to employers and workers addresses their lack of capacity, understanding and awareness to undertake proper, legal labour dispute resolution processes.

3. Resources requested from TDSP

a) What resources would your organization commit/dedicate to the implementation of this proposal ?

The Arbitration Council Foundation will commit and dedicate the following resources:

- Human Resources: experienced labour dispute resolution professionals, including arbitrators of the Arbitration Council and ACF staff members, to carry out the proposed project. ACF notes that arbitrators –comprised of professionals from private sector, international and local NGOs, academia, public service and government, etc.– do not work full-time with the Arbitration Council; instead, they work on a case-by-case basis and are paid an established arbitration fee for their services in accordance with the arbitrator payment policy. Arbitrators whose



separate full-time employment is with the Royal Government of Cambodia will *not* be paid through TDSP funds.

- Arbitration Systems and Tools: arbitration support systems and tools, legal research resources, case administration databases to efficiently and effectively process and arbitrate labour dispute cases.
- Informational Dispute Resolution Material: existing arbitration information tools and media will be reviewed and updated to form the basis of the informational materials and training for this proposed project.
- Certain Equipment, Supplies.
- Project Management Support: including overhead/administration to support development and implementation.

b) What "inputs" would you need to complete these activities (Consultant services, training and workshops, equipment? Office and other supplies?)

The following inputs are needed to complete the activities:

- Arbitration and arbitration legal support services. Please refer to Human Resources and Arbitration Systems and Tools, above, committed by ACF.
- Training and communication services for information publication design and dissemination and training of stakeholders. Please refer to Human Resources, Arbitration Systems and Tools and Information Dispute Resolution Material, above, committed by ACF.
- Office supplies and equipment, and project management support. Please refer to Certain Equipment, Supplies and Project Management Support, above, committed by ACF. ACF notes this proposal concept note seeks TDSP funding support as part of a larger facility of funds from multiple sources, consistent with ACF's cost sharing and financial sustainability strategy. ACF has raised and will make its best efforts to secure remaining amounts from a number of other donors and stakeholders

c) What are the main roles of the proposed consultants? (provide list of responsibilities)

n/a (ACF does not propose to TDSP funding support for consultants.)

4. Risk mitigation and sustainability

a) What is your sustainability strategy? How will you ensure the results of project will last beyond the life of project?

Sustainability is a key issue for the Arbitration Council and ACF. The Council is not a temporary project, but rather a statutory body that is provided for by Cambodian law. However, although the Arbitration Council is a national institution, the fact that this institution has to date been funding primarily by international donors means that the Council's future financial stability is not assured. Because of the important role the Council has played as Cambodia's national independent institution of labour dispute resolution, sustainability of the Arbitration Council is considered beyond the life of the project.

The Arbitration Council was established in 2003 in accordance with Cambodia's Labour Law, and with technical assistance from the International Labour Organization. Although the Council is a statutory institution, it has not previously been funded by the Royal



Government of Cambodia (**RGC**). (Currently, a request has been placed to the RGC for an allocation of national budget funds starting in 2015; such request is currently under review.) As the Labour Law requires arbitration services be provided for free of charge, the Arbitration Council has relied on international donor funding in order to ensure its continued ability to deliver its dispute resolution services. In 2012, under the RGC/World Bank-funded Demand for Good Governance project, ACF started the process of developing a sustainability strategy. In 2014, ACF organised a think tank to carry forward the basic strategy into the design and implementation of a sustainability action plan for the Arbitration Council. ACF also benefits from technical guidance on financial and institutional sustainability issues from its International Advisory Board (**IAB**), comprised of individuals from a cross-section of the international business, legal and industrial relations community.

In accordance with the sustainability action plan, ACF has established the Arbitration Council Multi-Stakeholder Financing Facility (**ACMFF**). This facility is capable of receiving funds from a diverse source of contributors, including international development agencies and funds, international brands and, importantly, the Arbitration Council's tripartite stakeholders: government, employers and workers/trade unions. In the near term and over the next 3 years, ACF expects contributions from international donors to comprise the primary proportion of contributions. In the medium to long term, ACF expects reliance on international donors to gradually be reduced and the contributions from the tripartite stakeholders to be increased. ACF has already taken steps to diversify its funding sources and this proposal for financial support from TDSP is consistent with ACF's sustainability plans.

The cornerstone of the long-term sustainability of the Arbitration Council and its critical labour dispute resolution services is direct bipartite co-contributions from both employers and workers (as the clients to the Arbitration Council) to the ACMFF. The process of seeking stakeholders' commitment to the ACMFF and the direct bipartite contribution system requires extensive outreach and dialogue by ACF, as well as careful planning, preparation and navigation; but initial signs are promising. The tripartite stakeholders of the Arbitration Council have demonstrated strong support for the sustainability model. Consistent with its sustainability strategy, ACF will continue to assess and develop the financial, legal, administrative and management systems expected to be required, to secure the long term sustainability of the Arbitration Council and services in Cambodia.

b) What are the identified risks which may influence project delivery and results? What is the mitigation strategy?

Risk Description	Impact	Mitigation strategy
1. Institutional Integrity, Governance: Improper influence exerted on the Arbitration Council, especially the selection, appointment, removal of arbitrators or in the decision-making process of arbitration panels on specific labour disputes	Loss of reputation – independence, integrity and impartiality	1. Review procedures and update as necessary to ensure that arbitrators are not influenced by stakeholders or vested interests, especially the statement of ethical conduct for arbitrators called Professional Guidelines for Arbitrators 2. Implement measures to institutionalise and expand AC's partnership with other industrial relations institutions and stakeholders to ensure countervailing forces and interests prevent improper influence by particular interests 3. Implements measure to raise awareness and visibility of the Arbitration Council



<p>2. Financial Management: Payment of scheduled fees for arbitration services are derived from otherwise technically ineligible donor sources</p>	<p>Contravention of applicable policies, for example regarding payment of government civil servants</p>	<ol style="list-style-type: none"> 1. Review financial payment and management procedures and update as necessary to ensure that arbitration service fees for arbitrators who hold outside employment as government civil servants are paid from permitted sources other than TDSP 2. Continue to conduct annual financial audit
<p>3. Industrial Relations: Illegal strikes (including national level strike), in which workers contravene the procedures laid out in the law and have gone on strike before their case is heard by MoLVT and the Arbitration Council</p>	<p>Credibility and effectiveness of the AC are undermined</p>	<ol style="list-style-type: none"> 1. Cooperate with partners in promotion of collective bargaining agreements with non-strike clause and binding arbitration in exchange for the unions' agreement to forego their right to strike for a certain period of time, or at least to eliminate the practice of illegal strikes 2. Cooperate with the MoLVT, GMAC, trade unions, ILO and other stakeholders in raising awareness about provisions of the Memorandum of Understanding on Promoting Industrial Relations in the Garment Industry 3. ACF to expand training to stakeholders (including unions) regarding labour dispute prevention and resolution
<p>4. MoLVT Capacity: Capacity of MoLVT at provincial levels, in forwarding cases to the Arbitration Council</p>	<p>Access of stakeholders outside of Phnom Penh to AC's services are limited or undermined</p>	<ol style="list-style-type: none"> 1. Strengthen the capacity of conciliators of provincial labour offices, including joint training and outreach provided by MoLVT and ACF to conciliators on labour dispute resolution process and conciliation 2. MoLVT and ACF to continue to cooperate to build close relations and good understanding of their respective roles, the role of the Arbitration Council and their mutual obligations to parties, through joint events, workshops, etc 3. ACF to provide information to parties regarding the arbitration process and arbitrators (including location of the Arbitration Council, what a hearing is, how to select arbitrators, where the arbitrator biography can be found, etc)
<p>5. AC Awards: Non-implementation of awards</p>	<p>Credibility and sustainability of AC are undermined</p>	<ol style="list-style-type: none"> 1. ACF to cooperate with partners in promoting of collective bargaining agreements with non-strike clause and binding arbitration 2. ACF to implement measures to promote binding arbitration (e.g. work with conciliators to communicate advantages of binding arbitration (which provides a final resolution and closure to a dispute) to parties at the conciliation stage before the case is referred to the AC) 3. ACF to continue to publish the arbitration awards on its website, which enables third parties such as ILO's Better Factories Cambodia to monitor compliance with the awards



5. Project Implementation Arrangement

a) What is the mandate of the submitting agency?

To support and facilitate the work and activities of the Arbitration Council; to enhance the independence, reliability and efficiency of the Arbitration Council's work; and to develop individuals and institutions to resolve labour disputes.

b) What is the organizational structure of the submitting agency?

The Arbitration Council Foundation is a non-governmental organization registered with the Ministry of Interior, under the laws of the Royal Government of Cambodia.

The Arbitration Council is Cambodia's national institution of labour dispute resolution, established in accordance with Cambodia's Labour Law (1997), MOSALVY Prakas No. 318-01 (November 2001), MOSALVY Prakas No. 317-01 (November 2001) and MOSALVY Prakas No. 099 (April 2004).

c) How will you arrange and coordinate the project implementation within existing structure? What is the reporting line?

This project is managed by the Executive Management Team of the Arbitration Council Foundation, headed by an Executive Director. To arrange and coordinate project implementation, ACF will tap into the resources of 23 staff members and 30 government-appointed arbitrators of the Arbitration Council. The Executive Management Team is accountable to the ACF's Board of Directors comprising of six individuals: three individuals from among members of the Arbitration Council, one individual from the business community, one from the international development community, and one individual designated by the International Labour Organization.

In addition to the Board of Directors, the ACF also reports to its Stakeholders Advisory Group (**SAG**). The SAG is a tripartite advisory mechanism comprising of three individuals from the Royal Government of Cambodia through the Ministry of Labour and Vocational Training, three individuals from the Cambodian Federation of Employer and Business Association as well as the Garment Manufacturer Association in Cambodia, and three individuals from union federations. The SAG provides advice on the strategic direction of the ACF and strategic support on the implementation of ACF's activities under this project.

d) What will be the M&E mechanism of the project?

The Arbitration Council Foundation has a comprehensive monitoring and evaluation system in place, based on World Bank protocols and overseen by ACF's Monitoring & Evaluation Coordinator. The results framework identifies objectives and indicators; further indicators may be identified for emerging information needs. ACF uses internal and external sources for data collection and analysis; prepares regular reports; and conducts evaluation studies, as necessary. ACF also collects information for lessons learned and best practices to inform strategic planning and implementation.



6. Annex:

1. Results framework
2. Budget Plan
3. Work Plan



Annex 1: Project Results Framework

	Outcome Statement	Outcome Indicators	Baseline	Target	Source(Means of Verification)
Outcome Level	Outcome 1: Contribute to export competitiveness and private sector development in which compliance with Cambodian labour laws and core labour standards is enhanced	% of labour dispute cases successfully and lawfully resolved via AC mediated agreements and decisions upholding laws and standards	73%	75% (or 2% increase)	ACF recording system
	Output	Key Performance Indicators	Baseline	Target	Source(Means of Verification)
	Output 1.1: Quantum of labour dispute cases are resolved at the Arbitration Council	Number of labour dispute cases handled by AC	361	380	ACF recording system
		Number of worker beneficiaries directly affected by AC services	100,000	115,000	ACF recording system
	Outcome Statement	Outcome Indicators	Baseline	Target	Source(Means of Verification)
Outcome Level	Outcome 2: Contribute to productive industrial relations system in which investors, trade partners and industrial relations stakeholders have confidence in Arbitration Council responsive services	Average number of working days for processing and resolution of labour dispute cases by AC	17	16	ACF recording system
	Output	Key Performance Indicators	Baseline	Target	Source(Means of Verification)
Output level	Output 2.1: Adequate numbers of employers and workers are trained to have good understanding and knowledge of labour dispute resolution and related issues	Number of participant employers and workers trained on labour dispute resolution	51	400	ACF recording system
		Number of participant employers and workers trained on workplace dispute prevention and resolution	51 (Nov-Dec 2014)	360	ACF recording system
	Output 2.2: Communications and outreach publications of Arbitration Council are produced and disseminated	Maintain communications and outreach publications published			Copies of information publications available

BUDGET TEMPLATE

Proposal Title : Support for the Arbitration Council and Dispute Resolution in Cambodia

Approved budget :

Implementing agency : Arbitration Council Foundation

IA Focal Point : Mr. Men Nimmith, Acting Executive Director

Start date : 1-Jul-15

End date : 30-Jun-16

SELECT ONE BELOW

- A: Goods**
- B: Consultant Services**
- C: Meeting, Training or Workshop**
- D: Perdiem for staffs**
- E: Operating Costs**

No.	Project component/ Key Activities / Inputs	Unit of measurement	Category	# of Unit	Unit Rate	Amount	RESOURCE	
							TDSP	Others
Activities	Arbitration Council Labour Dispute Resolution							
1	Labour Dispute Resolution Services							
1.1	Arbitrator fee (not applicable for gov't civil sevant)	Case	E	111	450	49,950	49,950	Sida
1.2	Arbitration Legal Support- 4 members of legal support team	Person/month	B	48	917.73	44,051	44,051	Sida
2	Training and Communication Services for Information Publication, Design and Dissemination							
2.1	Printing Information Sheet for parties for case preparation (Eng)	publication	C	1000	0.71	709	709	Sida
2.2	Printing Information Sheet for parties for case preparation (KH)	publication	C	500	1.15	575	575	Sida
2.3	Training Employees and Employers in Phnom Penh	Training	C	5	268	1,340	1,340	Sida
2.4	Training Employees and Employers at Svay Rieng province	Training	C	2	1,887	3,774	3,774	Sida
2.5	Training Employees and Employers at Kampong Chnang Province	Training	C	2	1,887	3,774	3,774	Sida
2.6	Training Employees and Employers at Takeo Province	Training	C	2	1,887	3,774	3,774	Sida
2.7	Training Employees and Employers at Siem Reap province	Training	C	2	1,887	3,774	3,774	Sida
2.8	Training Employees and Employers at Sihanuk Province	Training	C	2	1,887	3,774	3,774	Sida
2.9	Training Employees and Employers in Phnom Penh on dispute prevention and resolution in the workplace	Training	C	18	820	14,760	14,760	LSF
3	Project Management and Support							
3.1	Office Stationary and Supplies	Month	E	12	180	2,160	2,160	Sida
3.2	Office Communications	Month	E	12	220	2,640	2,640	Sida
TOTAL PROJECT BUDGET						135,055	135,055	

**SUPPORT FOR ARBITRATION COUNCIL AND DISPUTE RESOLUTION IN CAMBODIA
 TRAINING OF EMPLOYERS AND EMPLOYEES
 FOR THE PERIOD FROM JULY 2015 TO JUNE 2016**

No	Subject	Budget Description	Unit	IAs&D/ICO Training				Responsible Agency	2015						2016						Trainig Purpose	Days of T/WS			Venue	Participants	D/ICO Comments								
				# of unit	Unit cost	frequen cy	Total (US\$)		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June		Days	F	M											
MoU No.: Proposal Title: "Support for Arbitration Council and Dispute Resolution in Cambodia"																																			
Training on Labour Dispute Resolution Process																																			
1	Phnom Penh	Arbitrator honorarium	person/day	1	50	5	250	ACF																		To develop capacity, understanding and awareness to undertake proper, lega labour dispute resolution processes	1	10	10	Conference room in hotel at Phnom Penh	1 professional trainer/arbitrator and 1 ACF staff to conduct employer/employee training for aproximately 4-5 factories				
		Venue for training	Per training	1	50	5	250			X																									
		Snack for the training	person/day	21	6	5	630																												
		Materials for trainer and trainees	person	21	2	5	210																												
Sub Total 1							1,340																												
2	Svay Rieng, Kampong Chnang, Takeo, Siem Reap, and Sihanuk Province	Arbitrator honorarium	person/day	1	50	10	500	ACF																					To develop capacity, understanding and awareness to undertake proper, lega labour dispute resolution processes	1	15	15	Conference room in hotel at Svay Rieng Province and Kampong Chnang Province	1 professional trainer/arbitrator and 1 ACF staff to conduct employer/employee training for aproximately 4-5 factories	
		Accomodation and perdiem for trainers	person/day	4	38	10	1,520		X	X	X	X	X	X																					
		Venue for the training	person/day	35	25	10	8,750																												
		Vehicle rental	day	3	120	10	3,600																												
		Transportation	Car/day	3	100	10	3,000																												
		Materials for trainer and trainees	person	35	4	10	1,400																												
		Communication	lump sum	1	10	10	100																												
Sub Total 2							18,870																												
Training on dispute prevention and resolution in the workplace																																			
3	Phnom Penh	Trainer fee	person/day	1	180	18	3,240	ACF																					To develop capacity, understanding and awareness of healthy employment relationship	3	10	10	At ACF Office or at other venue	1 professional trainer and 1 ACF staff to conduct employer/employee training for aproximately 8 factories	
		Venue for the training	Per training	1	100	18	1,800		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X							X
		Snack and lunch for the training	person	22	15	18	5,940																												
		Materials for trainer and trainees	person	20	10	18	3,600																												
		Communication	lump sum	1	10	18	180																												
Sub Total 3							14,760																												
Grand Total MoU No. (Sub-Total 1+2)							34,970																												

**Support for the Arbitration Council and Dispute Resolution in Cambodia
For the Period from July 2015 to June 2016**

No.	Description	Start date	Due date	2015						2016						Responsible	Deliverables	Comments	
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun				
1	Arbitration and Legal Services	1-Jul-15	30-Jun-16																
1.1	Arbitrator fee	1-Jul-15	30-Jun-16														FAD	Dispute resolved	
1.2	Arbitration legal support	1-Jul-15	30-Jun-16														LSD/FAD	Effective support to arbitrator	
2	Training and communication services for information publication, design and dissemination	1-Jul-15	30-Jun-16																
2.1	Information sheet for parties for case preparation (Eng and KH)	1-Jul-15	30-Apr-16														TCD	Published information sheet for parties for case preparation at Arbitration Council	
2.2	Training employees and employers in Phnom Penh	1-Jul-15	30-Jun-15														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process	
2.3	Training employees and employers in Svay Rieng Province	1-Jul-15	30-Apr-16														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process & case preparation before the AC	
2.4	Training employees and employers in Kampong Chhnang Province	20-Aug-15	30-Sep-15														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process & case preparation before the AC	
2.5	Training employees and employers in Takeo Province	1-Aug-15	30-May-16														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process & case preparation before the AC	
2.6	Training employees and employers in Siemreap Province	1-Sep-15	30-Jun-15														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process & case preparation before the AC	
2.7	Training employees and employers in Sihanukville Province	1-Oct-15	30-Mar-16														TCD	To develop capacity, understanding and awareness to undertake proper, legal labour dispute resolution process & case preparation before the AC	
2.8	Training employees and employers in Phnom Penh on Dispute Prevention and Resolution in the workplace	1-Oct-15	30-Mar-16														TCD	To develop capacity, understanding and awareness of healthy employment relationship	
3	Project Management and Support	1-Jul-15	30-Jun-16																
3.1	Office stationary and supplies	1-Jul-15	30-Jun-15														FAD	Ensure sufficient supplies for the operation	
3.2	Office communications	1-Jul-15	30-Jun-15														FAD	Ensure the communication tools available	