



Ministry of Commerce
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ROYAL GOVERNMENT OF CAMBODIA

Ministry of Commerce

Trade Development Support Program (TDSP)

Multi-Donor Program

INTERIM FINANCIAL REPORT (IFR)

Quarter 2 – 2013

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1. General

1.1 Background

The World Bank and the Royal Government of Cambodia signed a Multi-Donor Trust Fund Grant Agreement (MDTF Grant No: TF 093573) on January 14, 2009 for an amount of US\$ 12.35 million to increase RGC's efficiency in formulating and implementing effective trade policies, improve the trade administration system and to develop capacity for trade management, from which the entire country will benefit.

In the month of March 2012, the World Bank extended the MDTF Grant Agreement for another 22 months, till the end of January 31, 2014.

The proceeds from this Grant Agreement are managed by Ministry of Commerce under Trade Development Support Program (TDSP). TDSP would contribute to two higher level objectives:

- faster export growth and
- improved governance to enable private sector development.

The proceeds from this grant will be disbursed to finance the following Project Components identified in the project documents..

i) Component 1: Trade Policy Formulation and Implementation, in 3 main areas:

- a) Removing Technical Barriers to Trade (TBT) and developing a Sanitary and Phyto-Sanitary (SPS) regime:
- b) Trade Facilitation
- c) Other Legal Reforms respecting RGC-WTO Obligations

ii) Component 2: Performance Monitoring

iii) Component 3: Institutional and Human Capacity

iv) Component 4: Implementation Support to TDSP

1.2 IFR as part of Progress Reporting

This Interim Financial Report (IFR) provides information on the financial progress of the Trade Development Support Program (TDSP) in terms of financial aspects; key performance measures, key performance indicators and the procurement status of contracts. This IFR shows the amount of disbursements against the budget in the current quarter, year-to-date and cumulative and are produced quarterly to form part of overall program reporting to the Royal Government of Cambodia and its development partners.

1.3 Comments on the IFR (including explanation of major variances)

The Financial Reports summarize the funds received from the Royal Government of Cambodia and the Multi Donors through the Trust Fund and details the funds disbursed towards program components and to various disbursement categories. The Progress Report/Output Monitoring Report details only the key program activities. In addition the Procurement Management Reports detail the procurement activities undertaken during the quarter.

The above reports have been prepared in spreadsheets and attached to form an integral part of this Interim Financial Report.

2. Financial Reports

2.1 Summary on Sources and Uses of Funds

i) Royal Government Funds (RGF)

During the quarter, the Program neither has budgeted to receive nor disburse any funds from the RGF.

ii) EIF Tier 1 Funds (EIF)

During the quarter under review, DICO has received US\$ 70,087 from EIF and disbursed US\$ 76,225 from EIF funds for the payment of consultancy fees, procurement of goods, advertising costs and training and workshops. In addition, UNDP reported that for the DTIS update, UNDP has disbursed approximately US\$ 68,012.

iii) The World Bank - MDTF Funds

During the quarter, TDSP submitted three replenishment applications for a total of US\$ 522,378 for the disbursements made in the months of February to April 2013 (February – US\$ 306,404, March – US\$ 110,367 and April – US\$ 105,607). In return, the World Bank has replenished US\$ 306,404 into the Designated Bank Account of TDSP.

Till the end of 30th June 2013, the World Bank has disbursed a total of US\$ 6,767,487 for TDSP. Out of which, the TDSP has disbursed US\$ 6,562,587 for its program objectives.

For Quarter 2 of 2013, TDSP projected to disburse US\$ 764,070 towards its project components under various disbursement categories. At the end of the quarter, TDSP disbursed US\$460,794, which is approximately 40% less than the projected disbursement.

The actual disbursement is US\$ 303,276 lesser than the projected disbursement. This under disbursement was mainly due to the direct payment of US\$ 359,862 to UNIDO made during the first quarter as the contract was finalized towards the end of the first quarter, though it was planned to be disbursed during the second quarter. The detailed reasons for the under disbursement are explained in the next section by disbursement categories.

2.2 Uses of Funds by Disbursement Category

For quarter two, TDSP's projected disbursements amounted to US\$ 764,070 from MDTF funds under four different disbursement categories based on the activities expected to materialize during the quarter from the approved Action Plan or in other words Annual Work Plan and Budget (AWPB).

The total amount disbursed under all categories amounted to US\$460,794. The table below shows the projected disbursement amount under each disbursement category and the actual amounts disbursed against the projected disbursement for the quarter under review.

No	Disbursement Category	April – June 2013			January to June 2013		
		Disbursement Projection	Actual	Variance	Disbursement Projection	Actual	Variance
a	b	c	d	e = c-d	f	g	h = f-g
1	Goods	-	95,888	(95,888)	129,525	277,094	(147,569)
2	Consultant Services	651,905	267,221	384,684	964,896	955,346	9,550
3	Training, W/Shops & Study Tours	50,760	43,562	7,198	135,363	78,745	56,618
4	Incremental Operating Costs	61,405	54,123	7,282	121,049	93,158	27,891
5	Priority Operating Cost	0	0	0	0	0	0
	Total	764,070	460,794	303,276	1,350,833	1,404,343	(53,510)

2.2.1 Goods

For the quarter under review, the management of TDSP has not budgeted to disburse any amount towards the payment for procurement of goods but disbursed US\$95,888.

The disbursement of US\$ 95,888 mainly comprises of payments made towards procuring ISO standards and Posters and Brochures for Institute of Standards Cambodia for an amount of US\$ 12,176 and US\$6,280 respectively. These were projected to be disbursed in previous quarters.

In addition, towards the end of the quarter under review, for the use of Department of Intellectual Property and Chamber of Commerce of Cambodia, TDSP made payments of US\$ 32,606 for procurement of Furniture and US\$ 42,916 for procurement of Office Equipment. These two procurements were initially expected to be materialized and paid in the third quarter and therefore not budgeted in the quarter under review.

2.2.2 Consultant Services

Towards consultancy services, TDSP budgeted to disburse US\$ 651,905 during the quarter under review and the actual amount disbursed was US\$ 267,221.

The under disbursement of US\$ 384,684 was mainly due to the advance payment o UNIDO amounting to US\$ 359,862 budgeted to be effected in the current quarter but paid in the previous quarter.

In addition, the under disbursement was caused as the contract extension of few consultants not completed, where either their services were delayed or their services were obtained but no payments were made during the quarter under review.

2.2.3 Training, Workshops and Study Tours

During the quarter under review, TDSP projected to disburse US\$ 50,760 but the actual disbursement was only US\$ 43,562.

The reasons for the under disbursement of US\$ 7,198 were non-occurrence of; i) two workshops planned to be conducted by Cambodia Chamber of Commerce and ii) a training on Accounting and Financial Management for IA's.

As UNIDO has mobilized its consultants in quarter two, it is expected that in the coming quarters and there are many workshops scheduled in their contract, the disbursement towards training and workshops will increase.

In addition, the advice by the World Bank that the overseas Training and study tours can be commenced on a case by case basis would pave the way to complete all the delayed overseas training and study tours.

2.2.4 Incremental Operating Costs

During the quarter under review, TDSP budgeted to disburse US\$ 61,405 and in actual terms disbursed only US\$54,123. The under disbursement of US\$ 7,282 was mainly due to the reduced claim compared to the budget by the company which provides the fiber optic communication network for the ASYCUDA Project.

2.2.5 Priority Operating Costs

In line with the instruction by the World Bank, since the end of Quarter 2 - 2012, there were no POC paid to the staff working for TDSP.

2.3 Uses of funds by program components/by activities

During the quarter, TDSP budgeted to disburse US\$ 764,070 of the MDTF funds on the project components based on the quarterly projection of the approved AWPB. The total amount disbursed under all project components amounted to US\$460,794.

As the reasons for the variances amounting to US\$ 303,276 have been explained under 2.2 Uses of Funds by the Disbursement Categories respectively goods, consulting, training and workshop and incremental operating costs, no further explanations for the variances are provided in this section.

The table below shows the disbursement projection under each project component and the actual amounts disbursed against the budget.

Project Components	Disbursement Projection	Actual	Variance
	US\$	US\$	US\$
A	b	B	d = b - c
1: Trade Policy Formulation and Implementation	563,315	260,758	302,557
2: Performance Monitoring	62,287	86,751	(24,464)
3: Strengthening Institutional and Human Capacity	14,733	13,150	1,583
4: Implementation Support to TDSP	123,735	100,135	23,600
	764,070	460,794	303,276

i) **Component 1: Trade Policy Formulation and Implementation**

The amount of US\$ 260,758 in the financial report comprises of the following disbursements:

- A total amount of US\$ 131,942 was paid to WTO Policy Advisor, National Consultant to Develop Booklets, Leaflets and Website, International Standards Development Consultant, A firm of foreign consultants working for ICT Master Plan, National IT Project Manager and National Consultant for Customs Valuation Support System.
- A total amount of US\$ 34,684 was disbursed for a workshop on data collection for rice standards in Battambang and a technical workshop for relevant government official with responsibility for issuing Certificate of Origin in Phnom Penh.
- Disbursements were made for goods amounting to US\$59,322 comprising payments made to procure ISO hand books and posters and brochures for ISC and Furniture and Office Equipment for Department of Intellectual Property Rights.
- Balance amount of US\$ 34,810 was disbursed on operating costs of IAs including the internet charges for ISC, Rental of Fiber Optic Cable for GDCE and other operating expenses such as stationary supplies and fuel incurred by the IA's of Component 1.

ii) **Component 2: Performance Monitoring**

During the quarter, for this component, TDSP disbursed US\$ 86,751. Out of which, an amount of US\$ 50,186 was paid for the services provided by the International and National M&E Advisors to DICO and consultants for Cambodia Chamber of Commerce. An additional US\$ 36,565 was paid for procurement of Furniture and Office Equipment for Cambodia Chamber of Commerce.

iii) **Component 3: Strengthening Institutional and Human Capacity**

The amount of US\$13,149 in the financial report comprises of the following disbursements:

- Fees totaling US\$9,000 was paid to an RSA consultant who prepared the training plan for all IAs subsequent to the Rapid Capacity Needs Assessment.
- Payment of US\$ 2,778 was paid for the final workshop conducted by Department of Personnel of MOC to disseminate the functions of MOC staff and development plan.
- The balance US\$ 1,371 was paid for Operating Costs incurred by IAs.

iv) **Component 4: Implementation Support to TDSP**

The amount of US\$ 100,135 in the report reflects the fees of US\$ 76,106 paid to consultants, US\$ 6,100 for Trade Swap Retreat and 14th SSC Meeting and the balance was disbursed for incremental operating costs, such as advertisement, internet charges, vehicle operating costs, charges for the clearance of goods imported for ICT Master Plan and office operating costs.

3. Program Progress Report / Output Monitoring Report

This report details status of outputs generated within the first quarter and cumulatively as at 30/06/2013.

As at 30June2013, TDSP has disbursed US\$6,562,588 from MDTF funds and until 31March2012, the disbursements amounted to US\$ 6,101,794. This increase is accounted by the disbursement of US\$ 460,794 in the current quarter.

In late 2011, the TDSP management conducted internal discussions and with the consultation of the Task Team of the World Bank expanded the original output monitoring report designed by the World Bank at the time of the program approval. This expanded output monitoring report with the details of MOUs is submitted with this report.

The expanded Output Monitoring Report (5.1) shows that how much has been disbursed against each MOU's and the percentage of disbursement against the MOU values.

The table below provides implementation status under each MoUs.



IMPLEMENTATION STATUS OF PROJECTS
As of June 30, 2013

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
1	MULD/MOC	<p>Rule of Origin: Operational Procedures & Training: Workshops and training for government officials and private sector both in Phnom Penh and in the provinces. Information materials on Rules of Origin will be prepared and translated into Khmer.</p>	<ul style="list-style-type: none"> • Three workshops completed in December 2012 on the European Commission's Everything But Arms Program (EC EBA Rules of Origin) in Phnom Penh, Svay Rieng, and Sihanoukville. These workshops were attended by about 346 participants. • Two workshops organized in Phnom Penh and Koh Kong on Rule of Origin and Free Trade Agreement with China/Japan/Korea organized in March 2013 attended by private sectors. • Development of Rules of Origin Documents is on-going.
2	TPD/MOC	<p>Information dissemination on Top Ten products from Cambodia's 24 Provinces: Print booklets (in English and Khmer) that contain information collection from 24 provinces to promote products among consumers and to facilitate business links among provinces.</p>	<ul style="list-style-type: none"> • Project completed and closed. The Completion Report submitted to DICO. • 16,800 booklet titled "Cambodian Potential Products" published in April 2011 • A new domain created www.tpd.gov.kh/cambodiaproduct • This new portal has attracted 150-200 online guests to visit the site every day. By 17 September 2012, there were 559,549 hits. • 2,000 copies of Digital-CD of Cambodian Top Ten Products produced and disseminated in the seminars and exhibitions held in Cambodia and foreign countries. • Three seminars organized to disseminate on Top Ten Products between Sep 2011 and Jan 2012 in Phnom Penh, Siem Reap, and Preah Sihanouk with 274 participants
3	TPD/MOC	<p>Export Training and SME Training: Export training and coaching services: Training of Trainers from Provincial offices and members of the provincial chamber of commerce on how to use the Hand Book on Export Procedures. Roll out training to all 24 provinces and conduct M&E.</p>	<ul style="list-style-type: none"> • Project completed and currently being in the process of closing (Final Review Meeting was conducted on June 20, 2013). • Training Curriculum on Export Procedures was developed by MoC to promote formal exporting. New procedures related to export included in the manual: export license, certificate of origin, SPS, insurance, border check point procedures, forestry export. • One Pilot Training was conducted among a group of 60 trained trainers from 24 provinces for training on Export Procedures. The Trainers are mostly from PDoC, chambers of commerce and university lecturers. • Two pilot training courses facilitated by the trained trainers organized in Kampong Cham and Battambang.

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
4	ISC/MIME	<p>Strengthening the capacity of the Institute of Standards of Cambodia in terms of:</p> <ul style="list-style-type: none"> (i) 16 new standards, guidelines and code of good practices; (ii) International standards and technical books; (iii) Conduct awareness and training programs; (iv) Strengthen information system; (v) Office equipment and training tools 	<ul style="list-style-type: none"> • One workshop to review the training materials was conducted with 10 participants • 4 training course provided for trainers from 24 provinces with 80 participants • Eight provincial training courses facilitated by the trained trainers organized in Takeo, Kampot, Svay Rieng, Pursat, Siem Reap, and Koh Kong with about 300 participants from SMEs, PDOC, university students, chambers of commerce. • 500 copies of Export Procedures Booklets (in Khmer) were printed and distributed to stakeholders. • Final Workshop has been conducted. • 4 standards have been adopted and approved by NSC. These four standards were adopted from international standards. • 12 standards and guidelines are finalized in English by International Expert and in the process of the review in Khmer version (one standard for hollow brick is in the process of TC meeting and subject to make the test) • 5 Working Groups in standards setting created. • One two-day training on practical approach for TCs members completed with 110 participants (9-10 Feb, 2012, Sunway Hotel, Phnom Penh) • One two-day seminar on Standardization and Conformity Assessment conducted in Phnom Penh with 90 TC members (23-24 July 2012). • Seminar on Food Safety and Hygiene among GMP and HACCP members (100 participants) concluded on 26 September 2012. • Awareness Training on ISO 9001 for SMEs conducted in Sihanoukville with 100 participants (19-20 November 2012). • 6 booklets are in process of the finalized review in Khmer version. • 10 leaflets are developed in English and Khmer version and 4 of them are printed in English and Khmer. • 4 posters are developed and printed in Khmer. • Standards book from ISO were delivered. • Procurement of Technical books, software and video cassettes is on-going. • CAMFEBA has withdrawn their project proposal • The Customs Valuation system was developed.
5	CAMFEBA	Study on Minimum Wages and Minimum Wages Negotiation in the Garment Sector	
6	GDCE/MEF	Customs Valuation:	

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
7	GDCE/ MEF	<p>1. Conduct feasibility studies, and needs assessment (the required hardware and software).</p> <p>2. Data input and testing</p> <p>3. Connect to other automated systems such as ASYCUDA and Risk Management</p> <p>4. Evaluation and feedbacks</p> <p>5. Roll-out</p> <p><u>Awareness Program on Customs in Cambodia:</u></p> <p>1. Improvement of mechanisms of consultation between customs authorities and the private sector</p> <p>2. Timely dissemination of information on regulatory and administrative frameworks</p> <p>3. Organization of consultations and appropriate forums to gather inputs for policy making by customs authorities</p> <p>4. Joint programs of cooperation and establishing joint programs of capacity building</p> <p>5. Joint programs of capacity building for customs officers and economic operators</p>	<ul style="list-style-type: none"> • System manuals completed. • Data compilation (database) was created. • System Server is functioning. • Contract of IT consultant was expired. • <i>Project completed and currently being in the process of closing.</i> • Training Equipment (Computers, Projector, Printer, Scanner, Photocopy Machine, and Teaching Equipment): All requested equipment has been delivered. • Workshop on Customs Awareness Program for Private Sector completed in Nov 2012 attended by 42 people from private sector. • Workshop on Customs Awareness Program for Customs Officers completed in Nov 2012 attended by 42 customs officers. • Budget for translation and publication will not be used. • Project Completion Report is being drafted.
8	IPRD / MOC	<p><u>Enhancing IP Teaching and Training:</u></p> <p>1. Assess capacities and needs in the area of IP training</p> <p>2. Establish IP curricula and draft training materials in Khmer</p> <p>3. Develop a team capable to undertake the translation into Khmer of IP texts and translate IP texts</p>	<ul style="list-style-type: none"> • 1 IP training need assessment conducted – one assessment report produced, one presentation conducted; and IP curricula completed. • Two Consultation workshops conducted in 07 and 09 February 2012 with 46 participants from universities, Royal School of Administration, Royal Academy, and several ministries. • 1 IP manual prepared with consultation among various stakeholders in two workshops with 46 participants (800 pages IP manual produced, about 100 copies distributed). • 3 ToTs conducted: 43 Trainers trained (80% informed that they will apply the knowledge) • One two days training conducted to 52 participants. • 1 IP lexicon of 30 pages prepared. • Translation of IP treaty (1,400 pages) underway (70% completed)

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
9	CIB / CDC	<p>Raising awareness on the law on investment and its regulation and investment promotion to the sub-committee on Provincial /Municipal investment and private sector:</p> <ol style="list-style-type: none"> 1. Workshops to raise awareness on the law on investment & regulations 2. Facilities & Support to PMIS 3. Study Tours - Vietnam, Thailand or China 4. Technical Assistance - After care services, service to investors & Client Orientation 	<ul style="list-style-type: none"> • Institutional assessments of 6 provincial Provincial-Municipality Investment Sub-Committee (PMIS) completed (people involved in the discussion reached 116): Kampong Cham, Stung Treng, Rattanakiri, Oddor Meanchey, Koh Kong, and Kampot. • Training plan on Investment Promotion completed. Unit directors will be sharing their experience on investment promotion during the training. • National Awareness Workshops on Investment Promotion completed for 24 provinces on 22 February 2012 conducted at CDC with 157 participants. • Investment Booklets on Investment Laws and regulations printed and delivered (28,333 copies in Khmer and 20,000 copies in English).
10	LAD / MOC	<p>Support drafting E-Commerce Law:</p> <ol style="list-style-type: none"> 1. Review the draft law on e-commerce with local lawyers and officials involved in business law drafting 2. Improve the existing Khmer translation of the E-commerce law staff 3. Organize stakeholder consultative meetings for the public and private sector on current status of the draft in order to obtain feedbacks, comments and suggestions 4. Contact e-commerce implementing bodies in other ASEAN countries to obtain best practices and lessons learned in law drafting (study tour) 	<ul style="list-style-type: none"> • Inception report of E-Commerce Law completed in January 2012, which includes review of the E-Commerce Law; best practice report in E-Commerce Law for Cambodia; and the recommendations to re-draft or revise the existing Law. • 1 high panel meeting to discuss on draft E-Commerce Law with 15 participants conducted on 13 February 2012. • Revising of 2008 draft E-Commerce Law completed by consultant in English version. • ToRs of both national and international consultants have been revised. NoL on reselection of both consultants are ongoing.
11	CAMCONTROL / MOC	<p>Strengthening Institutional Risk Management Capacities in CAMCONTROL General Directorate:</p> <ol style="list-style-type: none"> 1. Strengthening management structures and processes in CAMCONTROL General Directorate; 2. English language training for CAMCONTROL Risk Management Unit; and 3. Equipment procurement for CAMCONTROL Risk Management Unit. 	<ul style="list-style-type: none"> • Preliminary Risk Level Report on Food Imports completed in January 2012. • Regulations Report on Imported Food into Cambodia completed in March 2012. • Revised Job Description Report completed in March 2012. • Report on the Options for Management Structure on Risk Management completed in March 2012. • Monitoring and Evaluation Indicators for RMU prepared in June 2012. • Standard Operating Procedures and Training Plan for RMU completed in June 2012. • 1 Half-day workshop on the Training Plan has been conducted with 83 participants on Risk Management conducted in March 2012.

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
12	NCD / MOC	<p><u>Reviewing of Commercial Laws:</u></p> <ol style="list-style-type: none"> 1. Planning the survey and drawing up a work program 2. Consulting with the business community and Government entities on the work plan for the survey 3. Conducting the survey 4. Reviewing the survey 5. Drawing up a final inventory of possible actions 	<ul style="list-style-type: none"> • 1 term of English class completed; 3 more terms of English to be continued after completion of procurement process. 14 staff joined private English class and 6 staff attended a ten-hour technical English (English for laboratories) class. • Camcontrol has already revised the structure of Risk Management Unit based on recommendation of consultant but needs further approval by MOC management. • Final Workshop will take place in Aug-Sept 2013. <p>• The project concept not was revised. Budget plan is under revision. This project will be submitted to the World Bank for their review again in Q3 2013.</p>
13	DOP / MOC	<p><u>Strengthening MoC core DR functions through the DoP Institutional and Individual Capacity:</u></p> <ol style="list-style-type: none"> 1. MOC is complying faster and more effectively to government-led Public Administration Reform through strengthened DoP. 2. MoC Departments are equipped with better trained personnel 3. Provincial Departments of Commerce are integrated in MoC's annual training plan. 4. Increased match between department staff needs and offer 5. Improved career development and skill development for MoC official 	<ul style="list-style-type: none"> • A draft MOC HR policy was developed in September 2011 after an Organizational Review Workshop attended by 49 MoC officials. • Workshop on Training Needs Assessment for central departments and provincials organized in Sept 2011 attended by 72 staff. • The Training Needs Assessment questionnaire development in the TNA Workshop in September was distributed and answered by 449 staff from MoC and 24 PDoCs. • Workshop on Functioning, Capacity Assessment and Sharing Capacity Development was completed in Dec 2011 and attended by 94 officials from MoC and the 24 PDoCs. • A draft of the Capacity Development Plan for the central departments, provincial departments and the Ministry of Commerce (MoC) for 2012 through 2014 was completed in January 2012. • The Capacity Building Plan was distributed to 64 officers and staff of MoC and PDoCs in February 2012 during the Dissemination Workshop and to share the results of the Capacity Development Plan. • Workshop to Review the three years Development Plan and to Review MoC-wide

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
14	TPD / MOC	<p>Value Chain Information Unit:</p> <ol style="list-style-type: none"> 1. Capacity building on how to conduct market and value chain analysis 2. Research and analysis on the 19 priority sectors; and 3. Dissemination of trade information. 	<p>Training Programs were held in March 2012 and attended by 73 MoC and PDoC officials and staff.</p> <ul style="list-style-type: none"> • Final workshop was completed. • The draft of three years Master Plan on MOC Capacity Development will be submitted for MoC endorsement in Sept-Oct 2013. • <u>IC has decided to close the project.</u> • Training and coaching on Value Chain Research Methodologies for VCIU staff (14 persons) and provincial staff completed. • Two research topics (rubber and pepper) completed by July 2012. Two validation workshop organized in July 2012 with 160 participants. • Printing of two sector profiles for pepper and rubber (in English and Khmer) was completed and books were delivered. • Final Review Meeting was conducted in June 2013. This project will be completed closed once financial closure has been completed.
15	DTSI / MOC	<p>Capacity Building for the Dept of Trade & Statistics:</p> <ol style="list-style-type: none"> 1. Design a survey to assess needs of trade information users 2. Draft format for new publications (yearly and monthly) and for website, tools or platform (on the job training) and verification 3) Training to use ITC's market analysis tools – Trade Map, Market Access Map, Product Map and Investment Map 4. Training on statistical analysis and elaboration of data 5. Training on IT 6. Printing and publication of Yearly Book and host on website 7. Study tour in provinces on the maps stated in activity 3 8. Workshop on M&E 	<p><u>The project has been completed and operationally closed.</u></p> <ul style="list-style-type: none"> • I Survey on Trader Users conducted with sample of 137 (43 female) who are senior officers, directors, national and international business firms staff • Forms for the electronic data format produced and new website design interface completed. • Trade Statistical Yearbook for 2011 already published and distributed, as well as put on the MOC Website • 15 staff were trained for 10 days on statistical analysis (time series, sampling technique, data entry), and ITC tools (Market Analysis, Market Mapping. • On the job training on IT was partly provided alongside with management of ICT. • 35 participants from provincial department, CCC, associations, companies, and related stakeholders were shared on the Trade Analysis Tools of ITC during study tour into three provinces [Battambang (rice); Pailin (cashew nuts); and Ratanakiri (cassava)]. • Final workshop completed on 23 November 2012 attended by 179 participants from trade counsellors attached to Royal Embassies of Cambodian abroad, the private sector, university and PDOC representatives

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
16	RSA	<p>Development of a trade curriculum at the Royal School of Administration:</p> <ol style="list-style-type: none"> 1. Participation in the elaboration of concept note on trade curriculum building and teaching by fine tuning needs, population analysis, review existing curricula and devise potential partnership 2. Produce a curriculum sketch with individual module objectives, target population, credits 3. Development of course catalogue or package 4. Capacity development for RSA staff and MoC officials 5. Inter-ministerial back-up by raising awareness on program in line ministries 	<ul style="list-style-type: none"> • DTSI submitted Project Completion Report in May 2013. Final Review Meeting was conducted in June 2013. • <u>Project Completed and Closed in December 2012.</u> • TNA conducted and TNA Report completed with 122 respondents from private firms. • Workshop on the Development of Trade Curricula conducted on 19 August 2012 with 50 participants. • Course Plan completed and included in the course catalogue. • Workshop for the validating the final curriculum conducted on 28 June 2012 with 46 participants. • Completed the Trade Curriculum and Concept Notes on Trade Curriculum Building and Teaching • Completed the Curriculum Sketch and 20 Individual Modules • Completed the Course Package (manuals, tests, exercises, audio visual aids, trainer's guides) • Project Completion Report has been completed and submitted to DICO.
17	GDIT / MOC	<p><u>MOC ICT Master Plan:</u></p> <ol style="list-style-type: none"> 1. Infrastructure 2. Applications 3. Management & Support: System Support & Management Unit (SMSU) 4. Sustainability: Training on Automation & Cost recovery mechanisms 5. Quality: Policies & Guidelines 	<ul style="list-style-type: none"> • National IT consultancy firm is working with MoC team and other contract. Training for administration is commenced. • Installation of enterprise servers and networks within MoC is completed and tested. • ICT Office Equipment and Furniture delivered. • Prototypes for CO processing and a Trade Information Website were presented for first time. Feedbacks were provided by MoC team. Improvement on the prototypes is under way by the contractor. Next display of the new version will be made in July. • Wide Area Network was deployed for 30 points out of 32. Testing is underway. • Supply and Installation of Generator and Electrical Renovation is complete. • Office Renovation and Partitions completed.
18	GDCE / MEF	<p><u>GDCE Capacity Enhancement Program:</u></p> <ol style="list-style-type: none"> 1. Development of Nat'l Intelligence System 2. Strategic Plan & Business Case - Customs Marine Enforcement 3. Outreach & Training - FZ Operators, Investors 	<ul style="list-style-type: none"> • Inception report on National Intelligence System had been completed and a Nat'l IT expert was on board since April 2013 to design the intelligence system. • New CSS system was deployed, and the installation of IT Infrastructure had been completed

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
19	RSA	<p>&Custom officials</p> <ol style="list-style-type: none"> 4. Improving compilation of trade statistics 5. Training & Staff Dev. 6. Bus Plan for Inspection of Petroleum Products 7. Development of sound regulatory Excise regime <p><u>Implementing Agencies Capacity Enhancement Program (IACEP):</u></p> <ol style="list-style-type: none"> 1. Initial inventories & assessment completed 2. Framework developed 3. Training Deployed 4. Evaluation carried out & extension plan designed 	<ul style="list-style-type: none"> • Data compilation from ASYCUDA to CSS had been completed, and the user manual training was also completed. • Inception Report for the Strategic Plan and Business Case for Marine preparation has completed. • Review of Excise Legislative Framework Administration had been completed and new excise law had been proposed in the study report. • Reports on Petroleum Products and Excise Enhancement are under revision by the International Consultant. • Completed initial skills inventory list and training needs assessment of implementing agencies with 44 participants from 11 IAs. • Completed inventory list of training courses in and out of Cambodia on key course topics. • A validation workshop on TNA conducted on June 2012 with 30 participants from TDSP IA. • Completed review of RSA capacity assessment to provide key training to officials • Training materials and training plans were developed to be used by training firm. • Procurement of training provider is under conclusion.
20	ISC / MIME	<p><u>Development of Completed Drafts of National Standards for Rice and Strengthening the Capacity of Conformity Assessment Body - Phase 1:</u></p> <ol style="list-style-type: none"> 1. Complete 11 Draft Standard for rice, One Standard for packaging, Three guidelines & Three codes of good practices 2. Certifying Systems recognised by national, regional and international markets 3. Information booklets & leaflets in Khmer & English for rice producers & exporters 	<ul style="list-style-type: none"> • 10 standards for 10 kind of rice, 1 standard for packaging and 6 guidelines are drafted in English by International Expert. Translation was complete. • 1 milled rice standards was approved, but it is not funded under TDS. • Collected data from 11 provinces: Prey Veng, Siem Reap, Kampong Thom, Kampong Cham, SvayRieng, Takeo, Kandal, Kampong Speu, Pursat, Battambang and Banteay Meanchey. • Collected information from CARDI, CEDAC, Signatures Asia and Lorán on rice standards. • 2 Seminars for Presentation of the data collection are conducted, one in Phnom Penh on 27-28 Feb. 2013 and the second one in Battambang province on 28-29 March 2013. • 1 leaflet and 6 booklets had been drafted. • 6 booklets are in process of the finalized review in English and Khmer version.

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
21	FIA / MAFF	<p>Better Quality and Safety of Fish and Fishery Products for Improving Fish Trade Development in Cambodia:</p> <ol style="list-style-type: none"> 1. Assess Current Quality and Safety Issue in Post-Harvest Fisheries 2. Increase awareness of Fisheries, Fish Products and Traders on Quality, Safety Assurance and Standardization 3. Establish Fish Cooperative Societies 4. Strengthen Capacity of the Fisheries Competent Authority to support the Fish Processor Cooperatives 5. Pilot Intervention for Better Quality and Safety Assurance Conducted 	<ul style="list-style-type: none"> • 2 leaflets are in process of the final review in English and Khmer version. • Standards from ISO were delivered. • Technical books and AOAC test methods are not received yet. • Rice certification scheme has been developed. • Accreditation body, Joint Accreditation System of Australian-New Zealand, JAS-ANZ, has been selected and proposed for SSS. • Office equipment and furniture delivery completed. • Contract with UNIDO signed and the advance has been paid to UNIDO • UNIDO has mobilised project team and started operations in May 2013. • Fisheries market assessment completed by UNIDO in May 2013. • Assessment on testing capacity was conducted June 2013. • Assignment on Food safety risk assessment is under preparation. It is planning for Mid-Jul 2013.
22	GDCE/MEF	<p>Strategic Proposal for the Support of ASYCUDA World System:</p> <ol style="list-style-type: none"> (1) extension of contract with a local Cambodian sub-contractor engaged currently by Webb Fontaine; (2) extension of contract with Viettel for the supply and provision of the fiber optic communication network; (3) extension of contract for the maintenance of IT equipment; (4) extension of contract with a local IT consultant to upgrade and enhance the GDCE website, including the creation and configuration of AW Direct Trader Input (DTI) feature; (5) support of the GDCE HQs AW Office; (6) securing support from UNCTAD to ensure effective and efficient operation of AW, including the upgrade of AW software to the latest release; (7) capacity building for the NPT; and (8) engagement of an international consultant to develop 	<ul style="list-style-type: none"> • Consultant Services Support for ASYCUDA is under contract signing stage. • ASYCUDA Support for Asian Region (ASM) – Single Source Selection with UNCTAD is under preparation. • Contract with Viettel Cambodia PTE Ltd on the Deployment of WAN for 18 months period commenced on 01 August 2012 and to end on 31 January 2014 • Contract Amendment for the Maintenance of Wide Area Network (WAN) for Viettel Cambodia PTE Ltd signed on 21 November 2012 and to end on 31 January 2014. • Service on IT equipment maintenance is on-going. • Upgrading of GDCE website and DTI creation is in progress. • Capacity building for NPT and development of cost recovery plan is yet commenced.

MOU No.	Name of IA	Title and Key Activities of the MOU/Project	Implementation Status
23	SNCIPR	<p>the long term sustainability plan and cost recovery mechanism for the operation of AW system.</p> <p><u>Developing a Stronger National System for IP</u> (1) IP Administration System automated and upgraded. (2) Dynamic IP website fully developed and enhanced. (3) SME Information Desk established at the National Secretariat of IPR. (4) Intellectual Property Rights Publications translated from English to Khmer and from Khmer to English. (5) Enforcement procedures on Intellectual Property Rights compiled.</p>	<ul style="list-style-type: none"> • An international consultant for SME has been recruited. And the SME consulting desk is in establishment. • Website Design Consultant was on-board. The website development is 50% complete. • Equipment to support IP admin system was delivered. • Enforcement procedures on IPR are being developed. • Translation of IPR publications is 80% complete.
24	CCC	<p>Support to the G-PSF Complete Member Survey. BMOs' representatives trained to provide efficient support to Public Private Dialogue Cooperation with research and learning institutions established Analytical works (2 studies of at least 20 pages each) identifying policy measure to be discussed with Government based on the issues identified in the member surveys The GPSF provides regular inputs into the Trade SWAp Pillars updating and implementation process Enhanced capacity of CCC in project management, monitoring & evaluation, and communication</p>	<ul style="list-style-type: none"> • Two national consultants are on-board. • Initial face-to-face meetings with all PSWG co-chairs and secretariats were conducted to gather their inputs and suggestion move forward (further follow-up discussions required in order to assess its capacity and capability for each WG). • Potential Learning institutions to be partnered with G-PSF identified and MoU are being developed, practical arrangement is under negotiation with each Learning Institution management/board. • Survey methodology is being developed and tested (further consultations with WG secretariats needed). • Member Survey will be conducted in mid-August. • Database of members to carry-out survey is being developed. • All equipment was delivered.

4. Procurement Monitoring Reports

Descriptive Summary:

All procurement relates to Goods and Consultants, and some are subject to prior review by the World Bank, are described in this report. There are five procurement monitoring reports prepared by TDSP and attached with this IFR.

Procurement Staffing:

Currently, the procurement unit of DICO is headed by a Procurement Chief/Head of Procurement with one staff. The procurement unit is being assisted by one full time National Procurement Coordinator and an International Procurement Expert providing intermittent inputs.

Notable Procurement Arrangements in the quarter under review:

During the quarter, seven goods contracts for the value of US\$ 102,086.40 and six individual consultancy contracts inclusive of four contract extensions for a total amount of US\$ 205,364.00 was signed. The grand total of contracts signed up to this quarter is US\$ 8,228,219.27 equaled to 127% as set against the procurement benchmark of US\$ 6,500,000.

Complaint by bidders, consultants and end users:

During the quarter, there were no complaints by bidders, consultants and end users with regard to the procurement activities

Contract amendments/Variation orders:

During the quarter, there were no contract amendment or variation orders.

Unsatisfactory performance by contractors/suppliers/consultants:

On 30th January 2013, a contract was signed with Viettel (Cambodia) PTE, Ltd. under the contract No. TDSP/2011/063/6, to establish a Wide Area Network for ICT Master plan project. Though the company commenced its tasks, the IA of ICT Project noticed that there is neither appropriate implementation plan nor the staff assigned by the company for the implementation is professionally qualified.

On 30th November 2012, a contract was signed with FPT Information System Corporation (Vietnam) under the contract No.: TDSP-CKP-12-ICB-G-008, to Supply & Implementation of a Turnkey Solution for Certificate of Origin Processing and a Trade Information Website for ICT Master plan project. At the initial stages, the supplier's performance has not been satisfactory as there were delays in commencing the job. Further, the supplier's key staffs that were listed in the bid document and contract are different from the key staffs who have now been assigned to execute the contract.

With regard to the above situation, the senior management conducted reviews with the assistance of International ICT Consultant and conducted regular meetings with the contractors. Since then the contractors mobilized more suitable staff to meet the contract obligations and now it is expected that the level of operational acceptance in delivering the outputs is within the agreed timelines.

Disputes (which may lead to claims, cancellations, arbitration or legal remedies):

During the quarter or as the end of the quarter no such disputes noted.



TEKRETH Kamrang
National Project Director of TDSP

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