

ADAPTATION FUND NGO NETWORK BASELINE MAPPING SERIES

# Insights from Cambodia

by Soeun Ung & Peou Sey



## Brief Summary

The Adaptation Fund Project in Cambodia titled “Enhancing Climate Change Resilience of Rural Communities Living in Protected Areas of Cambodia” is an adaptation project that targets five selected protected areas (CPAs) in Cambodia. The project has an approved budget of USD 4,954,273; and it is expected to run from October 2012 until January 2017. The project received its first instalment of funds (USD 1,107,231) in June 2012. This money has already been used to successfully work on components of the project such as planting trees, installing reservoirs for the communities, providing capacity building to address problem solving, etc. Project goals for 2015-onwards focus on expanding eco-agricultural throughout the CPAs (i.e. home gardening and raising livestock), establishing an eco-tourist area and further pursuing forest restoration within the regions.

Consultation between all stakeholders, governmental agencies and NGOs has been undertaken to ensure all have the opportunity to provide feedback and suggestions. The project has been well-received by the selected communities. During project site visits in 2014, community members expressed that the project has already provided them with invaluable knowledge and infrastructure to fight climate change. However, problems such as lack of leadership and low participation from women in the selected communities have proven to be minor setbacks. The Royal Government of Cambodia and its supporting Ministries have been cooperative with the project, and several meaningful meetings regarding the project have been held between them and various supporting NGOs. There are 95 domestic climate related projects occurring in Cambodia; however, a formal recording mechanism to track these projects and their financing does not currently exist. Therefore, improving the country's administrative tracking of climate projects and their financing is a main goal for future climate change adaptation projects in Cambodia.

## Imprint

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# 1. The Adaptation Fund and the Adaptation Fund NGO Network

The Adaptation Fund (AF) was established by the Parties to the Kyoto Protocol of the UNFCCC to finance concrete adaptation projects and programmes in developing countries that are Parties to the Kyoto Protocol. The AF is innovative in the way it is funded, managed and governed: Developing countries have a majority in the Adaptation Fund Board (AFB), the governing body who manages and supervises the AF. Moreover, the AF is financed with 2% of the Certified Emission Reductions (CERs) issued for projects of the Clean Development Mechanism (CDM). Lastly, the AF offers the opportunity to access to its resources through direct access, which is a unique approach in the realm of international climate finance.

The Adaptation Fund NGO Network is a coalition of NGOs and interested stakeholders following the development of the Adaptation Fund and its funded projects. It strives to provide a sustainable and dynamic influence on politics and promote the engagement of civil society. It believes in the great chance to contribute to a successful implementation of projects funded by the Adaptation Fund (AF) in developing countries, especially for the benefit of people and communities particularly vulnerable to climate change. The Network directly supports NGOs in a number of developing countries, with a focus on AF direct access countries, by increasing their capacity to escort all relevant issues around the implementation of the project throughout the implementation period.

The Adaptation Fund NGO Network was established in 2010. The first phase lasted from 2010 to 2013, and the second phase is currently running until 2016. The Network is a supporting facility forum for NGOs in developing countries. Through this channel, developing countries can follow the development of the AF and specifically observe direct access and the implementation of the projects through National Implementing Entities. This approach aims to enable multi-stakeholder participation in the AF procedures. Through this open exchange and participation, the Network assists its NGO partners to contribute to a successful outcome of the funded projects in their own countries. Their participation during all stages of the project – from its design to its implementation – is in the interest of improving the conditions of those less privileged and most vulnerable to climate change.

Currently, the Adaptation Fund NGO Network is comprised of ten active partners in their respective countries: Fundación Vida in Honduras, Panos in Jamaica, ENDA in Senegal, Indigo in South Africa, Forum CC in Tanzania, Practical Action in Kenya, The Royal Marine Conservation Society of Jordan, Jeunes Volontaires pour l'Environnement in Benin, Association pour la Conservation de la Nature in Rwanda and NGO Forum in Cambodia. In addition to these active members, the number of Adaptation Fund NGO Network members is constantly growing. To date, there are more than 115 member organizations that associate themselves with the Adaptation Fund NGO Network.

This Baseline Mapping has been produced by NGO Forum, our Adaptation Fund NGO Network partner in Cambodia. It aims to inform the climate adaptation and climate finance community about the Adaptation Fund project in Cambodia as well as to provide insight into the overall climate change policy landscape and civil society's perception on climate change issues in the country.

## 2. Overview of the Adaptation Fund Project in Cambodia

The Adaptation Fund project in Cambodia entitled "Enhancing Climate Change Resilience of Rural Communities in Protected Areas of Cambodia" seeks to address the vulnerability of rural communities that are negatively impacted by climate change. Many of those targeted are facing problems such as a reduced food supply caused by the increased frequency of drought and loss of topsoil. The project is a collaborative effort between the UNEP, who serves as the project's implementing entity, and the Cambodian Ministry of Environment (MoE), who acts as the executing entity. The AFB has approved the project's USD 4,954,273 budget, and implementation is expected to run from October 2012 to January 2017. The selected protected area (CPA) intervention sites are: Chiork Boeungprey, Chom Thlork, Skor Mreach (all in Beung Per Wildlife Sanctuary), Ronouk Khgeng (Phnom Prech Wildlife Sanctuary) and Chop Tasok (Phnom Kulen National Park) and were selected based on community surveys (MoE, UNEP, 2012; Adaptation Project Paper).

Due to its frequent exposure and sensitivity to floods and droughts, Cambodia is one of the countries in Southeastern Asia most vulnerable to climate change. The country's lack of skills and infrastructure, as well as its low-income level, also weaken the country's ability to adapt to the impacts of climate change. Therefore, it is key that Cambodia finds and secures sustained financial resources that will enable it to implement measures against climate change. The MoE reports that Cambodia has mobilized USD 200 million of climate funding in recent years; however, little is known about the details of the fund and the effectiveness of the projects it supports. Since 2003, the Cambodian government has mobilized funds for both adaptation and mitigation that total USD 655 million (NGO Forum, 2013; Climate Change Financing in Cambodia).

The overall goal of the AF project in Cambodia aims to increase food supply and reduce soil erosion in communities surrounding five selected protected areas (CPAs) in Cambodia through the following actions:

- Restoring at least 1,875 ha of degraded forests with plant species that are particularly appropriate for this goal (extensive approach)
- Enrichment planting of rice paddy boundaries and other cultivated areas with multi-use species that will enhance crop productivity
- Testing trial plots of several drought-tolerant hybrid rice cultivars in order to assess their potential yield and suitability for cultivation
- Intensifying and diversifying the productivity of at least 1,907 family agriculture areas in communities living around the CPA forest sites (including home gardens ranging in size from 0.2 ha to 1 ha) (intensive approach)

The use of tailored ecological and soil expertise will ensure that these objectives are met and that local communities are successfully adapting to climate change. The increased agricultural productivity from the conservation agriculture interventions will ultimately provide communities with food, revenue, and a reduced pressure on local forests. The intended benefits from these objectives will extend to communities downstream that are beyond the five CPA intervention sites.

The AF Project also aims to establish resilience to climate change-induced erratic rainfall in these communities. The AF project will deliver on this objective through these three components: protocols for eco-agriculture interventions; concrete eco-agriculture adaptation interventions; and institutional capacity, awareness raising and up-scaling of eco-agriculture interventions.

Lastly, NGO Forum conducted research in 2013 to assess the climate change financing in Cambodia under funded from GW, SV, and DCA/CA. As a result, Cambodia has mobilized climate change financing from bilateral and multilateral around USD 650 million (36% from a concessional loan).

The following table describes the project components and indicative outputs and outcomes.

PROJECT COMPONENTS	EXPECTED CONCRETE OUTPUTS	EXPECTED OUTCOMES	AMOUNT (USD)
Component 1: Protocols for eco-agriculture interventions.	Output 1.1: Information generated on climate change impacts and preferred eco-agriculture interventions through a consultative and participatory approach.	Technical expertise and a local enabling framework for forest restoration and conservation agriculture interventions that build climate resilience developed at CPA intervention sites through a consultative and participatory process.	150,000
	Output 1.2: Economic assessments undertaken to identify most appropriate eco-agriculture interventions and associated microfinance and insurance products.		60,000
	Output 1.3: Forest restoration and conservation agriculture protocols developed for CPA intervention sites based on results from Output 1.1 and 1.2.		150,000
Component 2: Concrete eco-agriculture adaptation interventions.	Output 2.1: Capacity of local community for building climate resilience increased, including capacity to plan, implement and maintain eco-agriculture interventions under Output 2.2.	Multi-use forests established and maintained and agricultural practices diversified/intensified to supply a diverse range of food and stabilize topsoil, despite an increase in climate change-induced droughts and floods.	319,773
	Output 2.2: Forest restoration and conservation agriculture protocols implemented to build climate resilience (developed in Component 1) in CPA intervention sites.		2,721,227
	Output 2.3: Local communities' livelihoods enhanced and diversified through sustainable development of NTFPs and the promotion of sustainable alternative livelihood strategies.		220,000
	Output 2.4: Socio-economic and ecosystem monitoring of AF project impacts downstream of CPA intervention sites.		162,000
Component 3: Institutional capacity, awareness raising and up-scaling of eco-agriculture interventions.	Output 3.1: Awareness increased at a local level of the importance of eco-agriculture for protecting and enhancing commercial and subsistence activities.	Restoration and conservation agriculture interventions to build climate resilience of local communities mainstreamed into Cambodia's adaptation framework and related sector policies.	271,000
	Output 3.2: Eco-agriculture activities promoted through institutional capacity building and proposed revisions to policies, strategies and legislation.		70,000
	Output 3.3: National eco-agriculture up scaling strategy developed and institutionalized for CPAs in Cambodia.		46,000
Sub-total grant for activities cost			4,170,000
Project/Program Execution Cost, and PCM charge fee			784,273
<b>Total grants for project</b>			<b>4,954,273</b>

**Table 1:** Potential indicators to measure the progress of adaptation project (Source: Adaptation Fund)



Picture 1: Plant nursery instalment at Boeng Per

### 3. Current status of the project

The first instalment (USD 1,107,231) was granted to the project on June 28<sup>th</sup>, 2012. However, the project was delayed due to poor institutional arrangement, community organizing, planning and budgeting as well as lack of collaboration between different Ministries. The project was eventually launched in 2013 by the Cambodia Ministry of Environment, and it is currently underway in five communities within four provinces in Cambodia. Accomplishments thus far, as well as future plans for the project, are detailed below:

<p>2013/2014</p>	<ul style="list-style-type: none"> <li>• Prepared detailed action plan and specific budget based on the agreed project</li> <li>• Promoted and launched workshop regarding the project</li> <li>• Provided capacity building assistance regarding climate change, problem solving, patrol, etc.</li> <li>• Organized a national workshop on climate change adaptation for community members and stakeholders</li> <li>• Constructed a nursery planting area (right)</li> <li>• Dug a community pond</li> <li>• Installed water reservoir system for the community</li> <li>• Distributed and planted fruit trees and wild tree throughout the community</li> </ul>
<p>2015</p>	<ul style="list-style-type: none"> <li>• Establish an eco-friendly tourist area within the protected site</li> <li>• Introduce eco-friendly agriculture and home gardening methods to the existing farming community</li> <li>• Promote raising animals such as chickens and pigs in selected villages</li> <li>• Begin forest restoration in the CPA</li> </ul>

## 4. Challenges of the Project

The NGO Environment and Climate Change Alliance (NECA) has conducted field visits in three of the project's five protected areas, including visits to the provinces of Preah Vihear and Kampong Thom. Based on discussions with community members, project team leaders and beneficiaries, the following challenges have been identified:

- Limited funding to support the communities' activities
- Lack of a qualified person to lead and manage community activities
- Lack of knowledge about the PA Law, climate change, community management, etc. among community members
- Lack of participation from women in project implementation
- Migration of community members to cities and other provinces to take up work as labourers
- Increasing droughts and storms
- Damaged to the rice crop and livestock as a result of droughts
- Illegal clearing of forests in the CPAs for farming purposes
- Shortage of water for farming/home gardening due to inconsistent rainfall
- Limited human and financial resources for patrolling the CPAs to prevent illegal activities
- Economic Land Concession still exists in the community

Suggested potential solutions to these problems include:

- Knowledge gathering to inform effective implementation of eco-agriculture interventions through the community assessments at the CPA intervention sites, including indigenous and local knowledge
- Capacity building of local community members, local farmers, local authorities, agricultural extension officers and CPA committee members
- Restoring degraded CPA forests on an extensive scale using multi-use forest species that supply a diverse range of goods for commercial and domestic use, and are particularly effective at binding and conserving soils
- Strengthening systems for patrolling the CPA forests to prevent illegal logging and land clearance by CPA community members as well as by outside intruders
- Intensifying and diversifying agricultural production by enhancing rice yields through the planting multiple use trees around existing rice paddies; improving farming techniques; testing drought-tolerant rice varieties; and implementing a suite of additional adaptation interventions to complement the eco-agriculture approach such as constructing dams/ponds to increase the water supply, distributing drought-resistant seeds, establishing woodlots, etc.
- Enhancing livelihoods by facilitating access to micro-finance, developing business cases/models for alternative livelihood options and facilitating the integration of small-scale farmers into domestic, regional and global markets for goods and crops produced as a result of the AF project
- Raising awareness of local communities and of the general public on the predicted impacts of climate change and benefits of the eco-agriculture approach
- Suggesting revising relevant national policies, strategies and legislation to incorporate the eco-agriculture approach and promote restoration as a climate change adaptation measure
- Up-scaling and institutionalization of the eco-agriculture approach to benefit all CPAs in Cambodia
- Improving and maintaining ecosystem services from restored CPA forests despite the impacts of climate change. Such services include water flow regulation and erosion control, as well as increased pollination, carbon sinks and soil fertility, and the provision of food, NTFPs, timber and fuel wood for sustainable use and income generation



- Enhancing the food supply from home gardens and agricultural areas, including rice paddies, resulting in improved food security despite the impacts of climate change
- Diversifying income streams from sustainable alternative livelihoods through development of forest and agricultural product-based small-scale enterprises
- Enhancing rural communities resilience to climate change despite an increase in the intensity and frequency of droughts and floods, as a result of improved ecosystem services and an enhanced food supply from agricultural areas

## 5. The Role of Civil Society



**Picture 2:** Community committees raising issues relating to the impacts of climate change in a focus group discussion

Several CSOs, including Non Timber Forest Plantation (NTFP), World Vision Cambodia (WVC) and WWF, will be involved in the project's implementation. CSOs help to encourage active engagement from the communities and provide the community with necessary capacity building.

### *Role of NGO Forum on Cambodia and its network members*

Specifically, NGO Forum on Cambodia (NGOF) works as an umbrella for local, national and international NGOs and advocates on behalf of environmental, climate change, natural resource, land security, national budget, pro-poor policies, forestry, IP and hydropower policies. NGOF also works in cooperation with the MoE to co-organize events, negotiations, consultations and partnerships regarding the environmental sectors.

With funding support from Germanwatch (2012-2016), NGOF and its network members are able to implement concrete activities at national level including:

- Conducting based line mapping on the AF Project in Cambodia
- Organize and facilitate field visit to project areas

- Organize bottom-up consultation with affected communities regarding adaptation project and policies
- Raise awareness and enhance communication with the country
- Inform the NIE about the project's perception and the communities' needs
- Promote South-South knowledge sharing
- Organize dialogues with the MIE/NIE regarding AF projects
- Accompany the NAP process

Field visits to the project sites have already been conducted by the NGO "Environment and Climate Change Alliance" (NECA). After a discussion between NGOF and MoE in October 2014, NGOF further requested MoE to conduct a field visit. However, the project's board and chair rejected the request, saying that they were not well enough informed in regard to the project. Following the denial of their request, NGOF sent an invitation to H.E. Say Sam Al (Minister of MoE), who later suggested that NGOF meet with project management in later in October 2014. As a result, project management assigned the project team leader to cooperate with NGOF, conduct a field visit in their protected area and meet with target beneficiaries.

### *Role of the most vulnerable communities*

Based on focus group discussions and face-to-face interviews with beneficiaries during the field visit, community members reported that:

- The project has provided them with many benefits that promote climate change resilience
- Communities in protected areas are grateful for this project
- Communities have committed to the continuous project (through 2017)
- Communities will see both hard and soft outcomes for sustainable manners
- They are actively participating in all stages of the project

Project areas in which the community can play a role include:

- Taking leadership in community protected areas
- Implementing project components as agreed upon by the MoE and community
- Coordinating and managing project input
- Participating in all steps of the process
- Patrolling the protected area regularly to prevent illegal logging
- Joining project activities both at the grassroots and national levels
- Recognizing their lessons learned and sharing their skills with other communities

## **6. Broader climate change adaptation landscape in the country**

### **6.1 Key ministerial actors involved in climate change adaptation and some policies**

#### *The National Committee for Disaster Management (NCDM)*

NCDM is the national agency responsible for providing emergency relief and developing preventive measures to reduce loss of life and property from disasters. Established in 1995, NCDM is intended to serve as an inter-ministerial body comprised of members from relevant ministries and the armed forces. Committees for disaster management have been also been established at the province and the district level. In 2006, the Royal Government of Cambodia (RGC) issued a royal decree for the establishment of Commune Committees for Disaster Management (CCDMs) to strengthen local level institutional systems.

***Designated National Authority for the Clean Development Mechanism***

The RGC appointed the MoE as the Designated National Authority (DNA) for the Clean Development Mechanism on July 15th, 2003. The CCD acts as the secretariat of the UNFCCC National Focal Point and of the Designated National Authority under the Kyoto Protocol. There is institutional overlap between the Cambodian DNA, the National Climate Change Committee (NCCC) and the Cooperation Committee of Cambodia (CCC).

***Ministry of Water Resources and Meteorology (MOWRAM)***

MoWRAM plays a central role in mitigating the impacts of natural disasters such as floods and droughts through the implementation of long term adaptive measures related to flood management. The Department of Meteorology (DoM) under the Ministry of Water Resources and Meteorology (MoWRAM) is the focal point for providing weather and climate information to the Royal Government of Cambodia (RGC) and the public related to climate and weather information.

***Ministry of Environment (MOE)***

With the exceptions of the National Climate Change Action Plan and the National Biodiversity Strategy and Action Plan (NBSAP), links to climate change adaptation in coastal areas through government policy or legislation are minimal. In the National Climate Change Action Plan and the National Adaptation Program of Action to Climate Change (NAPA), recommended actions are limited in scope – mostly highlighting research activities to assess the potential impacts and possible responses to sea level rise (MoE, 2005). (See Box 1 for MoE mandate)

***Ministry of Health (MOH)***

The Ministry of Health, guided by its Second Health Sector Strategic Plan 2008-2015 (HSP2), understandably plays a crosscutting role in climate change adaptation – specifically in relation to gender and the health of minorities. It strives to strengthen public health interventions and to promote effective public and private partnerships in the areas of hygiene and sanitation, school health, environmental health risks and disaster-related health risks and injuries.

***Ministry of Planning (MOP)***

The Ministry of Planning (MoP) plays a key role in climate change adaptation. Its responsibilities include providing technical guidance to the line ministries; providing a national framework for integrating the NAPA; ensuring submission of input by all line ministries and agencies and developing and review draft documents based on input, suggestions and recommendations received from stakeholders.



**Picture 3:** Community leaders present key achievements and action plans for adaptation projects during a group discussion

### ***Other focal ministries and associated administrations***

Key agencies involved in the development and management of coastal areas include the Ministries of Land Management, Urban Planning and Construction; Ministry of Agriculture, Forestry, and Fishery; Industry, Mines and Energy; Tourism; Public Works and Transport; Rural Development; and Environment. To deal with crosscutting issues, the government has established a National Coastal Steering Committee (NCSC). The NCSC is responsible for setting the overall direction of coastal projects and activities related to natural resources in line with current national policies among the aforementioned Ministries.

## **6.2 Strategic action plans supporting climate change adaptation**

### ***Strategic National Action Plan 2008-2013 for Disaster Risk Reduction (SNAP-DRR)***

Cambodia launched its Strategic National Action Plan 2008-2013 for Disaster Risk Reduction (SNAP-DRR) in March 2009, which integrates DRR elements into sector policies and investment planning. Priority actions use a 'matrix approach' to integrating DRR elements into key ministries.

### ***Cambodia National Adaptation Programme of Action (NAPA)***

The formulation of the NAPA follows a participatory process that involves those who are most affected by climatic impacts, i.e. those in rural communities and those with low incomes. The Cambodia NAPA was created in accordance with Cambodia's "Rectangular Strategy for Growth, Employment, Equity and Efficiency" (2004) and the "National Strategic Development Plan for 2006-2010 (NSDP).

Key NAPA objectives:

- Understanding the main characteristics of climate hazards in Cambodia (flood, drought, windstorm, high tide, salt water intrusion and malaria)
- Understanding coping mechanisms to climate hazards and climate change at the local level
- Improving agricultural productivity through the expansion of irrigation and the management of water resources to reduce vulnerability to natural disasters
- Identifying and prioritizing adaptation activities to climate hazards and climate change impact

### ***Medium-Term Strategy for Agriculture And Water 2006-2010***

Donors and members of the Technical Working Group on Agricultural and Water (TWG-AW) have jointly formulated a Medium-Term Strategy for Agriculture and Water (2006-2010), which was approved by two Ministries (MAFF and MoWRAM) in March 2007. To achieve this Medium-Term Strategy, five main program areas were identified: The Institutional Capacity Building and Management and Support Program for Agriculture and Water Resources; The Food Security Support Program; The Agricultural and Agri-business; The Water Resources, Irrigation and Land Management Program; and the Agricultural and Water Resources and Land Management Program.

### ***Additional Action Plans***

- National Strategic Development Plan (NSDP) 2014-2018
- Goals of Cambodia Climate Change Strategic Plan (2014-2023)
- Goals include reducing vulnerability to climate change impacts of critical (natural and societal) systems and most vulnerable groups, shifting towards a green development path by promoting low-carbon development and appropriate technologies and promoting education and public participation in climate change response actions
- National Policy on Green Growth and National Green Growth Strategic Plan (2013-2030)
- National Adaptation Program of Action for Climate Change (NAPA)

## 7. Overview climate change financing in Cambodia

Tracking climate change funding in Cambodia is a very challenging. Some barriers exist, such no clear definition of a ‘climate change project’. As climate change is a crosscutting issue, the lack of a guideline may result in double counting of the project or the project being not recorded at all. Furthermore, there is neither a nationally agreed on mechanism nor institution responsible for recording climate change financing from different sources. Also, the confusion arising from the name of the project (the big project versus the project component), the donor, the coordinating agencies and the implementing agency also presents difficulties in tracking the exact source of the funds.

### 7.1 Amounts of finance

Based on research study on Climate Change Financing in Cambodia, there are a total of 95 domestic climate relevant projects, 43 of which have been completed, 45 of which are ongoing and seven of which are in the pipeline.<sup>1</sup> The total funding for all the projects is USD 655.6 million, with 64% originating from grants and the remaining 36% from concessional loans. Of the USD 655.6 million, USD 338.8 million is estimated to have already been disbursed. The remaining USD 316.8 million will be made available over the next seven years (2014-2020).<sup>2</sup>

Project category	Number of projects	Estimated funds mobilized
Low relevance climate change projects	31	USD 113.3 million
Medium relevance climate change projects	29	USD 181.4 million
Pure climate change projects	35	USD 360.9 million
<b>Total</b>	<b>95</b>	<b>USD 655.6 million</b>

**Table 2:** Summary of projects under study by NGO Forum, 2013.

The researcher classified climate projects into four categories<sup>3</sup> and found that the majority of the financing (70%) is allocated for adaptation projects. Mitigation funding accounts for 22%, while projects addressing mitigation and adaptation account for 4%. Both bilateral and multilateral donors focus on adaptation, with the former providing USD 239.51 million in financing and the latter USD 222.35 million.

Focus Area	Bilateral	Multilateral	Total
Adaptation	239.51	222.35	461.87
Mitigation	58.79	83.81	142.60
Adaptation and Mitigation	15.65	8.72	24.37
Policy, Research, Capacity Building	3.81	22.95	26.76
<b>Total</b>	<b>317.77</b>	<b>337.83</b>	<b>655.60</b>

**Table 3:** Bilateral and multilateral projects by focus areas (in USD million)

<sup>1</sup> Climate Change financing research report 2013.

<sup>2</sup> The estimation is based on the assumption that the total fund of a project is used proportionally for each year from the beginning until the end of the project.

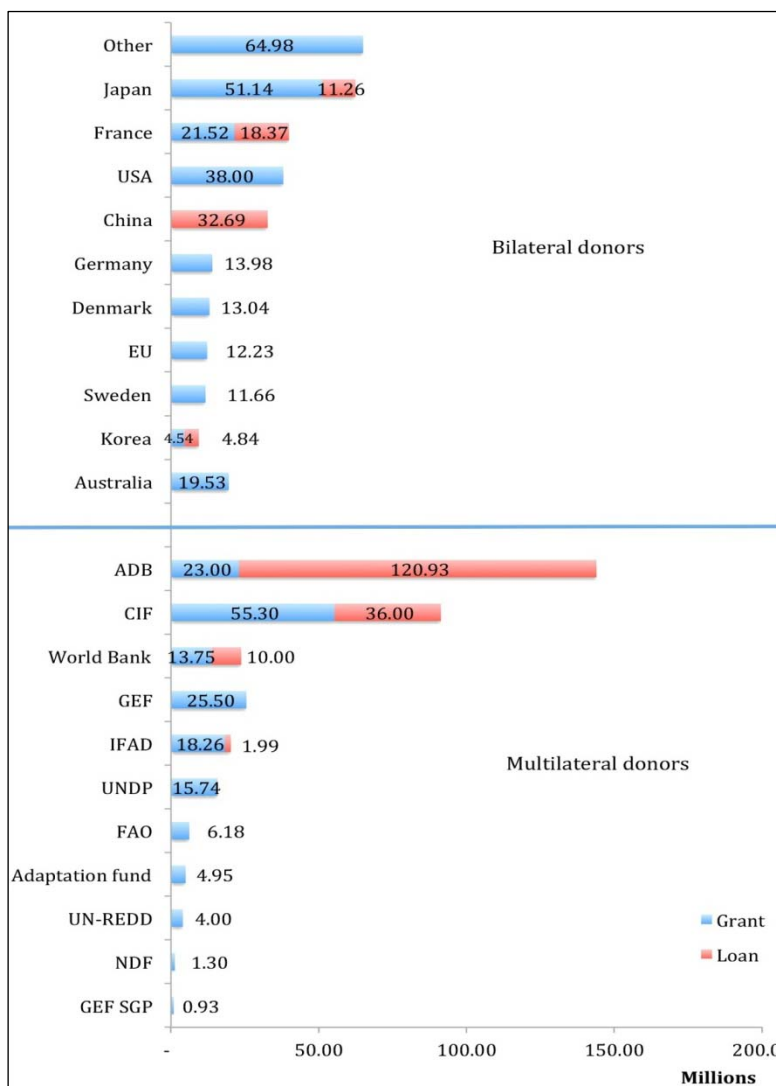
<sup>3</sup> The four categories include: (1) mitigation, (2) adaptation, (3) mitigation and adaptation (for projects which has both elements), (4) policy, research and capacity building.

Cambodia receives climate change financing through two main sources: bilateral and multilateral channel. The bilateral donors have contributed USD 317.7 million, accounting for 48% of the total funding. The largest bilateral donors are Japan (USD 62.39 million), France (USD 39.89 million), USA (USD 38 million) and China (USD 32 million).

Multilateral donors have contributed USD 337.8 million, accounting for 52% of the total financing. The largest multilateral donors include ADB (USD 143.9 million), Climate Investment Fund (USD 91.3 million), the World Bank (USD 26.2 million) and the Global Environment Facility (GEF) Fund (USD 25.49 million).

Among all the climate change projects under study, there are 65 province-specific projects (including project component of SPCR and Adaptation Fund) worth USD 392 million, while the rest are classified as nationwide projects.

Assuming that provinces are covered by the same project and receive a proportionally equal amount of funding, the researcher has found that Pursat has received the largest share of the fund, totalling USD 67.29 million for 15 projects funded by nine different donors. Other major receivers of funds include Battambang, Kampong Chhnang and Siem Reap with an estimated funding of USD 49.77 million, USD 35.90 million and USD 32.8 million, respectively. Mondolkiri, Ratanakiri, Kompong Spue and Preah Vihear, which are the four most vulnerable provinces in the country, received relatively less money for climate change adaptation. This unequal distribution of funds may be caused by the lack of sufficient coordination between donors and the government.



**Figure 1:** Climate change financing in Cambodia by donor (million US\$). Note: This graph shows amount of donor’s financing for climate change-specific activities only. Funding for non-climate change component of the project has been removed from the estimation.

## 7.2 Broader political recommendations

### *For the government*

**Link climate finance with Cambodia's development plans, not create stand-alone projects.** Given the fact that climate change is a crosscutting development issue, a project-based approach to planning and financing will not produce the needed outcome in the long run. Effort should be made to speed up policy and guidelines to mainstream climate change into the national development plan. Doing so will empower the governments to take ownership, develop expertise, strengthen local institutions, etc. It may also enable the mobilization of domestic resources and actions across various ministries.

**Develop a harmonized reporting, recording and tracking system for climate change financing flow.** Currently, CDC's ODA database only provides basic information on climate change funding and lacks comprehensive tracking and monitoring system. The existing system can be improved and expanded to better capture climate finance data. Clear guidelines on how to use system need to be created for donors and users. The improved system should be simple, easy to use and should serve as the common platform to provide the latest information on climate financing to all stakeholders.

**Improve transparency and accountability to all stakeholders.** Climate change funding must be planned and implemented with the full participation of all stakeholders. Their voices must be represented from the initial planning to the final evaluation. The management of the funds must be transparent and accountable to them. Resource allocation should be prioritized for areas and population most affected by climate change. Donors and the government should uphold the public's right of access to information by providing relevant, timely and transparent information to all stakeholders about process and progress in the use of the funds.

**Create an effective coordination process.** This will help manage the complex interaction between multiple actors and channels, climate change activities and decision need to be coherently coordinated. Open, transparent and regular communication is crucial for effective coordination as it helps create mutual and common understanding. The government (i.e. MoE) can demonstrate leadership to promote honest, transparent information exchange among different stakeholders. Intra-ministerial coordination is also necessary to ensure that the relevant ministries know clearly about their specific roles and will work cooperatively together to deal with climate change issues. Better coordination and streamlined processes will significantly improve the effectiveness of climate finance.

**Strengthen and promote financing through sub-national channel.** Climate finance should be integrated into sub-national plan and budget. One effective way to do it is by providing top-up funding for climate-related activities in the commune and district investment plans. Existing national system should be used. This method of funding has proven to be effective because it is fully aligned with local priorities and also helps build local capacity in planning, implementing and evaluating projects. The success of Local Governance and Climate Change (LGCC) project should be documented and a national guideline should be developed based on the lessons learned to scale up the approach to other areas.

*For development partners and donors*

**Promote country ownership:** Donors should help to build Cambodia's capacity to exercise leadership over its climate change policies and strategies and activities. All development partners' support should be aligned with the country's priorities. In dealing with climate change, instead of creating a parallel system, donors should make use of the country's existing system. When the use of country systems is not feasible, donors should establish additional measures in ways that strengthen rather than undermine the country's systems and procedures.

**Reduce the fragmentation of climate change assistance:** The multiple initiatives by different donors, each with their rules and procedures, can be very draining for developing country's administrations like that of Cambodia. To reduce the complexity and increase the efficiency of climate fund, donors should improve effort to harmonize their systems. Common arrangements for planning, funding, monitoring, evaluating and reporting on aid flows should be developed. This can help to improve the communication among the different donors and reduce the number of duplicate work and lead to more effective delivery of the climate finance.

**Promote pool-funding mechanisms:** Donors should be willing to commit to pool-funding to complement the current dominantly project-based funding from donors. When donors pick a few projects for funding, it leaves other important projects behind. This gap can be filled using the pool fund led by the government who is in the best position to decide which projects are needed the most. The current CCCA Trust Fund is a step towards the right direction. Although there are capacity and governance constraints, pool funding presents an opportunity to build the capacity of the government and promote its engagement with communities and civil society. Effort should be made to improve transparency and capacity of the Fund. For example, an independent committee should be set up to include civil society and development partners to oversee the fund management.

**Continue raising awareness and strengthening the capacity of government and civil society:** The effectiveness of institutions and agencies in addressing the impacts of climate change across sectors is constrained by inadequate awareness and limited capacity. Currently, only 4% of the mobilized climate fund is allocated for research and capacity building. Additional resources are needed to increase the awareness and capacity of national and local government institutions, local NGOs and the rural population to deal with climate change. Core capacities to be strengthened include proposal writing, monitoring and evaluation, improving transparency and accountability and mainstreaming climate change into the local planning. Strengthening key institutions through an appropriate capacity-building program is necessary to ensure effective delivery of climate change financing.

**Improve transparency and information sharing:** Donors should make information regarding climate change funding widely accessible to the public and to relevant implementing agencies. Guidelines on how to access the funds should be made simple and readily available so that government ministries, NGOs and relevant implementing agencies can get access to information and have enough time to prepare the proposal to apply for the fund to implement their climate change projects.



*For implementing agencies*

**Document lessons learned and share best practices of climate change projects:** The implementing agencies should set up the monitoring and evaluation plan to keep track of all the strengths and weaknesses of their project. Such documentation provides valuable lessons learned, helps to identify the challenges and how to address them and allows for the scale up and replication of success in other areas.

**Pay special attention to the poor:** Because they lack the resources to adapt to the impact of climate change, the poor are the ones most vulnerable to climate change. Thus, in designing and implementing the project, the implementing agencies should take serious care of this group to ensure that they can really benefit from the projects.

**Involve local communities in climate change projects:** The implementing agencies should involve community members in the project – from planning to final evaluation. The communities themselves should identify the most vulnerable areas, as they best understand their community's situation. They have the right to know everything about the project, and they should be given opportunities to express their concerns and demands. Community involvement helps empower local people, creates a sense of belonging and allows citizens to better understand and adapt to the impacts of climate change.

**Strengthen coordination and communication:** Implementing agencies should regularly share information among one another and with the government about the progress of their respective climate change projects. Information sharing will ensure that no work is unnecessarily being duplicated and will also help to identify areas that need more attention. Proper coordination among all implementing agencies will contribute to the effective planning and implementation of climate change projects.

## References

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*Supporting the most vulnerable to climate change.*