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| FOR LETTER H |  | IRRIGATION SERVICE CENTREKOMPONG THOM |



Project implemented by and financed by

**Minutes of the 7th project management meeting**

Attendance: Sophak (SS), Sophat (TS), Sophanna (KS), Antoine (AD), Kanhnha (KSK)

Venue: GRET office, Phnom Penh

 22 April 2011

 14:00 to 18:00

1. ISC institutionalization:

See the attached new proposal with some modifications:

* GRET & CEDAC would become members of the GA as “moral persons”
* The AC would have only an advisory role and will not be permanent. It can be organized according to the need for ISC to solve specific questions.
* We will not involve people from CDRI and CAVAC in early discussions about this model, only GRET, CEDAC, ISC staff and 3 external experts: Sophat, Jean-Marie and Christophe Goossens.
* The workshop on the draft statutes will be held on 23d of June this year.
1. HR issues:
* Piseth finished his contract on 31st of March and Kesna on 13th of April
* SS workload and responsibilities are too heavy; we have to find somebody who can ensure part of the team management. Kotaro rejected our proposal and experienced engineers are out of reach for our financial capacities. Open announcement will not solve this difficulty. SS will try to identify one assistant from young professionals who have just finished their studies. He will take contact with universities.
* New recruitments:
	+ Mr. Soroth on 1st April as Community facilitator. He is Stung Chinit FWUC director. He will keep this position half-time and will work with the ISC on other tasks half-time. His contract is full time and there will be a service contract signed between ISC and Stung Chinit for his assignment there as a director.
	+ Ms. Et Many as Administrative and accounting assistant to KSK. She will help KSK accounting registration and follow-up, so that KSK have available time for service support.
* SS still wish to get support in hydrology. AD: we have no news from “Planète Urgence”, so we should look for some expert locally. Let’s write TOR for this.
1. Presentation of the service implementation progress from January to April 2011 and plan for April to September 2011:
	* Service to **Teuk Chhar**:

Construction is finalized. Some small supplementary works have been estimated by the team for 5,000$.

AD asked to wait the SCE construction contract signature, before we go for more financial engagement. We need some visibility. We can suggest to the commune to mobilize its own funds for such small works.

The contract for canal B is nearly finished; the General Assembly still needs to be organized. The service evaluation has been done and the service payment has been accepted by the committee.

A second contract could focus on the database creation and water management inside canal B.

The contract for the MC is finished and has been evaluated. They are requesting a second phase for water management and even to set up a new FWUC.

However, we should stick to our strategy to develop first FWUGs at 2dary canal level before renewing the FWUC management.

AD: I suggest that we submit a proposal for Teuk Chhar on the **UNDP Small Grant Program**. Does CEDAC will submit proposals? KS: we used to get small grant funds as CEDAC, we never helped FO to access directly those funds. KS will check that we would not be in competition with CEDAC on this.

SS: We should ask the fund manager if it is possible to write a request in the name of a FWUC.

AD: The idea is to request 50,000$, 50% for service contract with ISC and 50% for FWUC management and scheme improvement.

* + Service to **Stung Chinit East**: construction program, follow-up, NCDD funding

The bidding has been launched and selection will be done on the 2d of May. Field visit on 30th April. We contacted directly 4 contractors. The Commune asked to keep the bid open. The commune has an official committee in charge for bidding selection according to “PIM” commune procedures.

PDOWRAM approved the project (but not yet stamped the letter, the secretary was on leave).

We discussed directly with SRP to explain to them the project. So, they agree to participate to the commune council meeting and the project was approved unanimously.

The total estimated budget will amount 95,000$. The NCDD budget (70 millions riels) cannot be used on the same project, they need more time for validation and we don’t have time for it (rainy season is coming). The 70 millions riels commune budget will be shared: 7 millions for paying our service contract (need to make a bidding process…) and 63 millions on 2dary canals and more water gates.

The 95,000 $ will come from EU-FF: probably ~60,000$ from the FWUC investment budget line, plus 30,000$ from other budget source (approved by Solal) and may be some supplementary money from AFD investment fund…

SS & AD discussed the project follow-up: Soroth will be in charge together with Sophak and Ren. We may need to recruit one engineer for 2 months to help them.

The service for creating a FWUG is finished and has been paid.

* + Service to **Stung Chinit North**: fund request, budget strategy

Last service (finalized on 31st March) has been paid: 800,000 riels.

The financial report for the year 2010-2011 is finalized.

The FWUC director has agreed to test our new accounting follow-up system.

We have to discuss about the presentation of the FWUC budget. To have a budget of 43000$ yearly which include 13000$ maintenance and to request 80,000$ for maintenance elsewhere is rather confusing. We should build a total budget including all maintenance costs required. From this total budget, we could allocate funding according to their source (ISF, other income, subsidies, etc.) and create a real budget. Our estimation is that this total budget should be around 80,000$.

Such budget estimate creates some difficulties has it will be variable; unfunded maintenance costs will accumulate… We have to work on it. We need to have a proposal and to discuss it with Badre. We probably won’t get money this year, but we have to ask now if we want to get money next year.

We need to negotiate a new service contract and Soroth employment contract. His work schedule is already validated.

* + Service to **Pram Kumpheak**: ISF collection and water management

The service is finished, the database exact, but printing maps require some specific software. SS is working on this.

Service payment?

AD: We should negotiate a new contract for water sharing and ISF collection. SS: We lack experience for calculating ISF level and there is a high risk of conflict for water sharing as long as we don’t have clear data about the water capacity and renewal of the reservoir. AD: Let’s be practical. Negotiate between villages which area has priority according to what they used to irrigate earlier. Propose an ISF at 10$/ha as a starting point, only for plots which get water. Then we have to follow closely the irrigation according to our database. Our service could be negotiated as a percentage of the ISF which will be effectively collected. Anyway we have to test ISF collection.

* + Service to **Sdao Kong**: pump maintenance, financial management

The contract for the follow-up of season 10 was finalized and paid.

The Dpt of Irrigated Agriculture has been contracted to maintain the motorpumps and repair the float. EU-FF funded 5,900$ (10% guarantee not yet paid). They made a training and provided some spare parts for the regular maintenance.

New contract for financial follow-up for season 11 = 1,100,000 riels. Need to prepare and sign the contract.

Beside this contract we need to work on a higher ISF collection, for this we need to make a GIS database. This contract could be paid according to a %age of ISF increase in comparison to last season.

* + Service to **PUAC**

The service is finalized; the procedures have been provided and explained during a meeting. The service has been paid (400$, to AD). Christophe Goossens thanks us for it, he appreciated the work done. He might request us to implement an audit later on.

1. Farmer & Water Net (30’): Results of FWUC evaluations & next meeting

Evaluations are going on according to the criteria method:

* Already done: Trov Kord, Ponley, Baray (+Po Pi Daem, not member), Pram Kumpheak, Prey Nup
* To be done next week: Sdao Kong, Stung Chinit, Teuk Chhar (FWUC & canal B FWUG), Kouk Sandaek, Prek Ta Ong Ta Roat.
* Not yet planned: O Treng, O Veng

The FWN next meeting will also be their first GA and the election of the committee.

There will be a ceremony organized with monks, district governor, PDOWRAM, press, GRET & CEDAC representatives and we will send an invitation to the minister.

This meeting will be organized on 19-20 May 2011 in Kompong Thmor (in Stung Chinit office).

KSK and Sokkhim will prepare the program, budget and invitations.

1. Other issues
* Audit for Prey Nup

Sophat met the committee at the same time for the evaluation. He explained them the questions asked for an audit:

1. Define the audit objective -> Financial & procedures audit
2. With whom an audit report should be shared?
3. Professional official auditor or ISC service adapted to FO?
4. Budget available and contracting procedure -> should be less than 5,000,000 riels so that the Central Board can take decision to allocate this budget from another budget line.
5. Which financial year? When to implement the audit?

They will answer those questions by written with their request for an audit.

If Thy is available we could consider implementing it.

* Looking for funds: CCCA, CAVAC, UNDP SGP

CAVAC proposal sent on 21st April

CCCA, no news about the concept note sent beginning of the month.

UNDP SGP, write something for Teuk Chhar (see above). Deadline: 6th of May.

1. Sophat study report

Study report is on going. Should be ready around June.

AD: It would be good to have a presentation to the ISC staff.

1. CEDAC support mission

It has been agreed already to have somebody from CEDAC one week per month from April to October to work on writing a Training Manual for working with FWUC.

We should fix the number of subjects and manual to be produced. Avoid too technical ones (operation & maintenance). It could be: membership registration, database creation, ISF collection, statutes and IR writing, decision-making or institutional development, etc.

The manual should focus on service.

AD: I propose 5 manuals (short) at 2,000$ per manual. So, we pay on output. Check if it can be produced both in Khmer and English or if we have to do the translation by ourselves. We don’t need a formal contract with CEDAC, but I prefer we clarify and sign something about the TOR and the payment.

AD: What about the last payment for Mundolkiri?

KS: Send the invoice please.

1. Patricia, last mission report

Patricia wrote a short report for her last mission (October 2010) in attachment. No specific recommendation.

1. Fix the date for the next meeting

Note that:

Sophak will be on leave from 3 to 18 June.

Sophanna will be out of the country from 26 June to 10 July.

Next meeting should be on 24th June in Kompong Thom, the following day after the ISC workshop.